

AXA Assistance business in 2005



Living confidently

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621 million euros*

consolidated turnover in 2005.

+ 15* % on a like for like basis compared with 2004.

42.5 million euros

net consolidated results in 2005.

17.3 million euros

operational results in 2005.

3 639

employees.

profile

AXA Assistance, a subsidiary of the AXA Group, is one of the world leaders in providing assistance for health, travel, vehicles and personal services. Established in more than 30 countries, it has more than 3,600 employees and a vast network of approved service providers who can be called upon to meet the needs of our business clients. As a specialist in providing emergency assistance, it has built its reputation on its medical expertise and its ability to provide effective responses whether it's for your vehicle or for you at home. It is now establishing itself as a leading player to be reckoned with in the new areas of providing assistance for customers' everyday lives. To do this, AXA ASSISTANCE is developing an innovative range of personal services and benefits in the areas of health and prevention.

“ Expanding our core business into a new range of services to help our customers in their everyday lives ”

Yves Masson, CEO of AXA ASSISTANCE

What is your assessment of 2005 ?

We achieved a consolidated turnover of 621 million euros, up 15% on a like for like basis. Our operational results showed a sharp increase to 17 million euros and our net consolidated results were 42.5 million euros. This combination of growth and profitability will enable us to stay on course for a balanced expansion with the aim of increasing our operational results to around 50 million euros between now and 2012.

How ?

Firstly, by continuing to perfect our core business with a strong brand policy to “Ensure that we are the first choice for our customers, our partners and our teams”. Secondly, by developing our core business into a new range of services which our customers have asked for to help them in their daily lives. This innovation will enable us to gradually go beyond being a general provider of assistance services and become a multi-specialist assistance provider.

How will this ambition manifest itself ?

In France, in particular, we are positioning ourselves in the new personal services market as an issuer of the Cheque Emploi Service Universel (Universal Service Employment Cheque) in partnership with Dexia. We would also like to be service providers in order to give a better structure to this offer and make it as professional as possible. This is why we entered into a joint venture with Maison et Services, the leading French domestic services network.

Does this mean that you are going to give up medical emergency assistance?

Absolutely not. Medical assistance represents the foundation stone of our business and we are improving the processes every day. We have thereby learnt lessons from the tsunami, by also being able to call on the skills of recognised experts and those who have proved themselves in the military field, to develop our expertise in creating internal crisis units with a dedicated assistance platform and medical team, which increases our reactivity.

And health ?

If we can help people in emergency situations on the other side of the world, we must also be able to do this closer to home and throughout the year. We have therefore developed a range of help and advice services, both for accessing care services and in the field of prevention, which also gives us a certain amount of control over health costs.

All of these improvements reflect a new way of working in our assistance business. On the one hand, we are positioning ourselves much closer to the source of the risk to be able to anticipate requirements and be even more proactive. On the other hand, we are developing an offer which is not associated with this idea of risk, in order to meet the new demands for assistance in everyday life.



Developing new services

AXA ASSISTANCE IS POSITIONING ITSELF IN NEW AREAS OF ASSISTANCE BY CAPITALISING ON ITS EXPERIENCE IN MEDICAL EMERGENCY ASSISTANCE.

In 2005, by re-organising its medical assistance business, AXA Assistance demonstrated its drive to become an innovative player by developing other health-related services. This activity, which is AXA ASSISTANCE's core business, remains focused on giving assistance to people travelling and to expatriates. From now on, the Health business will represent an autonomous area which will enable AXA ASSISTANCE to position itself in the new health fields, thanks to the experience it has already acquired and the expertise and advisory skills of its new health department.

A global strategy for Prevention

AXA ASSISTANCE wants, in effect, to promote a new approach to health by offering services where Prevention is the common theme. The aim is to encourage the patient to become an active participant in his own health

regime. So, in partnership with AXA France, it has developed a "Health Coaching" programme: this consists of individually customised assistance for giving up smoking and for helping people with nutrition. On a different subject, AXA ASSISTANCE is also carrying out an experiment in remote monitoring of patients, which will, in the case of high blood pressure, ensure better patient follow-up and compliance.

A new approach to assistance

AXA ASSISTANCE is now committed to developing a new concept of remote

medical assistance (tele-assistance). This project would effectively create a "care co-ordinator" from the telephone assistance platform, encouraging the sick to be cared for at home. With this in mind, a study into providing medical care at home for cancer patients has been carried out with the European Community in several countries (Belgium, Poland, Italy, Ireland and France). In France, a study into identifying the geographic location of people suffering from Alzheimer's disease is underway. This service is intended to relieve families from the burden involved in the constant care of these patients. In England, as in Spain, new support solutions have been proposed by major pharmaceutical groups to monitor patients taking their medicines remotely in the case of medium and long-term treatment programmes. The aim is to ensure that patients take their medicines regularly in order to get the best out of all the therapeutic effects.

“ The assistance platform will in effect become a real care co-ordinator ”

“The Orange Line” to preserve mobility

AXA ASSISTANCE was the first company in France to offer remote medical assistance with the “Fil Bleu” (Blue Line): a portable home transmitter, which allows elderly, dependent or handicapped people to alert the medical assistance services in the case of an emergency. A ‘mobile’ version of this service was piloted in 2005 in partnership with France Telecom. This was the “Fil Orange” (Orange Line). This service enables users to retain their mobility whilst still maintaining a link with the medical assistance platform and above all, the technology can identify the location of the user in the case of an emergency.



Positioning ourselves in a new market

AXA ASSISTANCE IS BECOMING A PROVIDER OF HOME SERVICES WITH THE AIM OF MAKING THIS OFFER EVEN MORE PROFESSIONAL AND OF FURTHER IMPROVING THE QUALITY OF SERVICE TO ITS CUSTOMERS.

AXA ASSISTANCE has developed a recognised expertise as a service co-ordinator in the market of “local / community” services (caretaking, plumbing, locksmiths, domestic help, educational support, remote assistance for the elderly...), assistance which often has to be organised urgently under domestic multi risk, health, retirement or assistance policies.

Always in touch with the growing expectations of a changing society, AXA ASSISTANCE has begun to expand its product range to meet day-to-day needs and to find new growth sectors. This is being done, for example, by establishing a Home Service partnership, a domestic repair service (UK, France, Spain), or through developing compensation in kind (Spain).

An expanding market

The personal services market is forecast to grow in France due to a variety of factors (a higher standard of living, more women working, an ageing population).

This market was made economically viable by the law of 26th July 2005, which created the Cheque Emploi Service Universel (CESU) and introduced various tax exemptions and reductions to decrease the cost of these services to the private individual. AXA ASSISTANCE has got in right at the very beginning of this initiative in order to become a global player both for issuing CESUs and as a service provider under a national brand. It is targeting as a priority the demand for three types of assistance – educational support, domestic help and help for the elderly – with the aim of creating an offer which meets market expectations in terms of quality, speed and safety.

A structured offer

In 2005 AXA ASSISTANCE set up the company Domiserve, in partnership with Dexia Credit Local, the leading bank for local authorities

in France, to issue and distribute CESUs to businesses, local authorities and insurance companies. It has also become a shareholder in the Maison et Services Group and a partner in To Do Today, which specialises in caretaking of premises for businesses. Educational support and child care will be the subject of priority agreements in 2006.



“ **New growth sectors for AXA ASSISTANCE business** ”

Becoming the market reference for personal services

AXA ASSISTANCE has taken a 34% shareholding in Maison et Services, the leading French domestic and gardening services network. This network of local, independent companies is present in 50 towns in France (17 regions and 33 départements). AXA ASSISTANCE wants to expand its range of personal services to complement those offered by Domiserve.

Performance at the service of a European strategy

THE TRAVEL INSURANCE BUSINESS IS RE-ORGANISING ITS OPERATIONS PARTICULARLY WITH TOUR OPERATORS IN GREAT BRITAIN AND GERMANY, BACKED UP BY A SPECIFIC DEDICATED INFRASTRUCTURE.

The AXA ASSISTANCE travel and mobility business was originally built up around travel insurance in the United Kingdom (medical assistance, baggage loss, cancellation) with the distinctive feature that it could practise on behalf of a major German tour operator. Today most of this business is still carried out in the United Kingdom with the payment of and responsibility for health expenses under 'travel' cover, taken out by the tour operator's customers.

An international organisation

The AXA ASSISTANCE travel business has built-in IT software which provides both assistance and claims handling 24 hours a day, 7 days a week. The tour operator's clients have a single telephone number available to them, which, depending on their location and the time of day, relays them through to one of seven assistance platforms in the world (Barcelona, Athens,

Chicago, Sydney, London, Munich, Mauritius). The administrative department for managing claims is located in London (125 000 claims handled a year), as are the departments for handling travel cancellations and lost luggage. The management of invoicing is split between London and Mauritius. The sales and marketing and finance functions are managed by AXA ASSISTANCE Germany.

“ Seven assistance platforms throughout the world ”

A new offer on the Internet

Up until now AXA ASSISTANCE has developed its Travel business as a B to B model with policies sold under its clients' brand names.

Now, however, it is planning to sell its travel insurance policies directly through the Internet and under the AXA ASSISTANCE brand name. This new 'direct' B to C sales approach has been tested in Germany with the launch of a quite different product for vet insurance.

Developing a range with exceptional added value

AXA ASSISTANCE IS PROMISING CUSTOMERS THAT IT WILL REDUCE WAITING TIMES AND IS INTRODUCING INNOVATIONS TO INCREASE ITS PRESENCE IN EUROPE.

AXA ASSISTANCE is one of the world leaders in vehicle assistance with a turnover of 88 million euros in France in 2005, a quarter of which was made in partnership with vehicle manufacturers (for example: Renault through a joint company, Delta Services), and three quarters with insurance companies, in particular the AXA Group. The Motor Vehicle business doesn't just cover assistance in the case of an accident, but also in the case of a breakdown. This is what we call an extension of mechanical cover – for new and second hand cars – in Europe.

Improving the quality of customer service

In France, in 2005 AXA ASSISTANCE made the commitment to give its customers in the Paris area roadside assistance in less than one hour or pay them 30 euros. On average, roadside waiting times over the year were between 30 and 45 minutes. This commitment will now be extended to all major French towns in 2006. There was another major innovation in 2005: the setting up of a motorbike assistance service in Paris (*read focus*).

“ Reducing waiting times ”

Expanding the offer on a European scale

The vehicle assistance market in Europe in 2005 was marked by an increase in the number of pan-European invitations to tender from vehicle manufacturers requiring services which extend to medical assistance and which include GPS technology. In fact, the manufacturers want to comply with a European directive (e-call), which expects that in 2010 all cars produced will be equipped with a GPS system and a system for making automatic emergency calls in the case of an accident. For AXA ASSISTANCE, GPS combined with biometric identification of the driver could lead, in the medium term, to new services with exceptional added value such as being able to send medical information



(blood group etc.) to the emergency services in the event of an accident. Another innovation which serves to extend AXA ASSISTANCE's product range in Europe is the launch of "Driving Licence Assistance" in Italy. The aim of this assistance is to help drivers recover the points lost on their licences.

Motorbikes to fix vehicles

To reduce the time it takes to get to breakdowns in France, AXA ASSISTANCE has launched a fleet of motorbikes under its own brand name in Paris and the Paris area. This initiative, which has already been implemented in Brussels and Athens, requires a full range of skills from the initial stages of the breakdown, which is achieved by the additional expertise of those responsible for assistance. In addition, the use of motorbikes reduces the costs of assistance when faced with rising petrol prices and pressure from competitors.

