

2004 European Embedded Value for Life & Savings activities

December 12, 2005



— Be Life Confident —

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1. Overview



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For AXA, EEV means:

bottom-up market consistent value

- Earned Rate = Risk Discount Rate = Risk Free Rate
- Explicit allowance for the **time value of O&G** based on stochastic scenarios, consistent with the approach used in financial markets
- Specific charge for **cost of capital/non-financial risks** based on holding capital required to obtain at least a AA rating locally

Reasons why AXA chose a bottom-up market consistent approach

- Provides the most transparent information on value to the shareholder
- Makes results independent from the choice of market assumptions
- Is better aligned with the way the business is managed internally
- Allows to measure risk adjusted values by product
- Differentiates risks for inforce and new business

Implementation of the Market Consistent approach

- Approach was developed to comply with CFO Forum's principles
- We worked closely with Tillinghast who assisted in developing the methodology and who has reviewed our results
- Market Consistent approach led to a broader review of our Embedded Value methodology
- Economic Capital & Value models, which we have developed over the last 5 years, were instrumental to the EEV process

Overview of Life & Savings 2004 results under EEV framework

| Life & Savings FY 2004 Euro million | Traditional EV | EEV | Change |
|---|-------------------|--------|--------|
| EV | 26,843 | 25,627 | -5% |
| NBV | 774 | 895 | +16% |
| APE | 4,743 | 4,807 | +1% |

2. Methodology



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AXA's methodology complies with CFO Forum's EEV principles*

- The 2004 European Embedded Value (EEV) of AXA Life & Savings activities is derived from the statutory and IFRS accounts of AXA Life & Savings entities. It is presented net of minority interests.
- AXA's methodology for 2004 Life & Savings EEV complies with the CFO Forum's EEV Principles. In particular, it includes:
 - ➔ An allowance for **financial risks**, valued in line with the market prices of securities
 - ➔ An explicit allowance for the **time value of all significant options & guarantees** of the Life & Savings businesses
 - ➔ A specific charge for **cost of capital/non-financial risks** based on holding capital required to obtain at least AA rating locally
 - ➔ Costs of administrative services provided to the Life & Savings companies by affiliated businesses on a "look-through" basis

AXA has adopted a bottom-up market consistent approach.

Detailed Life & Savings EEV disclosures available in the attached report

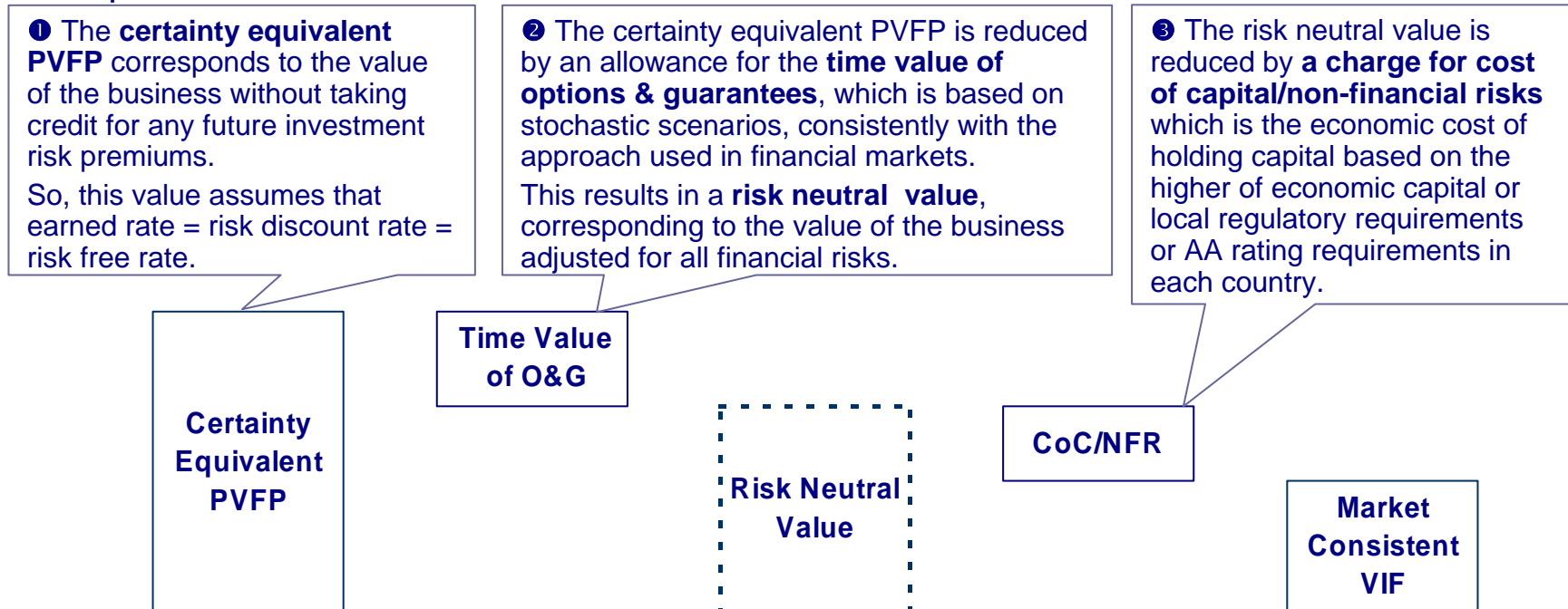


* Except for the treatment of AXA's investment management companies for which AXA has chosen not to reflect on a look-through basis in Life & Savings EEV the profits of these companies on assets managed for the Life & Savings operations.

Components of AXA's Life & Savings EEV

The EEV of the Life & Savings operations of the AXA Group is the sum of:

- **Adjusted Net Asset Value (ANAV).** This represents the tangible net assets. It is derived by aggregating the local regulatory (statutory) balance sheets of the life companies*.
- **Value of inforce (VIF).** This is the present value of local regulatory (statutory) profits projected over the entire future duration of existing liabilities. It includes the following 3 components:



* Life & Savings ANAV reflects the US Life's holding in Alliance Capital at cost.

Time Value of Options & Guarantees (O&G)

- EEV covers all material O&G embedded in AXA's Life & Savings activities, such as:
 - ➔ Interest rate guarantees on traditional products, such as guaranteed cash values and guaranteed annuity options (GAOs),
 - ➔ Profit sharing, such as bonus rates, credited interest rates and policyholder dividends,
 - ➔ Guaranteed benefits (GMDB, GMIB) on unit-linked annuity products and no lapse guarantees on life insurance products,
 - ➔ Dynamic policyholder behavior, such as full or partial surrender, annuitization and premium discontinuance.
- Time Value of O&G = Risk Neutral Value – Certainty Equivalent PVFP

The risk neutral value is evaluated using stochastic models, which are run over 1,000 economic risk neutral scenarios.

The value allows for the behavior of clients (lapses, etc.) and for some management actions (dynamic investment strategy, varying credited rate, etc.).

Evaluated by assuming that all investments earn risk free rate.

In particular, **includes the intrinsic value of O&G by reflecting the “in-the-moneyness” of the O&G at the valuation date.**

How AXA is capturing Cost of Capital and Non-Financial Risks (CoC/NFR)

- Capital is held to deal with situations where reserves could become inadequate
- These situations may arise because of financial or non financial risks, the latter not being totally captured by the risk neutral approach
- We have decided to allow for CoC/NFR through the cost of holding capital* corresponding to the highest of:
 - ➔ Economic capital (before any Group diversification credits), or
 - ➔ Local regulatory required capital, or
 - ➔ Capital required to obtain a AA rating locally
- This charge is calculated as the difference between:
 - ➔ The present value of cash flows (after-tax investment income and capital releases/injections) generated by the locked-in capital, and
 - ➔ the face amount of this capital.
- In a market consistent environment, locked-in capital earns the after-tax risk-free rate, and the cash flows it generates are discounted at the pre-tax risk-free rate.
 - ➔ Charge for CoC/NFR is due to tax and investment expenses on locked-in capital



* Net of implicit items that can be used to support capital requirements.

In a market consistent framework, a Risk Discount Rate (RDR) is not necessary to calculate EEV

- In a Traditional framework, RDR is an input driving the calculation of VIF
- In AXA's EEV framework, the Market Consistent VIF is the result of a stochastic risk neutral valuation technique
- To aid in comparisons with other companies, AXA derives Implied RDR for each business units
- These are the discount rates that would reproduce the Market Consistent VIF from a deterministic projection of statutory distributable earnings in an illustrative real world scenario
- **If different real world assumptions were used, the Implied RDR would change, but the Market Consistent VIF would remain the same**

Derivation of Implied RDR

Calculated using a set of real world assumptions



Real World Deterministic Cash Flows

Risk Free Rate

+ Margin For Financial Risks

= Implied Certainty Equivalent RDR

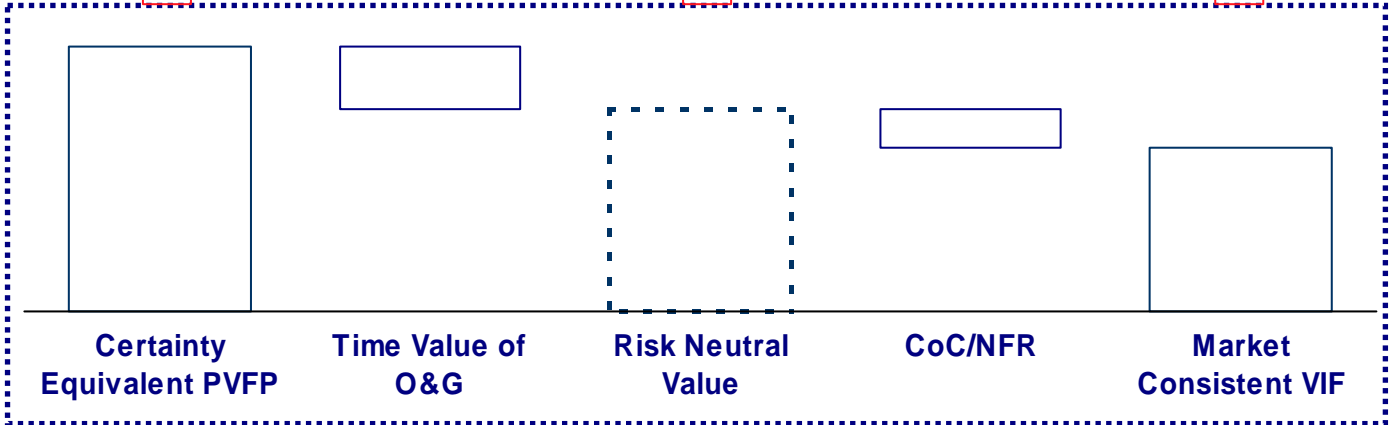
+ Time Value of O&G

= Implied Risk Neutral RDR

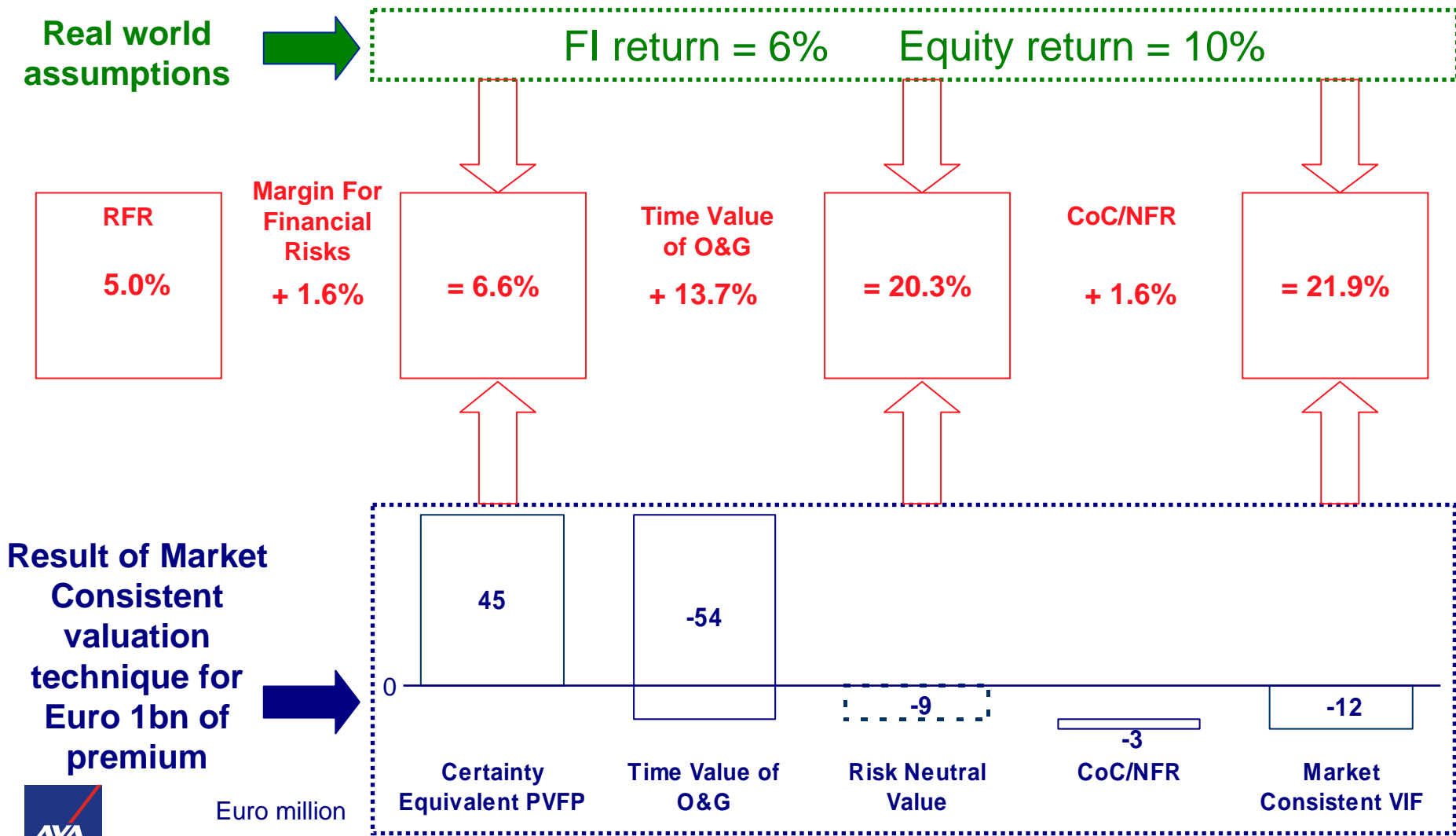
+ Allowance For CoC/NFR

= Implied VIF RDR

Result of Market Consistent valuation technique



Example: Implied RDR for Fixed Annuity with target spread of 150bp, and guaranteed rate of 4.5% the first year, 2.25% thereafter



Example: Implied RDR for Variable Annuity with hedged GMDB/IB, 100% invested in S/A equity fund and with M&E fees=150bp, 5% equity spread

Same real world assumptions as Fixed Annuity



FI return = 6% Equity return = 10%

RFR
5.0%

Margin For Financial Risks
+ 5.0%

= 10.0%

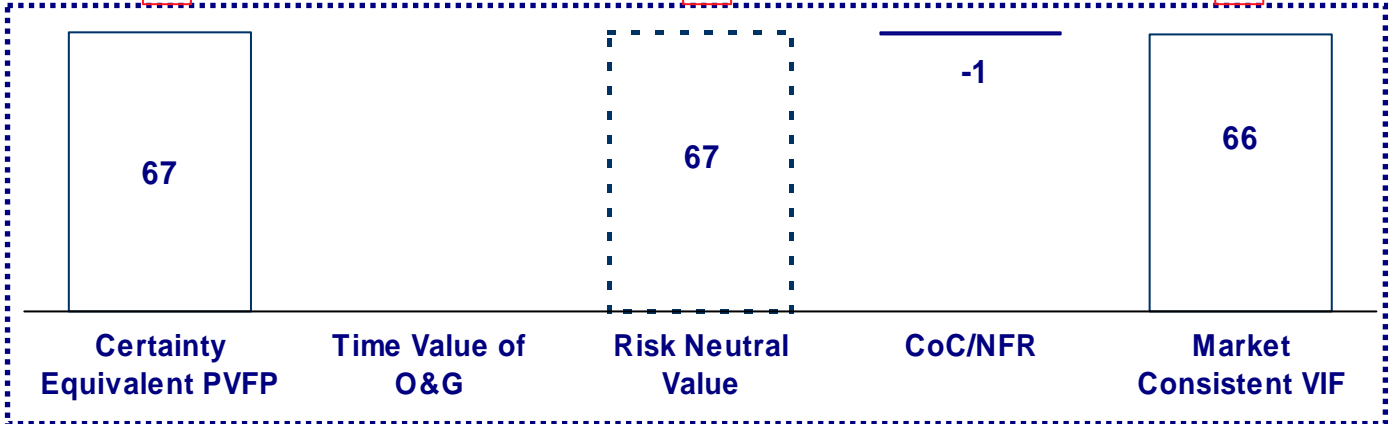
Time Value of O&G
+ 0.0%

= 10.0%

CoC/NFR
+ 0.0%

= 10.0%

Result of Market Consistent valuation technique for Euro 1bn of premium



Euro million



Example: Implied RDR for Variable Annuity with hedged GMDB/IB, 100% invested in S/A equity fund and with M&E fees=150bp, 1% equity spread

Different real world assumptions



FI return = 6% Equity return = 6%

RFR
5.0%

Margin For Financial Risks
+ 1.0%

= 6.0%

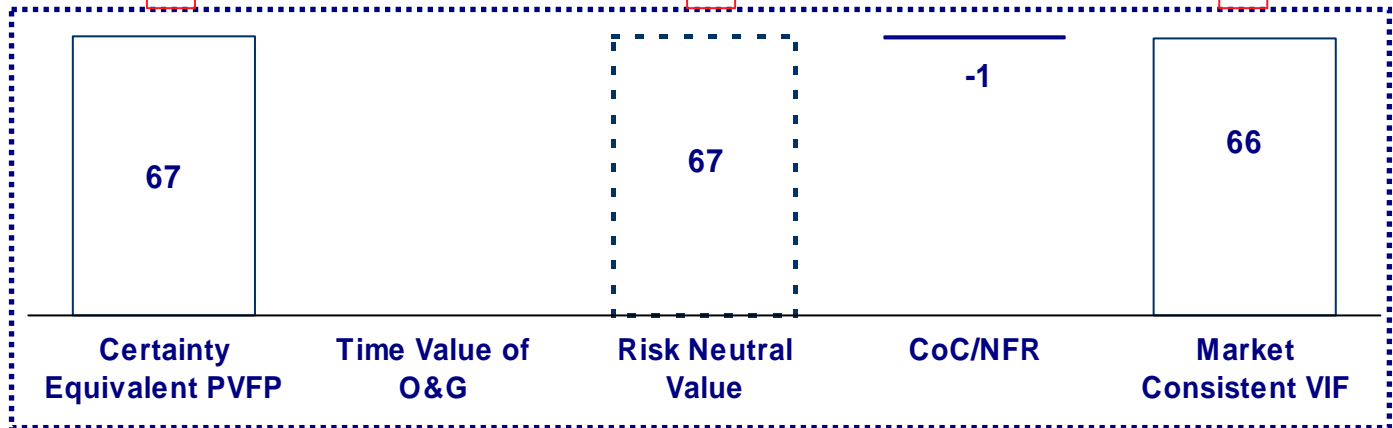
Time Value of O&G
+ 0.0%

= 6.0%

CoC/NFR
+ 0.0%

= 6.0%

Result of Market Consistent valuation technique for Euro 1bn of premium



Euro million



Summary of Variable Annuity vs. Fixed Annuity VIF for Euro 1 billion of premium

Fixed Annuity

- Target spread = 150 bp
- Guaranteed rate = 4.5% on year 1
2.25% thereafter

| | <i>In Euro m</i> |
|------------------------------|------------------|
| Certainty Equivalent PVFP | 45 |
| Time Value of O&G | -54 |
| CoC/NFR | <u>-3</u> |
| Market Consistent VIF | -12 |

Variable Annuity

- M&E fees = 150 bp
- Hedged GMDB/IB
- 100% invested in S/A

| | <i>In Euro m</i> |
|------------------------------|------------------|
| Certainty Equivalent PVFP | 67 |
| Time Value of O&G | -- |
| CoC/NFR | <u>-1</u> |
| Market Consistent VIF | 66 |

Real World Assumptions

FI return = 6%

Equity return = 10%

| | <i>In %</i> |
|---------------------------|-------------|
| Risk-Free Rate | 5.0 |
| Margin for Financial Risk | 1.6 |
| Time Value of O&G | 13.7 |
| Allowance for CoC/NFR | <u>1.6</u> |
| Implied VIF RDR | 21.9 |

| | <i>In %</i> |
|---------------------------|-------------|
| Risk-Free Rate | 5.0 |
| Margin for Financial Risk | 5.0 |
| Time Value of O&G | -- |
| Allowance for CoC/NFR | <u>0.0</u> |
| Implied VIF RDR | 10.0 |

3. Results



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Life & Savings 2004 bottom-up market consistent EEV is 5% lower than Traditional EV

| Life & Savings FY 2004 Euro million | Traditional EV | EEV | Change |
|---|----------------|--------|--------|
| ANAV | 10,982 | 11,331 | +3% |
| VIF* | 15,861 | 14,295 | -10% |
| EEV | 26,843 | 25,627 | -5% |

- ANAV up 3%, mainly due to a change in treatment of the Inherited Estate (IE) in the UK, which resulted in a shift of the IE discount from ANAV to VIF
- VIF down 10% mainly due to the combined impacts of certainty equivalent approach and stochastic valuation of Options & Guarantees



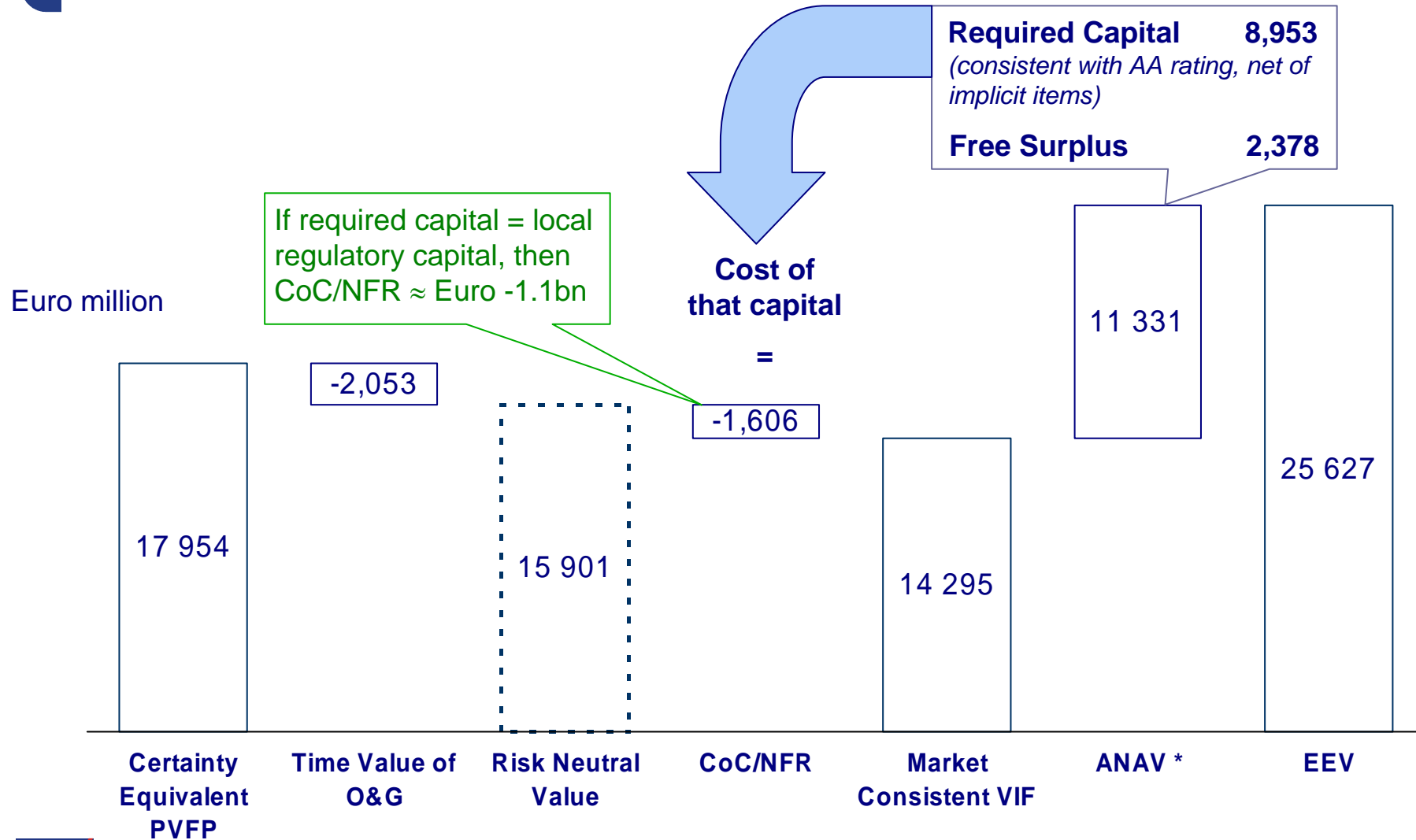
* In the Traditional EV framework, VIF = PVFP less cost of capital. In the European framework, VIF = certainty equivalent PVFP less time value of options & guarantees less cost of capital/non-financial risks.

Life & Savings 2004 EEV-based NBV is 16% higher than in the Traditional framework

| Life & Savings - FY 2004 Euro million | Traditional EV | EEV | Change |
|--|----------------|--------|----------|
| NBV | 774 | 895 | +16% |
| APE | 4,743 | 4,807 | +1% |
| NBV/APE margin | 16.3% | 18.6% | +2.3 pts |
| PVEP | 40,124 | 42,125 | +5% |
| NBV/PVEP margin | 1.9% | 2.1% | +0.2 pt |

- Slight increase in APE mainly related to different treatment of future flexible premiums in the EEV framework: mainly impacted France and Belgium
- 16% NBV increase highlights the fact that our Traditional approach to NBV was conservative
- NB and inforce's values move in opposite directions because new business carries less options & guarantees than our inforce

Life & Savings 2004 EEV stands at Euro 25.6 bn



* Similar to Traditional EV, Life & Savings ANAV reflects the US Life's holding in Alliance Capital at cost (Euro 684m or Euro 5.60 per unit) rather than at market value (Euro 3,762m or Euro 30.83 per unit as of 12/31/04).

Market Consistent approach led to a broader review of our methodology

This resulted in:

- the release of some conservatism built into the Traditional assumptions
- the change of models to deal with stochasticity and EEV principles

| | ANAV | VIF | EV |
|---|---------------|---------------|---------------|
| Life & Savings 2004 Traditional EV | 10,982 | 15,861 | 26,843 |
| Flexible premium modeling | | 337 | 337 |
| Impact of Certainty Equivalent Valuation | | -937 | -937 |
| Impact of stochastic valuation of O&G | | -2,053 | -2,053 |
| Change in assumptions | | 797 | 797 |
| Model refinements & Others | 349 | 291 | 640 |
| Life & Savings 2004 EEV | 11,331 | 14,295 | 25,627 |

- France: +239m
- Belgium: +98m

- Mortality and morbidity trend in Japan and US: +398m
- Profit sharing and capital backing in Germany: +200m
- Tax in the US: +199m

- France tax modeling: +148m
- Refined modeling of IE in the UK: +222m
- Updated projection model in Germany: +67m
- Reflect changes in market values of assets sold in 2005 (Advest in the US: +79m; HQ building in Japan: +154m)



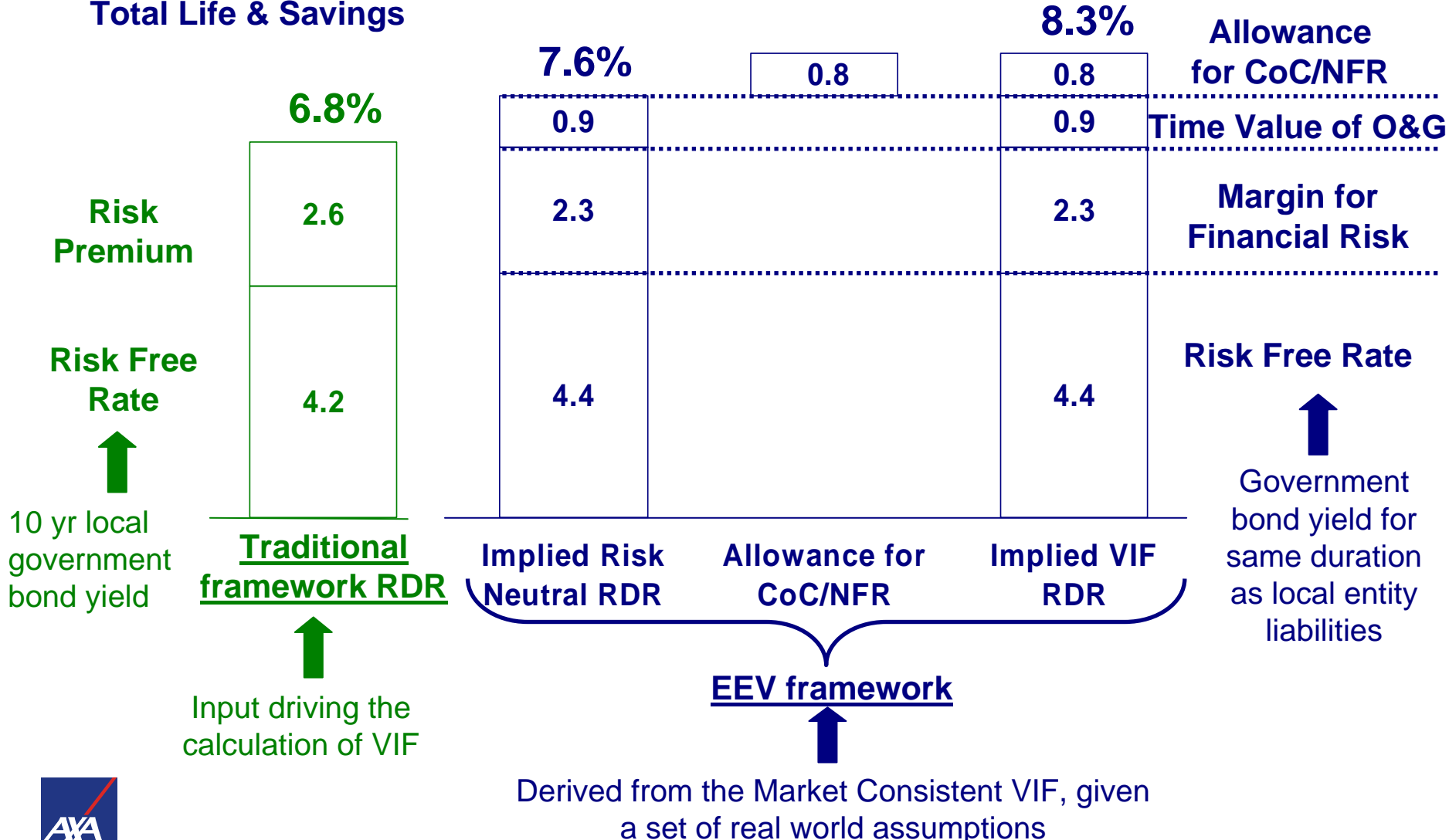
Life & Savings EEV and implied VIF RDR by country

| <i>Euro million, except RDR and returns in %</i> | EEV | Implied VIF RDR | Assumptions used to derive Implied RDR | |
|--|---------------|--------------------|---|---------------|
| | | | FI return | Equity return |
| US | 7,159 | 8.6% | 6.5% | 9.4% |
| France | 6,664 | 8.0% | 4.4% | 8.9% |
| UK | 4,041 | 5.7% | 5.0% | 8.2% |
| Japan | 1,777 | 15.4% | 3.5% | 7.0% |
| Benelux | 2,522 | 8.9% | 4.3% | 7.6% |
| Australia | 658 | 7.7% | 5.5% | 9.5% |
| Hong-Kong | 892 | 7.5% | 5.5% | 9.3% |
| Germany | 955 | 7.3% | 4.3% | 8.0% |
| Southern Europe | 656 | 7.0% | 4.5% | 7.5% |
| Unmodeled countries | 302 | | | |
| Life & Savings | 25,627 | 8.3% | | |

**!! These assumptions only impact
Implied RDR, not EEV !!**

Comparing traditional RDR to EEV Implied RDR is a little bit like comparing apples and oranges, but...

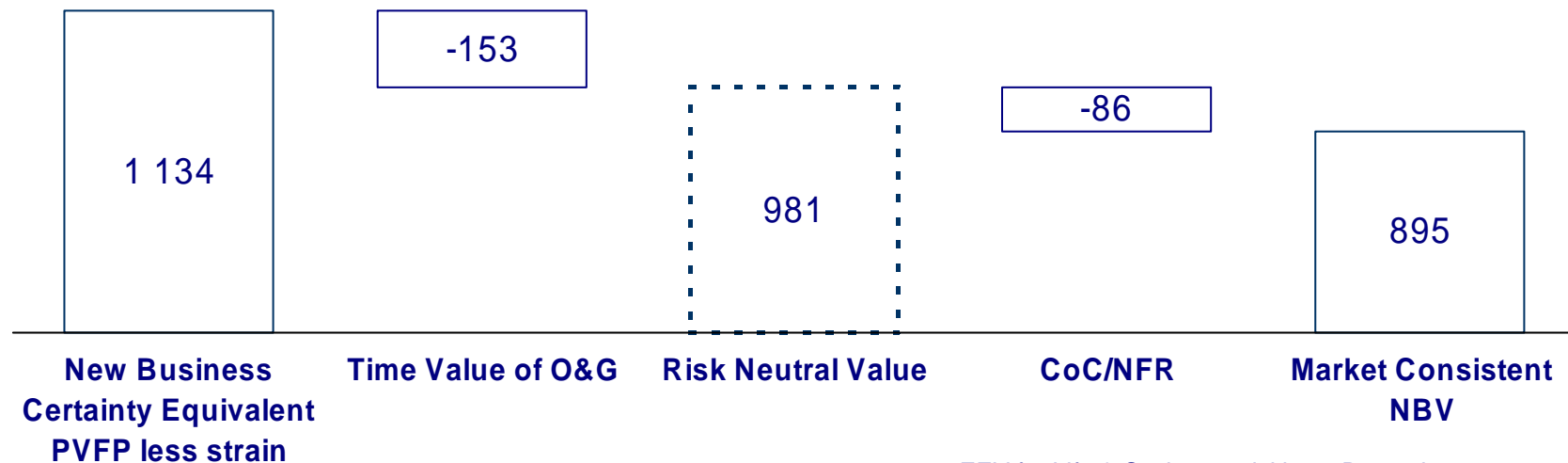
Total Life & Savings



Life & Savings 2004 NBV stands at Euro 895 m

| <i>EEV framework</i> | <i>NBV (Euro m)</i> | <i>APE (Euro m)</i> | <i>NBV/ APE</i> | <i>PVEP (Euro m)</i> | <i>NBV/ PVEP</i> |
|---------------------------|-------------------------|-------------------------|---------------------|--------------------------|----------------------|
| US | 232 | 1,482 | 15.7% | 13,334 | 1.7% |
| France | 103 | 951 | 10.9% | 8,991 | 1.2% |
| UK | 51 | 713 | 7.2% | 5,694 | 0.9% |
| Japan | 279 | 505 | 55.3% | 3,782 | 7.4% |
| Benelux | 58 | 315 | 18.4% | 2,715 | 2.1% |
| Australia | 21 | 268 | 8.0% | 2,600 | 0.8% |
| Hong-Kong | 47 | 62 | 75.5% | 368 | 12.8% |
| Germany | 74 | 387 | 19.1% | 3,502 | 2.1% |
| Southern Europe | 27 | 125 | 22.0% | 1,139 | 2.4% |
| Life & Savings | 895 | 4,807 | 18.6% | 42,125 | 2.1% |

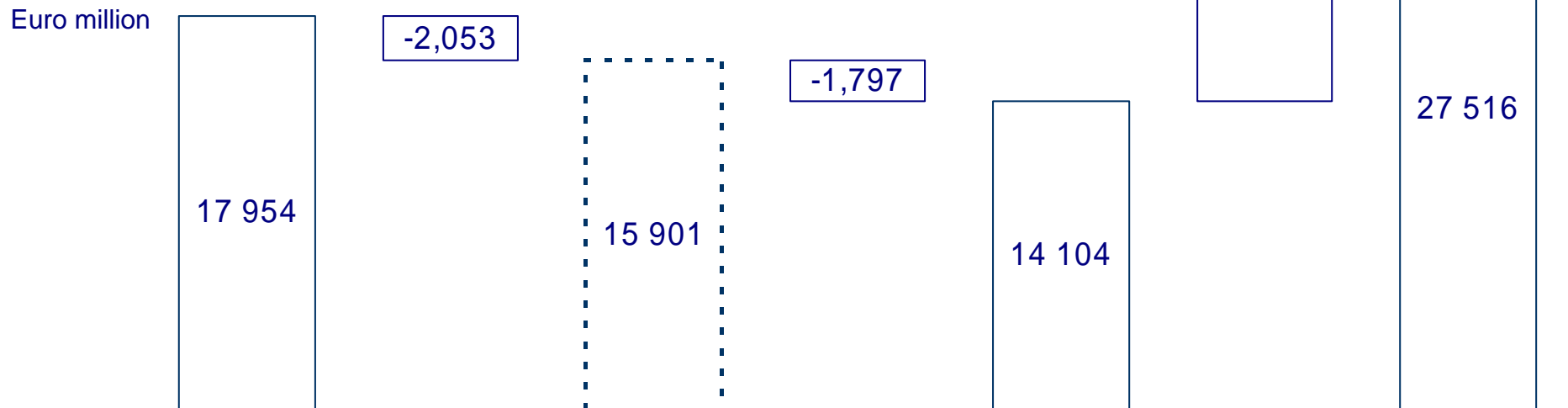
Euro million



In line with Market Consistent approach, if we treat the AC units held by the US Life entity like any other investment, L&S EEV increases to Euro 27.5bn

Impact of treating Alliance Capital units held by US Life like any other investment:
 ANAV + 2,081m
 CoC/NFR - 191m

Required Capital 10,411
Free Surplus 3,001



4. Conclusion



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AXA has adopted a bottom-up market consistent approach to EEV as it:

- Complies with CFO Forum's EEV Principles
- Provides the most transparent information on value to the shareholder
- Makes results independent from the choice of market assumptions
- Is better aligned with the way the business is managed internally
- Allows to measure risk adjusted values by product
- Differentiates risks for inforce and new business

Questions & Answers



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Preliminary calendar for EEV disclosures in 2006

- FY05 activity indicators: January 26, 2006
 - ➔ Will only include APE
 - ➔ NBV and PVEP will be disclosed with 2005 EEV disclosure in February 2006
- FY05 earnings and EEV: February 28, 2006
 - ➔ Including EEV movement analyses from 2004 to 2005
- 1Q06 activity indicators: May 11, 2006
 - ➔ Will include APE, NBV and PVEP
- 1H06 activity indicators and earnings: August 3, 2006
 - ➔ Will include APE, NBV and PVEP
- 9M06 activity indicators: November 9, 2006
 - ➔ Will include APE, NBV and PVEP

5. Appendix



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Focus on the US: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|--------------|
| EV | 7,159 |
| ANAV | 1,754 |
| VIF | 5,406 |
| <i>Certainty Equivalent PVFP</i> | <i>6,281</i> |
| <i>Time Value of O&G</i> | <i>-473</i> |
| <i>CoC/NFR</i> | <i>-402</i> |
| APE | 1,482 |
| PVEP | 13,334 |
| NBV | 232 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>292</i> |
| <i>Time Value of O&G</i> | <i>-39</i> |
| <i>CoC/NFR</i> | <i>-21</i> |

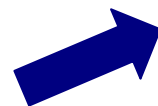


| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.8 |
| Margin for Financial Risk | 2.5 |
| Time Value of O&G | 0.7 |
| Allowance for CoC/NFR | <u>0.6</u> |
| RDR | 8.6 |

| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.7 |
| Margin for Financial Risk | 4.1 |
| Time Value of O&G | 0.7 |
| Allowance for CoC/NFR | <u>0.4</u> |
| RDR | 10.0 |

Focus on France: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|--------------|
| EV | 6,664 |
| ANAV | 3,577 |
| VIF | 3,088 |
| <i>Certainty Equivalent PVFP</i> | <i>4,303</i> |
| <i>Time Value of O&G</i> | <i>-757</i> |
| <i>CoC/NFR</i> | <i>-459</i> |
| APE | 951 |
| PVEP | 8,991 |
| NBV | 103 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>147</i> |
| <i>Time Value of O&G</i> | <i>-15</i> |
| <i>CoC/NFR</i> | <i>-29</i> |

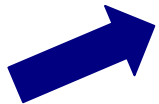


| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 3.9 |
| Margin for Financial Risk | 2.0 |
| Time Value of O&G | 1.2 |
| Allowance for CoC/NFR | <u>0.9</u> |
| RDR | 8.0 |

| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.0 |
| Margin for Financial Risk | 1.3 |
| Time Value of O&G | 0.3 |
| Allowance for CoC/NFR | <u>0.6</u> |
| RDR | 6.2 |

Focus on the UK: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|--------------|
| EV | 4,041 |
| ANAV | 2,328 |
| VIF | 1,713 |
| <i>Certainty Equivalent PVFP</i> | <i>2,124</i> |
| <i>Time Value of O&G</i> | <i>-110</i> |
| <i>CoC/NFR</i> | <i>-301</i> |
| APE | 713 |
| PVEP | 5,694 |
| NBV | 51 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>51</i> |
| <i>Time Value of O&G</i> | <i>0</i> |
| <i>CoC/NFR</i> | <i>0</i> |

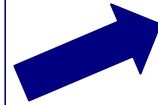


| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.6 |
| Margin for Financial Risk | 0.2 |
| Time Value of O&G | 0.3 |
| Allowance for CoC/NFR | <u>0.6</u> |
| RDR | 5.7 |

| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.6 |
| Margin for Financial Risk | 2.2 |
| Time Value of O&G | 0.0 |
| Allowance for CoC/NFR | <u>0.0</u> |
| RDR | 6.8 |

Focus on Japan: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|------------|
| EV | 1,777 |
| ANAV | 1,083 |
| VIF | 693 |
| <i>Certainty Equivalent PVFP</i> | <i>818</i> |
| <i>Time Value of O&G</i> | <i>-48</i> |
| <i>CoC/NFR</i> | <i>-76</i> |
| APE | 505 |
| PVEP | 3,782 |
| NBV | 279 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>281</i> |
| <i>Time Value of O&G</i> | <i>0</i> |
| <i>CoC/NFR</i> | <i>-2</i> |



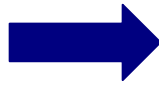
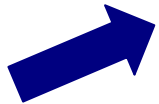
| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 2.1 |
| Margin for Financial Risk | 11.7 |
| Time Value of O&G | 0.6 |
| Allowance for CoC/NFR | <u>1.0</u> |
| RDR | 15.4 |



| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 1.8 |
| Margin for Financial Risk | 2.6 |
| Time Value of O&G | 0.0 |
| Allowance for CoC/NFR | <u>0.1</u> |
| RDR | 4.5 |

Focus on Benelux: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|--------------|
| EV | 2,522 |
| ANAV | 1,189 |
| VIF | 1,333 |
| <i>Certainty Equivalent PVFP</i> | <i>1,919</i> |
| <i>Time Value of O&G</i> | <i>-425</i> |
| <i>CoC/NFR</i> | <i>-162</i> |
| APE | 315 |
| PVEP | 2,715 |
| NBV | 58 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>147</i> |
| <i>Time Value of O&G</i> | <i>-72</i> |
| <i>CoC/NFR</i> | <i>-17</i> |



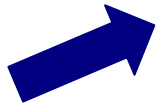
| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.3 |
| Margin for Financial Risk | 2.2 |
| Time Value of O&G | 1.6 |
| Allowance for CoC/NFR | <u>0.7</u> |
| RDR | 8.9 |

| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.1 |
| Margin for Financial Risk | 1.0 |
| Time Value of O&G | 2.3 |
| Allowance for CoC/NFR | <u>0.7</u> |
| RDR | 8.0 |



Focus on Australia: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|------------|
| EV | 658 |
| ANAV | 269 |
| VIF | 389 |
| <i>Certainty Equivalent PVFP</i> | <i>442</i> |
| <i>Time Value of O&G</i> | <i>-3</i> |
| <i>CoC/NFR</i> | <i>-49</i> |
| APE | 268 |
| PVEP | 2,600 |
| NBV | 21 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>24</i> |
| <i>Time Value of O&G</i> | <i>0</i> |
| <i>CoC/NFR</i> | <i>-2</i> |



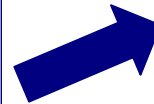
| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 5.5 |
| Margin for Financial Risk | 1.5 |
| Time Value of O&G | 0.1 |
| Allowance for CoC/NFR | <u>0.6</u> |
| RDR | 7.7 |

| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 5.5 |
| Margin for Financial Risk | 0.9 |
| Time Value of O&G | 0.0 |
| Allowance for CoC/NFR | <u>0.5</u> |
| RDR | 6.9 |



Focus on Hong-Kong: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|------------|
| EV | 892 |
| ANAV | 219 |
| VIF | 672 |
| <i>Certainty Equivalent PVFP</i> | <i>769</i> |
| <i>Time Value of O&G</i> | <i>-58</i> |
| <i>CoC/NFR</i> | <i>-39</i> |
| APE | 62 |
| PVEP | 368 |
| NBV | 47 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>52</i> |
| <i>Time Value of O&G</i> | <i>-3</i> |
| <i>CoC/NFR</i> | <i>-2</i> |



| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.6 |
| Margin for Financial Risk | 1.7 |
| Time Value of O&G | 0.7 |
| Allowance for CoC/NFR | <u>0.6</u> |
| RDR | 7.5 |

| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.6 |
| Margin for Financial Risk | 0.9 |
| Time Value of O&G | 0.5 |
| Allowance for CoC/NFR | <u>0.3</u> |
| RDR | 6.2 |

Focus on Germany: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|-------------|
| EV | 955 |
| ANAV | 222 |
| VIF | 733 |
| <i>Certainty Equivalent PVFP</i> | <i>950</i> |
| <i>Time Value of O&G</i> | <i>-145</i> |
| <i>CoC/NFR</i> | <i>-72</i> |
| APE | 387 |
| PVEP | 3,502 |
| NBV | 74 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>102</i> |
| <i>Time Value of O&G</i> | <i>-19</i> |
| <i>CoC/NFR</i> | <i>-9</i> |



| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.4 |
| Margin for Financial Risk | 0.6 |
| Time Value of O&G | 1.4 |
| Allowance for CoC/NFR | <u>0.8</u> |
| RDR | 7.3 |



| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 4.5 |
| Margin for Financial Risk | 0.2 |
| Time Value of O&G | 1.2 |
| Allowance for CoC/NFR | <u>0.7</u> |
| RDR | 6.5 |

Focus on Southern Europe: analysis of components of implied RDR for VIF and NBV

| <i>Euro million</i> | EEV-based |
|--|------------|
| EV | 656 |
| ANAV | 389 |
| VIF | 268 |
| <i>Certainty Equivalent PVFP</i> | <i>348</i> |
| <i>Time Value of O&G</i> | <i>-35</i> |
| <i>CoC/NFR</i> | <i>-46</i> |
| APE | 125 |
| PVEP | 1,139 |
| NBV | 27 |
| <i>Certainty Equivalent PVFP less strain</i> | <i>37</i> |
| <i>Time Value of O&G</i> | <i>-5</i> |
| <i>CoC/NFR</i> | <i>-5</i> |



| <i>In %</i> | Implied VIF RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 3.7 |
| Margin for Financial Risk | 0.8 |
| Time Value of O&G | 1.0 |
| Allowance for CoC/NFR | <u>1.5</u> |
| RDR | 7.0 |



| <i>In %</i> | Implied NBV RDR |
|---------------------------|-----------------|
| Risk-Free Rate | 3.7 |
| Margin for Financial Risk | 0.1 |
| Time Value of O&G | 0.9 |
| Allowance for CoC/NFR | <u>1.0</u> |
| RDR | 5.8 |

Tillinghast Opinion

Tillinghast has assisted AXA in developing the methodology and reviewing the assumptions used in the restated embedded value at December 31, 2004, and the restated 2004 new business value, for the principal life operations of the AXA Group. Our review included the reconciliation of the restated values to the corresponding values published in February 2005, and the sensitivities shown in Section V of the Restatement Report.

Tillinghast has concluded that the methodology and assumptions comply with the EEV Principles. In particular:

- The methodology makes allowance for the aggregate risks in the covered business through the market consistent methodology set out in Section III of the Restatement Report, which includes a stochastic allowance for the cost of financial options and guarantees;
- The operating assumptions have been set with appropriate regard to past, current and expected future experience;
- The economic assumptions used are internally consistent and consistent with observable market data; and
- For participating business, the assumed bonus rates, and the allocation of profit between policyholders and shareholders, are consistent with the projection assumptions, established company practice and local market practice.

The methodology and assumptions used also comply with the EEV Guidance (noting the disclosed exception concerning the treatment of affiliated investment management companies).

Tillinghast has also performed limited high-level checks on the results of the calculations and has confirmed that any issues discovered do not have a material impact on the disclosed embedded values and new business values. Tillinghast has not, however, performed detailed checks on the models and processes involved.

In arriving at these conclusions, Tillinghast relied on data and information provided by AXA.



Disclaimer and 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 and can be affected by other factors that could cause actual results and AXA's plans and objectives to differ materially from those expressed or implied in the forward looking statements (or from past results).

These risks and uncertainties include, without limitation, the risk of future catastrophic events including possible future weather related events and /or terrorist related incidents. Please refer to AXA's Document de Référence and AXA's Annual Report on Form 20-F for the year ended December 31, 2004, 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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