

# Press Seminar

Suduiraut, 10 June 2004

**Henri de Castries**  
Chief Executive Officer



---

*Be Life Confident*

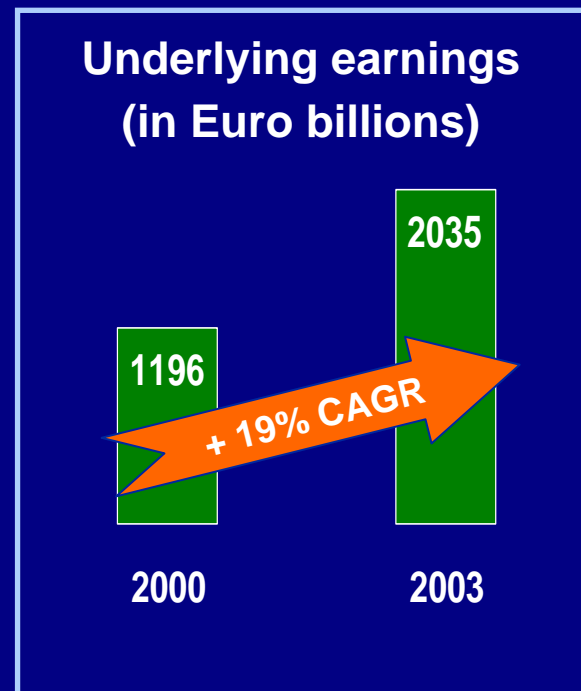
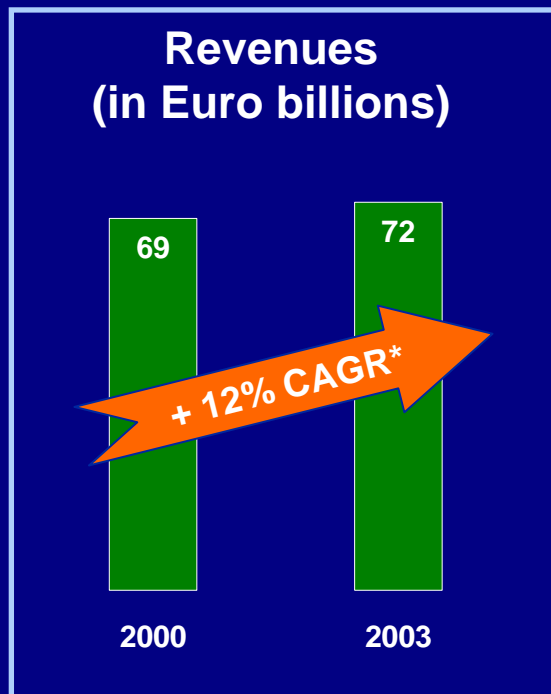
---

# AXA built and consolidated an unmatched platform

- One clearly identified business : Financial Protection
- One global brand name
- A platform built over the past 25 years
  - ➔ From a regional mutual insurer
  - ➔ to a world class group (Revenues of €72 bn)
- AXA emerges stronger and faster than its competitors from the worst industry crisis since W W II
- AXA's main units are gaining market share : sales growth momentum is real



# 2000-2003 : During the industry crisis, we have improved our performance



*\* on a comparable basis, i.e. after adjusting for scope, accounting methods and exchange rates*



# We enjoy strong market positions in our key markets ...

## Rankings - year end 2002

**USA (before Mony)**

**Variable Annuities #3\***

**Variable Life #5\***

**France #1 P&C, #2 Life**

**Belgium #1 P&C, #4 Life**

**UK #3 P&C, #8 Life**

**Germany #3 P&C, #6 Life**

**Spain #3 P&C, #8 Life**

**Asset Management:**

**Alliance Capital**

**\$484 billion total AUM at 3/31/04**

**AXA Investment Managers**

**Euro 306 billion total AUM at 3/31/04**

**Japan #10 by assets  
(#2 health/policy)**

**Australia #6 Life**

**Hong Kong #3 Life**

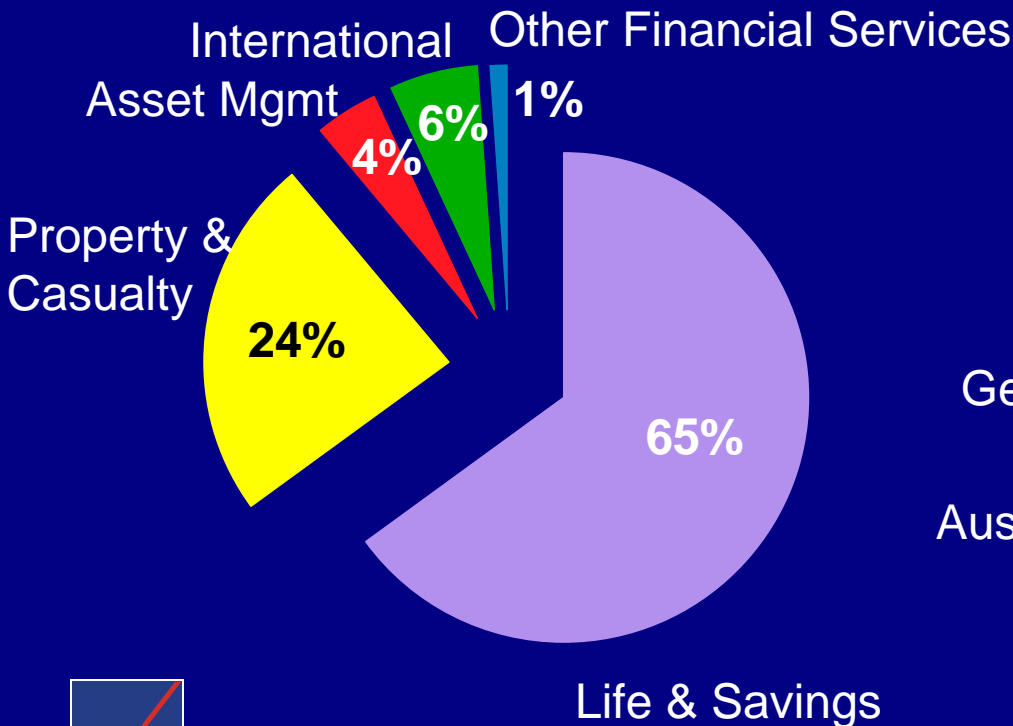


\* based on YE 2003 (source - VARDS and Tillinghast)

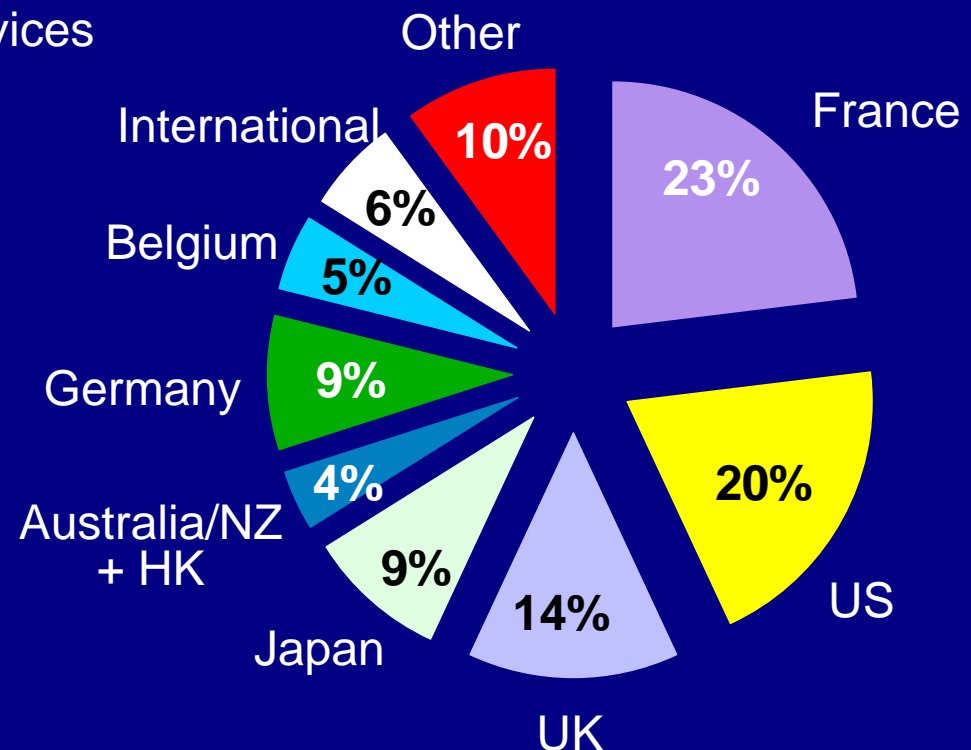
... which provides diversification of risk

## Revenue Diversification Full Year 2003

### Breakdown of Total Revenues by activity



### Breakdown of Insurance Revenues by country



# AXA is one of the top asset managers in Europe ...

## Assts under management 12/31/02 (Euro billions)

1. UBS	EUR 1,401
2. Allianz Group	EUR 989 (Dresdner = EUR 43 mds)
3. Credit Suisse Group	EUR 822
4. Deutsche Asset Management	EUR 772
<b>5. AXA Group</b>	<b>EUR 742</b>
6. Barclays Global Investors	EUR 712
7. ING	EUR 449
8. Aviva	EUR 318
9. Amvescap	EUR 311
10. CDC IXIS Asset Management	EUR 298

**End 2003 AUM**  
**Euro 775**  
**billion**



# [ ... and the largest asset manager in France

## Assts under management 12/31/02 (Euro billions)

14. SG Asset Management	EUR 232	} <b>Major French Banks</b>
18. Credit Agricole AM	EUR 166	
20. BNP Paribas AM	EUR 152	
24. Credit Lyonnais Group	EUR 140	
11. Fortis	EUR 289	} <b>Other European Insurers</b>
13. Aegon	EUR 277	
15. Prudential M&G	EUR 222	
16. Generali Group	EUR 206	
17. Legal & General IM	EUR 175	
19. Munich Re	EUR 154	
30. Swiss Life	EUR 126	



# AXA has a strong world-wide proprietary distribution and client platform

**USA**  
6,100 own distributors  
3 million Clients

**France**  
8,000 own distributors  
9 million Clients

**UK**  
7 million Clients

**Germany**  
3,600 own distributors  
4 million Clients

**Belgium**  
600 own distributors  
2 million Clients

**High proprietary distribution**  
52% of insurance revenues

**Japan**  
9,000 own distributors  
6 million Clients

**Spain**  
3,900 own distributors  
2 million Clients

**Hong Kong**  
2,200 own distributors  
1 million Clients

**Italy**  
1,300 own distributors  
2 million Clients

**Australia / New Zealand**  
1,400 own distributors  
3 million Clients

(Latest available data)



# Our Vision

Our mission: Financial Protection

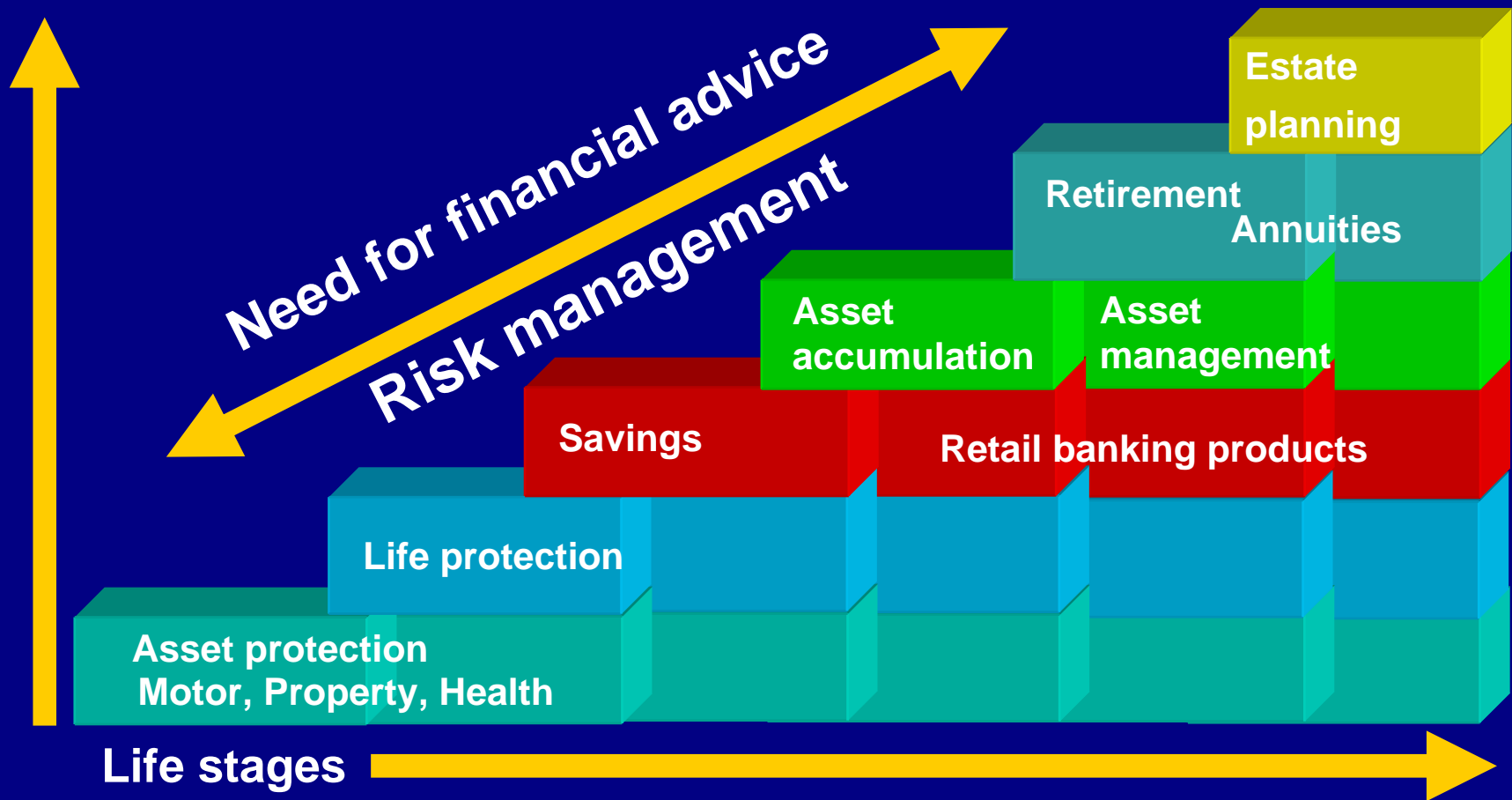
Our ambition: Leadership

**THROUGH**

Focused execution of our strategy  
based on our values and commitments



# Our Mission : Financial Protection



*To help our clients be life confident*



# Leadership :

## A corporate culture supporting our strategy

- A vision shared by all top management teams across the AXA Group
- Strong management expertise, sharing common values
- Early awareness of challenges. Decisions are quickly implemented
- Customers are the main focus of all major initiatives in AXA units



# Execution of our strategy : Our business model

## Organic Growth

- Reach operational excellence
  - Revenue Growth
  - Margins
  - Productivity
- Human Resources

## External Growth

- Within our mission
- In developed or high potential markets
- Expanding strong existing platform

**Optimize Value Creation  
By Combining External And Organic Growth**



# Execution of our strategy : Dedication to operational excellence

Leverage the Group's resources, its human capital  
and share best practices

Product  
Innovation

Underwriting,  
Pricing, Claims  
Management,  
Investment  
Performance

Distribution  
Management

Quality of  
Service

Productivity

Drive revenue growth, margins and productivity

Value creation for all our stakeholders



# Operational Excellence : CUSTOMERS

- Customer Scope, Agents Scope
- France, Belgium - Customer segmentation
- United States - Accumulator 02 and 04
- Italy - Autometrica
- Development of proprietary distribution and distribution partnerships
- Productivity of sales networks - support to sales pitches and high performing back office



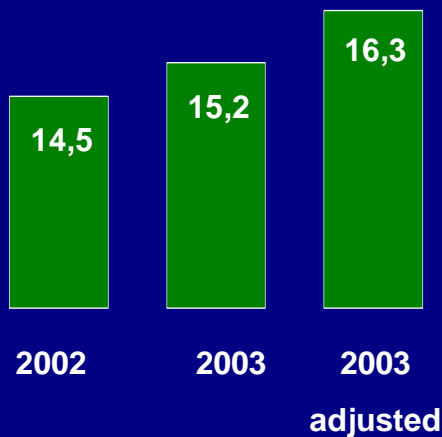
# Operational Excellence : FACTORIES

- Technical Management :
  - Identify and share best practices among Group companies regarding scoring, pricing, underwriting and claims management
  
- Productivity :
  - Cost reductions
  - Transversal activities
    - AXA Tech
    - Group Procurement
    - AXA Group Solutions

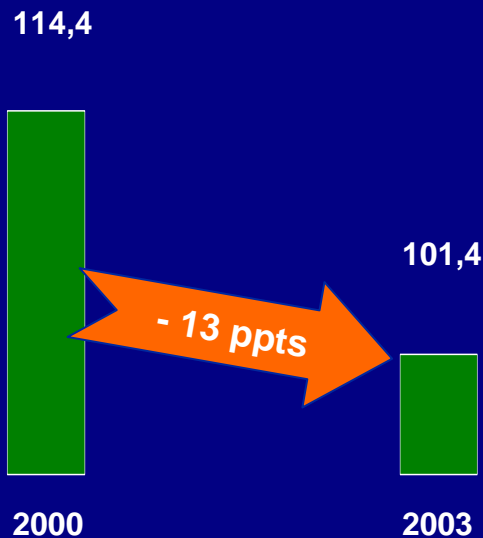


# Improving margins and productivity

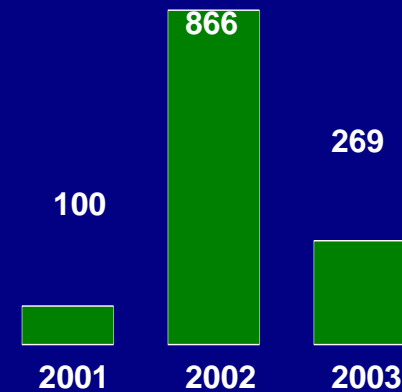
Margin on new business based on APE (en %)



Combined ratio (%)



Expense reduction (Euro M)



# You know AXA as :

- A global group positioned on the world's leading markets for financial protection
- An unprecedented record of external growth
- Strong corporate governance
- A solid balance sheet (no dilutive rights issue)
- Ratings among the strongest in the industry (AA category with S&P)
- One single brand and an innovative corporate mission : AXA is a longtime partner allowing them to “be life confident”
- A strong corporate culture fueling a dynamic company



# You will come to know AXA for :

- Operational excellence focused on customer needs and expectations thanks to a method long used by manufacturing but new to financial services
  - Lower unit costs
  - Measure to be aware -> be aware to improve -> improve to win
- Higher revenues and earnings allowing us to conduct acquisitions in those countries where we are already strong
  - 2000-2003 : Revenues up 14 % and costs down 14 %
- Long term investors satisfied by AXA's share performance
  - AXA share is among those which performed best among the industry leading stocks over 1 and 5 years
- An employer of choice



# Thank you



---

*Be Life Confident*

---