

# FY2006 Earnings

February 22, 2007

Press Conference



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 predictions of or indicate future events, trends, plans or objectives (including statements herein with respect to AXA's Ambition 2012 project and the objectives, financial and other, associated with that project, and to the integration of Winterthur).

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 numerous 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 that the AXA and Winterthur businesses will not be integrated successfully, our inability to achieve anticipated synergies from the Winterthur acquisition, the risk of future catastrophic events (including possible future pandemic and/or weather-related catastrophic events and/or terrorist related incidents), economic and market developments, legislative developments, regulatory actions or investigations, as well as litigations and/or other proceedings.

Please refer to AXA's Annual Report on Form 20-F and Document de Référence for the year ended December 31, 2005, 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.



## Definitions

2006 information relating to net income has been examined by AXA's independent auditors.

AXA's FY2006 results have been prepared in accordance with IFRS and interpretations applicable and endorsed by the European Commission at year-end 2006.

### Adjusted earnings are:

Net income before the impact of exceptional operations, goodwill and related intangibles amortization/impairments, and profit or loss on financial assets under the fair value option and derivatives. For more details please see glossary in the Management Report.

### Underlying earnings are:

Adjusted earnings excluding net realized capital gains attributable to shareholders.

Adjusted and underlying earnings are non-GAAP measures and as such are not audited, may not be comparable to similarly titled measures reported by other companies and should be read together with our GAAP measures. Management uses these non-GAAP measures as key indicators of performance in assessing AXA's various businesses and believes that the presentation of these measures provides useful and important information to shareholders and investors as measures of AXA's financial performance. Adjusted and underlying earnings are reconciled to net income on slide 26 of this presentation.



## Important notes

- This document presents AXA FY2006 earnings
  - ▶ AXA's 2006 balance sheet including Winterthur PGAAP and European Embedded Value of the Life & Savings segment including Winterthur will be released on April 10, 2007.
  - ▶ Winterthur FY2006 earnings provided in this presentation are in USGAAP, not comparable to AXA's IFRS FY2006 earnings and do not impact them.
  
- AXA's 2004 and 2005 earnings presented in this document reflect the following changes:

- ▶ Following clarification of IFRIC agenda committee following IASB's decision, TSDI<sup>(1)</sup> have been transferred to shareholders' equity (same treatment as TSS<sup>(2)</sup>). As a consequence,

1. TSDI interest charges have been excluded from the income statement, with the following impact on **underlying earnings**:

<i>Euro million</i>	<b>Published</b>	<b>Restated</b>	<b>Delta</b>
2005	3,258	<b>3,337</b>	79
2004	2,637	<b>2,730</b>	93

2. Similarly, FX impact related to TSDI have been excluded from the income statement

- ▶ In addition, foreign exchange impacts have been reallocated from adjusted earnings to net income.

See slides 57-58 for additional details



(1) TSDI are perpetual subordinated notes  
 (2) TSS are perpetual deeply subordinated notes

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## 2006 top line performance was ahead of our Ambition 2012 targets

Growth on a comparable basis	Δ FY05 / FY04	Δ FY06 / FY05	Long Term Targets
Life & Savings new business volume <sup>(1)</sup>	+11%	<b>+15%</b>	<b>+5%/+10%</b>
Property & Casualty revenues	+3%	<b>+4%</b>	<b>+3%/+5%</b>
Asset Management revenues	+14%	<b>+29%</b>	<b>&gt;+10%</b>



(1) Annual Premium Equivalent (APE) = 100% of new business regular premiums + 10% of new business single premiums. APE is group share.

## Profitability increases further in all business segments

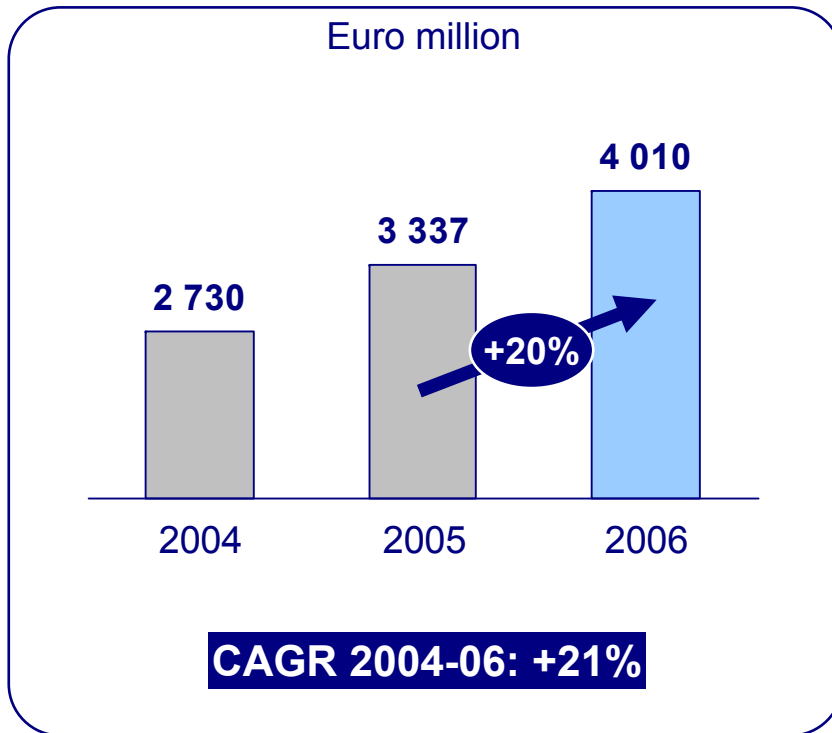
	FY06	Δ FY06 / FY05
<b><u>Life &amp; Savings</u></b>		
New Business Value (NBV) <sup>(1)</sup>	€ 1,501m	+34%
NBV/APE margin	24.1%	+3.5 pts
<b><u>Property &amp; Casualty</u></b>		
Combined Ratio	96.9%	-0.8 pt
<b><u>Asset Management</u></b>		
Underlying Cost Income Ratio	67.6%	-1.5 pts



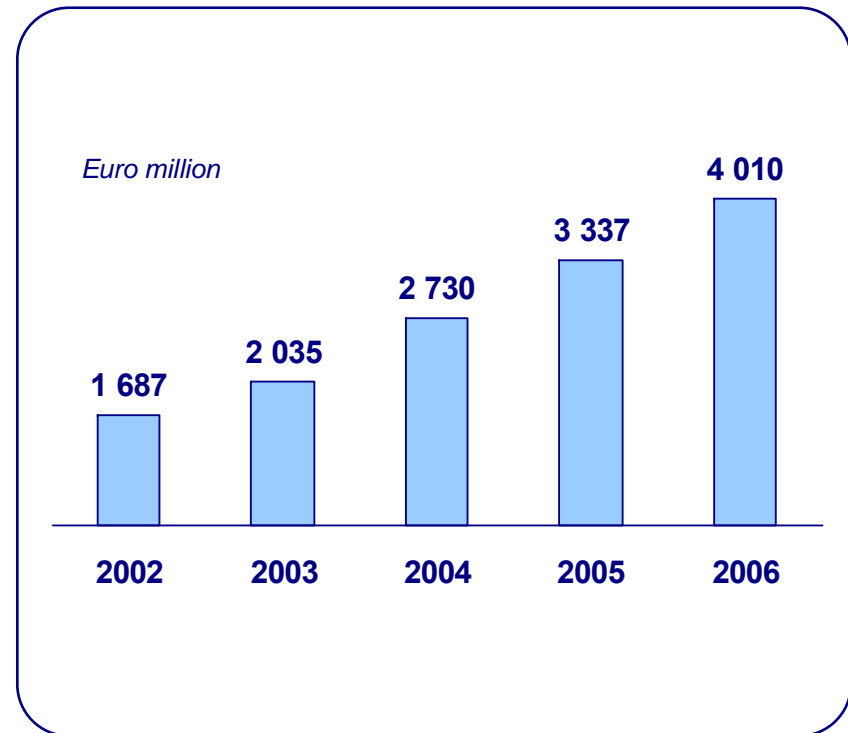
(1) NBV growth on a constant exchange rate and scope basis

# 2006 was another year of sustained underlying earnings growth

## Underlying earnings



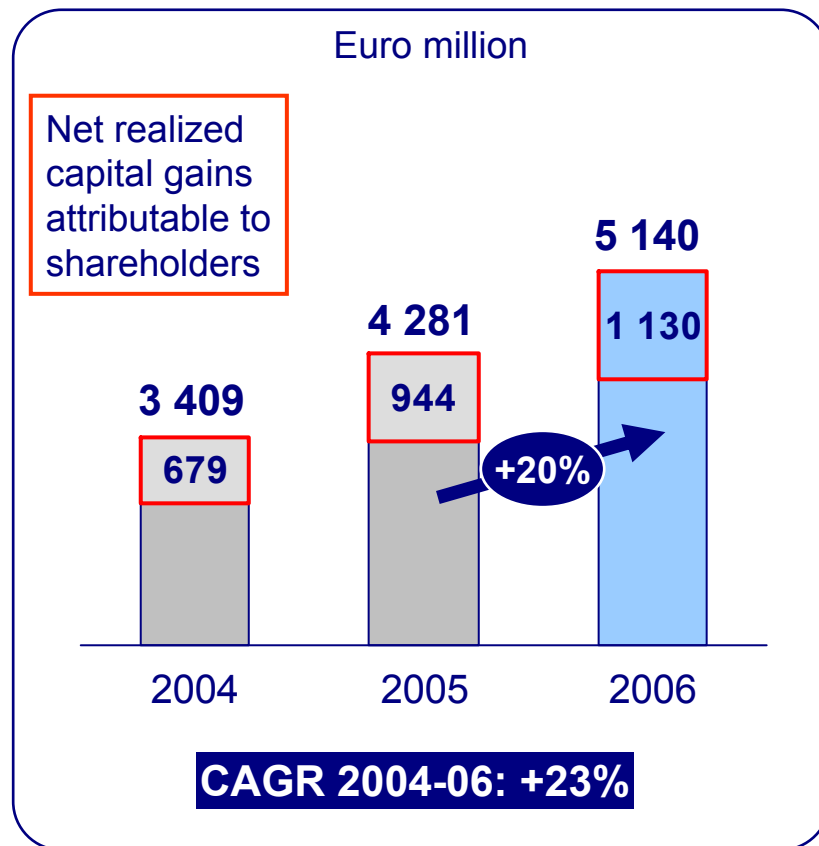
## 5 year track record



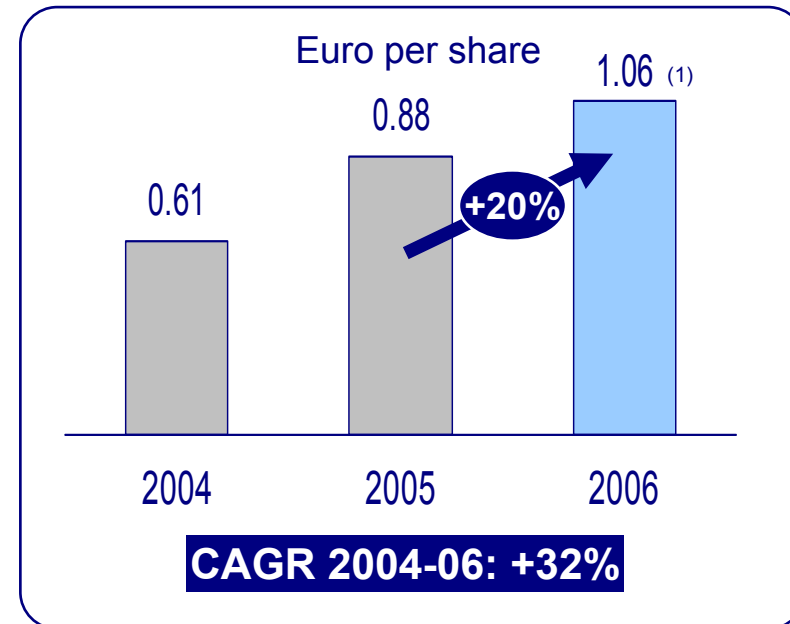
Note: 2004 and 2005 underlying and adjusted earnings have been restated as presented in slide 4  
CAGR: Compound Annual Growth Rate

# A 20% growth in adjusted earnings and proposed dividend

## Adjusted Earnings



## Dividend



Proposed dividend represents a pay-out ratio of 40% of adjusted earnings, net of interest charges on TSS and TSDI, and after neutralizing the 2006 dilutive impact of the financing of Winterthur's acquisition



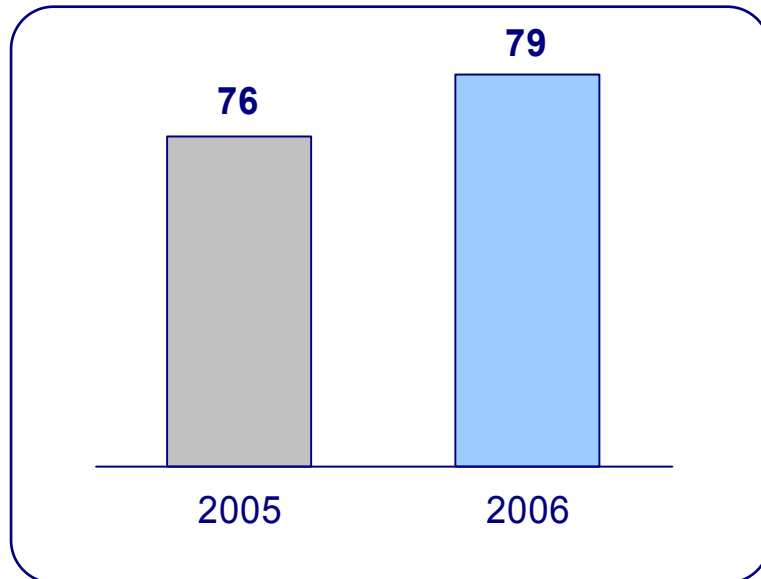
Note: 2004 and 2005 underlying and adjusted earnings have been restated as presented in slide 4

CAGR: Compound Annual Growth Rate

(1) To be proposed at the May 14, 2007 Shareholders' Meeting

## Ambition 2012 is all about satisfied customers....

### Customer satisfaction index

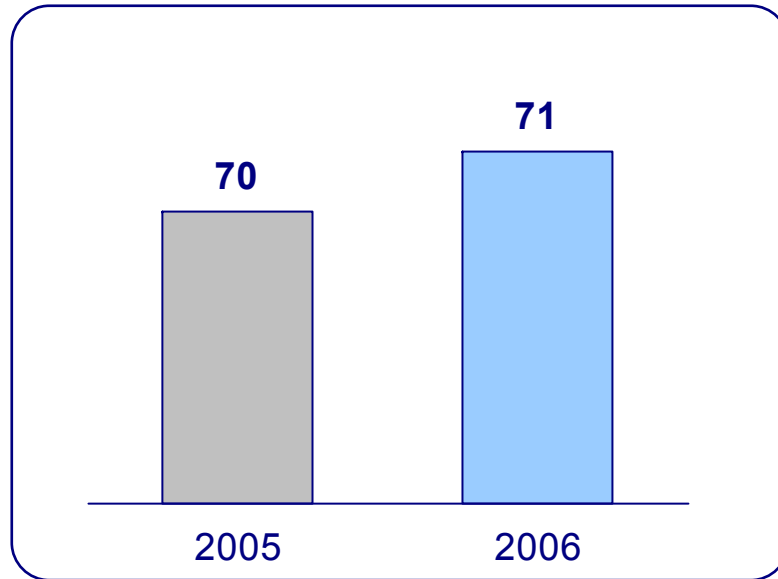


- ▶ Creation of Group Marketing division: best practices in terms of product offering, distribution management, brand management and client satisfaction

- ▶ Index = top 2 boxes (very satisfied + satisfied) – top bottom boxes (dissatisfied + very dissatisfied)
- ▶ AXA has developed a consistent method to measure customer satisfaction across all its markets
- ▶ We measure satisfaction at various “moments of truth” in the life of the relationship with our customers
  - ▶ Sale (when the policy is sold)
  - ▶ Service (when policy is activated by claim or surrender)
- ▶ We develop a global measure of brand consideration and brand preference

... and committed employees

### Employee Engagement Index



- ▶ Launch of Passport 2012 to mobilize all our 110,000 employees

- ▶ Index is an indicator based on 8 different items identified by AXA and external advisors as statistically most correlated to employee engagement
- ▶ Our 2006 Employee Scope survey tells us that :
  - ▶ 80% responded to the survey or more than 67,000 respondents
  - ▶ 86% are willing to exert extra effort in their jobs
- ▶ Through Group Shareplan, we understand that AXA employees support AXA ambition 2012 company project:
  - ▶ 30,000 participants (+28%) in 32 countries
  - ▶ Subscriptions: +23% reaching Euro 375 million
  - ▶ AXA employees now hold 6.13% of AXA voting rights as of Dec 31, 2006

# In 2006, we continued to build the foundations of our long term performance by:

## Increasing global reach and diversification

- ▶ Winterthur
- ▶ Acquisition of Alpha Assurance in Greece + 20 year bancassurance partnership with Alpha Bank
- ▶ Life partnership with the Bharti Group in India extended to P&C and Asset Management

## Improving competitive position of existing operations

- ▶ Winterthur
- ▶ UK acquisitions of distribution businesses in both Life & Savings and P&C

## Leveraging risk management to offer new services to our customers

- ▶ Set-up of a European hedging platform to support roll-out of VA products with secondary guarantees
- ▶ Successful launch of TwinStar by AXA Germany

## Actively managing our risk profile

- ▶ First mortality cat bonds (Euro 0.3 billion, Osiris Capital) issued by a primary insurer
- ▶ Exit from the reinsurance business

## Optimizing EPS

- ▶ Cancellation of dilutive impacts of 2014 and 2017 convertible bonds (equivalent to 66m fully diluted shares, impact from 2007 onwards)
- ▶ Dilution control program (13m shares bought back in 2006)



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2 : Financial performance

3 : Update on Winterthur integration

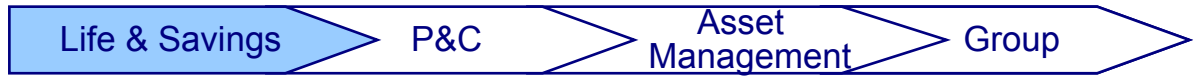
4 : Conclusion

## All business segments show strong performance improvement

Euro million	2005 restated <sup>(1)</sup>	2006	Change	Change at cst. FX
Life & Savings	1,931	<b>2,325</b>	+20%	+22%
Property & Casualty	1,346	<b>1,453</b>	+8%	+7%
Asset Management	396	<b>508</b>	+28%	+29%
International Insurance	68	<b>131</b>	+92%	+91%
OFS & Holdings	-404	<b>-406</b>	--	--
<b>Underlying earnings</b>	<b>3,337</b>	<b>4,010</b>	<b>+20%</b>	<b>+21%</b>



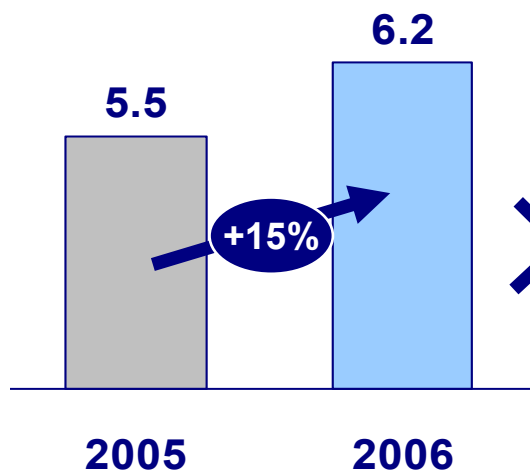
(1) See Important notes on slide 4



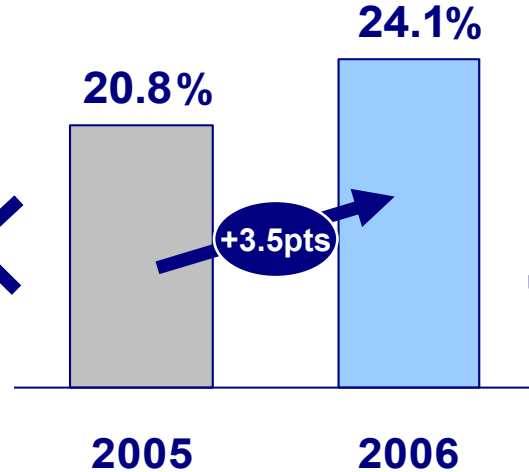
## Strong double-digit growth in both activity and profitability

### Annual Premium Equivalent (APE)

Euro billion

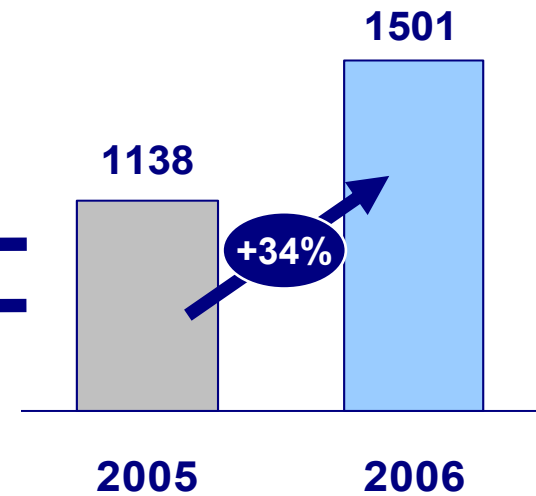


### NBV/APE Margin



### New Business Value (NBV)

Euro million



Note: All changes are at constant exchange rates and scope.

## Life & savings : Sales of unit-linked products up 30%

Group share in Euro million, except change in %	2006 APE	Change from 2005	Of which Unit-Linked change*	2006 Share of UL products
France	1,231	+14%	+36%	25%
US	1,922	+14%	+19%	75%
UK	1,134	+38%	+42%	89%
Japan	651	+16%	+287%	9%
Germany	287	+6%	+46%	42%
Benelux	348	-9%	+4%	23%
Southern Europe	143	+2%	-10%	16%
Australia/NZ	420	+0%	-11%	42%
Hong Kong	100	+28%	+30%	37%
<b>Life &amp; Savings</b>	<b>6,234</b>	<b>+15%</b>	<b>+30%</b>	<b>51%</b>

Versus 45%  
in 2005

## New Business Value sharply up in most of AXA's major markets

Group share in Euro million, except change and margin in %	2006 NBV	Change from 2005	2006 NBV/APE margin	Change from 2005 (in pts)
France	202	+28%	16.4%	+1.8
US	424	+51%	22.1%	+5.4
UK	100	+39%	8.8%	+0.0
Japan	431	+24%	66.3%	+ 4.4
Germany	90	+210%	31.5%	+20.7
Benelux	124	+8%	35.6%	+5.5
Southern Europe	23	-14%	16.4%	-3.1
Australia/NZ	38	+20%	9.1%	+1.5
Hong Kong	68	+ 13%	68.2%	-9.0
<b>Life &amp; Savings</b>	<b>1,501</b>	<b>34%</b>	<b>24.1 %</b>	<b>+3.5</b>

## Life & Savings recorded double-digit underlying earnings growth in most countries

Underlying earnings (Euro million)	2005	2006	Change at cst FX
France	387	<b>462</b>	+20%
US	866	<b>1,000</b>	+16%
UK	85	<b>155</b>	+82%
Japan	266	<b>256</b>	+1%
Germany	30	<b>69</b>	+130%
Benelux	102	<b>125</b>	+22%
Southern Europe	44	<b>50</b>	+14%
AXA APH <sup>(1)</sup>	147	<b>194</b>	+33%
Other countries	5	<b>14</b>	+195%
<b>Total Life &amp; Savings</b>	<b>1,931</b>	<b>2,325</b>	<b>+22%</b>

Includes €92m positive tax one-off in 2006

included €67m non-recurring items in 2005

+21% excl. positive Japan FY05 and US FY06 non-recurring items

## Good performance of Property & Casualty in a competitive pricing environment...

IFRS Revenues (Euro million)	2006	Change from 2005
France	5,187	+4%
Germany	2,745	+1%
Belgium	1,511	+4%
United Kingdom & Ireland	4,721	+7%
Southern Europe	3,152	+4%
Other countries	2,477	+5%
<i>Of which Canada</i>	1,056	-5%
<i>Of which Turkey</i>	507	+21%
<i>Of which Asia</i>	306	+11%
<i>Of which Morocco</i>	163	+17%
<b>Total Property &amp; Casualty</b>	<b>19,793</b>	<b>+4%</b>

### Personal lines: +5%

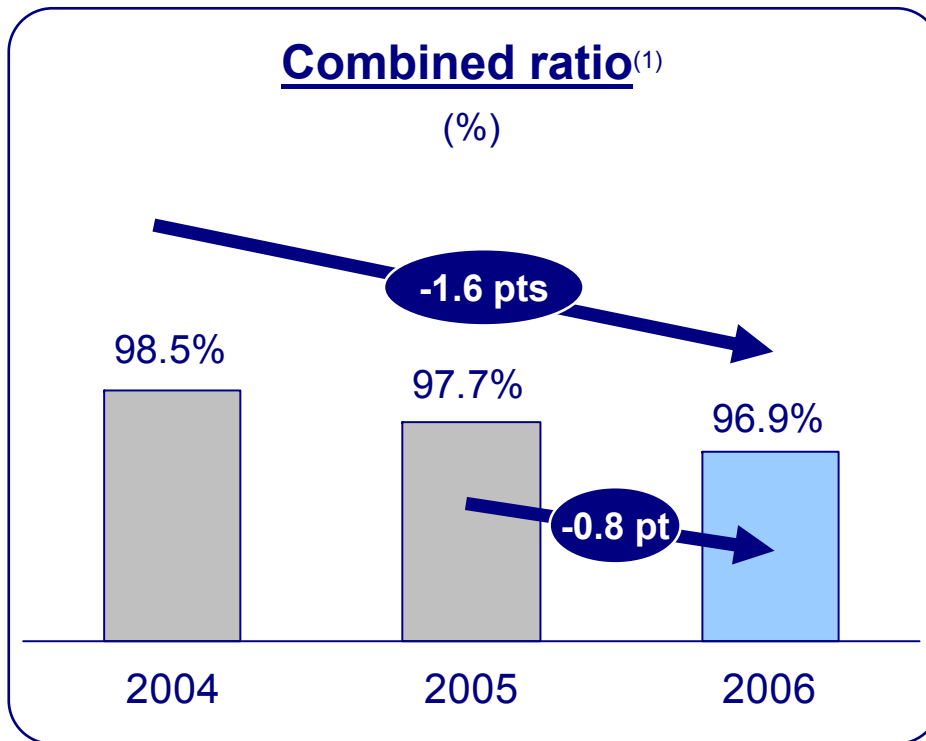
- ▶ Individual motor net inflows of +939,000 contracts
- ▶ Individual household net inflows of +231,000 contracts

### Commercial lines: +4%

...allowed for further combined ratio improvement...

### Combined ratio<sup>(1)</sup>

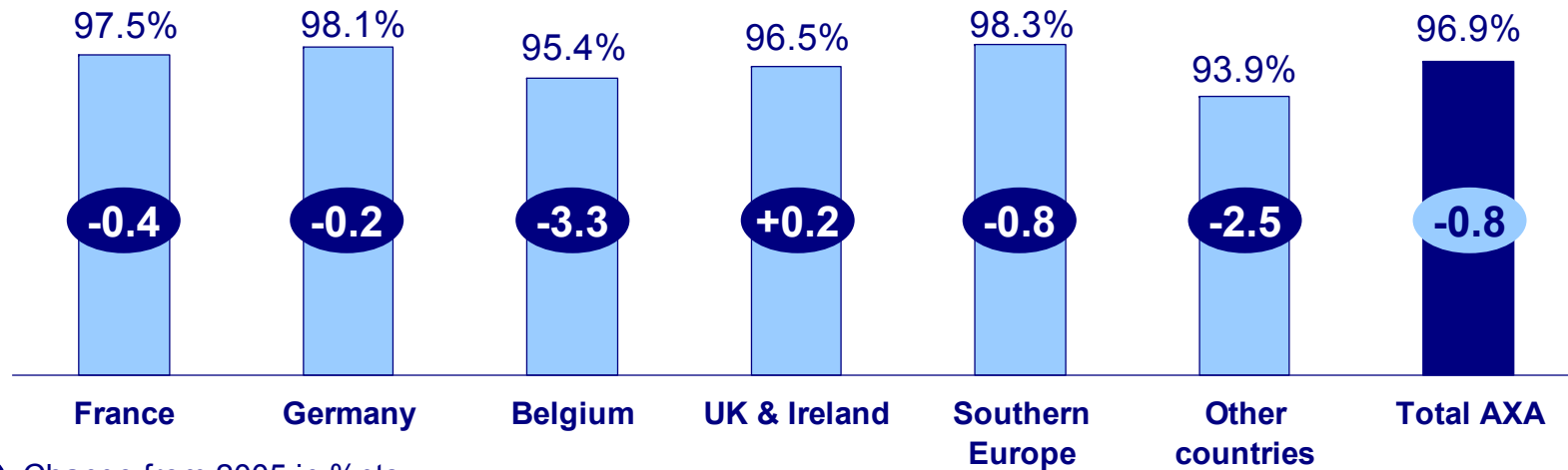
(%)



Ratios in %	2006	Change from 2005
Loss, excl. CHC <sup>(2)</sup>	63.8	-1.0
Claims handling	4.5	0.1
<b>Loss Ratio</b>	<b>68.3</b>	<b>-0.9</b>
Acquisition exp.	19.2	+1.1
Administrative exp.	9.4	-1.0
<b>Expense Ratio</b>	<b>28.6</b>	<b>+0.1</b>
<b>Combined Ratio</b>	<b>96.9</b>	<b>-0.8</b>

...across the board, leading to an increase in underlying earnings

### 2006 Combined ratios<sup>(1)</sup>



Change from 2005 in %pts

<i>in Euro million</i>	2006	Change from 2005
<b>Net technical result<sup>(2)</sup></b>	<b>618</b>	<b>+190</b>
+ Investment income <sup>(3)</sup>	1,586	+135
- Tax & Minority Interests & others <sup>(4)</sup>	-751	-218
<b>P&amp;C underlying earnings</b>	<b>1,453</b>	<b>+107</b>



(1) Combined ratio = (gross claims charge + net result of reinsurance ceded + expenses) / gross earned revenues.

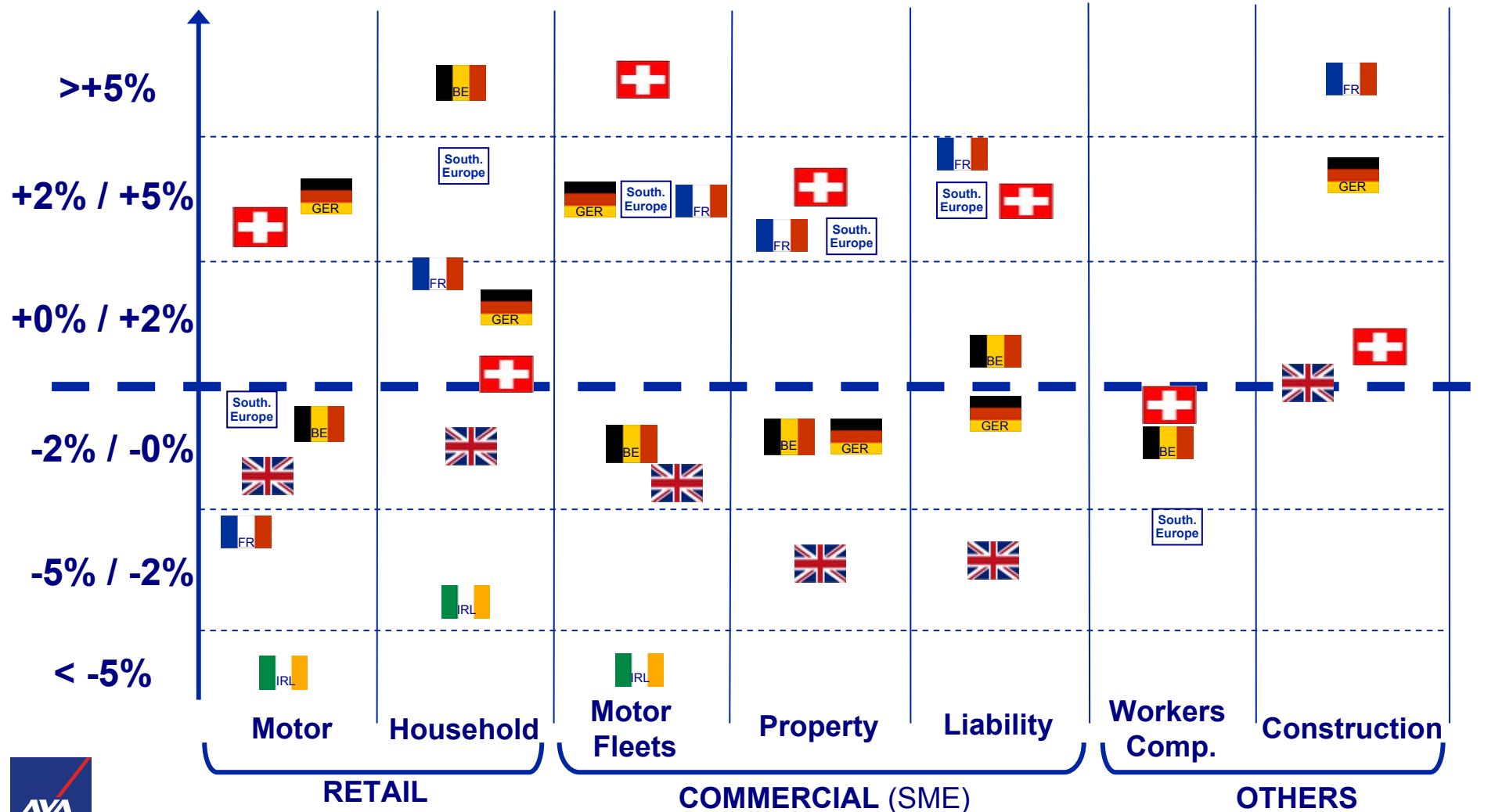
(2) Net technical result, including expenses

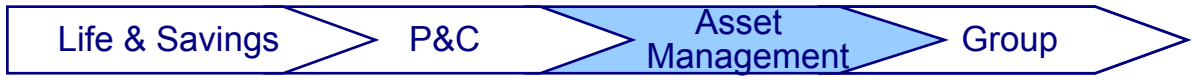
(3) Including financing charges.

(4) Including net income from investments in affiliates and associated.

# P&C Renewals: contrasting trends across segments and markets

Average premium for renewals of existing business

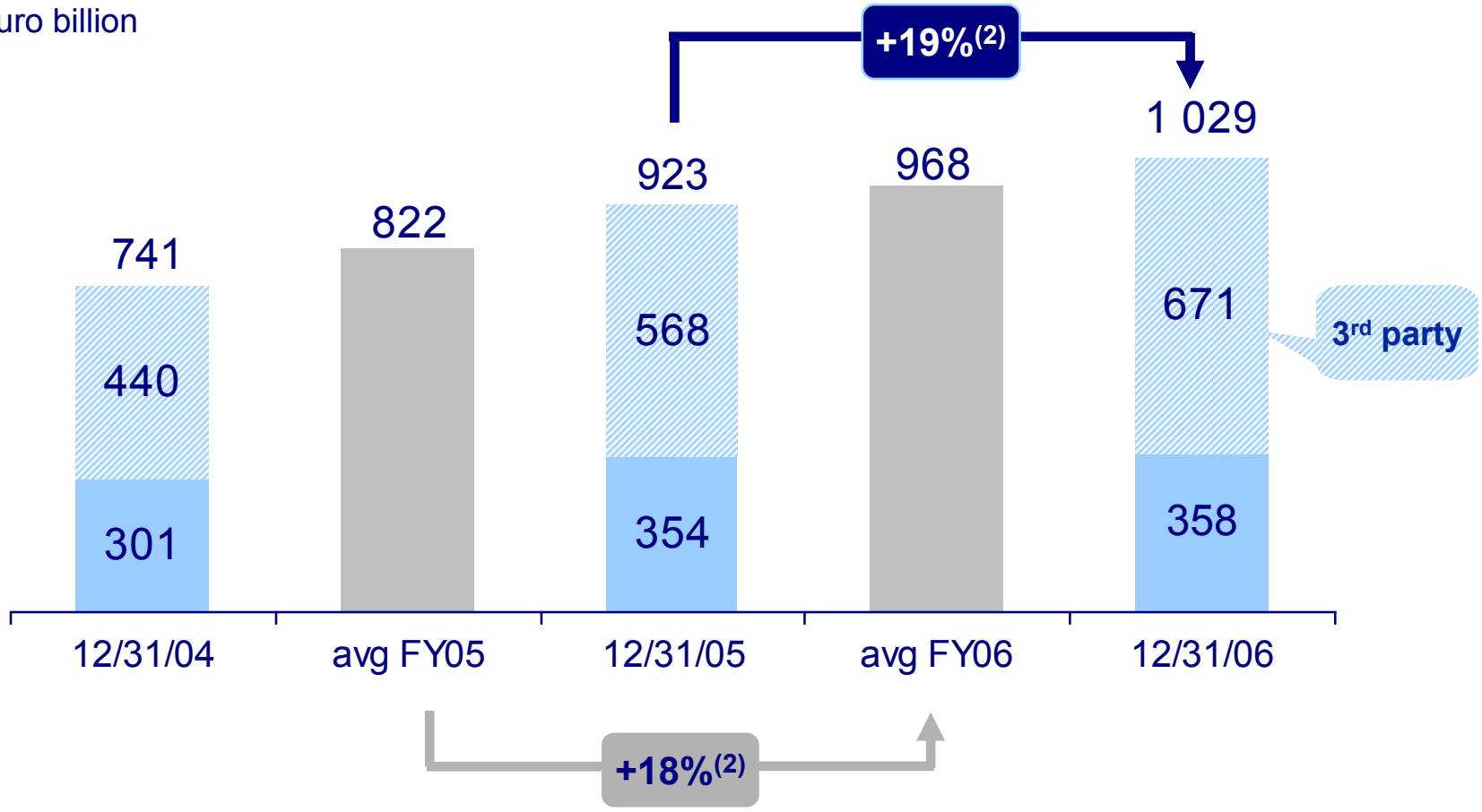




# Asset Management: solid AUM increase mainly through third party customers...

## Assets Under Management

AllianceBernstein & AXA Investment Managers<sup>(1)</sup>  
Euro billion



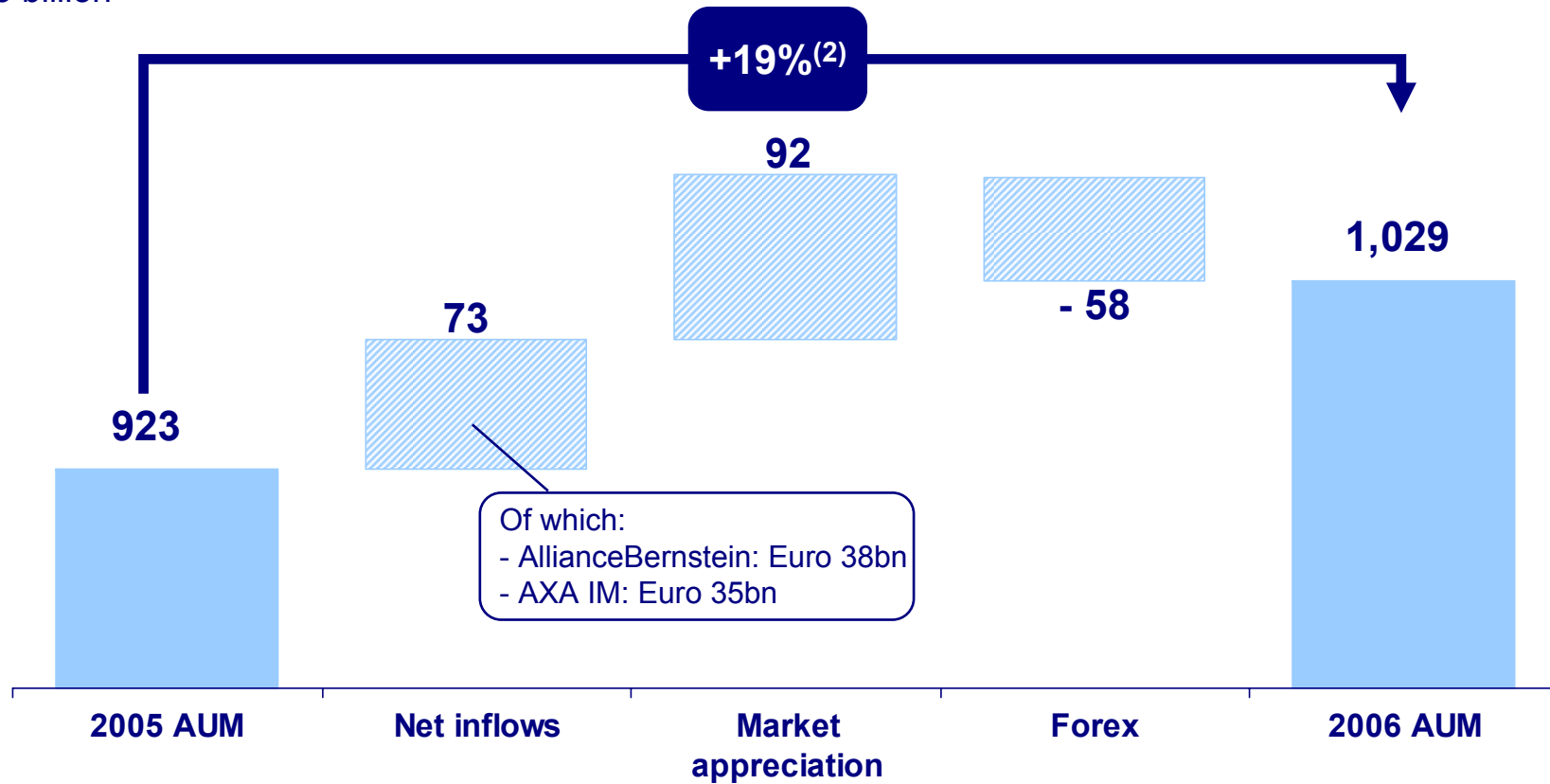
(1) Excluding Winterthur impact.  
(2) At constant exchange rates.

... driven by strong net inflows and favorable market evolution in 2006

**Assets Under Management**

AllianceBernstein & AXA Investment Managers<sup>(1)</sup>

Euro billion



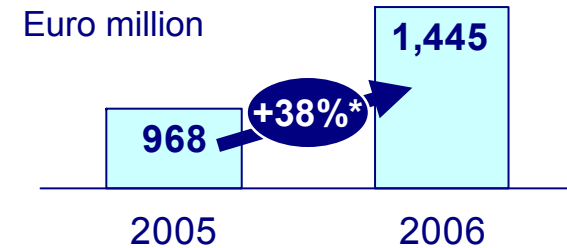
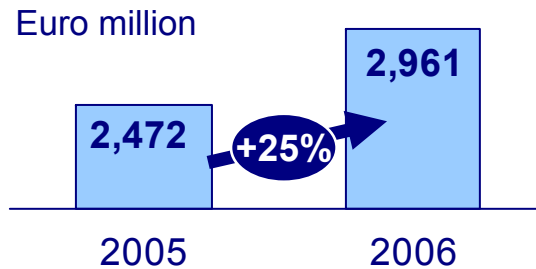
(1) Excluding Winterthur impact.  
 (2) At constant exchange rates.

## Strong revenues and improvement in cost income ratio resulted into 29% Asset Management underlying earnings growth

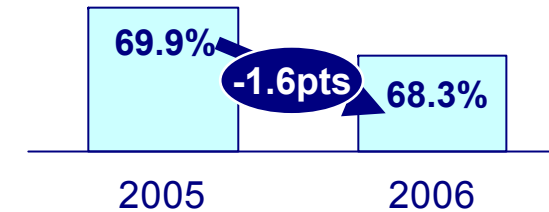
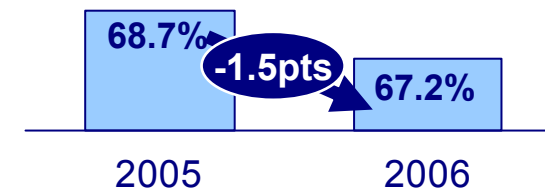
AB  
ALLIANCEBERNSTEIN

INVESTMENT  
MANAGERS

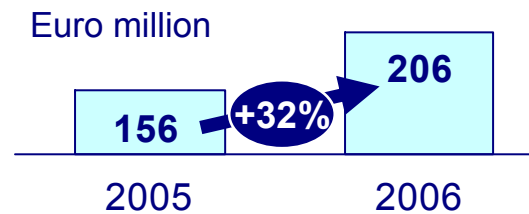
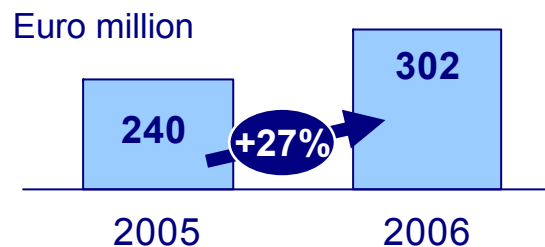
### Revenues<sup>(1)</sup>



### Underlying cost income ratio<sup>(2)</sup>



### Underlying earnings (group share)<sup>(3)</sup>



Euro million



(1) on a comparable basis

(2) (general expenses minus distribution fees)/(total revenues minus distribution fees)

(3) Growth rates at constant exchange rates.

As of December 31, 2006, AXA's beneficial ownership in AllianceBernstein LP was approx. 60.3%

\* or +30 % including revenues earned from AXA insurance companies, eliminated in consolidation, and net of fees retroceded to distributors

## From underlying earnings to net income

<i>Euro million</i>	2005 <sup>(1)</sup>	2006	Change	Change at cst. FX
<b>Underlying earnings</b>	<b>3,337</b>	<b>4,010</b>	<b>+20%</b>	<b>+21%</b>
Net capital gains <sup>(2)</sup>	944	1,130		
<b>Adjusted earnings</b>	<b>4,281</b>	<b>5,140</b>	<b>+20%</b>	<b>+20%</b>
Profit/loss on financial assets under FV option & derivatives	122	-226		
Exceptional operations	-72	196		
Goodwill & related intangibles	-13	-24		
<b>Net income</b>	<b>4,318</b>	<b>5,085</b>	<b>+18%</b>	<b>+18%</b>

- **Profit/loss on financial assets under FV option and derivatives** decreased by Euro 348m due to the negative impact of higher interest rates in 2006 on the fair value of interest rate derivatives and fixed maturity investment funds
- **Exceptional operations** contribution in 2006 was mainly driven by a gain on the sale of AXA RE's business, a dilution gain at AllianceBernstein and several positive tax items including in the US related to the sale of DLJ

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2 : Financial performance

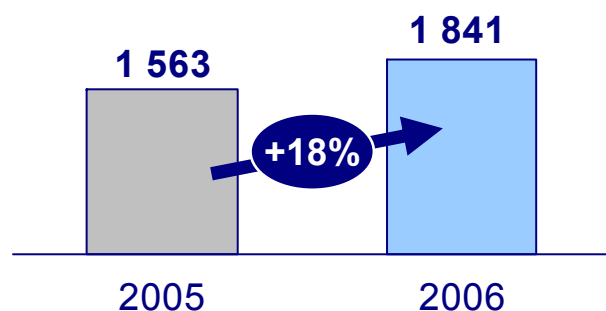
3 : Update on Winterthur integration

4 : Conclusion

## Winterthur FY2006: revenue increase driven by strong life & pensions momentum

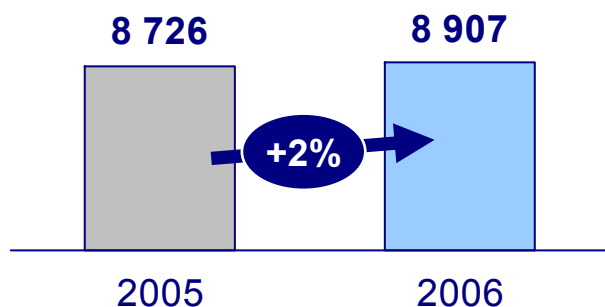
### Life & Pensions APE<sup>(1)</sup>

CHF million - USGAAP



### Non life GWP

CHF million - USGAAP



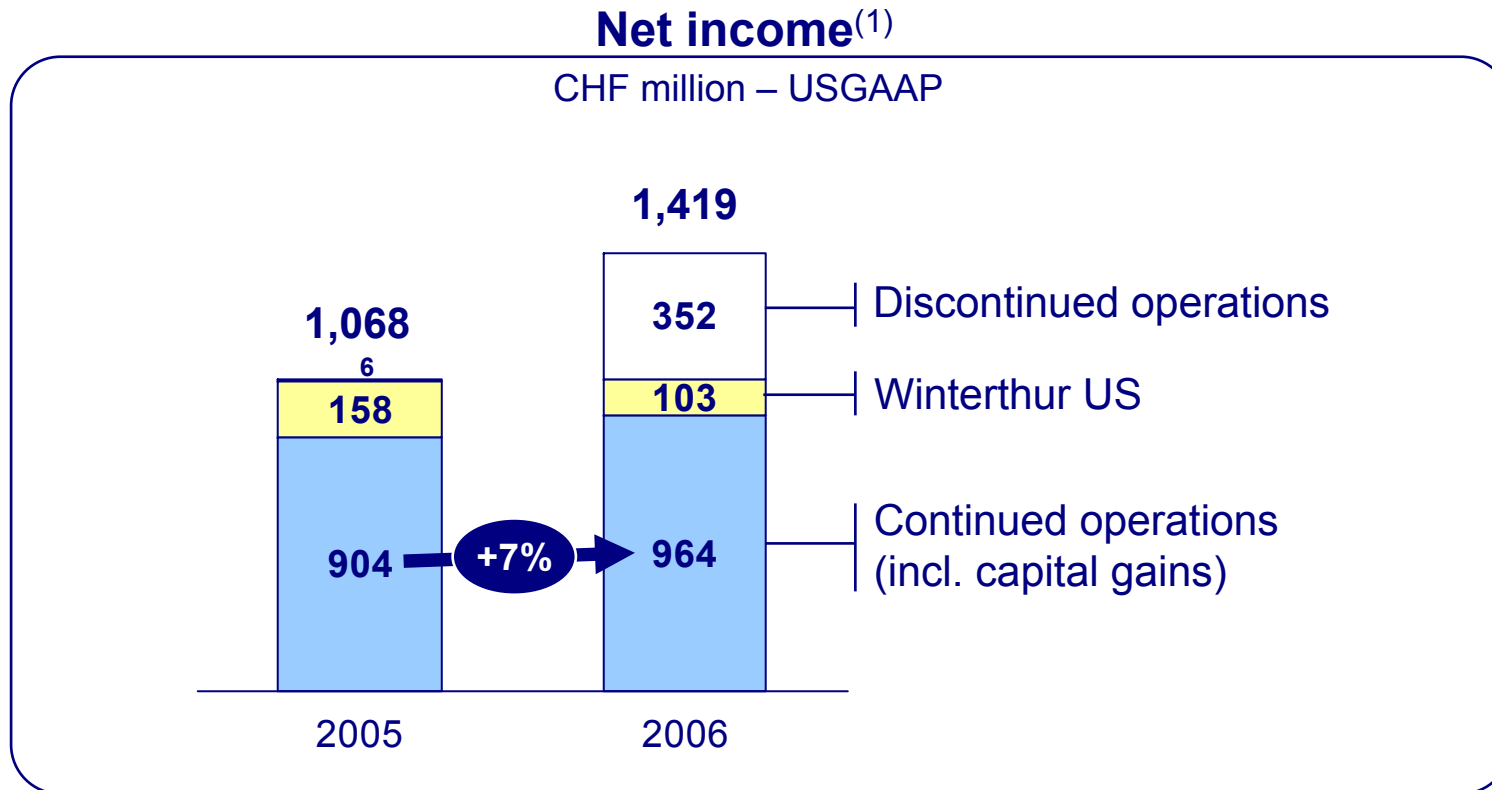
### Life & Pensions 2006 highlights

- ▶ Switzerland: +6%, driven by group life
- ▶ Continental Europe (excl. Switz.): +20%
- ▶ UK: +37%, driven by A-Day related sales
- ▶ Asia: +15%

### Non life 2006 highlights

- ▶ Switzerland: +2%
- ▶ Continental Europe (excl. Switz.): +6%, benefiting from higher volumes in Spain and Belgium

## Winterthur FY2006: earnings increase fuelled by technical results, despite lower financial income

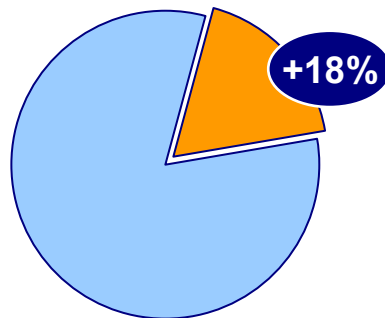


- ▶ Non life combined ratio improved by 0.5 pt to 95.5% while claims reserve ratio improved by 9 pts to 162.3%

# AXA + Winterthur: larger, locally stronger and more diversified

## Life & Savings

Additional new business<sup>(1)</sup>  
from Winterthur



### New Markets:

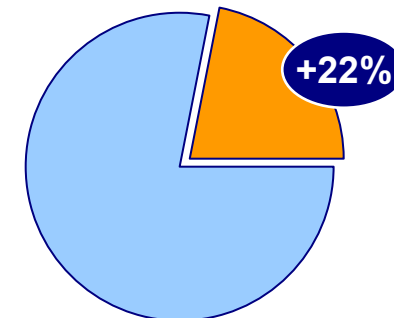
- ▶ 2nd in Switzerland
- ▶ Top 5 in CEE's pension markets

### Existing markets:

- ▶ Western Europe<sup>(3)</sup> APE: +36%
- ▶ Asia APE: +24%

## Property & Casualty

Additional revenues<sup>(2)</sup> from  
Winterthur



### New markets:

- ▶ 1st in Switzerland



### Existing markets:

- ▶ 1st in Belgium (Revenues up 40%)
- ▶ 2nd in Spain (Revenues up 74%)
- ▶ 3rd in Germany (Revenues up 26%)





(1) Based on 2006 APE.  
 (2) Based on 2006 gross written premiums and excluding Winterthur US P&C operations.  
 (3) Excluding France and Switzerland.

## Winterthur integration in key countries is well on track (1)

	 <b>Switzerland</b>	 <b>Germany</b>
<b>CEO</b>	Philippe Egger	Frank Keuper
<b>Brand strategy</b>	Application of AXA's one brand strategy as middle-term solution	Switch from DBV-Winterthur to DBV on the civil servants market, to AXA brand for all other market segments
<b>Target structure</b>	2007 : mergers between P&C holding companies & between Life holding companies	2007 :transfer of Winterthur GmbH to AXA Konzern and inclusion of Winterthur entities into AXA Germany tax group
<b>Key challenges</b>	Leverage AXA know-how to reshuffle the individual life offering and to grow in P&C mature market	Implementation of new German insurance regulations. Launch of AXA products (including TwinStar) into DBV networks.

## Winterthur integration in key countries is well on track (2)

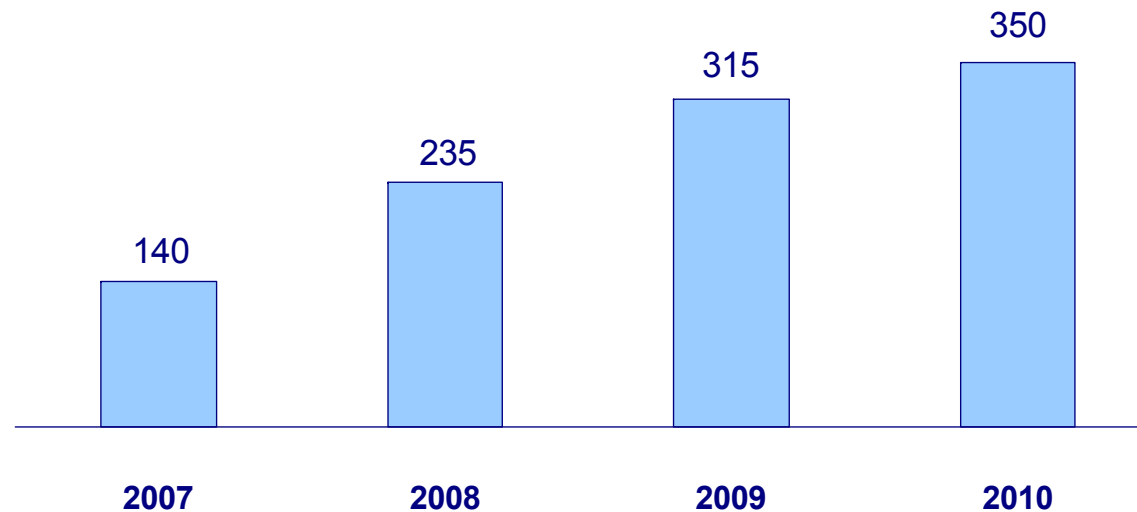
	 <b>Belgium</b>	 <b>Spain</b>
<b>CEO</b>	Eugène Teysen	Javier de Agustin
<b>Brand strategy</b>	Starting in H1 2007: progressive switch to AXA brand	2007: "AXA Winterthur" transition 2008 : switch to AXA brand
<b>Target structure</b>	2008: merger between AXA Belgium & Winterthur Belgium	2007 : merger of holdings & insurance companies
<b>Key challenges</b>	Actively manage the combined market share with brokers	Active retention of brokers Focus on motivation and efficiency of exclusive agents

## Winterthur cost synergies target increased by 25%

- Pre-tax annual cost savings<sup>(1)</sup> target increased from Euro 280 million to Euro 350 million
- Pre-tax restructuring charges increased from Euro 520 million to Euro 560 million

### Estimated phasing of synergies

Pre-tax underlying earnings impact - Euro million



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**2006 was another very strong year in terms of top line performance and earnings growth**

	Growth		Ambition 2012
	2004 - 2005	2005 - 2006	
Life & Savings new business volume <sup>(1)</sup>	+11%	<b>+15%</b>	✓ ✓
P&C revenues <sup>(1)</sup>	+3%	<b>+4%</b>	✓
Asset Management revenues <sup>(1)</sup>	+14%	<b>+29%</b>	✓ ✓
Underlying earnings per share <sup>(2)</sup>	+20%	<b>+16%</b>	✓ ✓



We continue to be ahead of our expected Ambition 2012 pace



(1) On a comparable basis

(2) Fully diluted, net of interest charges on TSS and TSDI

## The outlook for 2007 remains favorable

- **2007 key operational challenge**: maintaining the growth momentum while integrating Winterthur.

*Assuming the global economic environment remains favorable and barring any major catastrophic events or financial market incidents, our expectations are:*

- **Life & Savings**: our operations should continue to grow on the back of favorable long term market trends and our distribution and offer innovation initiatives, including the promising roll-out of Accumulator type products across the Group.
- **P&C**: despite increasing competitive pressure in some European markets, our operations should benefit from the strength of marketing and distribution, claims management initiatives and increasing diversification into some higher growth markets.
- **Asset Management**: very strong 2006 net inflows and current favorable financial market conditions should fuel 2007 performance.
- **Capital gains**: net capital gains target range will increase from Euro 600/800 million to Euro 800/1000 million from 2007 onwards.

## Conclusion

- *The industry of Financial Protection enjoys favorable long term trends*
- *The roll-out of AXA's strategy will continue with sustained efforts*
- *The integration of Winterthur is well under way*
- *AXA's employees are engaged and ready to welcome Winterthur teams*
- *Our Ambition 2012 company wide project is within our reach*



### **We are confident in the future**

To share this confidence in AXA's success with all of its employees:

- A resolution making each and every AXA employee a shareholder will be submitted for approval at the May 14, 2007 shareholders' meeting

# Full year 2006 Earnings

## Appendices

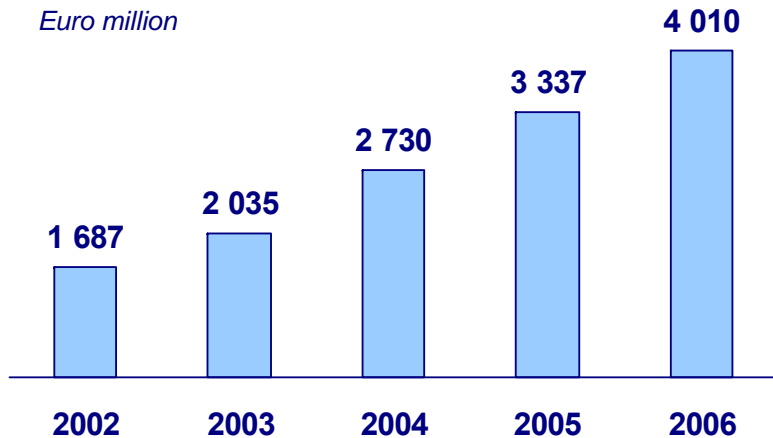


Be Life Confident

## 5-year track record of stable and steady earnings growth

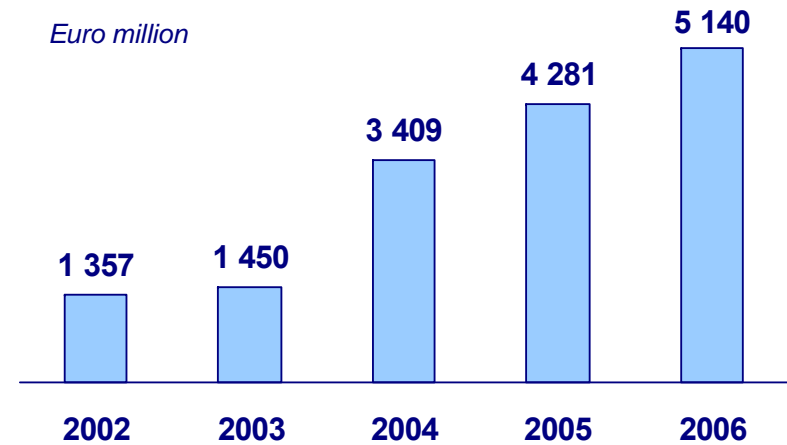
### Underlying earnings

Euro million



### Adjusted earnings

Euro million

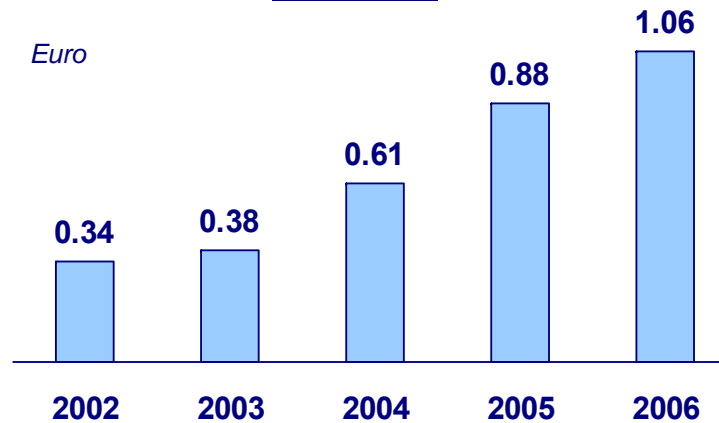


Note: 2002 and 2003 are in French GAAP

2004 and 2005 underlying & adjusted earnings have been restated in line with 2006 accounting changes described in slide 4

### Dividend

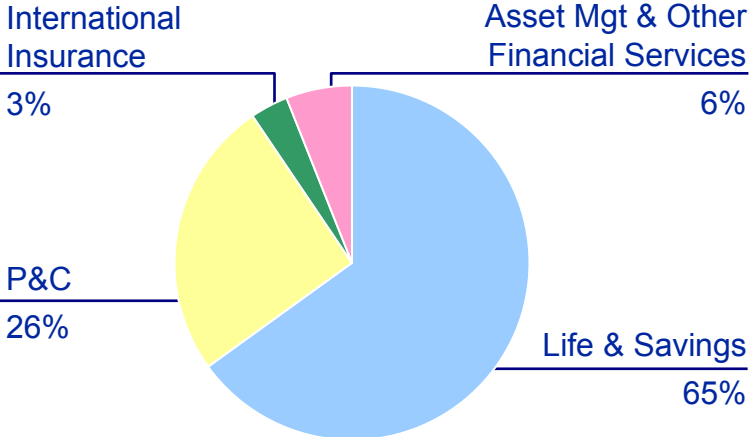
Euro



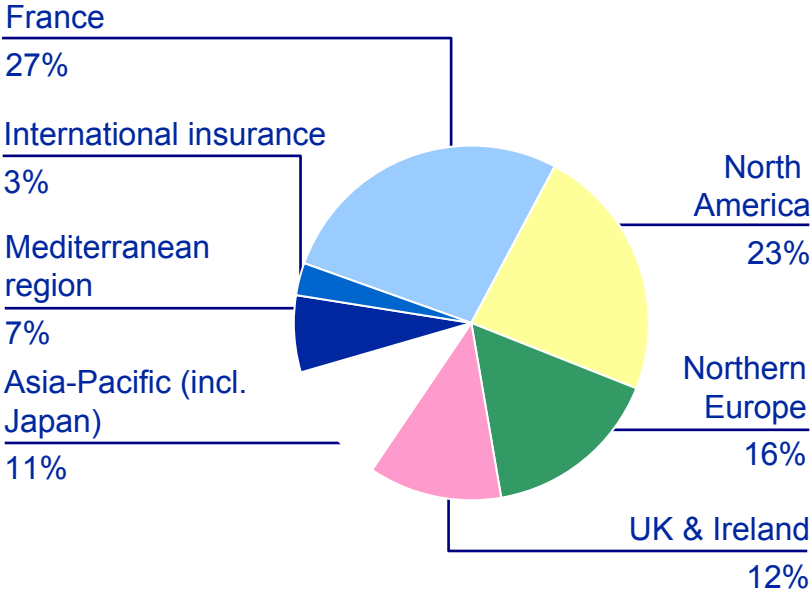


# FY06 revenues reflect a strong diversification

2006 IFRS revenues by operating segment<sup>(1)</sup>



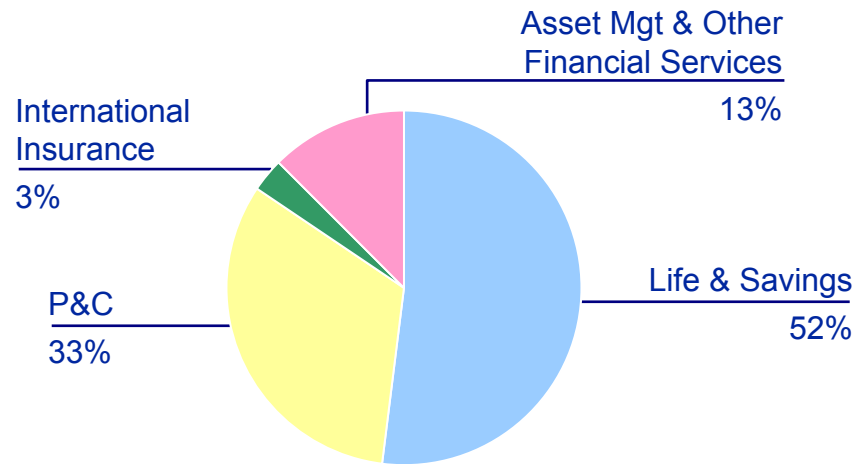
2006 IFRS insurance revenues by geography<sup>(1)</sup>



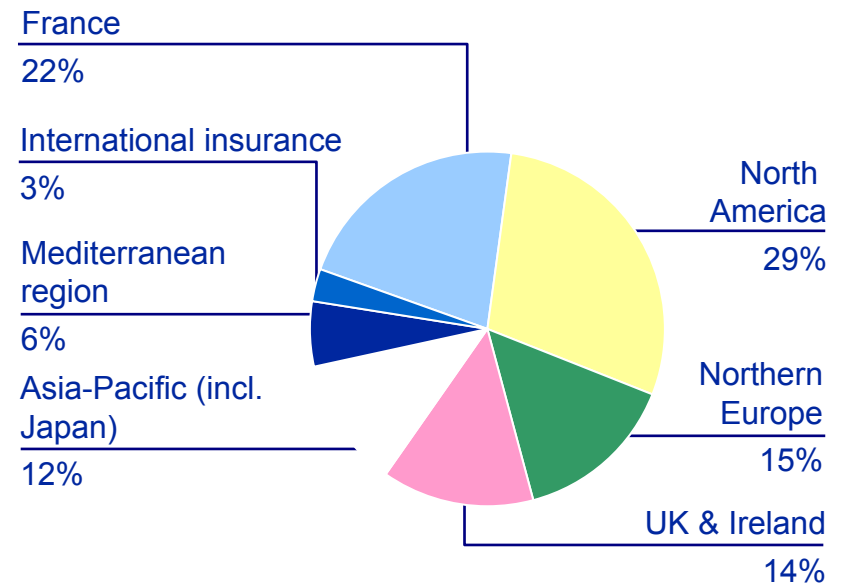
(1) Excluding AXA RE.

# FY06 underlying earnings reflect a strong diversification

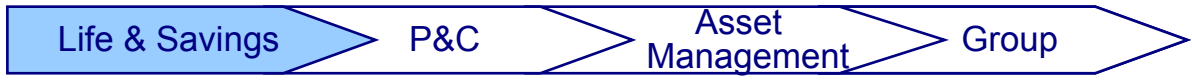
2006 underlying earnings by operating segment



2006 insurance underlying earnings by geography



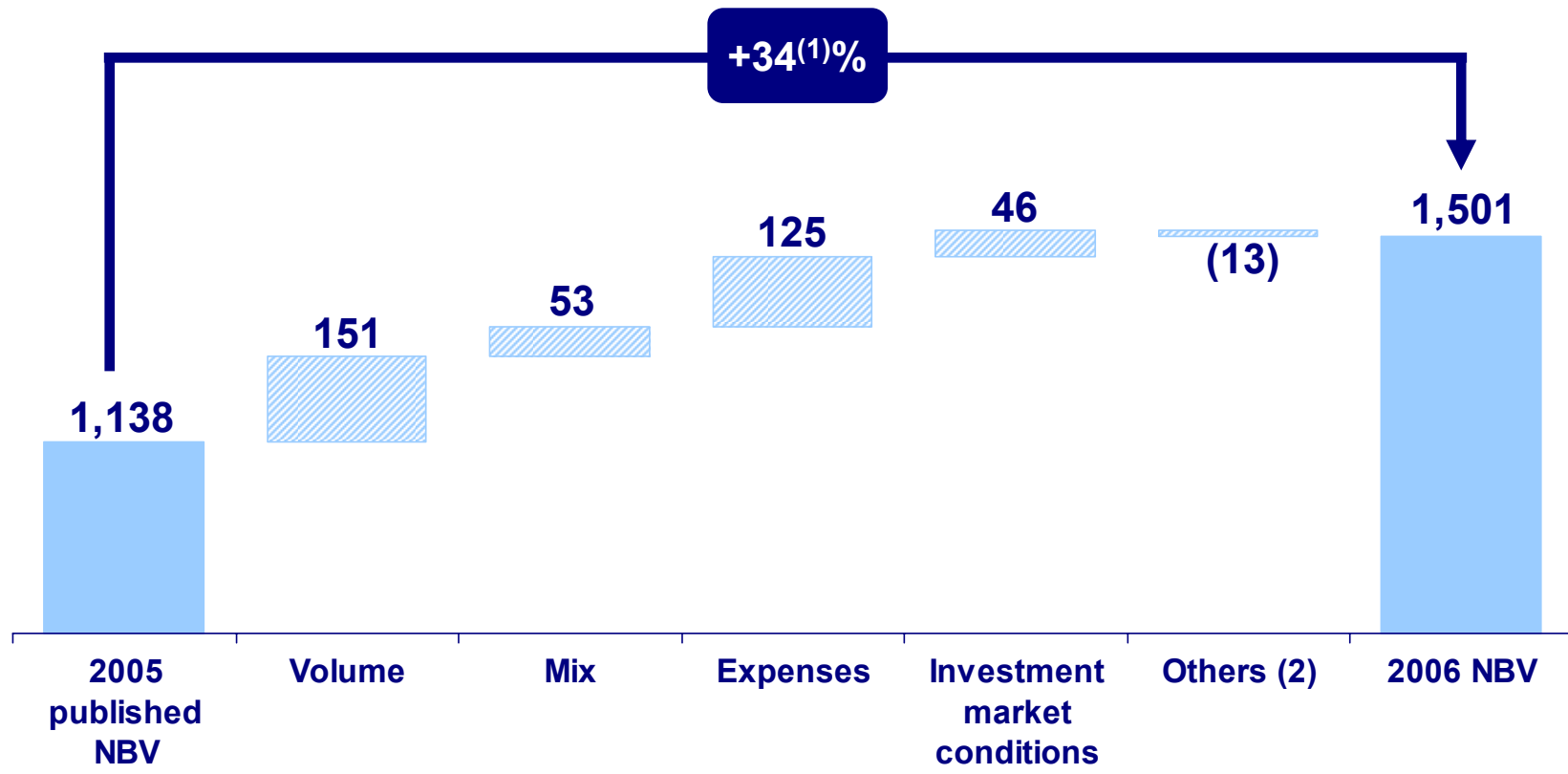
Note: Excluding holdings



# Volume, mix and expenses improvements

## Life & Savings New Business Value

Euro million

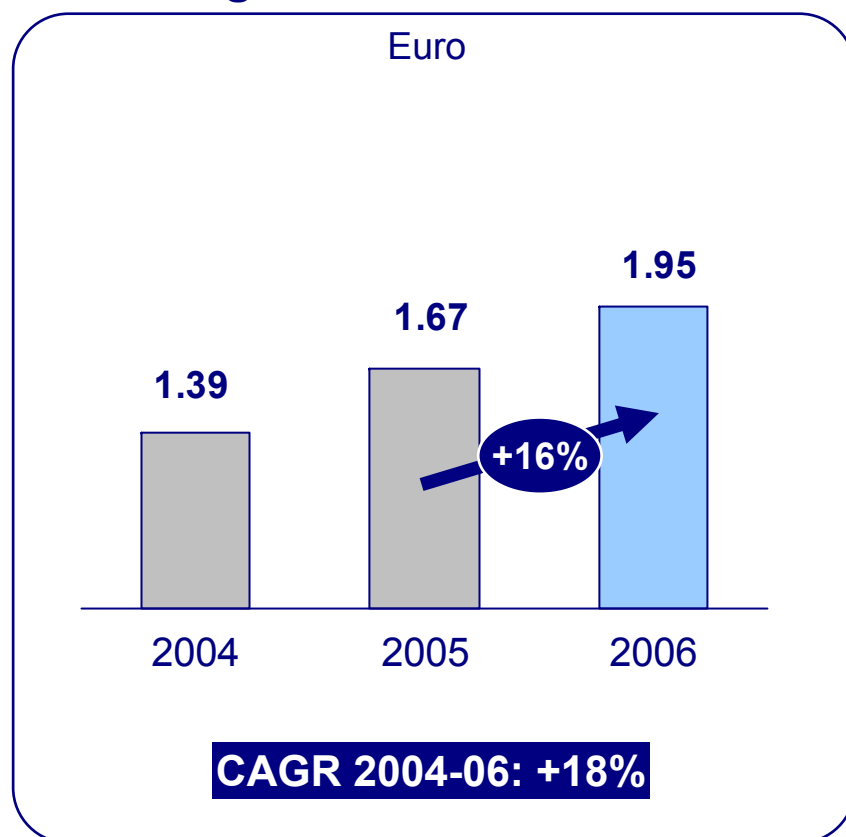


(1) at constant exchange rates and scope.

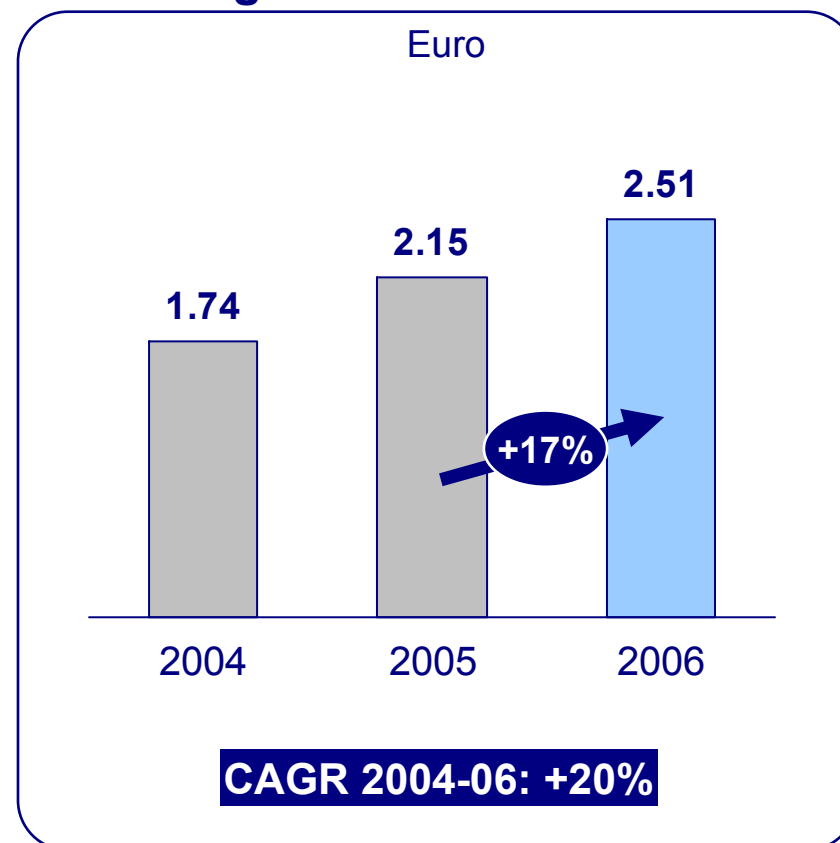
(2) including market calibration impacts on interest rates and volatility, modeling changes, change in scope, currency impact, assumptions changes and others

## Growth on a per share basis remained very solid, despite 2006 dilutive impact of Winterthur's financing

### Underlying EPS<sup>(1)</sup> net of interest charges on TSS and TSDI<sup>(2)</sup>



### Adjusted EPS<sup>(1)</sup> net of interest charges on TSS and TSDI<sup>(2)</sup>



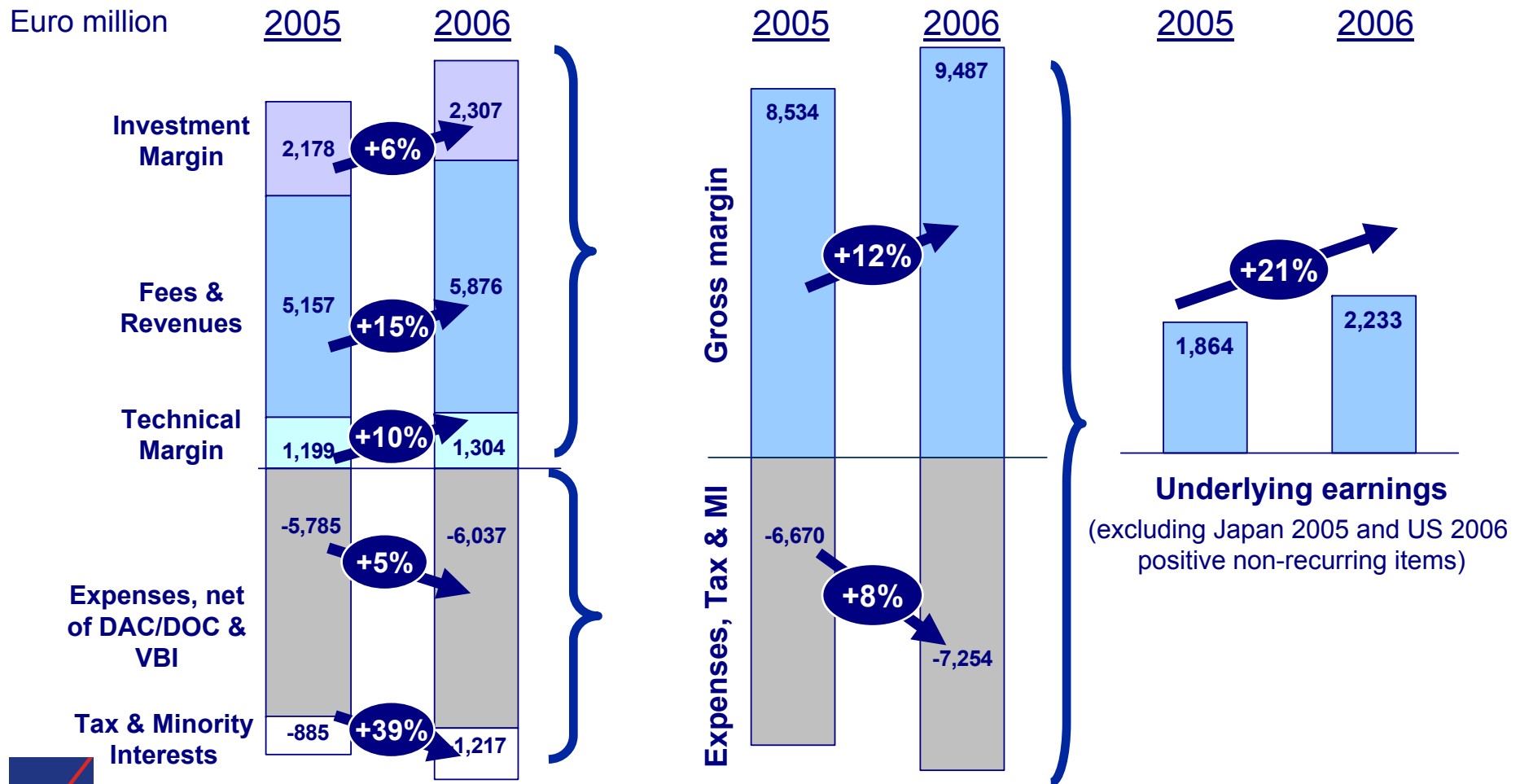
(1) Fully diluted. Following the capital increase related to Winterthur acquisition, the weighted average number of fully diluted shares has been restated (IAS 33 §26) by using an adjustment factor of 1.019.

(2) As TSS and TSDI are accounted for as equity under IFRS, the charges are not included in AXA earnings. 2004, 2005 and 2006 interest charges on TSS and TSDI were Euro 95m, 112m and 160m, respectively, or Euro 0.05, 0.06 and 0.08 per share on a fully diluted basis. 2006 published fully diluted underlying and adjusted EPS are Euro 2.03 and Euro 2.59, respectively.

# Fees and revenues combined with contained non-commission expenses drove underlying earnings growth

## Margin Analysis<sup>(1)</sup>

(excluding positive Japan 2005 and US 2006 non-recurring items)



# Life & Savings: margin improvement across the board

## Excluding positive Japan 2005 and US 2006 non-recurring items



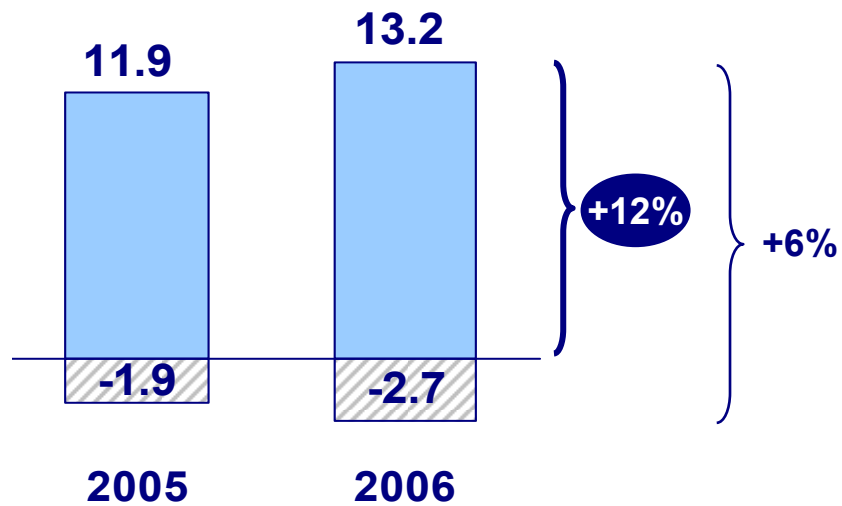
Euro million

Note: All growth rates are at constant exchange rates.

...while cash flows continued to grow, together with a sharp increase in mutual funds net sales

### Technical Operating Cash Flows

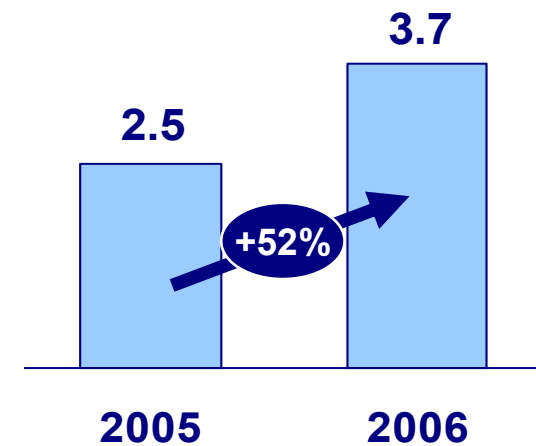
Euro billion



 UK With-profit net outflows

### Mutual funds net sales (through L&S companies)

Euro billion



## International Insurance: divestiture of AXA RE reduces future earnings volatility

Underlying earnings (Euro million)	2005	2006	Change at cst. FX
AXA CS Assurance	72	84	+16%
Others, incl. AXA RE run off (2006)	-4	47	--
<b>International Insurance</b>	<b>68</b>	<b>131</b>	<b>+91%</b>

### AXA CSA

- Revenues up 7%<sup>(1)</sup> on the back of Property portfolio development
- 0.8 pt combined ratio improvement to 100.0%

### AXA RE

- Sale of AXA RE's business to Paris Re Holdings completed on December 21, 2006 with the risks and corresponding net income related to AXA RE's 2006 claims experience accruing to Paris Re Holdings. AXA will continue to manage underwriting and claims for 2006 and prior years.
- In 2006, run-off result corresponding to 2005 and prior years amounted to Euro 22m



(1) Change on a comparable basis.

## Analysis of Other Financial Services & Holdings 2006 underlying earnings

<i>Euro million</i>	2005 <sup>(1)</sup>	2006	Change at cst. FX
<b>Other Financial Services</b>	67	51	-16
<b>Holdings</b>	-471	<b>-457</b>	+13
<b>Underlying earnings OFS &amp; Holdings</b>	<b>-404</b>	<b>-406</b>	<b>-3</b>

Including € 69m non recurring financial income linked to Winterthur financing

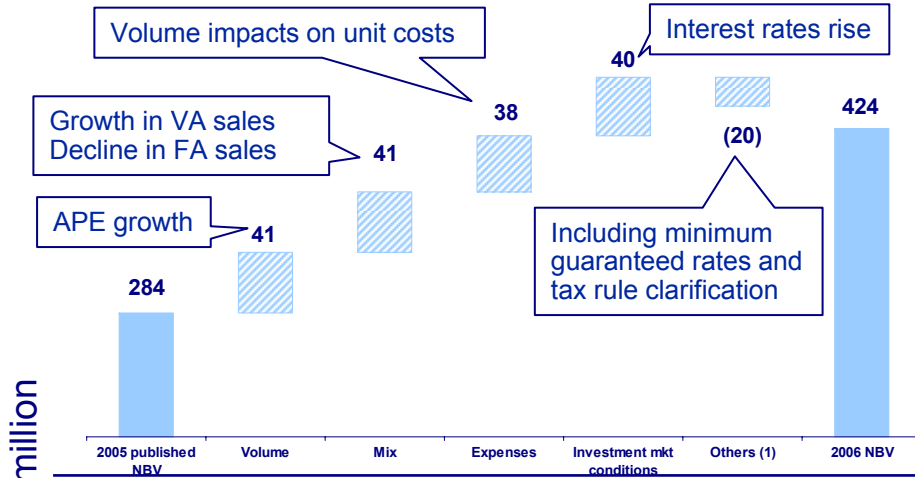
- **Other Financial Services** decreased by Euro 16m mainly due to:
  - ▶ the non recurrence of the release in 2005 of a provision for risks related to loan activities in France at AXA Bank Belgium.
- **Holdings** improved by Euro 13m notably due to:
  - ▶ non-recurring financial income linked to Winterthur financing and a tax refund in Germany following change in legislation
  - ▶ partly offset by higher financial charges, higher share based compensation costs and a lower contribution from non-recurring tax benefits

## NBV: enhanced market consistency

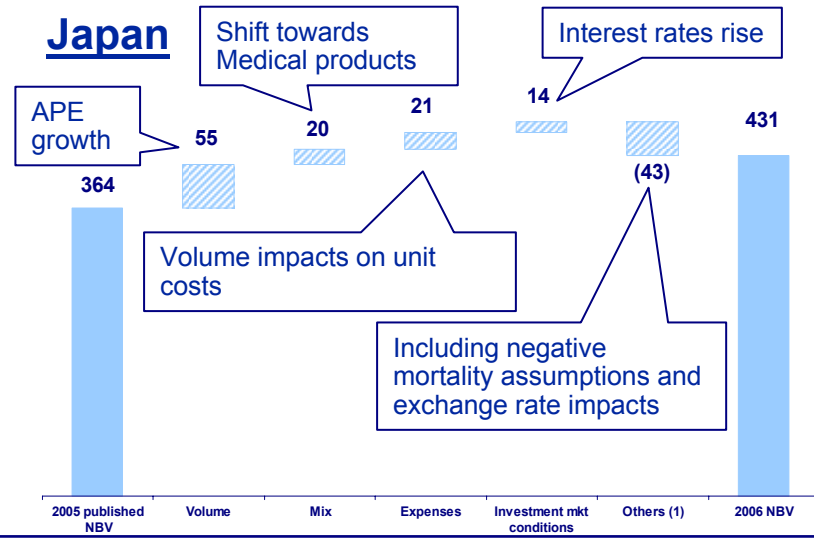
- Key modeling changes versus Full Year 2005
  - Yield Curve
    - 2006: Swap rates on the last business day of the accounting period
    - 2005: Govies on the last business day of the accounting period
  - Equity Implied Volatility
    - 2006: 1 year average of equity implied volatility
    - 2005: Based on historical average equity implied volatility
  - Swaption Implied Volatility
    - 2006: 2 weeks average of swaption implied volatility
    - 2005: Based on historical average swaption implied volatility
  
- Differences with 9M06 release
  - 9M06 NBV release was based on HY06 NBV margins (no update from HY06 assumptions except for US investment conditions at 3Q06)
  - 4Q06 NBV cannot be derived from FY06 minus 9M06 due to changes in investment market conditions as well as the complete annual review of assumptions

# NBV analysis per country

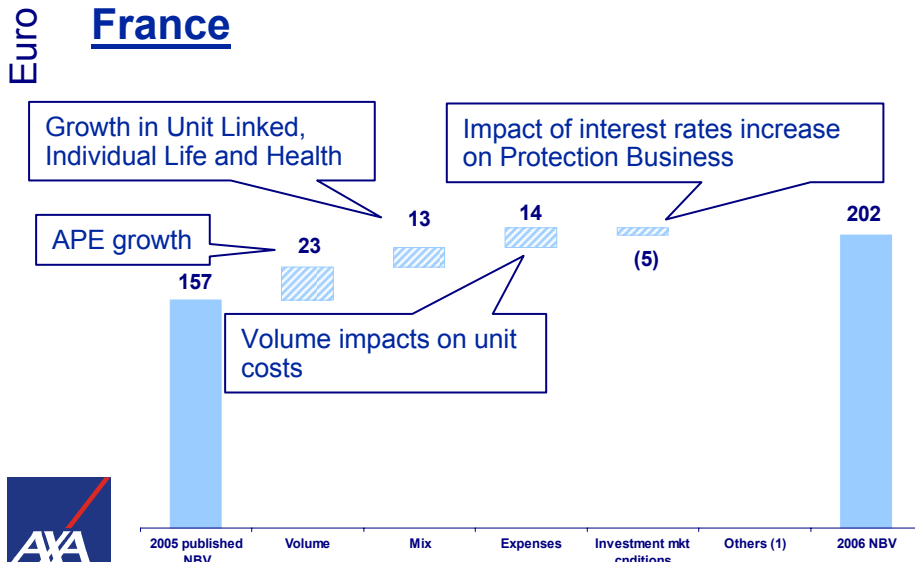
## US



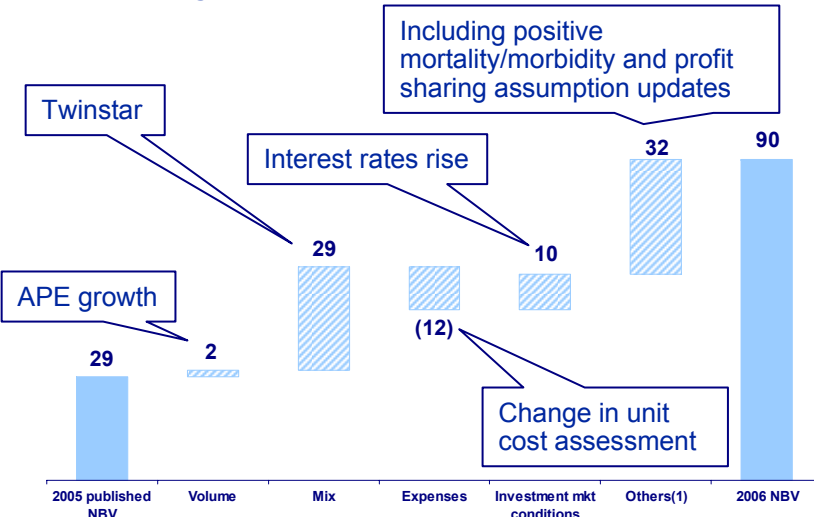
## Japan



## France



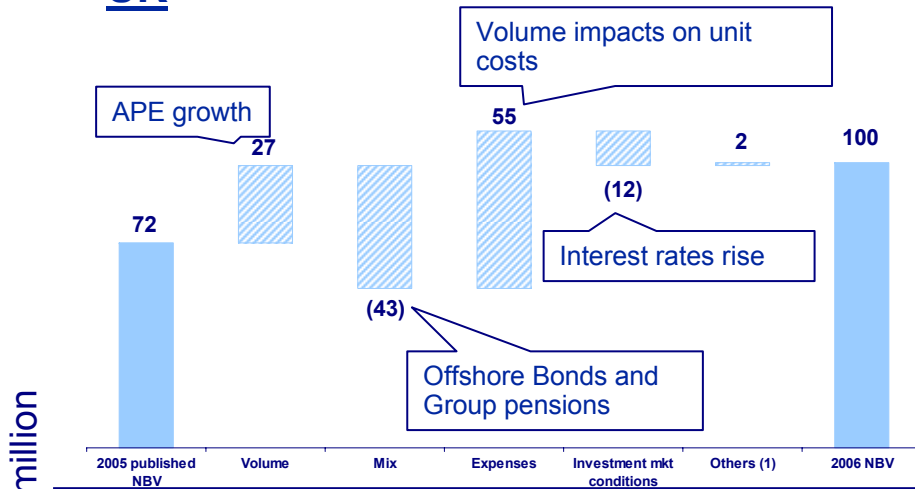
## Germany



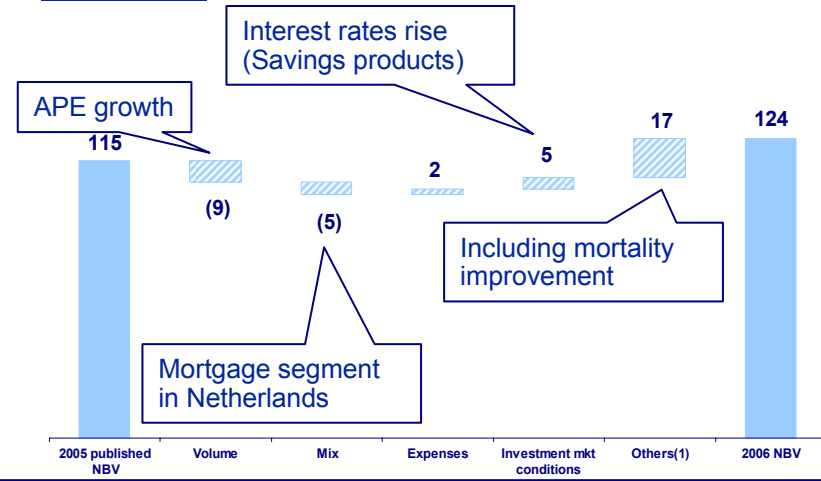
Note: (1) including market calibration impacts on interest rates and volatility, modeling changes, change in scope, currency impact, assumptions changes and others

# NBV analysis per country

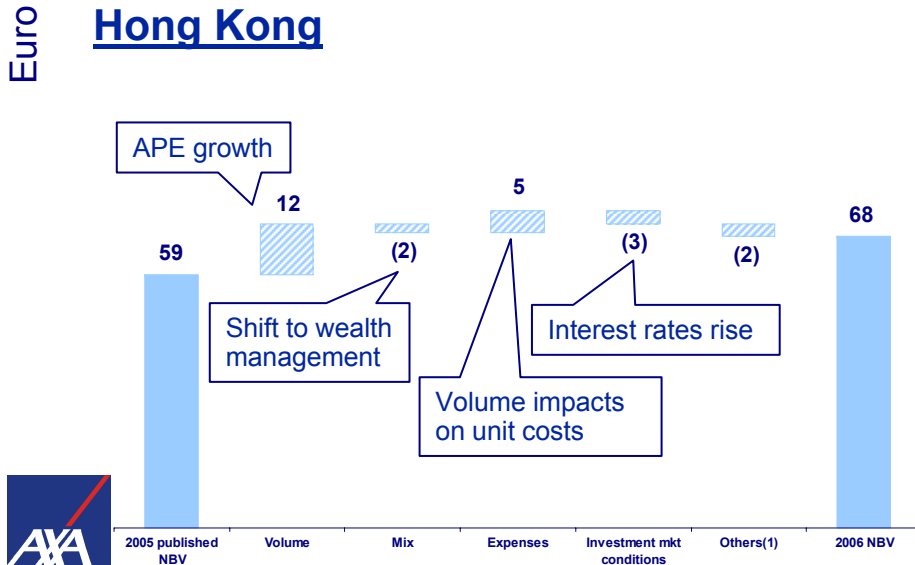
## UK



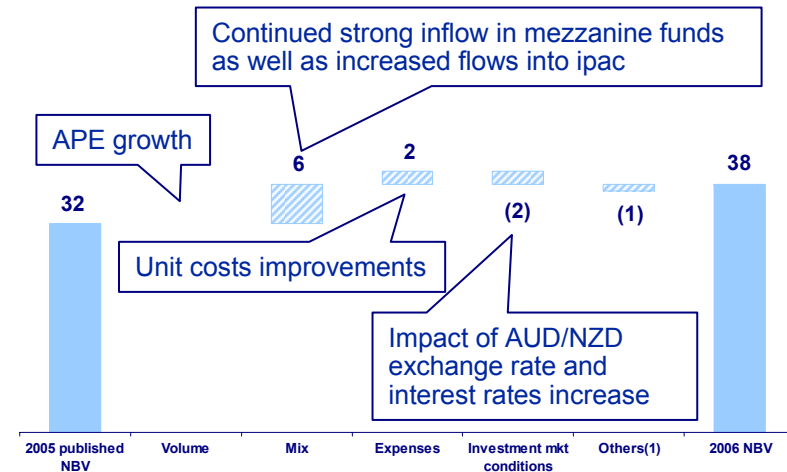
## Benelux



## Hong Kong

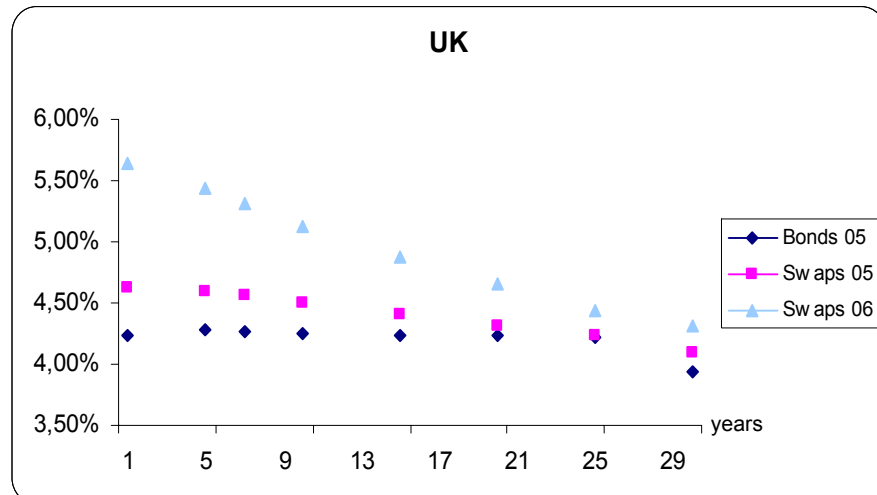
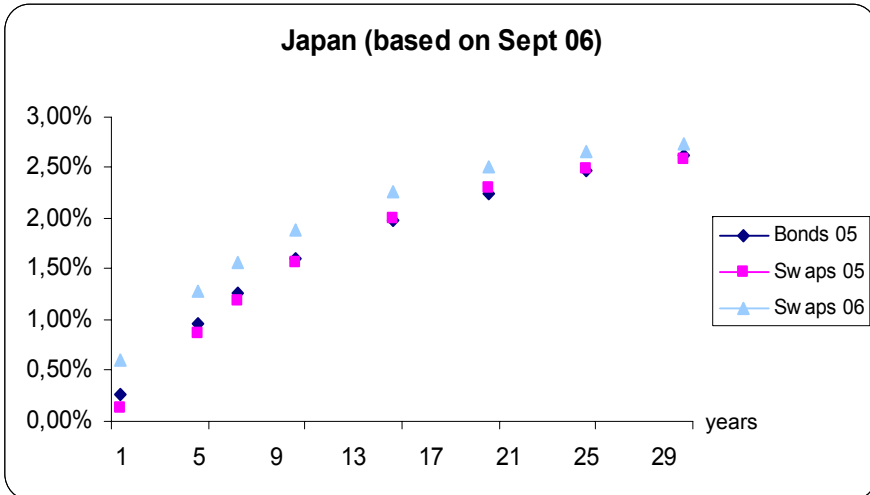
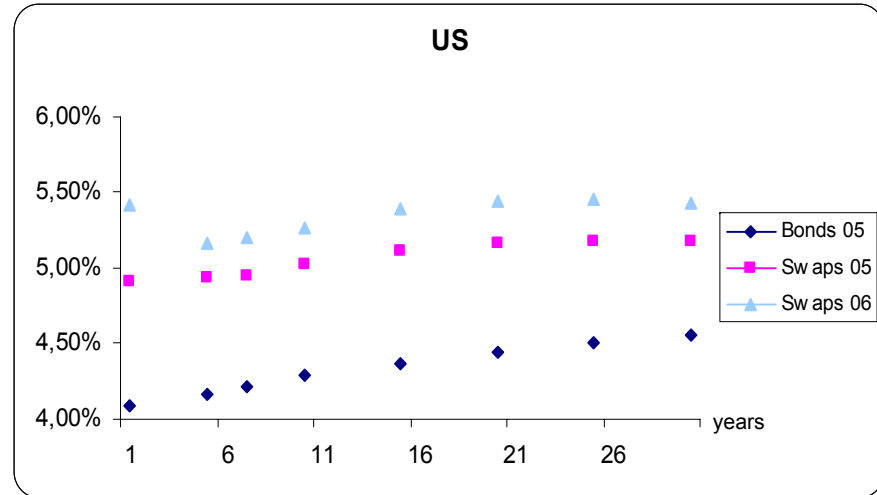
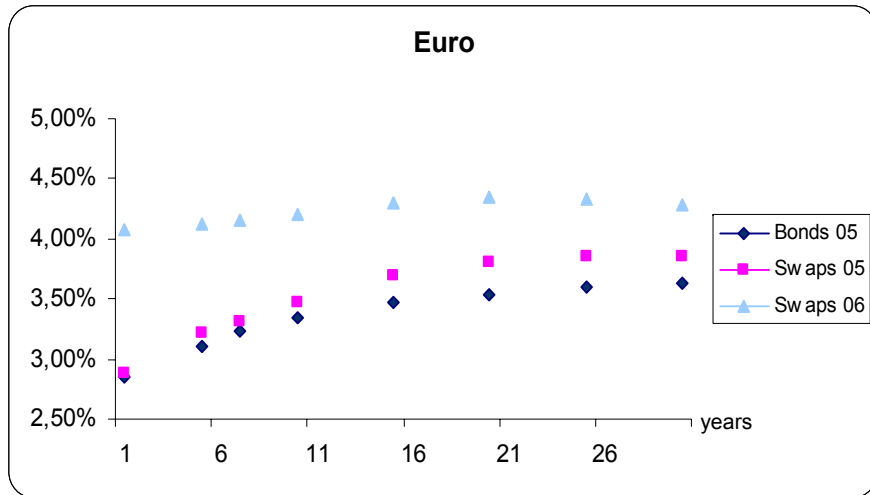


## Australia

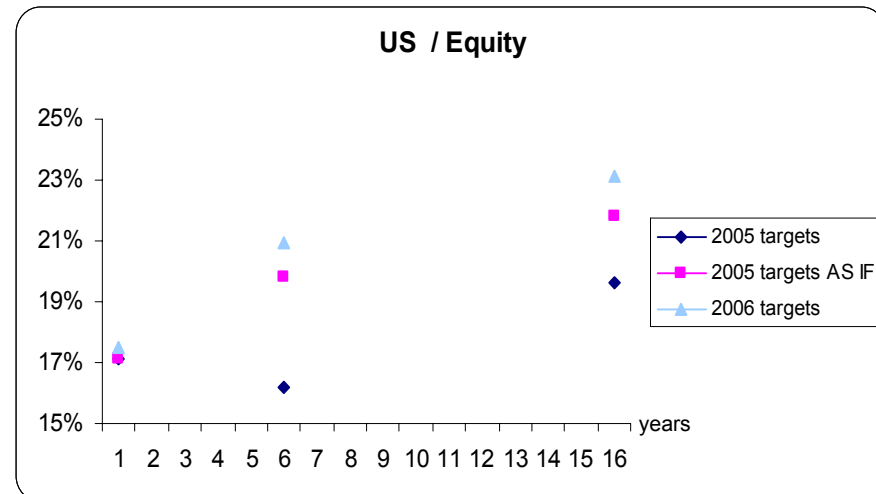
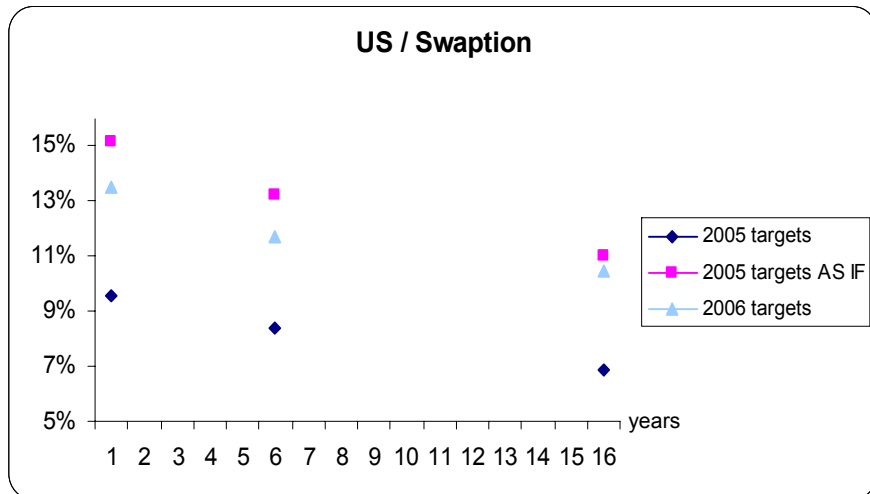
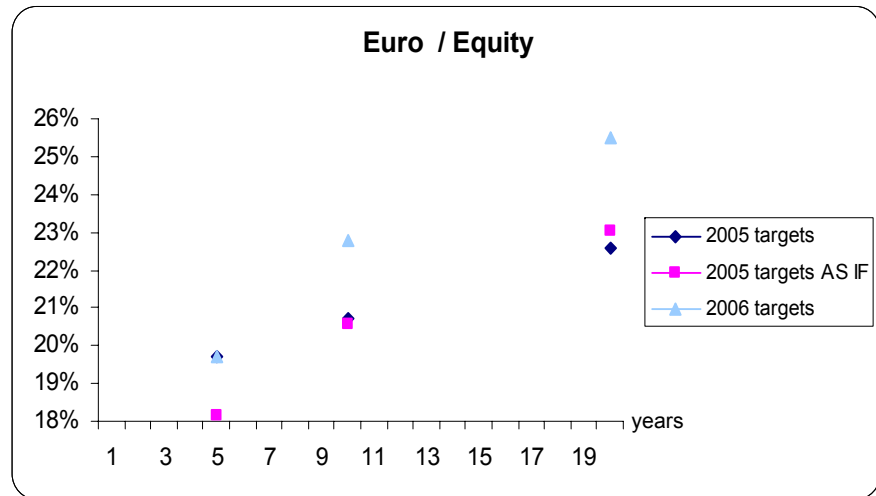
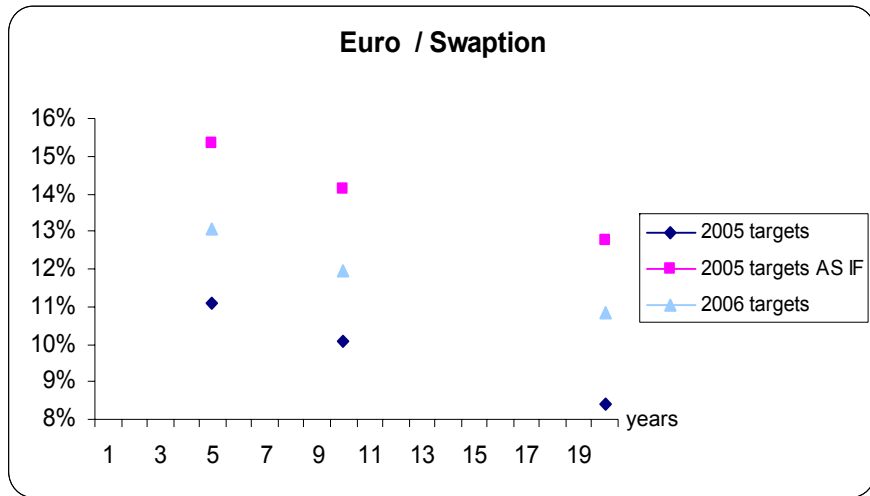


Note: (1) including market calibration impacts on interest rates and volatility, modeling changes, change in scope, currency impact, assumptions changes and others

# Evolution of yield curves in Eurozone, US, Japan and UK



# Evolution of volatility curves in Eurozone and US



## Dilutive impact of 2006 Winterthur-related capital increase on our fully diluted EPS will be mitigated by active capital management

<i>Million shares</i>	31/12/06	
Total outstanding number of shares	2,093	➔ Basis for dividend payment
- Treasury shares	-30	
IFRS number of outstanding shares <sup>(1)</sup>	2,063	
Weighted average fully diluted number of shares	2,032	➔ Basis for fully diluted EPS

- In 2007, the fully diluted number of shares will reflect the following items:
  - ▶ +93m<sup>(2)</sup> additional share impact from Winterthur-related capital increase in July 2006 (208m newly issued shares, taken only on a pro rata temporis basis in the 2006 weighted average fully diluted number of shares)
  - ▶ -66m shares linked to the cancellation of dilutive impact of 2014 and 2017 convertible bonds
- In 2007, Management intends to pursue the repurchase of AXA shares to control dilution notably arising out of share based compensation and “Employee Shareplan” programs.

## Reminder of impact of Japan 2005 non-recurring items on underlying margins

<i>Euro million</i>	<b>Gross impact</b>	<b>Net impact<sup>(1)</sup></b>
Impact of change in future investment assumptions on:		
- DAC amortization	-27	-17
- VBI amortization	-219	-136
Release of valuation allowance on DTA	+225	+220
<b>Total Impact on underlying earnings</b>		<b>+67</b>



(1) Net of tax and minority interests.

## Analysis of 2006 loss from financial assets under FV option and derivatives

<i>Euro million</i>	2005	2006	Change
Operating entities (L&S + P&C + Int'l Ins. + Asset Mgt + OFS)	+92	<b>+115</b>	+23
Holdings	+30	<b>-341</b>	-371
<b>Profit or loss on financial assets under FV option and derivatives</b>	<b>122</b>	<b>-226</b>	<b>-348</b>

- 2006 evolution reflected mainly a Euro 361m decrease at AXA SA due to:
  - ▶ Euro 404m decrease in the mark-to-market of interest rate derivatives due to higher interest rates in 2006
  - ▶ Euro 43m negative impact on Forex operations of which Euro 52m related to TSDI Forex hedges no longer eligible for hedge accounting following TSDI reclassification into equity, partly offset by
  - ▶ Euro 85m increase in the mark-to-market of options hedging underlying earnings denominated in foreign currencies

## Details of restatement to 2005 earnings for TSDI equity treatment and Forex impacts

- Forex impact has been transferred from adjusted earnings to net income
- TSDI impact on 2005 earnings is restated since TSDI are now accounted for as equity instead of debt

Euro million	FY 2005 Published	Transfer of FX impact from adjusted earnings to net income	TSDI reclassification impact	FY 2005 Restated
<b>Underlying earnings</b>	<b>3,258</b>		<b>79</b>	<b>3,337</b>
Net realized capital gains	850	94		944
<b>Adjusted earnings</b>	<b>4,108</b>	<b>94</b>	<b>79</b>	<b>4,281</b>
Profit or loss on financial assets & derivatives and tax impact	149	-94	66	122
Exceptional operations	-72			-72
Goodwill and related intangibles	-13			-13
<b>Net Income</b>	<b>4,173</b>	<b>0</b>	<b>145</b>	<b>4,318</b>

## Details of restatement to 2004 earnings for TSDI equity treatment and Forex impacts

- Forex impact has been transferred from adjusted earnings to net income
- TSDI impact on 2004 earnings is restated since TSDI are now accounted for as equity instead of debt

Euro million	FY 2004 Published	Transfer of FX impact from adjusted earnings to net income	TSDI reclassification impact	FY 2004 Restated
<b>Underlying earnings</b>	<b>2,637</b>		<b>93</b>	<b>2,730</b>
Net realized capital gains	705	-26		679
<b>Adjusted earnings</b>	<b>3,342</b>	<b>-26</b>	<b>93</b>	<b>3,409</b>
Profit or loss on financial assets & derivatives and tax impact	428	26	-38	416
Exceptional operations	10			10
Goodwill and related intangibles	-41			-41
<b>Net Income</b>	<b>3,738</b>	<b>0</b>	<b>55</b>	<b>3,793</b>



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*Be Life Confident*

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