



AXA's operations in Northern, Central & Eastern Europe

Alfred Bouckaert, Member of AXA's Management Board

Cheuvreux Conference – January 10, 2008



Be Life Confident

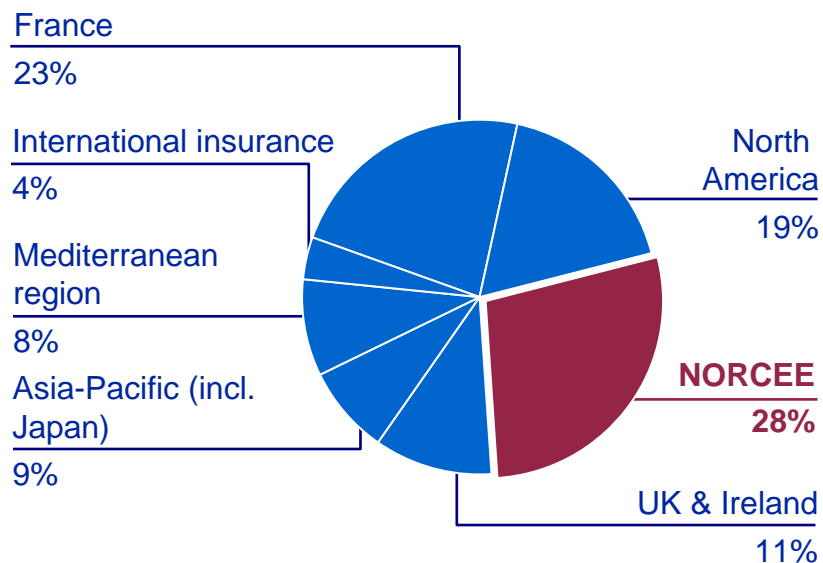
Cautionary statements concerning forward-looking statements

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.

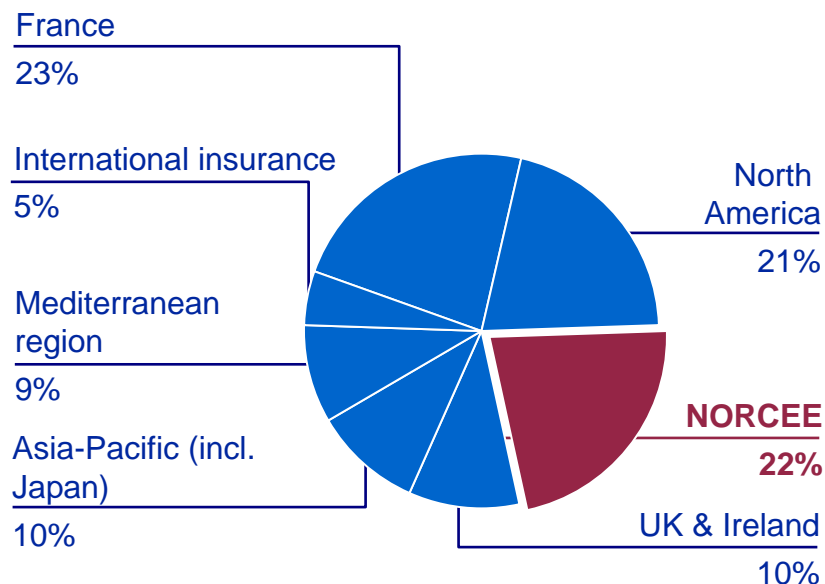
Please refer to AXA's Annual Report on Form 20-F and AXA's Document de Référence for the year ended December 31, 2006, for a description of certain important factors, risks and uncertainties that may affect AXA's business. In particular, please refer to the section " Special Note Regarding Forward-Looking Statements" in AXA's Annual Report on Form 20-F. 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.

The Northern, Central and Eastern Europe Region (NORCEE) is a key contributor to the performance of the AXA Group...

1H07 insurance revenues



1H07 insurance underlying earnings



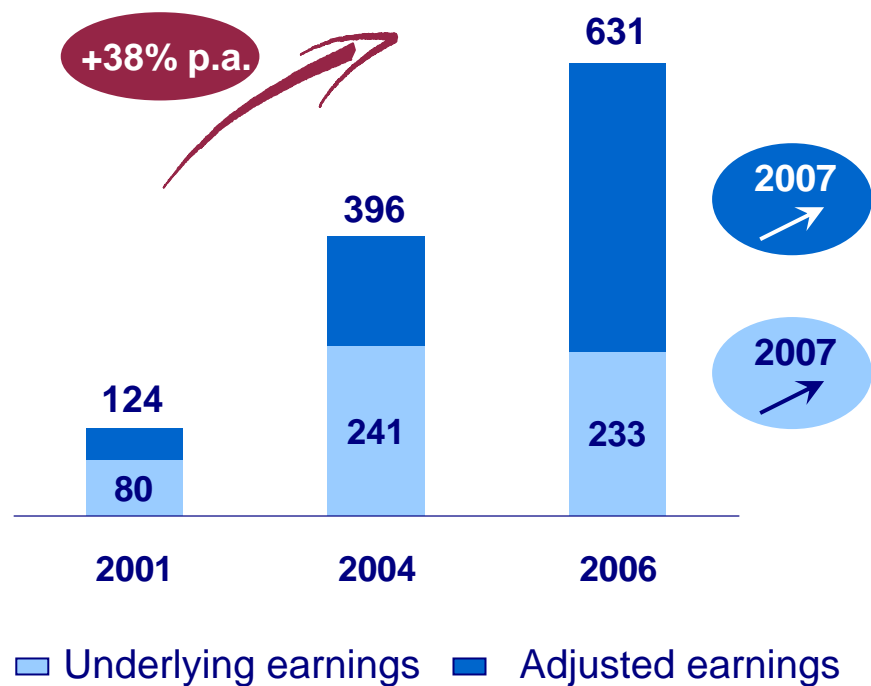
The NORCEE region generated 35% of AXA Group adjusted earnings in 1H07

...notably driven by Belgium's consistently strong performance and Germany's turnaround over the last few years...



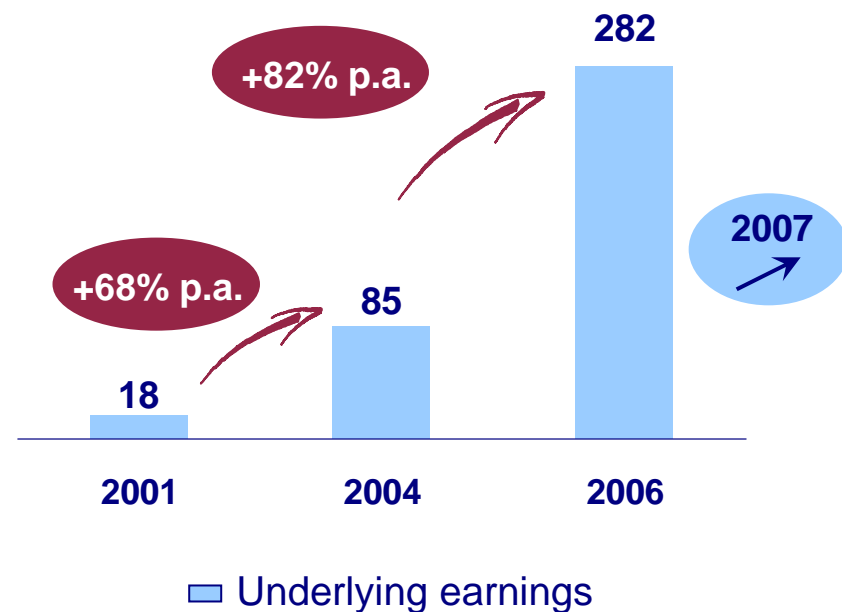
Underlying/adjusted earnings

In Euro million






Underlying earnings

In Euro million



...and the acquisition of Winterthur

Market Position Belgium: 

Life:	# 4		# 3
P&C:	# 1		# 1

Market Position Germany: 



Life:	# 7		# 5
Health:	# 9		# 5
P&C:	# 7		# 3


Market Position Switzerland: 


Life:	# 13		# 2
P&C:	# 10		# 1





Market Position Luxemburg: 


Life:	# 6		# 5
P&C:	# 3		# 3

Market Position Czech Republic: 
Pensions: # 2

Market Position Ukraine: 
P&C: # 3

Market Position Poland: 
Pensions: # 5

Market Position Hungary: 
Pensions: # 5

Market Position Slovakia: 
Pensions mandatory: # 2
Pensions voluntary: # 4

The addition of Winterthur to AXA's Northern Europe operations strengthens our competitive position and enhances our growth profile in the region



The Belgian model: Assurbanking

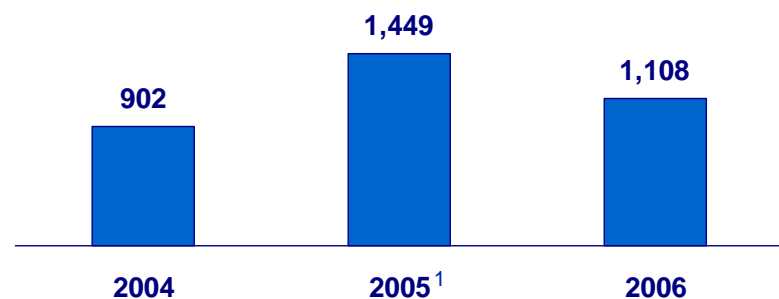
Creating value through AXA Bank Belgium's retail banking offer

The complete insurance and retail banking product offer is a strategic cornerstone

- ▶ Increases customer loyalty (9.24 contracts per bank client compared to 1.71 contracts per pure insurance clients) with complete product offer and rewarding programs (e.g. Happy You)
- ▶ Fuels the highly profitable life insurance business (73% of the single premiums are generated through the bank)
- ▶ Meets customers' short and long term needs

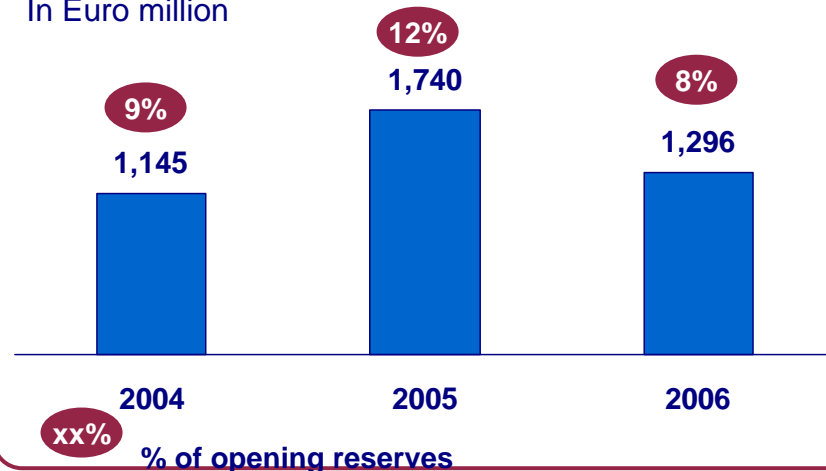
Asset transfers from bank to insurance

In Euro million



Life insurance net inflows²

In Euro million



¹ 2005: Change in fiscal regime

² Technical Operating Cash Flow

The Belgian model: Differentiation strategy

Consumer
insights

Need for
recognition

Changing needs
at key moments
in life

Service &
information







→ Peace of mind

Three pillars guarantee a differentiated strategy in the long term:

- ▶ "EMOTIONAL-IZED" POSITIONING - Know and understand customer values and aspirations
- ▶ "TANGIBLE-IZED" PRODUCTS AND BENEFITS - Ensure that products meet changing needs and desires
- ▶ "CUSTOM-IZED" SERVICE AND APPROACH - Guarantee an excellent service and advice

The Belgian model: Happy Generation

A tailored product proposition to preferred target groups

	P&C	Life & Invest		Mortgage/ Consumer Loan Approach	Credit Card Approach	
Segmentation	Happy Generation	All	All	Happy Generation	All	
Need	Car insurance making me carefree while respecting my driving experience	Save and invest in complete safety	The best funds in the world available to all	Invest with a high return potential and a guaranteed income for life	Improve the quality of life – “Enjoy”	Consume to benefit without dipping into my capital
Products & Services	Car Mobility	Crest	Millesimo	TwinStar	Second Home	Products for specific purposes
						

We will leverage the cornerstones of the Belgian success in all countries of the region

Focus on target segments

- ▶ Define and win target segments by focusing on preferred customer segments and rewarding

Anticipate and exceed customer expectations

- ▶ Full financial protection product / Service range with integrated banking offer
- ▶ Become the brand for financial protection for target segments

Technical excellence

- ▶ Strong back bone - optimal ALM, stringent underwriting and capital management

Local strategies focus on enforcing existing strengths while leveraging AXA Belgium's success factors and best practices

In Germany, the merger with DBV-Winterthur is very successful so far and places AXA in the top 5 in all business lines

Life & Savings: #5

<u>Market shares</u>	<u>2005</u>
1. Allianz Group	16.4%
2. AMB Generali Group	11.1%
3. ERGO Group	8.3%
4. HDI Group	5.9%
5. Zurich Group	5.1%
AXA+DBV	5.5%
7. AXA	3.5%
<10 DBV-Winterthur	2.0%

Health: #5

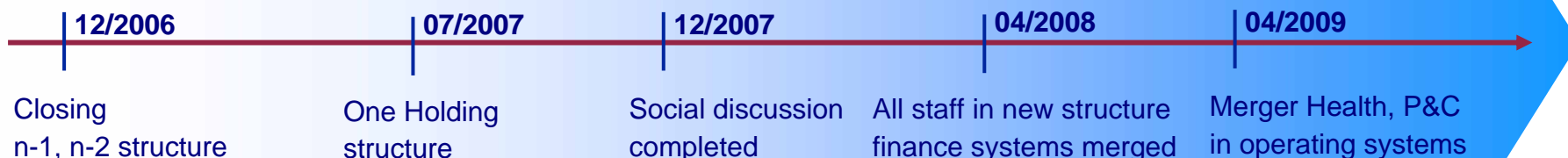
<u>Market shares</u>	<u>2005</u>
1. ERGO Group	15.7%
2. Debeka Group	13.7%
3. Allianz Group	11.1%
4. Signal Iduna Group	7.1%
5. AMB Generali Group	5.8%
AXA+DBV	6.9%
8. DBV-Winterthur	3.6%
9. AXA	3.3%

P&C: #3

<u>Market shares</u>	<u>2005</u>
1. Allianz Group	16.1%
2. HDI Gerling Group	7.8%
3. R+V Group	5.3%
4. ERGO Group	5.1%
5. HUK-Coburg Group	5.0%
AXA+DBV	5.6%
7. AXA	4.4%
<10 DBV-Winterthur	1.2%

AXA is now Germany's 4th largest composite insurer

Merger timeline



* Net of PB, before tax

AXA Germany's operating strategy to reach Ambition 2012

Client segmentation and clear branding



50+

- ▶ At Retirement (TwinStar product family)



Public sector

- ▶ Enhancement of DBV portfolio with AXA products



Medical

- ▶ DÄV and DBV no. 1 insurer for medical practitioners


Develop a client centric organization

DBV-W established a successful COO-Organisation.

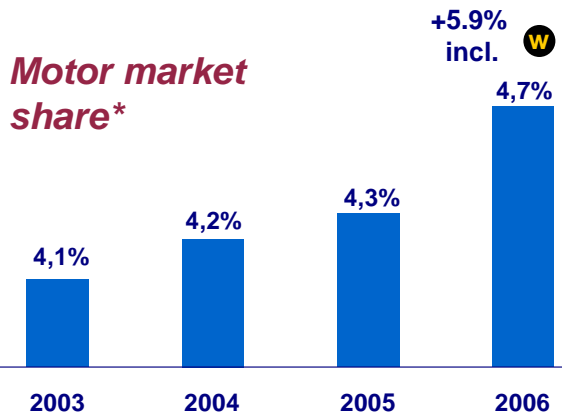


- ➔ We will implement this organization in the combined company

Distribution management: roll-out of successful motor strategy

- ▶ Combination  + 
- ▶ Multi-channel agreement with tied agent channel
- ▶ Dual product offer, with a revamped commissioning structure

Motor market share*



* excluding DBV-W

With the acquisition of the Winterthur Group, AXA has become # 1 insurer in the highly sophisticated Swiss market

AXA-Winterthur in the Swiss insurance market

- ▶ Switzerland is one of the most developed traditional insurance markets in the world (11th largest Non-Life and 14th largest Life market)
- ▶ Switzerland has the world's highest Life premium per capita
- ▶ AXA Winterthur is the clear market leader with a 21.4%* market share (as of HY 2007)
 - P&C #1 15.3%* market share
 - Life #2 25.8%* market share

Outlook / Ambition

- ▶ After reinstating profitability, AXA Winterthur is ready to make the best use of its strong platform to seize growth potential on the Swiss market, notably through distribution and customer-centered initiatives
- ▶ In addition, growth potential exists for insurance companies in adjacent markets i.e. savings market, autonomous pension funds
- ▶ Optimize reinvestment of maturing policies (CHF 1 to 2bn p.a.). Reinvestment rate from 2% in 2006 to 40% in 2012 (2007 11%)

AXA Winterthur's strategic objectives to become the preferred financial protection service provider in Switzerland

Distribution power, notably on the tied agent network

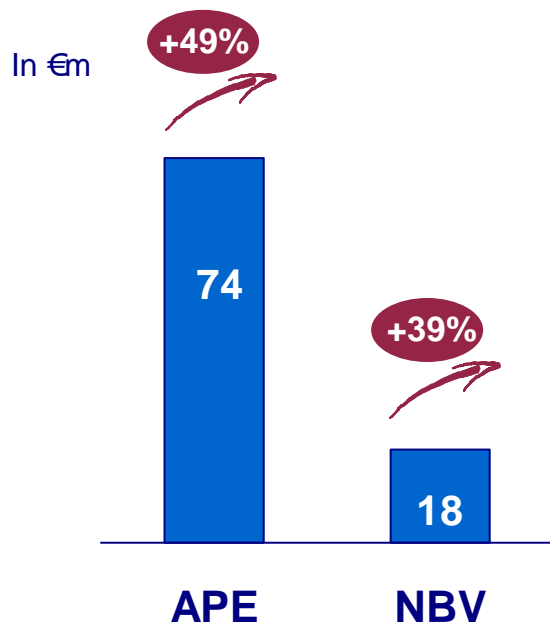
- ▶ Increase tied agent sales force capacity by 630 to 2,050 by 2012 and develop a life-specialized agent network (350 by 2012)
- ▶ Change to full entrepreneurial model: new performance related compensation model as opposed to the former largely fixed remuneration system
 - Salaried sales force (50% of total) transformed into independent tied agents with an extremely high level of acceptance (99.9%)
- ▶ Transformation to financial protection: provide know-how to non-life agents in life/ funds/ banking/ mortgage

Differentiation

- ▶ Differentiation within the insurance business through customer focus and product innovation, notably the savings market (short term with savings products, long term with US-type variable annuities)
- ▶ Three key target groups:
 - Young families & professionals
 - @ retirement
 - SMEs

Central & Eastern Europe operations deliver superior growth since the Winterthur acquisition

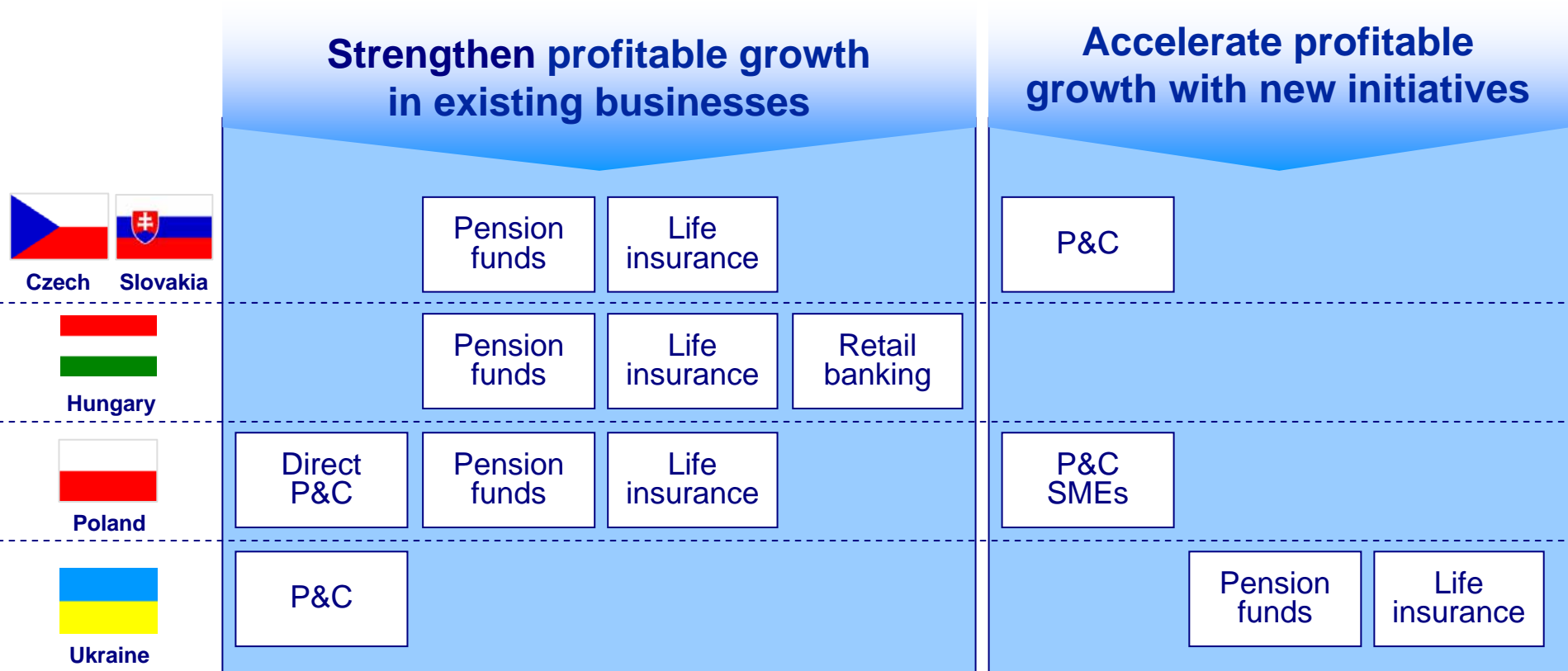
9M07 Activity indicators



Based on Winterthur operations in CEE, AXA has already started to develop a regional platform and accelerate profitable growth by:

- ▶ Strengthening distribution in CEE, e.g. doubling the agents force in 2007 to more than 800 agents in Poland with an expected increase to 1,500 in 2008
- ▶ Extending product and service offer including retail banking and P&C
- ▶ Increasing brand awareness through the re-branding of local companies in 2007
- ▶ Supported by selective acquisitions:
 - ▶ Ella Bank in Hungary: multi-channel distribution platform retail banking products
 - ▶ UIA and Vesko in Ukraine (JVs with BNP Paribas – 7% combined market share, market #3)

We will leverage our top 5 positions in pension funds to develop AXA's financial protection model across the CEE



- ▶ Extend / diversify distribution network
- ▶ Differentiating product offer and cross sell

Regional operating model of Central & Eastern Europe

Share best practices

Share best practices in specific areas through a dedicated regional lead / transversal responsibility

- ▶ IT platforms
- ▶ Development of new business across CEE
- ▶ Marketing (brand & advertising and segmentation)

Coordinate support processes

Coordinate support processes at a regional level

- ▶ Finance
- ▶ Risk management / ALM
- ▶ Audit
- ▶ Human resources management

Success of Ambition 2012 will notably depend on our ability to:

- ▶ **expand our low cost model**
- ▶ **skip development generation by being Internet & direct distributors for banking and insurance products**
- ▶ **segment the market in order to be more effective on the segments we have chosen**

Recent development: acquisition of a stake in Russia's 2nd largest insurer, RESO Garantia



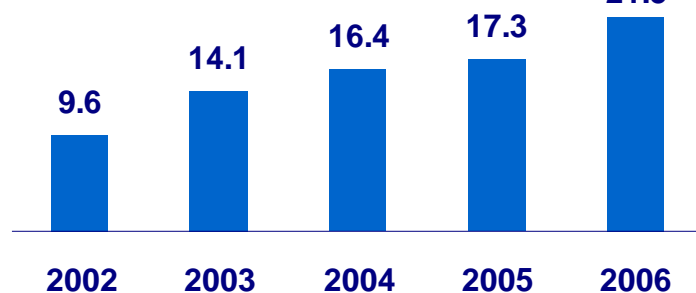
- ▶ Acquisition of a 37% of RESO, the 2nd P&C player in Russia, with a 7% market share⁽¹⁾
- ▶ Company focused on retail motor: damage & third party liability
- ▶ 2nd agent network in Russia with 18,000 agents
- ▶ 5,900 employees and over 3 million retail and corporate clients
- ▶ In 1H07, RESO posted revenues of Euro 446 million and net income of Euro 41 million

(1) In 1H07

About the Russian insurance market

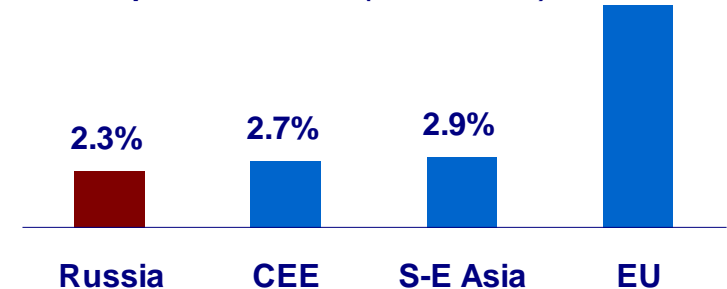
- ▶ Strong potential: low penetration rates & large population
- ▶ High growth perspectives: growth rate of 19% p.a. between 2002 and 2006
- ▶ Nascent Life market

Russian insurance market – GWP (in \$bn)¹



(1) Source : Swiss Re

Insurance penetration rate (in % of GDP)¹

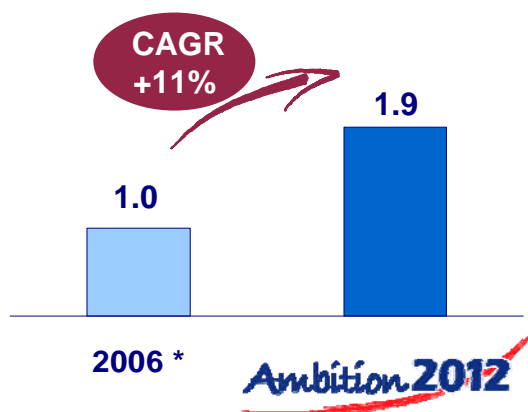


Outlook 2012 for the NORCEE region: Strong growth based on outperformance in large mature markets and strong potential in the CEE



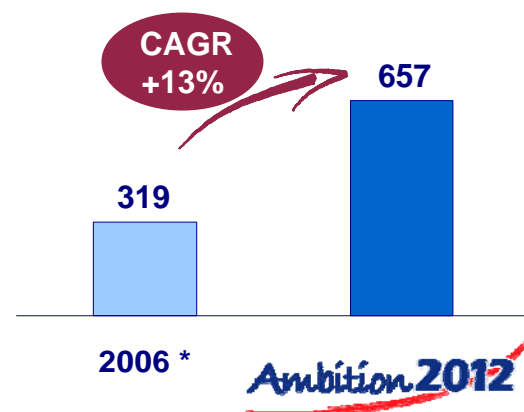
Life & Savings APE

In Euro billion



Life & Savings NBV

In Euro million



P&C revenues

In Euro billion



Our objective is to deliver double digit underlying earnings growth on average until 2012 and contribute to the success of AXA Group's Ambition 2012



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