



Activity Report / Half Year 2010

Cautionary statements concerning forward-looking statements

This report includes certain terms that are used by AXA in analyzing its business operations and, therefore, may not be comparable with terms used by other companies; these terms are defined in the glossary provided at the end of this document.

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. Please refer to AXA's Document de Référence for the year ended December 31, 2009, 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.

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Financial market conditions in the first half of 2010

The economy recovery that began in the second half of 2009 was confirmed in the first half of 2010.

Emerging economies led the global recovery in the first quarter, with industrial output exceeding pre-recession levels. Nevertheless, manufacturing activity slowed down in the course of June. In general, with the output gap closing and accommodative economic policies since the crisis, inflationary pressure has begun to materialise. Emerging markets' central banks have started or are expected to continue to tighten their monetary conditions.

In developed economies, monetary policies remained accommodative, on the back of lack of inflationary risk. Major central banks kept their main rates unchanged over the period. Uncertainties regarding sustainability of European debt levels have led Europe to implement a financing program of €750 billion, which can be drawn on, if necessary, by one or even several Eurozone countries, in addition to a specific financial support plan to aid Greece in conjunction with the IMF, announced in the first quarter. Moreover, European governments announced additional budget reduction measures.

In the developed economies, economic data continued to rally at the start of the second quarter then it began to show signs of running out of steam.

In the United States, with the tax credit for first time buyers no longer available, the residential real estate sector took a downturn again, wiping out the start of the recovery buoyed by the stimulus plans. Job creations in the private sector are still modest, while new public sector hiring dominated due to the census-related temporary recruitment. The ISM manufacturing Index, which in April (60.4) hit a six-year record high, lost steam falling over the next months to 56.2 in June.

In Europe, although economic indicators increased once again in April, they then began to fall, particularly the Manufacturing PMI Index. In addition, according to retail sales data European consumption is flagging, slipping 0.4% in May.

Against economic outlook uncertainties, financial markets were negatively impacted at the end of the first half of 2010.

STOCK MARKETS

After US and Japanese equities' out-performance on world indices in the beginning of the year, global equity markets faced a rough ride in the second quarter. European stocks in particular have suffered due to market fears regarding the sustainability of European sovereign debt levels.

Overall, the Dow Jones in New York depreciated by 6% while in Japan, the Nikkei dropped by 11% in the first half of 2010. The FTSE in London depreciated by 9% and the S&P 500 lost 8% in the first half of 2010. In the same trend, the CAC 40 decreased by 13%. The MSCI World Index decreased by 11% and emerging indices declined (MSCI Emerging down 7%) while MSCI G7 decreased by 10% in the first half of 2010 in common currency terms. The S&P 500 implied volatility index moved from 21.68% to 34.54% between December 31, 2009 and June 30, 2010.

BOND MARKETS

Long-term yields on developed economies government debts decreased in this first half of 2010. Overall, the US 10-year T-bond ended the half year at 2.94%, a decrease of 90 bps compared to December 31, 2009 and the Bund yield decreased by 81 bps to 2.57%. Spreads on European public debt widened in comparison to German government bonds, hitting record highs for Greece, Portugal, Ireland and Spain.

In Europe, the iTRAXX Main spreads widened by 56 bps and moved from 73 bps to 129 bps, while the iTRAXX Crossover increased by 145 bps to 576 bps. In the United States, the CDX Main increased from 86 bps to 123 bps between December 31, 2009 and June 30, 2010.

EXCHANGE RATES

Against this turbulent European market movements, the Euro was not spared, hitting a record low of 1.19 against the US Dollar on June 7, its lowest level for over four years.

Thus, compared to December 31, 2009, the US Dollar gained 15% against the Euro (closing exchange rate moved from \$1.43 at the end of 2009 to \$1.22 at the end of June 2010). The Yen gained 17% against the Euro (closing exchange rate moved from Yen 131.3 at the end of 2009 to Yen 108.4 at half year of 2010). The Pound Sterling gained 8% against the Euro (closing exchange rate moved from £0.888 at the end of 2009 to £0.818 at the end of June 2010). The Swiss Franc gained 11% against the Euro (closing exchange rate moved from CHF 1.48 at the end of 2009 to CHF 1.32 at the end of June 2010).

On an average rate basis, the US Dollar remained stable against the Euro (from \$1.34 over the first half of 2009 to \$1.33 over the first half of 2010). The Yen lost 4% against the Euro (from Yen 125.5 over the six months to March 31, 2009 used for half year 2009 accounts to Yen 129.2 over the six months to March 31, 2010 used for half year 2010 accounts). The Pound Sterling increased by 3% (from £0.895 over the first half of 2009 to £0.870 over the first half of 2010) and the Swiss Franc gained 5% against the Euro (from CHF 1.51 over the first half of 2009 to CHF 1.44 over the first half of 2010).

Operating highlights

Significant acquisitions

On December 18, 2009, AXA announced the strengthening of its position in Central and Eastern Europe through the buyout of the non-controlling interests held by the European Bank for Reconstruction and Development (EBRD) for an amount of €147 million¹ (ca. 0.9 x Embedded Value). This transaction has been funded internally. Following customary regulatory approval, this transaction has been completed in first half of 2010 in Hungary and the Czech Republic. The closing of the transaction in Poland took place on July 19, 2010.

On January 15, 2010, AXA announced the acquisition of **Omniasig Life**. With this operation, AXA enters the Romanian Life insurance market, in line with its objective of accelerating the development of its activities in the emerging countries, notably in Central and Eastern Europe. Created in 1997, Omnisig Life sells protection products, representing premiums of €12 million in 2008, through a network of 1,400 agents. Omnisig Life ranks 10th in the Romanian Life market and holds a 2.55% market share. This transaction closed on July 6, 2010.

On February 10, 2010, AXA and **Banca Monte dei Paschi di Siena (BMPS)** announced the extension of their bancassurance agreement in Italy to the 1,000 branches of former Banca Antonveneta following its acquisition by BMPS for a consideration of €240 million to be paid by AXA. The AXA MPS joint-venture extended its current reach from 2,000 to 3,000 branches in total, providing access to an additional 1.6 million potential customers.

On June 9, 2010, AXA Investment Managers, Barr Rosenberg and Kenneth Reid (AXA Rosenberg co-founders) announced they had reached an agreement whereby AXA Investment Managers will purchase the remaining 25% equity interest in AXA Rosenberg from Barr Rosenberg and Kenneth Reid.

On November 8, 2009, AXA announced a joint offer with AMP whereby AXA would acquire 100% of **AXA APH's Asian businesses** while AMP would acquire 100% of AXA APH's Australia & New Zealand businesses under an exclusive arrangement. Compared to the closing price of AXA APH share price on November 5, 2009, this offer provided a 31% premium to AXA APH's shareholders. Under the terms of this proposal, net cash consideration for AXA would have been AUD 1.8 billion (or ca. €1.1 billion).

On November 9, 2009, the independent committee of AXA APH's Board of Directors rejected this joint proposal.

On December 13, 2009, AXA announced that a revised joint offer was communicated by AXA and AMP to the AXA APH committee of independent directors. Compared to the closing price of AXA APH share price on November 5, 2009, this offer provided a 53% premium and represented a 16% improvement on the original proposal of November 8, 2009. Under the terms of this new proposal, net cash consideration for AXA would have been AUD 2.2 billion (or ca. €1.4 billion).

On December 17, 2009, this new revised proposal was rejected by the same independent committee. At the same time, AXA took note of an offer made by National Australia Bank Limited (NAB), which was recommended by the AXA APH committee of independent directors. Under terms publicly disclosed by NAB, the offer made by NAB subject to AXA's approval provided a 58% premium to AXA APH's shareholders compared the closing price of AXA APH share price on November 5, 2009 with an impact for AXA that would be comparable to the one under the terms of AXA/AMP revised offer.

On March 30, 2010, AXA reached an agreement with NAB and AXA APH, whereby NAB would buy AXA's shares in AXA APH for AUD 7.2 billion in cash and AXA would acquire from NAB 100% of AXA APH's Asian operations for AUD 9.4 billion in cash. Net cash consideration to be paid by AXA would be equal to the one AXA would have paid in the former joint-offer with AMP on December 13, 2009. This transaction is subject to certain covenants and conditions customary for a transaction of this nature prior to the vote on the transaction by the AXA APH's minority shareholders. The main approvals or non-objections are those to be obtained from the antitrust authority (ACCC) and other Australian & New Zealand regulators as well as certain Asian regulators.

¹ Based on foreign exchange rate as of December 5, 2009.

On April 19, 2010, AXA took note of the decision made by the Australian Competition and Consumer Commission ("ACCC") to oppose NAB Ltd's proposed acquisition of AXA APH and not to oppose any proposed acquisition by AMP. AXA also notes the announcement by NAB of a review of the ACCC's decision.

On June 1, 2010, AXA, AXA APH and NAB have agreed to extend the period for NAB to satisfy the concerns raised by the ACCC until July 15, 2010 end of day. AXA understands that NAB continues to pursue its options in relation to the ACCC objections.

On July 19, 2010, AXA, AXA APH and NAB have agreed to extend the period for NAB to satisfy the concerns raised by the ACCC until the end of day on August 31, 2010. AXA, AXA APH and NAB have also agreed the payment of an interim dividend to AXA APH shareholders of 9.25 cents (AUD) per share. The parties have also extended the end date for shareholder and court approval for the proposed transaction from October 31, 2010 to January 31, 2011.

Significant disposals

On June 24, 2010, AXA announced that it has agreed to sell to Resolution Ltd **part of its UK Life operations** including UK-based traditional life and pensions businesses, its IFA protection and corporate pension businesses, and its annuity businesses for a consideration of £2.75 billion (or ca. €3.3 billion).

This sale is consistent with AXA's intention to focus on growing its wealth management business in the UK Life & Savings market, comprising the AXA wrap platform ("Elevate"), Architas Multi-Manager, AXA Wealth International and the AXA Winterthur Wealth Management specialist pensions and investments operations, as well as its AXA Direct Protection business. The Group also remains committed to all its other UK-based businesses including AXA Insurance, AXA PPP Healthcare, Bluefin and the UK operations of AXA Investment Managers.

This transaction underlines AXA's focus in Life & Savings on further optimizing capital allocation throughout the Group, towards identified business lines (including Health, Protection and unit-linked) and geographies (including high growth markets).

The consideration of £2.75 billion (or ca. €3.3 billion) consists of £2.25 billion (or ca. €2.7 billion) in cash and £0.50 billion (or ca. €0.6 billion) of Resolution Ltd senior Deferred Considerations Notes, which bear an effective interest rate of 6.5% per annum and are repayable in instalments over an 8 year period (4 years duration). The face value of the Notes and consequently the consideration may be reduced by up to £0.15 billion depending on the amount of inherited estate. Based on its current expectations, management does not currently anticipate a price adjustment.

The purchase price to be received by AXA corresponds to 0.86x full year 2009 Embedded Value of the sold business adjusted for AXA APH shares (£3.2 billion). After the buy-back of €0.9 billion of AXA APH shares currently held by AXA Life UK, net cash proceeds would be €1.7 billion for the AXA Group. These proceeds would be dedicated to funding the further development of the UK Wealth management business and to redeploying capital more efficiently throughout the AXA Group, while maintaining a strong balance sheet.

This transaction had an impact on AXA Group half year financials of ca. €1.5 billion exceptional capital loss accounted for in net income.

This transaction received on July 20, 2010 the approval of the shareholders of Resolution Ltd and is subject to the receipt of regulatory approvals. The closing is expected to take place in the third quarter of 2010.

Capital operations

On April 14, 2010, AXA announced the issue of €1.3 billion subordinated debt (maturity 2040, 5.25% annual coupon, spread over swap is 205 bps), to anticipate the reimbursement before the end of 2010 of maturing subordinated debts. The transaction has been structured to comply with the latest Solvency II advice for Tier 2 capital treatment.

During the first half of 2010, \$6.6 billion equity protection program, designed to mitigate the potential impact of a decline in equity markets on AXA Equitable's statutory liabilities, expired. At June 30, 2010 **AXA Equitable** had \$1.0 billion nominal of protection on the S&P index consisting of put spread collar strategies.

Others

On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the New York Stock Exchange ("NYSE") and to voluntarily deregister with the U.S. Securities and Exchange Commission ("SEC"). AXA's delisting from the NYSE became effective on March 26, 2010. AXA filed its Form 15-F to deregister with the SEC on March 26, 2010 and its deregistration with the SEC became effective 90 days thereafter (on June 25, 2010). Following its delisting from the NYSE and deregistration (i) AXA's ADRs trade in the United States on the OTCQX International Premier market in a "level one" program, and (ii) AXA intends to maintain its financial reporting discipline through an annual program to test the effectiveness of its internal controls going forward.

Related-party transactions

During the first half of the fiscal year 2010, there were (1) no modifications to the related-party transactions described in Note 27 "Related-Party transactions" of the audited consolidated financial statements of the fiscal year ended December 31, 2009 included in the full year 2009 Annual Report (pages 394 and 395) filed with the *Autorité des marchés financiers* and available on its website (www.amf-france.org) as well as on the Company's website (www.axa.com), which significantly influenced the financial position or the results of the Company during the first six months of the fiscal year 2010, and (2) no new transaction concluded between AXA SA and related parties that significantly influenced the financial position or the results of the Company during the first six months of 2010.

Risk factors

The principal risks and uncertainties facing the Group are described in detail in Section 3.1 "Risk factors" and in Section 1.2 "Additional factors which may affect AXA's business" of the full year 2009 Annual Report (respectively on pages 178 to 192 and pages 33 to 40) filed with the *Autorité des marchés financiers* and available on its website (www.amf-france.org) as well as on the Company's website (www.axa.com).

The description in these Sections of the 2009 Annual Report remains valid in all material respects as of the date of this Report for the appreciation of the major risks and uncertainties affecting the Group at June 30, 2010 and which management expects may affect the Group during the remainder of 2010.

In April 2010, AXA Rosenberg, a quantitative asset manager owned 75% by AXA Investment Managers, communicated to its clients that a coding error in its risk model, corrected in November 2009, had not been reported in a timely manner. AXA Rosenberg's Board of Directors has hired an independent law firm to conduct an internal investigation into this matter and an independent consultant has been engaged to assist in assessing the impact of this error on the performance of each client's account. This investigation and the determination of impact on individual client accounts is still on-going. However, AXA Rosenberg intends to compensate clients for amounts as deemed appropriate by its Board, based on the conclusions and advice of its consultants, applicable market practices, contractual provisions and regulators' review. For the period ended June 30, 2010, management recorded a net provision of €64 million which represents management's current estimate, based on information presently available to it, of the net impact on AXA. Management expects to review this provision at year-end 2010 based on information available at that time.

Events subsequent to June 30, 2010

Not applicable

Consolidated gross revenues

Consolidated Gross Revenues (a)

(in Euro million)

	HY 2010	HY 2009	FY 2009	HY 2010/HY 2009
Life & Savings	30,881	30,065	57,620	2.7%
of which Gross written premiums	29,876	29,254	55,899	2.1%
of which Fees and revenues from investment contracts with no participating feature	292	274	547	6.7%
Property & Casualty	15,394	14,919	26,174	3.2%
International Insurance	1,762	1,731	2,860	1.8%
Asset Management	1,670	1,503	3,074	11.1%
Banking (b)	218	195	395	11.5%
Holdings and other companies (c)	0	1	0	-89.0%
TOTAL	49,925	48,414	90,124	3.1%

(a) Net of intercompany eliminations.

(b) Excluding net realized capital gains and change in fair value of assets under fair value option and derivatives, net banking revenues and total consolidated revenues would respectively amount to €212 million and €49,921 million for first half 2010, €209 million and €48,431 million for first half 2009, and €392 million and €90,128 million for full year 2009.

(c) Includes notably CDOs and real estate companies.

On a comparable basis means that the data for the current year period were restated using the prevailing foreign currency exchange rates for the same period of prior year (**constant exchange rate** basis). It also means that data in one of the two periods being compared were restated for the results of acquisitions, disposals and business transfers (**constant structural** basis) and for changes in accounting principles (**constant methodological** basis).

In particular, comparable basis for revenues and APE in this document means including acquisitions, disposals and business transfers, and net of intercompany transactions in both periods.

Consolidated gross revenues for first half year 2010 reached €49,925 million, up 3% compared to first half year 2009.

The restatements to a comparable basis were mainly driven by the evolution of Euro against other currencies (€752 million or -2 points). **On a comparable basis, gross consolidated revenues were up 1%.**

Total Life & Savings gross revenues were up 3% to €30,881 million, or up 1% on a comparable basis mainly due to Mediterranean & Latin American Region, Germany and Belgium, partly offset by the United States and France.

Total Life & Savings New Business APE² amounted to €3,229 million, up 4% compared to half year 2009. On a comparable basis, APE increased by 1%, mainly due to Mediterranean & Latin American Region, Hong Kong, South-East Asia & China, Belgium and Germany, partly offset by France, the United States and Japan.

Mediterranean & Latin American Region APE increased by €103 million (+48%) to €322 million mainly driven by higher contribution of general account savings products (€76 million or +57%) mainly in AXA MPS in Italy (€+61 million or +78%) reinforced by Antonveneta and higher sales of Variable Annuity products mainly in Spain and Group Life business mainly in Mexico.

Germany APE increased by €16 million (+7%) to €247 million, mainly driven by an increase of single premiums in Investment & Savings business attributable to general account short term investment products and Annuities, partly offset by lower Health business.

United Kingdom APE increased by €29 million (+6%) to €37 million, primarily due to (i) higher Investment & Savings sales (€+67 million or +28%), due to the increase in mutual funds sales with the success of the Elevate wrap

² Annual Premium Equivalent (APE) is new regular premium plus one tenth of single premiums, in line with EEV methodology. APE is Group Share.

platform, partly offset by (ii) lower Group Pensions (€42 million or -20%) mainly due to non-recurrence of a prior year large scheme and (iii) a decrease in Life products reflecting the increasing competition in the Protection market.

Belgium APE increased by €16 million (+16%) to €123 million, mainly due to the increase in Individual Life sales (€18 million) mainly driven by Investment & Savings products, partly offset by a decrease in Group Life & Savings products (€2 million).

Hong Kong APE increased by €11 million (+18%) to €72 million, mainly due to higher sales of Protection products (€13 million), partly offset by lower sales of Variable Annuity products (€3 million).

South-East Asia & China APE increased by €31 million (+77%) to 78 million, driven by the growth in bancassurance (€13 million) and tele-marketing (€5 million) in Indonesia, new products in Thailand (€5 million) and Group Life in China (€4 million).

France APE decreased by €95 million (-12%) to €681 million, mainly due to (i) lower volumes in Retirement following last year large contracts (€44 million or -68%), (ii) a decrease in Individual Savings (€57 million or -13%) in a context of aggressive competition on rates and a more selective approach focused on profitability partly offset by (iii) Protection and Health business increase (€6 million or +2%) driven by Group business (€11 million or +6%) partly offset by Individual business (€5 million or -8%).

The United States APE decreased by €74 million (-13%) to €505 million driven by (i) Variable Annuities APE down 38%, primarily in the Wholesale channel, reflecting repricing and redesign actions in 2009, (ii) Life up 4% reflecting increased Term Insurance sales partly offset by the impact of the removal of certain Universal Life guaranteed features in the first quarter of 2009, and (iii) mutual funds increased by 52% reflecting higher sales under improved market conditions.

Japan APE decreased by €23 million (-9%) to €222 million. Excluding the Cancer product discontinuation impact (€31 million), APE increased by €8 million (+4%). This was driven by a €14 million increase (+26%) in Investments & Savings to €64 million due to significant sales of Variable Annuity products in advance of the new inheritance tax law enacted, partly offset by a €6 million decrease (-8%) in Health to €66 million, mainly due to lower sales of Medical Whole Life.

Property & Casualty gross revenues were up 3% to €15,394 million, or remained stable on a comparable basis mainly driven by Personal lines (+4%) especially in France, the United Kingdom, & Ireland, Asia and Canada, partly offset by Germany. Commercial lines decreased by 4% especially in the United Kingdom & Ireland, the Mediterranean & Latin American Region and Belgium, partly offset by Canada.

Personal lines (60% of P&C gross revenues) were up 4% on a comparable basis, stemming from both Motor (+4%) and Non-Motor (+3%), reflecting the strength of the AXA brand as well as the ability of AXA proprietary networks to retain their customers in a rising pricing environment.

Motor revenues grew by 4% mainly driven by (i) the United Kingdom & Ireland (+34%), due to strong growth in new business and improved retention mainly within UK Direct, (ii) France (+5%) mostly due to tariff increase, (iii) Canada (+4%) due to increased average premium and (iv) Asia (+5%) mainly due to net new inflows in Japan and tariff increases in Singapore and Malaysia, partly offset by (v) the Mediterranean & Latin American Region (-1%) due to lower volumes following tariff increases in Spain, partly offset by a strong performance in Turkey, and (vi) Germany (-1%) as a result of a strong price competition.

Non-Motor revenues increased by 3% mainly driven by (i) the Mediterranean & Latin American Region (+8%) mainly due to Property benefiting from the rebound on bank mortgage loan activity in Italy and Spain, as well as Health following segmented tariff increase in Mexico and volume growth in Spain, (ii) France (+5%) in Property mainly driven by both a positive price effect and higher volumes in Household, and (iii) the United Kingdom & Ireland (+3%) in Property mainly due to tariff increases in Ireland and growth in UK Direct business, partly offset by (iv) Germany (-3%) reflecting a focus on profitability in Medical Liability segment.

Commercial lines (39% of P&C gross revenues) decreased by 4% on a comparable basis with Non-Motor down 5% while Motor remained stable.

Non-Motor revenues were down 5%, with notably (i) the United Kingdom & Ireland down 13% in a soft market environment and the strategy to exit from unprofitable schemes, (ii) the Mediterranean & Latin American Region (-6%) mainly reflecting current economic context and lower volumes in Property, (iii) Belgium down 5% due to a decrease in Workers' Compensation negatively impacted by the economic slowdown and (iv) France (-1%) as a result of tariff increases in all lines of business and related negative impacts on volumes, while (v) Canada increased by 4% mainly in Property with higher volumes.

Motor revenues remained stable, with (i) the United Kingdom & Ireland (+4%) reflecting new business and tariff increases, (ii) France (+2%) primarily as a result of tariff increases and positive prior years premium adjustments and (iii) the Mediterranean & Latin American Region (-4%) negatively impacted by current economic context as well as exit from unprofitable businesses.

International Insurance revenues were up 2% to €1,762 million or remained stable on a comparable basis mainly driven by (i) **AXA Corporate Solutions Assurance** (down 1% to €1,271 million) driven by portfolio selection focused on profitability (Property, Liability, Aviation, Financial lines) partly offset by positive development in Motor (+9%) and Marine (+2%), and (ii) **AXA Assistance** up 5% to €392 million.

Asset management revenues increased by 11% or 10% on a comparable basis to €1,670 million mainly driven by management fees (+11%) due to higher average Assets under Management (AUM) up 7% and higher average fees up +1.0 bp.

AllianceBernstein revenues were up 15% to €1,065 million due to management fees up 16% in line with 12% higher average AUM, distribution fees up 34% following higher Retail sales, and Institutional Research services up 5% due to higher transaction charges.

AUM increased by €28 billion from year-end 2009 to €374 billion at June 30, 2010 driven by positive exchange rate impact of €6 billion, partly offset by market depreciation of €20 billion and net outflows of €8 billion (€9 billion from Institutional clients, partly offset by €1 billion net inflows from Retail).

AXA Investment Managers revenues increased by €22 million (+4%) to €605 million. Excluding distribution fees (retroceded to distributors), net revenues increased by €16 million (+3%) mainly due to higher management fees (€+20 million), driven by higher average AUM up 4%, partly offset by lower performance fees (€4 million).

AUM increased by €25 billion from year-end 2009 to €24 billion at the end of June 30, 2010 mainly as a result of €21 billion positive exchange rate impact and a positive €1 billion positive market impact partly offset by €17 billion net outflows, mostly driven by net outflows at AXA Rosenberg.

Net banking revenues were up 12%, or up 10% on a comparable basis to €18 million, mainly driven by France (+42% mainly due to higher interest margin), Hungary (+11% mainly driven by higher credit production) partly offset by Belgium (-1%).

Consolidated underlying, adjusted earnings and net income

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross written premiums	46,884	45,770	84,646
Fees and revenues from investment contracts with no participating feature	292	274	547
Revenues from insurance activities	47,177	46,044	85,193
Net revenues from banking activities	212	209	392
Revenues from other activities	2,533	2,178	4,544
TOTAL REVENUES	49,921	48,431	90,128
Change in unearned premium reserves net of unearned revenues and fees	(3,504)	(3,265)	(238)
Net investment result excluding financing expenses (a)	8,323	7,098	35,081
Technical charges relating to insurance activities (a)	(41,467)	(38,982)	(98,458)
Net result of reinsurance ceded	(178)	(391)	(919)
Bank operating expenses	(50)	(54)	(89)
Insurance acquisition expenses	(4,219)	(4,445)	(9,166)
Amortization of value of purchased life business in force	(148)	(142)	(365)
Administrative expenses	(5,250)	(4,938)	(10,006)
Valuation allowances on tangibles assets	(1)	(0)	(2)
Change in value of goodwill	(1)	(8)	(3)
Other	(104)	(136)	(151)
Other operating income and expenses	(51,419)	(49,095)	(119,159)
OPERATING EARNINGS BEFORE TAX	3,321	3,169	5,812
Net income from investments in affiliates and associates	23	15	20
Financing expenses	(219)	(250)	(569)
UNDERLYING EARNINGS BEFORE TAX	3,124	2,933	5,262
Income tax expenses	(825)	(657)	(1,033)
Non-controlling interests	(217)	(161)	(375)
UNDERLYING EARNINGS	2,082	2,116	3,854
Net realized capital gains or losses attributable to shareholders	202	(379)	(386)
ADJUSTED EARNINGS	2,284	1,736	3,468
Profit or loss on financial assets (under fair value option) & derivatives	255	(335)	485
Exceptional operations (including discontinued operations)	(1,552)	(10)	(202)
Goodwill and other related intangible impacts	(43)	(42)	(85)
Integration costs	-	(26)	(60)
NET INCOME	944	1,323	3,606

(a) For the periods ended June 30, 2010, June 30, 2009 and December 31, 2009, the change in fair value of assets backing contracts with financial risk borne by policyholders impacted the net investment result for respectively €-2,306 million, €+3,132 million and €+23,861 million, and benefits and claims by the offsetting amounts respectively.

NB: Line items of this income statement are on an underlying earnings basis, and not on a net income basis.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
Life & Savings	1,325	1,232	2,336
Property & Casualty	923	986	1,670
International Insurance	144	122	286
Asset Management	150	176	355
Banking	(22)	15	(2)
Holdings and other companies (a)	(438)	(415)	(793)
UNDERLYING EARNINGS	2,082	2,116	3,854
Net realized capital gains or losses attributable to shareholders	202	(379)	(386)
ADJUSTED EARNINGS	2,284	1,736	3,468
Profit or loss on financial assets (under Fair Value option) & derivatives	255	(335)	485
Exceptional operations (including discontinued operations)	(1,552)	(10)	(202)
Goodwill and related intangibles impacts	(43)	(42)	(85)
Integration costs	-	(26)	(60)
NET INCOME	944	1,323	3,606

(a) Includes notably CDOs and real estate companies.

Group underlying earnings amounted to €2,082 million. On a constant exchange rate basis, underlying earnings decreased by €73 million (-3%), driven by Property & Casualty, Asset Management, Banking, partly offset by an increase in Life & Savings.

All comparative figures mentioned in the below paragraphs are presented at constant exchange rate basis and adjusted for reclassifications between margins.

Life & Savings underlying earnings amounted to €1,325 million. On a constant exchange rate basis, Life & Savings underlying earnings were up €78 million (+6%) mainly attributable to France (€80 million), Germany (€66 million), Switzerland (€28 million) and Australia/New Zealand (€21 million), partly offset by the United States (€43 million) and Belgium (€44 million) mainly resulting from:

- (i) **Higher investment margin** (€221 million or up 21%) primarily as a result of higher asset base, notably in France (€106 million), the Mediterranean & Latin American Region (€13 million) and Belgium (€13 million), as well as lower investment income allocated to policyholders, notably in Switzerland (€37 million) and the United States (€24 million).
- (ii) **Higher fees & revenues** increased by €308 million (+9%) mainly driven by:
 - a. **Loadings on premiums and mutual funds** was up €2 million (+4%), mainly driven by France (€61 million mainly driven by higher volumes in Group Protection and Health business) and Germany (€65 million due to lower fees and revenues allocated to policyholders) partly offset by Japan (€46 million) due to lower URR amortization on Variable Annuity products (fully offset by lower DAC amortization) and lower Health premiums.
 - b. **Unit-linked management fees** up €173 million (+20%), mainly driven by higher average asset base following improved market conditions notably in the United States (€135 million) and the United Kingdom (€16 million).
- (iii) **Net technical margin** was down €89 million (-54%) mainly driven by (i) €31 million deterioration of the Variable Annuity products hedging margin, primarily as a result of the non repeat of interest rate hedging gains as well as unfavorable credit spread evolution in the United States partly offset by improved margins in Japan and Germany, (ii) non recurring prior year gain from the internal restructuring of an annuity portfolio in the United Kingdom (€165 million), and (iii) €73 million lower surrender margin in Japan mainly driven by the non repeat of last year high level of surrenders as well as review of actuarial assumptions.

- (iv) **Lower expenses** decreased by €206 million (-6%), with **acquisition expenses** down €10 million (-12%) mainly driven by lower DAC amortization notably reflecting lower technical margins in the United States, while **administrative expenses** were stable (€4 million or 0%).
- (v) **Higher tax expenses and non-controlling interests** (up €61 million or +12%) mainly driven by higher pre-tax underlying earnings movements.

Property & Casualty underlying earnings amounted to €23 million. On a constant exchange rate basis, Property & Casualty underlying earnings decreased by €87 million (-9%) mainly due to:

- (i) **Lower net technical result (including expenses)** down €21 million (or -8%) due to :
 - a. **An all year loss ratio** up 0.2 point to 70.4% mainly due to (i) 1.5 points lower current year loss ratio driven by 1.8 points reduction following tariff increases and a stable Nat Cat events charge (-0.1 point) and (ii) lower positive prior year developments (+1.7 points),
 - b. **An expense ratio** stable at 27.7%.
 - c. As a result, **the combined ratio** was up 0.2 point to 98.1%.
- (ii) **Lower investment result** (€64 million or -6%) mainly driven by lower asset yields in France, the Mediterranean & Latin American Region and the United Kingdom, partly offset by higher investment income as a result of a favorable change in asset allocation in Belgium and Switzerland.
- (iii) **Lower income tax expense and non-controlling interests** (up €2 million). Excluding €22 million lower positive tax one-offs in Belgium on “Revenus Définitivement Taxés”, tax expenses and non-controlling interests decreased by €20 million driven by lower pre-tax underlying earnings.

International Insurance underlying earnings amounted to €144 million. On a constant exchange rate basis, underlying earnings increased by €21 million (+17%) primarily as a result of (i) improved combined ratio following lower level of major losses in Property, portfolio selection and tariff increases at AXA Corporate Solutions Assurance, (ii) higher earnings from Group reinsurance operations (AXA Global Lilfe and Global P&C, formerly AXA Cessions), partly offset by (iii) lower run-off results.

Asset Management underlying earnings amounted to €150 million. On a constant exchange rate basis, underlying earnings decreased by €27 million (-15%). Excluding €65 million last year tax one-off at AllianceBernstein, underlying earnings increased by €38 million (+22%) mainly due to (i) higher revenues (€156 million) mainly driven by improved management fees (€120 million) following higher average AUM and higher average fee (+1 basis point), partly offset by (ii) €4 million higher general expenses, (iii) higher tax expenses (€19 million) and (v) higher non-controlling interests expenses (€9 million) following higher pre-tax underlying earnings.

Banking segment's underlying earnings amounted to €22 million. On a constant exchange rate basis, banking underlying earnings decreased by €37 million, mainly driven by lower interest rates and higher expenses negatively impacting Belgium contribution (€39 million), while improved underlying earnings in Hungary (€5 million), France (€3 million) and Germany (€3 million) were partly offset by set-up costs in the Czech Republic and Slovakia (€8 million).

Holdings and other companies' underlying earnings amounted to €438 million. On a constant exchange rate basis, holdings underlying earnings decreased by €21 million (-5%) as €64 million net provision related to potential losses arising from AXA Rosenberg coding error were partly offset by lower net financial charges driven by lower interest rates in AXA SA.

Group net capital gains attributable to shareholders amounted to €202 million. On a constant exchange rate basis, Group net capital gains and losses attributable to shareholders were up €79 million mainly due to:

- (i) €491 million lower **net impairments**, to €203 million in first half of 2010 mainly driven by lower impairments on equity securities, debt securities and real estate,
- (ii) €234 million higher **net realized gains excluding impairments**, to €481 million in 2010, mainly driven by €278 million higher realized gains on equities,
- (iii) €147 million related to an unfavorable impact of equity derivatives hedging programs.

As a result, **adjusted earnings** amounted to €2,284 million. On a constant exchange rate basis, adjusted earnings increased by €507 million (+29%).

Net Income amounted to €944 million. Excluding the €1,478 million provision related to the announced disposal of part of the United Kingdom Life & Savings business and on a constant exchange rate basis, net income increased by €1,073 million (+81%) mainly as a result of:

(i) Higher adjusted earnings: €+507 million to €2,284 million,

(ii) Higher result on change in fair value of financial assets and derivatives including foreign exchange impacts: €+683 million to €+255 million. These €+255 million can be analyzed as follows:

- a. €+208 million positive impact of interest rate decrease partly offset by credit spreads movements, as well as positive performance from Asset Backed Securities,
- b. €+150 million positive performance from private equity, equities and hedge funds,
- c. €133 million foreign exchange negative impact mainly in France and Switzerland,
- d. €+45 million in the United Kingdom reflecting an undiscounted tax adjustment on lower unrealized gains attributable to policyholders in unit-linked life funds,

(iii) Other exceptional operations and intangible amortization for €117 million.

Consolidated Shareholders' Equity

As of June 30, 2010, consolidated shareholders' equity totaled €48,637 billion. The movements in shareholders' equity since December 31, 2009 are presented in the table below:

	Shareholders' Equity
At December 31, 2009	46,229
Share Capital	0
Capital in excess of nominal value	(18)
Equity-share based compensation	23
Treasury shares sold or bought in open market	(13)
Deeply subordinated debt (including accrued interests)	(188)
Fair value recorded in shareholders' equity	1,199
Impact of currency fluctuations	2,148
Cash dividend	(1,259)
Other	60
Net income for the period	944
Actuarial gains and losses on pension benefits	(487)
At June 30, 2010	48,637

Shareholder Value

EARNINGS PER SHARE ("EPS")

	HY 2010		HY 2009 Restated (b) (c)		HY 2009 Published		FY 2009 Restated (c)		FY 2009 Published		Var. HY 2010 versus HY 2009 Restated	
	Basic (a)	Fully diluted (a)	Basic (a)	Fully diluted (a)	Basic (a)	Fully diluted (a)	Basic (a)	Fully diluted (a)	Basic (a)	Fully diluted (a)	Basic (a)	Fully diluted (a)
Weighted average number of shares	2,263.2	2,270.6	2,109.1	2,113.2	2,060.8	2,064.8	2,127.0	2,133.3	2,127.0	2,133.3		
Net income (Euro per Ordinary Share)	0.35	0.35	0.56	0.56	0.50	0.50	1.56	1.56	1.51	1.51	-37.4%	-37.5%
Adjusted earnings (Euro per Ordinary Share)	0.94	0.94	0.75	0.75	0.77	0.77	1.50	1.49	1.50	1.49	25.0%	24.8%
Underlying earnings (Euro per Ordinary Share)	0.85	0.85	0.93	0.93	0.95	0.95	1.68	1.67	1.68	1.67	-8.7%	-8.9%

(a) EPS calculation takes into account interest payments related to perpetual debts classified in shareholders equity with retrospective application.

(b) Following AXA's rights issue in 4Q09, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009.

(c) Revised net income EPS takes into account interest payments related to undated subordinated debts classified in equity, excluding foreign exchange impacts. Previously disclosed EPS included foreign exchange adjustments and, as at June 30, 2009, basic net income EPS amounted to €0.50 and fully diluted net income EPS to €0.50. Excluding foreign exchange impact reflects implemented hedges which would qualify as net investment hedges with related changes in fair values recognised through translation reserves.

RETURN ON EQUITY (“ROE”)*(in Euro million)*

	Period ended , June 30, 2010 (c)	Period ended , June 30, 2009 (c)	Change in % points
ROE	4.0%	7.0%	-3.0%
Net income group share	944	1,323	
Average shareholders' equity	47,191	37,627	
Adjusted ROE	12.4%	10.7%	1.7%
Adjusted earnings (a)	2,129	1,588	
Average shareholders' equity (b)	34,306	29,595	
Underlying ROE	11.2%	13.3%	-2.1%
Underlying earnings (a)	1,927	1,967	
Average shareholders' equity (b)	34,306	29,595	

(a) Including adjustment to reflect net financial charges related to perpetual debt (recorded through shareholders' equity).

(b) Excluding fair value of invested assets and derivatives and perpetual debt (both recorded through shareholders' equity).

(c) Annualized.

Life & Savings Segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income attributable to AXA's Life & Savings segment for the periods indicated:

Life & Savings Segment (a)

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross written premiums	29,914	29,278	55,954
Fees and revenues from investment contracts without participating feature	292	274	547
Revenues from insurance activities	30,206	29,552	56,501
Net revenues from banking activities	-	0	-
Revenues from other activities	714	538	1,176
TOTAL REVENUES	30,920	30,090	57,677
Change in unearned premium reserves net of unearned revenues and fees	(1,168)	(962)	(162)
Net investment result excluding financing expenses (b)	7,097	5,925	33,058
Technical charges relating to insurance activities (b)	(31,288)	(29,158)	(79,000)
Net result of reinsurance ceded	225	(118)	(74)
Bank operating expenses	-	-	-
Insurance acquisition expenses	(1,677)	(1,969)	(4,007)
Amortization of value of purchased life business in force	(148)	(142)	(365)
Administrative expenses	(1,972)	(1,787)	(3,685)
Valuation allowances on tangible assets	(1)	(0)	(1)
Change in value of goodwill	-	(6)	-
Other	(46)	(76)	(145)
Other operating income and expenses	(34,906)	(33,256)	(87,277)
OPERATING EARNINGS BEFORE TAX	1,943	1,796	3,295
Net income from investments in affiliates and associates	13	(1)	3
Financing expenses	(45)	(50)	(98)
UNDERLYING EARNINGS BEFORE TAX	1,911	1,745	3,201
Income tax expenses	(461)	(424)	(670)
Non-controlling interests	(126)	(89)	(195)
UNDERLYING EARNINGS	1,325	1,232	2,336
Net realized capital gains or losses attributable to shareholders	8	(178)	(73)
ADJUSTED EARNINGS	1,333	1,054	2,263
Profit or loss on financial assets (under fair value option) & derivatives	291	(646)	(52)
Exceptional operations (including discontinued operations)	(1,547)	(27)	(105)
Goodwill and other related intangible impacts	(11)	(10)	(21)
Integration costs	-	(6)	(11)
NET INCOME	66	364	2,075

(a) Before intercompany transactions.

(b) For the periods ended June 30, 2010, June 30, 2009, and December 31, 2009, the change in fair value of assets backing contracts with financial risk borne by policyholders impacted the net investment result for respectively €-2,306 million, € +3,132 million and €+23,861 million, and benefits and claims by the offsetting amounts respectively.

Consolidated Gross Revenues*(in Euro million)*

	HY 2010	HY 2009	FY 2009
France	7,336	8,033	16,353
United States	4,713	5,584	9,386
United Kingdom	1,398	1,292	2,783
Japan	2,816	2,909	5,438
Germany	3,494	3,055	6,715
Switzerland	3,643	3,396	4,442
Belgium	1,338	1,051	2,519
Mediterranean & Latin American Region (a)	4,243	2,958	6,483
Other countries	1,938	1,811	3,557
TOTAL	30,920	30,090	57,677
Intercompany transactions	(39)	(25)	(57)
Contribution to consolidated gross revenues	30,881	30,065	57,620

*(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco and Mexico.***Underlying, Adjusted earnings and Net Income***(in Euro million)*

	HY 2010	HY 2009	FY 2009
France	345	264	470
United States	229	271	545
United Kingdom	119	133	186
Japan	150	168	211
Germany	96	29	157
Switzerland	117	84	226
Belgium	80	124	231
Mediterranean & Latin American Region (a)	67	64	115
Other countries	122	95	195
UNDERLYING EARNINGS	1,325	1,232	2,336
Net realized capital gains or losses attributable to shareholders	8	(178)	(73)
ADJUSTED EARNINGS	1,333	1,054	2,263
Profit or loss on financial assets (under Fair Value option) & derivatives	291	(646)	(52)
Exceptional operations (including discontinued operations)	(1,547)	(27)	(105)
Goodwill and related intangible impacts	(11)	(10)	(21)
Integration costs	-	(6)	(11)
NET INCOME	66	364	2,075

(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco and Mexico.

Life & Savings operations – France

	(in Euro million)		
	HY 2010	HY 2009	FY 2009
Gross revenues	7 336	8 033	16 353
<i>APE (Group share)</i>	681	776	1 602
Investment margin	553	448	884
Fees & revenues	779	713	1 430
Net technical margin	316	317	762
Expenses	(1 173)	(1 082)	(2 318)
Amortization of VBI	(7)	(24)	(77)
Other	3	3	(0)
Underlying earnings before tax	471	375	680
Income tax expenses / benefits	(126)	(109)	(208)
Non-controlling interests	(1)	(1)	(1)
Underlying earnings Group share	345	264	470
Net capital gains or losses attributable to shareholders net of income tax	(56)	(42)	91
Adjusted earnings Group share	288	223	561
Profit or loss on financial assets (under FV option) & derivatives	(34)	(10)	281
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	-	-
Net income Group share	255	213	842

Gross revenues decreased by €97 million (-9%) to €7,336 million³ mainly due to:

- *Individual Savings* decreasing by €602 million (-13%) especially on non proprietary network, mainly driven by a lower volume of large contracts (over €1 million premiums) notably on corporate clients,
- *Group Retirement* decreasing by €385 million (-50%), as a consequence of large contracts in 2009,
- partly offset by a rise in *Protection and Health* (€293 million or +11%), as a result of positive portfolio developments in both Individual and Group businesses.

APE decreased by €95 million (-12%) to €681 million:

- *Individual Savings* decreased by 13% or €57 million driven by fewer large contracts (€28 million) in a context of aggressive competition on rates and a more selective approach focused on profitability notably for Bank partnership channel,
- *Group Retirement* decreased by 68% or €44 million mainly resulting from fewer large contracts,
- *Protection and Health* increased by 2% or €6 million driven by Group business (+6% or €11 million) partly offset by Individual business (-8% or €5 million) mainly due to Health explained by a marketing campaign conducted in 2009 and not repeated in 2010 partly offset by Life driven by positive portfolio development.

Investment margin increased by €106 million (+23%) to €553 million mainly as a result of a higher asset base as well as lower investment income allocated to policyholders.

Fees & revenues increased by €65 million (+9%) to €779 million mainly due to an increase of loadings on premiums from Group Protection and Health reflecting higher volumes (offset in commissions).

Net technical margin decreased by €1 million (0%) to €316 million.

Expenses increased by €1 million (+8%) to €1,173 million driven by higher commissions in Group Protection and Health (€77 million).

³ €7,326 million after intercompany eliminations.

Amortization of VBI decreased by €17 million (-72%) to €7 million due to an update of actuarial assumptions in second half of 2009.

As a result, the **underlying cost income ratio** decreased by 3.3 points to 71.6%.

Income tax expenses increased by €16 million (+15%) to €126 million, driven by higher pre-tax underlying earnings, partly offset by a higher level of non taxable dividends.

Underlying earnings increased by €80 million (+30%) to €345 million.

Adjusted earnings increased by €65 million (+29%) to €288 million mainly driven by higher underlying earnings.

Net income increased by €42 million (+20%) to €255 million reflecting higher adjusted earnings (€+65 million) and the favorable change in fair value of mutual funds and private equity funds (€+78 million), partly offset by the unfavorable change in fair value of freestanding derivatives (€-102 million) mainly driven by spread widening combined with decreasing interest rates.

Life & Savings operations - United States

	(in Euro million)		
	HY 2010	HY 2009	FY 2009
Gross revenues	4,713	5,584	9,386
APE (Group share)	505	576	994
Investment margin	252	227	450
Fees & revenues	880	749	1,554
Net technical margin	(142)	317	500
Expenses	(633)	(913)	(1,735)
Amortization of VBI	(32)	(14)	(39)
Other	-	-	-
Underlying earnings before tax	326	366	729
Income tax expenses / benefits	(96)	(95)	(184)
Non-controlling interests	-	-	(0)
Underlying earnings Group share	229	271	545
Net capital gains or losses attributable to shareholders net of income tax	(25)	16	(16)
Adjusted earnings Group share	204	287	529
Profit or loss on financial assets (under FV option) & derivatives	132	(418)	(555)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	(1)	(1)	(1)
Integration costs	-	-	-
Net income Group share	336	(131)	(28)
Average exchange rate : 1.00 € = \$	1.3278	1.3349	1.3945

Gross revenues decreased by €871 million (-16%) to €4,713 million. On a comparable basis, gross revenues decreased by €96 million (-16%):

- *Variable Annuity premiums* (54% of gross revenues) decreased by 31% reflecting repricing and redesign actions in 2009 of Variable Annuity products. In 2010, Variable Annuity premiums for Q2 were 10% higher than that for Q1, supported by the progressive launch of the new Retirement Cornerstone Variable Annuity. Retirement Cornerstone was introduced in proprietary channels in January, and was released within third-party channels beginning of March,
- *Life premiums* (27% of gross revenues) decreased by 1% primarily reflecting the impact of the removal of certain Universal Life guaranteed features in the first quarter of 2009 partly offset by stronger Term Insurance sales in 2010,
- *Fees on Asset Management business* (7% of gross revenues) increased by 26% driven by higher average separate account balances resulting from equity market increases over the past year,
- *Mutual funds gross revenues* (1% of gross revenues) increased by 29% driven by improved equity market conditions compared to last year.

APE decreased by €71 million (-12%) to €505 million. On a comparable basis, APE decreased by €74 million (-13%):

- *Variable Annuity APE* decreased by 38% primarily in the Wholesale channel, reflecting repricing and redesign actions in 2009,
- *Life APE* increased by 4% reflecting increased Term Insurance sales partly offset by the impact of the removal of certain Universal Life guaranteed features in the first quarter of 2009,
- *Mutual funds APE* increased by 52% reflecting higher sales under improved market conditions.

Investment margin increased by €25 million (+11%) to €252 million. On a constant exchange rate basis, investment margin increased by €24 million (+10%). Investment income decreased by €8 million reflecting lower revenues on real estate due to the transfer to AXA Financial of the 787 7th Avenue building in the first half of 2009 and lower return on fixed income assets partly offset by higher returns on alternative investments. Interests and bonus credited decreased by €32 million primarily reflecting lower balances and crediting levels.

Fees & revenues increased by €131 million (+18%) to €80 million. On a constant exchange rate basis, fees & revenues increased by €127 million (+17%) primarily due to higher fees earned on higher average separate account balances resulting from equity market appreciation compared to last year.

Net technical margin decreased by €459 million to €142 million. On a constant exchange rate basis, net technical margin decreased by €458 million (-144%) primarily due to negative GMxB margins reflecting the non repeat of interest rate hedging gains in 2009 and unfavorable credit spread evolution partly offset by lower volatility cost.

Expenses decreased by €280 million (-31%) to €633 million. On a constant exchange rate basis, expenses decreased by €284 million (-31%):

- Expenses, net of capitalization (including commissions and DAC capitalization) increased by €14 million primarily due to higher asset based commission expenses partly offset by other expense reductions; and
- DAC amortization decreased by €298 million, primarily reflecting lower GMxB margins.

Amortization of VBI increased by €18 million (+126%) to €32 million. On a constant exchange rate basis, amortization of VBI increased by €18 million (+124%) reflecting revised projections of future profits.

As a result, the **underlying cost income ratio** improved by 4.6 points to 67.1%.

Income tax expenses increased by €2 million (+2%) to €96 million. On a constant exchange rate basis, income tax expenses increased by €1 million (+1%). The tax expense increase reflects the impact of lower pre-tax underlying earnings more than offset by lower tax benefits.

Underlying earnings decreased by €42 million (-15%) to €229 million. On a constant exchange rate basis, underlying earnings decreased by €43 million (-16%).

Adjusted earnings decreased by €83 million (-29%) to €204 million. On a constant exchange rate basis, adjusted earnings decreased by €84 million (-29%) reflecting the decrease in underlying earnings and lower realized capital gains on fixed income assets.

Net income increased by €467 million to €336 million. On a constant exchange rate basis, net income increased by €465 million. Net income improved due to an increase in the fair value of interest rate hedges (€221 million) and alternative investments (€108 million) as well as a lower decrease in the fair value of equity derivatives related to a statutory liability hedge (€220 million), partly offset by the decrease in adjusted earnings (€84 million).

Life & Savings operations - United Kingdom

	<i>(in Euro million)</i>		
	HY 2010	HY 2009	FY 2009
Gross revenues	1,398	1,292	2,783
<i>APE (Group share)</i>	537	493	926
Investment margin	81	67	133
Fees & revenues	327	307	609
Net technical margin	45	168	243
Expenses	(327)	(335)	(754)
Amortization of VBI	(2)	(13)	(5)
Other	-	-	-
Underlying earnings before tax	125	193	225
Income tax expenses / benefits	(6)	(60)	(39)
Non-controlling interests	(0)	(0)	(0)
Underlying earnings Group share	119	133	186
Net capital gains or losses attributable to shareholders net of income tax	(11)	(45)	(38)
Adjusted earnings Group share	108	88	148
Profit or loss on financial assets (under FV option) & derivatives	50	(122)	(165)
Exceptional operations (including discontinued operations)	(1,478)	(2)	(3)
Goodwill and other related intangibles impacts	(7)	(6)	(13)
Integration costs	-	(1)	0
Net income Group share	(1,327)	(43)	(33)
<i>Average exchange rate : 1.00 € = £</i>	<i>0.8705</i>	<i>0.8945</i>	<i>0.8913</i>

Gross revenues increased by €106 million (+8%) to €1,398 million. On comparable basis, gross revenues increased by €36 million (+3%):

- *Investment & Savings* (75% of gross revenues):
 - Insurance Premiums (57% of gross revenues) increased by 1% primarily due to higher volumes of Onshore Bond business partly offset by lower volumes on individual pension business,
 - Fees on Investment products (18% of gross revenues) increased by 18%, mainly driven by improved stock market conditions,
- *Life Insurance Premiums* (22% of gross revenues) increased by 1% as a result of the growth of the IFA Protection products sales in recent years, partly offset by lower volumes in Creditors,
- *Other revenues* (3% of gross revenues) decreased by 18% largely as a result of the prior period restructuring of the advisory business.

APE increased by €44 million (+9%) to €37 million. On a constant exchange rate basis, APE increased by €29 million (+6%) primarily due to:

- Increase in Individual Investment & Savings volumes of €67 million (+28%) largely as a result of the increase in mutual funds sales due to the success of the Elevate platform,
- Decrease in Group Pension volumes of €42 million (-20%) due to withdrawal from initial commission market and non recurrence of a prior year large scheme,
- Decrease in Life Risk volumes of €1 million (-2%) reflecting the increasing competition in the Protection market.

Investment margin increased by €14 million (22%) to €81 million. On a constant exchange rate basis, investment margin increased by €12 million (18%) primarily due to a €6 million increase in shareholders with-profit bonuses and a €6 million investment return increase on shareholders assets.

Fees & revenues increased by €20 million (+6%) to €327 million. On a constant exchange rate basis fees & revenues increased by €11 million (+4%) mainly due to:

- A €24 million increase as a result of higher fees on unit-linked balances driven by improved market conditions,
- A €10 million decrease in loadings as a result of lower volumes of Creditor business offset in commissions.

Net technical margin decreased by €22 million to €45 million. On a constant exchange rate basis, net technical margin decreased by €23 million mainly due to:

- A €65 million non recurring prior year gain from the internal restructuring of an annuity portfolio,
- An increase of €1 million due to non recurring reserves release,
- A €13 million increase from ongoing technical result of the restructured annuity portfolio.

Expenses decreased by €8 million (-3%) to €327 million. On a constant exchange rate basis expenses decreased by €17 million (-5%) primarily due to:

- A €46 million decrease due to a non recurring release of policyholder tax reserve,
- A €10 million decrease due to lower commissions from lower volumes of Creditor business,
- Offset by a €35 million non recurring employee pension scheme curtailment last year.

Amortization of VBI decreased by €1 million (-85%) on a current and constant exchange rate basis mainly due to increased expectation of future with-profit bonuses.

As a consequence, the **underlying cost income ratio** increased by 8.2 points to 72.5%.

Income tax expenses decreased by €54 million to €6 million. On a constant exchange rate basis, income tax expenses decreased by €55 million largely driven by lower pre-tax underlying earnings.

Underlying earnings decreased by €15 million (-11%) to €19 million. On a constant exchange rate basis, underlying earnings decreased by €18 million (-13%).

Adjusted earnings increased by €20 million (+22%) to €108 million. On a constant exchange rate basis, adjusted earnings increased by €17 million (+19%), largely due to a €23 million reduction in impairment charges, and a €12 million reduction in realized losses, offset by the decrease in underlying earnings.

Net income decreased by €1,284 million to €1,327 million. On a constant exchange rate basis, and excluding the €1,478 million provision related to the announced disposal of part of the Life & Savings business, net income increased by €90 million as a result of a €17 million increase in adjusted earnings, a €7 million increase in undiscounted tax adjustment on lower unrealized gains attributable to policyholders in unit-linked life funds⁴, a €1 million increase on fixed income and equity derivatives and a €4 million increase in relation to foreign exchange movements.

⁴ Undiscounted deferred tax provided on unit-linked assets while the unit-linked liability reflects the expected timing of the payment of future tax therefore using a discounted basis.

Life & Savings operations – Japan

	<i>(in Euro million)</i>		
	HY 2010	HY 2009	FY 2009
Gross revenues	2,816	2,909	5,438
<i>APE (Group share)</i>	222	254	532
Investment margin	(0)	(0)	(0)
Fees & revenues	631	699	1,326
Net technical margin	21	74	16
Expenses	(350)	(445)	(851)
Amortization of VBI	(50)	(45)	(178)
Other	-	(1)	(2)
Underlying earnings before tax	252	282	311
Income tax expenses / benefits	(100)	(111)	(97)
Non-controlling interests	(3)	(3)	(4)
Underlying earnings Group share	150	168	211
Net capital gains or losses attributable to shareholders net of income tax	28	10	20
Adjusted earnings Group share	178	178	231
Profit or loss on financial assets (under FV option) & derivatives	36	(170)	191
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	(2)	(2)
Net income Group share	214	7	420
<i>Average exchange rate : 1.00 € = Yen</i>	129.1769	124.4623	129.6333

Gross revenues decreased by €3 million (-3%) to €2,816 million. On a comparable basis, revenues slightly increased by €14 million:

- *Protection revenues* (36% of gross revenues) decreased by €19 million (-10%) notably impacted by products not actively promoted (Endowment and Whole Life) and lower premiums of Increasing Term products,
- *Investment & Savings revenues* (36% of gross revenues) increased by €74 million (+8%) due to significant sales of Variable Annuity products (€165 million) partly offset by declining revenues in Group Pension,
- *Health revenues* (28% of gross revenues) increased by €59 million (+8%) resulting from a continued in-force growth in Nursing Care products and an improved retention in Medical Whole Life, partly offset by the discontinuation of Cancer product (€13 million).

APE decreased by €32 million (-13%) to €222 million. On a comparable basis and excluding the discontinuation of Cancer product impact (€31 million), APE increased by €8 million (+4%). This was driven by (i) a €14 million increase (+26%) in Investment & Savings to €64 million due to significant sales of Variable Annuity products in advance of the new inheritance tax law enacted (ii) partly offset by a €6 million decrease (-8%) in Health to €66 million driven by lower sales of Medical Whole Life. Protection remained stable at €2 million.

Investment margin remained stable at €0 million.

Fees & revenues decreased by €68 million (-10%) to €631 million. On a constant exchange rate basis, fees & revenues declined by €44 million (-6%) mainly due to €31 million lower URR (Unearned Revenue Reserve) amortization on Variable Annuity products (fully offset by lower amortization of deferred acquisition costs). Excluding this impact, fees and revenues declined by €13 million (-2%) mainly due to lower in-force of Term products.

Net technical margin decreased by €53 million (-72%) to €21 million. On a constant exchange rate basis, net technical margin declined by €53 million (-71%) mainly driven by:

- Surrender margin down €73 million mainly driven by independent agent LINA's shock lapses, model refinements in 2009 and improved retention,
- GMxB margin up €23 million reflecting a lower basis risk and improved market conditions.

Expenses decreased by €5 million (-21%) to €350 million. On a constant exchange rate basis, expenses decreased by €1 million (-18%) driven by (i) €68 million lower DAC amortization mainly driven by lower amortization on Variable Annuity products (€4 million offset by lower amortization of URR), lower surrenders and model changes (€7 million), (ii) €18 million lower staff expenses as a result of last year's early retirement plan.

Amortization of VBI increased by €4 million (+10%) to €50 million. On a constant exchange rate basis, VBI amortization increased by €6 million (+14%).

As a result, the **underlying cost income ratio** decreased by 2 points to 61.3%.

Income tax expenses decreased by €11 million (-10%) to €100 million. On a constant exchange rate basis, income tax expenses declined by €7 million (-6%) due to lower pre-tax underlying earnings.

Underlying earnings decreased by €18 million (-11%) to €150 million or declined by €12 million (-7%) on a constant exchange rate basis.

Adjusted earnings remained flat at €178 million or increased by €7 million (+4%) on a constant exchange rate basis, driven by €12 million lower impairments combined with €7 million higher realized capital gains, partly offset by the €12 million decrease in underlying earnings.

Net income increased by €207 million to €214 million. As a reminder, AXA Japan closes its full year accounts at the end of September. In accordance with IFRS principles, full year 2008 accounts were adjusted with a €106 million provisional loss reflecting the increase in credit spreads from October to December 2008. This adjustment was reversed in 2009. On a constant exchange rate basis and excluding the €106 million reversal in 2009, net income increased by €22 million, mainly due to €7 million higher adjusted earnings, in addition to improved market conditions, notably the tightening of credit spreads impact on corporate bonds and CDS investments.

Life & Savings operations – Germany

	(in Euro million)		
	HY 2010	HY 2009	FY 2009
Gross revenues	3,494	3,055	6,715
<i>APE (Group share)</i>	247	218	469
Investment margin	50	45	118
Fees & revenues	140	73	302
Net technical margin	41	(6)	37
Expenses	(87)	(50)	(228)
Amortization of VBI	(5)	(6)	(11)
Other	-	-	-
Underlying earnings before tax	138	56	218
Income tax expenses / benefits	(42)	(27)	(61)
Non-controlling interests	(0)	(0)	(0)
Underlying earnings Group share	96	29	157
Net capital gains or losses attributable to shareholders net of income tax	(3)	(58)	(145)
Adjusted earnings Group share	93	(28)	12
Profit or loss on financial assets (under FV option) & derivatives	27	6	25
Exceptional operations (including discontinued operations)	-	(7)	(84)
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	(2)	(3)
Net income Group share	120	(30)	(50)

Gross revenues increased by €439 million (+14%) to €3,494 million⁵:

- *Life* (67% of gross revenues) increased by €388 million (+17%) driven by an increase of single premiums in Investment and Savings business attributable to general account short term investment products and Annuity products;
- *Health* (33% of gross revenues) increased by €39 million (+4%) mainly deriving from premium indexation.

APE increased by €29 million (+13%) to €247 million. On a comparable basis, APE increased by €16 million (+7%) due to an increase of single premiums in Investment & Savings business attributable to general account short term investment and Annuity products, partly offset by lower Health business in the broker channel.

Investment margin increased by €5 million (+11%) to €50 million due to lower investment income allocated to policyholders partly offset by a decreasing investment income from fixed income assets as a result of both seasonality in funds distribution as well as lower yields.

Fees & revenues increased by €67 million (+91%) to €140 million due to lower fees and revenues allocated to policyholders.

Net technical margin rose by €47 million to €41 million due to lower hedging costs on Variable Annuity products (€41 million).

Expenses increased by €37 million (+75%) to €87 million due to lower expenses allocated to policyholders partly offset by lower commissions in Health following new business development.

Amortization of VBI decreased by €1 million (-13%) to €5 million.

As a result, the **underlying cost income ratio** decreased by 9.8 points to 40.0%.

⁵ €3,482 million after intercompany eliminations.

Income tax expenses increased by €16 million (+59%) to €42 million mainly due to higher pre-tax underlying earnings.

Underlying earnings increased by €6 million to €6 million due to higher margin on Variable Annuity business (€+45 million) and lower underlying margin allocated to policyholders.

Adjusted earnings increased by €21 million to €93 million attributable to higher underlying earnings, lower impairments as well as higher capital gains from equities and fixed income investments.

Net income increased by €51 million to €120 million due to higher adjusted earnings, favorable change in fair value of private equity investments and the positive development in interest rate hedging instruments.

Life & Savings operations – Switzerland

	<i>(in Euro million)</i>		
	HY 2010	HY 2009	FY 2009
Gross revenues	3,643	3,396	4,442
<i>APE (Group share)</i>	179	170	255
Investment margin	48	9	92
Fees & revenues	112	101	208
Net technical margin	104	100	163
Expenses	(93)	(83)	(179)
Amortization of VBI	(20)	(19)	(28)
Other	-	-	-
Underlying earnings before tax	151	108	256
Income tax expenses / benefits	(34)	(24)	(30)
Non-controlling interests	-	-	-
Underlying earnings Group share	117	84	226
Net capital gains or losses attributable to shareholders net of income tax	28	(15)	(1)
Adjusted earnings Group share	146	68	225
Profit or loss on financial assets (under FV option) & derivatives	46	(17)	(19)
Exceptional operations (including discontinued operations)	(5)	(3)	(16)
Goodwill and other related intangibles impacts	(3)	(3)	(5)
Integration costs	-	-	-
Net income Group share	184	46	185
<i>Average exchange rate : 1.00 € = Swiss Franc</i>	1.4357	1.5055	1.5096

Gross revenues increased by €247 million (+7%) to €3,643 million⁶. On a comparable basis, gross revenues increased by 75 million (+2%):

- *Group Life* increased by €9 million (+2%) to €3,303 million mainly due to higher regular premiums (€5 million) reflecting the low level of cancellations at the end of 2009,
- *Individual Life* increased by € million (+3%) to €340 million as a result of higher single and regular premiums on insurance products (€7 million) and higher fees on investment products (€2 million) driven by Twinstar Income Variable Annuity product.

APE increased by € million (+5%) to €179 million. On a comparable basis, APE was stable.

Investment margin increased by €9 million to €48 million. On a constant exchange rate basis, investment margin increased by €7 million due to lower investment income allocated to policyholders.

Fees & revenues increased by €1 million (+11%) to €12 million. On a constant exchange rate basis, fees & revenues increased by €6 million (+6%) mainly due to lower fees & revenues allocated to policyholders.

Net technical margin increased by €3 million (+3%) to €104 million. On a constant exchange rate basis, net technical margin decreased by €1 million (-1%).

Expenses increased by €10 million (+12%) to €93 million. On a constant exchange rate basis, expenses increased by €6 million (+7%) mainly resulting from acquisition expenses increase by €5 million (+20%) reflecting volume increase and higher amortization of deferred acquisition costs following higher profits.

Amortization of VBI increased by €1 million (+3%) to €20 million. On a constant exchange rate basis, amortization of VBI was stable.

⁶ €3,639 million after intercompany eliminations.

As a result, the **underlying cost income ratio** decreased by 5.9 points to 42.8%.

Income tax expenses increased by €10 million (+40%) to €34 million. On a constant exchange rate basis, income tax expenses increased by €8 million (+33%) driven by higher pre-tax underlying earnings, partly offset by the 1 point lowering of corporate tax rate to 21% in 2010.

Underlying earnings increased by €4 million (+40%) to €17 million. On a constant exchange rate basis, underlying earnings increased by €8 million (+34%).

Adjusted earnings increased by €77 million (+113%) to €146 million. On a constant exchange rate basis, adjusted earnings increased by €71 million (+104%) driven by higher net realized capital gains mainly on equity securities (€30 million) and higher underlying earnings.

Net income increased by €139 million to €184 million. On a constant exchange rate basis, net income increased by €30 million mainly due to higher adjusted earnings and favorable gains in fair value on interest rate derivatives.

Life & Savings operations – Belgium

	(in Euro million)		
	HY 2010	HY 2009	FY 2009
Gross revenues	1,338	1,051	2,519
<i>APE (Group share)</i>	123	106	264
Investment margin	125	112	228
Fees & revenues	74	70	159
Net technical margin	41	27	95
Expenses	(137)	(120)	(256)
Amortization of VBI	(2)	-	(0)
Other	-	-	-
Underlying earnings before tax	100	89	225
Income tax expenses / benefits	(19)	35	6
Non-controlling interests	(0)	(0)	(0)
Underlying earnings Group share	80	124	231
Net capital gains or losses attributable to shareholders net of income tax	13	(9)	24
Adjusted earnings Group share	93	115	256
Profit or loss on financial assets (under FV option) & derivatives	41	100	188
Exceptional operations (including discontinued operations)	(4)	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	(2)	(4)
Net income Group share	130	213	439

Gross revenues increased by €287 million (+27%) to €1,338 million⁷.

- *Individual Life & Savings* revenues increased by €277 million (+36%) to 1,043 million stemming mostly from the launch of a new generation of Crest products,
- *Group Life & Savings* revenues increased by €10 million (+3%) to €295 million driven by a positive seasonality effect.

APE increased by €16 million (+16%) to €123 million. *Individual Life & Savings* increased by €18 million (+19%) to €15 million mainly driven by Crest products while *Group Life & Savings* decreased by €2 million.

Investment margin increased by €13 million (+11%) to €125 million mainly as a result of higher asset base and a decrease of the average credited rate to policyholders partly offset by a decrease of the investment return mainly due to non-recurring interest arrears received on last year income tax benefit.

Fees & revenues increased by €4 million (+5%) to €74 million mainly due to an acceleration of URR (Unearned Revenues reserves) amortization offset by an acceleration of deferred acquisition cost amortization in expenses.

Net technical margin increased by €4 million (+53%) to €41 million driven by a favorable mortality and morbidity experience in *Individual Life* and lower hedging costs on *Variable Annuity* products.

Expenses increased by €137 million (+15%) to €137 million driven by higher acquisition expenses in line with higher volumes as well as the acceleration of deferred acquisition cost amortization.

Amortization of VBI increased by €2 million to €2 million.

As a result, the **underlying cost income ratio** increased by 0.8 point to 58.3%.

⁷ €1,337 million after intercompany eliminations.

Income tax expenses increased by €5 million to €19 million resulting from the 2009 non recurring impact of the favorable court decision for insurance companies on RDT (Revenus Définitivement Taxés: €2 million).

Underlying earnings decreased by €44 million (-35%) to €80 million. Excluding the impact of RDT in 2009, underlying earnings increased by €8 million (+11%).

Adjusted earnings decreased by €21 million (-19%) to €93 million mainly driven by lower underlying earnings partly offset by higher net realized capital gains mainly on equities.

Net income decreased by €33 million (-39%) to €130 million due to less positive marked to market impact driven by credit spread widening partly offset by interest rate decrease.

Life & Savings operations – Mediterranean and Latin American Region

	(in Euro million)		
	HY 2010	HY 2009	FY 2009
Gross revenues	4,243	2,958	6,483
APE (Group share)	322	219	497
Investment margin	124	111	225
Fees & revenues	165	151	303
Net technical margin	49	58	98
Expenses	(217)	(199)	(406)
Amortization of VBI	(11)	(18)	(30)
Other	-	-	-
Underlying earnings before tax	110	103	189
Income tax expenses / benefits	(27)	(29)	(48)
Non-controlling interests	(17)	(11)	(27)
Underlying earnings Group share	67	64	115
Net capital gains or losses attributable to shareholders net of income tax	21	(10)	4
Adjusted earnings Group share	88	53	119
Profit or loss on financial assets (under FV option) & derivatives	(3)	6	20
Exceptional operations (including discontinued operations)	-	-	1
Goodwill and other related intangibles impacts	(0)	(0)	(0)
Integration costs	-	(0)	(1)
Net income Group share	85	59	139

Gross revenues increased by €1,285 million (+43%) to €4,243 million. On a comparable basis, gross revenues increased by €1,283 million (+44%) mainly driven by a strong growth in general account savings products (€1,229 million or +63%) mainly in AXA MPS in Italy (€1,041 million or +71%), reinforced by Antonveneta and a favorable context notably fiscal amnesty until April 2010, and by higher sales of Variable Annuity products (€+110 million).

APE increased by €104 million (+47%) to €322 million. On a comparable basis, APE increased by €103 million (+48%) mainly driven by higher contribution of general account savings products (€76 million or +57%) mainly in AXA MPS (€61 million or +78%) reinforced by Antonveneta, by higher sales of Variable Annuity products (€+9 million) mainly in Spain and Group Life business (€1 million or +52%) mainly in Mexico.

Investment margin increased by €14 million (+12%) to €124 million. On a constant exchange rate basis, investment margin increased by €13 million (+12%) mainly due to higher level of in-force business despite lower yield mainly on fixed income.

Fees & revenues increased by €13 million (+9%) to €165 million. On a constant exchange rate basis, fees & revenues increased by €10 million (+6%) as a result of volume growth in AXA MPS.

Net technical margin decreased by €9 million (-16%) to €49 million. On a constant exchange rate basis, net technical margin decreased by €10 million (-17%) due to the release of a risk reserve in Spain in half year 2009 partly offset by more favorable mortality margin.

Expenses increased by €18 million (+9%) to €217 million. On a constant exchange rate basis, expenses increased by €13 million (+7%) reflecting business growth.

Amortization of VBI decreased by €7 million (-41%) to €11 million. On a constant exchange rate basis, amortization of VBI decreased by €8 million (-42%) mainly due to the natural decline of VBI balance in AXA MPS.

As a result, the **underlying cost income ratio** decreased by 0.3 point to 67.4 %. On a constant exchange rate basis, underlying cost income ratio decreased by 0.7 point.

Income tax expenses decreased by €2 million (-8%) to €25 million on both current and constant exchange rate basis mainly driven by country mix impact.

Underlying earnings increased by €3 million (+5%) to €67 million. On a constant exchange rate basis underlying earnings increased by €3 million (+4%).

Adjusted earnings increased by €35 million (+65%) to €88 million. On a constant exchange rate basis, adjusted earnings increased by €34 million (+65%) mainly due to higher realized capital gains and to lower impairments on equities, as well as higher underlying earnings.

Net income increased by €26 million (+44%) to €85 million. On a constant exchange rate basis, net income increased by €26 million (+44%) as a result of higher adjusted earnings partly offset by lower interest rates negative impact on derivatives.

Life & Savings Operations - Other Countries

The following tables present the operating results for the other Life & Savings operations of AXA:

Consolidated Gross Revenues

(in Euro million)

	HY 2010	HY 2009	FY 2009
Australia / New Zealand	811	813	1,532
Hong Kong	665	607	1,203
Central and Eastern Europe	239	229	470
Other countries	223	164	352
o/w Canada	69	56	115
o/w Luxembourg	43	37	72
o/w South East Asia (a)	111	70	164
TOTAL	1,938	1,811	3,557
Intercompany transactions	(1)	(1)	(2)
Contribution to consolidated gross revenues	1,936	1,810	3,555

(a) South East Asia earnings include Indonesia and Singapore.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
Australia & New Zealand	43	13	46
Hong Kong	79	76	135
Central & Eastern Europe	5	8	16
Other countries	(5)	(3)	(2)
o/w Canada	4	2	5
o/w Luxembourg	3	3	5
o/w South-East Asia and China (a)	(4)	(5)	(2)
o/w AXA Global Distributors	(8)	(3)	(9)
UNDERLYING EARNINGS	122	95	195
Net realized capital gains or losses attributable to shareholders	13	(25)	(12)
ADJUSTED EARNINGS	135	69	183
Profit or loss on financial assets (under Fair Value option) & derivatives	(5)	(23)	(17)
Exceptional operations (including discontinued operations)	(59)	(15)	(3)
Goodwill and related intangible impacts	(1)	(1)	(2)
Integration costs	-	-	-
NET INCOME	70	30	161

(a) South East Asia earnings include Indonesia, Thailand, Philippines, Singapore and India.

AUSTRALIA AND NEW ZEALAND⁸

Gross revenues decreased by €2 million (0%) to €811 million. On a comparable basis, gross revenues decreased by €171 million (-21%):

- **Gross written premiums and fees** (72% of gross revenues) decreased by €187 million (-29%) to €585 million, mainly driven by lower sales of guaranteed savings products (Guaranteed Savings Account, €175 million), due to lower demand for conservative investment products than last year.
- **Revenues from mutual funds and advice business** (28% of gross revenues) increased by €16 million (+10%) to €226 million due to higher funds under management levels resulting from financial market conditions.

APE increased by €23 million (+18%) to €153 million. On a comparable basis, APE decreased by €10 million (-7%), mainly due to lower sales of the Guaranteed Savings Account product, and the Variable Annuity product North, partly offset by an increase in AllianceBernstein joint venture sales.

Underlying earnings increased by €29 million to €43 million. On a constant exchange rate basis, underlying earnings increased by €21 million. On a 100% ownership basis, the evolution of underlying earnings was as follows:

- **Investment margin** increased by €13 million to €16 million. On a constant exchange rate basis, investment margin increased by €9 million due to higher fixed income yield and the restructuring of intercompany loans.
- **Fees & revenues** increased by €108 million (+36%) to €408 million. On a constant exchange rate basis, fees & revenues increased by €23 million (+8%) reflecting the growth in average asset balances.
- **Net technical margin** rose by €5 million (110%) to €9 million. On a constant exchange rate basis, net technical margin increased by €5 million (108%) predominantly due to improved hedging margin on the Variable Annuity product North and net favorable claims experience across Protection portfolio.
- **Expenses** increased by €70 million (+27%) to €331 million. On a constant exchange rate basis, expenses increased by €1 million (+1%) due to higher commission expenses as a result of higher fees & revenues offset by the non repeat of one-off expenses in 2009 related to Genesys integration costs.
- **Amortization of VBI** increased by €3 million (+25%) to €13 million. On a constant exchange rate basis, amortization of VBI was flat.
- As a consequence, the **underlying cost income ratio** decreased by 9.7 points to 81.0%.
- **Income tax expenses** decreased by €2 million (-58%) to €1 million. On a constant exchange rate basis, income tax expenses decreased by €2 million (-67%) due to a one-off tax benefit partly offset by an increase in pre-tax underlying earnings.

Adjusted earnings increased by €44 million to €39 million. On a constant exchange rate basis, adjusted earnings increased by €36 million reflecting the increase in underlying earnings and higher net realized capital gains.

Net income increased by €57 million to €34 million. On a constant exchange rate basis, net income increased by €50 million due to the increase in adjusted earnings as well as lower unrealized losses on derivatives.

⁸ AXA interest in AXA Asia Pacific Group is 54.04% broken down into 53.92% direct interest holding and an additional 0.12% owned by the AAPH Executive plan trust.

HONG-KONG⁹

Gross revenues increased by €8 million (+10%) to €665 million. On a comparable basis, gross revenues increased by €6 million (+9%) due to higher revenues from both Investment and Savings (€+28 million) and Protection (€+28 million) products.

APE increased by €1 million (+19%) to €72 million. On a comparable basis, APE increased by €1 million (+18%) due to higher sales of Protection products (€+13 million), partly offset by lower sales of Variables Annuity products (€-3 million).

Underlying earnings increased by €3 million (+4%) to €79 million. On a constant exchange rate basis, underlying earnings increased by €3 million (+4%). Excluding a one-off adjustment on VBI amortization in 2009 (€10 million), underlying earnings increased by €13 million (+20%) reflecting in-force portfolio growth and new business sales.

Adjusted earnings increased by €23 million (+32%) to €93 million. On a constant exchange rate basis, adjusted earnings increased by €23 million (+32%) due to the increase in underlying earnings and higher realized gains on equity and fixed income assets.

Net income increased by €31 million (+50%) to €92 million. On a constant exchange rate basis, net income increased by €31 million (+50%) due to the increase in adjusted earnings and the non repeat of a negative marked to market impact on derivatives in 2009.

CENTRAL AND EASTERN EUROPE

Gross revenues increased by €10 million (+4%) to €239 million. On a comparable basis, gross revenues decreased by €5 million (-2%) driven by lower Pension Funds revenues in Czech Republic partly offset by the improvement of Traditional Group Life insurance contracts in Poland.

APE increased by €41 million (+61%) to €109 million. On a comparable basis, APE increased by €20 million (+25%) driven by Pension funds (€+15 million, +37%) and Life and Savings (€+5 million, +13%) benefiting from a strong performance in unit-linked products. The main country contributing to growth was Poland (€+16 million, +47%) mainly Pension funds, and to a lower extend Hungary (€+6 million, +45%) partly offset by Czech Republic (€-2 million, -6%).

Underlying earnings decreased by €3 million (-38%) to €5 million. On a constant exchange rate basis, underlying earnings decreased by €3 million (-41%) due to a reduction in pension funds fees as a result of regulatory changes partly offset by portfolio growth and cost savings.

As a result, the **underlying cost income ratio** increased by 5.6 points to 91.4%.

Adjusted earnings decreased by €1 million (-19%) to €5 million. On a constant exchange rate basis, adjusted earnings decreased by €1 million (-22%) as a result of lower underlying earnings partly offset by lower impairment on equity and fixed income securities.

Net income decreased by €2 million (-32%) to €4 million. On a constant exchange rate basis, net income decreased by €2 million (-34%) driven by adjusted earnings.

CANADA

Gross revenues increased by €13 million (+23%) to €69 million. On a comparable basis, gross revenues increased by €3 million (+5%) mainly reflecting growth in Health.

⁹ AXA interest in AXA Asia Pacific Group is 54.04% broken down into 53.92% direct interest holding and an additional 0.12% owned by the AAPH Executive plan trust.

Underlying earnings increased by €2 million (+129%) to €4 million. On a constant exchange rate basis, underlying earnings increased by €2 million (+96%) as a result of lower acquisition costs.

Adjusted earnings increased by €4 million (+107%) to €8 million. On a constant exchange rate basis, adjusted earnings increased by €3 million (+77%) driven by higher underlying earnings and realized capital gains.

Net income increased by €3 million (+69%) to €7 million. On a constant exchange rate basis, net income increased by €2 million (+45%).

SOUTH EAST ASIA AND CHINA

Gross revenues increased by €11 million (+59%) to €11 million. On a comparable basis, gross revenues increased by €8 million (+41%) primarily driven by higher unit-linked sales in Indonesia (€6 million) and Singapore (€3 million) as a result of improved market conditions and new products launches.

APE increased by €8 million (+95%) to €78 million. On a comparable basis, APE increased by €31 million (+77%) mainly driven by the growth in bancassurance (€13 million) and tele-marketing (€5 million) in Indonesia, new products in Thailand (€5 million) and Group Life in China (€4 million).

Underlying earnings improved by +11% to €4 million. On a constant exchange rate basis, underlying earnings increased by €1 million (+19%) driven by strong earnings improvement in Indonesia and Thailand (€6 million), which was partly offset by higher operational losses in India (€4 million).

Adjusted earnings improved by €1 million (+18%) to €4 million. On a comparable basis, adjusted earnings increased by €1 million (+25%) mainly driven by higher underlying earnings.

Net income decreased by €46 million to €62 million. On a comparable basis, net income decreased by €34 million mainly reflecting residual past losses in India (€33 million) partly offset by growth in adjusted earnings.

AXA GLOBAL DISTRIBUTORS

Underlying earnings as well as **adjusted earnings** and **net income** amounted to €8 million as of June 30, 2010 due to initiative set-up costs.

Property & Casualty Segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income attributable to AXA's Property & Casualty segment for the periods indicated.

Property and Casualty Segment (a)

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross written premiums	15,570	15,033	26,291
Fees and revenues from investment contracts without participating feature	-	-	-
Revenues from insurance activities	15,570	15,033	26,291
Net revenues from banking activities	-	-	-
Revenues from other activities	39	39	77
TOTAL REVENUES	15,609	15,072	26,368
Change in unearned premium reserves net of unearned revenues and fees	(2,199)	(2,130)	(103)
Net investment result excluding financing expenses	1,061	1,108	2,068
Technical charges relating to insurance activities	(9,016)	(8,731)	(17,901)
Net result of reinsurance ceded	(424)	(366)	(710)
Bank operating expenses	-	-	-
Insurance acquisition expenses	(2,366)	(2,330)	(4,863)
Amortization of value of purchased life business in force	-	-	-
Administrative expenses	(1,361)	(1,255)	(2,517)
Valuation allowances on tangible assets	0	-	(1)
Other	7	(3)	(7)
Other operating income and expenses	(13,161)	(12,684)	(25,999)
OPERATING EARNINGS BEFORE TAX	1,311	1,366	2,334
Net income from investments in affiliates and associates	11	16	18
Financing expenses	(2)	(3)	(5)
OPERATING INCOME GROSS OF TAX EXPENSE	1,319	1,379	2,347
Income tax expense	(378)	(372)	(638)
Non-controlling interests	(18)	(21)	(39)
UNDERLYING EARNINGS	923	986	1,670
Net realized capital gains or losses attributable to shareholders	207	(210)	(264)
ADJUSTED EARNINGS	1,130	775	1,406
Profit or loss on financial assets (under fair value option) & derivatives	(31)	(15)	187
Exceptional operations (including discontinued operations)	5	12	32
Goodwill and other related intangible impacts	(32)	(32)	(64)
Integration costs	-	(18)	(46)
NET INCOME	1,072	722	1,516

(a) Before intercompany transactions.

Consolidated Gross Revenues

(in Euro million)

	HY 2010	HY 2009	FY 2009
France	3,229	3,127	5,724
United Kingdom & Ireland	2,183	2,086	3,976
Germany	2,205	2,228	3,527
Belgium	1,154	1,171	2,145
Mediterranean & Latin American Region (a)	3,478	3,426	6,721
Switzerland	2,030	1,964	2,161
Other countries	1,330	1,070	2,116
TOTAL	15,609	15,072	26,368
Intercompany transactions	(215)	(153)	(194)
Contribution to consolidated gross revenues	15,394	14,919	26,174

(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf Region and Mexico.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
France	212	230	406
United Kingdom & Ireland	72	87	100
Germany	111	166	283
Belgium	75	93	168
Mediterranean & Latin American Region (a)	180	217	326
Switzerland	180	123	260
Other countries	92	70	126
UNDERLYING EARNINGS	923	986	1,670
Net realized capital gains or losses attributable to shareholders	207	(210)	(264)
ADJUSTED EARNINGS	1,130	775	1,406
Profit or loss on financial assets (under Fair Value option) & derivatives	(31)	(15)	187
Exceptional operations (including discontinued operations)	5	12	32
Goodwill and related intangibles impacts	(32)	(32)	(64)
Integration costs	-	(18)	(46)
NET INCOME	1,072	722	1,516

(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf Region and Mexico.

Property & Casualty Operations – France

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	3,229	3,127	5,724
Current accident year loss ratio (net)	80.2%	85.0%	81.5%
All accident year loss ratio (net)	74.0%	74.8%	74.2%
Net technical result	735	690	1,473
Expense ratio	25.1%	24.7%	24.9%
Net investment result	307	335	600
Underlying earnings before tax	331	350	652
Income tax expenses / benefits	(118)	(120)	(245)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(0)	(0)	(1)
Underlying earnings Group share	212	230	406
Net capital gains or losses attributable to shareholders net of income tax	71	(35)	(26)
Adjusted earnings Group share	284	195	380
Profit or loss on financial assets (under FV option) & derivatives	(23)	(27)	65
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	-	-
Net income Group share	260	168	445

Gross revenues increased by €102 million (+3%) to €3,229 million¹⁰. Personal lines (61% of gross revenues) increased by 5% to €1,945 million whereas Commercial lines (39% of gross revenues) were stable at €1,236 million, mainly as a result of tariff increases in all lines of business with limited negative impacts on volumes. Construction was negatively impacted by the slowdown of activity.

Net technical result increased by €45 million (+7%) to €735 million:

- Current accident year loss ratio decreased by 4.8 points to 80.2% reflecting lower Nat Cat charge (-2.1 points, Klaus storm and May hails in 2009 and Xynthia in 2010), 0.7 point lower impact of winter adverse conditions and positive impact from tariff increase,
- All accident year loss ratio decreased by 0.8 point to 74.0% as a result of the decrease in current accident year loss ratio partly offset by lower prior year positive reserve developments (+4.0 points).

Expense ratio rose by 0.4 point to 25.1% mainly as a consequence of higher IT costs to improve future productivity combined with non recurring expenses.

As a result, the **combined ratio** decreased by 0.3 point to 99.1%.

Net investment result decreased by €28 million (-8%) to €307 million mainly explained by a seasonality effect on fixed income funds distribution.

Income tax expenses remained stable at €118 million.

Underlying earnings decreased by €18 million (-8%) to €212 million.

Adjusted earnings increased by €89 million (+46%) to €284 million as a consequence of €107 million higher net realized capital gains mainly on equities partly offset by lower underlying earnings.

Net income increased by €92 million (+55%) to €260 million mainly due to higher adjusted earnings.

¹⁰ €3,181 million after intercompany eliminations.

Property & Casualty Operations - United Kingdom & Ireland

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	2,183	2,086	3,976
Current accident year loss ratio (net)	71.6%	71.6%	74.1%
All accident year loss ratio (net)	70.3%	68.9%	70.0%
Net technical result	604	616	1,202
Expense ratio	30.8%	31.5%	32.3%
Net investment result	104	119	216
Underlying earnings before tax	82	113	127
Income tax expenses / benefits	(10)	(26)	(26)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(0)	(0)	(0)
Underlying earnings Group share	72	87	100
Net capital gains or losses attributable to shareholders net of income tax	19	(80)	(58)
Adjusted earnings Group share	91	6	42
Profit or loss on financial assets (under FV option) & derivatives	(13)	1	7
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	(2)	(3)	(6)
Integration costs	-	-	-
Net income Group share	75	5	44
Average exchange rate : 1.00 € = £	0.8705	0.8945	0.8913

Gross revenues increased by €6 million (+5%) to €2,183 million¹¹. On a comparable basis, gross revenues increased by €26 million (+1%):

- *Personal lines* (58% of the gross revenues) were up 14% to €1,261 million. **Motor** was up 34% to €508 million due to the combination of tariff increases in a hardening market and increase in volumes, on both new business and renewals within the UK Direct (both Swiftcover and AXA branded products) and Intermediaries channels together with a strong performance in Northern Ireland. **Non-Motor** was up 3% to €753 million. Property was up 7% to €287 million following growth in UK Direct (AXA branded products), new schemes launched in second half of 2009 and implementation of tariff increases. Health was up 2% to €300 million reflecting improved retention. Personal Other was down 1% to €66 million mainly reflecting selective underwriting within Travel and Warranty,
- *Commercial lines* (40% of the gross revenues) were down 11% to €881 million. **Motor** was up 4% to €140 million reflecting new business and tariff increases within the United Kingdom & Ireland. **Non-Motor** was down 13% following exit from unprofitable schemes and the continuing impact of soft market conditions. Health was down 2% to €356 million reflecting competitive environment on large corporates partly offset by growth in SMEs.

Net technical result decreased by €13 million (-2%) to €604 million. On a constant exchange rate basis, net technical result decreased by €27 million (-4%):

- Current accident year loss ratio was in line with prior year at 71.6% reflecting a higher Nat Cat charge (+0.8 point), increase in both reinsurance covers (+1.2 points) and claims handling costs (+1 point). These increases were offset by further improvements across Commercial lines (-3.1points) driven by the implementation of rate increases, disciplined underwriting and favorable trend on Property large losses,
- All accident year loss ratio increased by 1.4 points to 70.3% reflecting stable current accident year loss ratio and lower favorable developments in prior year reserves (+1.4 points).

¹¹ €2,125 million after intercompany eliminations.

Expense ratio decreased by 0.7 point to 30.8% with an **acquisition ratio** down 2 points to 22.4%, mainly reflecting a decrease in commissions (-2.4 points) driven by renegotiation of broker commission rates. The **administrative expense** ratio increased by 1.2 points due to the non repeat of a 2009 positive one off impact on employee pension scheme (+1.8 points) partly offset by cost containment measures.

As a result, the **combined ratio** was up by 0.7 point to 101.1%.

Net investment result decreased by €16 million (-13%) to €104 million. On a constant exchange rate basis, net investment result decreased by €18 million (-15%) mainly as a result of lower yields.

Income tax expenses decreased by €16 million (-61%) to €10 million. On a constant exchange rate basis, income tax expenses decreased by €16 million (-62%) principally reflecting lower pre-tax underlying earnings and a €3 million one-off tax benefit.

Underlying earnings decreased by €15 million (-17%) to €72 million. On a constant exchange rate basis, underlying earnings decreased by €16 million (-18%).

Adjusted earnings increased by €5 million to €91 million. On a constant exchange rate basis, adjusted earnings increased by €3 million. The decrease in underlying earnings was more than offset by €28 million higher realized capital gains driven by equity (€24 million) and €71 million lower impairment charges mainly due to fixed income (€27 million) and equities (€24 million).

Net income increased by €71 million to €75 million. On a constant exchange rate basis, net income increased by €70 million reflecting higher adjusted earnings partly offset by an increase in foreign exchange losses.

Property & Casualty Operations – Germany

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	2,205	2,228	3,527
Current accident year loss ratio (net)	76.9%	77.0%	76.4%
All accident year loss ratio (net)	70.4%	66.5%	67.4%
Net technical result	519	591	1,148
Expense ratio	30.9%	30.6%	31.4%
Net investment result	174	187	352
Underlying earnings before tax	152	239	397
Income tax expenses / benefits	(42)	(74)	(112)
Net income from investments in affiliates and associates	1	1	(0)
Non-controlling interests	(0)	(0)	(1)
Underlying earnings Group share	111	166	283
Net capital gains or losses attributable to shareholders net of income tax	8	(23)	(105)
Adjusted earnings Group share	119	143	179
Profit or loss on financial assets (under FV option) & derivatives	29	(18)	23
Exceptional operations (including discontinued operations)	-	12	26
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	(10)	(21)
Net income Group share	148	127	207

Gross revenues decreased by €23 million (-1%) to €2,205 million¹². On a comparable basis, gross revenues decreased by €40 million (-2%):

- *Personal lines* (64% of the gross revenues) were down 2% to €1,401 million due to lower net new contracts in Motor as a result of market price pressure and cancellations in Medical Liability partly offset by higher new business in Property and Liability, supported by the packaged product Box Plus.
- *Commercial lines* (30% of the gross revenues) were down 1% to €652 million resulting from a lower insured basis and from cancellations reflecting a more selective underwriting policy in Industrial Liability.
- *Other lines* (6% of the gross revenues) were down 7% to €124 million mainly due to a decrease in assumed legal protection business.

Net technical result decreased by €72 million (-12%) to €519 million:

- Current accident year loss ratio decreased by 0.1 point to 76.9%. Excluding Nat Cat events (Xynthia in 2010), the current accident year loss ratio improved by 1.8 points.
- All accident year loss ratio increased by 3.9 points to 70.4% due to lower positive prior year reserve developments.

Expense ratio rose by 0.3 point to 30.9% driven by a change in distribution channel compensation schemes.

As a result, **the combined ratio** was up by 4.2 points to 101.3%.

Net investment result decreased by €3 million (-7%) to €174 million driven by lower investment income from fixed income assets as a result of both seasonality in funds distribution as well as lower yields.

Income tax expenses decreased by €32 million (-44%) to €42 million mainly due to lower pre-tax underlying earnings.

Underlying earnings decreased by €55 million (-33%) to €111 million.

¹² €2,177 million after intercompany eliminations.

Adjusted earnings decreased by €4 million (-17%) to €19 million due to decreased underlying earnings partly offset by lower impairments on equity securities.

Net income increased by €1 million (+16%) to €148 million mainly due to favorable change in fair value of private equity funds and positive foreign exchange result partly offset by lower adjusted earnings.

Property & Casualty Operations – Belgium

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	1,154	1,171	2,145
Current accident year loss ratio (net)	81.2%	80.9%	82.1%
All accident year loss ratio (net)	66.9%	69.0%	69.7%
Net technical result	349	332	651
Expense ratio	31.6%	30.0%	30.1%
Net investment result	100	94	196
Underlying earnings before tax	115	103	197
Income tax expenses / benefits	(40)	(10)	(29)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	0	0	0
Underlying earnings Group share	75	93	168
Net capital gains or losses attributable to shareholders net of income tax	5	(16)	(25)
Adjusted earnings Group share	80	77	143
Profit or loss on financial assets (under FV option) & derivatives	2	21	62
Exceptional operations (including discontinued operations)	(2)	-	-
Goodwill and other related intangibles impacts	(1)	(1)	(2)
Integration costs	-	(5)	(18)
Net income Group share	79	92	186

Gross revenues decreased by €18 million (-2%) to €1,154 million¹³:

- *Personal lines* (48% of the gross revenues) were up 2% to €62 million driven by Motor (+2%) and Non-Motor (+1%) mainly Property as a result of tariff increases partly offset by portfolio losses,
- *Commercial lines* (50% of the gross revenues) were down 4% to €586 million with Motor down 1% and Non-Motor down 5% mainly due to Workers' Compensation (-12%) impacted negatively by the prevailing economic context and focus on profitability.

Net technical result increased by €7 million (+5%) to €349 million:

- Current accident year loss ratio increased by 0.3 point to 81.2%.
- All accident year loss ratio decreased by 2.1 points to 66.9% due to higher positive prior year reserve developments mainly in Workers' Compensation.

Expense ratio rose by 1.6 points to 31.6% mainly driven by higher administrative expenses (+1.5 points) reflecting early retirement plans and investments to further improve quality of service.

As a result, the **combined ratio** decreased by 0.5 point to 98.5%.

Net investment result increased by €6 million (+6%) to €100 million mainly as a result of higher asset base and a favorable change in asset allocation towards fixed income.

Income tax expenses increased by €30 million to €40 million resulting from the 2009 non recurring impact of the favorable court decision for insurance companies on RDT (Revenus Définitivement Taxés: €21 million) and higher pre-tax underlying earnings.

Underlying earnings decreased by €18 million (-20%) to €75 million.

Adjusted earnings increased by €3 million (+4%) to €80 million as a result of lower impairments mainly on equities, partly offset by lower underlying earnings and lower realized capital gains net of hedging derivatives.

¹³ €1,138 million after intercompany eliminations.

Net income decreased by €13 million (-14%) to €79 million mainly due to unfavorable change in fair value on inflation derivatives partly offset by higher adjusted earnings.

Property & Casualty Operations – Mediterranean and Latin American Region

	(in Euro million)		
	HY 2010	HY 2009	FY 2009
Gross revenues	3,478	3,426	6,721
Current accident year loss ratio (net)	78.0%	78.4%	79.2%
All accident year loss ratio (net)	72.8%	72.2%	73.3%
Net technical result	920	929	1,796
Expense ratio	25.1%	25.1%	25.7%
Net investment result	209	228	415
Underlying earnings before tax	279	317	482
Income tax expenses / benefits	(84)	(82)	(124)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(15)	(18)	(32)
Underlying earnings Group share	180	217	326
Net capital gains or losses attributable to shareholders net of income tax	68	(38)	(44)
Adjusted earnings Group share	248	180	281
Profit or loss on financial assets (under FV option) & derivatives	(8)	5	22
Exceptional operations (including discontinued operations)	(1)	-	7
Goodwill and other related intangibles impacts	(12)	(12)	(25)
Integration costs	-	(3)	(7)
Net income Group share	227	170	277

Gross revenues increased by €2 million (+2%) to €3,478 million¹⁴. On a comparable basis, gross revenues decreased by €8 million (-1%):

- *Personal lines* (63% of the gross revenues) were up 2% to €2,210 million mainly driven by Non-Motor (+8%) due to Property (+7%) benefiting from the rebound on bank mortgage loan activity in AXA MPS and in Spain, and Health (+7%) driven by positive volume effect in Mexico, Spain and Turkey. This was partly offset by Motor (-1%) where tariff increases affected net new contracts in Spain (-7%), partly offset by good performance in Turkey (+19%) due to competitive Motor Third Party Liability products,
- *Commercial lines* (35% of the gross revenues) were down 6% to €1,231 million mainly driven by Non-Motor (-6%) reflecting the economic context notably in Liability and Construction, as well as lower new business in Property mainly due to enhanced selection of risks in Mexico. Motor decreased by 4% reflecting the focus on profitable business.

Net technical result decreased by €9 million (-1%) to €920 million. On a constant exchange rate basis, net technical result decreased by €27 million (-3%):

- Current accident year loss ratio decreased by 0.4 point to 78.0%, mainly driven by the focus on profitability on Commercial lines mainly on Motor, partly offset by higher claims frequency in Commercial Health in Spain and Mexico and the higher net impact of Nat Cat events (+0.5 point) notably snowstorm, floods and Xynthia in Spain, cyclone Phet in Oman and floods in Turkey,
- All accident year loss ratio increased by 0.5 point to 72.8% mainly due to lower positive prior year reserve developments (0.8 point) mainly on Motor lines, partly offset by lower current accident year loss ratio.

Expense ratio was stable at 25.1%.

As a result, the **combined ratio** was up by 0.5 point to 97.9%.

¹⁴ €3,438 million after intercompany eliminations.

Net investment result decreased by €19 million (-8%) to €209 million. On a constant exchange rate basis, net investment result decreased by €23 million (-10%) mainly as a result of lower fixed income yield and lower equity dividends.

Income tax expenses increased by €3 million (+3%) to €84 million. On a constant exchange rate basis, income tax expenses increased by €2 million (+2%) mainly driven by a negative one-off impact in Italy in 2010 (€4 million) and a negative country mix.

Underlying earnings decreased by €37 million (-17%) to €180 million. On a constant exchange rate basis, underlying earnings decreased by €39 million (-18%).

Adjusted earnings increased by €69 million (+38%) to €248 million. On a constant exchange rate basis, adjusted earnings increased by €67 million (+38%) mainly driven by higher net realized capital gains (€46 million) mainly on equities combined with lower impairments (€40 million) mainly on equities and mutual funds, partly offset by lower underlying earnings.

Net income increased by €8 million (+34%) to €227 million. On a constant exchange rate basis, net income increased by €7 million (+33%) reflecting the increase in adjusted earnings partly offset by the negative change in time value of the equity hedging program (€10 million).

Property & Casualty Operations – Switzerland

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	2,030	1,964	2,161
Current accident year loss ratio (net)	75.7%	79.1%	76.8%
All accident year loss ratio (net)	63.0%	65.9%	66.3%
Net technical result	415	366	726
Expense ratio	25.7%	28.0%	27.6%
Net investment result	103	92	186
Underlying earnings before tax	230	158	316
Income tax expenses / benefits	(48)	(34)	(54)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(1)	(1)	(2)
Underlying earnings Group share	180	123	260
Net capital gains or losses attributable to shareholders net of income tax	25	(19)	(13)
Adjusted earnings Group share	206	104	247
Profit or loss on financial assets (under FV option) & derivatives	(15)	(1)	5
Exceptional operations (including discontinued operations)	8	(1)	(1)
Goodwill and other related intangibles impacts	(13)	(12)	(25)
Integration costs	-	-	-
Net income Group share	186	90	227
Average exchange rate : 1.00 € = Swiss Franc	1.4357	1.5055	1.5096

Gross revenues increased by €66 million (+3%) to €2,030 million¹⁵. On a comparable basis, gross revenues decreased by €29 million (-2%) mainly due to:

- *Personal lines (51% of the gross revenues)* up 1% to €1,031 million driven by Non-Motor mainly due to Property reflecting higher insured sums and positive net new inflows while Motor business remained stable.
- *Commercial lines (49% of the gross revenues)* down 4% to €1,004 million mainly resulting from a focus on profitability.

Net technical result increased by €49 million (+13%) to €415 million. On a constant exchange rate basis, net technical result increased by €30 million (+8%):

- Current accident year loss ratio decreased by 3.4 points to 75.7% mainly driven by the improvements in commercial lines reflecting a selective underwriting policy,
- All accident year loss ratio decreased by 2.9 points to 63.0% primarily reflecting the current year loss ratio improvement.

Expense ratio decreased by 2.2 points to 25.7% mainly driven by acquisition cost decrease as a result of a change of agents' commission structure.

As a result, the **combined ratio** decreased by 5.1 points to 88.7%.

Net investment result increased by €1 million (+12%) to €103 million. On a constant exchange rate basis, net investment result increased by €6 million (+7%) mainly due to an increase of fixed income return (€12 million) partly offset by lower income from intercompany loans (€9 million) reflecting lower interest rates.

Income tax expenses increased by €4 million (+40%) to €48 million. On a constant exchange rate basis, income tax expenses increased by €1 million (+33%) mainly driven by the higher pre-tax underlying earnings partly offset by the 1 point lower corporate tax rate to 21% in 2010.

¹⁵ €2,021 million after intercompany eliminations.

Underlying earnings increased by €8 million (+47%) to €80 million. On a constant exchange rate basis, underlying earnings increased by €9 million (+40%).

Adjusted earnings increased by €102 million (+98%) to €206 million. On a constant exchange rate basis, adjusted earnings increased by €2 million (+89%) driven by an increase of underlying earnings and higher net realized capital gains on equity securities (€31 million).

Net income increased by €97 million (+108%) to €186 million. On a constant exchange rate basis, net income increased by €88 million (+98%) mainly driven by higher adjusted earnings.

Property & Casualty Operations - Other Countries

Consolidated Gross Revenues

(in Euro million)

	HY 2010	HY 2009	FY 2009
Canada	711	576	1,174
Others	619	494	941
o/w Asia (a)	508	423	819
o/w Luxembourg	59	58	91
o/w Central and Eastern Europe	52	13	31
TOTAL	1,330	1,070	2,116
Intercompany transactions	(16)	(13)	(13)
Contribution to consolidated gross revenues	1,314	1,057	2,103

(a) Includes Hong Kong, Singapore, South Korea, Malaysia and Japan.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
Canada	80	47	87
Others	12	23	40
o/w Asia (a)	3	7	20
o/w Luxembourg	3	6	12
o/w Central and Eastern Europe	(4)	(5)	(10)
o/w Reso (Russia)	10	15	18
UNDERLYING EARNINGS	92	70	126
Net realized capital gains or losses attributable to shareholders	10	1	7
ADJUSTED EARNINGS	102	71	133
Profit or loss on financial assets (under Fair Value option) & derivatives	(3)	4	3
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and related intangibles impacts	(4)	(4)	(6)
Integration costs	-	-	-
NET INCOME	95	71	130

(a) Includes Hong Kong, Singapore, South Korea, Malaysia and Japan.

CANADA

Gross revenues increased by €135 million (+23%) to €711 million¹⁶. On a comparable basis, gross revenues increased by €31 million (+6%) mainly as a result of higher volumes and increased average premium in personal lines.

Underlying earnings increased by €33 million (+69%) to €80 million. On a constant exchange rate basis, underlying earnings increased by €21 million (+45%) reflecting an improvement of combined ratio by 3.9 points to 89.1% mainly as a result of good weather conditions during the winter 2009-2010 and a lower effective income tax rate.

Adjusted earnings increased by €43 million (+93%) to €89 million. On a constant exchange rate basis, adjusted earnings increased by €30 million (+65%) due to €21 million higher underlying earnings, €6 million lower impairments and €3 million higher realized capital gains.

¹⁶ €702 million after intercompany eliminations.

Net income increased by €39 million (+89%) to €83 million. On a constant exchange rate basis, net income increased by €7 million (+61%) as the increase in adjusted earnings was partly offset by €3 million higher foreign exchange losses.

ASIA¹⁷

Gross revenues increased by €86 million (+20%) to €508 million¹⁸. On a comparable basis, gross revenues increased by €31 million (+8%):

- *Personal lines* (78% of the gross revenues) were up 6% or €21 million due to €15 million in Motor benefiting from net new inflows in Japan, tariffs increase in Singapore and Malaysia, as well as €4 million increase in Health in South Korea,
- *Commercial lines* (21% of the gross revenues) were up 5% or €5 million attributable to Motor (€4 million) in Singapore and Malaysia.

Net technical result increased by €12 million (+12%) to €113 million. On a constant exchange rate basis, net technical result increased by €4 million (+4%):

- Current accident year loss ratio remained flat at 75.6% mainly due to an improvement in Singapore and Hong Kong in Motor, offset by a deterioration in South Korea as a result of higher claims frequency,
- All accident year loss ratio increased by 1.8 points to 76.3% mainly due to unfavorable prior year reserve developments in Singapore and Malaysia as well as the strengthening of claims handling reserves in Japan and South Korea.

Expense ratio decreased by 0.8 point to 24.9% with the acquisition ratio down 0.3 point and the administrative expense ratio down 0.5 point, reflecting a tight expenses control.

As a result, **the combined ratio** was up by 0.9 point to 101.2%.

Net investment result increased by €1 million (+8%) to €1 million. On a constant exchange rate basis, net investment result remained stable.

Income tax expenses decreased by €1 million (-60%) to €1 million. On a constant exchange rate basis, income tax expenses decreased by €1 million (-63%) due to lower pre-tax underlying earnings.

Underlying earnings decreased by €4 million (-50%) to €3 million. On a constant exchange rate basis, underlying earnings decreased by €4 million (-50%).

Adjusted earnings decreased by €5 million (-56%) to €4 million. On a constant exchange rate basis, adjusted earnings decreased by €5 million (-56%) due to lower underlying earnings.

Net income decreased by €6 million (-67%) to €3 million. On a constant exchange rate basis, net income decreased by €6 million (-66%) in line with lower adjusted earnings.

CENTRAL AND EASTERN EUROPE (POLAND AND UKRAINE)

Gross revenues increased by €39 million to €52 million. On a comparable basis, gross revenues increased by €9 million driven by Poland (+36% or €5 million) with continuing net inflows in Personal Motor (+27,000 in 2010 and +35,000 in 2009) and Ukraine (+17% or €4 million) mainly in Motor despite a softening market and in Health.

Underlying earnings and **adjusted earnings** increased by €1 million to €4 million reflecting €1 million higher net technical result.

Net income decreased by €2 million to €4 million.

¹⁷ Includes Honk Kong, Singapore, South Korea, Malaysia and Japan.

¹⁸ €501 million after intercompany eliminations.

RESO GARANTIA (RUSSIA)

Underlying earnings, adjusted earnings and net income decreased by €5 million (-32%) to €10 million. On a constant exchange rate basis, underlying earnings, adjusted earnings and net income decreased by €6 million driven by higher technical result due to both growth and improved loss ratio, more than offset by higher expenses and lower investment result including lower foreign exchange gains.

International Insurance Segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income for the International Insurance Segment for the periods indicated:

Consolidated Gross Revenues

(in Euro million)

	HY 2010	HY 2009	FY 2009
AXA Corporate Solutions Assurance	1,291	1,270	1,946
AXA Global Life and Global P&C (a)	47	58	59
AXA Assistance	459	432	883
Other (b)	53	52	108
TOTAL	1,850	1,813	2,996
Intercompany transactions	(88)	(82)	(136)
Contribution to consolidated gross revenues	1,762	1,731	2,860

(a) Formerly AXA Cessions.

(b) Including AXA Liabilities Managers and AXA Corporate Solutions Life Reinsurance Company.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
AXA Corporate Solutions Assurance	84	48	132
AXA Global Life and Global P&C (a)	13	(3)	(3)
AXA Assistance	10	8	16
Other (b)	38	69	141
UNDERLYING EARNINGS	144	122	286
Net realized capital gains or losses attributable to shareholders	(0)	5	19
ADJUSTED EARNINGS	144	127	306
Profit or loss on financial assets (under Fair Value option) & derivatives	14	(10)	20
Exceptional operations (including discontinued operations)	3	-	1
Goodwill and related intangibles impacts	-	-	(1)
Integration costs	-	-	-
NET INCOME	161	117	326

(a) Formerly AXA Cessions.

(b) Including AXA Liabilities Managers and AXA Corporate Solutions Life Reinsurance Company.

AXA Corporate Solutions Assurance

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	1,291	1,270	1,946
Current accident year loss ratio (net)	85.3%	92.2%	87.2%
All accident year loss ratio (net)	81.8%	88.7%	84.0%
Net technical result	195	118	311
Expense ratio	14.8%	12.8%	15.0%
Net investment result	95	96	186
Underlying earnings before tax	132	79	205
Income tax expenses / benefits	(47)	(31)	(71)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(1)	(1)	(2)
Underlying earnings Group share	84	48	132
Net capital gains or losses attributable to shareholders net of income tax	(2)	9	12
Adjusted earnings Group share	82	56	144
Profit or loss on financial assets (under FV option) & derivatives	11	(10)	16
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	-	-
Net income Group share	92	46	160

Gross revenues increased by €20 million (+2%) to €1,291 million¹⁹. On a constant exchange rate basis, gross revenues decreased by €1 million (-1%) mainly due to portfolio selection focused on profitability (Property, Liability, Aviation, Financial lines) partly offset by positive development in Motor (+9%) and Marine (+2%). Tariff increases in all lines of business reached +1% on average.

Net technical result increased by €76 million (+65%) to €195 million. On a constant exchange rate basis, net technical result increased by €76 million (+64%):

- Current accident year loss ratio decreased by 6.9 points to 85.3%. Excluding 2.0 points commissions reclassified from technical margin to expenses in assumed business, current year loss ratio decreased by 4.9 points following a lower level of major losses in Property, portfolio selection focused on profitability and tariff increase impacts.
- Prior year technical result increased by €5 million as a result of prior year reserve and premium developments.

As a consequence, all accident year loss ratio decreased by 6.9 points to 81.8%.

Expense ratio rose by 1.9 points to 14.8%. Excluding reclassified commissions on assumed business from technical margin to expenses, expense ratio was stable at 12.8%.

As a result, the **combined ratio** decreased by 4.9 points to 96.6%.

Net investment result was stable at €95 million.

Underlying earnings increased by €36 million (+75%) to €84 million.

Adjusted earnings increased by €25 million (+45%) to €82 million mainly due to higher underlying earnings partly offset by lower net realized capital gains (€11 million) mainly on equities.

¹⁹ €1,271 million after intercompany eliminations.

Net income increased by €46 million to €92 million. On a constant exchange rate basis, net income increased by €46 million reflecting higher adjusted earnings as well as a positive performance in private equity funds.

AXA Global Life and Global P&C²⁰

Underlying earnings increased by €16 million to €13 million reflecting higher positive developments mainly in Group Motor Liability, Group Property pool results which were negatively impacted by Klaus storm in 2009, and in Life internal pool.

Net income increased by €16 million to €15 million reflecting higher underlying earnings and positive impact of foreign exchange rates.

AXA Assistance

Gross revenues increased by €27 million (+6%) to €459 million²¹. On a comparable basis, gross revenues increased by €18 million (+5%) mainly due to the Travel development offset by the negative impact following the end of a joint venture in Japan and portfolio selection in legal protection.

Underlying earnings increased by €1 million (+13%) to €10 million mainly driven by the Travel activity development.

Adjusted earnings increased by €2 million (+25%) to €10 million mainly reflecting higher underlying earnings.

Net income increased by €6 million to €12 million mainly reflecting higher adjusted earnings and the exceptional capital gain following the end of a joint venture in Japan.

Other international activities

Underlying earnings decreased by €31 million (-44%) to €8 million. On a constant exchange rate basis, underlying earnings decreased by €32 million (-46%) arising from higher unfavorable reserve developments in Life run-off portfolio driven by adverse market conditions and lower results in Property & Casualty run-off portfolio.

Adjusted earnings decreased by €27 million (-40%). On a constant exchange rate basis, adjusted earnings decreased by €28 million (-42%) mainly driven by lower underlying earnings partly offset by lower impairments.

Net income decreased by €25 million (-37%). On a constant exchange rate basis, net income decreased by €26 million (-40%) reflecting lower adjusted earnings partly offset by the positive impact of foreign exchange rate on Property & Casualty run-off activities.

²⁰ Gathers both central teams from Life & Savings and Property & Casualty global business lines in addition to existing Group reinsurance operations.

²¹ €392 million after intercompany eliminations.

Asset Management Segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income for the Asset Management Segment for the periods indicated:

Consolidated Gross Revenues

(in Euro million)

	HY 2010	HY 2009	FY 2009
AllianceBernstein	1,111	967	1,973
AXA Investment Managers	742	698	1,445
TOTAL	1,854	1,664	3,419
Intercompany transactions	(183)	(161)	(344)
Contribution to consolidated gross revenues	1,670	1,503	3,074

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
AllianceBernstein	71	95	185
AXA Investment Managers	78	81	171
UNDERLYING EARNINGS	150	176	355
Net realized capital gains or losses attributable to shareholders	(5)	-	-
ADJUSTED EARNINGS	145	176	355
Profit or loss on financial assets (under Fair Value option) & derivatives	(25)	16	49
Exceptional operations (including discontinued operations)	2	(5)	5
Goodwill and related intangibles impacts	-	-	-
Integration costs	-	(0)	-
NET INCOME	122	187	409

AllianceBernstein

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	1,111	967	1,973
Net investment result	(18)	2	22
General expenses	(896)	(864)	(1,665)
Underlying earnings before tax	198	105	331
Income tax expenses / benefits	(53)	29	(26)
Non-controlling interests	(73)	(40)	(120)
Underlying earnings Group share	71	95	185
Net capital gains or losses attributable to shareholders net of income tax	-	-	-
Adjusted earnings Group share	71	95	185
Profit or loss on financial assets (under FV option) & derivatives	(7)	5	20
Exceptional operations (including discontinued operations)	2	(5)	0
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	-	-
Net income Group share	66	95	205

Assets under Management ("AUM") increased by €28 billion from year-end 2009 to €74 billion at the end of June 2010 driven by €6 billion positive exchange rate impact partly offset by €20 billion market depreciation and net outflows of €8 billion (€9 billion from Institutional Clients, partly offset by €1 billion net inflows from Retail Clients), reflecting a significant sequential slowdown (€8 billion net outflows as of June 30, 2010 vs. €20 billion in the second half of 2009).

Gross revenues increased by €145 million (+15%) to €1,111 million²². On a comparable basis, gross revenues increased by €135 million (+15%) driven by higher management fees (+16%) following 12% higher average AUM, distribution fees (+34%) due to higher Retail sales and Institutional Research services (+5%) due to higher transaction charges.

Net investment result decreased by €20 million to €18 million. On a constant exchange rate basis, net investment result decreased by €20 million due to higher realized and unrealized losses on investments related to deferred compensation obligations, offset in general expenses.

General expenses increased by €32 million (+4%) to €896 million. On a constant exchange rate basis, general expenses increased by €27 million (+3%) due to (i) higher employee compensation expenses (+3% or €16 million due to higher deferred compensation obligations partly offset by lower salaries) and (ii) higher promotion and servicing expenses (+16% or €26 million) due to higher distribution plan payments (from higher average retail AUM) partly offset by lower amortization of deferred sales commission.

As a result, the underlying **cost income ratio** improved by 8.4 points to 79.6%.

Income tax expenses increased by €32 million to €53 million. On a constant exchange rate basis, income tax expenses increased by €32 million due to the non repeated 2009 one-time tax benefit of €65 million primarily due to a release of reserves relating to the tax treatment of compensation plans.

Underlying and adjusted earnings decreased by €23 million (-25%) to €71 million. On a constant exchange rate basis, underlying earnings and adjusted earnings decreased by €24 million (-25%). Excluding the one-time tax benefit of €65 million recorded in 2009, underlying earnings were up €41 million.

AXA ownership of AllianceBernstein as of June 30, 2010 was 62.5% compared to 62.2% at December 31, 2009.

²² €1,065 million after intercompany eliminations.

Net income decreased by €29 million (-30%) to €66 million. On a constant exchange rate basis, net income decreased by €29 million (-31%) as a result of lower adjusted earnings combined to €12 million unfavorable change in fair value of assets, partly offset by €7 million exceptional operations primarily due to not repeated tax impact from AllianceBernstein unit transfer to AXA Bermuda.

AXA Investment Managers (“AXA IM”)

(in Euro million)

	HY 2010	HY 2009	FY 2009
Gross revenues	742	698	1,445
Net investment result	(4)	8	(3)
General expenses	(601)	(565)	(1,158)
Underlying earnings before tax	137	141	284
Income tax expenses / benefits	(51)	(48)	(87)
Non-controlling interests	(8)	(12)	(26)
Underlying earnings Group share	78	81	171
Net capital gains or losses attributable to shareholders net of income tax	(5)	-	-
Adjusted earnings Group share	74	81	171
Profit or loss on financial assets (under FV option) & derivatives	(18)	11	29
Exceptional operations (including discontinued operations)	-	-	5
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	(0)	-
Net income Group share	56	92	204

Assets under Management ("AUM") increased by €25 billion from year-end 2009 to €24 billion at the end of June 2010 mainly as a result of €21 billion favorable market impact and €21 billion foreign exchange impact, partly offset by €17 billion negative net outflows, of which €21 billion on AXA Rosenberg products partly offset by €3 billion net inflows on fixed income products.

Gross revenues increased by €45 million (+6%) to €742 million²³. On a comparable basis and excluding distribution fees (retroceded to distributors), net revenues increased by €16 million (+3%) to €36 million mainly due to higher management fees (€20 million or +4%) driven by higher average AUM (+4%), partly offset by lower performance fees (€4 million).

Net investment result decreased by €12 million to €4 million both on current and constant exchange rate basis, mainly driven by lower realized carried interests (€10 million).

General expenses increased by €36 million (+6%) to €601 million. On a constant exchange rate basis and excluding distribution fees, general expenses slightly increased by €9 million (+2%) to €394 million notably as a result of external fees at AXA Rosenberg.

As a result, **the underlying cost income ratio** increased by 1.1 points to 74.2%.

Income tax expenses increased by €3 million (+6%) to €51 million, or by €2 million (+5%) on a constant exchange rate basis, due to lower research tax credit in 2010.

Underlying earnings slightly decreased by €2 million (-3%) to €78 million, or by €3 million (-4%) on a constant exchange rate basis as the strong decrease in AXA Rosenberg contribution (€13 million) was partly offset by higher earnings in most other businesses.

Adjusted earnings decreased by €7 million (-9%) to €74 million. On a constant exchange rate basis, adjusted earnings decreased by €8 million (-10%), driven by lower underlying earnings and an impairment charge.

Net income decreased by €36 million (-39%) to €56 million. On a constant exchange rate basis, net income decreased by €37 million (-40%), mainly driven by lower adjusted earnings and an unfavorable foreign exchange impact on

²³ €605 million after intercompany eliminations.

USD-denominated inter-company debt (€35 million), partly offset by a positive change in fair value of “Libor plus” funds (€+6 million).

Banking

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and the net income attributable to AXA's banking for the periods indicated:

Consolidated Gross Revenues

(in Euro million)

	HY 2010	HY 2009	FY 2009
AXA Bank Europe entities	237	227	472
o/w Belgium	139	154	301
o/w France	66	49	112
o/w Hungary	29	20	45
o/w Germany	7	4	15
o/w Switzerland	(2)	(0)	(1)
o/w Others (a)	(1)	-	(0)
Others	3	4	8
TOTAL	241	230	480
Intercompany transactions	(23)	(35)	(85)
Contribution to consolidated gross revenues	218	195	395

(a) Includes Slovakia and Czech Republic.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
AXA Bank Europe entities	(19)	17	3
o/w Belgium	(5)	33	24
o/w France	1	(2)	0
o/w Hungary	(0)	(5)	(2)
o/w Germany	(1)	(4)	(4)
o/w Switzerland	(5)	(4)	(11)
o/w Others (a)	(8)	-	(3)
Others	(3)	(2)	(5)
UNDERLYING EARNINGS	(22)	15	(2)
Net realized capital gains or losses attributable to shareholders	1	(7)	(4)
ADJUSTED EARNINGS	(22)	8	(6)
Profit or loss on financial assets (under Fair Value option) & derivatives	2	(10)	(8)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and related intangibles impacts	(0)	(0)	(0)
Integration costs	-	(1)	(4)
NET INCOME	(20)	(3)	(17)

(a) Includes Slovakia and Czech Republic.

AXA Bank Europe

BELGIUM

Net banking revenues decreased by €15 million (-10%) to €39 million. On a comparable basis²⁴, net banking revenues decreased by €1 million (-1%) mainly due to a lower net interest and fee income offset by an increase of net capital gains and impairments.

Underlying earnings decreased by €9 million to €5 million mainly due to a lower interest and commission margin (€31 million) and an increase in expenses (€11 million including €5 million related to an early retirement plan) partly offset by lower distribution commissions (€+4 million).

Adjusted earnings decreased by €31 million to €5 million mainly due to the decrease in underlying earnings partly offset by lower impairments on fixed income (€+8 million).

Net income decreased by €21 million to €6 million driven by the decrease in adjusted earnings partly offset by the favorable change in fair value and capital gains on mutual funds and other assets net of derivatives (€+10 million).

FRANCE

Net banking revenues increased by €6 million (+33%) to €66 million. On a comparable basis²⁴, net banking revenues increased by €17 million (+42%) to €66 million driven by higher interest margin and fees on current account activity and including a positive change in fair value of macro-hedge derivatives on interest rates (€+7 million).

Underlying and adjusted earnings increased by €3 million to €1 million, revenues growth being partly offset by €5 million higher administrative expenses resulting from investment program to support future growth.

Net income increased by €7 million from €2 million to €6 million, reflecting higher adjusted earnings and the favorable impact of the change in fair value of macro-hedge derivatives instruments, following long term interest rates decrease.

HUNGARY

Net banking revenues increased by €9 million (+45%) to €29 million. On a comparable basis²⁴, net banking revenues increased by €3 million (+11%) driven by mortgage loans business.

Underlying earnings increased by €5 million to €0 million driven by higher commercial margin partly offset by higher administrative expenses.

Adjusted earnings and **net income** increased by €5 million to €0 million driven by higher underlying earnings.

GERMANY

Net banking revenues increased by €3 million (+68%) to €7 million. On a comparable basis²⁴, net banking revenues increased by €4 million (+211%) driven by increased commercial margin and improved commission margin following higher fees received from the investment business.

Underlying earnings as well as **adjusted earnings** and **net income** increased by €3 million to €1 million driven by higher net banking revenues.

²⁴ In banking segment "on a comparable basis" means after intercompany eliminations.

CZECH REPUBLIC

Underlying earnings amounted to €7 million mainly due to set-up costs driven by launch of the branch at the end of 2009.

SWITZERLAND

Underlying earnings as well as **adjusted earnings** and **net income** decreased by €1 million to €5 million driven by lower commercial margin.

Holdings and other companies

The Holdings and other companies consist of AXA's non-operating companies, including mainly AXA parent company, AXA France Assurance, AXA Financial, AXA Asia Pacific Holdings, AXA United Kingdom Holdings, AXA Germany Holdings, AXA Belgium Holdings, CDOs and real estate companies.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	HY 2010	HY 2009	FY 2009
AXA	(251)	(251)	(602)
Other French holdings companies	(23)	(19)	(24)
Foreign holdings companies	(164)	(146)	(194)
Others (a)	1	2	28
UNDERLYING EARNINGS	(438)	(415)	(793)
Net realized capital gains or losses attributable to shareholders	(9)	11	(64)
ADJUSTED EARNINGS	(447)	(404)	(857)
Profit or loss on financial assets (under Fair Value option) & derivatives	3	331	288
Exceptional operations (including discontinued operations)	(15)	10	(135)
Goodwill and related intangibles impacts	0	0	0
Integration costs	0	0	0
NET INCOME	(458)	(63)	(703)

(a) Includes notably CDOs and real estate entities.

AXA²⁵

Underlying earnings remained stable at €251 million mainly due to an increase in general expenses by €59 million of which a €64 million net provision related to potential losses arising from AXA Rosenberg coding error, partly offset notably by a decrease of financial charges by €54 million mainly driven by lower interest rates.

Adjusted earnings decreased by €34 million to €255 million due to a €34 million profit recorded in 2009 on macro hedges equity derivatives.

Net income decreased by €250 million to €190 million mainly driven by adjusted earnings evolution and a €224 million change in the marked to market on interest rate and foreign exchange derivatives instruments which are not eligible to hedge accounting.

Other French holding companies

AXA France Assurance.

Underlying earnings, adjusted earnings and net income increased by €14 million to €9 million, mainly due to the decrease in income tax expenses (€13 million) resulting from lower inter-company dividends received.

²⁵ All the figures are after tax.

Other French holdings.

Underlying earnings decreased by €18 million to €14 million mainly reflecting €12 million operational losses in India related to the Property & Casualty activity which is not consolidated.

Adjusted earnings decreased by €17 million to €17 million mainly driven by underlying earnings evolution.

Net income decreased by €22 million to €24 million driven by adjusted earnings evolution and residual past losses in India Property & Casualty operations (€10 million).

Foreign Holding Companies

AXA Financial Inc.

Underlying earnings decreased by €27 million (-40%) to €95 million. On a constant exchange rate basis, underlying earnings decreased by €27 million (-39%) primarily due to a €48 million increase in interest expenses related to internal debt restructuring partly offset by higher investment margin as a consequence of 787 7th Avenue building transfer from AXA Equitable in first half of 2009.

Adjusted earnings decreased by €27 million (-40%) to €95 million. On a constant exchange rate basis, adjusted earnings decreased by €27 million (-39%), in line with underlying earnings evolution.

Net income decreased by €106 million (-167%) to €169 million. On a constant exchange rate basis, net income decreased by €105 million (-165%) due to lower adjusted earnings and an unfavorable fair value of a cross currency swap.

AXA Asia Pacific Holdings ²⁶

Underlying earnings decreased by €8 million to €12 million. On a constant exchange rate basis, underlying earnings decreased by €6 million due to the restructuring of intercompany loans, higher Asian corporate expenses, and higher executive share plan costs, partly offset by lower interest expense on lower debt levels.

Adjusted earnings decreased by €10 million to €12 million. On a constant exchange rate basis, adjusted earnings decreased by €8 million mainly due to the decrease in underlying earnings and a non repeat of a realized internal gain on derivatives in 2009.

Net income decreased by €13 million to €12 million. On a constant exchange rate basis, net income decreased by €11 million due to the decrease in underlying earnings combined with foreign exchange losses on USD denominated inter-company debt and costs associated with the probable sale of the Australia & New Zealand operations.

AXA UK Holdings

Underlying earnings decreased by €5 million (-40%) to €18 million. On a constant exchange rate basis, underlying earnings decreased by €5 million (-36%) due to a €13 million release of a deferred tax provision in 2009 partly offset by €10 million lower financial charges following a Euro-denominated intercompany debt repayment in July 2009.

²⁶ AXA interest in AXA Asia Pacific Group is 54.04% broken down into 53.92% direct interest holding and an additional 0.12% owned by the AAPH Executive plan trust.

Adjusted earnings decreased by €7 million (-57%) to €20 million. On a constant exchange rate basis, adjusted earnings decreased by €7 million reflecting the decrease in underlying earnings.

Net income decreased by €8 million (-134%) to €15 million. On a constant exchange rate basis, net income decreased by €7 million (-133%) reflecting adjusted earnings evolution together with a significant decrease of €1 million on exchange rate gains following the repayment of a Euro-denominated inter-company debt.

German Holding companies

Underlying earnings increased by €2 million (+12%) to €18 million mainly driven by lower administrative expenses partly offset by lower investment results from equities.

Adjusted earnings increased by €24 million (+59%) to €17 million due to the increase of underlying earnings and decrease of impairments by €20 million.

Net income increased by €24 million (+59%) to €17 million in line with adjusted earnings.

Belgium Holding companies

Underlying earnings increased by €7 million to €5 million reflecting higher income from internal loans set up at the end of March 2009.

Adjusted earnings increased by €7 million to €5 million due to higher underlying earnings.

Net income increased by €7 million to €5 million due to higher adjusted earnings.

Mediterranean and Latin American Region Holdings

Underlying earnings increased by €7 million to €36 million. On a comparable exchange rate basis, underlying earnings increased by €7 million due to lower financial charges driven by lower interest rates.

Adjusted earnings increased by €7 million to €36 million. On a comparable exchange rate basis, adjusted earnings increased by €7 million in line with underlying earnings.

Net income increased by €7 million to €36 million. On a comparable exchange rate basis, net income increased by €7 million in line with adjusted earnings.

Other

CFP

Underlying earnings, adjusted earnings and net income decreased by €1 million (-62%) to €1 million by less favorable run-off developments.

Outlook

In the first semester of 2010, we implemented active measures to improve margins with a strong focus on new business growth in some selected areas and new business profitability in others, be it on a country or business line level. We also continued to actively manage our portfolio of activities while maintaining our balance sheet strength.

AXA's performance in the first semester of 2010 provides a strong and sustainable basis which, together with an ongoing optimization of our capital allocation and a continued focus on operating efficiency, sharpens our rebound capacity when the economic outlook improves.

Glossary

COMPARABLE BASIS FOR REVENUES AND ANNUALIZED PREMIUMS EQUIVALENT

On a comparable basis means that the data for the current period were restated using the prevailing foreign currency exchange rates for the same period of prior year (**constant exchange rate** basis). It also means that data in one of the two periods being compared were restated for the results of acquisitions, disposals and business transfers (**constant structural** basis) and for changes in accounting principles (**constant methodological** basis).

ADJUSTED EARNINGS

Adjusted earnings represent the net income (group share) before the impact of:

- (i) Exceptional operations (primarily change in scope and discontinued operations)
- (ii) Integration and restructuring costs related to material newly acquired companies
- (iii) Goodwill and other related intangibles, and
- (iv) Profit or loss on financial assets accounted for under fair value option (excluding assets backing liabilities for which the financial risk is borne by the policyholder), foreign exchange impacts on assets and liabilities, and derivatives related to invested assets.

Derivatives related to invested assets:

- include all foreign exchange derivatives, except the ones related to currency options in earnings hedging strategies which are included in underlying earnings,
- exclude derivatives related to insurance contracts evaluated according to the “selective unlocking” accounting policy,
- and also exclude derivatives involved in the economic hedging of realized gains and impairments of equity securities and real estate backing general account and shareholders’ funds, for which cost at inception, intrinsic value and pay-off flow through adjusted earnings, and only time value flows through net income when there is no intention to sell the derivatives in the short term (if not, flows through adjusted earnings).

UNDERLYING EARNINGS

Underlying earnings correspond to adjusted earnings excluding net capital gains or losses attributable to shareholders.

Net capital gains or losses attributable to shareholders include the following elements net of tax:

- realized gains and losses and change in impairment valuation allowance (on assets not designated under fair value option or trading assets),
- cost at inception, intrinsic value and pay-off of derivatives involved in the economic hedging of realized gains and impairments of equity securities and real estate backing general account and shareholders’ funds,
- related impact on policyholder participation (Life & Savings business),
- DAC and VBI amortization or other reactivity to those elements if any (Life & Savings business) and net of hedging if any.

EARNINGS PER SHARE

Earnings per share (**EPS**) represent AXA's consolidated earnings (including interest charges and foreign exchange impacts related to perpetual debts recorded through shareholders’ equity), divided by the weighted average number of outstanding ordinary shares.

Diluted earnings per share (**diluted EPS**) represent AXA's consolidated earnings (including interest charges and foreign exchange impacts related to perpetual debts recorded through shareholders’ equity), divided by the weighted average number of outstanding ordinary shares, on a diluted basis (that is to say including the potential impact of all

outstanding dilutive stock options being exercised performance shares, and conversion of existing convertible debt into shares, provided that their impact is not anti-dilutive).

RETURN ON EQUITY (“ROE”)

The calculation is prepared with the following principles:

- For net income ROE: Calculation is based on consolidated financial statements, i.e. shareholders’ equity including perpetual debt (“Super Subordinated Debts” TSS / “Perpetual Subordinated Debts” TSDI) and Other Comprehensive Income “OCI”, and net income not reflecting any interest charges on TSS / TSDI.
- For adjusted and underlying ROE :
 - All perpetual debts (TSS / TSDI) are treated as financing debt, thus excluded from shareholders’ equity
 - Interest charges on TSS / TSDI are deducted from earnings
 - OCI is excluded from the average shareholders’ equity.

LIFE & SAVINGS MARGIN ANALYSIS

Life & Savings margin analysis is presented on an underlying basis.

Even though the presentation of Margin Analysis is not the same as the Statement of Income (underlying basis), it is based on the same GAAP measures as used to prepare the Statement of Income in accordance with IFRS. As a result, the operating income under the Margin Analysis is equal to that reported in AXA’s Statement of Income for the segment.

There are certain material differences between the detailed line-by-line presentation in the Statement of Income and the components of Margin Analysis as set out below.

- For insurance contracts and investment contracts with Discretionary Participation Features (DPF):
 - (i) Gross premiums (net of deposits), fees and other revenues are allocated in the Margin Analysis based on the nature of the revenue between “Fees and Revenues” and “Net Technical Margin”.
 - (ii) Policyholders’ interest in participating contracts is reflected as a change in insurance benefits in the Statement of Income. In the Margin Analysis, it is allocated to the related margin, i.e. primarily “Investment Margin” and “Net Technical Margin”.
 - (iii) The “Investment margin” represents the net investment result in the Statement of Income and is adjusted to take into account the related policyholders’ participation (see above) as well as changes in specific reserves linked to invested assets’ returns and to exclude the fees on (or contractual charges included in) contracts with the financial risk borne by policyholders, which are included in “Fees and Revenues”.
 - (iv) Change in URR (Unearned Revenue Reserve – capitalization net of amortization) is presented in the line “Change in unearned premiums net of unearned revenues and fees” in the underlying Statement of Income, whereas it is located in the line “Fees & Revenues” in the Margin analysis.
- For investment contracts without DPF:
 - (i) Deposit accounting is applied. As a consequence, fees and charges related to these contracts are presented in the underlying Statement of Income within Gross consolidated revenues on a separate line, and in Margin analysis in the lines “Fees & Revenues” and “Net Technical margin”.
 - (ii) Change in UFR (Unearned Fees Reserve– capitalization net of amortization) is presented in the line “Change in unearned premiums net of unearned revenues & fees” in the underlying Statement of Income, whereas it is located in the line “Fees & Revenues” in the Margin analysis.

Underlying Investment margin includes the following items:

- (i) Net investment income
- (ii) Interests and bonuses credited to policyholders and unallocated policyholder bonuses (and the change in specific reserves purely linked to invested assets returns) related to the net investment income.

Underlying Fees & Revenues include:

- (i) Revenues derived from mutual fund sales (which are part of consolidated revenues),
- (ii) Loading charged to policyholders on premiums / deposits and fees on funds under management for separate account (unit-linked) business,
- (iii) Loading on (or contractual charges included in) premiums / deposits received on all general account product lines,
- (iv) Deferral income such as capitalization net of amortization of URR (Unearned Revenue Reserve) and UFR (Unearned Fee Reserve),
- (v) Other fee revenues, e.g., fees received on financial planning or sales of third party products.

Underlying Net Technical margin includes the following components:

- (i) Mortality/morbidity margin: The amount charged to the policyholder in respect of mortality/morbidity for the related period less benefits and claims. It is equal to the difference between income for assuming risk and the actual cost of benefits. This margin does not include the claims handling costs and change in claims handling cost reserves,
- (ii) Surrender margin: The difference between the benefit reserve and the surrender value paid to the policyholder in the event of early contract termination,
- (iii) GMxB (Variable Annuity guarantees) Active Financial Risk Management is the net result from GMxB lines corresponding to explicit charges related to these types of guarantees less cost of hedge. It also includes the unhedged business result,
- (iv) Policyholder bonuses if the policyholder participates in the risk margin,
- (v) Ceded reinsurance result,
- (vi) Other changes in insurance reserves are all the reserves strengthening or release coming from changes in valuation assumptions, additional reserves for mortality risk and other technical impacts such as premium deficiency.

Underlying Expenses are:

- (i) Acquisition expenses, including commissions and general expenses allocated to new business, related to insurance products as well as to other activities (e.g., mutual fund sales),
- (ii) Capitalization of acquisition expenses linked to new business: Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF,
- (iii) Amortization of acquisition expenses on current year and prior year new business, including the impact of interest capitalized: amortization charge for Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF,
- (iv) Administrative expenses,
- (v) Claims handling costs,
- (vi) Policyholder bonuses if the policyholder participates in the expenses of the company.

Underlying VBI amortization includes VBI (Value of Purchased Life Business In-force) amortization related to underlying margins, as well as amortization of other intangibles related to the in-force business

Life & Savings underlying cost income ratio: Underlying expenses plus underlying VBI amortization divided by "underlying" operating margin, where "Underlying" operating margin is the sum of (i) Underlying Investment margin; (ii) Underlying Fees and revenues, and (iii) Underlying Net technical Margin (all items defined above).

PROPERTY & CASUALTY (INCLUDING AXA CORPORATE SOLUTIONS ASSURANCE)

Underlying net investment result includes the net investment income less the recurring interests credited to insurance annuity reserves

Underlying net technical result is the sum of the following components:

- (i) Earned premiums, gross of reinsurance,
- (ii) Claims charges, gross of reinsurance,
- (iii) Change in claims reserves, including claims handling costs reserves, gross of reinsurance, less the recurring interests credited to insurance annuity reserves,
- (iv) Claims handling costs,
- (v) Net result of ceded reinsurance.

Current accident year loss ratio net of reinsurance is the ratio of:

- (i) current year claims charge gross of reinsurance + claims-handling costs + result of reinsurance ceded on current accident year excluding the recurring interests credited to the insurance annuity reserves, to
- (ii) Earned revenues, gross of reinsurance.

All accident year loss ratio net of reinsurance is the ratio of:

- (i) all accident years claims charge gross of reinsurance + claims-handling costs + result of reinsurance ceded on all accident years excluding the recurring interests credited to the insurance annuity reserves, to
- (ii) Earned revenues, gross of reinsurance.

Underlying expense ratio is the ratio of:

- (i) Underlying expenses (excluding claims handling costs), to
- (ii) Earned revenues, gross of reinsurance.

Underlying expenses include two components: expenses (including commissions) related to acquisition of contracts (with the related **acquisition ratio**) and all other expenses (with the related **administrative expense ratio**). Underlying expenses exclude customer intangible amortization and integration costs related to material newly acquired companies.

The **underlying combined ratio** is the sum of the underlying expense ratio and the all accident year loss ratio.

ASSET MANAGEMENT

Net New Money: Inflows of client money less outflows of client money. Net New Money measures the impact of sales efforts, product attractiveness (mainly dependent on performance and innovation), and the general market trend in investment allocation.

Underlying Cost Income Ratio: (general expenses including distribution revenues) / (gross revenues excluding distribution revenues).