



AXA INVESTMENT MANAGERS

Entering a new phase of growth

Investor Day
November 20, 2014

Andrea ROSSI – CEO AXA Investment Managers
Member of the AXA Group Executive Committee

LEADING GLOBAL ASSET MANAGER WELL POSITIONED FOR
THE NEXT PHASE OF GROWTH

AXA IM VISION SUPPORTED BY CLEAR STRATEGIC PRIORITIES

CONCLUDING REMARKS



Leading global asset manager well
positioned for the next phase of growth

AXA IM – A SUSTAINABLE GROWTH ENGINE WELL POSITIONED FOR 3rd PARTY SUCCESS

Structurally attractive business



- Attractive RoE driven by low capital requirements
- Strong Free Cash Flows generation
- Exposure to financial markets

16% RoE¹

€1bn Free Cash Flows² generated over 2010-2013

Strategic to insurance activities



- Investment performance excellence
- Wide range of asset classes / strategies
- Natural offset to interest rate exposure on insurance business

74% of AXA assets managed by AXA IM³

Benefiting from parent synergies



- Stable insurance asset base
- Innovation support and seed money capacity
- Access to insurance distribution and developments

€3.7bn⁴ AuM raised in the last 2 years through AXA seed money

Attractive 3rd party franchise



- Provide investment performance and leading innovation
- Benefit from scale and operational leverage
- Leverage ALM know-how for liability driven clients

€8.0bn of 3rd party Net New Money⁵ in 9M14

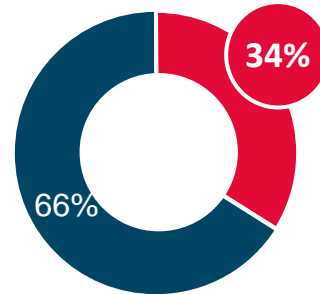
A LEADING GLOBAL ASSET MANAGER WITH AN ACTIVE AND DIVERSIFIED PORTFOLIO OF EXPERTISE...

Figures as at 09/30/2014

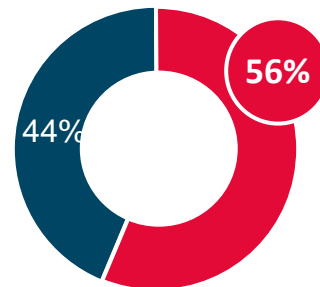
- ✓ One of the world's largest active asset managers
- ✓ Ca. 2,500 employees worldwide located in 28 cities and in 21 countries
- ✓ A well balanced multi-asset player providing active and smart beta strategies only
- ✓ 1/3 of assets managed for third-party clients accounting for more than 50% of AXA IM revenues
- ✓ A strong track record in developing "specialized" franchises

Strong contribution from 3rd party business

Assets: Euro 607 billion



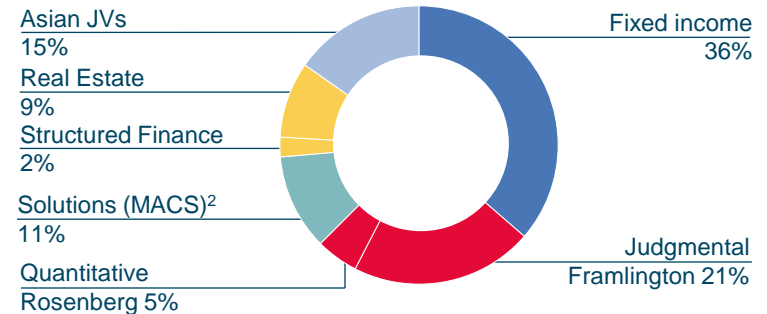
9M14 Revenues: Euro 825 million¹



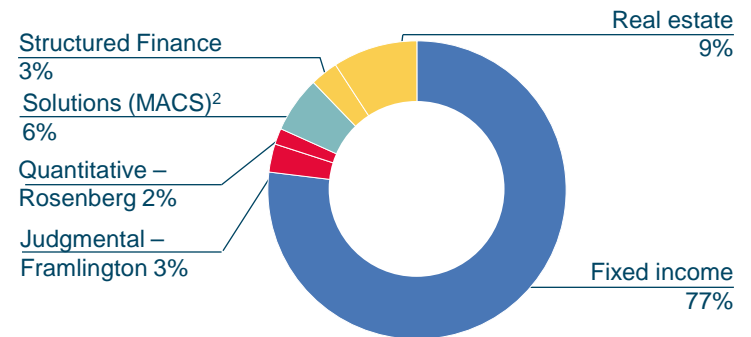
■ AXA Insurance companies
 ■ Third-party clients

Balanced portfolio of active expertise

Third-party assets: Euro 203 billion



AXA assets: Euro 403 billion



■ Listed Fixed Income
 ■ Listed Equities
 ■ Multi-Assets
 ■ Joint Ventures
 ■ Alternatives



... WITH STRONG TRACK RECORD OF INVESTMENT PERFORMANCE ACROSS THE BOARD...

Figures as at 09/30/2014

Number of Funds ranked in first 2 quartiles¹

Annualized rolling outperformance²

Fixed Income



Listed Equity



Solutions (MACS)³



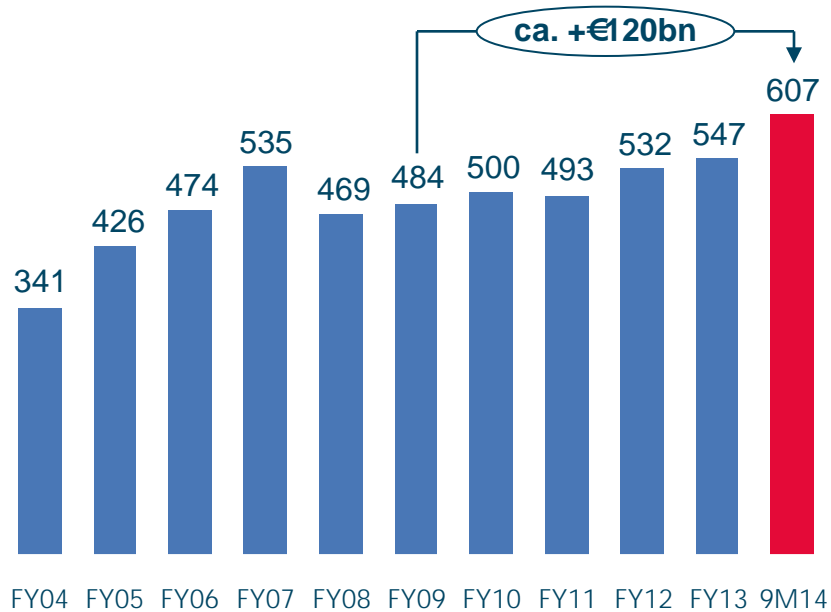
Alternatives

Alternative strategies (i.e. AXA Real Estate and AXA Structured Finance) performing above 1 year and 3 years benchmark and targets (e.g. 93% of AXA Structured Finance funds above IRR targets)

... ENABLING RESILIENT FINANCIAL PERFORMANCE WHILE POSITIONING FOR THE NEXT PHASE OF GROWTH

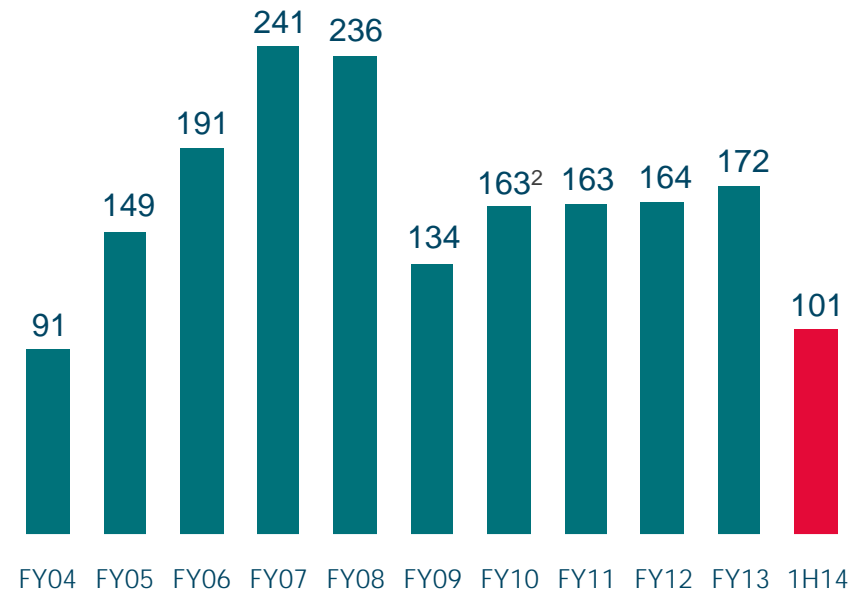
Growing assets under management

AUM¹ in Euro billion



Resilient and growing profits

Underlying Earnings¹ in Euro million





AXA IM vision supported by clear
strategic priorities

AXA IM VISION IS SUPPORTED BY CLEAR STRATEGIC PRIORITIES



GROWTH

Capture multiple sources of growth through targeted developments



CLIENT CENTRIC OFFERING

Enhance client centric business model across the full value chain

«BE A WORLD-CLASS LEADER CONSISTENTLY SATISFYING CLIENT NEEDS»

OPERATIONAL EXCELLENCE

Leverage the size and scope of our operations to drive operational excellence



CULTURE

Build One AXA IM





Development priorities

- ➔ Capture opportunities in selected high growth markets
- ➔ Deepen presence where AXA IM is already strong through segmented approaches
- ➔ Target mature markets in which AXA IM is not playing at its fair market share
- ➔ Serve and support AXA around the globe

Reinforce historical strong position through segmented approach



Europe: Maintain market share with Institutional clients, selectively target Retail and Defined-Contribution and better leverage AXA distribution capacity

Build on existing presence / capabilities



US & Canada: Develop Institutional and Retail segments with an initial focus on AXA IM successful US expertise



Sovereign Wealth Funds: Reinforce globally, particularly in Middle East

Develop further distribution coverage



Asia (including Japan): Benefit from growth of wealth accumulation, leverage the development of AXA Group and accelerate in Japan



Latin America: Target sources of long term growth and leverage AXA Group presence



Nordics: Main focus on pension funds and insurance companies



CLIENT CENTRIC OFFERING

Enhance client centric business model across the full value chain

INNOVATION

Constant focus to meet and anticipate client demands

- Leading in industry innovation with circa 10 new strategies launched per year
- Tailoring existing offering to specific client needs:
 - Specific share classes e.g. Solvency 2 “friendly”
 - Mainstreaming ESG¹ criteria for AXA assets



MANUFACTURING

Align investment capabilities to the way clients manage their investments

- Full scope of credit offering in one single expertise with the integration of AXA Structured Finance capabilities into AXA Fixed Income
- Creation of a “Solutions” hub



CLIENT COVERAGE

Ensure comprehensive approach

- Creation of dedicated transversal business lines for Retail/Wholesale and Institutional clients
- Reinforcing client servicing through a more developed local coverage

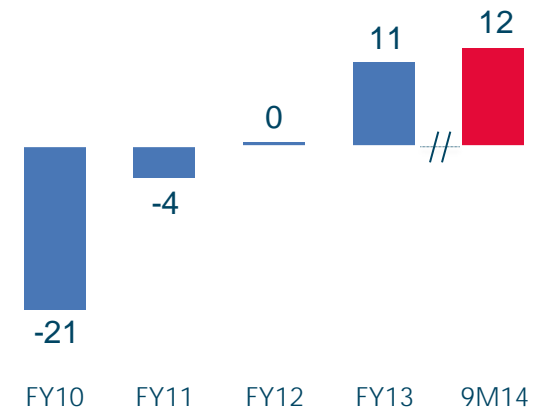
Continuously delivering on client satisfaction

AXA IM ranking (2012-2014)
Greenwich Quality Index

- 1st quartile in Investments
- 1st two quartiles for Service and in overall ranking

Net New Money²

In Euro billion





PIONEERS ON SMARTBETA™ PRODUCTS

Innovation at the service of client needs



SmartBeta™ Equity Leveraging AXA Rosenberg capabilities

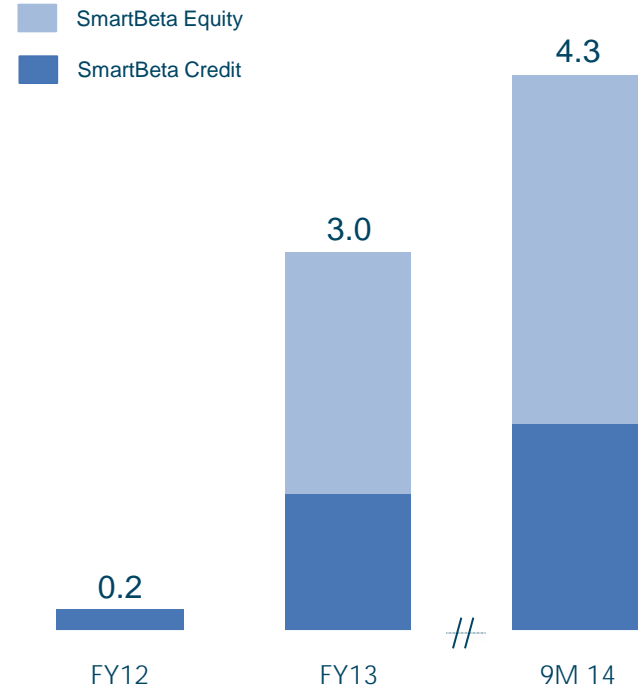
- Leader in systematic investing since 1985
- Data platform with over 40 years' of granular data history for 20,000 companies
- Delivering investment performance: 1 year outperformance at 1,16%¹

SmartBeta™ Credit Leveraging AXA Fixed Income capabilities

- 20 years of successful experience in running low-risk, low-turnover portfolios
- Access to high quality data and broad credit coverage combined with strong risk management culture and efficient execution
- Delivering investment performance: all strategies getting strong support from consultants

SmartBeta™ AUM since inception

in Euro billion



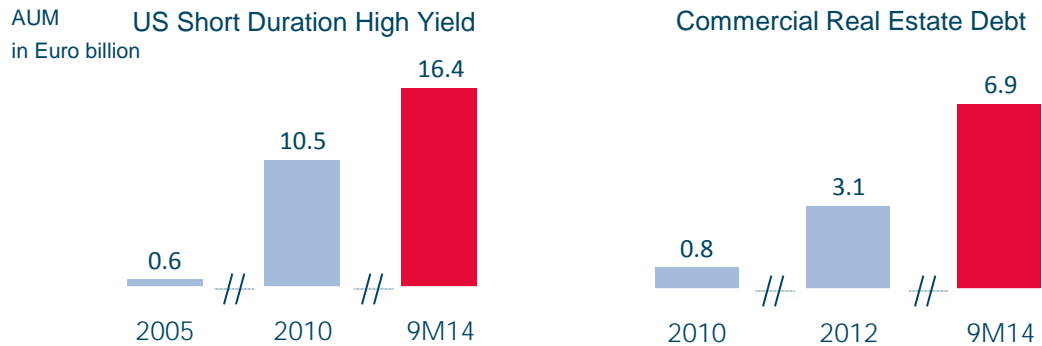
FOCUS ON GLOBAL CREDIT CONTINUUM OFFERING

Constantly adapting to a changing environment at the service of client needs



Successful franchises

Leading franchises matching investors demand, in particular in a low interest rate environment

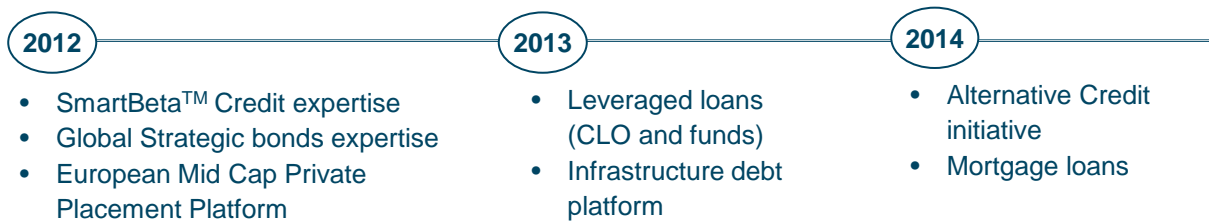


- ➔ Full credit spectrum covered
 - Integration of Structured Finance within Fixed Income
 - Broaden range of assets covered within Real Estate

- ➔ Ability to combine elements within the credit spectrum and beyond
 - Global Fixed Income products to play between geographies
 - Development of Solutions & ALM driven approaches
 - Ability to combine real assets, listed equities and credit

Innovation

A constantly renewed pipeline of innovation



OPERATIONAL EXCELLENCE

Leverage the size and scope of operations to drive operational excellence



A continuous approach to deliver improvement in Cost Income ratio

→ IT architecture and infrastructure improvement

- IT infrastructure upgrade completed
- Investment platform front office tool architecture under review

→ Full revamp of data platform

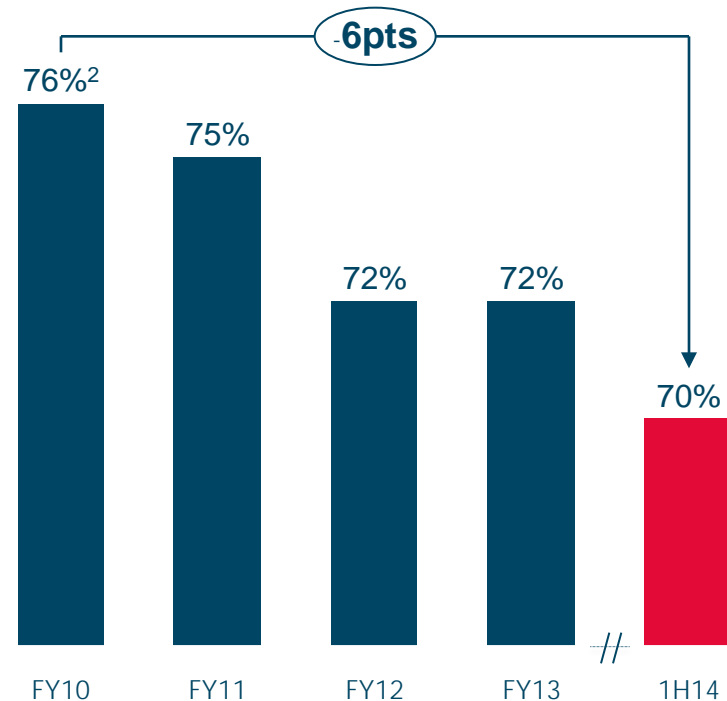
- Launch of multi-year data transformation program

→ Continuous optimization of existing operational set-up

- Lean management program
- Fund range rationalization

A scalable global operating model ready to on-board additional growth at marginal cost

Operating Cost Income ratio¹





“A corporate project and new mind-set, framed around 3 key themes”



CLIENT CENTRICITY

“Leverage AXA IM evolving organization ”

- ➔ Creation of the “Client Group” to better address client needs
- ➔ Enhance monitoring of quality of service to continuously improve moments which matter the most for clients



UNITY

“Full empowerment , full alignment”

- ➔ Refocus on a unique AXA IM branding and strengthen brand identity
- ➔ Reinforce transparency, leadership and empowerment
- ➔ Strengthen recognition and reward for performance to align further company and client long-term interests



SIMPLICITY

“Agility and speed”

- ➔ Develop a more agile way of working
- ➔ Transform & simplify IT architecture
- ➔ Achieve a step-up change in data management to accelerate digitalization



Concluding remarks

CONCLUDING REMARKS



Key takeaways

- ✓ A sustainable growth engine well positioned for 3rd party success
- ✓ A proven win-win model with the AXA Group
- ✓ Performing and innovative client centric offering
- ✓ Scalable global operating model ready to on-board additional growth at marginal cost



Priorities going forward

- ➔ Pursue the new phase of growth in particular through 3rd party business development
- ➔ Deliver on geographical developments
- ➔ Continue to adapt our offering
- ➔ Continue efforts on AXA IM cost income ratio

Notes

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1. Adjusted ROE as of June 2014: Return corresponds to adjusted earnings net of interest charges on undated debt. Equity corresponds to average shareholders' equity excluding undated debt and reserves related to change in fair value
2. AXA IM free cash flow (AXA IM dividend at 100%) incl. special dividend linked to AXA Private equity sale
3. Figures as of 06/30/2014
4. AuM raised since 09/30/2012
5. Excl. AXA Main Fund & Unit Linked

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1. Revenue split between AXA Insurance companies and 3rd party clients is based on revenues net of distribution fees and before intercompany eliminations (9M14 net revenues were €814m).
2. MACS: Multi Asset Client Solutions (includes multi-assets, external managers and total return)

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1. Morningstar© data – AXA IM scope: Crossborder Funds - €41bn of AuM. Past performance cannot be relied on as a guide to future performance or construed as a reliable indicator for future performance
2. Scope: AXA IM Funds with outperformance objective – respectively €111bn of AuM for 5 years annualized rolling outperformance and €122bn of AuM for 3 years annualized rolling outperformance. Past performance cannot be relied on as a guide to future performance or construed as a reliable indicator for future performance
3. MACS: Multi Asset Client Solutions (includes multi-assets, external managers, total return and structured products)

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1. Excluding AXA Private Equity
2. Excluding Rosenberg Coding Error provision

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1. Environmental, Social and Governance criteria
2. Excluding Private Equity

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1. As at 10/31/2014

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1. Excluding financial result & AXA Private Equity
2. Excluding AXA Rosenberg coding error provision

Appendix

BIOGRAPHY

ANDREA ROSSI CEO, AXA IM

- ✓ Andrea is Chief Executive Officer of AXA Investment Managers and member of the AXA Group Executive Committee.
- ✓ He had been previously Chief Executive Officer of AXA Assicurazioni from 2008 to 2013, and Chief Executive Officer & Deputy Chairman of AXA Insurance Gulf and Middle East from 2006 to 2008.
- ✓ Andrea joined AXA Group in 2001, after having worked for Olivetti, General Electric and Transamerica Aegon.