

Ambition AXA
Investor Day
June 1, 2011

High growth markets
Asia: a new chapter

Mike Bishop
CEO, AXA Asia

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.

Key messages

Asian insurance markets

Robust fundamentals in place for profitable growth

AXA strong positioning

- § Strong regional footprint
- § Track record of sales growth and value creation
- § Multi-distribution platform providing broad reach and flexibility
- § Enviably set of Joint-Ventures and leading bancassurance network
- § Unique operating infrastructure in place

Going forward

- Well positioned to leverage our composite platform to become
- § Top 3 Life & Savings international insurer by new business
 - § Leading Property & Casualty international insurer

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Market overview

AXA in Asia: overview of our operations

AXA Asia Life: a strong track record

AXA Asia P&C: journey towards leadership

Ambition AXA: looking ahead

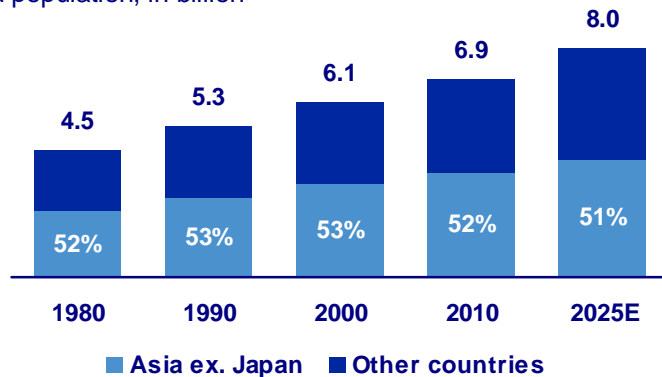
Summary



Favorable demographics and economic growth

Sustained demographic growth...

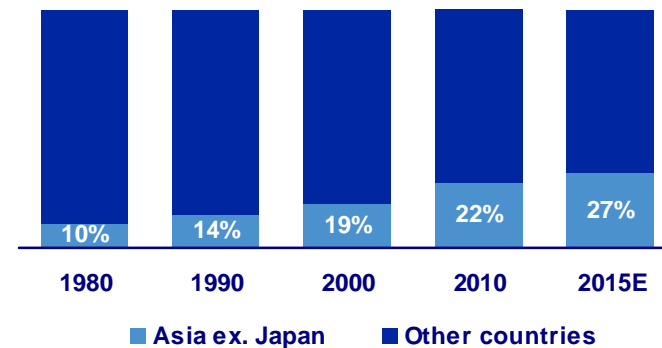
World population, in billion



Source: United Nations, 2010

... and accelerating economic development

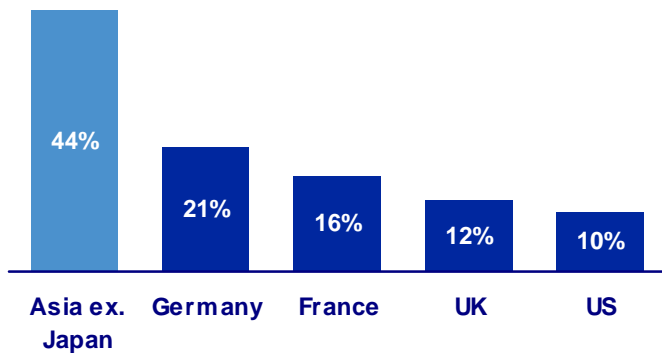
Split of world GDP, based on purchasing power parity (PPP)



Source: IMF, October 2010

High savings rate

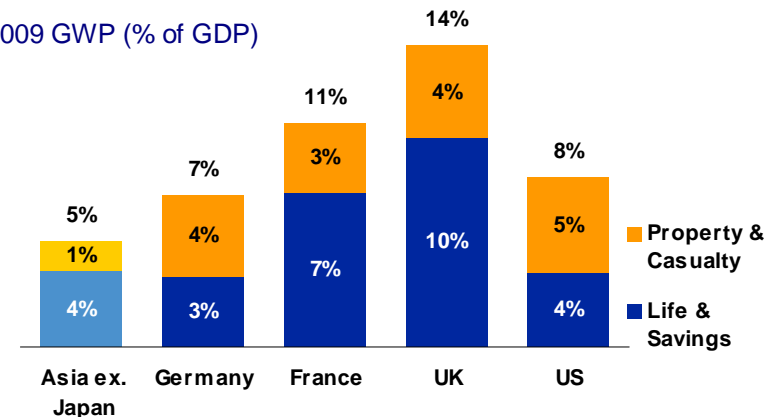
2009 gross savings (% of GDP)



Source: World Bank, 2010

Underpenetrated insurance markets

2009 GWP (% of GDP)

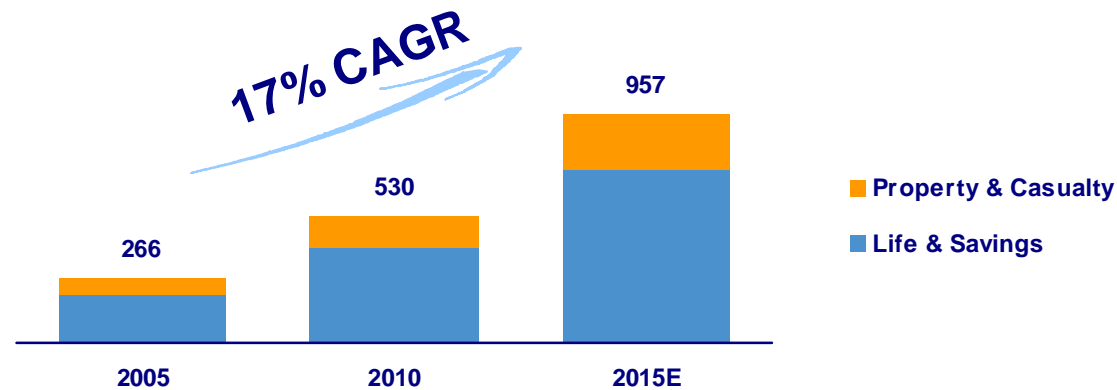


Source: Swiss Re, *sigma* No 2/2010

Growth market with huge potential

Sustained insurance premium growth

Asia ex. Japan GWP, in USD billion

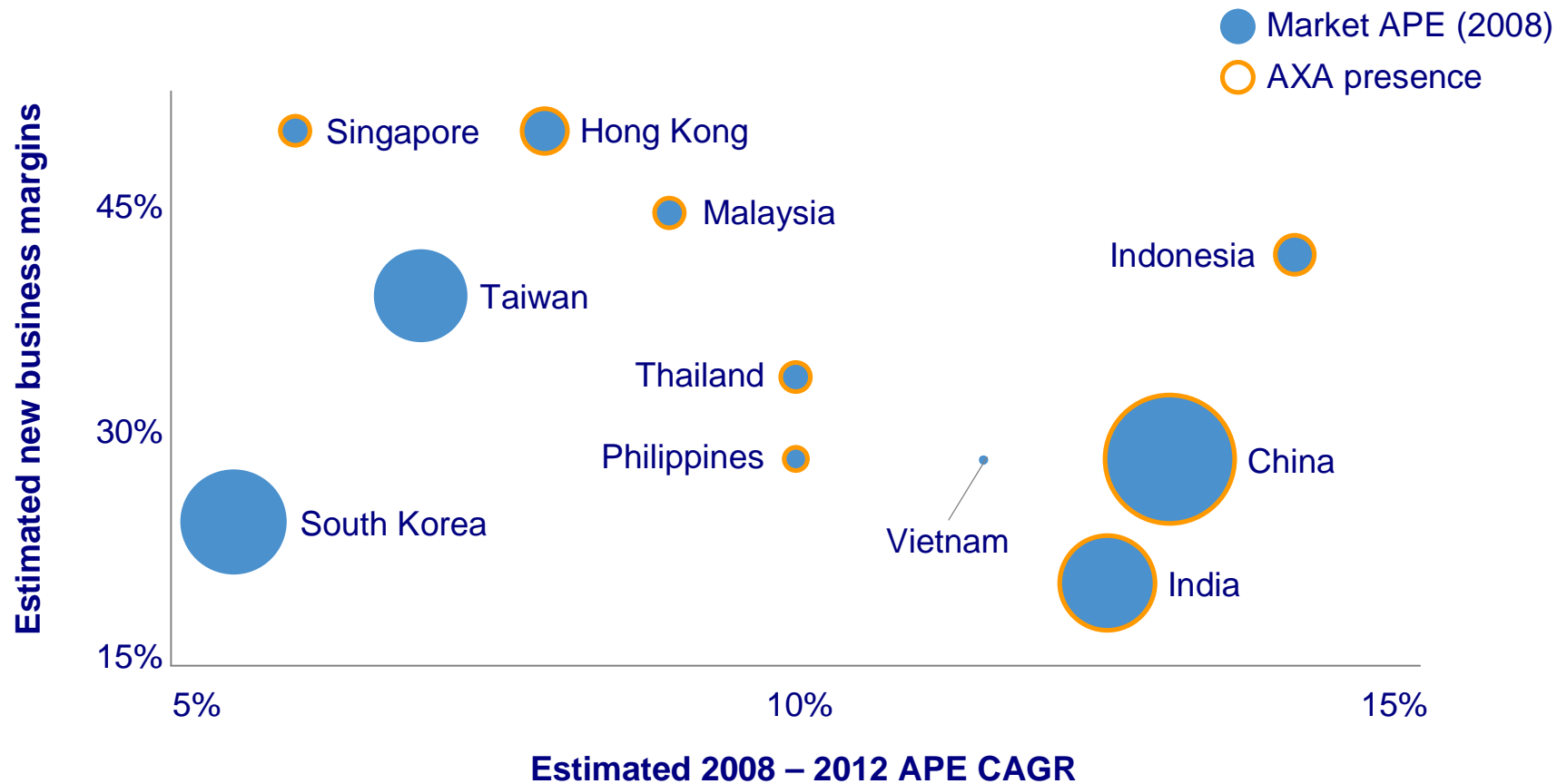


Source: AXA estimate based on Swiss Re Economic Research & Consulting

Key growth drivers

- § Asia ex. Japan is home to 52% of the global population with high demographic growth prospects
- § Enviably economic growth and accompanying improved standards of living
- § Highest savings rate worldwide
- § Low insurance penetration – opportunity for growing protection business
- § Lack of state welfare / schemes

Attractive Life & Savings new business margins



Asia's average new business margins are 2 to 3 times those in mature markets of Europe and the US

Source: Boston Consulting Group analysis

Competitive landscape

Global players footprint in Asia ex. Japan

	In Asia since:	Overall footprint	China		Hong Kong		India		Indonesia		South Korea		Malaysia		Philippines		Singapore		Thailand		Taiwan		Vietnam	
			L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C	L&S	P&C
AXA	1995	16	P	P	P	P	P	P	P	P		P	P	P	P		P	P	P	P				
ACE	1985	16	P	P	P	P			P	P	P	P		P		P		P	P	P	P		P	P
Allianz	1951	14	P	P		P	P	P	P	P		P	P				P	P	P	P				
Prudential	1924	11	P		P	P	P		P		P		P	P	P		P		P		P		P	
AIA	1931	11	P		P		P		P		P		P		P		P		P		P		P	
Chartis	1931	11		P		P		P		P		P		P		P		P		P		P		P
Zurich	1961	10	P	P	P	P				P			P	P			P	P				P		
Manulife	1902	9	P		P				P				P		P		P		P		P		P	
HSBC	1974	9	P		P	P	P				P						P	P				P		P
Aviva	<1900	9	P		P		P		P		P		P				P	P				P		
ING	1984	8	P		P	P	P				P		P	P					P					

Source: Towers Watson
 L&S: Life & Savings
 P&C: Property & Casualty

Despite being a late entrant to Asia, AXA has developed a strong regional presence

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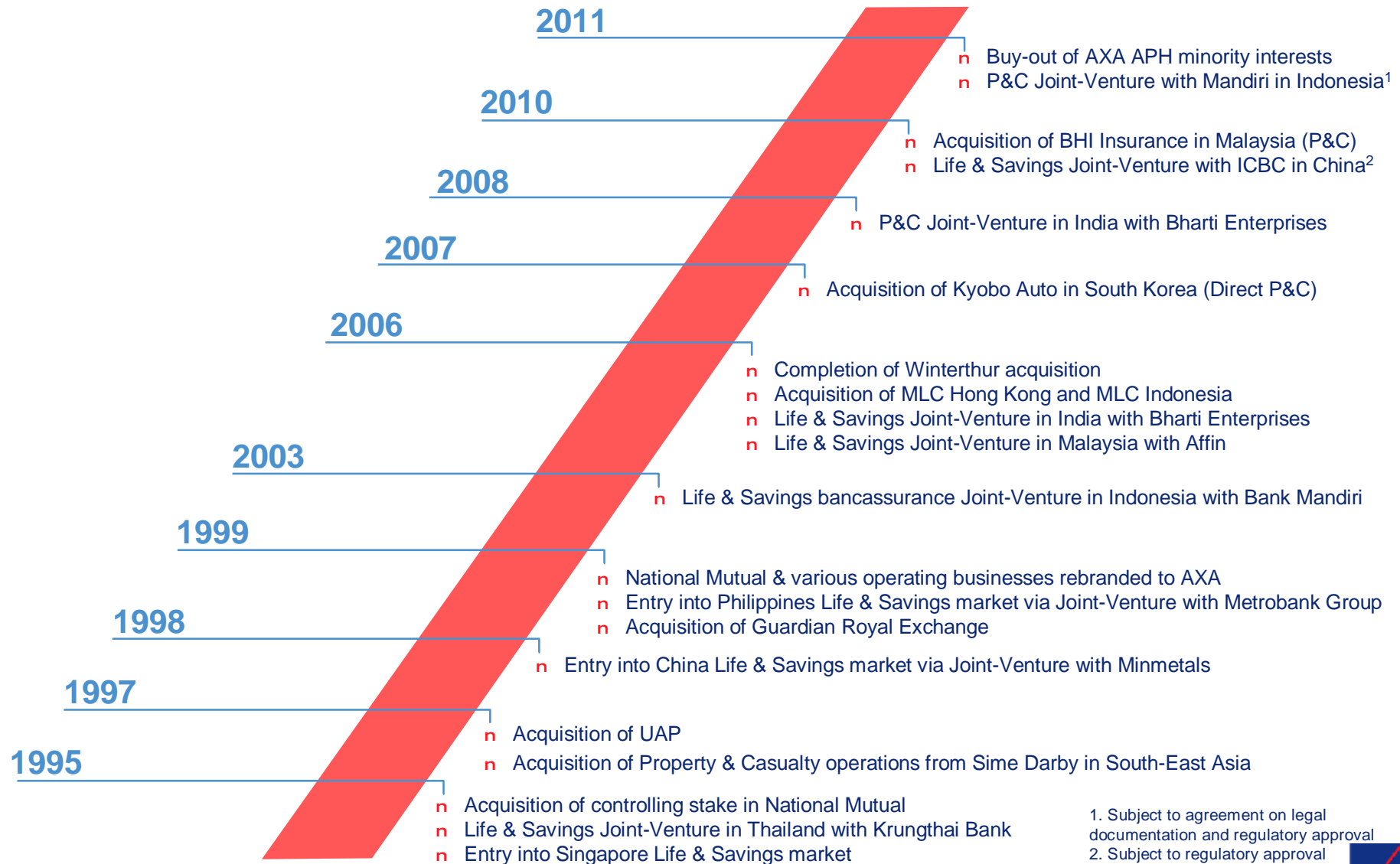
Ambition AXA: looking ahead

Summary



AXA Asia

Evolution of our operations



1. Subject to agreement on legal documentation and regulatory approval
2. Subject to regulatory approval

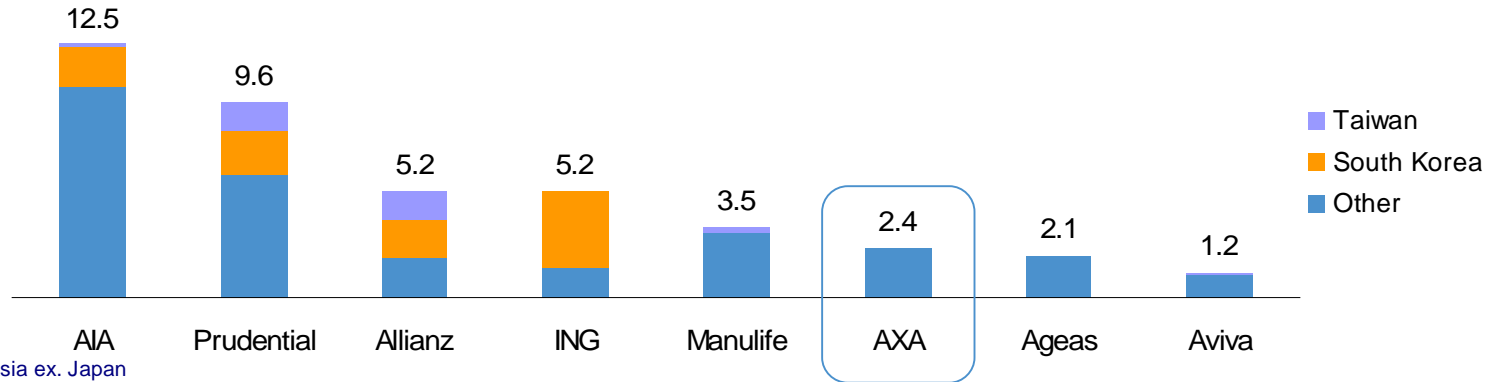


AXA Asia

Life & Savings market positioning

2010 Life & Savings insurance premiums

In USD billion, group share

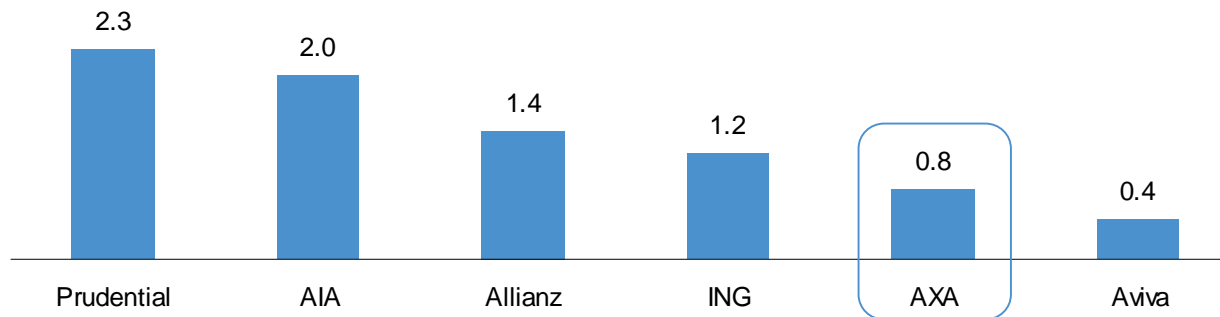


International insurers in Asia ex. Japan

Source: Credit Suisse. AXA is pro forma of the AXA APH transaction

2010 Life & Savings APE

In USD billion, group share



International insurers in Asia ex. Japan

Source: Company disclosures. Allianz APE include Japan. AXA is pro forma of the AXA APH transaction

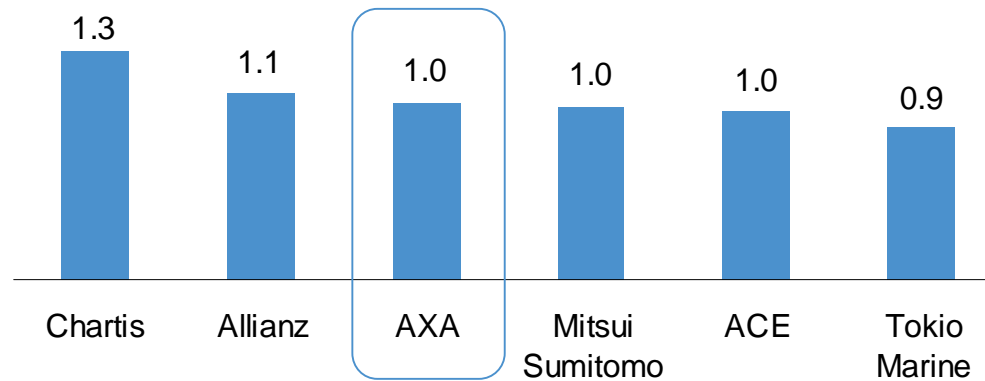
AXA has established itself as a significant player in the Life & Savings market, although scale is disadvantaged by a lack of footprint in Taiwan and South Korea

AXA Asia

Property & Casualty market positioning

2009 P&C GWP

In USD billion, 100% share



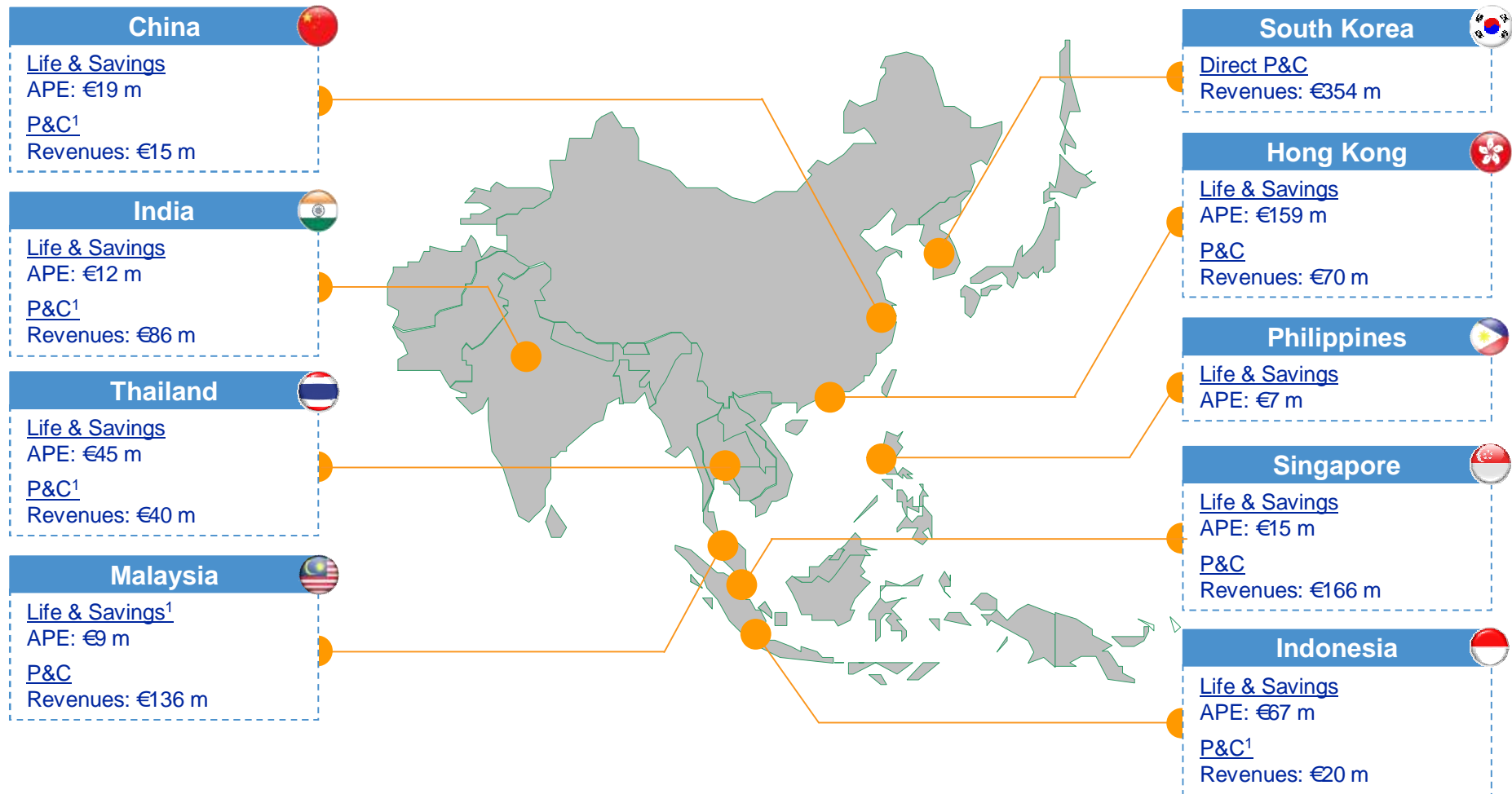
International insurers in Asia ex. Japan

Source: Regulators, insurance associations, AXA estimate. AXA in Malaysia includes BHI

AXA is a significant player in the Property & Casualty market

AXA Asia





















Pan regional footprint



Note: all figures are based on 2010. APE are Group share
 1. Not consolidated

AXA Asia

Strong partners giving access to broad customer base

Country	Joint-Ventures partners	
 China	   重新定义 / 引领标准	ICBC ¹ (Life & Savings): world largest bank by market capitalization. Over 216 m customers and 16,000 branches Minmetals (Life & Savings): large sized group dealing worldwide in development, production, trading and operation for metals and minerals
 Indonesia	 	Bank Mandiri (Life & Savings and P&C): largest Bank in Indonesia by assets, loans and deposits with 1,766 branches and ca. 13 m customers
 Thailand	  redefining / life insurance  	Krungthai Bank (Life & Savings): second largest bank in Thailand by assets with 970 branches and ca. 17 m customers UOB (P&C): leading regional bank Tisco Bank (P&C): one of the first investment banks in Thailand
 India		Bharti Enterprises (Life & Savings and P&C): leading Indian conglomerate with interests in telecom, retail, financial services, manufacturing and software with a customer base of over 130 m
 Philippines		Metrobank (Life & Savings): second largest bank in Philippines with over 560 branches and ca. 3 m customers
 Malaysia	 	Affin Bank (Life & Savings and P&C): state-owned bank with 84 branches and 600k customers
Life & Savings: other strategic alliances		
	Successful stand-alone bancassurance distribution arrangements with Citibank in China, Hong Kong, Singapore and Malaysia	

1. Subject to regulatory approval

Sources: Companies disclosure, AXA APH 2010 investor compendium

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AXA Asia Life

Portfolio of businesses at different stages of development

STAGE OF DEVELOPMENT

Well established

Strong market share and profit generating

Subscale

Developed markets but subscale operations

Developing

Fast growing markets where we have limited market share and are developing a path to significance

BUSINESSES

Hong Kong

Indonesia

Thailand

Philippines

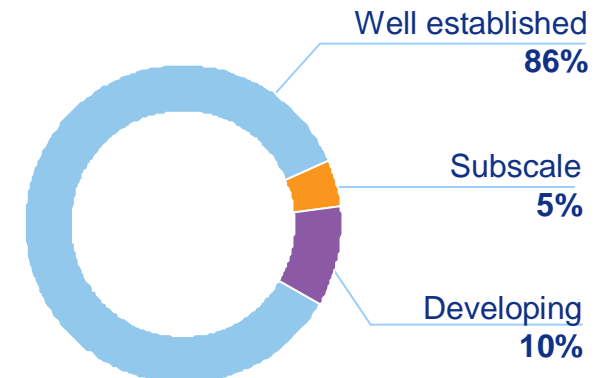
Singapore

Malaysia

India

China

2010 APE



Total¹: Euro 325 million

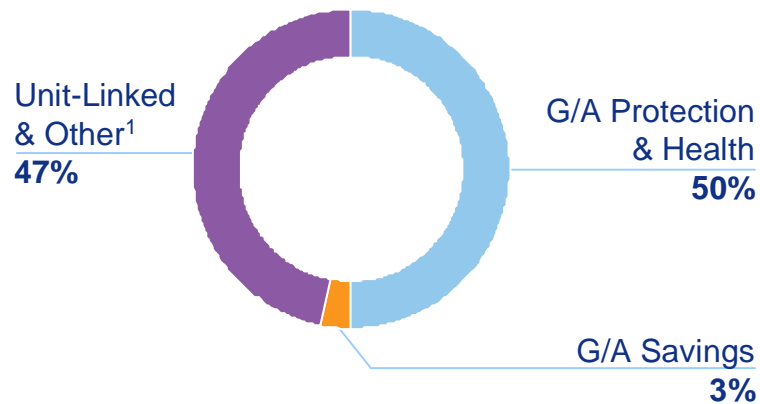
1. Malaysia is not consolidated. 2010 APE for Malaysia was Euro 9 million on a Group share basis

AXA Asia Life

Competitive and comprehensive product range

Comprehensive business range

2010 APE by business



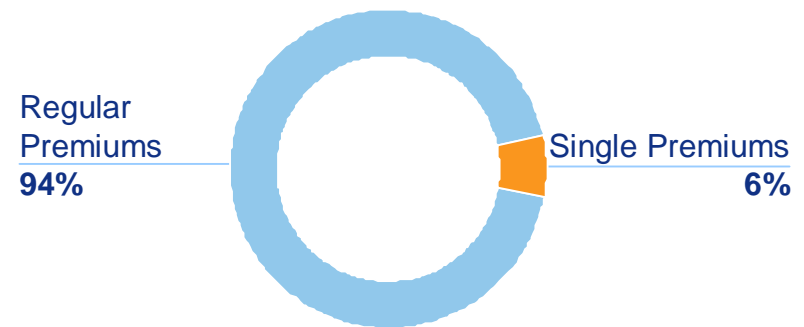
Total: Euro 325 million
(of which Group business: 11%)

1. Of which Unit-Linked: Euro 148 million, Other: Euro 5 million

Diversified product mix to meet different needs of target segments

High proportion of regular premiums

2010 APE by premium mix

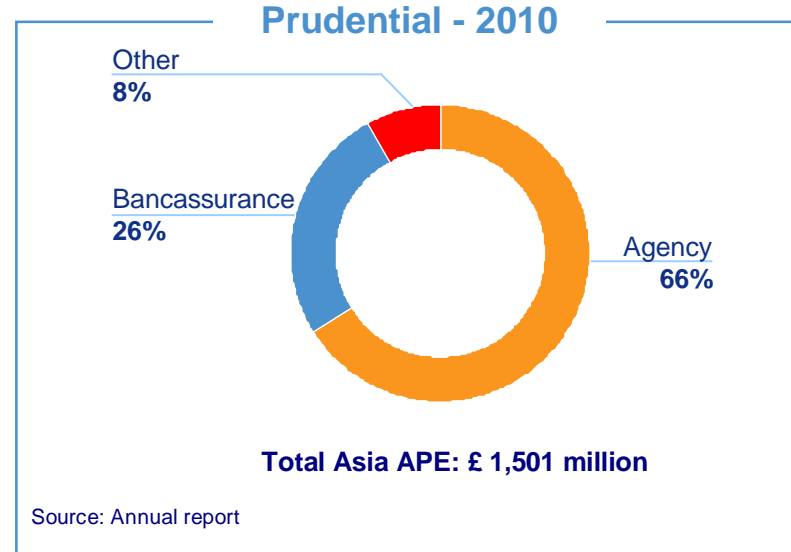
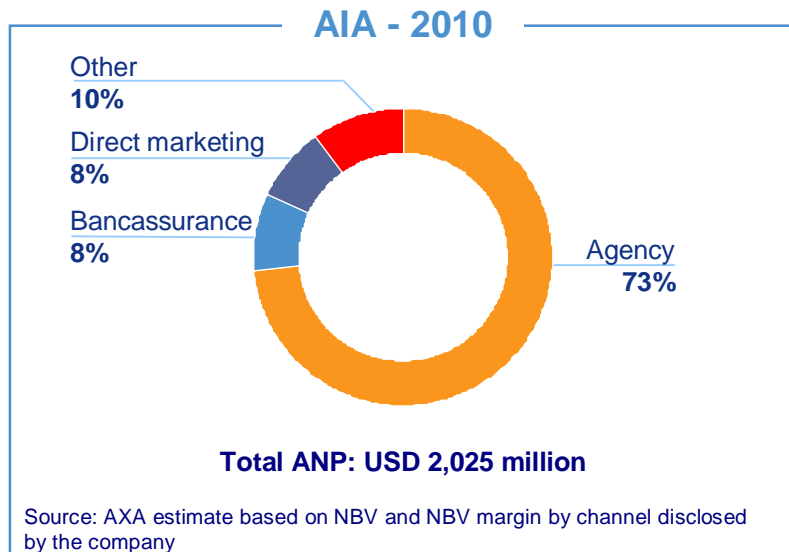
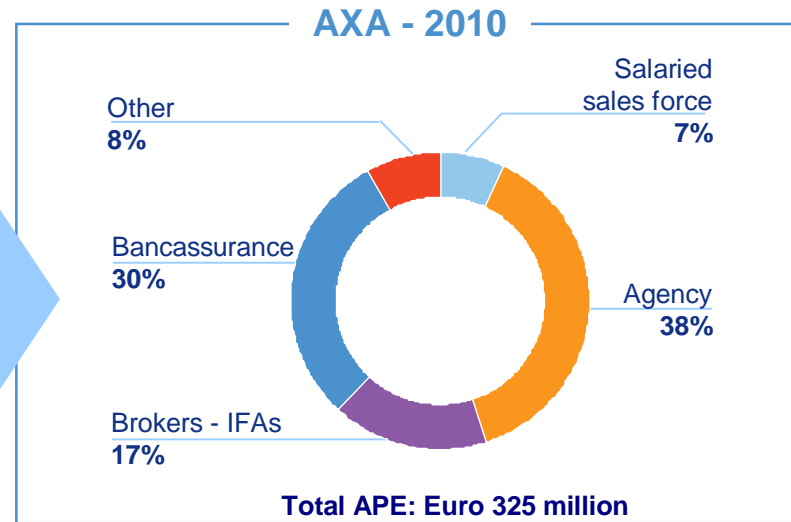
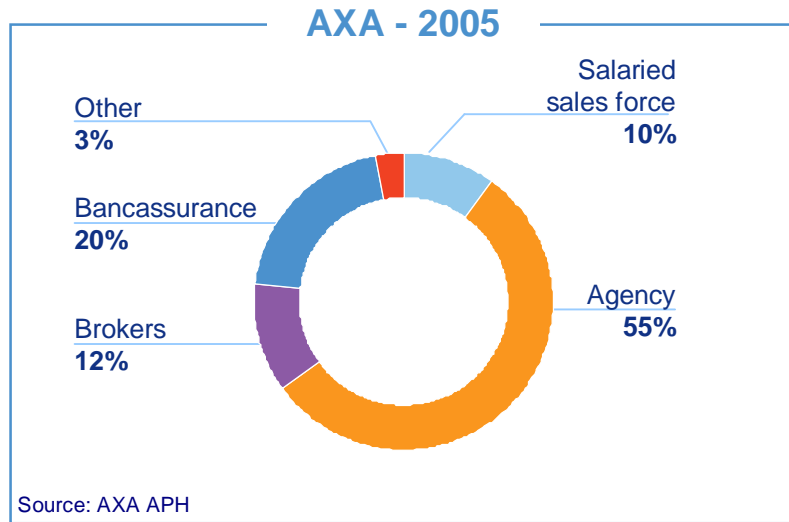


Total: Euro 325 million

Premium mix reflects nature of the bancassurance relationships, which are predominantly Joint-Ventures

AXA Asia Life

A more diversified and balanced distribution model

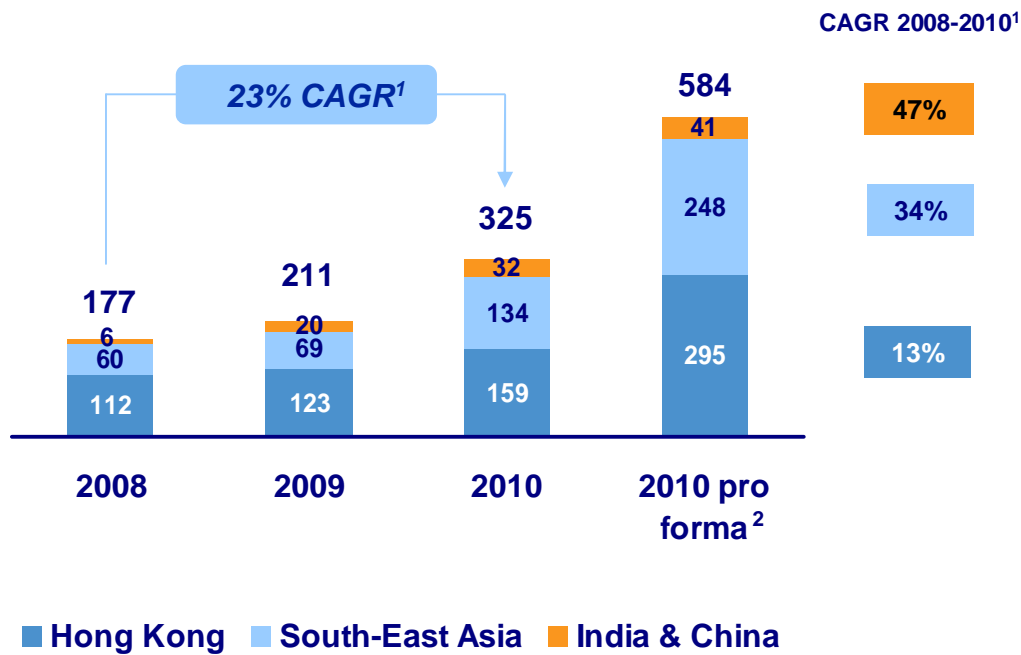


AXA Asia Life

Strong and sustained sales momentum

Strong APE growth ...

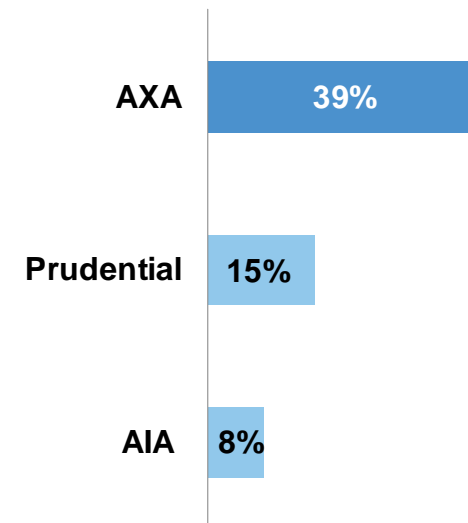
In Euro million



1. Change on a comparable basis, before AXA APH transaction
 2. Pro forma of the AXA APH transaction

... outpacing industry leaders

2010 APE growth



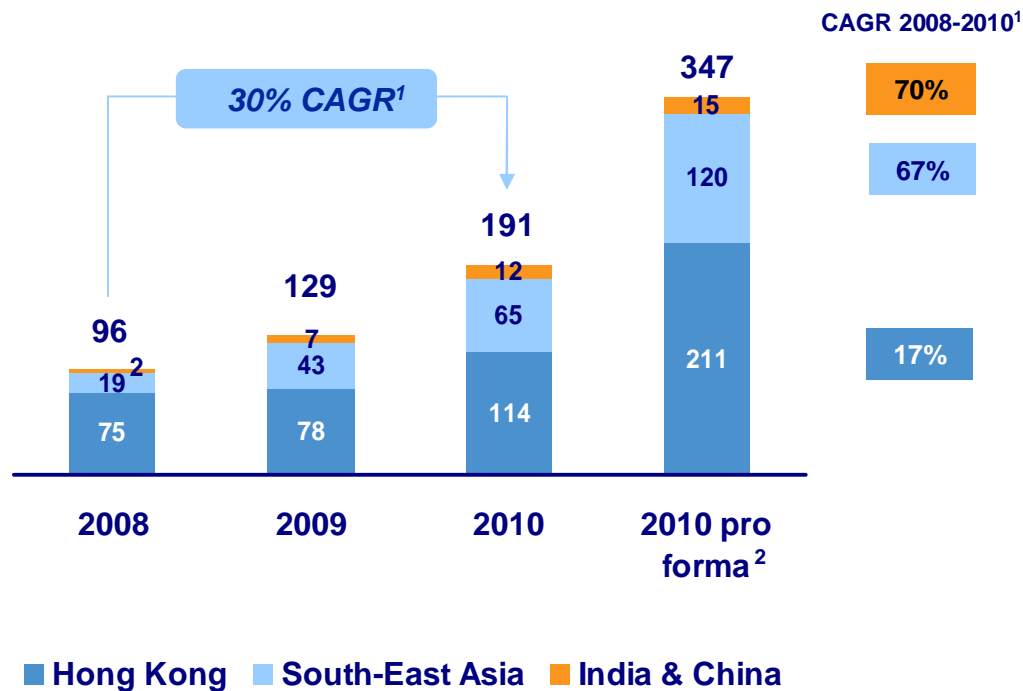
Source: annual reports
 AXA and Prudential: APE change on a comparable basis
 AIA: ANP change on a reported basis. USD evolution against Asian currencies in 2010 unknown

AXA Asia Life

Continued focus on accelerating value creation

NBV growth by country

In Euro million



1. Change on a comparable basis, before AXA APH transaction
 2. Pro forma of the AXA APH transaction

Value creation drivers

Strong product pricing discipline

Leverage best of breed products across the region

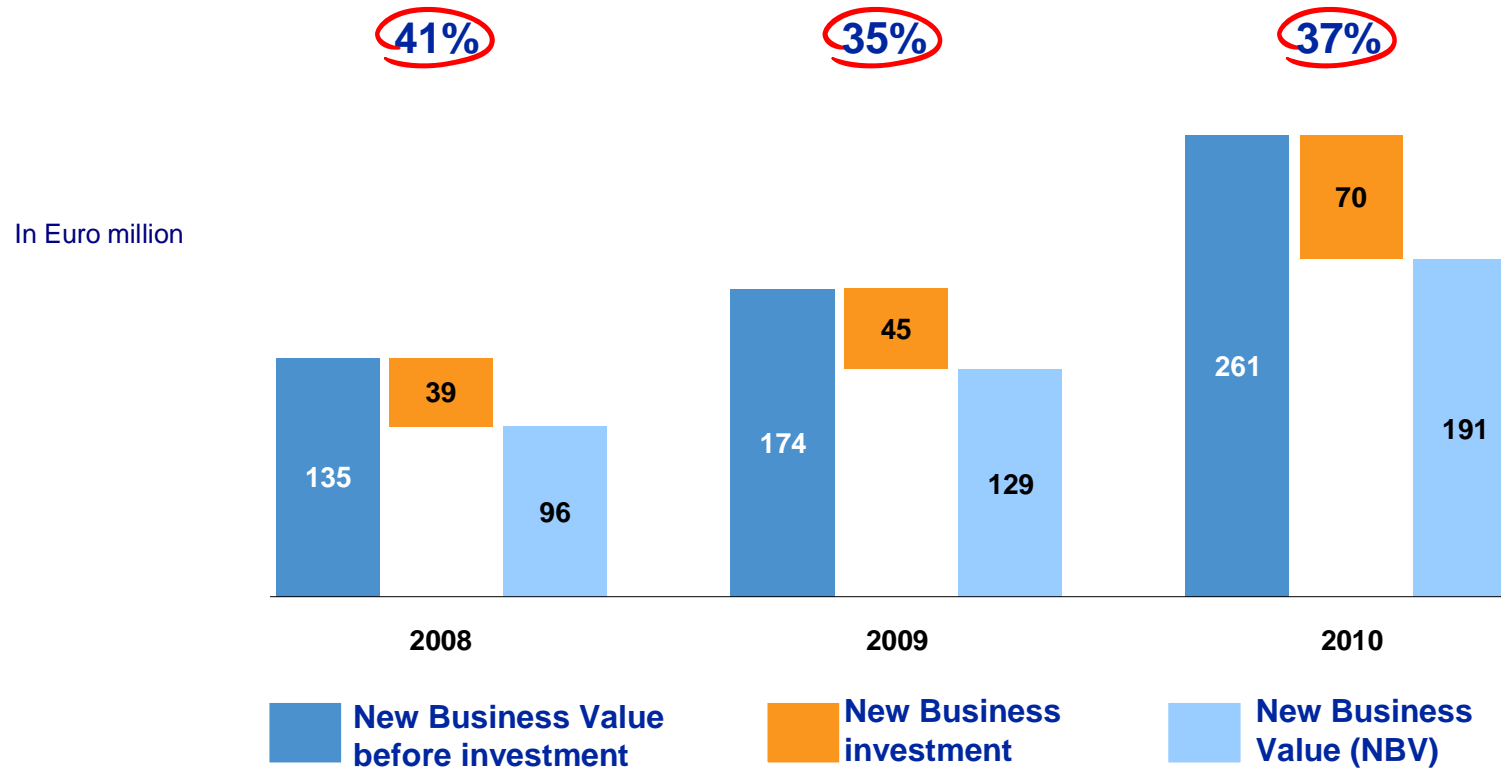
Attained scale in key markets and disciplined expense management

Successful execution of low cost channels like direct marketing

AXA Asia Life

High efficiency of New Business investment

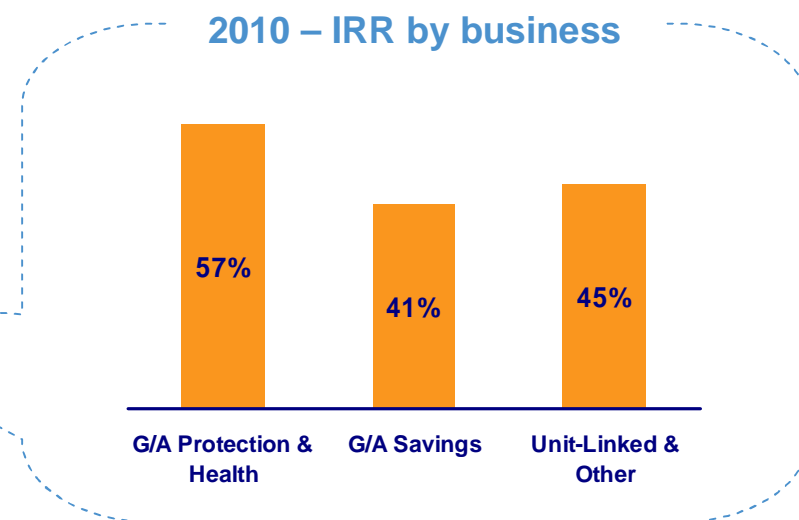
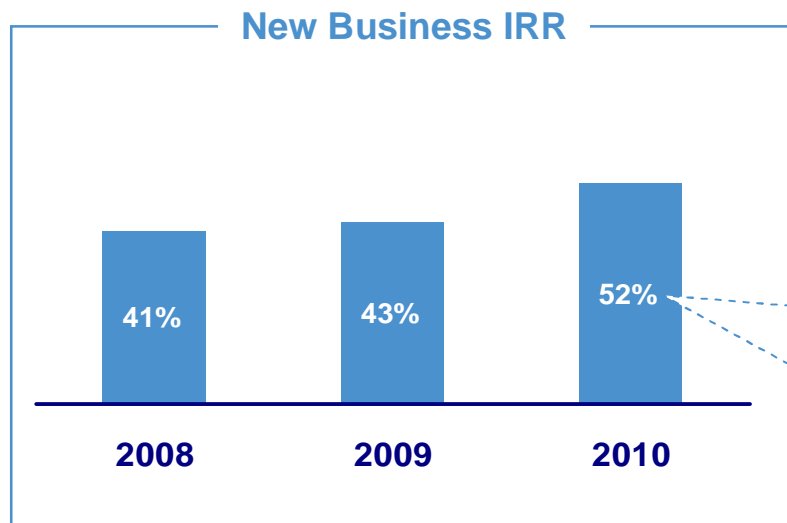
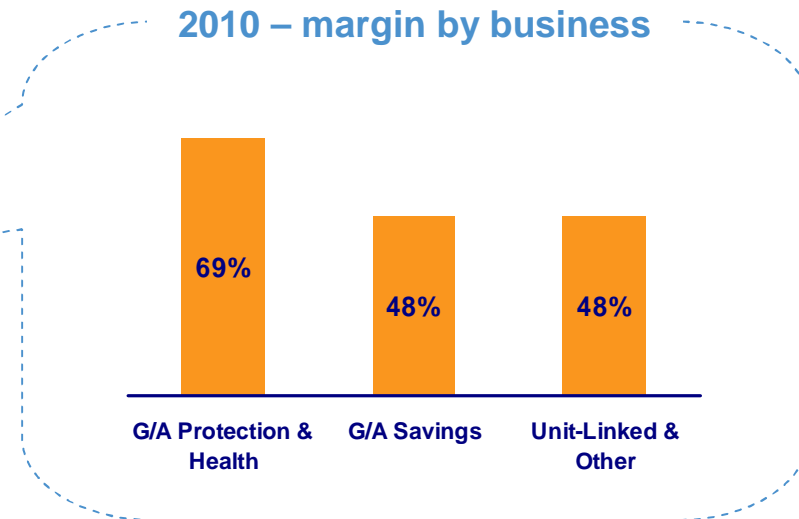
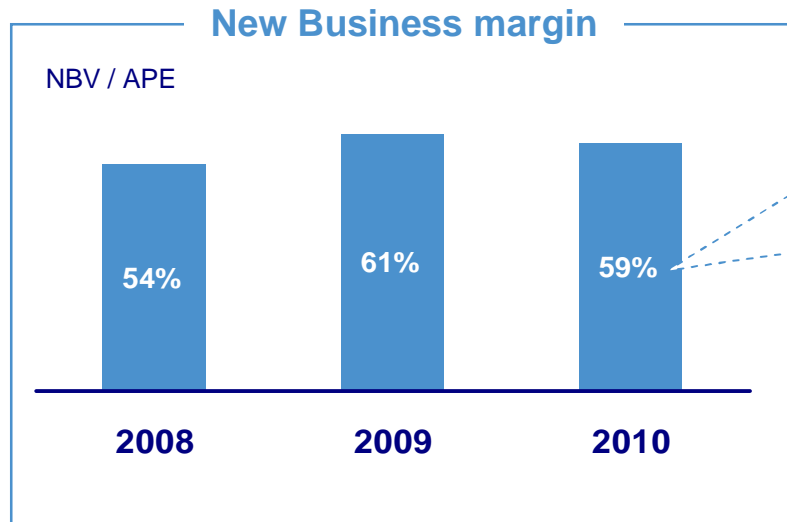
Investment efficiency: New Business investment / NBV



2010 payback period of 3 years

AXA Asia Life

Sustainably high new business margins



AXA Asia Life

Underlying earnings

Strong earnings in Hong Kong and South-East Asia...



... more than offsetting losses related to developing markets



In our portfolio approach, earnings in South-East Asia offset losses experienced in developing markets

1. Before AXA APH transaction. Pro forma of the AXA APH transaction, AXA Asia Life 2010 underlying earnings would be Euro 259 million

AXA Asia Life

A common operating platform - a competitive advantage

Regional Target Operating Model:

- § Provides common platform and capability to all our businesses
- § Key enabler in developing integrated AXA platform

KEY MILESTONES

2010

Common software platform for all AXA Asia Life entities

Single product suite across all geographies

2011

Standardized processes allow centralization of back office

China operations center set up for the business sourced in Hong Kong and Singapore

2012

Complete convergence of all legacy systems

Complete deployment of key peripheral systems

AXA Asia Life

Focus on Hong Kong

Strong competitive position

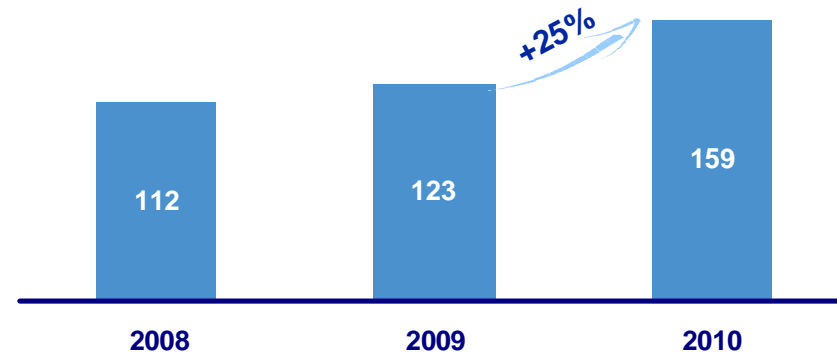
#5 Life & Savings insurer

9.1% market share

2010 ranking and market share by in-force premiums

APE growth accelerated in 2010

In Euro million



Change on a comparable basis

Distribution

Sustained growth in agency numbers

Strengthened Citibank partnership

Leveraged traditional brokers to enter investment-linked sector

Products

Innovative products: RMB denominated endowment and multiple critical illness claim policy

Dividend

Since 2007, Hong Kong generated average dividends of Euro 179 million per year

AXA Asia Life

Focus on Indonesia

Very strong competitive position

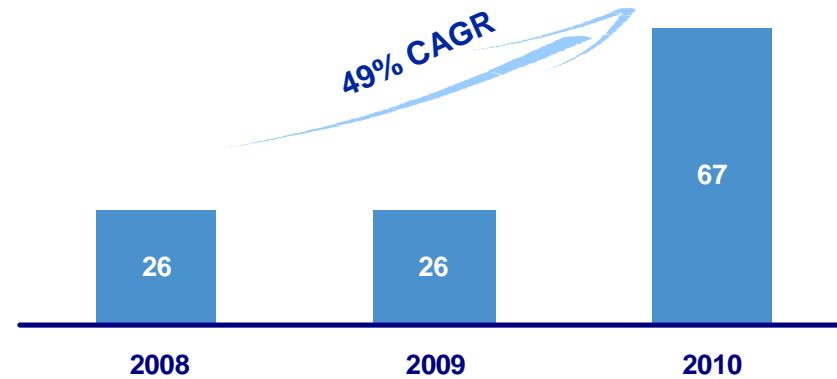
#2 Life & Savings insurer

**12.4% market share
(up from 6% in 2008)**

2010 ranking and market share by new business premiums

Excellent APE growth

In Euro million



Change on a comparable basis

Distribution

Joint-Venture with market leader Bank Mandiri offers significant further potential – Takaful insurance recently launched through Syariah branches

Highly profitable telemarketing business developed in 2008 – contributing 18% of sales in 2010

Earnings & Dividend

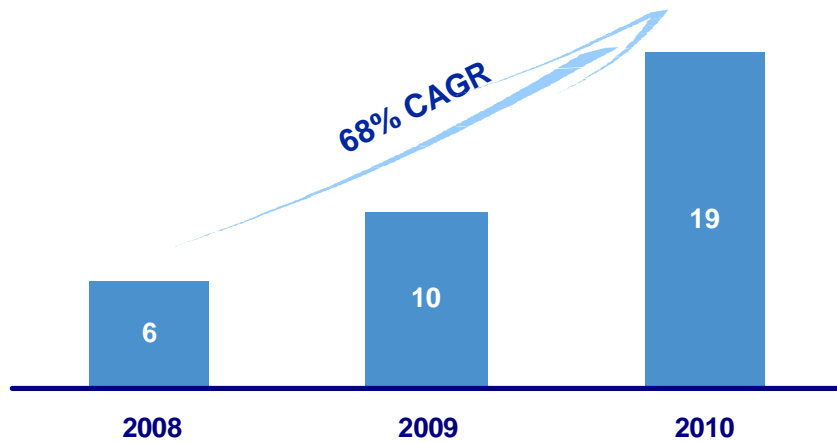
Indonesian franchises have collectively been earnings positive since 2005 (2nd year of operation of the bancassurance Joint-Venture) and generated dividends since 2007

AXA Asia Life

Focus on China

Excellent APE growth following geographic expansion

In Euro million



Change on a comparable basis

Joining forces with ICBC¹



216 million individual customers

16,232 domestic branches

World largest bank by market value

Subscale despite strong growth

Balanced distribution model with 4 key channels including unique AXA adviser channel

Despite strong growth, current market share is 0.1%

ICBC Joint-Venture will enable us to change paradigm

Existing geographic footprint provides access to more than 5,000 of ICBC branches

Key focus will be to implement our successful bancassurance model in these branches while expanding our reach to cover the remaining branches

Our ambition is to become the #1 foreign insurance Joint-Venture in China by 2015

1. Subject to regulatory approval

AXA Asia Life

Delivery of stakeholders commitments

Within the AXA APH group our Ambition 2012 vision was to be the Preferred Company and to achieve real significance in Asia

Overarching goal:
More than double our Asia enterprise value to A\$16 bn

Ambition 1	Ambition 2	Ambition 3	Ambition 4	Ambition 5	Ambition 6
Value of new business	Annualized premium income	New business index	Cost efficiency	Customer and distributor satisfaction	People
Double the value of new business to A\$720 m	Double annualized premium income to A\$5.5 bn	Double new business index to A\$1,588 m	Reduce cost to income ratio Hong Kong < 20% Asia (ex HK) < 60%	Improve customer satisfaction to top quartile against competitors and increase distribution satisfaction by 25%	Improve employee engagement to top quartile against external benchmark

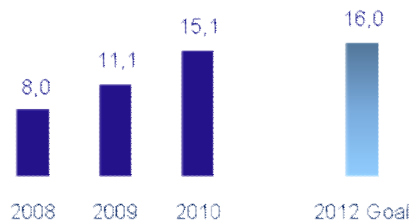
Note: All measures and metrics are based on the AXA APH group accounting standards. Please refer to AXA APH disclosures for further information and definitions

AXA Asia Life

Delivery of financial commitments

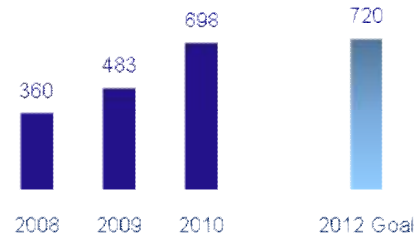
We are on track for early achievement of most of our Ambition 2012 goals

Enterprise Value (A\$b)



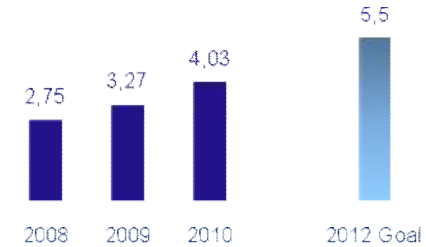
P

Value of New Business (A\$m)



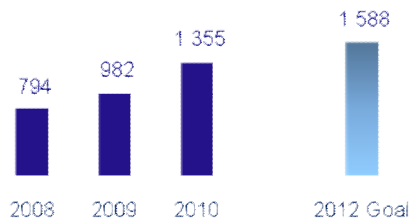
P

Annualised Premium Income (A\$b)



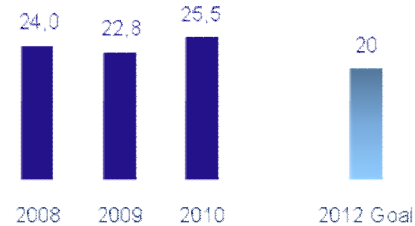
P

New Business Index (A\$m)



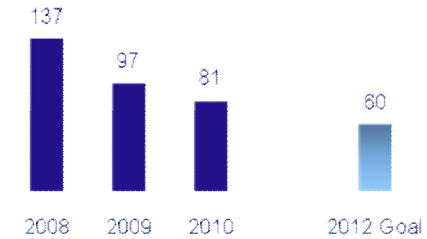
P

HK- C:I ratio (%)¹



X

Asia ex HK- C:I ratio (%)¹



P

1. Cost income ratio

Note: All measures and metrics are based on the AXA APH group accounting standards. Please refer to AXA APH disclosures for further information and definitions

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AXA Asia P&C

Increasing share of maturing and developing businesses

STAGE OF DEVELOPMENT

Well established

Maintain profitable growth

Subscale

Developed markets but subscale operations

Developing

Continue to grow and gain significance profitably

BUSINESSES

Hong Kong

Singapore

Malaysia

Thailand¹

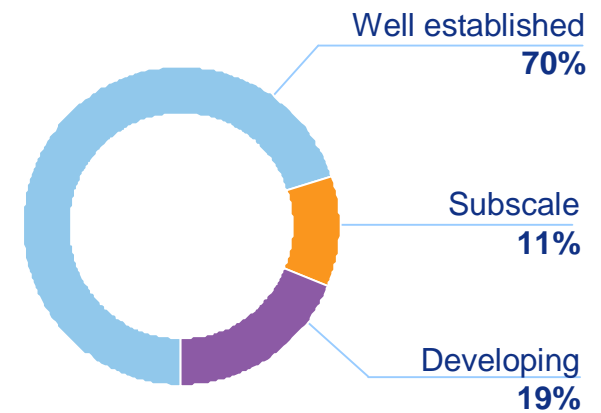
Indonesia¹

India¹

China¹

2010 P&C revenues²

In Euro million



Total²: Euro 533 million

1. Not consolidated

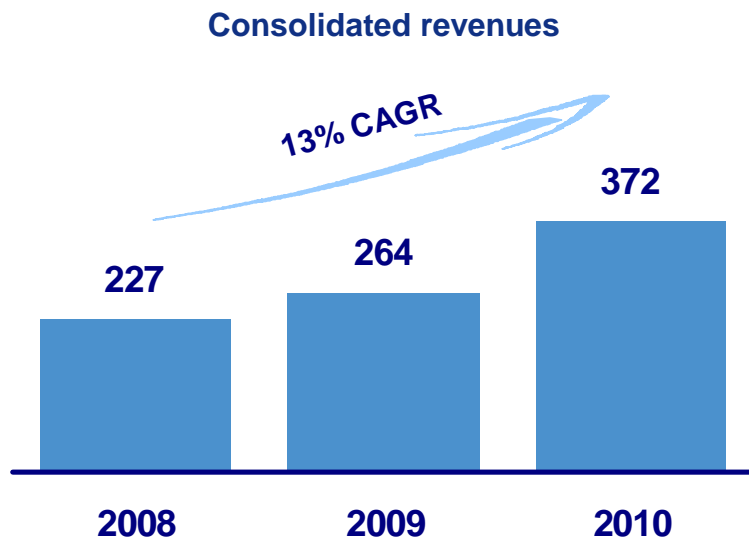
2. Includes non-consolidated entities. Consolidated AXA Asia P&C revenues were Euro 372 million in 2010

AXA Asia P&C

Accelerated footprint expansion

Strong top line growth

In Euro million



Change on a comparable basis

Organic and inorganic growth

Established strong positions in private motor market in Singapore, Hong Kong and Malaysia

Accelerated the contribution of new profitable business lines: retail non-motor, health

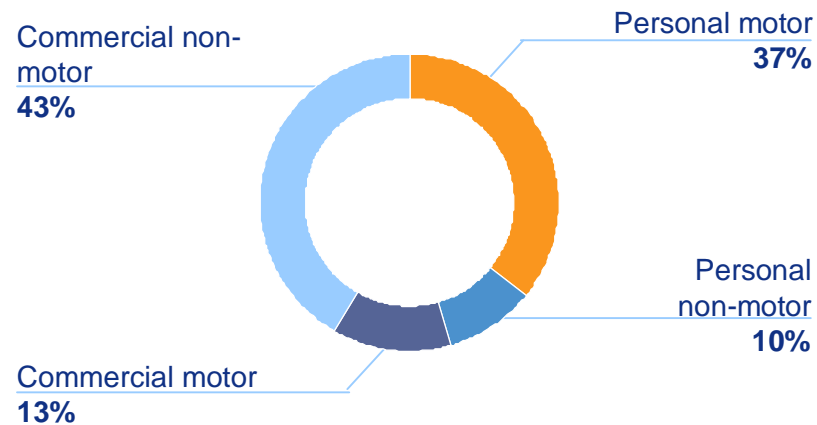
Acquired BHI in 2010 to double footprint in Malaysia and gain critical size

Entered India with strong growth and started development in China

AXA Asia P&C

Well balanced product mix to meet growing insurance needs

Diversified product mix



2010 consolidated revenues: Euro 372 million

Segmented product offering

Covering a wide range of insurance needs, from individuals to small, mid-size and large businesses

Strengthened motor platform through increased product and service offerings

Industrialized approach to efficiently target the growing SME markets

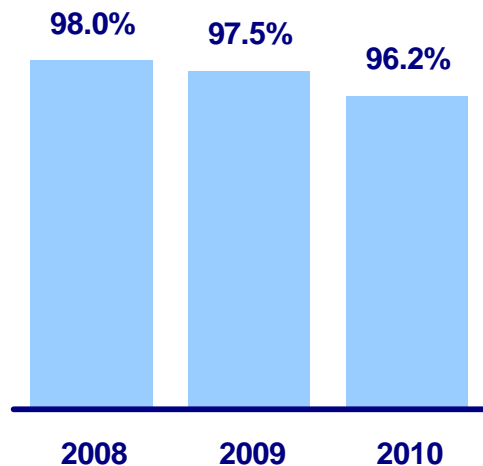
Built health platform to accompany growing needs of customers

AXA Asia P&C

Improving profitability driven by higher selectivity

Improving New Business profitability

Current year combined ratio



Consolidated entities

Active technical management

More selectivity in commercial lines

Price increases and strong claims management in motor

Shift of portfolio mix towards more profitable business lines such as personal non-motor and health

Single IT platform to foster efficiency

Single back-end system to manage products, process business and handle claims

Implementing new single front-end dedicated to intermediaries and partners allowing greater automation and ease to do business resulting in lower operating costs, 24/7 availability and greater differentiation

Faster time to market when it comes to new market entry

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Ambition AXA

A differentiated composite model

AXA Asia Life

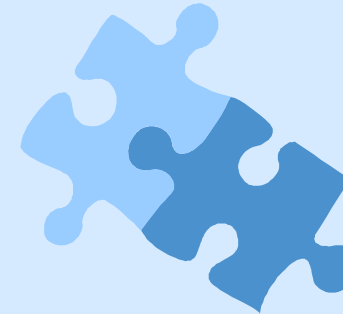


- ▶ Strong market position in 4 of the 8 markets
- ▶ Strong bancassurance capability and equity partnerships with leading retail banks in South-East Asia
- ▶ Multi-distribution capability providing broad reach and flexibility as markets evolve
- ▶ Provide superior service to customers and distributors

AXA Asia P&C



- ▶ Within top 3 global P&C international players in Asia already, with strong positions in Singapore, Malaysia and Hong Kong
- ▶ Strong distribution partnerships in Indonesia, Thailand and Malaysia
- ▶ Shared insurance platform already in place



AXA Asia

Our ambition:

Top 3 Life & Savings international insurer in Asia by new business

Leading Property & Casualty international player in Asia

ONE AXA Asia :

- § ONE customer view
- § ONE brand
- § ONE shared services / operating platform

Ambition AXA

A clear strategy to realize AXA aspirations

Integrated AXA platform

Life

P&C

Health

Access to the same comprehensive product suite for all entities and channels

Best-in-class time to market

Single view of customers for enhanced servicing and sales

Strong unified brand across the region

Industry leading levels of operational efficiency

Rapid deployment in greenfield start-up

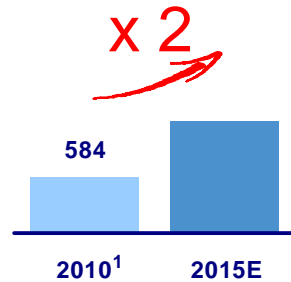
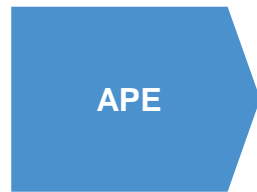
Unique ability to acquire and integrate businesses

Ambition AXA

AXA Asia Life

Double our top line ...

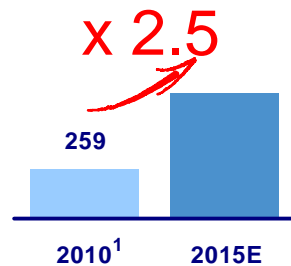
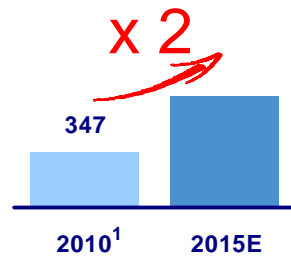
In Euro million
At constant scope



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

Our strategic imperatives

- ▶ Sustain growth in Hong Kong
- ▶ Emergence of at least one other market to achieve similar scale to Hong Kong
- ▶ Change the paradigm in China
- ▶ Achieve scale in Singapore and Malaysia
- ▶ Achieve full potential in India profitably and sustainably

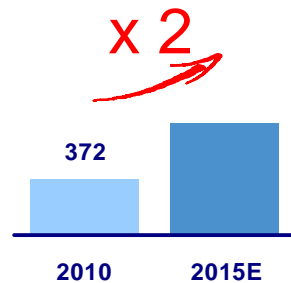
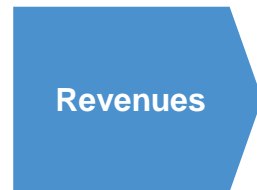
- ▶ Support organic growth with external opportunities to achieve scale
- ▶ Build top class team through recruitment and retention of talents
- ▶ Re-engineer operating platforms and capabilities

Ambition AXA

AXA Asia P&C

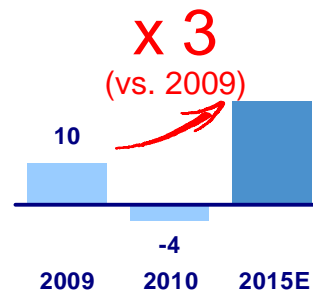
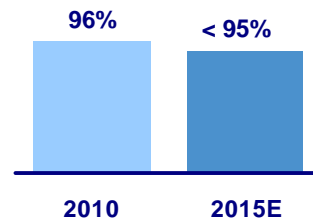
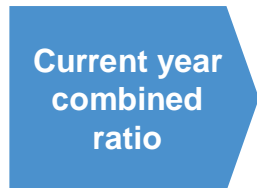
Double our top line ...

In Euro million
At constant scope



...while increasing profitability

In Euro million
At constant scope



Our strategic imperatives to gain leadership position

- ▶ Enhance products and services offer to accompany growing customer needs
- ▶ Accelerate growth by widening distribution reach and joining forces with Life entities
- ▶ Leverage further the regional platform to enhance efficiency and optimize expense management
- ▶ Continue to improve profitability through reinforced underwriting discipline and claims management
- ▶ Build a winning team through recruitment and talent development

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AXA in Asia: overview of our operations

AXA Asia Life: a strong track record

AXA Asia P&C: journey towards leadership

Ambition AXA: looking ahead

Summary



Key messages

Asian insurance markets

Robust fundamentals in place for insurance growth

AXA strong positioning

- § Strong regional footprint
- § Track record of sales growth and value creation
- § Multi-distribution platform providing broad reach and flexibility
- § Enviably set of Joint-Ventures and leading bancassurance network
- § Unique operating infrastructure in place

Going forward

- Well positioned to leverage our composite platform to become
- § Top 3 Life & Savings international insurer by new business
 - § Leading Property & Casualty international insurer