

# Half Year 2008 Earnings / August 7, 2008

Media Conference Call



# 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. Please refer to AXA's Annual Report on Form 20-F and AXA's Document de Référence for the year ended December 31, 2007, for a description of certain important factors, risks and uncertainties that may affect AXA's business.

In particular, please refer to the section "Special Note Regarding Forward-Looking Statements" in AXA's Annual Report on Form 20-F. 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



AXA's HY08 results have been prepared in accordance with IFRS and interpretations applicable and endorsed by the European Commission at June 30, 2008 and have been subject to a limited review by AXA's independent auditors.

Adjusted earnings, underlying earnings, NBV 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. For a reconciliation of underlying and adjusted earnings to net income see page 19 of this presentation.

Life & Savings New Business Value (NBV) is the value of the new business sold during the reporting period. The new business value includes both the initial cost (or strain) to sell new business and the future earnings and return of capital to the shareholder.

All changes in this document are on a comparable basis unless otherwise noted. The definition of change on a comparable basis is :

- For activity indicators, constant exchange rates, scope and methodology
- For earnings and profitability indicators, constant exchange rates

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## **/ Key highlights**

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# First Half 2008 key highlights

Positive net inflows in all business lines (increased retention in Life and Savings) and stable total revenues in line with 1Q08 trends

Positive Underlying Earnings growth in line with February 28, 2008 outlook, reflecting business diversification and resilience of AXA's business strategy

In current turbulent markets, mark-to-market of assets create some volatility on Adjusted Earnings and Net Income

Strong Solvency position: 148% Solvency I ratio and ca. 175% Solvency II ratio (QIS4)

Proactive risk management (including hedging of equity portfolio) mitigating the impact of challenging macroeconomic environment

Provided that market conditions do not deteriorate materially, AXA's FY08 Underlying Earnings should be in line with 2007 record performance

Management's current intention is to propose a stable dividend<sup>(1)</sup> for 2008 at €1.20 per share

(1) To be paid in 2009

# First Half 2008 key performance indicators

## Stable sales momentum vs. 1Q08

	1Q08	1H08
L&S APE	-6.3%	-6.0%
P&C revenues	+2.0%	+2.3%
AM revenues	+3.3%	-2.7%
Total revenues	-0.5%	-0.4%

## Positive net inflows

### Life & Savings

€ +6 billion

### Property & Casualty

+551,000  
net new personal contracts

### Asset Management

€ +2 billion

## High profitability levels

### NBV margin

21.7% (+0.1 pt)

### Combined ratio

96.4% (-1.9 pts)

### Cost to income ratio

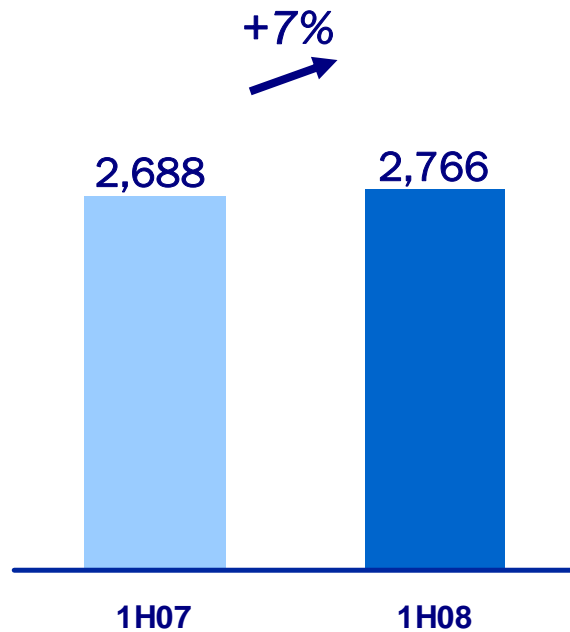
66.8% (-0.8 pt)

# Positive Underlying Earnings growth benefiting from business diversification



## Underlying Earnings

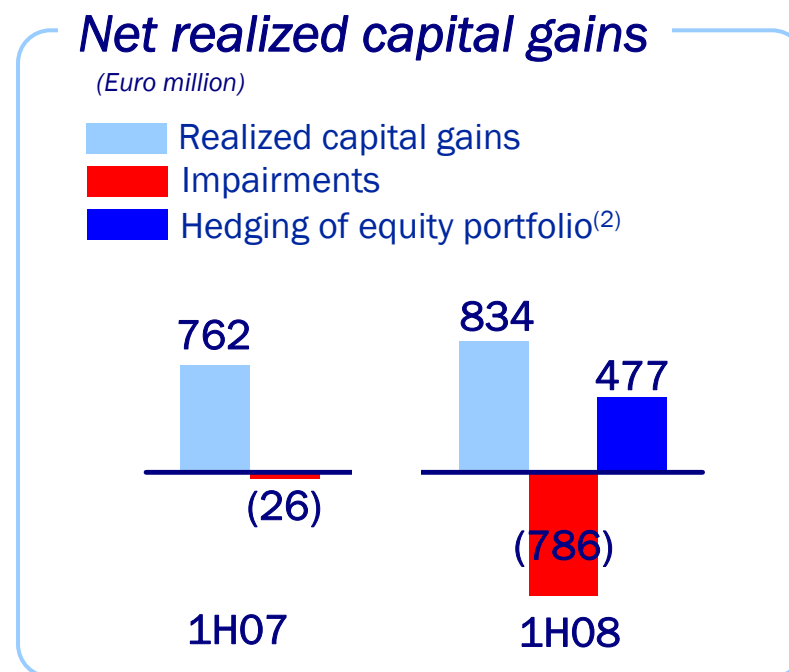
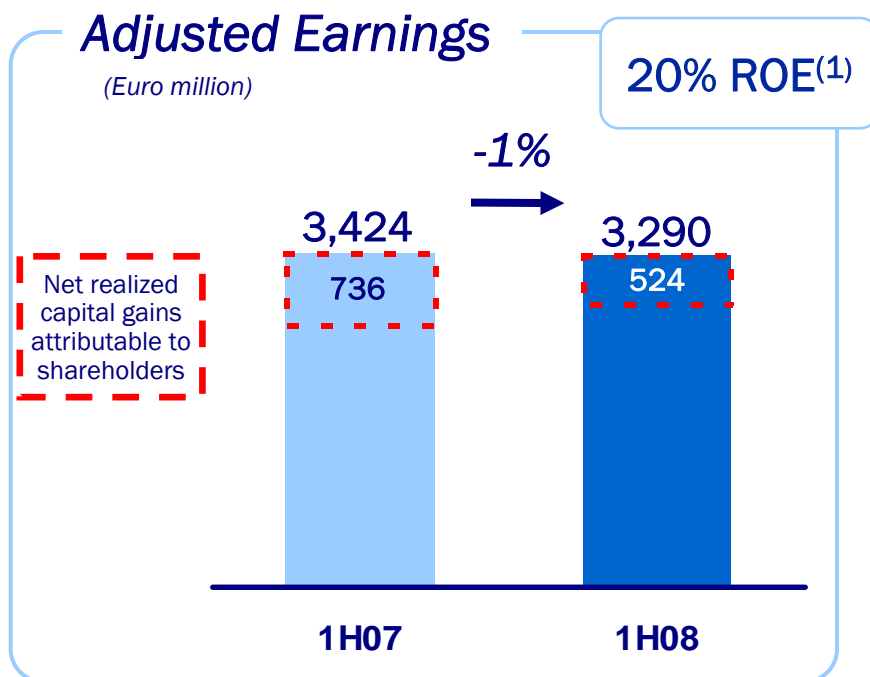
(Euro million)



Change is on a comparable basis

Euro million	1H07	1H08	Change on a comparable basis
Life & Savings	1,489	1,396	-1%
Property & Casualty	963	1,133	+20%
Asset Management	286	285	+9%

# Adjusted Earnings impacted by turbulent market conditions



- ✓ Euro 834 million of realized capital gains mostly on equities and real estate
- ✓ Favorable impact from equity hedges put in place in 2Q08 (Euro +477 million) partially offsetting the negative impact from impairments (Euro -786 million, mostly equities)

↗ Change is on a comparable basis

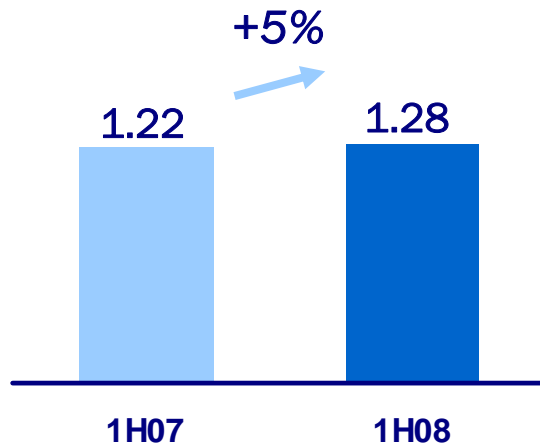
(1) Return corresponds to adjusted earnings net of interest charges on perpetual debt. Equity corresponds to average shareholders' equity excluding perpetual debt and reserves related to change in fair value

(2) Change in market value of options hedging equity portfolio was of Euro 325 million (of which Euro +477 million of change in intrinsic value accounted in Adjusted Earnings and Euro -152 million of change in time value accounted in Net Income).

# Underlying and Adjusted EPS

## Underlying EPS<sup>(1)</sup>

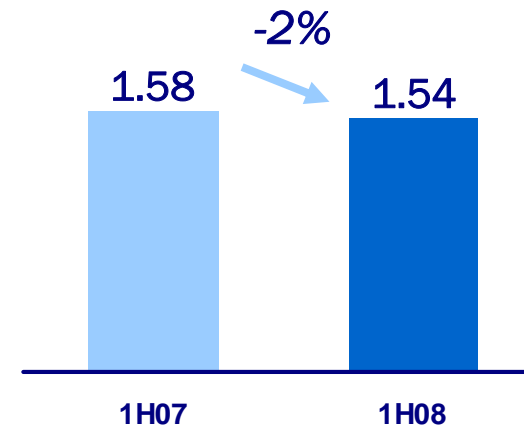
(in Euro)



 CAGR FY04-HY08  
+16%

## Adjusted EPS<sup>(1)</sup>

(in Euro)



 CAGR FY04-HY08  
+14%

 Changes and CAGR (Compound Annual Growth Rate) are on a reported basis.

(1) Fully diluted EPS are reported including impact in earnings of Perpetual sub debts (TSS and TSDI). TSS and TSDI are accounted for as equity under IFRS, the interest charges are not included in AXA's earnings.

## Key highlights by geography/activity (change in underlying earnings)



<p><b>U.S.</b> (-22%)</p>	<p>AXA-Equitable keeps #1 position in V.A. market / Strong net inflows thanks to improved retention / Negative technical margin due to relative underperformance of some separate account funds vs. indices used in delta hedging.</p>
<p><b>France</b> (+15%)</p>	<p>Life &amp; Savings : APE +10% in individual lines / P&amp;C Revenues +3% / Improved combined ratio at 96.9% New organization to focus on higher growth markets and boost efficiency</p>
<p><b>NORCEE</b> (+15%)</p>	<p>Strong growth in V.A. sales (+100%) representing 12% of new business volume / Net inflows of Euro 2.6 bn in L&amp;S / Combined ratio improves further to 96.7% or -2.6 pts / Successful integration in Switzerland and most notably +18% in L&amp;S APE</p>
<p><b>Med Region</b> (+24%)</p>	<p>Strong Revenues Growth in P&amp;C (+7%) with improved combined ratio (93.8% down 2 points) – Winterthur integration almost complete in Spain with #2 market position confirmed behind Mapfre / AXA-MPS Vita gains market share (7%) on new business in a declining market</p>
<p><b>UK &amp; Ireland</b> (+13%)</p>	<p>Swiftcover is a successful addition to AXA UK (portfolio &gt; 400 k contracts) / Health revenues up 9% / Full review of the UK operating model of corporate support functions to identify efficiency initiatives + cost saving plan undertaken by Ireland = Euro 100 million savings per year expected after 3 years</p>
<p><b>Asia Pacific (incl. Japan)</b> (+8%)</p>	<p>Continued strong momentum in emerging markets (China + 5 licenses / India P&amp;C license and 14,000 life agents) / Citigroup agreement in Hong Kong to sell AXA VA product / Strategic acquisition in Australia and 1,600 advisors overall/ Japan : improved business mix to maintain margins despite difficult market conditions</p>
<p><b>Asset Mgmt</b> (+9%)</p>	<p>Euro +2 billion net inflow / AllianceBernstein ranks #1 in key research quality metrics / AXA IM joint-venture with Kyobo Life adds Euro 10 bn of AUM – ranks 7th in Korea / focus on expenses to maintain efficiency and profitability</p>

# Operational Highlights – Key Takeaways (1/2)

 AXA's half-year performance demonstrates the relevance of our strategy in an adverse environment

- Resilience of our underlying and adjusted earnings
  - Diversified earnings offset current weakness in the US
  - Measures implemented to reduce expenses in the UK, the US and Asset Management businesses
  
- Resilience of AXA's balance sheet
  - Strong solvency
  - Quality asset portfolio

## Operational Highlights – Key Takeaways (2/2)

 We are well equipped to withstand a further deterioration in world economic conditions

- P&C and traditional life offset market sensitivity of savings and asset management
- Dynamic defensive balance sheet management
- Positive cash flows in all our segments (flight to quality)

 We are positioned to benefit from an upturn in the macroeconomic environment

- AXA continues to invest in the business for the long term
- Leading positions in Variable Annuities and asset management will be a major asset when the market turns
- We are taking advantage of the higher level of corporate spreads to increase our asset yields

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# Life & Savings APE & NBV by region

1H08 (Euro million Group share)	APE	Comp. growth	NBV	Comp. growth	NBV margin	Comp. growth
US	808	-14%	144	-15%	17.8%	-0.3 pts
France	690	-3%	92	-23%	13.3%	-3.4 pts
NORCEE	660	+8%	209	+8%	31.6%	+0.1 pt
UK	692	-3%	54	-17%	7.7%	-1.3 pts
Asia Pacific (incl. Japan)	558	-14%	256	+0%	45.8%	+6.5 pts
Mediterranean Region	204	-2%	31	+23%	15.4%	+3.0 pts
<b>Total</b>	<b>3,611</b>	<b>-6%</b>	<b>785</b>	<b>-6%</b>	<b>21.7%</b>	<b>+0.1 pt</b>

1H08 APE growth in line with 1Q08 with unit-linked share decreasing from 52% to 48%

Stable NBV margin with:

- positive impact from business mix (+0.3 pt), largely due to Japan and NORCEE, partially offset by France
- negative impact from country mix (-0.2 pt) as a result of lower relative contributions from high margin countries (notably Japan)

# Property & Casualty: revenues and combined ratio

(Euro million Group share)	Revenues			Combined ratio		
	1H07	1H08	Comp. growth	1H07	1H08	Comp. growth
<b>NORCEE<sup>(1)</sup></b>	5,202	5,224	-0.1%	99.4%	96.7%	-2.6 pts
o/w Germany	2,202	2,199	-0.1%	101.0%	98.0%	-2.9 pts
o/w Switzerland	1,794	1,805	-0.9%	97.7%	92.8%	-4.9 pts
o/w Belgium	1,155	1,155	+0.5%	98.4%	98.0%	-0.4 pt
<b>France</b>	2,895	3,021	+3.0%	97.2%	96.9%	-0.3 pt
<b>UK &amp; Ireland</b>	2,723	2,389	-0.4%	102.4%	98.2%	-4.2 pts
<b>Mediterranean Region</b>	2,695	2,984	+6.5%	95.8%	93.8%	-2.0 pts
<b>Rest of the World<sup>(2)</sup></b>	679	902	+8.4%	92.1%	96.8%	+4.9 pts
<b>Total</b>	<b>14,195</b>	<b>14,519</b>	<b>+2.3%</b>	<b>98.4%</b>	<b>96.4%</b>	<b>-1.9 pts</b>

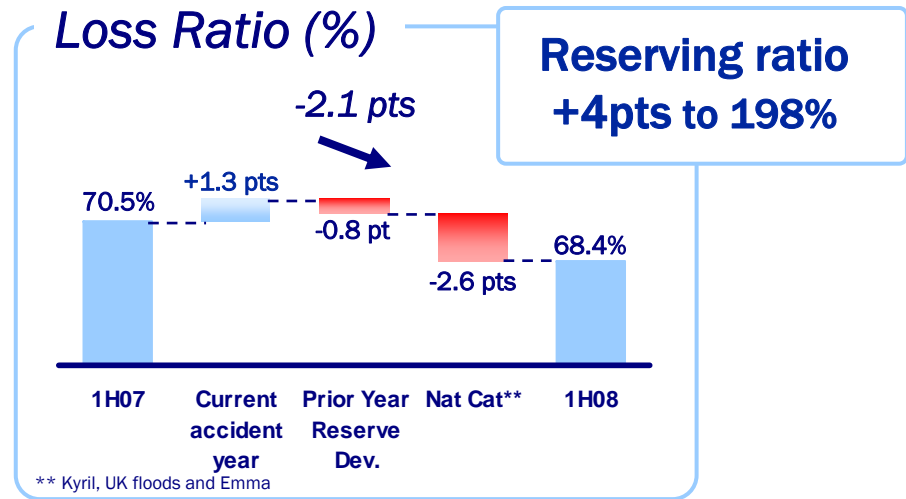
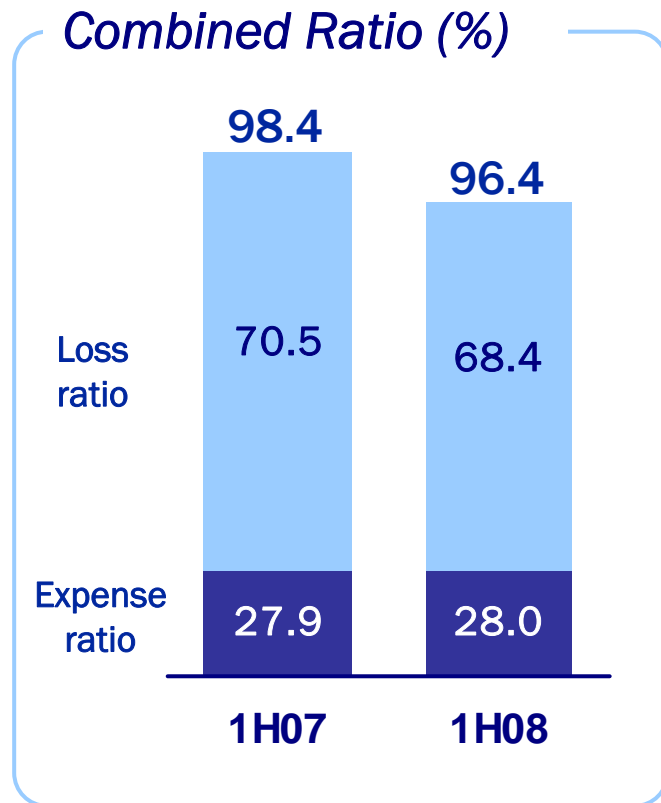
✓ Growth in revenues fuelled by higher volumes (see appendices for more details on price trends)

✓ Combined ratio decreased the most in countries impacted by Natural Catastrophe events in 1H07

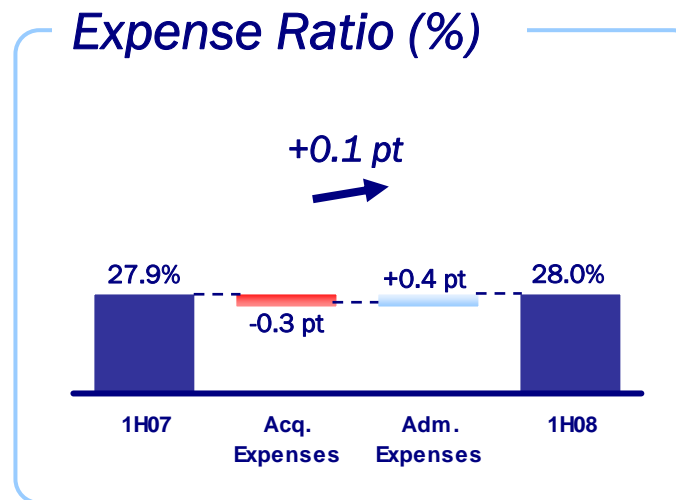
(1) Northern Central and Eastern Europe

(2) Canada, South East Asia and Japan

# Improved P&C Combined Ratio while maintaining high reserving levels



-2.2 pts change on a comparable basis



+0.3 pt change on a comparable basis

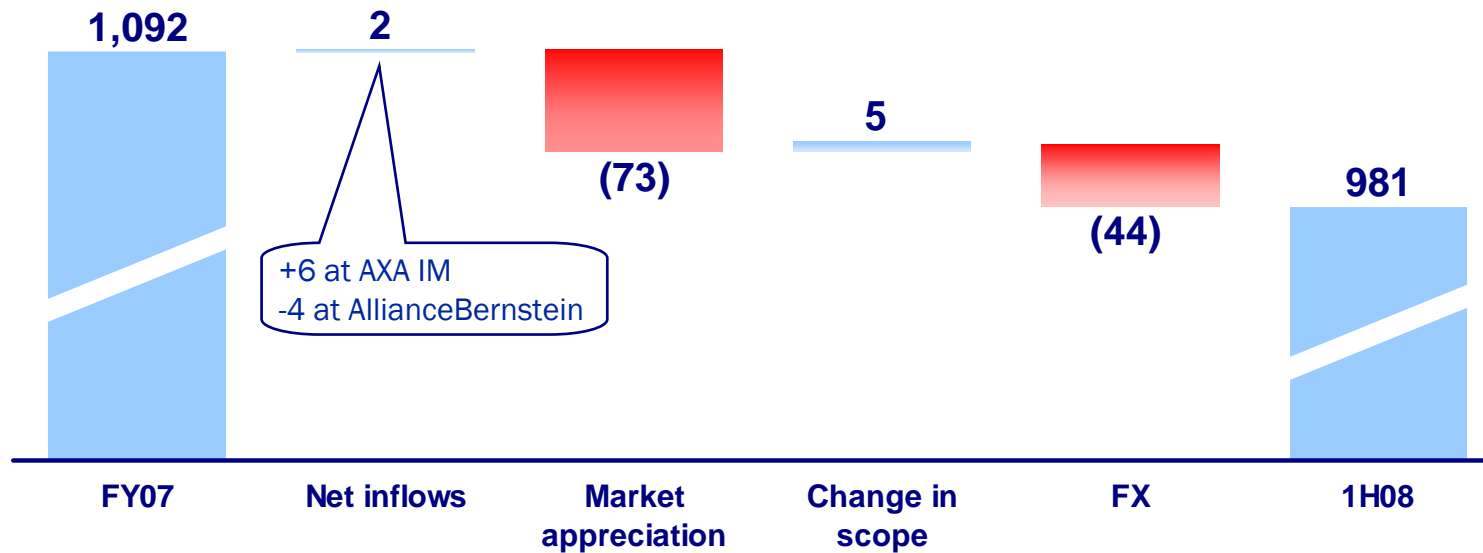
Changes are on a reported basis

\* Net technical reserves / Net earned premiums

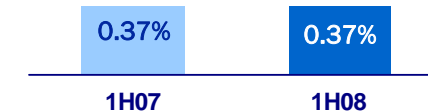
# Asset Managers' AUM roll-forward: positive net inflows



Euro billion



Revenues exl. distribution fees on average AUM\*



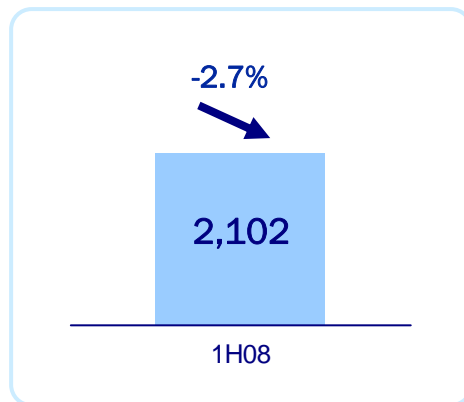
Revenues (excluding distribution fees): stable in line with average AUM growth

\*: Revenues excluding distribution fees. For comparable basis purpose, 1H08 revenues & AUM have been assessed at 1H07 closing Forex ratio.

# Positive earnings growth in Asset Management business

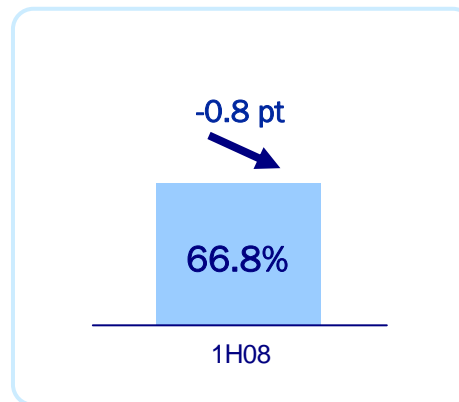


## Revenues (Euro million)



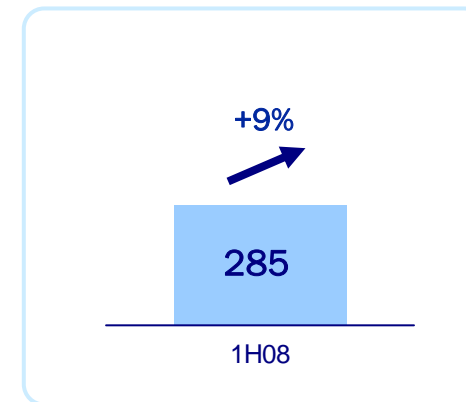
- Stable revenues, excluding distribution fees

## Underlying Cost Income Ratio<sup>(1)</sup>



- Lower compensation and distribution expenses
- Positive carried interest at AXA IM

## Underlying Earnings (Euro million Group share)



- Positive non recurring tax item at AXA IM

↗ Changes are on a comparable basis

<sup>(1)</sup> (general expenses minus distribution fees)/(total revenues minus distribution fees).  
As of June 30, 2008, AXA's beneficial ownership in AllianceBernstein LP was approx. 63%.

# Adjusted Earnings and Net Income impacted by volatility of financial markets

Euro million	1H07	1H08	
<b>Underlying Earnings</b>	<b>2,688</b>	<b>2,766</b>	
Net realized capital gains	762	834	
Net impairments	-26	-786	▶ Primarily equity impairments
Equity portfolio hedging (intrinsic value)	0	477	
<b>Adjusted Earnings</b>	<b>3,424</b>	<b>3,290</b>	
Change in the fair value of Mutual Funds and Other assets	-24	-739	▶ Primarily mark-to-market effects on fixed income portfolio from spread widening and interest rates increase
<i>Of which ABS</i>	-	-237	
<i>Of which other assets</i>	-24	-502	
Equity portfolio hedging (time value)	-24	-152	
Forex derivatives & other	1	-162	▶ Primarily used to protect balance sheet
Interest rates derivatives	-136	-87	
Other*	-61	12	
<b>Net Income</b>	<b>3,180</b>	<b>2,162</b>	

**Note:** Increase in interest rates and spreads widening generated a Euro 1 billion net of tax decrease in the value of financial debt (not accounted for under IFRS, either in shareholders' equity or in the net income).

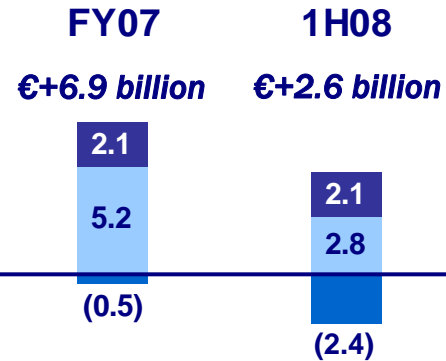
\*: Includes Integration costs (Euro -41 million in 1H08 vs. -64 million in 1H07), exceptional & discontinued operations (Euro 13 million in 1H08 vs. 57 million in 1H07), goodwill & other intangibles (Euro -43 million vs. -55million in 1H07), realized gains on mutual funds and other assets (Euro 66 million in 1H08 vs. Euro 4 million in 1H07) and other freestanding derivatives (Euro -16 million in 1H08 vs. Euro 6 million in 1H07)



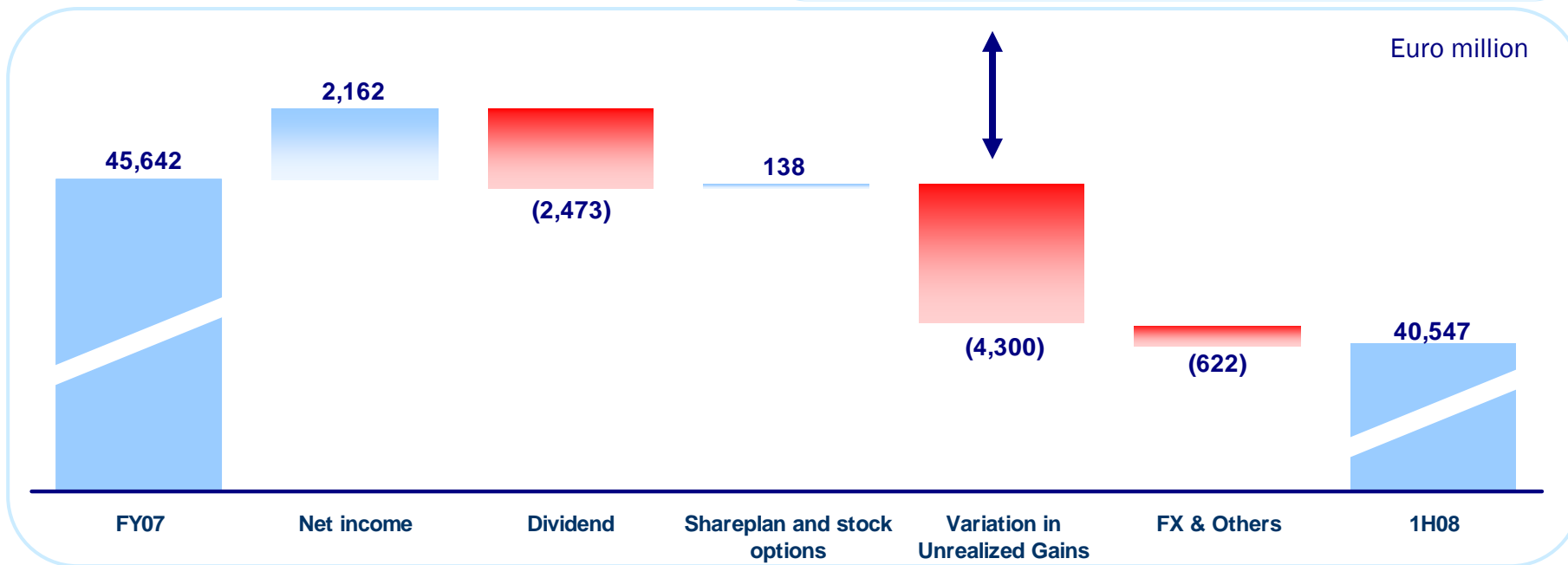
# Shareholders' equity roll-forward



## Unrealized capital gains



- Real estate, loans (Off Balance Sheet)
- Equities (through OCI)
- Fixed income assets (through OCI)



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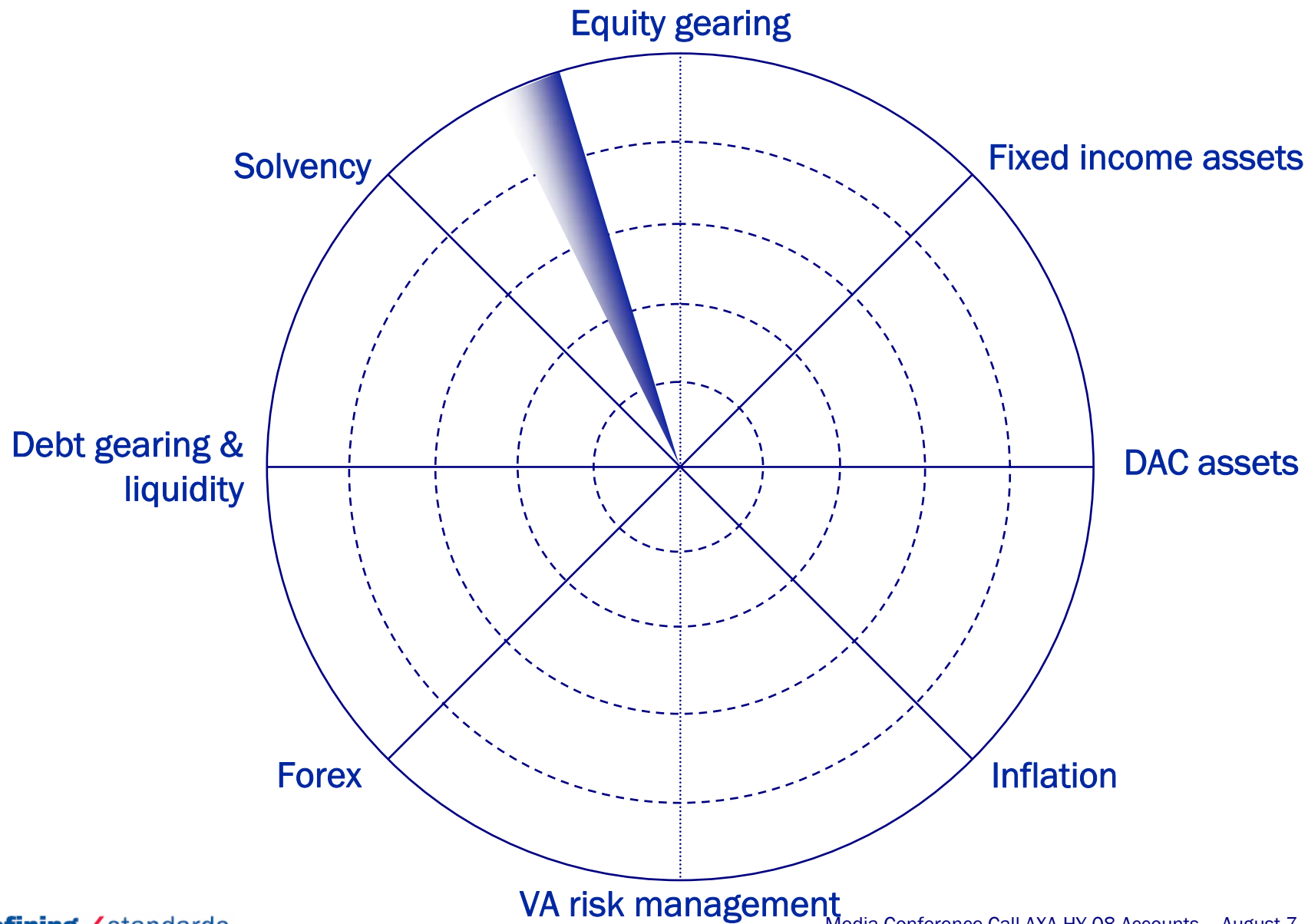
1H08 IFRS earnings

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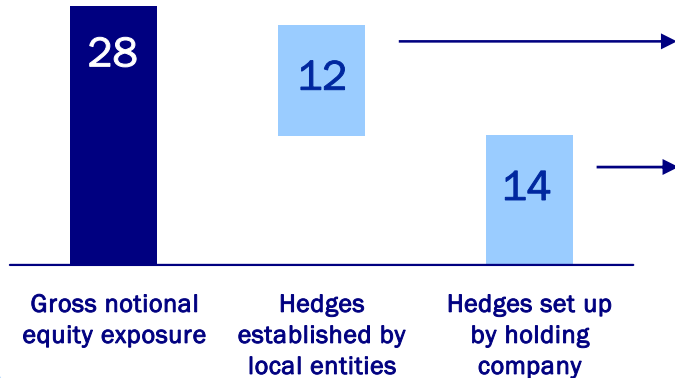
# Checking the macroeconomic radar screen



# Equity gearing (General Account exposure)

## Hedges on general account equity exposure

in Euro billion



Various hedging strategies implemented including swaps, puts and calls notably in Life participating funds

Derivatives programs*	Notional level (Euro billion)	Protection trigger point vs. June 30 level	Protection below trigger level	Outstanding duration
Program 1	5	0%	-15%	12 months
Program 2	9	+5%	-20%	21 months

\* Program partially financed by the sale of equity call options with strike prices in a 113%/125% range above June 30, 2008 level

### Sensitivities to equity market movements:

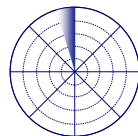
Effectiveness marginally impacted by tax, policyholder and impairment threshold

In Euro billion	Equity markets	
	-10%	-20%
Shareholders' Equity (OCI)	-0.5	-1.1
Adjusted earnings	+0.4	+0.5
Net income	-0.6	-0.8
Total P&L	-0.2	-0.3

Economic profit from Intrinsic value of options offsetting impairments

Including short term accounting loss related to time value of options that should revert to zero at maturity

- AXA intends to dynamically manage the equity hedging program based on future equity market developments



## Hedging of equity portfolio

# Asset portfolio: Quality and diversification



Euro billion	FY07	%	1H08	%
<b>Fixed income</b>	<b>298</b>	<b>78%</b>	<b>286</b>	<b>79%</b>
o/w Govies	135	35%	120	33%
o/w Corporate Bonds	132	35%	138	38%
o/w Asset backed securities	16	4%	14	4%
o/w Mortgage loans & other <sup>(1)</sup>	15	4%	14	4%
Cash	13	4%	14	4%
<b>Listed Equities</b>	<b>37</b>	<b>10%</b>	<b>28</b>	<b>8%</b>
Real Estate	20	5%	19	5%
Alternative Investments <sup>(2)</sup>	10	3%	11	3%
Policy loans	5	1%	5	1%
<b>Total G/A and Bank Assets</b>	<b>382</b>	<b>100%</b>	<b>363</b>	<b>100%</b>
UK With Profit	28		24	
Separate Accounts	183		160	
Other	22		32 <sup>(3)</sup>	
<b>Total</b>	<b>615</b>		<b>579</b>	

(1) Mortgage loans & other include individual mortgage and loans (Euro 13 bn of which Euro 8 billion in Germany and Switzerland participating funds) and Agency Pools (Euro 1 bn)

(2) Mainly hedge funds and private equity

(3) Mainly Euro 15bn Holdings (of which Euro 6 bn cash and Euro 1 bn non consolidated participations) + Euro 2bn affiliates + Euro 2bn Asset Mgmt + Euro 3bn International + Euro 2bn Morocco + Euro 2bn CEE + Euro 2bn Non Look-through Mutual funds

## Asset allocation

- Increased corporate bond exposure (average rating A+) to capture higher level of spreads currently available
- Lower equity exposure to reduce balance sheet sensitivity to current volatile equity markets; in addition, equity hedging programs implemented to mitigate risk (see slide 23)

## ABS exposure

- Negative mark-to-market evolution of ABS of Euro -1.5 billion or Euro -0.6 billion net of policyholders' participation, DAC and VBI reactivity and tax, of which Euro -0.3 billion in the P&L and Euro -0.3 billion in OCI

## Real Estate exposure

- Safe Real Estate exposure, mainly invested in France and NORCEE

# Asset portfolio: Fixed income



## Strict ALM:

- Duration & Convexity gap
- Assets diversification & quality

## Strict Accounting

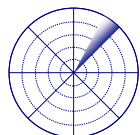
- Mark-to-market valuation based on external data (Level 3 not material)

### Fixed income exposure (excluding govies)

- Good quality portfolio:
  - Few credit events (limited impairments of Euro 54 million vs. Euro 22 million in 1H07)
  - Average corporate bonds portfolio rating A+
  - ABS portfolio valued at ca. 80% par (with subprime at 53% and alt-a at 28%)
  - GSEs<sup>(1)</sup> exposure mostly related to Euro 1.4 billion agency pools
  - Monolines exposure primarily related to wrapped bonds in UK with profits funds
  - CDS used as an alternative to invest in corporate bonds (not as speculative instrument)

### Sensitivity

Euro billion	Δ	OCI	Net income
Interest rates	-10 bps	+0.6	N/S
Credit Spread	-10 bps	+0.2	+0.1
ABS	-10 pts	-0.4	-0.2



**No specific issues on ABS, CDS, Monolines & GSEs<sup>(1)</sup>**  
 see full details in appendices

(1): Government Sponsored Enterprise (Freddie Mac, Fannie Mae...)

# STRONG SOLVENCY & BALANCE SHEET = NO CAPITAL INCREASE REQUIRED

## *Strong liquidity, supporting AXA's high financial flexibility*

- Cash-rich business = Strong recurring positive cash flow across business lines
- Cash management optimized through pooling vehicles
- Conservative financing = ca. 50% of debt is perpetual + No significant maturity before 2010\*
- Back-up resources = Euro 6 billion of undrawn credit lines, without covenants
- Liquidity contingency plans supported by access to ECB through AXA Bank Europe

## *Solvency is strong*

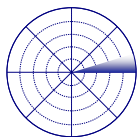
- Solvency I ratio is 148% as of June 30, 2008 (from 154% at year-end 2007)
- QIS4 (Solvency II) solvency ratio estimated at around 175 % as of June 30, 2008, up from 170% as of Dec. 31, 2007.

## *Ratings reaffirmed*

- S&P reaffirmed AXA's rating on June 27, 2008 : AA with stable outlook
- S&P rates AXA's group risk management as "excellent"
- Fitch ratings' AA and Moody's' Aa3 - both with stable outlook

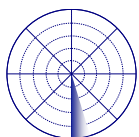
\* Pre-emptive use of CP program can be rolled over depending on the environment

## Other items on the macro economic radar (see appendices for details)



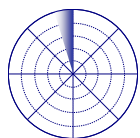
- **DAC (Deferred Acquisitions Costs) Assets**

Limited sensitivity of DAC assets to equity markets deviations



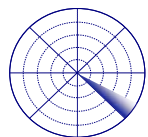
- **U.S. Variable Annuity Risk Management**

Short term variable annuity profitability marginally impacted by market turbulence /  
Long-term high margin products



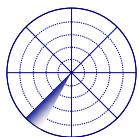
- **Inflation**

Long tail business claim payments covered by options protecting against inflation  
rates above 4% over a period of 15 years



- **Equity gearing : unit-linked products and asset management**

Sensitivity of Group underlying earnings to a 10% drop in equities : <5%



- **Foreign Exchange exposure proactively hedged**

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Appendices



# Results Overview by segment

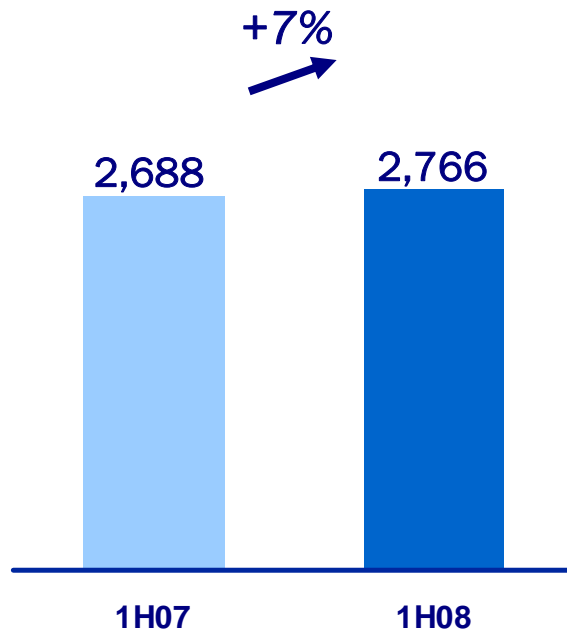


Euro million	Life & Savings		P&C		Asset Management		International Insurance		Other Financial Services and Holdings		Total	
	HY07	HY08	HY07	HY08	HY07	HY08	HY07	HY08	HY07	HY08	HY07	HY08
Revenues	31,555	30,826	14,195	14,519	2,407	2,102	2,489	1,673	156	199	50,801	49,319
Underlying Earnings	1,489	1,396	963	1,133	286	285	119	172	-170	-221	2,688	2,766
Adjusted Earnings	1,905	1,501	1,259	1,269	287	285	139	179	-166	56	3,424	3,290
Net Income	1,849	1,007	1,198	1,028	292	198	127	155	-287	-227	3,180	2,162

# Positive Underlying Earnings growth benefiting from business diversification

## Underlying Earnings

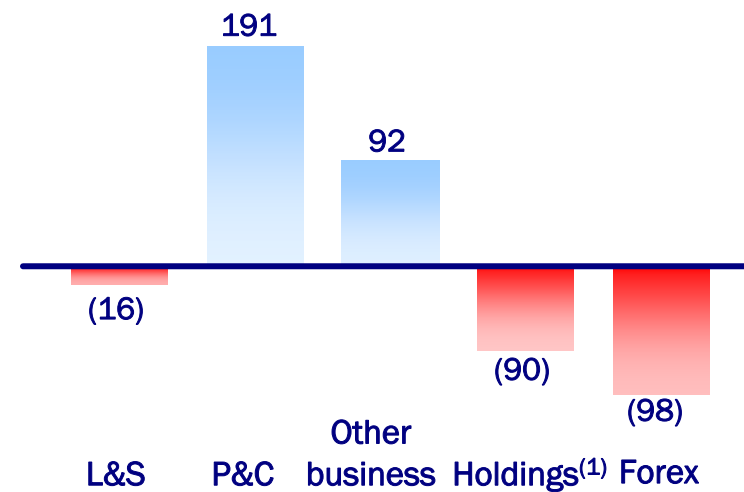
(Euro million)



Change is on a comparable basis

(1) Excluding favorable Forex hedge impacts

## Business contributions



- **L&S:** Lower technical margin (notably in the US)
- **P&C:** Non-recurrence of 1H07 natural catastrophes
- **Forex:** Negative impact from currencies (mainly US dollar)

# Underlying Earnings by region

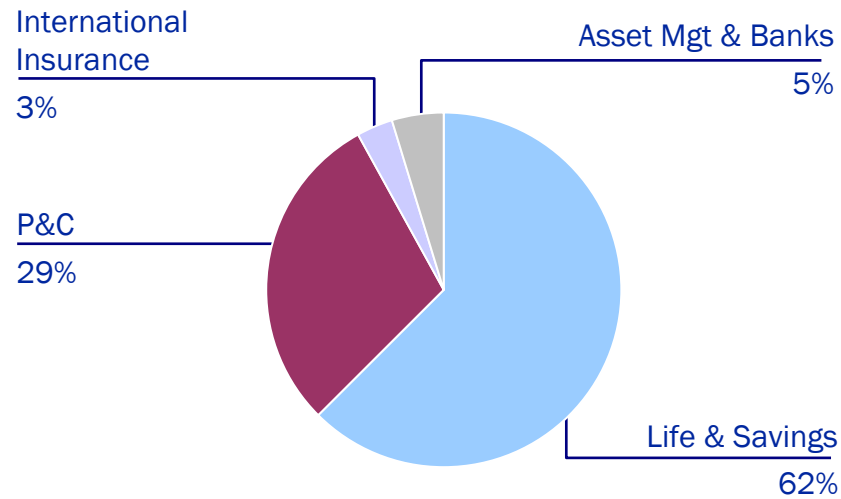


Euro million	Underlying Earnings			
	HY07	HY08	%	% Comparable
<b>Life &amp; Savings</b>	<b>1,489</b>	<b>1,396</b>	<b>-6%</b>	<b>-1%</b>
North America	490	330	-33%	-23%
France	353	431	22%	22%
NORCEE	231	252	9%	8%
UK & Ireland	136	92	-32%	-22%
Asia-Pacific	239	248	4%	10%
Mediterranean Region	40	43	7%	7%
<b>Property &amp; Casualty</b>	<b>963</b>	<b>1,133</b>	<b>18%</b>	<b>20%</b>
NORCEE	341	411	21%	20%
France	237	254	7%	7%
Mediterranean Region	191	243	27%	28%
UK & Ireland	129	174	35%	51%
Asia-Pacific	8	3	-58%	-58%
<b>International Insurance</b>	<b>119</b>	<b>172</b>	<b>44%</b>	<b>44%</b>
<b>Asset Management</b>	<b>286</b>	<b>285</b>	<b>0%</b>	<b>9%</b>
AllianceBernstein	151	128	-15%	-3%
AXA IM	136	158	16%	22%
<b>Banking</b>	<b>11</b>	<b>24</b>	<b>117%</b>	<b>118%</b>
<b>Holdings</b>	<b>-181</b>	<b>-245</b>	<b>35%</b>	<b>42%</b>
<b>Total</b>	<b>2,688</b>	<b>2,766</b>	<b>3%</b>	<b>7%</b>

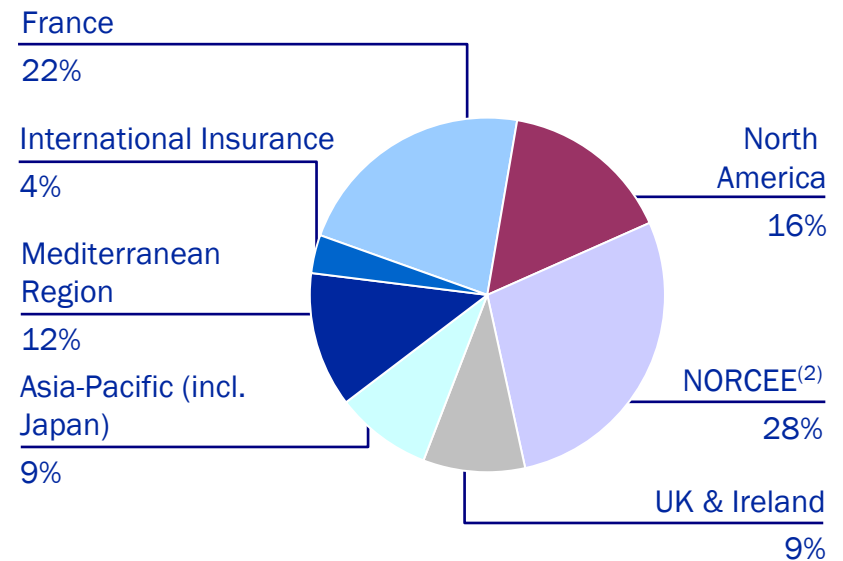
# 1H08 Revenues



1H08 IFRS Revenues by Operating Segment<sup>(1)</sup>



1H08 IFRS Insurance Revenues by Geography<sup>(1)</sup>

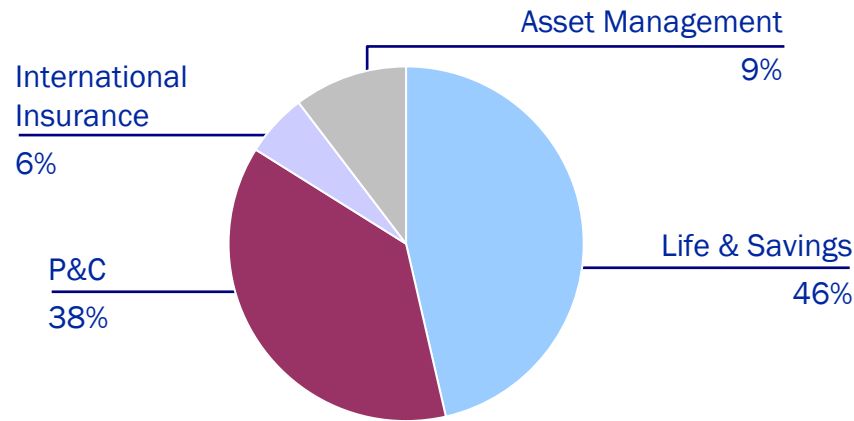


(1) Excluding AXA RE  
 (2) Northern, Central and Eastern Europe

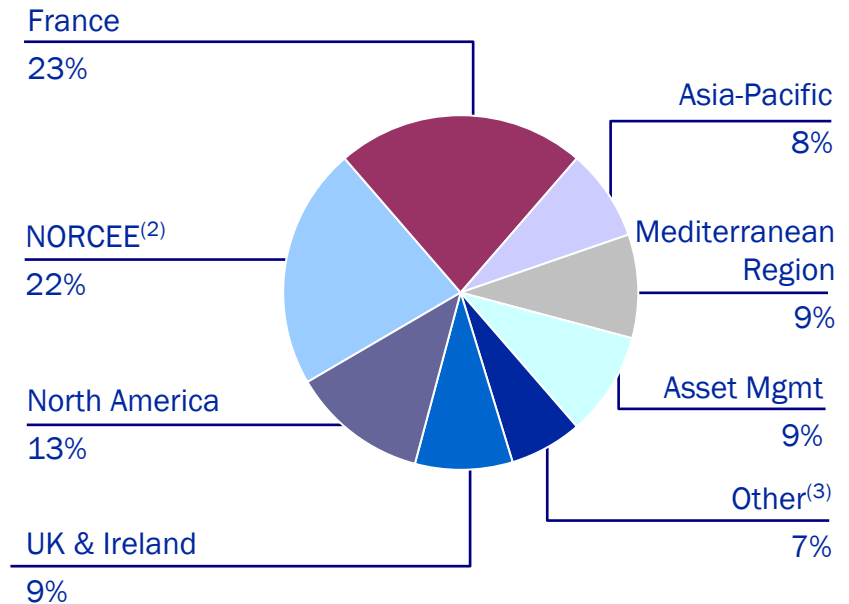
# 1H08 Underlying Earnings



1H08 Underlying Earnings<sup>(1)</sup>  
by Operating Segment



1H08 Underlying Earnings<sup>(1)</sup>  
by Geography



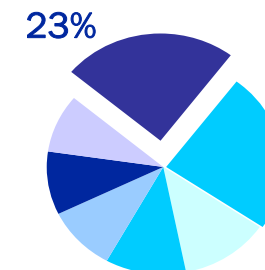
(1) Excluding Holdings  
 (2) Northern, Central and Eastern Europe  
 (3) International Insurance & Banking

# France key highlights



**+16% Underlying Earnings growth**

Contribution to Group Underlying Earnings\*



<p>Life &amp; Savings</p>	<p><b>+10%</b> in individual lines new business volume (APE), with lower unit-linked share as a consequence of financial market conditions</p>
<p>Property &amp; Casualty</p>	<p>Profitable growth with:</p> <ul style="list-style-type: none"> <li>▪ <b>+3%</b> growth in revenues</li> <li>▪ <b>96.9%</b> combined ratio (improved by 0.3 pt vs. 1H07)</li> </ul>
<p>New organization</p>	<p>New business units to help focus on higher growth markets (mass affluent investments &amp; savings, motor on the Internet) and industrialization challenges</p>

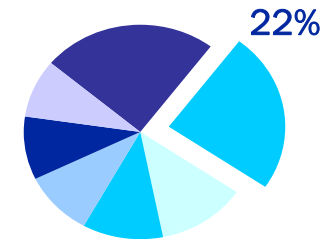
\* Excluding Holdings

# NORCEE key highlights



## +15% Underlying Earnings growth

Contribution to Group Underlying Earnings\*



<p>Property &amp; Casualty</p>	<ul style="list-style-type: none"> <li>▪ Low growth but strong profitability</li> <li>▪ Combined ratio improved by 2.6 pts to <b>96.7%</b> helped by the non-recurrence of 2007 Nat Cat events</li> </ul>
<p>Life &amp; Savings</p>	<ul style="list-style-type: none"> <li>▪ Variable Annuities: <b>X 2</b> (including Twinstar Riester in Germany) representing 12% of new business volume (APE)</li> <li>▪ Euro <b>+2.6</b> billion net inflows</li> <li>▪ Strong business momentum in the CEE: APE up 57%</li> </ul>
<p>Switzerland</p>	<ul style="list-style-type: none"> <li>▪ Successful transformation of salaried sales force into tied agents</li> <li>▪ <b>+18%</b> growth in Life &amp; Savings APE</li> <li>▪ -1% in Property &amp; Casualty in a challenging market, impacted by transfer of business to AXA CS and loss of Credit Suisse contract</li> </ul>

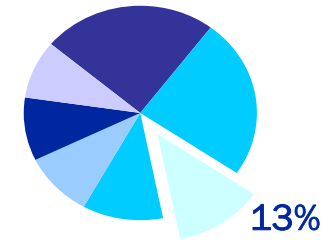
\* Excluding Holdings

# North America key highlights



## -22% Underlying Earnings

Contribution to Group Underlying Earnings\*



<p>Variable Annuities growth</p>	<ul style="list-style-type: none"> <li>▪ <b>Market leader</b> in variable annuities despite economic turmoil</li> <li>▪ Strong net flows (increased retention): <b>Euro +1.6 billion</b></li> <li>▪ Strong and diverse distribution channels through proprietary agents, brokers, banks and planning</li> </ul>
<p>Variable Annuities profitability</p>	<ul style="list-style-type: none"> <li>▪ Negative technical margin evolution mostly due to underperformance of certain separate account funds vs. indices used in delta hedging (basis risk)</li> </ul>
<p>Expansion of distribution channels</p>	<ul style="list-style-type: none"> <li>▪ Launch of a new VA for corporate market distribution “Crossings” – longevity/income protection product for 401(k)</li> <li>▪ Expansion of Planner channel – market share increase</li> <li>▪ Expansion of “Experienced Hire” captive agents</li> </ul>

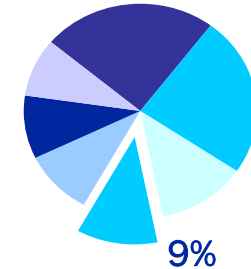
\* Excluding Holdings

# Mediterranean Region key highlights



## +24% Underlying Earnings growth

Contribution to Group Underlying Earnings\*



<p>Property &amp; Casualty</p>	<p>Profitable growth with:</p> <ul style="list-style-type: none"> <li>▪ <b>+7%</b> growth in revenues</li> <li>▪ <b>93.8%</b> combined ratio (improved by 2.0 pts vs. HY07)</li> </ul>
<p>Winterthur Integration</p>	<ul style="list-style-type: none"> <li>▪ Winterthur integration in Spain close to being finalized (Euro 26 million in synergies YTD) while maintaining market share (#2 insurance player behind Mapfre)</li> </ul>
<p>AXA MPS</p>	<ul style="list-style-type: none"> <li>▪ Strong business performance in a declining Italian market (new production market share <b>up to 7%</b> vs. 5% FY07)</li> <li>▪ Product mix improvement (NBV margin up 5.6 pts)</li> </ul>

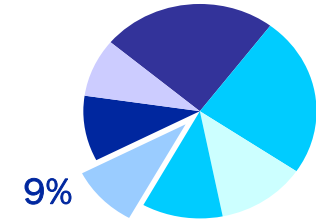
\* Excluding Holdings

# UK & Ireland key highlights



## +13% Underlying Earnings growth

Contribution to Group Underlying Earnings\*



<p>Property &amp; Casualty</p>	<ul style="list-style-type: none"> <li>No weather events but challenging P&amp;C market conditions</li> <li>Successful development of P&amp;C direct motor operations (Swiftcover): more than <b>400k contracts</b> in total</li> <li>Health revenues growth continues, up 9%</li> </ul>
<p>Life &amp; Savings</p>	<ul style="list-style-type: none"> <li>APE &amp; NBV impacted by decrease in investment bond business partially offset by increase in Pensions and Protection</li> <li><b>Architas</b> – profitable sub-advisory platform being established to manage the selection and monitoring of third party funds. Other AXA Group entities will leverage this platform</li> </ul>
<p>Euro 100 million annual cost savings target at year 3</p>	<ul style="list-style-type: none"> <li>Full review of the UK operating model of corporate support functions to identify efficiency initiatives</li> <li>Cost saving plan undertaken in Ireland</li> <li>Reorganization of customer-facing functions in AXA &amp; Winterthur Wealth Management</li> </ul>

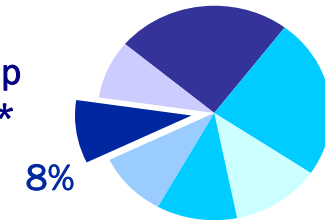
\* Excluding Holdings

# Asia-Pacific key highlights



## +8% Underlying Earnings growth

Contribution to Group Underlying Earnings\*



Japan	Improved business mix allowing to maintain margins in a slowing market environment
Continued momentum in emerging markets	<ul style="list-style-type: none"> <li>▪ <b>India:</b> <ul style="list-style-type: none"> <li>• New license in P&amp;C</li> <li>• 14,000 Life agents: +50% increase in 6 months</li> </ul> </li> <li>▪ <b>China:</b> +5 licenses with notably Jiangsu (Nanjing) provincial branch opening, Liaoning provincial license approval</li> </ul>
New markets	<ul style="list-style-type: none"> <li>▪ Commercial agreements with Citigroup in Hong Kong to sell VA products</li> <li>▪ Strategic wealth management acquisition in Australia increasing footprint: <b>top 3</b> aligned network and ~1,600 advisers</li> <li>▪ Australian VA (North) awarded “retail Superannuation product of the year”</li> </ul>

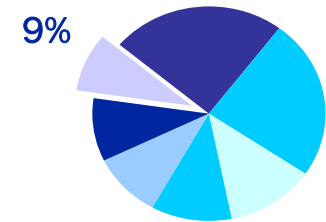
\* Excluding Holdings

# Asset Management key highlights



## +9% Underlying Earnings growth

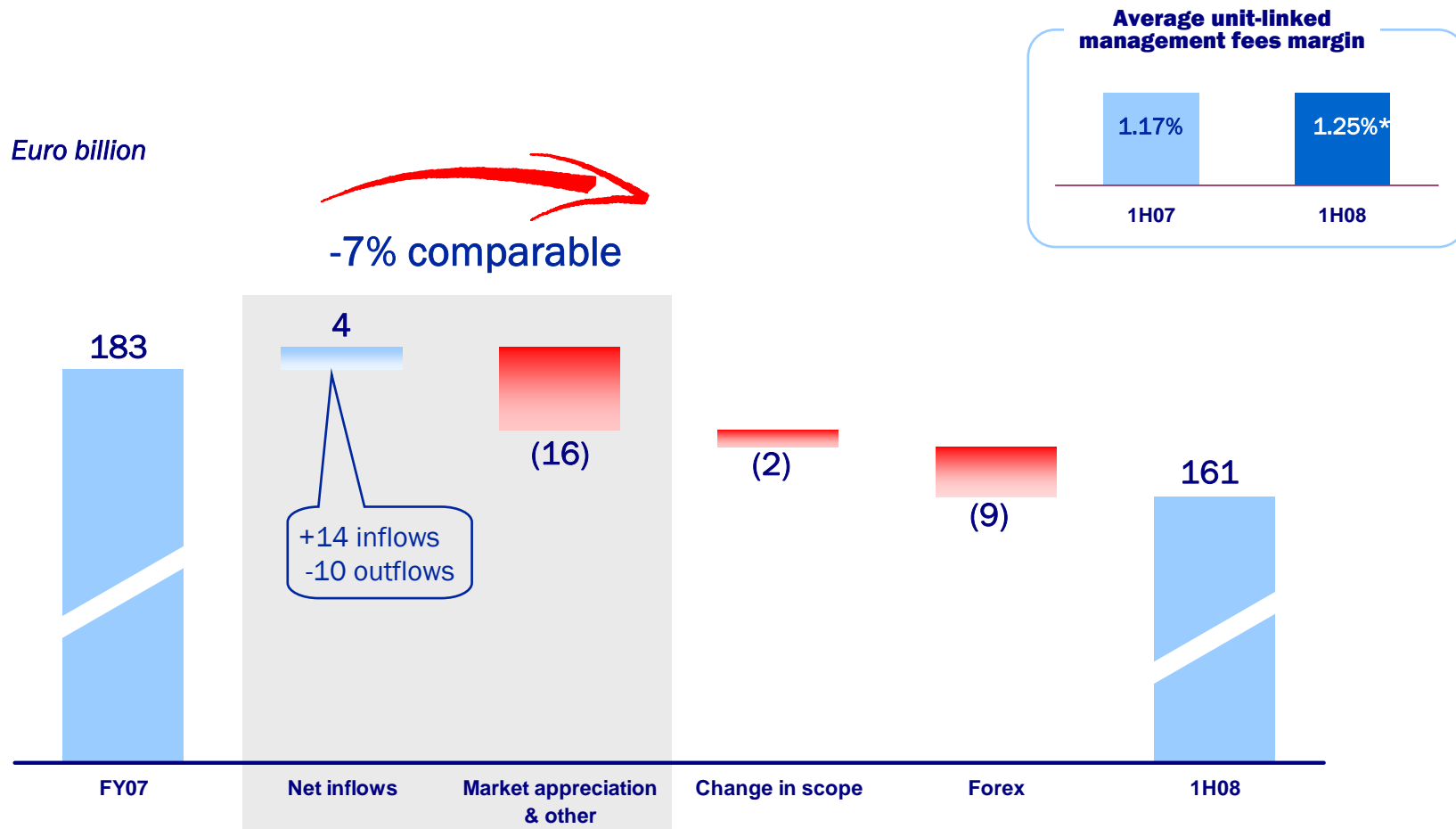
Contribution to Group Underlying Earnings\*



<p>Net inflows</p>	<ul style="list-style-type: none"> <li>▪ <b>Euro + 2 billion</b> net inflows mostly driven by institutional clients</li> </ul>
<p>Business franchise</p>	<ul style="list-style-type: none"> <li>▪ AllianceBernstein ranked <b>#1</b> in key research quality metrics (knowledge, trust, service)</li> <li>▪ AXA IM joint-venture with Kyobo Life (€10 billion assets under management), becoming the 7th player in Korea</li> </ul>
<p>Expenses</p>	<ul style="list-style-type: none"> <li>▪ Reduced operating expenses resulting from control measures around headcount and administrative costs</li> </ul>

\* Excluding Holdings

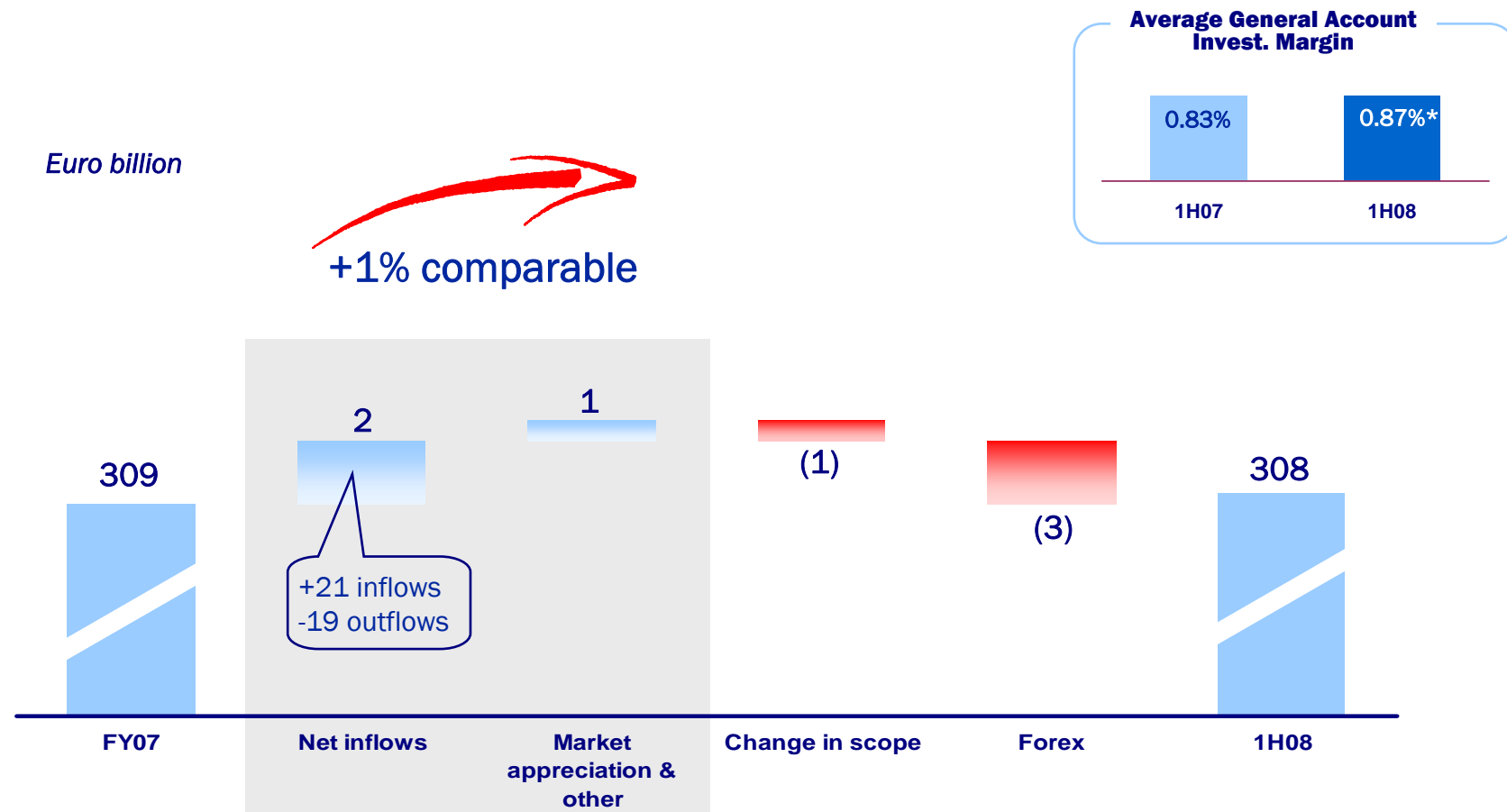
# L&S unit-linked reserve roll-forward: positive net inflows



Unit-linked management fees: **+8%**, notably due to improved margin while average reserves were stable

\*: Excluding AXA MPS JV in Italy (not consolidated in 1H07)

# L&S non unit-linked reserve roll-forward: positive net inflows



General Account investment margin: **+4%**, due higher asset yield while average reserves decreased slightly

\*: Excluding AXA MPS JV in Italy (not consolidated in 1H07)

# Resilient L&S Underlying Earnings, as lower gross margin was partially offset by lower expenses and taxes

## Gross Margin -2%\*

Euro million	HY08	Comp. Change*
Investment margin	1,336	+4%
Fees & Revenues	3,389	+3%
<i>Loadings on premiums &amp; MF</i>	2,053	+2%
<i>Unit-linked mgt Fees</i>	1,033	+8%
<i>Other fees &amp; revenues</i>	303	-3%
Technical margin <sup>(1)</sup>	569	-34%

## Expenses & Taxes -1%\*

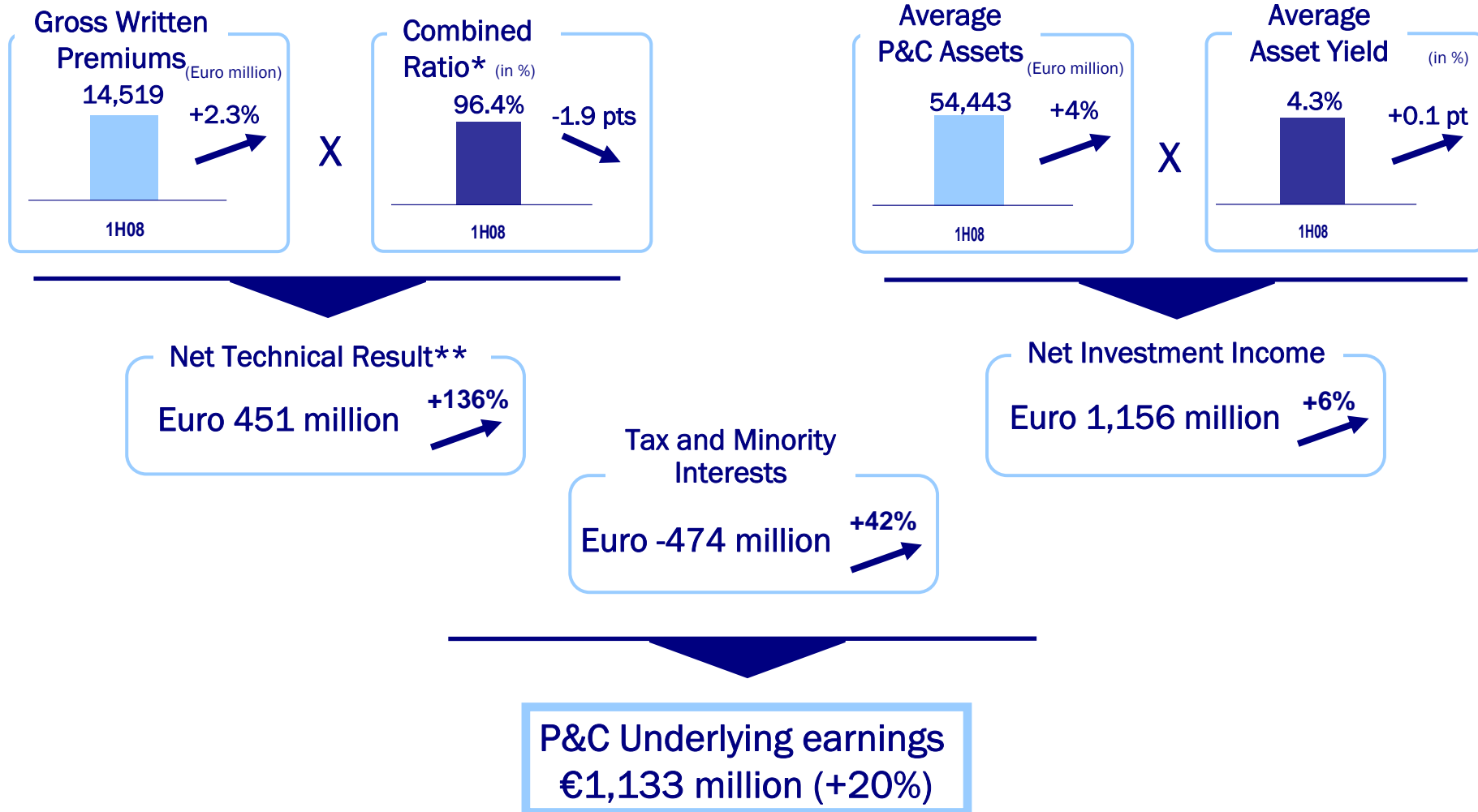
Euro million	HY08	Comp. Change*
Acquisition expenses	-1,513	+0%
Admin.exp. & other	-1,689	+1%
VBI	-141	-28%
Tax & minority interests	-555	-8%

**L&S Underlying Earnings**  
**€1,396 million ( -1%)**

<sup>(1)</sup> 1H08 technical margin negatively impacted by Euro -64 million loss net of DAC reactivity and tax from GMDB/IB in the US (vs. ca. Euro +19 million in 1H07). This was mostly due to underperformance of certain separate account funds vs. indices used in delta hedging (basis risk).

\* Changes are pro-forma restated from the scope impact of AXA MPS JV in Italy, the Forex and the reclassification of commissions in France and deferred expenses/loadings in the UK. Full details are provided in the activity report's sections related to these countries.

# Strong growth in P&C Underlying Earnings driven by improved technical result



↗ Changes are on a comparable basis

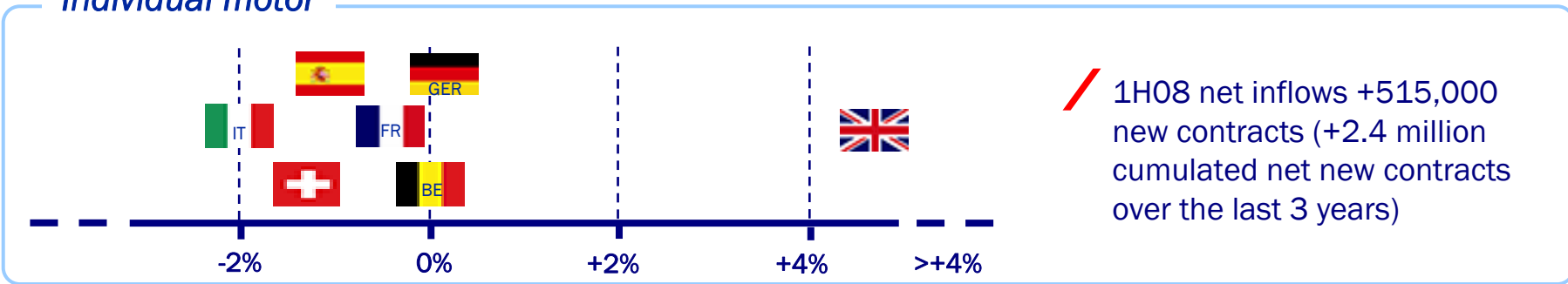
\* Combined ratio calculated based on gross earned premiums

\*\* Technical result net of expenses

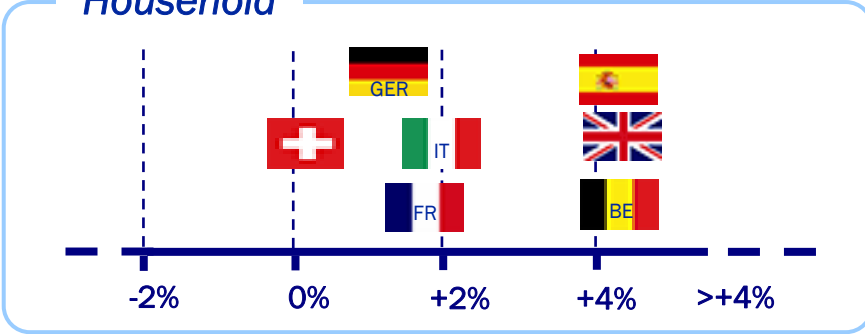
# Property & Casualty pricing trends

Charts below show the pricing component of change in AXA's average premiums between 2007 and 2008 (excluding change in mix)

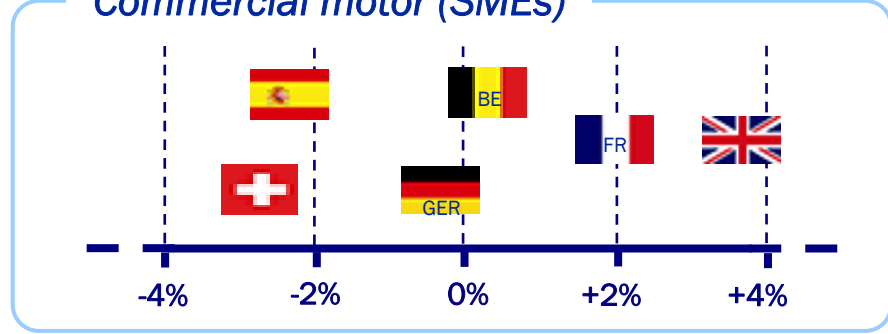
## Individual motor



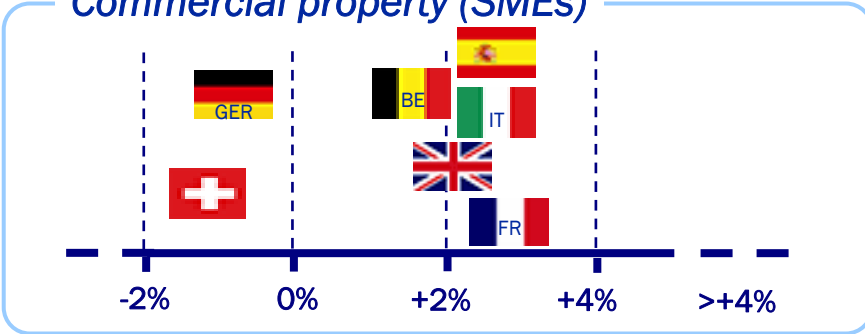
## Household



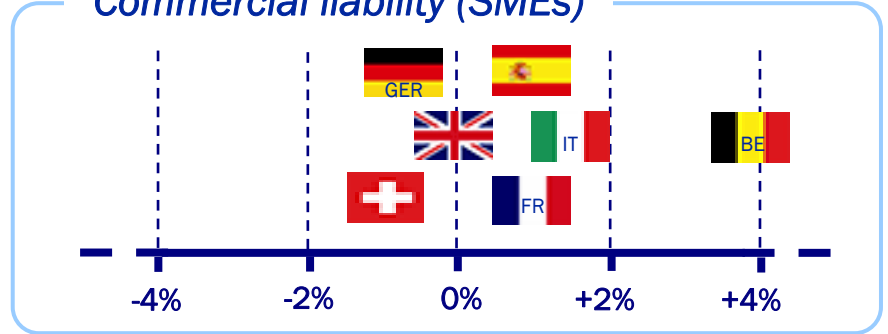
## Commercial motor (SMEs)



## Commercial property (SMEs)



## Commercial liability (SMEs)



# Positive earnings growth in Asset Management business

## Revenues

**AB**  
ALLIANCEBERNSTEIN

-0.6%

1,340

1H08

**AXA** INVESTMENT MANAGERS

-6.4%

763

1H08

## Underlying Cost Income Ratio<sup>(1)</sup>

-1.0 pt

67.6%

1H08

-0.3 pt

65.3%

1H08

## Underlying Earnings

(Euro million group share)

-3%

128

1H08

+22%

158

1H08

↗ Changes are on a comparable basis

<sup>(1)</sup> (general expenses minus distribution fees)/(total revenues minus distribution fees).  
As of June 30, 2008, AXA's beneficial ownership in AllianceBernstein LP was approx. 63%.

# Analysis of other segments' Underlying Earnings



Euro million	1H07	1H08	Change on a comparable basis
AXA Corporate Solutions Assurance	58	46	-26%
Other	62	126	+111%
<b>International Insurance</b>	<b>119</b>	<b>172</b>	<b>+44%</b>
Banking	11	24	+118%
Holdings	-181	-245	+42%
<b>Banking and Holdings</b>	<b>-170</b>	<b>-221</b>	<b>+36%</b>

**International Insurance:** Increase mainly driven by favorable run-off reserve and tax developments at AXA Liabilities Managers, partially offset by AXA Corporate Solutions Assurance large losses following Chinese earthquake.

## **Banking and Holdings**

- **Banking:** Increase mainly driven by AXA Bank Europe (Belgium)
- **Holdings:** Mainly impacted by a higher financial charge related to external growth financing and internal refinancing (Euro -51 million)

# Underlying Earnings growth reflecting business diversification

Euro million	1H07	1H08	Change on a reported basis	Change on a comparable basis
Life & Savings	1,489	1,396	-6%	-1%
Property & Casualty	963	1,133	+18%	+20%
Asset Management	286	285	0%	+9%
International Insurance	119	172	+44%	+44%
Banking & Holdings	-170	-221	+30%	+36%
<b>Underlying Earnings</b>	<b>2,688</b>	<b>2,766</b>	<b>+3%</b>	<b>+7%</b>

# Estimated shareholders' cash-flow statement



Non audited  
Non GAAP

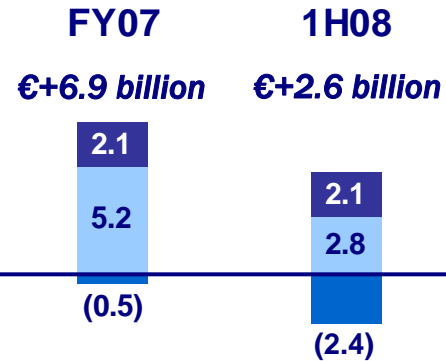
Euro billion	FY07	1H08
Adjusted earnings (n-1)	5.1	6.1
Difference between adjusted earnings and statutory results (n-1)	-0.3	-1.3
Increase in consolidated solvency requirements <sup>(1)</sup>	-1.4	-1.3
Capital optimization	1.0	-0.7
<b>Estimated shareholders' cash flows from operating activities</b>	<b>+4.5</b>	<b>+2.8</b>
Dividend paid	-2.2	-2.4
Acquisitions	-3.4	-1.1
Divestitures	3.0	0.2
Share purchase program & OC dilution control	-2.4	0.0
<b>Estimated shareholders' cash flows from investing activities</b>	<b>-5.0</b>	<b>-3.3</b>
Capital increase	0.7	0.1
Debt changes	-0.2	0.6
<b>Estimated shareholders' cash flows from financing activities</b>	<b>+0.5</b>	<b>+0.6</b>

(1): Increase in consolidated solvency margin between (n-2) and (n-1) but excluding change in scope

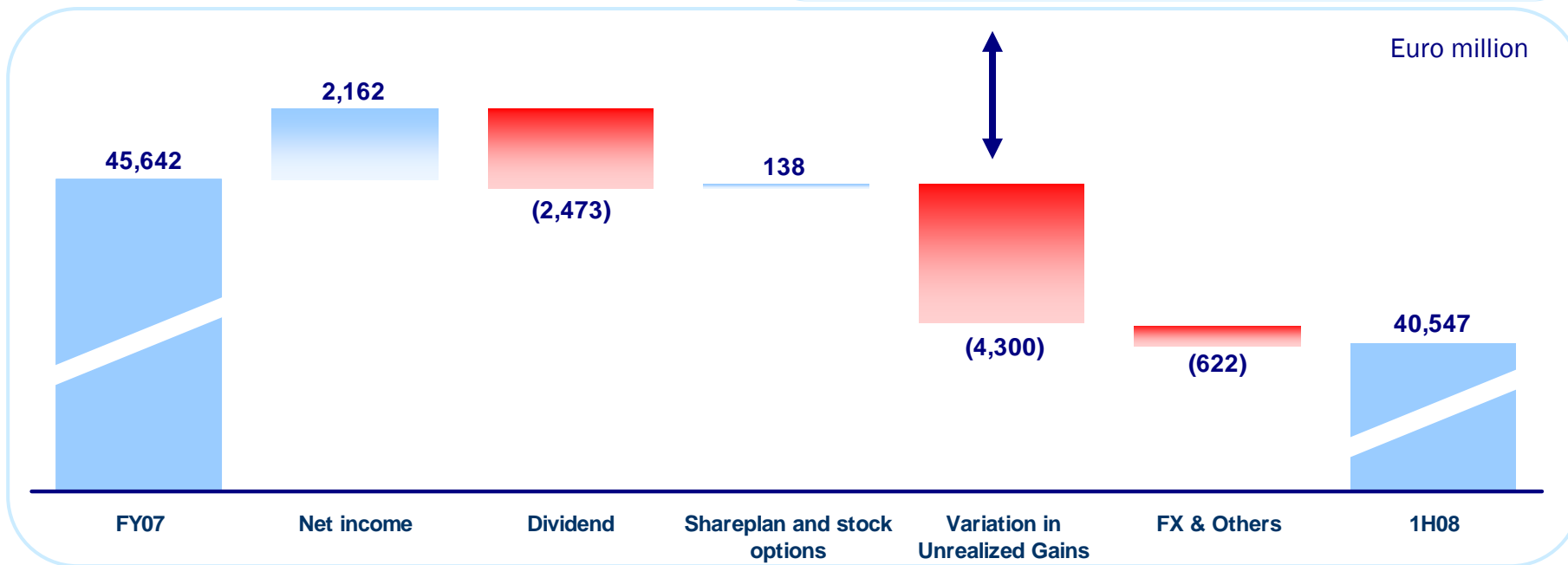
# Shareholders' equity roll-forward



## Unrealized capital gains

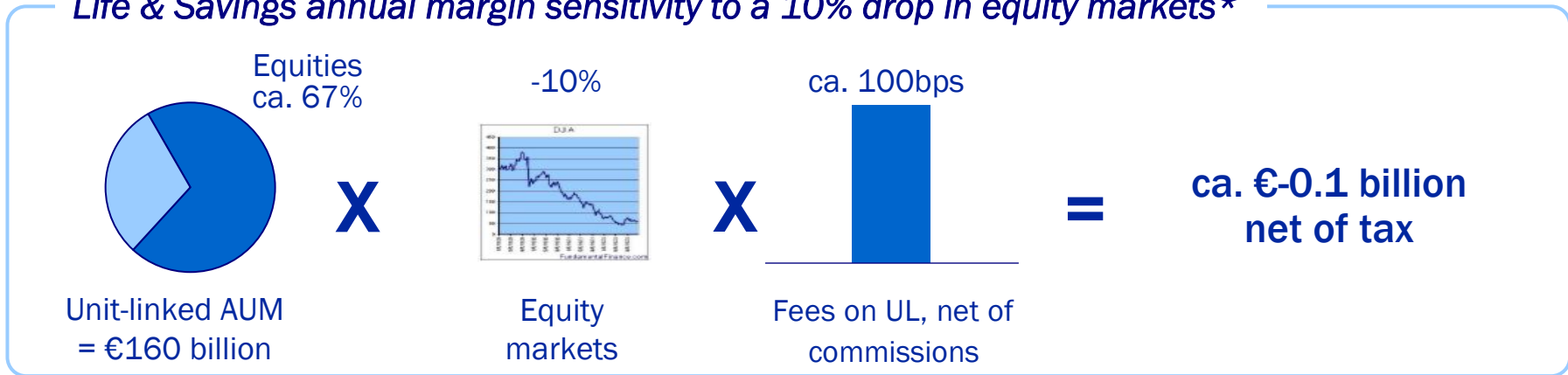


- Real estate, loans (Off Balance Sheet)
- Equities (through OCI)
- Fixed income assets (through OCI)

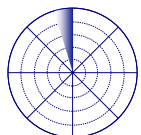
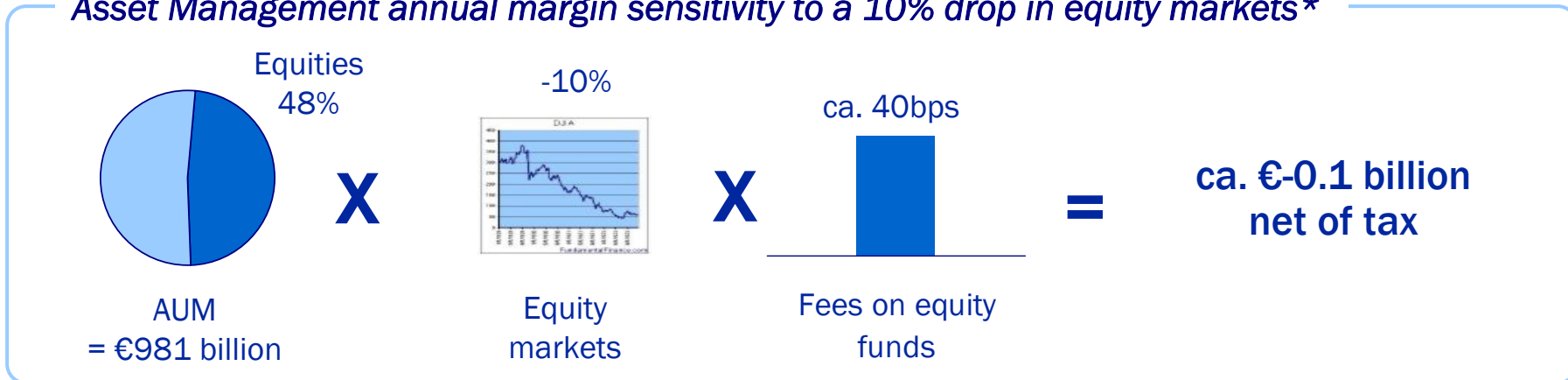


# Equity gearing (Unit-linked and Asset Management)

*Life & Savings annual margin sensitivity to a 10% drop in equity markets\**



*Asset Management annual margin sensitivity to a 10% drop in equity markets\**



**Sensitivity of Group Underlying Earnings to a 10% drop in equities <5%**

\* From June 30, 2008 levels

# Asset portfolio: Quality and diversification



Euro billion	FY07	%	1H08	%
<b>Fixed income</b>	<b>298</b>	<b>78%</b>	<b>286</b>	<b>79%</b>
<i>o/w Govies</i>	135	35%	120	33%
<i>o/w Corporate Bonds</i>	132	35%	138	38%
<i>o/w Asset backed securities</i>	16	4%	14	4%
<i>o/w Mortgage loans &amp; other<sup>(1)</sup></i>	15	4%	14	4%
Cash	13	4%	14	4%
<b>Listed Equities</b>	<b>37</b>	<b>10%</b>	<b>28</b>	<b>8%</b>
Real Estate	20	5%	19	5%
Alternative Investments <sup>(2)</sup>	10	3%	11	3%
Policy loans	5	1%	5	1%
<b>Total G/A and Bank Assets</b>	<b>382</b>	<b>100%</b>	<b>363</b>	<b>100%</b>
UK With Profit	28		24	
Separate Accounts	183		160	
Other	22		32 <sup>(3)</sup>	
<b>Total</b>	<b>615</b>		<b>579</b>	

(1) Mortgage loans & other include individual mortgage and loans (Euro 13 billion of which Euro 8 billion in Germany and Switzerland participating funds) and Agency Pools (Euro 1 billion)

(2) Mainly hedge funds and private equity

(3) Mainly Euro 15 billion Holdings (of which Euro 6 billion cash and Euro 1 billion non consolidated participations) + Euro 2 billion affiliates + Euro 2 billion Asset Mgmt + Euro 3 billion International + Euro 2 billion Morocco + Euro 2 billion CEE + Euro 2 billion Non Look-through Mutual funds

## Asset allocation

- Increased corporate bond exposure (average rating **A+**) to capture higher level of spreads currently available
- Lower equity exposure to reduce balance sheet sensitivity to current volatile equity markets; in addition, equity hedging programs implemented to mitigate risk (see slide 36)

## ABS exposure

- Negative mark-to-market evolution of ABS of Euro -1.6 billion or Euro -0.6 billion net of policyholders' participation, DAC and VBI reactivity and tax, of which Euro -0.3 billion in the P&L and Euro -0.3 billion in OCI

## Real Estate exposure

- Safe Real Estate exposure, mainly invested in France and NORCEE

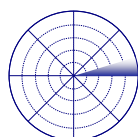
# DAC assets



HY08 balances	US	UK
Net* Life & Savings DAC amounts (Euro bn)	4.3	1.0
Underlying assumptions and methodology	US	UK
Long term unit-linked return	9%	7%
Return to the mean (RTM) method	Yes**	Yes
Return to the mean period	5 years	5 years
Corridor	0-15%	0-9%
Potential net* DAC impairments (Euro bn)	US	UK
Equity market performance from June 30, 2008 to December 31, 2008		
-10%	0.0	0.0
-20%	< 0.1	0.0
-30%	< 0.2	0.0

\*: Net of URR and tax

\*\* : Used on DAC of variable life & annuity products (Euro 3 billion as of June 30, 2008)



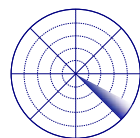
**Limited sensitivity of DAC assets to equity market deviations**



## Inflation risk Insurance Sector\*

Life & Savings		Management Actions
Unit-linked	Limited	Constant Maturity Swaps, Caps and Swaptions have been put in place to protect our portfolios against much higher or much lower levels of interest rates
Traditional life	Some	
Property & Casualty		Long tail business claim payments covered by options protecting against inflation rates above 4% over a period of 15 years
Short tail	Limited	
Long tail	Yes	
Asset Management	Limited	

\* Source: Lehman Brothers (July 1st, 2008)



**P&C inflation risk covered with options**

# US VA Risk Management

## Product Design

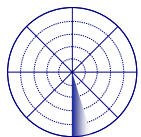
- Diversified VA product offering GMDB/IB/WBL – regularly updated
- Certain limits on fund options – i.e. allocation funds for GMWB/WBL
- GMIB 10 year annuitization waiting period
- Implicit hedges within product features - GMIB election risk relative to GMDB exposure

## Dynamic delta Hedging

- Hedge program includes equity index futures to mitigate equity market risks
- Fund options continually evaluated for performance and diversification

### GMXB 1H08 technical margin impacts

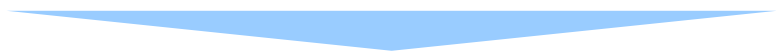
- |                                  |                   |  |
|----------------------------------|-------------------|--|
| ▪ Equity market volatility       | Euro -10* million | High volatility especially in Q1   |
| ▪ Interest rates movements       | Euro -12* million | Low interest rates<br>✓ Action: adjusting hedge positions                  |
| ▪ All other including basis risk | Euro -42* million | Equity market turmoil<br>✓ Action: adjusting selected funds / sub advisors |



**Short term VA profitability marginally impacted by market turbulence**  
**Long term high margin products**



- Due to its history and its very strong diversification, an increasing share of AXA's net asset value is in non-Euro denominated currencies
- Diversification of earnings is a key driver of AXA's financial strength and recent earnings growth. However, since 2004, FX movements have been mostly unfavorable (e.g. \$/€ down -16% CAGR since 2004)
- Today ca. 50% of AXA earnings are in non-Euro denominated currencies



## Management action significantly reduces sensitivity to FX movements

### *Balance sheet (long term hedge)*

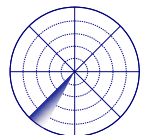
- ✓ Group balance sheet protected with systematic hedging through non-Euro denominated debt

Impact of 10% appreciation of Euro on NAV:  
-6% without hedge  
-3% after hedge

### *P&L (short term hedge)*

- ✓ Smoothing of FX impacts and visibility on year N+1 earnings through hedges based on currency options

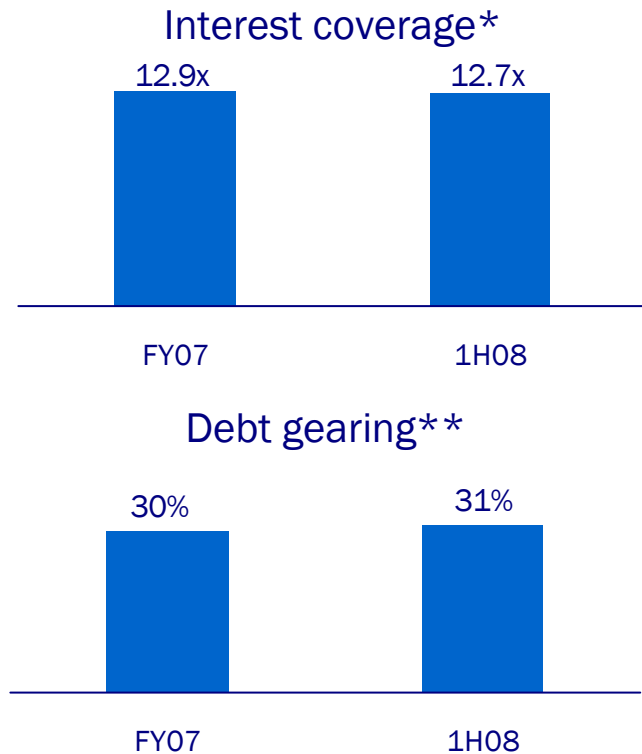
Negative FX impact capped at € -0.2 billion only in FY08 (US \$ hedged at 1.475)



**Forex exposure proactively hedged**

# Debt gearing and liquidity

## Interest coverage and debt gearing at comfortable levels



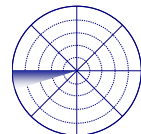
\* HY08 interest coverage based on 50% of estimated FY08 interest charge, including interest charge on perpetual subordinated debt

\*\* (Net financing debt + perpetual subordinated debt) divided by (shareholder's equity, excl. FV recorded in sh. equity + net financing debt)

\*\*\* Pre-emptive use of CP program can be rolled over depending on the environment

## High liquidity

- Strong cash-flows
  - Strong recurring positive cash-flows across business lines
  - Cash management optimized through pooling vehicles
- Conservative financing
  - ca. 50% of financial debt (Euro 16.2 billion) is perpetual
  - No significant maturity before 2010\*\*\*
- Back-up resources
  - Euro 6 billion of undrawn credit lines, without material covenants
  - Liquidity contingency plans supported by access to ECB through AXA Bank Europe

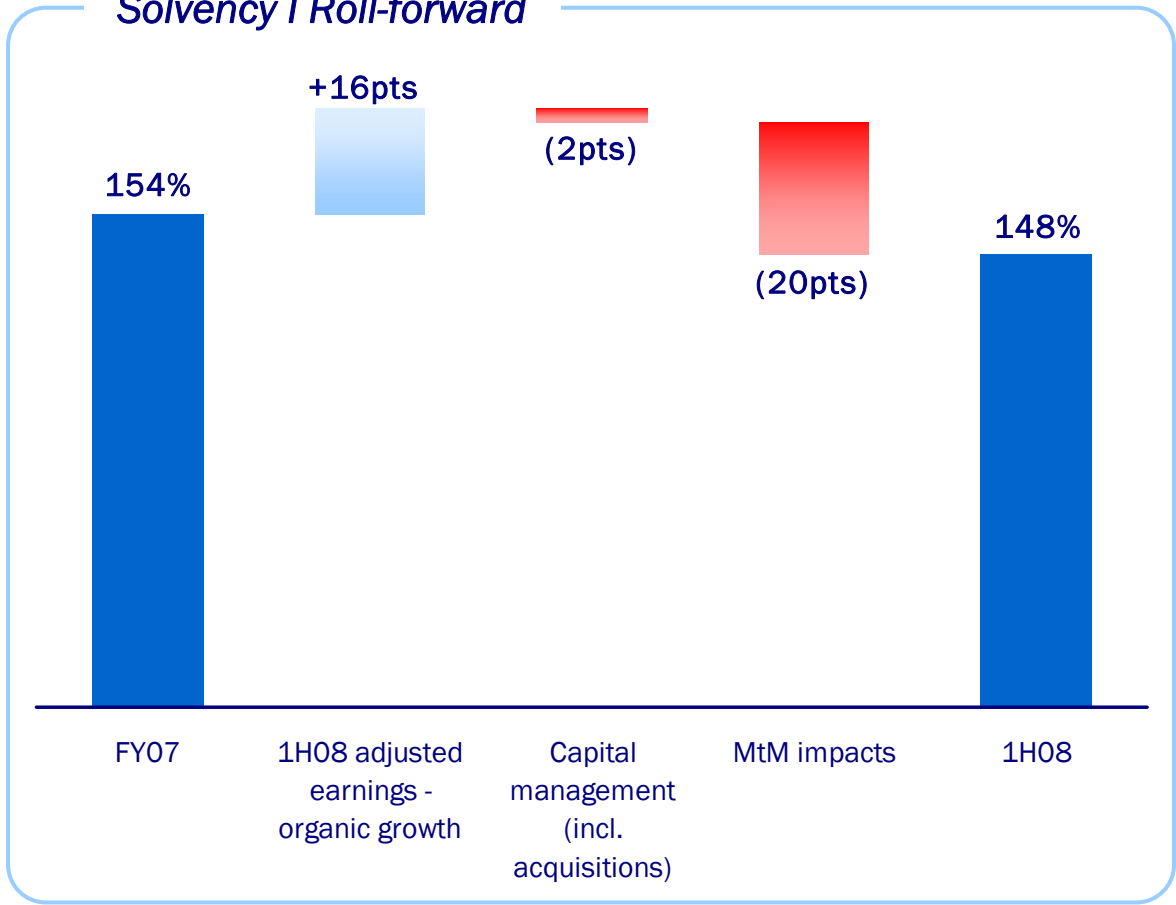


**Very strong financial flexibility** /

# Solvency I



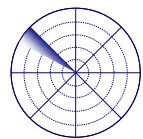
## Solvency I Roll-forward



### Sensitivity to equity markets

From June 30, 2008 levels	Impact on Solvency I ratio
Equity markets -10%	-3 pts
Equity markets -20%	-9 pts

- Further negative impact from financial markets limited, as:
  - Unrealized losses on AFS OCI fixed income assets have no impact
  - Sensitivity to equities significantly reduced through hedging program



**Strong Solvency**  
**No capital increase required** /

# Rating agencies and Solvency II

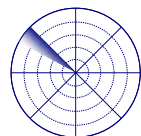


## Rating agencies' view

- **AA** financial strength rating with stable outlook confirmed by **S&P on June 27, 2008**, together with “Excellent” Enterprise Risk Management
- Fitch Ratings' AA and Moody's' Aa3 both with stable outlook

## Solvency II's Quantitative Impact Study 4 (QIS4)

- AXA's consolidated **QIS4** coverage ratio estimated at ca. **175%** as of June 30, 2008, up ca. 5 pts vs. December 31, 2007:
  - Decrease in Available Financial Resources (AFR) mostly due to fall in equity markets is more than offset by
  - Decrease in Solvency Capital requirements further to a lower equity exposure following implementation of hedging program
- In line with our internal capital model, Solvency II (QIS4) provides a better economic framework than Solvency I:
  - Resources and requirements moving in the same direction
  - Diversification benefits
  - Shock absorbers (Policyholders benefits, taxes)

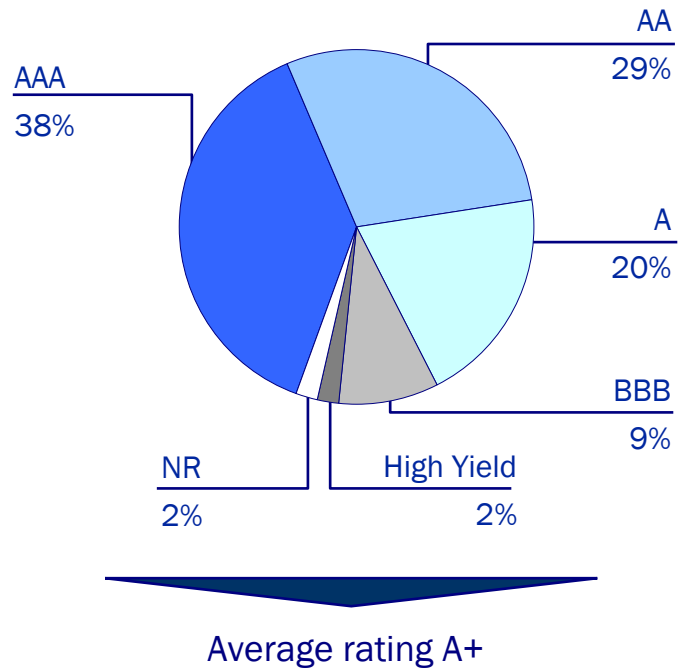


**Strong Solvency**  
**No capital increase required** /

# Invested assets: focus on fixed income

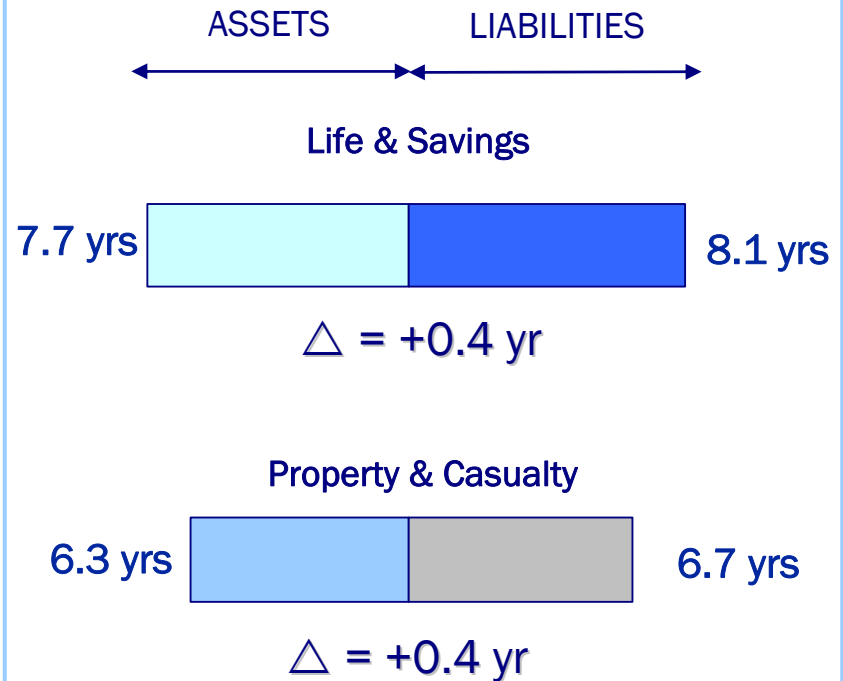


## Economic breakdown of fixed income assets by rating<sup>(1)</sup>



(1) Ratings exclude Mortgage loans and other

## Duration Gap at Half Year 2008



# Corporate bonds breakdown including CDS



P = Participating NP = Non-participating

Euro billion As of June 30, 2008	US		UK	Japan		Germany		Switzerland		France		Other		Total	
	P	NP	NP	P	NP	P	NP	P	NP	P	NP	P	NP	P	NP
AAA	0	0	0	0	0	4	1	4	1	3	2	1	1	13	6
AA	0	2	1	0	3	3	1	3	1	10	3	6	5	22	15
A	0	8	2	0	5	5	2	4	1	10	4	6	4	25	25
BBB	0	8	1	0	1	2	1	2	0	3	1	2	1	9	14
Below invst. grade	0	0	0	0	0	1	0	1	0	1	0	0	0	3	1
Non rated	0	0	0	0	0	1	0	0	0	2	0	1	1	3	2
<b>Total</b>	<b>0</b>	<b>18</b>	<b>4</b>	<b>0</b>	<b>10</b>	<b>15</b>	<b>4</b>	<b>15</b>	<b>3</b>	<b>30</b>	<b>10</b>	<b>16</b>	<b>13</b>	<b>75</b>	<b>63</b>

55% of corporate bond assets in participating contracts  
76% of corporate bond assets rated A or higher

Since December 31, 2007, exposure increased Euro 6 billion (Euro 2 billion in participating accounts and Euro 4 billion in non-participating accounts) to benefit from current high level of corporate spreads

# Corporate bonds: focus on CDS



- **CDS Investment Strategy:**

CDS are used as an alternative to investment grade corporate bonds mainly via iTraxx Main Europe

Since December 31, 2007, exposure was increased by Euro 4 billion to benefit from high spread levels during 1H08

<i>Euro million</i> <i>As of June 30, 2008</i>	Net Notional	Market Value
AAA	353	n.a.
AA	4,278	n.a.
A	7,640	n.a.
BBB	4,789	n.a.
Below invst. grade	128	n.a.
Non rated	355	n.a.
<b>Total</b>	<b>17,541</b>	<b>(69)</b>

# Focus on Monolines

## General Account exposure

Euro million As of June 30, 2008	Investment in credit enhanced securities	
	Participating	Non-participating
Ambac	0	119
MBIA	50	161
Financial Security Assurance	4	59
XL Capital Assurance	12	5
FGIC	0	6
Other	12	11
<b>Total</b>	<b>78</b>	<b>361</b>

- AXA general account wrapped holdings are mainly comprised of corporate bonds

## UK With Profits

Euro million As of June 30, 2008	Before policyholders' part. and tax
Ambac	228
MBIA Insurance Corporation	205
Financial Security Assurance	173
FGIC	34
<b>Total</b>	<b>641</b>

- Since December 31, 2007, UK With-Profit investment in credit enhanced securities increased Euro 196 million

Euro million As of June 30, 2008	Direct investments in equities and corporate bonds	
	Participating	Non-participating
MBIA	1	8
XL Capital Ltd.	8	2
<b>Total</b>	<b>9</b>	<b>10</b>

Since December 31, 2007:

- Investment in credit enhanced securities increased by Euro 60 million (€39 million in participating accounts, €21million in non-participating accounts)
- Direct investments in monoline equities and corporate bonds declined Euro 45 million (€18 million in participating, €27 million in non-participating)

## Reinsurance run-off

- MBIA reinsures 100% of all credit insurance risks\* on a diversified portfolio of wrapped US municipal bonds underwritten by AXA RE (prior to its run-off)
- Main characteristics of the portfolio:
  - ✓ 5,000+ different issues (80% AA & A, all investment grade) with aggregate principal amount of approximately Euro 6 billion
  - ✓ Portfolio underwritten between 1998 and 2004
  - ✓ No default since inception

(\*): Excluding (i) cumulative losses between \$ 0 and \$ 13 million (ca 0.12%) and (ii) cumulative losses between \$ 110 and \$ 200 million (ca 1.05% and 1.9%) reinsured to other third party reinsurers.

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# Asset Backed Securities by underlying type of asset

## Economic breakdown of ABS by asset type<sup>(1)</sup>

Euro billion

As of June 30, 2008  
Total ABS 14.4 billion

Mortgage-backed

Other asset-backed

UK RMBS

€ 0.5 billion

US Subprime & Alt-A

€ 0.9 billion

Prime Residential

€ 3.3 billion

Commercial MBS

€ 2.5 billion

CLO

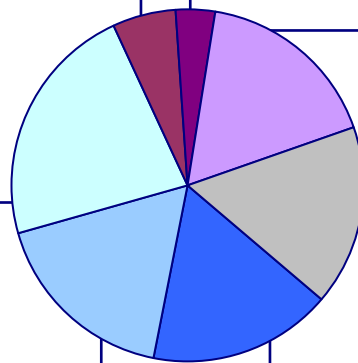
€ 2.5 billion

Consumer ABS<sup>(2)</sup>

€ 2.3 billion

CDO

€ 2.5 billion



## ca 73% AAA & AA

AAA

66%

NR/Equity

5%

High Yield

1%

AA

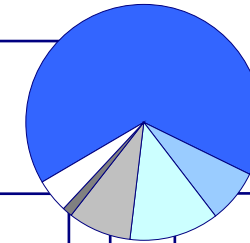
7%

A

12%

BBB

9%



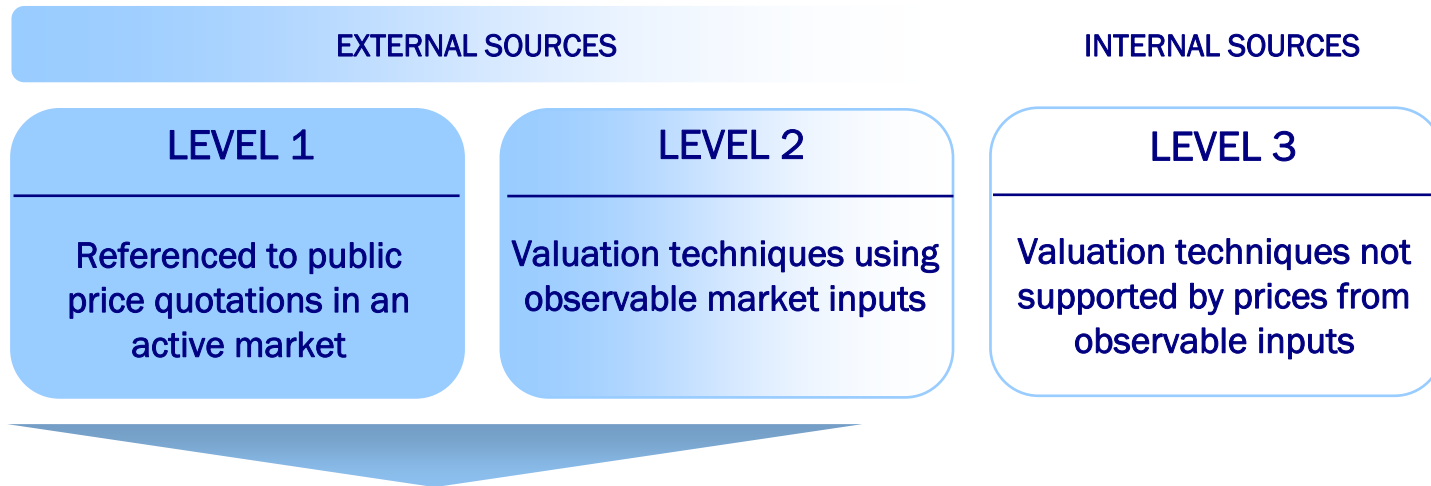
AXA's Asset Backed Securities are part of a long-term (average duration 7 years) **investment portfolio, NOT a trading portfolio.**

- AXA has strong positive cash-flow
- AXA is not a forced seller
- ABS are particularly well-suited for the long-term investing horizons of insurance companies as ABS spreads are higher than corporate bonds at equivalent ratings and offer a liquidity premium to investors

(1) Including debt and equity tranches of ABS

(2) Mainly consumer loan ABS (plus some leases and operating ABS assets)

# AXA's ABS valuation methodology



- AXA uses LEVEL 1 & LEVEL 2 methods
- LEVEL 3 is not significant (ca 1% of AXA's ABS)

ABS Mark-to-Market			
	6/30/07	12/31/07	06/30/08
% of par	99%	90%	81%
Gross		€ -1.5 billion	€ -1.6 billion
Net of PB and tax		-0.6	-0.6
o.w. OCI		-0.3	-0.3
o.w. Impairments		-0.1	-0.0
o.w. Change in FV & other		-0.2	-0.3

# Focus on Mortgage-Backed Securities



<i>Euro million</i> As of June 30, 2008 <i>(unless indicated)</i>	Prime Residential MBS	Commercial MBS	UK RMBS	US Subprime RMBS	US Alt-A RMBS
Mark-to-market @ 30/06/07	99%	97%	97%	100%	99%
Mark-to-market @ 31/12/07	98%	92%	96%	72%	59%
Mark-to-market @ 30/06/08	96%	83%	82%	53%	28%
AAA	2,765	1,253	379	508	22
AA	203	284	37	167	10
A	145	478	15	83	17
BBB	126	441	10	19	5
Below invst. Grade	16	3	41	16	8
Equity / Non rated	4	33	34	0	0
Market value	3,259	2,491	517	793	62
Shareholder Exposure	74%	85%	68%	38%	97%
OCI <sup>(1)</sup>	45%	81%	21%	89%	35%
P&L	55%	19%	79%	11%	65%

(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders' equity.

# Focus on US Subprime RMBS by vintage



<i>Euro million As of June 30, 2008</i>	2007	MtM	2006	MtM	2005	MtM	2004 & Prior	MtM	Total	MtM
AAA	75	54%	124	64%	283	80%	27	90%	508	71%
AA	31	54%	79	66%	48	70%	10	65%	167	64%
A	31	48%	11	35%	19	41%	22	29%	83	37%
BBB	0	5%	4	8%	12	11%	2	11%	19	10%
Below invst. grade	5	11%	5	7%	5	11%	2	10%	16	9%
Market value	141	47%	223	49%	366	63%	64	38%	793	53%
Shareholder Exposure	42%		36%		28%		95%		38%	
OCI <sup>(1)</sup>	92%		98%		91%		46%		89%	
P&L	8%		2%		9%		54%		11%	

- No Home Equity Line of Credit (HELOC)

(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders equity.

# Focus on other asset-backed securities



<i>Euro million</i> <i>As of June 30, 2008</i>	CDO	CLO	Consumer ABS
Mark-to-market @ 30/06/07	89%	98%	99%
Mark-to-market @ 31/12/07	78%	90%	98%
Mark-to-market @ 30/06/08	75%	77%	94%
AAA	1,429	1,468	1,628
AA	158	89	104
A	445	203	400
BBB	97	353	172
Below invst. grade	27	61	17
Equity / Non rated	299	306	22
<b>Market value</b>	<b>2,456</b>	<b>2,481</b>	<b>2,344</b>
<b>Shareholder Exposure</b>	<b>48%</b>	<b>59%</b>	<b>66%</b>
<b>OCI<sup>(1)</sup></b>	<b>39%</b>	<b>56%</b>	<b>46%</b>
<b>P&amp;L</b>	<b>61%</b>	<b>44%</b>	<b>54%</b>

- CDOs include Euro 3 million CDOs of subprime
- Consumer ABS is comprised of the following:

Leases	26%
Other Consumer	24%
Operating	20%
Auto	14%
Credit Cards	13%
Student Loans	3%

(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders equity.

# Focus on CDO asset quality



<i>Euro million</i> <i>As of June 30, 2008</i>	Investment grade	High Yield	Structured Finance	Other CDOs	Total
AAA	1,040	38	43	308	1,429
AA	49	51	16	42	158
A	393	30	14	8	445
BBB	17	27	5	49	97
Below invst. grade	11	12	3	1	27
Equity / Non rated	120	50	2	127	299
Market value	1,631	208	82	534	2,456
Shareholder Exposure	43%	47%	84%	58%	48%
OCI <sup>(1)</sup>	31%	51%	53%	56%	39%
P&L	69%	49%	47%	44%	61%

(1) Fair value changes of assets classified as available for sale are recognized in the OCI component in shareholders equity.

# Real estate investments



<i>Euro billion</i> As of June 30, 2008	France	Switzerland	UK	Germany	US	Belgium	Total
Market value <sup>(1)</sup>	9	5	1	2	1	2	<b>19</b>

- AXA real estate invested in the market where the company is operating
- Investment are generally geared toward commercial properties (office, retail)
- Very limited exposure to residential except in France (ca 20%) and Switzerland (ca 40%)

(1) Net of minority interest on controlled investment funds and excluding holdings

# Mortgage loans and other



Euro billion As of June 30, 2008	Mortgage Loans				Agency Pools	Total
	Germany	US	Switzerland	Other		
Market Value <sup>(1)</sup>	5	3	3	1	1	14

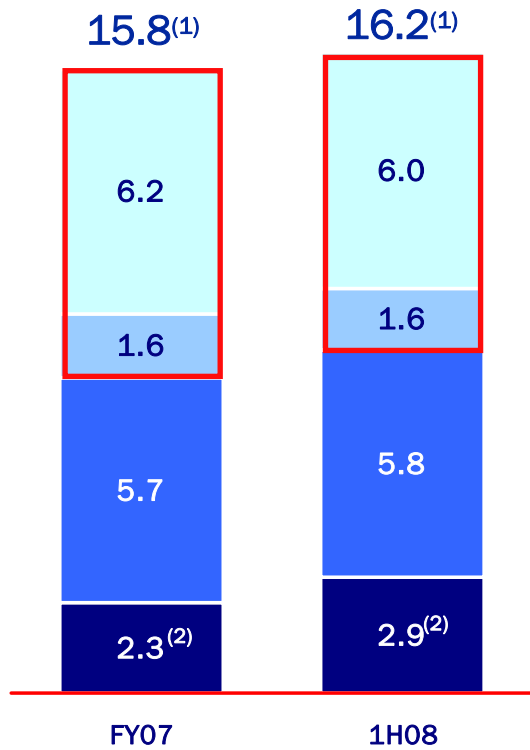
- Germany:
  - ➔ Mortgage loans are 95% residential and located in participating funds.
- US:
  - ➔ Mortgage loans are primarily commercial (ca 2/3) and Agricultural (ca 1/3) with good loan to value (respectively ca 65% and 45%) and significant debt service coverage (1.4 and 1.6 respectively). No profit sharing.
- Switzerland:
  - ➔ Mortgage loans are primarily residential located in participating funds.
- Agency Pools:
  - ➔ Mortgage-backed securities issued by US Government Sponsored Enterprises (Government National Mortgage Association - GNMA, Federal National Mortgage Association - FNMA, Federal Home Loan Mortgage Corporation - FHLMC, Federal Home Loan Banks - FHLB).

(1) Economic view (excluding Holdings, Asset Management, Morocco and CEE entities)

# Financial debt analysis

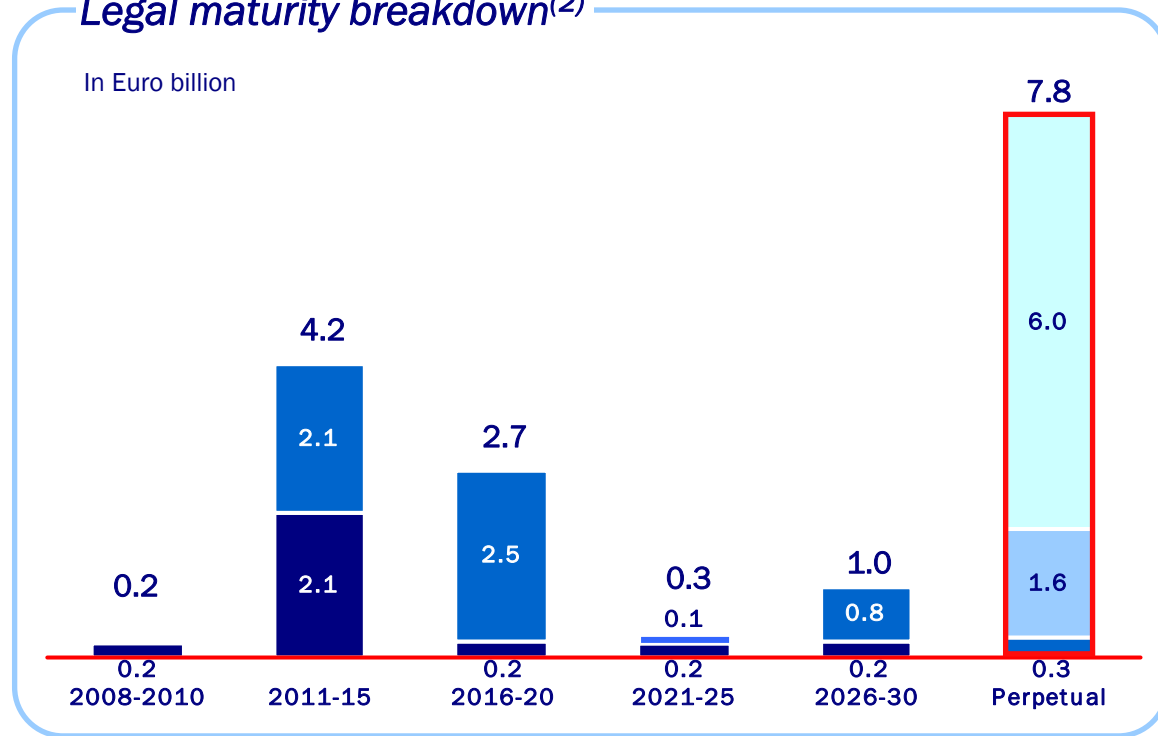
## Total debt

(Euro billion)



## Legal maturity breakdown<sup>(2)</sup>

In Euro billion



Subordinated debt  
 Senior debt  
 TSS = perpetual deeply subordinated notes  
 TSDI = perpetual subordinated notes  
 } Booked in shareholders' equity

(1) Of which FOREX impact €-0.4 billion, convertible options €0.1 billion, change in debt €0.6 billion, other €0.1 billion

(2) Net of cash (2008-2010) and including reversal of mark-to-market of interest rate derivatives

(\*) Net of bank overdraft