

**Ambition AXA**  
**Investor Day**  
**June 1, 2011**

# **AXA in high growth markets**

**Jean-Laurent Granier**  
CEO of MedLA

**redefining / standards**



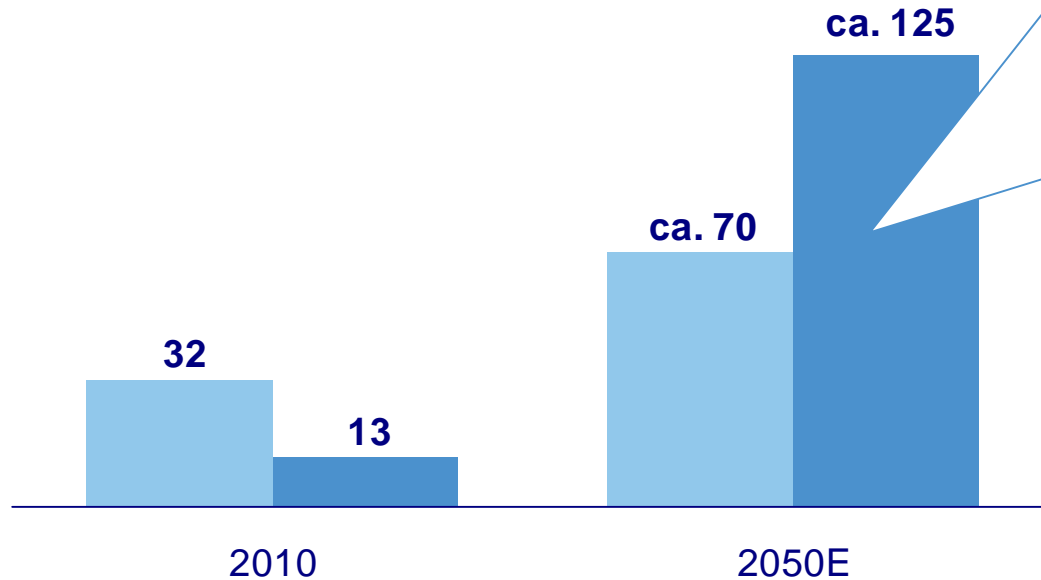
## Cautionary note concerning forward-looking statements

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predictions 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 the section “Cautionary statements” in page 2 of AXA’s Document de Référence for the year ended December 31, 2010, 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.

# A strong shift between mature and emerging economies

## Gross Domestic Product

In USD trillion



### 7 largest emerging economies

China, India, Brazil, Mexico, Indonesia, Russia, Turkey

### 7 largest mature economies

US, Japan, Germany, France, UK, Italy, Canada

## Largest emerging economies

	Contribution to GDP growth <sup>1</sup>	2009 insurance penetration <sup>2</sup>
China	34%	3%
India	21%	5%
Brazil	6%	3%
Mexico	4%	2%
Indonesia	4%	1%
Russia	4%	3%
Turkey	2%	1%

## Largest mature economies

Contribution to GDP growth <sup>1</sup>	2009 insurance penetration <sup>2</sup>
25%	9%

Source: IMF, Price Waterhouse Coopers, Swiss Re, AXA estimate

1. Percentage of the total of 2010-2050 GDP growth of 7 largest emerging economies and 7 largest mature economies

2. Insurance premiums / GDP

# AXA has strong foundations in largest emerging economies

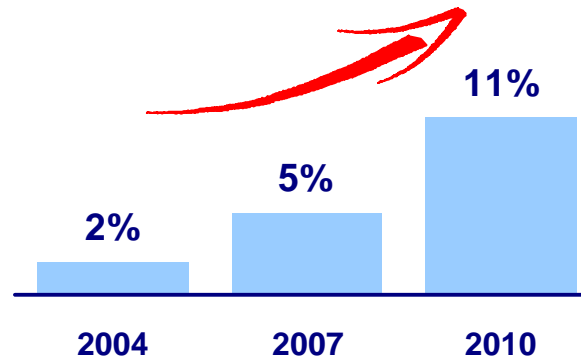


1. Subject to regulatory approval

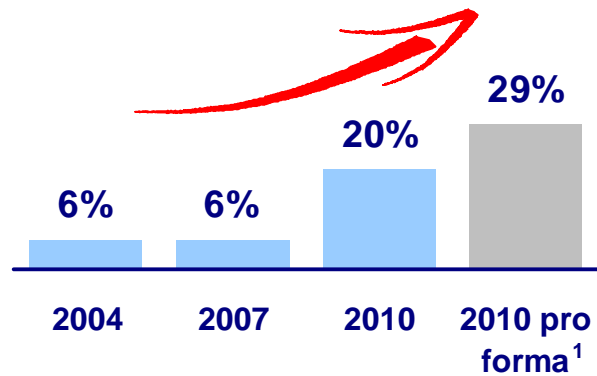
**Strong footprint in other promising emerging economies  
(South-East Asia, CEE, Mediterranean region)**

# AXA is continuously expanding in high growth markets

Contribution to P&C revenues



Contribution to Life & Savings NBV



1. Pro forma of the AXA APH transaction

# Insurance industry medium term potential

USD 500 – 600 billion additional premiums by 2015

## High GDP growth and increased insurance penetration...

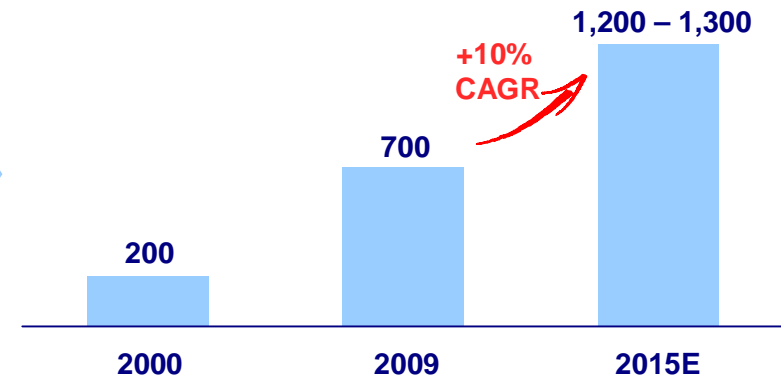
- § Rapidly growing middle class
- § Increasing compulsory insurance
- § Customer needs for health and protection products
- § Strong commercial lines development

... while facing political risks

## ...to continue fuelling growth going forward

In USD billion

High growth markets Life & Savings and Property & Casualty insurance premiums<sup>1</sup>



USD 500-600 billion additional premiums

Mature markets: North America, Western Europe, Greece, Japan, Oceania

High growth markets: LatAm, CEE (incl. Russia), South East Asia, Middle East & Central Asia, Africa, Turkey

1. Source: Swiss Re for 2000 and 2009, AXA estimate for 2015

# How will AXA achieve this growth potential?

## *Leveraging our successful experience*

### *Key levers*

### *Proven track record*

**Accelerate organic growth**

**Continuous high performance of AXA Turkey and sub-regional models, as AXA Gulf**

**Create value from acquisitions**

**Turnaround of AXA Mexico acquired from ING in 2008**

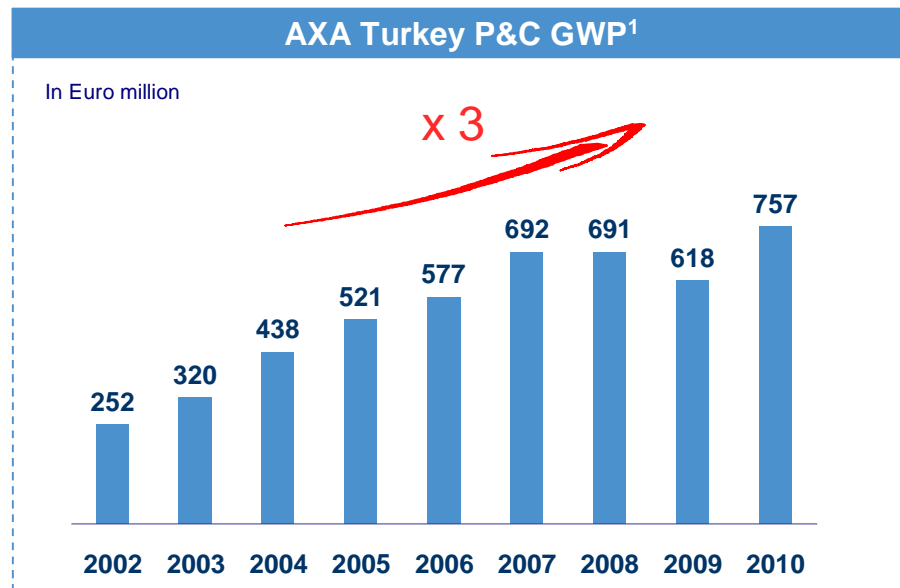
**Leverage partnerships**

**Strong selection criteria enabling success of AXA partnerships**

# Organic growth

AXA Turkey is the beacon of our success (1/2)

## #1 in the market with persistent growth



### Turkish P&C market growth potential remains strong

§ Low level of car ownership: 137 vehicles for 1,000 inhabitants in Turkey compared to 586 for EU in 2009

## Being the preferred company

**Sometimes,  
the only one  
you have to beat  
is yourself.**

Euromoney, the most respected economics magazine, awarded AXA SIGORTA (Turkey) as not only "Best Insurance Company in Turkey" but also "Best Insurance Company in Central & Eastern Europe". Thanks to all our customers, agencies and employees who contributed to our success.

**EUROMONEY**

**AXA SIGORTA**  
sigortacilik / yemirilen tasarruflar

§ Awarded "The best insurance company in Central and Eastern Europe" by Euromoney in 2010

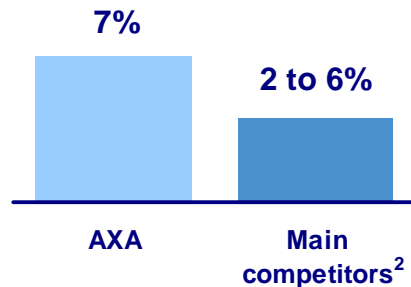
1. Source: TSRSB (Association of the insurance and reinsurance companies of Turkey). Figures in Turkish GAAP

# Organic growth

AXA Turkey is the beacon of our success (2/2)

## Best in class technical performance

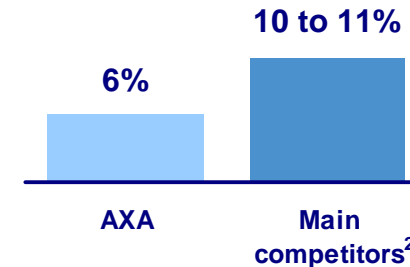
### 2010 technical margin<sup>1</sup>



- § Disciplined underwriting
- § Effective claims management

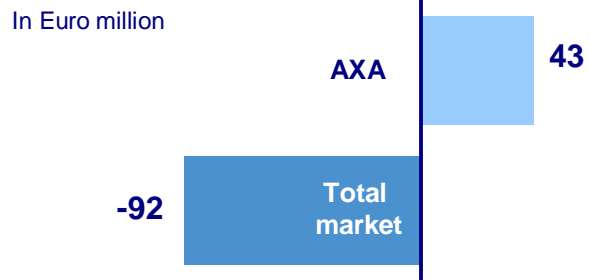
## Efficient cost monitoring

### 2010 general expenses / GWP<sup>1</sup>



- § Efficient support functions

### 2010 Net profit after tax<sup>1</sup>



AXA is the most profitable company in Turkey

AXA Turkey paid Euro 36 million dividend to its shareholders in 2010

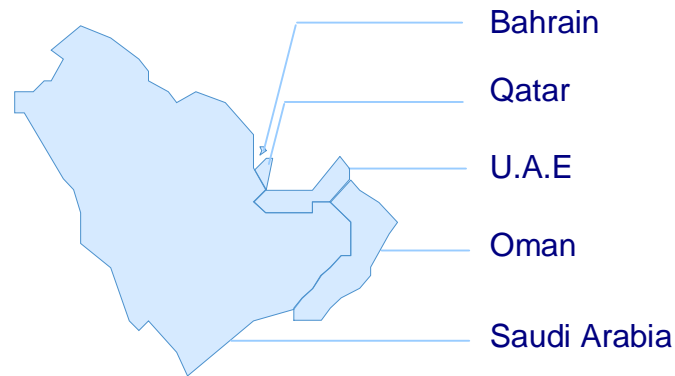
1. Source: TSRSB (Association of the insurance and reinsurance companies of Turkey). Figures in Turkish GAAP. Technical margin includes technical result, general expenses and financial income, as a percentage of GWP

2. Anadolu, Allianz, Ak Sigorta, Yapi Kredi

# Organic growth

AXA Gulf: Sub-regional hubs support further expansion

## AXA Gulf



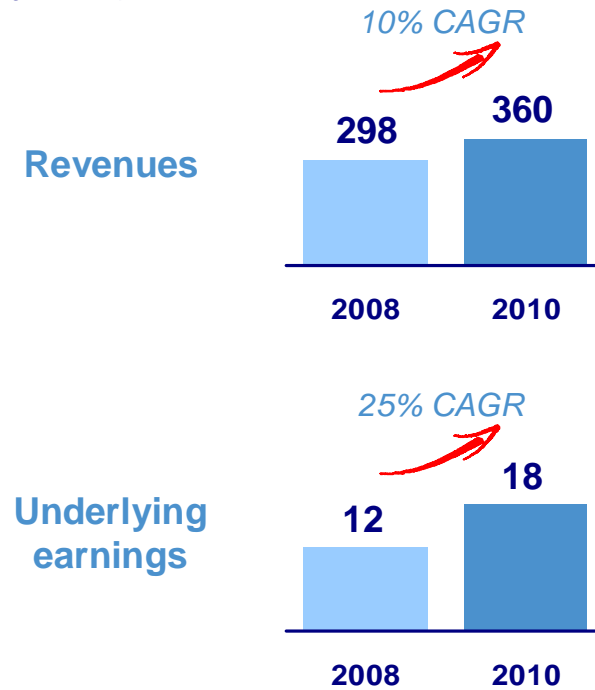
## Efficient organization

- § Share expertise and services
- § Bring technical edge
- § Short time to market

Illustration: Medical products launched in Qatar within 6 months in 2008

## A success story in figures

In Euro million  
Change on a reported basis



91.5% combined ratio in 2010  
Ca. 650 staff, more than 30 nationalities

# Create value from acquisitions

AXA Mexico turnaround, 2008-2010

## An accelerated transformation...

### People

Re-energize local teams and invest in talents



87% employee commitment in 2010

### Tools

Leverage group and regional capabilities



Deployment of Guidewire claims management tool

### Business knowledge

Redefine target segmentation and risk appetite



Preferred risks increased from 52% to 71%

### Distribution

Opening the first retail stores in Mexico



More than 70 retail stores opened within one year



**Asistencia médica telefónica las 24 horas,  
proporcionada por AXA Asistencia.  
Consultas con médicos a domicilio.  
Ambulancia terrestre en caso de emergencia.  
Información sobre servicios médicos y/o productos.**

## ... to reposition the company

In less than two years after the acquisition:

§ #1 in P&C, up 1 rank

§ #2 in total market, up 2 ranks

# Create value from acquisitions

## Developing retail motor in Mexico

### We entered the more profitable retail motor insurance business

▶ Current growth trend: up to +15% per year

▶ Combined ratio in 2010: 93%

▶ Innovative segmented pricing

▶ Multi channel distribution:

§ Agents and brokers 65%

§ Distribution agreements 14%

§ Large accounts 22%

§ Web and phone sales launched 1Q 2010

¡Gana hasta 1 millón de pesos!

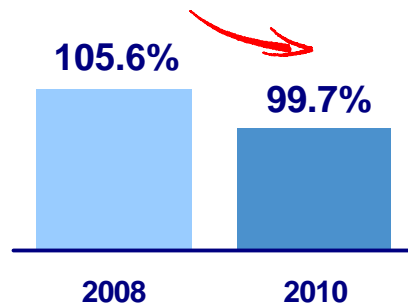
Protección Efectiva Auto  
un seguro al alcance de todos

Conoce más aquí

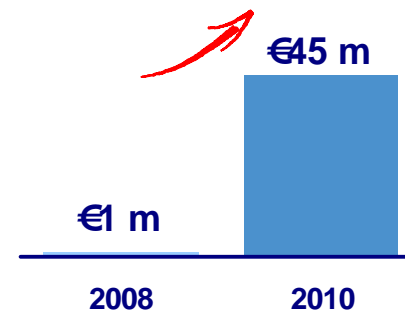
# Create value from acquisitions

## AXA Mexico in figures

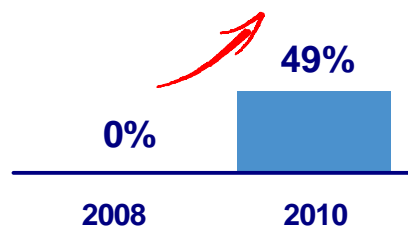
Combined ratio



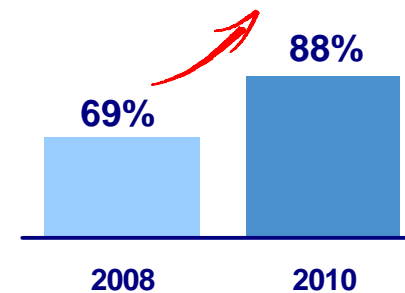
Underlying earnings



Brand awareness<sup>1</sup>



Customer satisfaction<sup>1</sup>

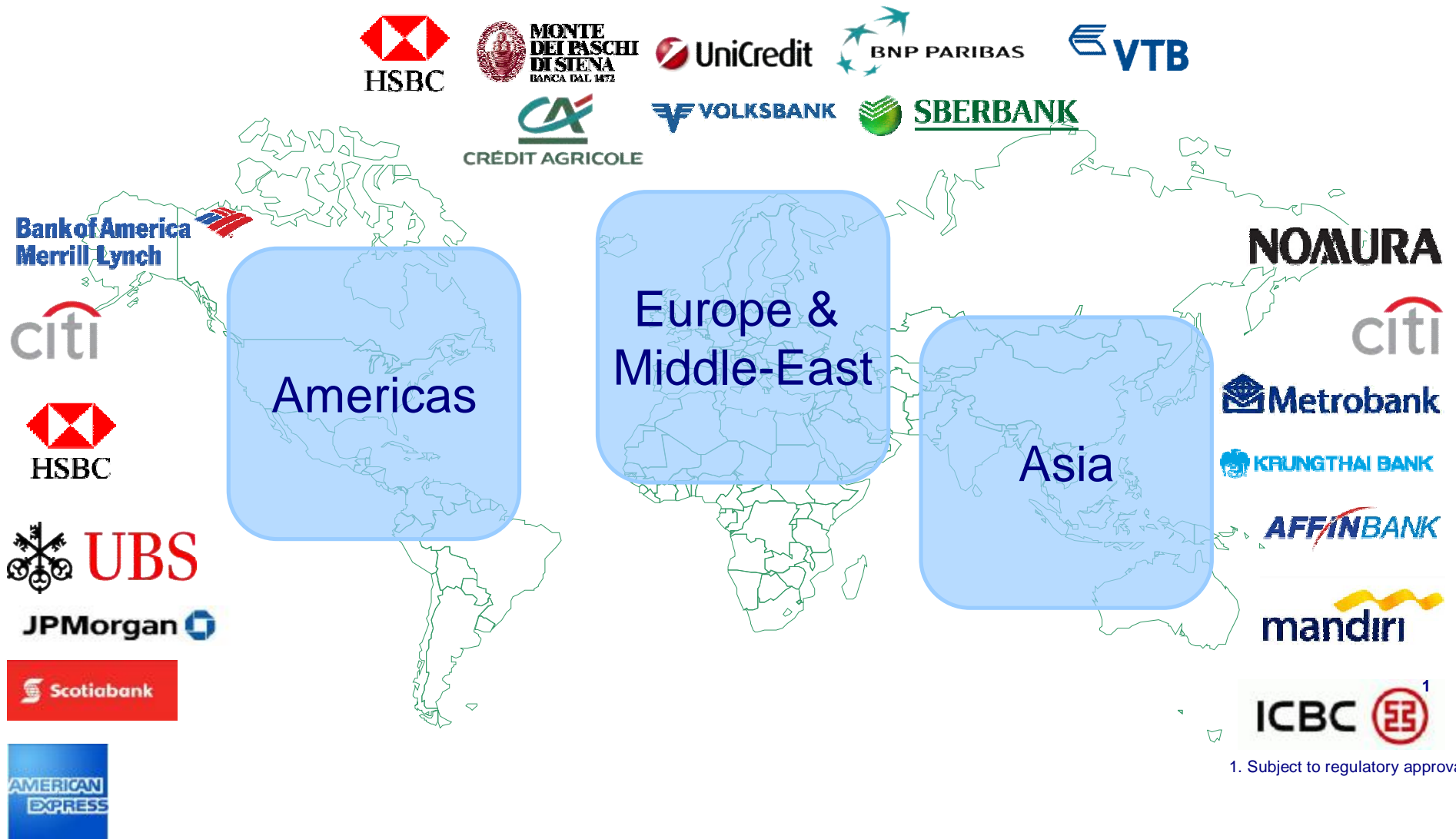


**Significant improvements in all dimensions**

1. AXA estimate

# Leverage partnerships

AXA is partnering with leading banks...



1. Subject to regulatory approval

# Leverage partnerships

... and has a successful track record in high growth markets

## Strong criteria for selecting a partner

- ▶ Joint-Venture when possible
- ▶ Fair split of value creation & alignment of interest
- ▶ Long term partnership
- ▶ Strong local brand
- ▶ Dedicated client teams to best fit partner's strategy

## A successful track record of partnerships

  
**mandiri**  
Indonesia  
Since 2003

- Breakeven in 2005
- 1,095 branches
- 34% Life & Savings bancassurance market share
- Agreement to extend partnership to P&C<sup>1</sup>

  
**UKRSIBBANK**  
BNP PARIBAS GROUP  
Ukraine  
Since 2007

- #1 position within 4 years in the P&C market
- Bulking car insurance with loans

**HSBC**   
Gulf  
Since 2007

- 15% of AXA Gulf profit within the first 3 years
- Selected offers rolled out in all territories

And more to come: **ICBC** <sup>2</sup>

1. Subject to agreement on legal documentation and regulatory approval

2. Subject to regulatory approval

# We have differentiating key success factors

## Strong brand

1<sup>st</sup> insurance brand worldwide in 2009 and 2010

The logo for Interbrand, featuring the word "Interbrand" in a red serif font.

## Quality of people

Deep international talent pool

## Business knowledge

- § Pricing, underwriting and distribution
- § Accelerate development in commercial lines, relying on AXA Corporate Solutions as an enabler

## Flexible regional model

- § Regional and sub-regional hubs
- § Granularity to adapt strategy to local specificities

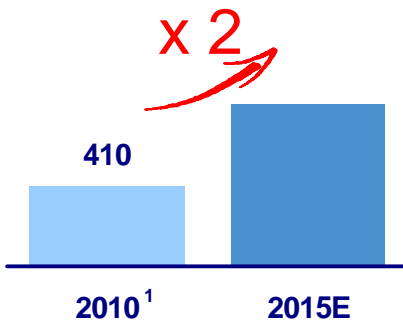
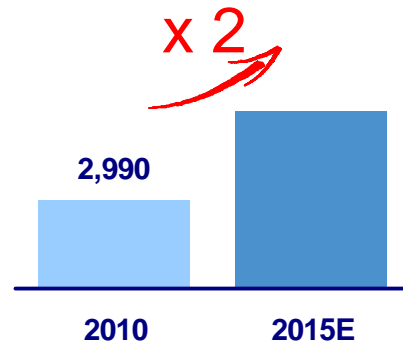
# Our Ambition

Accelerate in high growth markets in both L&S and P&C

**Our existing operations will outperform...**

**Double our top line ...**

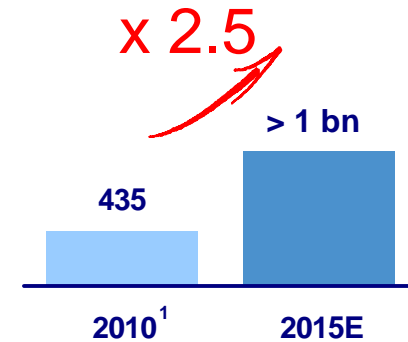
In Euro million  
At constant scope



1. Pro forma of the AXA APH transaction

**...while increasing profitability**

In Euro million  
At constant scope



1. Pro forma of the AXA APH transaction

**... and we will continue to seize opportunities to deepen our footprint**

# Our Ambition

Adapt each regional strategy to existing AXA footprint and to available opportunities

## AXA current footprint

## AXA Ambition

