



Half Year Financial Report



June 30, 2020

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I. Activity Report



June 30, 2020

IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS AND THE USE OF NON-GAAP FINANCIAL MEASURES

Certain statements contained herein may be forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans, expectations 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 and can be affected by other factors that could cause AXA's actual results to differ materially from those expressed or implied in such forward looking statements. Please refer to Part 4 - "Risk Factors and Risk Management" of AXA's Universal Registration Document for the year ended December 31, 2019 (the "2019 Universal Registration Document") for a description of certain important factors, risks and uncertainties that may affect AXA's business and/or results of operations, particularly in respect of the COVID-19 crisis. 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, except as required by applicable laws and regulations.

In addition, this report refers to certain non-GAAP financial measures, or alternative performance measures ("**APMs**"), used by Management in analyzing AXA's operating trends, financial performance and financial position and providing investors with additional information that Management believes to be useful and relevant regarding AXA's results. These non-GAAP financial measures generally have no standardized meaning and therefore may not be comparable to similarly labelled measures used by other companies. As a result, none of these non-GAAP financial measures should be considered in isolation from, or as a substitute for, the Group's Consolidated Financial Statements and related notes prepared in accordance with IFRS. A reconciliation from APMs Adjusted Earnings, Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 19 to 20 of this report. APMs Adjusted Return on Equity and Underlying Earnings per share are reconciled to the financial statements in the table set forth on page 26 of this report. The calculation methodology of the Debt Gearing is set out on page 22 of this report. The above-mentioned and other non-GAAP financial measures used in this report are defined in the Glossary set forth on pages 60 to 67 of this report.



Market Environment

FINANCIAL MARKET CONDITIONS

The first half of 2020 saw the global outbreak of the COVID-19 pandemic, which first appeared in China in late 2019 before spreading to other countries and becoming a worldwide pandemic by March. China first put in place unprecedented lockdowns to contain the spread of the pandemic, and similar measures were imposed by most large economies. The pace of the contagion did not abate in 2Q20, and by the end of June the number of daily new cases remained at a very high level. While the virus currently appears to be contained to some extent both in China and western Europe, in the United States an early easing of restrictions has contributed to a re-acceleration of new cases, and overall the outlook for a so-called “second wave” of the virus, regionally or globally, remains uncertain. The virus also continues to spread across emerging markets, particularly in Latin America, and also in some countries in the Middle East and Central Europe.

The impact of the lockdowns that have been imposed to contain the spread of the virus has led to unprecedented economic shocks, although central banks and other authorities have also acted promptly to mitigate the economic effects of the pandemic, including through traditional fiscal stimulus and income support to workers, as well as loan guarantees and other measures to support companies.

Financial markets were mixed in the early phases of the pandemic, with bond yields falling almost from the start of the year, while equity markets continued to perform strongly in February. In March, financial markets saw a plunge in risk assets with global equity markets collapsing to lows on March 23 while corporate spreads widened to elevated levels in early April. However, a concerted effort from central banks to support liquidity in financial markets subsequently led to a considerable rebound in equity and credit markets, although the current economic outlook remains very uncertain.

France's lockdown was strictly imposed as from mid-March, which resulted in a 5.3% drop in GDP in the first quarter. Though economic activity experienced a rebound from May as a result of both deconfinement measures combined with the effects of public support of consumers and businesses, the second quarter saw a steeper plunge in GDP level, with a quarterly decrease of 13.8%. French 10-year yields started 2020 at 0.12%, and declined to a six-month low of -0.38% in March, before rising again to 0.35%, and closing at the end of June at -0.11%. The CAC 40 equity index closed 1H20 17% lower vs. the end of 2019, after a significant rebound from a low point of -37% in March.

In Europe, following the lockdown measures, quarterly GDP growth fell by 11.9% in the second quarter, ranging from -10.1% in Germany to -12.4% in Italy and -18.5% in Spain, the latter two countries being severely impacted by stringent confinement and related measures. Differences in virus spread and economic performance exacerbated underlying differences between government bond yields. The ECB launched its quantitative easing Pandemic Emergency Purchase Programme (PEPP), which contributed to cap the widening of both peripheral government bonds and corporate spreads, while the announcement of both Euro-wide fiscal support and the joint debt issuance in the EU's Next Generation fund contributed to easing tensions on both fixed income and equity markets.

COVID-19 has impacted the United Kingdom to a more severe extent than most other European countries, with over 315k recorded cases at the end of June and a significant number of fatalities. United Kingdom GDP fell by only 2.2% in the first quarter, mostly as a result of a delayed implementation of lockdown measures, although expectations remain for second quarter GDP to fall more sharply as the country has now experienced a longer lockdown period than most other countries. United Kingdom 10-year Gilt yields have fallen 66bps to 0.17% in the first semester, with the FTSE 100 equity index down 18%, from 34% its lowest point.

As COVID-19 spread later in the United States and lockdowns were not pervasive until April, United States first quarter GDP fell by only 1.3%. A relatively rapid easing of lockdown restrictions has contributed to a re-emergence of the virus, while slightly mitigating the impact on the GDP growth, at -9.5% in the second quarter. The S&P 500 index is down 4% over the first half of the year, from -30% at its lowest point in late March. The US government



and the Federal Reserve have to date provided an unprecedented package of support measures, including significant cuts in the Fed Funds Rate to boost growth over the medium term and a \$2.7tn front-loaded stimulus package to boost GDP.

Asia's response to COVID-19 has been mixed, but to date it has fared better from the virus than most other regions, with the notable exclusion of China, which recorded a 9.8% drop in GDP reflecting a strict enforcement of lockdown measures in the first quarter. As these measures started to be lifted, some areas of the economy recovered quickly, but domestic and external demand sectors remain subdued, though GDP grew by 11.5% in the second quarter. Japan has seen relatively few cases of the virus, and Japanese GDP fell by only 0.6% in the first quarter. However, the sharp contraction in external demand affected production activities in Japan and GDP growth has been further penalized in the second quarter. Japanese 10 year yields increased by 25 bps to 0.03% and the Nikkei index was down 7% at the end of June, owing to the government's economic measures packages and the Bank of Japan's yield curve control policy to reduce the risks of rising financing costs.

Stock Markets

The MSCI World Index decreased by 6.2%. The MSCI G7 index decreased by 5.8% and the MSCI Emerging index decreased by 6.5%.

The Dow Jones Industrial Average index decreased by 9.6% and the S&P 500 index decreased by 4.0%, the FTSE 100 index in London decreased by 18.2%, the EUROSTOXX 50 index in the Eurozone decreased by 13.6%, and the Nikkei index in Tokyo decreased by 5.8%.

The S&P 500 implied volatility index (VIX) increased from 13.8% on December 31, 2019, to 30.4% on June 30, 2020.

Bond Markets

Government bond yields decreased in the first half of 2020 in most mature economies: the 10-year US T-bond yield decreased by 126 bps to 0.66%, the 10-year UK government bond yield decreased by 66 bps to 0.17%, the 10-year German Bond yield decreased by 27 bps to -0.45%, the 10-year French government bond yield decreased by 23 bps to -0.11%, the 10-year Belgium government bond yield decreased by 22 bps to -0.12%, while the 10-year Swiss government bond yield increased by 4 bps to -0.43%, and the 10-year Japan government bond yield increased by 25 bps to 0.03%.

In the Eurozone peripheral countries, the 10-year government bond yields decreased in most countries as well: -26 bps to 1.20% in Greece, -12 bps to 0.0% in Ireland and -10 bps to 1.33% in Italy, whereas it increased slightly in some: +3 bps to 0.48% in Portugal, +0.3 bps to 0.47% in Spain.

In Europe, the iTraxx Main spreads increased by 22 bps to 67 bps compared to December 31, 2019, and the iTraxx Crossover increased by 176 bps to 384 bps. In the United States, the CDX Main spread Index increased by 31 bps to 76 bps.

Exchange Rates

	End of Period Exchange rate		Average Exchange rate	
	June 30, 2020 (for €1)	December 31, 2019 (for €1)	June 30, 2020 (for €1)	June 30, 2019 (for €1)
US Dollar	1.12	1.12	1.10	1.13
Japanese Yen	121	122	119	124
British Sterling Pound	0.91	0.85	0.87	0.87
Swiss Franc	1.06	1.09	1.06	1.13



OPERATING HIGHLIGHTS

COVID-19: AXA strengthens its commitments to tackle an unprecedented health, economic and social challenge

On April 1, 2020, AXA announced the strengthening of its action plan to tackle the health, economic and social emergency linked to the COVID-19 crisis.

RESPONDING TO THE ECONOMIC AND SOCIAL EMERGENCY

AXA's 160,000 employees and partners have been available and fully operational, notably thanks to remote working tools, from the start of the crisis to meet client needs and continue to play their role in the economy.

- Jobs maintained, without resorting to short-time working

AXA announced that the crisis would have no impact on employment or on the remuneration of employees during the confinement period; AXA would not use temporary unemployment. The Group also undertook not to defer any social security or tax payments in France during the period.

AXA is a Group that has its social responsibility at heart and wishes the financial efforts of public authorities to be primarily directed towards the most vulnerable individuals and businesses.

- Exceptional measures for our most affected customers

These announcements came in addition to exceptional measures that had already been taken to provide flexibility to business customers, particularly SMEs.

In several countries, including France, the Group continued to insure businesses even in the event of late payment due to the pandemic, for the duration of the containment period, and ensured prompt payment to all suppliers to enable them to maintain the cash and liquidity needed to overcome the crisis.

- €54 million for solidarity funds

AXA France has also been the leading contributor, with €33 million, to the solidarity effort set up by the French government for small businesses and the self-employed and coordinated by the Fédération Française de l'Assurance (FFA), which amounted to €400 million in total.

This is in addition to AXA partner association AGIPI's creation of the "AGIPI COVID-19 Solidarity Fund", endowed with €21 million to support clients experiencing economic difficulties.

RESPONDING TO THE HEALTH EMERGENCY

In response to the health emergency, as a major international healthcare company, AXA is committed to directly helping its employees and clients, while supporting medical actions in the regions in which it operates. AXA extended coverage and services to healthcare professionals in several countries and leveraged its own medical networks and teleconsulting services to contribute to the healthcare effort. Finally, the Group took full action to support and compensate its customers affected by the virus.

- 2 million masks distributed as part of an emergency plan to support healthcare professionals

To strengthen its support for healthcare professionals on the frontline against the virus, AXA announced that it would provide 2 million masks to help healthcare workers. The first 350,000, sent out and distributed to French hospitals, were much-needed FFP2 masks. AXA France set up psychological support resources for healthcare workers.



Support was also provided to the AP-HP (Assistance Publique-Hôpitaux de Paris), the public hospital system of the city of Paris and the Ile-de-France region. AXA donated 20,000 meals to the AP-HP care community for lunch or dinner at home.

These solidarity measures for health professionals come in addition to donations made to hospitals and intensive care units in several countries. AXA is also supporting intensive care units through a partnership with the 101 Fund, a network of 1200 intensive care centers in over 60 countries that aims to share real-time information from each unit to accelerate the improvement of therapeutic protocols. This funding has also made it possible to set up accelerated training for caregivers in order to increase the staffing capacity of these units.

- €5 million to fund research on infectious diseases, including COVID-19

Finally, AXA Research Fund, which has made a steadfast commitment over the years to support research on infectious diseases and pandemics (35 projects from leading institutions worldwide for a total of €7.4 million), decided to mobilize an additional €5 million for the development of responses to infectious diseases and COVID-19, including the implementation of post-crisis solutions.

AXA also supported the creation of the Institut Pasteur's COVID-19 Task Force and the OpenCOVID-19 initiative launched by Just One Giant Lab (JOGL), an open-source research platform aimed at providing low-cost emergency solutions to respond to the pandemic, with a particular focus on low-income countries.

Governance

APPOINTMENT OF SCOTT GUNTER AS CEO OF AXA XL

On February 20, 2020, AXA announced the appointment of Scott Gunter, previously Senior Vice President of Chubb Group and President of Chubb's North America Commercial Insurance division, as CEO of AXA XL. He replaced Greg Hendrick. Scott joined AXA's Management Committee, reporting to Thomas Buberl, CEO of AXA.

This change was effective immediately and submitted to necessary regulatory approval.

MEETING OF THE BOARD OF DIRECTORS IN RESPECT OF AXA'S 2020 SHAREHOLDERS' MEETING

On April 3, 2020, AXA announced that following the statement issued by the European Insurance and Occupational Pensions Authority ("EIOPA") on April 2, 2020, relating to dividend distributions during the COVID-19 pandemic, the Chairman of AXA's Board of Directors convened an extraordinary meeting of the Board of Directors on April 3, 2020 to consider EIOPA's recommendations. At that meeting, the Board of Directors decided to postpone AXA's Shareholders' Meeting from the initial scheduled date of April 30, 2020, to June 30, 2020, to allow time for discussion with the European, French and other insurance regulators.

APPOINTMENT OF IRENE DORNER AS CHAIRWOMAN OF AXA'S AUDIT COMMITTEE

On May 13, 2020, following the sad demise of Stefan Lippe, director of the Company and Chairman of the Audit Committee, AXA's Board of Directors, upon recommendation of its Compensation & Governance Committee, decided to designate Irene Dorner, director of the Company and member of the Audit Committee since April 2016, as Chairwoman of the Audit Committee. Irene Dorner should remain Chairwoman for approximately a year.

The Board of Directors, upon recommendation of its Compensation & Governance Committee, also decided to propose to the AXA's annual Shareholders' Meeting of June 30, 2020, to renew Irene Dorner's mandate as member of the Board of Directors. The renewal of Irene Dorner's mandate was approved by AXA's annual Shareholders' Meeting on June 30, 2020 (12th resolution).



DECISION OF THE BOARD OF DIRECTORS IN RESPECT OF AXA'S DIVIDEND PROPOSAL FOR 2019

On June 3, 2020, AXA announced that following communications from the European Insurance and Occupational Pensions Authority ("EIOPA") and the Autorité de Contrôle Prudentiel et de Résolution ("ACPR"), relating to the adoption of a prudent approach towards dividend distributions during the COVID-19 pandemic, AXA's Board of Directors decided to reduce its dividend proposal from €1.43 per share to €0.73 per share. This proposal was approved by shareholders at AXA's Annual General Meeting on June 30, 2020. The dividend has been paid on July 9, 2020 with an ex-dividend date of July 7, 2020.

The Board considered proposing an additional payment to shareholders in 4Q 2020, up to €0.70 per share, as an exceptional distribution of reserves, subject to favorable market and regulatory conditions at that time. In the event that the Board decides to propose an additional payment, the proposal would then be subject to approval by shareholders at an ad hoc General Meeting.

During the meeting, AXA's management also updated the Board on its best estimate of the impact on 2020 underlying earnings for the Group from claims related to COVID-19. These estimates added further precision to the indications already provided in the 1Q20 disclosure, notably

- P&C: an overall claims cost of ca. €-1.2 billion ⁽¹⁾ post-tax and net of reinsurance. Consistent with indications given in the 1Q20 disclosure, management expects the most material impacts from Business Interruption and Event Cancellation, and to a lesser extent from other lines (e.g. D&O, Liability and Travel), partly offset by reduced claims in some areas, notably from Motor.
- Life and Health: no material deviation has been observed in current claims experience.
- Solidarity measures: an overall impact of ca. €-0.3 billion ⁽¹⁾ post-tax. This includes extended health and disability coverage to vulnerable customers, most notably in France.

The estimates provided above were based on management's assessment at that time and subject to change depending on the continued evolution of the COVID-19 pandemic and its related impacts. For investment margin, unit-linked and asset management fees, no estimate was provided as the impact will depend on the evolution of financial market conditions through the remainder of the year.

AXA PRESENTED THE RESULTS OF ITS SHAREHOLDERS' MEETING, ITS PURPOSE AND ITS 2019 INTEGRATED REPORT

Results of AXA's Annual Shareholders' Meeting

During the Shareholders' Meeting held on June 30, 2020, in Paris, all resolutions recommended by the Board of Directors were approved by AXA's shareholders, including:

- The appointment as directors for a four-year term of Mmes Isabel Hudson, Marie-France Tschudin, Mr. Antoine Gosset-Grainville and Mrs. Helen Browne, representing the employee shareholders of the AXA Group.
- The re-appointment as directors of Mmes Irene Dorner and Angélien Kemna for a four-year term.
- The payment of a €0.73 dividend per share for the 2019 fiscal year, which has been paid on July 9, 2020 (ex-dividend date: July 7, 2020).

Presentation of the Group's purpose

The Annual Shareholders' Meeting provided an opportunity for AXA to present its purpose: "Acting for human progress by protecting what matters".

⁽¹⁾ As a reminder, AXA Group's Underlying earnings in 2019 were €6.5 billion.





Publication of AXA's Integrated Report

On the same day, as it does every year at the time of its Annual Shareholders' Meeting, AXA released its 2019 Integrated Report, which discusses the Group's purpose as well as its strategy and outlook. This report is available on AXA's website.

APPOINTMENT OF MARCO MORELLI AS EXECUTIVE CHAIRMAN OF AXA INVESTMENT MANAGERS AND A MEMBER OF AXA'S MANAGEMENT COMMITTEE, GÉRALD HARLIN TO RETIRE AT THE END OF SEPTEMBER

On July 16, 2020, AXA announced that Marco Morelli, previously Chief Executive Officer of Monte dei Paschi di Siena, was appointed Executive Chairman of AXA Investment Managers ("AXA IM") and a member of AXA's Management Committee. He will report to Thomas Buberl, Chief Executive Officer of AXA. He will take office on September 14 and will be based in Paris.

After 30 years with the Group, Gérald Harlin, AXA's Deputy Chief Executive Officer and Executive Chairman of AXA IM, has decided to retire at the end of September. He will remain a member of AXA IM's Board of Directors.

Significant Disposals

AXA TO SELL ITS OPERATIONS ⁽¹⁾ IN CENTRAL AND EASTERN EUROPE FOR €1.0 BILLION

On February 7, 2020, AXA announced that it has entered into an agreement with UNIQA Insurance Group AG to sell its operations in Poland, Czech Republic and Slovakia.

Under the terms of the agreement, AXA will sell 100% of its Life & Savings, Property & Casualty and Pension businesses in Central and Eastern Europe for a total cash consideration of €1,002 million, representing an implied 12.4x 2019E P/E ⁽²⁾ multiple.

The completion of the transaction is expected to result in a positive impact on AXA Group's Solvency II ratio of ca. 2 points. No significant Net Income impact is estimated for AXA Group from this transaction.

The completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to be finalized by Q4 2020.

Partnerships and innovation

AXA AND ACCOR LAUNCHED A STRATEGIC PARTNERSHIP TO OFFER UNIQUE MEDICAL ASSISTANCE IN HOTELS WORLDWIDE

On May 15, 2020, AXA, a global leader in insurance, and Accor, a global hospitality leader, announced an innovative strategic partnership to provide medical support to guests across the 5000 Accor hotels worldwide.

As soon as July 2020, this partnership will enable Accor guests to benefit from the highest level of care thanks to the expert medical solutions of AXA Partners, AXA's international entity specialized in assistance services, travel insurance and credit protection.

⁽¹⁾ Includes AXA Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A. (P&C business), AXA Życie Towarzystwo Ubezpieczeń S.A. (L&S business) and AXA Powszechne Towarzystwo Emerytalne S.A. (Pension business) in Poland, and AXA pojišťovna a.s. (P&C business), AXA životní pojišťovna a.s. (L&S business) and AXA penzijní společnost a.s. (Pension business) in Czech Republic, together with their subsidiaries and branches in Slovakia. AXA XL's and AXA Partners' operations within the three countries are not within the scope of this transaction.

⁽²⁾ Price / 2019 IFRS Net Income (including the 2019 IFRS Net Income of Czech Republic and Slovakia P&C operations which are not consolidated in AXA Group's financial statements).



First and foremost, Accor guests will benefit from AXA's most recent advances in telemedicine through free access to medical teleconsultations. Guests will also get access to AXA's extensive medical networks with tens of thousands of vetted medical professionals. This will allow hotels to make the most relevant referrals (e.g. language, specialty) to their guests in the 110 destinations where Accor is present.

As Accor prepares for the post COVID-19 rebound, this unique medical service complements its overall global recovery plan and is included in the enhanced health and prevention protocols that Accor has put in place notably through its ALLSAFE Cleanliness label in anticipation of the progressive reopening of its hotels across the different regions.

For AXA, this partnership is a unique occasion to strengthen its payer to partner strategy, which aims to provide innovative services to its customers, notably in health, one of its areas of growth in its Ambition 2020 plan.

AXA AND WESTERN UNION TO COLLABORATE TO PROVIDE INCLUSIVE INSURANCE

On June 18, 2020, AXA announced the launch of a collaboration with The Western Union Company, a leader in cross-border, cross-currency money movement and payments, to provide inclusive insurance products to Western Union's customers using its westernunion.com service. By linking insurance to money transfer services, the two groups will help to better cover migrant workers and their families at home.

An initial pilot, called 'Transfer Protect', launched that week in France with AXA Partners, offers Western Union's customers sending money via westernunion.com the option to seamlessly sign up for a life and disability insurance solution ⁽¹⁾. This helps provide peace of mind to the migrant population knowing that their designated family members or loved ones will receive a payment in case of an unfortunate life or disability event.

This announcement is in line with AXA's ambition to significantly contribute to financial inclusion through its AXA Emerging Customers division. This business aims to serve low income to mass market populations by accelerating the development of adapted and relevant insurance and protection services. For Western Union, this is a new step in their customer centric strategy to enrich the value it provides to customers by integrating adjacent financial services seamlessly through its global omni-channel platform.

According to the International Fund for Agricultural Development 2017 report ⁽²⁾ around 200 million people, mostly from low and middle-income segments of the society in emerging countries, regularly send money back home, supporting 800 million family members. However, migrants working abroad face increasing levels of uncertainty, occupying riskier and more unstable jobs. Losing their earning capability can have highly damaging consequences for their families, for whom cross-border remittances represent on average 60% of their total income.

Capital / Debt operations / Other

AXA RATINGS

On April 5, 2019, Moody's Investors Service affirmed the "Aa3" insurance financial strength rating of AXA's principal insurance subsidiaries, changing outlook to stable from negative.

On March 16, 2020, S&P Global Ratings affirmed the long-term financial strength rating of AXA's core operating subsidiaries at "AA-" with a stable outlook.

⁽¹⁾ The scope of this initial pilot covers money transfers on westernunion.com from France to the following ten African countries: Senegal, Morocco, Ivory Coast, Madagascar, Cameroon, Mali, Benin, Togo, Republic of Congo, and Guinea.

⁽²⁾ "Sending Money Home: Contributing to the SDGs, one family at a time", International Fund for Agricultural Development (IFAD), 2017.



On April 30, 2020, Fitch Ratings affirmed the financial strength rating of AXA's core operating subsidiaries at "AA" with a stable outlook.

REIMBURSEMENT OF €1.3 BILLION SUBORDINATED DEBT

On April 16, 2020, AXA reimbursed €1.3 billion of subordinated debt issued in April 2010.

AXA PUBLISHED ITS 2020 CLIMATE REPORT

On July 3, 2020, AXA announced the publication of its fourth Climate Report ⁽¹⁾. This document describes AXA's responsible investment and insurance initiatives in the fight against climate change and measures the Group's progress in implementing the objectives of the Paris Agreement by 2050.

This report follows the disclosure approach resulting from French Law No. 2015-992 of August 17, 2015, for Energy Transition for Green Growth, as well as the Taskforce on Climate-related Financial Disclosures (TCFD) that AXA has supported since its creation. The report's main indicator, the "warming potential", measures the impact of the Group's investments on global warming and its contribution to the fight against climate change.

At the end of 2019, AXA's "warming potential" was 2.8°C, down compared to 2018 (3°C) and below the market average (3.6°C). This evolution notably reflects the ambitious policy implemented by AXA to align its investments with the objectives of the Paris Agreement by 2050.

Risk Factors

The principal risks and uncertainties faced by the Group are described in detail in Section 4.1 "Risk Factors" and Section 6.3 "General Information" of the 2019 Universal Registration Document (on pages 158 to 175 and pages 380 to 392, respectively). The 2019 Universal Registration Document was filed with the Autorité des marchés financiers (the "AMF") on March 19, 2020, and is available on the AMF's website (www.amf-france.org) as well as on AXA's website (www.axa.com).

The descriptions contained in these sections of the 2019 Universal Registration Document remain valid in all material respects at the date of the publication of this report regarding the appreciation of the major risks and uncertainties affecting the Group on June 30, 2020, or which Management expects could affect the Group during the remainder of 2020. The information provided in the 2019 Universal Registration Document, in particular under "The occurrence of natural or man-made disasters, including those resulting from changing weather patterns, diseases and climatic and climatic conditions, profitability and cash flows - COVID-19 Outbreak", should be read in conjunction with the following developments regarding the COVID-19 Outbreak.

FOCUS ON COVID-19 OUTBREAK

The COVID-19 pandemic continues to spread and evolve globally, and it has materially impacted the Group's 1H20 earnings, in particular in Property & Casualty, mainly due to Business Interruption and Event Cancellation claims, as well as solidarity measures. For a discussion of the financial impact of COVID-19 on the Group's 1H20 results, please refer to sections "Activity Indicators" on pages 15 to 18 of this report, "Commentary on Group Earnings" on pages 23 and 24 of this report, and "Outlook" on page 59 of this report.

Material uncertainties relating to COVID-19 persist which may adversely impact the Group's financial performance during the remainder of 2020 and future periods. We continue to closely monitor the Group's potential exposure

⁽¹⁾ The Climate report does not form part of the 2019 Universal Registration Document and is not intended to address or provide information in respect of any of the disclosure requirements of (i) the Annual Financial Report, (ii) the Board of Directors' report to AXA's Shareholders' Meeting, or (iii) the corporate governance report. For the avoidance of doubt, any reference to Law No. 2015-992 of August 17, 2015 should be construed solely as a reference to Article 173(VI) thereof and related implementing measures.



to the pandemic and its wide-ranging consequences, including on **(i)** the extent of claims litigation and insurance coverage impacted (in particular in Property & Casualty business lines), **(ii)** the impact of potential renewed localized or more generalized lockdown measures, travel limitations and business restrictions on the Group's operations and activities, **(iii)** regulatory, litigation-related or legislative developments (particularly in the United States) aimed at expanding the intended scope of coverages beyond policy terms, exclusions and other conditions, **(iv)** financial market volatility, changes in asset prices and overall financial conditions (including interest rates and corporate spreads), and **(v)** macroeconomic conditions and the flow of people, goods and services. Any or all of the foregoing could materially and adversely affect our business, financial condition, results of operations and growth.

Related-Party Transactions

During the first semester of 2020, there were **(i)** no modifications to the related-party transactions described in Note 28 "Related-party transactions" to the audited consolidated financial statements for the fiscal year ended December 31, 2019, included in the 2019 Universal Registration Document (pages 356 and 357) filed with AMF and available on its website (www.amf-france.org) as well as on the Company's website www.axa.com, which significantly influenced the financial position or the results of the Company during the first six months of the fiscal year 2020, and **(ii)** no new transaction concluded between AXA SA and related parties that significantly influenced the financial position or the results of the Company during the first six months of 2020.

Events subsequent to June 30, 2020

TERMINATION OF THE SALE AGREEMENT RELATED TO AXA LIFE EUROPE

On August 5, 2020, AXA and Cinven mutually agreed to terminate the sale agreement related to AXA Life Europe (“ALE”) as certain conditions to closing were not met by the agreed long stop date. As a consequence, AXA Life Europe assets and liabilities were no longer classified as held for sale as of June 30, 2020 and consolidated statement of financial position as of December 31, 2019 has been restated accordingly in the report.

The major classes of assets and liabilities as of December 31, 2019 that were restated in this report are intangible assets for €307 million, cash and cash equivalent for €708 million, investments and other assets for €4,732 million, liabilities arising from insurance and investment contracts for €5,241 million and other liabilities for €468 million.

AXA is reviewing its strategic options in order to maximize value creation and cash efficiency of ALE, while giving due regard to the interests of ALE’s policyholders and ensuring a seamless continuation of service to these policyholders.

BOARD OF DIRECTORS’ DECISION ON EXCEPTIONAL DISTRIBUTION OF RESERVES IN 4Q20

Following a number of discussions with the French regulator (ACPR) and, in the context of the COVID-19 crisis, reinforced communication from various European regulators, including the ACPR on July 28, 2020, recommending insurers to refrain from dividend distributions until January 1, 2021, AXA’s Board of Directors, at its meeting on August 5, 2020, decided it will not propose an exceptional distribution of reserves to shareholders in 4Q 2020.

Activity and Earnings Indicators

ACTIVITY INDICATORS

<i>(in Euro million, except percentages)</i>	June 30, 2020	June 30, 2019	June 30, 2020 / June 30, 2019 ^(a)
Gross revenues ^(b)	52,391	57,949	(1.9%)
Property & Casualty	28,083	27,963	(1.1%)
Life & Savings	15,597	21,287	(8.2%)
Health	7,858	7,230	8.7%
Asset Management	606	1,240	3.0%
Banking	246	229	7.7%
APE ^(c)	2,786	3,227	2.5%
NBV Margin ^(d)	44.5%	40.3%	(0.5 pt)

^(a) Changes are on comparable basis.

^(b) Net of intercompany eliminations.

^(c) Annual Premium Equivalent (APE) represents 100% of new regular premiums plus 10% of single premiums, in line with EEV methodology. APE is Group share.

^(d) New Business Value (NBV) Margin is the ratio of (i) New Business Value representing the value of newly issued contracts during the current year to (ii) APE.

<i>(in Euro million)</i>	June 30, 2020	June 30, 2019 restated ^(a)	June 30, 2020 / June 30, 2019 restated ^{(a) & (b)}
Gross revenues ^(c)	52,391	57,949	(1.9%)
France	12,552	13,383	(6.3%)
Europe	18,788	19,858	(2.1%)
Asia	5,522	4,827	3.0%
AXA XL	10,522	10,436	0.2%
United States	-	4,297	0.0%
International	3,563	3,662	2.1%
Transversal & Central Holdings	1,444	1,487	(2.8%)

^(a) Restated: reclassification of German and Japanese activities of AXA Life Europe (previously reported as part of Germany and Japan respectively) into AXA Life Europe (included in Transversal & Central Holdings).

^(b) Changes are on comparable basis.

^(c) Net of intercompany eliminations.

Consolidated Gross revenues amounted to €52,391 million as of June 30, 2020, down 10% on a reported basis and down 2% on a comparable basis compared to June 30, 2019.

The 1H19 comparable basis mainly includes the following adjustments: **(i)** the exclusion of United States contribution of the first quarter of 2019 following the deconsolidation of Equitable Holdings, Inc. (€-4.3 billion or +7.3 points), **(ii)** the exclusion of the Savings portion of 1H19 premiums related to the additional Group Life foundations that have been transformed in Switzerland since July 1, 2019 (€-0.9 billion or +1.5 points), and **(iii)** the inclusion of AXA Tianping contribution in 1H19 (€+0.4 billion or -0.6 point), following its full consolidation as at December 31, 2019.

Also, the 1H20 comparable basis includes the foreign exchange rate movements mainly due to the depreciation of average Euro exchange rate against most major currencies (€-0.5 billion or +0.8 point).

Gross revenues

Gross revenues were down 10% on a reported basis and down 2% on a comparable basis to €52,391 million.

Property & Casualty gross revenues were down 1% (or €-307 million) on a comparable basis to €28,083 million, driven by Commercial lines (0%) and Personal lines (-2%):

- *Europe* (€-123 million or -1%) to €10,335 million, driven by **(i) Personal lines** (€-125 million or -2%) mostly from a strong market competition in both *Germany* (-4%) and *Switzerland* (-2%) combined with lower new business in the context of the COVID-19 lockdowns in *Motor*, slightly offset by **(ii) Commercial lines** (€+2 million or 0%) stemming from *Germany* (+3%) mainly from higher new business as well as from higher average premium in *Non-Motor*, and *Italy* (+6%) following a strong increase in *Property* during the first quarter, partly offset by *the United Kingdom & Ireland* (-4%) from lower retention and lower new business in *Motor*, and *Belgium* (-4%) from lower new business in the context of the COVID-19 crisis and pruning measures;
- *France* (€-116 million or -3%) to €3,769 million, mainly driven by solidarity measures towards both small companies and independent workers in the context of the COVID-19 crisis, partly offset by a strong growth in *Commercial lines* from both volume and tariff increases;
- *Transversal* (€-69 million or -10%) to €621 million, mainly driven by *Commercial lines* (€-52 million or -9%) at AXA Assistance from lower renewals in both *Motor* and *Travel* in the context of the COVID-19 crisis;
- *International* (€-47 million or -2%) to €1,881 million, driven by *Personal lines* (€-46 million or -6%) mainly from lower volumes in *Motor* in *Singapore* (-27%) and *Mexico* (-11%) in the context of the COVID-19 crisis;

partly offset by:

- *Asia* (€+31 million or +3%) to €1,055 million, driven by *Personal lines* (€+30 million or +3%) primarily from **(i) Direct South Korea** (+15%) in *Motor* mainly driven by tariff increases and higher volumes, as well as in *Non-Motor* mostly from higher volumes, and **(ii) Thailand** (+81%) mainly driven by higher new business in *Motor* during the first quarter;
- *AXA XL* (€+17 million or 0%) to €10,421 million as the growth in *Insurance* mostly from tariff increases (+9%), was almost fully offset by the impact of the COVID-19 crisis (-8%) and selective underwriting across both *Insurance* and *Reinsurance* (-1%).

Life & Savings gross revenues were down 8% (or €-1,385 million) on a comparable basis to €15,597 million, mainly driven by G/A Savings (-25%), partly offset by Protection (+1%) and Unit-Linked (+1%):

- *France* (€-964 million or -14%) to €6,168 million, mainly driven by lower volumes in both **(i) Individual Savings** (€-1,065 million or -24%) and **(ii) Protection** (€-78 million or -4%) in the context of the COVID-19 crisis, partly offset by an increase in **(iii) Unit-Linked** (€+272 million or +16%) stemming from a large *Group* contract;
- *Europe* (€-399 million or -7%) to €5,397 million, mainly driven by **(i) G/A Savings** (€-228 million or -11%) primarily in *Italy* (-18%) from reduced sales during the COVID-19 crisis, partly offset by higher sales of hybrid products in *Germany* (+11%), and **(ii) Unit-Linked** (€-226 million or -24%) notably in *Italy* (-42%) due to the impact of the COVID-19 crisis as well as a shift in business mix towards investment products for which premiums are not recognized as gross revenues under IFRS, partly offset by **(iii) Protection** (€+35 million or +1%) mainly from *Switzerland* (+4%) reflecting strong sales of semi-autonomous products in *Group Life*;



- *International* (€-15 million or -2%) to €610 million, mainly driven by **(i)** *G/A Savings* (€-44 million or -22%) primarily from a portfolio put in run-off in *Colombia* (-72%), partly offset by **(ii)** *Protection* (€+22 million or +6%) mainly from higher renewals in *Protection with Savings* in *Mexico* (+20%);
- *Asia* (€-5 million or 0%) to €3,206 million, mainly driven by **(i)** *G/A Savings* (€-94 million or -21%) and **(ii)** *Unit-Linked* (€-19 million or -15%) both primarily from *Japan* (-75%) mainly due to the temporary discontinuation of the capital light *Single Premium Whole Life* product as a consequence of the decrease of interest rates, partly offset by **(iii)** *Protection with Savings* (€+111 million or +5%) mostly from in-force growth in *Japan* (+5%) and *Hong Kong* (+4%).

Health gross revenues were up 9% (or €+633 million) on a comparable basis to €7,858 million, driven by Group business (+11%) and Individual business (+7%):

- *France* (€+230 million or +10%) to €2,547 million, primarily driven by higher volumes in *Group business* (€+211 million or +11%) in both international and domestic markets;
- *International* (€+132 million or +16%) to €905 million, mainly in **(i)** *Mexico* (€+63 million or +15%) from tariff increases combined with higher volumes in both *Group* and *Individual businesses*, and in **(ii)** *the Gulf Region* (€+41 million or +19%) from large accounts in *Group business*;
- *Asia* (€+129 million or +12%) to €1,261 million, from **(i)** *Individual business* (€+100 million or +11%) mainly in *China* (€+78 million) driven by higher volumes following the launch of a new digital partnership, in *Hong Kong* (+6%) mainly from tariff increases, and in *Japan* (+1%), combined with **(ii)** *Group business* (€+29 million or +18%) primarily in *China* (€+24 million) driven by a new partnership;
- *Europe* (€+126 million or +4%) to €3,045 million, from **(i)** *Individual business* (€+105 million or +5%) notably in *Germany* (+5%) mainly due to the continued growth in the civil servants segment and tariff increases in full benefit insurance, *Switzerland* (+85%) due to the continued portfolio growth, combined with higher volumes and tariff increases in *Spain* (+8%), and **(ii)** *Group business* (€+20 million or +3%) mainly from new large corporate contracts in *Belgium* (+14%);
- *Transversal* (€+16 million or +18%) to €100 million, at AXA Assistance driven by higher renewals in *Group business*.

Asset Management gross revenues were up 3% (or €+17 million) on a comparable basis to €606 million, mainly driven by higher transaction fees as well as higher management fees from higher average assets under management due to both **(i)** favorable financial markets in 2H19 and up to the beginning of the COVID-19 crisis, as well as **(ii)** net inflows in both *Alt* and *Core* expertises, partly offset by lower management fee bps as a result of an unfavorable change in product mix.

Banking gross revenues were up 8% (or €+18 million) on a comparable basis to €246 million, driven by AXA Bank Belgium (+4%), AXA Bank Germany (+102%), and AXA Banque France (+8%) mainly driven by a higher commercial activity.

New business Annual Premium Equivalent ⁽¹⁾

New business APE was down 14% on a reported basis and up 2% on a comparable basis to €2,786 million, mainly driven by strong sales in **(i)** *Protection with G/A Savings* notably in *Switzerland*, and **(ii)** *Unit-Linked* mostly from a large contract underwritten during the first quarter in *France*, partly offset by **(iii)** the reduced sales of *G/A Savings* products in the context of the COVID-19 crisis, notably in *France*, *China* and *Italy*.

New Business Value Margin ⁽²⁾

New Business Value Margin stood at 44.5%, increasing by 4.2 points. On a comparable basis, restated mainly for the deconsolidation of *Equitable Holdings, Inc.*, New Business Value Margin decreased by 0.5 point, mainly driven by **(i)** a negative impact in *G/A Savings* primarily driven by an unfavorable change in business mix from higher sales in *Group business* in *France*, partly offset by **(ii)** a positive impact in *Protection with Savings* reflecting a favorable business mix in *Asia*.

⁽¹⁾ New business Annual Premium Equivalent (APE) represents 100% of new regular premiums plus 10% of single premiums, in line with EEV methodology. APE is Group share.

⁽²⁾ New Business Value (NBV) Margin is the ratio of (i) New Business Value representing the value of newly issued contracts during the current year to (ii) APE.



UNDERLYING EARNINGS, ADJUSTED EARNINGS AND NET INCOME GROUP SHARE

June 30, 2020

(in Euro million)	June 30, 2020	Property & Casualty	Life & Savings	Health	Asset Management	Other ^(a)
Investment margin	2,495	1,433	985	77		
Fees & revenues	3,135		2,287	847		
Net technical margin	7,471	6,289	412	769		
Expenses	(10,188)	(6,692)	(2,334)	(1,162)		
Amortization of value of purchased life business in-force	(39)		(37)	(3)		
Underlying earnings before tax	2,581	1,031	1,314	528	176	(468)
Income tax expenses/benefits	(746)	(470)	(206)	(145)	(52)	127
Income from affiliates and associates	140	35	85	11	9	(0)
Minority interests	(89)	(52)	(27)	(7)	(3)	(0)
Underlying earnings Group share	1,885	544	1,165	388	130	(341)

^(a) Other corresponds to banking activities and holding.

(in Euro million, except percentages)	June 30, 2020	France	Europe	Asia	AXA XL	International	Transversal & Central Holdings
Investment margin	2,495	889	748	40	587	197	34
Fees & revenues	3,135	1,278	593	1,075	-	162	27
Net technical margin	7,471	1,176	3,496	814	895	805	285
Expenses	(10,188)	(2,387)	(3,144)	(1,156)	(2,261)	(881)	(358)
Amortization of value of purchased life business in-force	(39)	-	(25)	(14)	-	(1)	-
Underlying earnings before tax from insurance activities	2,873	956	1,667	759	(779)	282	(12)
Underlying earnings before tax from other activities	(292)	(1)	63	(2)	(53)	29	(328)
Income tax expenses / benefits	(746)	(204)	(417)	(154)	(11)	(65)	103
Income from affiliates and associates	140	3	(0)	86	-	42	9
Minority interests	(89)	(2)	(43)	(4)	(0)	(38)	(3)
Underlying earnings Group share	1,885	753	1,270	685	(843)	251	(230)
Net capital gains or losses attributable to shareholders net of income tax	98	118	24	(3)	(21)	(17)	(2)
Adjusted earnings Group share	1,984	871	1,294	682	(864)	233	(232)
Profit or loss on financial assets (under fair value option) and derivatives	(169)	(315)	(179)	(65)	(84)	66	408
Exceptional operations (including discontinued operations)	(169)	(54)	(18)	(0)	(1)	(15)	(82)
Goodwill and other related intangible impacts	(93)	-	(18)	(10)	(25)	(13)	(28)
Integration and restructuring costs	(123)	(4)	(14)	(4)	(85)	(4)	(12)
NET INCOME GROUP SHARE	1,429	498	1,066	602	(1,059)	268	55
Property & Casualty Combined Ratio	101.7%	94.1%	91.9%	94.8%	115.2%	96.4%	106.2%
Health Combined Ratio	94.0%	97.1%	95.9%	78.6%	-	100.8%	96.4%
Protection Combined Ratio	94.6%	102.3%	94.7%	88.2%	-	96.7%	-



June 30, 2019

(in Euro million)

	June 30, 2019 ^(a)	Property & Casualty	Life & Savings ^(a)	Health ^(a)	Asset Management ^(a)	Other ^{(a) & (b)}
Investment margin	2,487	1,430	992	65		
Fees & revenues	2,958		2,144	813		
Net technical margin	9,041	7,664	614	763		
Expenses	(9,917)	(6,505)	(2,260)	(1,152)		
Amortization of value of purchased life business in-force	(32)		(28)	(3)		
Underlying earnings before tax	4,156	2,589	1,462	486	167	(547)
Income tax expenses/benefits	(879)	(609)	(252)	(131)	(51)	165
Income from affiliates and associates	433	46	312	(3)	95	(17)
Minority interests	(91)	(45)	(36)	(7)	(3)	(0)
Underlying earnings Group share	3,620	1,981	1,486	345	208	(400)

^(a) As a consequence of the deconsolidation of Equitable Holdings, Inc. ("EQH") as of March 31, 2019, and its subsequent accounting for under equity method, the United States underlying earnings contribution was fully accounted for under income from affiliates and associates in 1H19.

^(b) Other corresponds to banking activities and holding.

(in Euro million, except percentages)

	June 30, 2019 ^(a)	France	Europe ^(b)	Asia ^(b)	AXA XL	United States ^(a)	International	Transversal & Central Holdings ^(b)
Investment margin	2,487	837	876	22	503		199	51
Fees & revenues	2,958	1,122	568	1,070	-		172	27
Net technical margin	9,041	1,582	3,399	439	2,428		813	380
Expenses	(9,917)	(2,403)	(3,090)	(851)	(2,281)		(923)	(370)
Amortization of value of purchased life business in-force	(32)	-	(23)	(7)	-		(1)	-
Underlying earnings before tax from insurance activities	4,537	1,138	1,728	673	651		260	87
Underlying earnings before tax from other activities	(380)	1	49	(8)	(48)		31	(406)
Income tax expenses / benefits	(879)	(269)	(406)	(133)	(100)		(61)	90
Income from affiliates and associates	433	5	-	91	1	283	41	11
Minority interests	(91)	(2)	(48)	(4)	(2)		(32)	(3)
Underlying earnings Group share	3,620	873	1,324	619	502	283	240	(221)
Net capital gains or losses attributable to shareholders net of income tax	386	68	231	10	45	(3)	(2)	35
Adjusted earnings Group share	4,006	941	1,555	629	547	280	238	(185)
Profit or loss on financial assets (under fair value option) and derivatives	(767)	(60)	(267)	3	(6)	4	8	(450)
Exceptional operations (including discontinued operations)	(705)	(4)	(36)	-	(45)	(22)	-	(597)
Goodwill and other related intangible impacts	(59)	-	(18)	(8)	(20)	(0)	(12)	(0)
Integration and restructuring costs	(142)	(6)	(25)	(1)	(82)	(5)	(2)	(22)
NET INCOME GROUP SHARE	2,333	872	1,208	625	394	257	232	(1,255)
Property & Casualty Combined Ratio	95.1%	90.8%	92.8%	95.4%	98.3%		98.4%	95.7%
Health Combined Ratio	93.9%	97.7%	95.4%	77.5%	-		98.6%	100.6%
Protection Combined Ratio	93.2%	97.8%	95.2%	86.3%	-		98.7%	-

^(a) As a consequence of the deconsolidation of Equitable Holdings, Inc. ("EQH") as of March 31, 2019, and its subsequent accounting under the equity method, the United States underlying earnings contribution was fully accounted for under income from affiliates and associates in 1H19. As a result, EQH contribution was excluded from Health and Protection Combined Ratio calculation in 1H19.

^(b) Reclassification of German and Japanese activities of AXA Life Europe (previously reported as part of Germany and Japan respectively) into AXA Life Europe (included in Transversal & Central Holdings).



ALTERNATIVE PERFORMANCE MEASURES

Adjusted Earnings, Underlying Earnings, Adjusted Return on Equity, Underlying Earnings per share, Combined Ratio and Debt Gearing are Alternative Performance Measures (“APMs”) as defined in ESMA’s guidelines and the AMF’s related position statement issued in 2015. A reconciliation from Adjusted Earnings, Underlying Earnings and Combined Ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided in the above tables. Adjusted Return on Equity and Underlying Earnings per share are reconciled to the financial statements in the table set forth on page 26 of this report, and Debt Gearing calculation methodology based on the information available in the financial statements is defined on page 22 of this report. For further information on any of the above-mentioned APMs, see the Glossary on pages 60 to 67 of this report.

Adjusted Earnings

Adjusted Earnings represent the net income (Group share) as disclosed in the above tables, before the impact of the following items net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- integration and restructuring costs related to material newly acquired companies as well as restructuring and associated costs related to productivity improvement plans;
- goodwill, impairments and amortization of intangibles related to customers and distribution;
- exceptional operations (primarily change in scope and discontinued operations); and
- profit or loss on financial assets accounted for under fair value option (excluding assets backing liabilities for which the financial risk is borne by the policyholder), foreign exchange impacts on assets and liabilities, and derivatives related to invested assets and liabilities.

Underlying Earnings

Underlying Earnings correspond to Adjusted Earnings without the following elements, net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- realized gains and losses and change in impairment valuation allowance (on assets not designated under fair value option or trading assets); and
- cost at inception, intrinsic value and pay-off of derivatives used for the economic hedging of realized gains and impairments of equity securities (other than the funds backing contracts where the financial risk is borne by policyholders).

Adjusted Return on Equity

The **Adjusted Return on Equity** (“Adjusted RoE”) is calculated as adjusted earnings net of financial charges related to undated subordinated debt, preferred shares and mandatory exchangeable bonds up to the date of deconsolidation of EQH (recorded through shareholders’ equity as disclosed in Part 2.4 - “Consolidated statement of changes in equity” and financial debt as disclosed in Part 2.6 - Note 7 “Financing debt” of the Half Year 2020 Financial Report) divided by the weighted average shareholders’ equity. The weighted average shareholders’ equity:

- is based on opening shareholders’ equity adjusted for weighted average impacts of capital flows (including dividends);



- without reserves relating to change in fair value of financial investments available for sale as disclosed in Part 2.4 - “Consolidated Statement of Changes in Equity” of the Half Year 2020 Financial Report;
- without undated subordinated debt as disclosed in Part 2.4 - “Consolidated statement of changes in equity” of the Half Year 2020 Financial Report.

Underlying Earnings per share

Underlying Earnings per share corresponds to Group Share Underlying Earnings net of financial charges related to undated subordinated debts recorded through shareholders’ equity – Group share, and preferred shares and mandatory exchangeable bonds up to the date of deconsolidation of EQH (recorded through shareholders’ equity as disclosed in Part 2.4 - “Consolidated Statement of Changes in Equity” and financial debt as disclosed in Part 2.6 - Note 7 “Financing debt” of the Half Year 2020 Financial Report), divided by the weighted average number of outstanding ordinary shares.

Combined Ratio (applicable for Property & Casualty, Health and Protection)

The **Combined Ratio** is the sum of the all accident year loss ratio and the underlying expense ratio.

- All accident year loss ratio net of reinsurance is the ratio of:
 - all accident years claims charge gross of reinsurance + claims handling costs + result of reinsurance ceded on all accident years excluding unwind of the discount rate used in calculating technical reserves; to
 - earned revenues gross of reinsurance.
- Expense ratio is the ratio of:
 - expenses (excluding claims handling costs, including changes in VBI amortization); to
 - earned revenues gross of reinsurance.

Debt Gearing

Debt Gearing refers to the level of a company's debt related to its equity capital, usually expressed as a percentage. Debt Gearing is used by Management to measure the financial leverage of the Group and the extent to which its operations are funded by creditors as opposed to shareholders. AXA's Debt Gearing is calculated by dividing the gross debt (financing debt as disclosed in Part 2.6 - Note 7 “Financing debt” and undated subordinated debt as disclosed in Note 6 “Shareholders’ equity and minority interests” of the Half Year 2020 Financial Report) by total capital employed (shareholders’ equity excluding undated subordinated debt and reserves relating to the change in the fair value of financial instruments and of hedge accounting derivatives plus gross debt). Furthermore, following the deconsolidation of Equitable Holdings, Inc., mandatory exchangeable bonds issued by AXA in May 2018 were excluded from Debt Gearing.

COMMENTARY ON GROUP EARNINGS

Underlying earnings

Underlying earnings amounted to €1,885 million, down €1,734 million (-48%) *versus* 1H19 on a reported basis. On a constant exchange rate basis, **underlying earnings** decreased by €1,752 million (-48%). Excluding the €283 million contribution of *Equitable Holdings, Inc.* in 1H19, underlying earnings decreased by €1,469 million (-44%), driven by:

- the impacts of €-1.5 billion from COVID-19 crisis, mainly from Property & Casualty claims in Business Interruption and Event Cancellation, and to a lesser extent from other lines such as Casualty, Professional Liability, Directors & Officers and Travel, as well as solidarity measures, partly compensated by the decrease in claims frequency during lockdowns, mainly in *Motor*;
- partly offset by the increase in underlying earnings excluding the COVID-19 impacts (+1%).

Excluding the contribution of *Equitable Holdings, Inc.* in 1H19, the decrease of €1,469 million in **underlying earnings** was broken down as follows:

Property & Casualty Underlying earnings decreased by €1,427 million (-72%) to €544 million:

COVID-19 impacts amounted to €-1.5 billion, mainly from Property & Casualty claims in Business Interruption and Event Cancellation, and to a lesser extent in other lines such as Casualty, Professional Liability, Directors & Officers and Travel, as well as solidarity measures in *France*, combined with an adverse impact on volumes net of expense reductions, partly compensated by the decrease in claims frequency during lockdowns, mainly in *Motor*.

Underlying earnings excluding COVID-19 impacts increased by €0.1 billion (+3%) driven by business growth while all year combined ratio improved by 0.1 point due to (i) more favorable prior year reserve developments (-0.5 point), mainly in *France* and in *Europe*, and (ii) lower expense ratio (-0.2 point) as a result of cost reduction initiatives, partly offset by (iii) higher Nat Cat charges (+0.6 point) mainly at AXA XL and in *Northern Europe* due to the storms occurred in the beginning of the year. Investment result remained stable as lower dividends and funds distributions were offset by higher private equity fund distributions at AXA XL.

Life & Savings Underlying earnings decreased by €116 million (-9%) to €1,165 million, mainly driven by (i) a lower net technical margin mainly due to the extension of disability coverage to vulnerable customers (€-110 million) and the decrease in annuities discount rate (€-38 million) in *France*, combined with (ii) a lower investment margin (€-9 million) as the decrease in investment income from lower yields and dividends was partly offset by the decrease in policyholder participation, partly offset by (iii) lower income tax (€+49 million) as a result of lower pre-tax underlying earnings.

Health Underlying earnings increased by €25 million (+7%) to €388 million, driven by business growth combined with the improvement of the current year combined ratio (-0.4 point) in *France* and *Hong Kong*, partly offset by lower prior year reserve developments (+0.6 point), mainly in *France*.

Other activities Underlying earnings increased by €49 million to €-211 million, mainly at AXA SA (€+33 million) driven by lower general expenses, higher dividends received mainly from the remaining stake in *Equitable Holdings, Inc.* related to the EQH shares to be delivered on redemption of the AXA SA bonds mandatorily exchangeable into EQH shares, maturing in May 2021, and lower tax paid on dividends received from subsidiaries.

Adjusted earnings

Net realized capital gains and losses attributable to shareholders amounted to €98 million. On a constant exchange rate basis, **net realized capital gains and losses attributable to shareholders** decreased by €288 million due to the financial markets turmoil resulting from the COVID-19 crisis:

- €-298 million **higher impairments** to €-343 million, mainly driven by equity instruments (€-114 million to €-143 million), real estate (€-84 million to €-80 million), alternative investments (€-71 million to €-90 million) and fixed income assets (€-28 million to €-30 million), as a consequence of the financial markets turmoil resulting from the COVID-19 crisis, significantly impacting the fair value of equity securities, private equity and hedge funds, as well as credit investments;
- €-14 million **unfavorable impact of equity derivatives** to €-35 million;

partly offset by:

- €+23 million **higher realized capital gains** to €476 million, mainly driven by equity securities (€+97 million to €263 million) and fixed income assets (€+1 million to €27 million), partly offset by alternative investments (€-67 million to €3 million) and real estate (€-7 million to €184 million).

As a result, **adjusted earnings** decreased by €2,022 million (-50%) to €1,984 million. On a constant exchange rate basis, **adjusted earnings** decreased by €2,040 million (-51%).

Net income

Net income amounted to €1,429 million, down €904 million (-39%). On a constant exchange rate basis, **net income** decreased by €904 million (-39%), driven by:

- **lower adjusted earnings** (€-2,040 million);
- **a negative change in the fair value of assets accounted for under fair value option**, down €608 million to €-594 million, due to the financial markets turmoil resulting from the COVID-19 crisis, significantly impacting the valuation of fixed income assets and credit funds (€-330 million to €-184 million), private equity funds (€-201 million to €-256 million), and hedge funds (€-125 million to €-128 million);
- **a favorable change in the fair value of derivatives** net of foreign exchange impacts, up €1,215 million to €425 million, driven by:
 - the change in the fair value of equity, interest rates and credit derivatives not eligible for hedge accounting under IAS 39, up €1,084 million to €379 million, from the equity market turmoil resulting from the COVID-19 crisis as well as from the significant decrease of the exposure to interest rates risk at AXA SA,
 - the change in the fair value of foreign exchange derivatives not eligible for hedge accounting under IAS 39 net of foreign exchange rate movements on assets and liabilities denominated in foreign currencies, up €131 million to €47 million;
- **lower impact from exceptional operations**, up €542 million to €-169 million mainly from:
 - the non-repeat of the 1H19 negative impact linked to the deconsolidation of *Equitable Holdings, Inc.*, corresponding to the difference between the fair value and the consolidated carrying value of EQH at the date of the deconsolidation (€+598 million) at AXA SA,
 - partly offset by the exceptional contributions to French COVID-19 solidarity funds (€-54 million) to support both small companies and self-employed individuals in *France*.

SHAREHOLDERS' EQUITY GROUP SHARE

As of June 30, 2020, Shareholders' equity Group share totaled €70.1 billion. The movements in Shareholders' equity Group share since December 31, 2019, are presented in the table below:

(in Euro million)	
	Shareholders' equity Group share
At December 31, 2019	69,897
Share Capital	0
Capital in excess of nominal value	(3)
Equity-share based compensation	23
Treasury shares sold or bought in open market	(110)
Deeply subordinated debt (including accumulated interests charges)	(90)
Fair value recorded in shareholders' equity	1,005
Impact of currency fluctuations	(758)
Dividends	(1,740)
Other	(25)
Net income for the period	1,429
Actuarial gains and losses on pension benefits	417
Reserves relating to changes in fair value of financial liabilities measured at fair value through profit and loss that are attributable to changes in own credit risk	20
At June 30, 2020	70,065

SOLVENCY INFORMATION ⁽¹⁾

As of June 30, 2020, the Group's Eligible Own Funds ("EOF") amounted to €53.9 billion and the Solvency II ratio to 180%, compared to €59.4 billion and 198% as of December 31, 2019.

⁽¹⁾ Solvency-related information included in this section, including the Solvency II ratio and the Eligible Own Funds ("EOF"), is not subject to the review of the Half Year 2020 consolidated financial statements included in the Half Year 2020 Financial Report, nor the verification of the information otherwise included in such Half Year 2020 Financial Report, performed by the Group's statutory auditors.

SHAREHOLDER VALUE

Earnings per share (“EPS”)

(in Euro, except ordinary shares in million)	June 30, 2020		June 30, 2019		June 30, 2020 / June 30, 2019	
	Basic	Fully diluted	Basic	Fully diluted	Basic	Fully diluted
Weighted average number of shares	2,381	2,385	2,381	2,384		
Net income (Euro per ordinary share)	0.56	0.56	0.92	0.92	(39.0%)	(39.1%)
Adjusted earnings (Euro per ordinary share)	0.80	0.79	1.63	1.62	(51.1%)	(51.1%)
Underlying earnings (Euro per ordinary share)	0.75	0.75	1.46	1.46	(48.5%)	(48.5%)

Return On Equity (“ROE”)

(in Euro million, except percentages)	June 30, 2020		June 30, 2019	June 30, 2020 / June 30, 2019
ROE	4.1%		7.3%	(3.2 pts)
Net income	1,429		2,333	
Average shareholders' equity	69,809		63,883	
Adjusted ROE	8.8%		18.3%	(9.6 pts)
Adjusted earnings ^(a)	1,894		3,870	
Average shareholders' equity ^(b)	43,180		42,198	
Underlying ROE	8.3%		16.5%	(8.2 pts)
Underlying earnings ^(a)	1,796		3,484	
Average shareholders' equity ^(b)	43,180		42,198	

^(a) Including adjustment to reflect net financial charges related to undated subordinated debt (recorded through shareholders' equity). In 2019, it also included adjustments to reflect financial charges related to the preferred shares and the equity component of mandatory exchangeable bonds into shares of Equitable Holdings, Inc. for the first three months of 2019 prior to its deconsolidation.

^(b) Excluding fair value of invested assets and derivatives and undated subordinated debt (both recorded through shareholders' equity).



SEGMENT INFORMATION

France

<i>(in Euro million, except percentages)</i>	June 30, 2020	June 30, 2019
Gross revenues ^(a)	12,552	13,383
Property & Casualty	3,769	3,922
Life & Savings	6,168	7,086
Health	2,547	2,312
Other ^(b)	69	64
Underlying earnings before tax	955	1,139
Property & Casualty	442	568
Life & Savings	404	482
Health	110	88
Other ^(c)	(1)	1
Income tax expenses / benefits	(204)	(269)
Minority interests	(2)	(2)
Income from affiliates and associates	3	5
Underlying earnings Group share	753	873
Net capital gains or losses attributable to shareholders net of income tax	118	68
Adjusted earnings Group share	871	941
Profit or loss on financial assets (under fair value option) and derivatives	(315)	(60)
Exceptional operations (including discontinued operations)	(54)	(4)
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	(4)	(6)
NET INCOME GROUP SHARE	498	872
Property & Casualty Combined Ratio	94.1%	90.8%
Health Combined Ratio	97.1%	97.7%
Protection Combined Ratio	102.3%	97.8%
New business		
APE	987	1,052
NBV Margin	28.0%	30.8%

^(a) Net of intercompany eliminations.

^(b) Other corresponds to banking activities.

^(c) Other corresponds to banking activities and holding.

Gross revenues decreased by €831 million (-6%) to €12,552 million. On a comparable basis, gross revenues decreased by €845 million (-6%):

- **Property & Casualty** (€-116 million or -3%) to €3,769 million, mainly due to the impact of the COVID-19 crisis from solidarity measures towards both small companies and independent workers, partly offset by a strong growth in Commercial lines (+8%) from both volume and tariff increases and to a lesser extent by Personal lines (+1%);



- **Life & Savings** (€-964 million or -14%) to €6,168 million, mainly driven by lower premiums collected during the COVID-19 lockdown period mostly in *Individual Savings* (€-1,065 million or -24%) and to a lesser extent in *Protection* (€-78 million or -4%), notably in international *Credit and Lifestyle Protection* business with €-114 million (-29%) whilst domestic activity grew by €36 million (+2%). This was partly offset by higher volumes in *Unit-Linked* (€+272 million or +16%), mainly from a large *Group* contract sold during the first quarter 2020. *Unit-Linked* gross revenues contributed 48% ⁽¹⁾ of total *Individual Savings*, as compared to 38% ⁽¹⁾ on average for the market;
- **Health** (€+230 million or +10%) to €2,547 million, driven by higher volumes in *Group business* (€+211 million or +11%) in both international and domestic markets, as well as in *Individual business* (€+19 million or +6%);
- **Other** (€+5 million or +8%) to €69 million at *AXA Banque France* mainly due to a higher interest margin.

APE decreased by €65 million (or -6%) to €987 million. On a comparable basis, APE decreased by €27 million (-3%) mainly driven by *G/A Savings* (€-111 million or -34%) from lower sales during the COVID-19 lockdown period, partly offset by *Health* (€+52 million or +18%) due to higher sales in international *Group business*, as well as by *Unit-Linked* (€+32 million or +19%) mainly from a large contract in *Group Savings* sold during the first quarter of 2020.

NBV Margin decreased by 2.8 points to 28.0%. On a comparable basis, NBV Margin decreased by 3.6 points driven by an unfavorable change in business mix from higher sales in *Group Health* and *Group Savings* products.

Underlying earnings before tax decreased by €183 million (-16%) to €955 million:

- **Property & Casualty** (€-127 million or -22%) to €442 million, mainly driven by the impact of the COVID-19 crisis primarily from higher claims in Business Interruption, as well as from lower revenues resulting from the implementation of COVID-19 related solidarity measures, partly offset by a temporary reduction of claims frequency notably in *Motor* during the lockdown period, as well as by business growth and more favorable prior year reserve developments;
- **Life & Savings** (€-77 million or -16%) to €404 million, mainly driven by the impact of the extension of the disability coverage to vulnerable customers and the decrease in annuities discount rate, partly offset by an exceptional reserve release;
- **Health** (€+22 million or +26%) to €110 million, mainly driven by business growth as well as lower frequency during the lockdown period, partly offset by unfavorable prior year reserve developments;
- **Other** (€-2 million) to €-1 million.

Income tax expenses decreased by €65 million (-24%) to €-204 million in line with lower pre-tax underlying earnings.

Underlying earnings decreased by €120 million (-14%) to €753 million.

Adjusted earnings decreased by €70 million (-7%) to €871 million driven by lower underlying earnings as well as higher impairments on both real estate and equity assets as a consequence of the financial markets turmoil resulting from the COVID-19 crisis, partly offset by higher realized capital gains in real estate assets.

Net income decreased by €374 million (-43%) to €498 million driven by lower adjusted earnings, an unfavorable change in the fair value of mutual funds, as well as the exceptional contributions to French COVID-19 solidarity funds (€-54 million) to support both small companies and self-employed individuals.

⁽¹⁾ Including Eurocroissance.

Europe

<i>(in Euro million, except percentages)</i>	June 30, 2020	June 30, 2019 restated ^(a)
Gross revenues ^(b)	18,788	19,858
Property & Casualty	10,335	10,292
Life & Savings	5,397	6,624
Health	3,045	2,937
Other ^(c)	11	6
Underlying earnings before tax	1,730	1,777
Property & Casualty	1,079	1,070
Life & Savings	457	517
Health	131	142
Other ^(d)	63	49
Income tax expenses / benefits	(417)	(406)
Minority interests	(43)	(48)
Income from affiliates and associates	(0)	-
Underlying earnings Group share	1,270	1,324
Net capital gains or losses attributable to shareholders net of income tax	24	231
Adjusted earnings Group share	1,294	1,555
Profit or loss on financial assets (under fair value option) and derivatives	(179)	(267)
Exceptional operations (including discontinued operations)	(18)	(36)
Goodwill and other related intangible impacts	(18)	(18)
Integration and restructuring costs	(14)	(25)
NET INCOME GROUP SHARE	1,066	1,208
Property & Casualty Combined Ratio	91.9%	92.8%
Health Combined Ratio	95.9%	95.4%
Protection Combined Ratio	94.7%	95.2%
New business		
APE	1,051	655
NBV Margin	48.7%	49.6%

^(a) Restated: reclassification of German activities of AXA Life Europe (previously reported as part of Germany) into AXA Life Europe (included in Transversal & Central Holdings).

^(b) Net of intercompany eliminations.

^(c) Other corresponds to banking activities.

^(d) Other corresponds to banking activities and holding.

EUROPE - SWITZERLAND

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	4,263	4,881
Property & Casualty	2,923	2,776
Life & Savings	1,309	2,088
Health	31	16
Underlying earnings before tax	493	478
Property & Casualty	333	316
Life & Savings	166	169
Health	(6)	(8)
Income tax expenses / benefits	(74)	(80)
Minority interests	(2)	(2)
Income from affiliates and associates	-	-
Underlying earnings Group share	416	396
Net capital gains or losses attributable to shareholders net of income tax	17	36
Adjusted earnings Group share	434	431
Profit or loss on financial assets (under fair value option) and derivatives	(59)	(40)
Exceptional operations (including discontinued operations)	3	1
Goodwill and other related intangible impacts	(12)	(12)
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	365	380
Property & Casualty Combined Ratio	84.3%	85.0%
Health Combined Ratio	n/a	n/a
Protection Combined Ratio	91.5%	93.4%
New business		
APE	615	218
NBV Margin	48.8%	50.5%
Average exchange rate: € 1.00 = Swiss Franc	1.06	1.13

^(a) Net of intercompany eliminations.

Since July 1, 2019, AXA Switzerland has transformed five more foundations from full insurance to semi-autonomous. As a result, the change in gross revenues on a comparable basis excludes the savings portion of the 2019 premiums related to the transformed in-force Group Life business.

Gross revenues decreased by €618 million (-13%) to €4,263 million. On a comparable basis, gross revenues increased by €40 million (+1%):

- **Property & Casualty** (€-22 million or -1%) to €2,923 million, due to *Personal lines* (€-29 million or -2%) driven by *Motor* reflecting the ongoing market competition as well as lower new business in the context of the COVID-19 crisis, while *Commercial lines* increased (€+7 million or +1%) mainly due to *Workers' Compensation* driven by a positive volume and price effect, partly offset by a decrease in *Liability* in the context of the COVID-19 crisis;

- **Life & Savings** (€+49 million or +4%) to €1,309 million, driven by *Group Life* (€+42 million or +5%) due to strong sales of semi-autonomous products, and *Individual Life* (€+6 million or +2%) from higher sales of a new hybrid product launched in 2H19;
- **Health** (€+13 million or +84%) to €31 million, due to the continuing portfolio growth.

APE increased by €397 million (+182%) to €615 million. On a comparable basis, APE increased by €361 million (+165%) driven by *Group Life* (€+369 million) due to strong sales of semi-autonomous products including the exceptional acquisition of a significant number of new clients, partly offset by lower new business in *Individual Life* (€-8 million or -19%) in the context of the COVID-19 crisis.

NBV Margin decreased by 1.6 points to 48.8% mainly driven by an adverse business mix within *Group Life* as a result of the exceptional acquisition of a significant number of new clients.

Underlying earnings before tax increased by €15 million (+3%) to €493 million. On a constant exchange rate basis, underlying earnings before tax decreased by €14 million (-3%):

- **Property & Casualty** (€-2 million or -1%) to €333 million, from a lower investment income (€-12 million) and a deterioration in the current year combined ratio (+4.2 points) driven by Business Interruption claims linked to the COVID-19 lockdown and higher Nat Cat charges, partly offset by lower attritional losses from lower claims frequency mainly in *Motor* and *Workers' Compensation* combined with more favorable prior year reserve developments (-4.9 points);
- **Life & Savings** (€-13 million or -9%) to €166 million driven by *Individual Life* (€-14 million), mainly due to a less favorable claims experience in disability;
- **Health** remained stable at €-6 million.

Income tax expenses decreased by €5 million (-7%) to €-74 million. On a constant exchange rate basis, income tax expenses decreased by €10 million (-12%) mainly driven by lower pre-tax underlying earnings and a further decrease of the corporate tax rate from 18.5% to 18.0% enacted in 2020.

Underlying earnings increased by €21 million (+5%) to €416 million. On a constant exchange rate basis, underlying earnings decreased by €3 million (-1%).

Adjusted earnings increased by €2 million (0%) to €434 million. On a constant exchange rate basis, adjusted earnings decreased by €23 million (-5%) driven by lower underlying earnings, as well as higher impairments, mainly from private equity investments.

Net income decreased by €14 million (-4%) to €365 million. On a constant exchange rate basis, net income decreased by €35 million (-9%) driven by lower adjusted earnings combined with unfavorable changes in the fair value of alternative investments and USD foreign exchange derivatives not eligible for hedge accounting, partly offset by a positive change in the fair value of equity derivatives not eligible for hedge accounting.

EUROPE - GERMANY

(in Euro million, except percentages)	June 30, 2020	June 30, 2019 restated ^(a)
Gross revenues ^(b)	6,094	5,969
Property & Casualty	2,763	2,790
Life & Savings	1,575	1,516
Health	1,745	1,657
Other ^(c)	11	6
Underlying earnings before tax	422	453
Property & Casualty	253	269
Life & Savings	52	83
Health	56	60
Other ^(d)	59	42
Income tax expenses / benefits	(149)	(138)
Minority interests	(5)	(3)
Income from affiliates and associates	-	-
Underlying earnings Group share	268	312
Net capital gains or losses attributable to shareholders net of income tax	(4)	15
Adjusted earnings Group share	264	327
Profit or loss on financial assets (under fair value option) and derivatives	(52)	(61)
Exceptional operations (including discontinued operations)	(4)	-
Goodwill and other related intangible impacts	(2)	(2)
Integration and restructuring costs	(4)	(3)
NET INCOME GROUP SHARE	203	260
Property & Casualty Combined Ratio	92.6%	93.6%
Health Combined Ratio	96.8%	96.4%
Protection Combined Ratio	97.8%	98.5%
New business		
APE	191	181
NBV Margin	59.0%	59.0%

^(a) Restated: reclassification of German activities of AXA Life Europe (previously reported as part of Germany) into AXA Life Europe (included in Transversal & Central Holdings).

^(b) Net of intercompany eliminations.

^(c) Other corresponds to banking activities.

^(d) Other corresponds to banking activities and holding.

Gross revenues increased by €125 million (+2%) to €6,094 million. On a comparable basis gross revenues increased by €125 million (+2%):

- **Property & Casualty** (€-27 million or -1%) to €2,763 million, driven by *Motor* (€-85 million or -9%) reflecting a focus on profitability in a highly competitive market and lower new business in the context of the COVID-19 crisis, partly offset by *Commercial Non-Motor* (€+47 million or +5%) mainly due to new business as well as higher average premium across all businesses in Mid-Market, and by *Personal Non-Motor* (€+12 million or +1%) mainly from tariff increases in *Household*;

- **Life & Savings** (€+59 million or +4%) to €1,575 million, from higher new business in hybrid products (€+64 million or +11%) and in *Pure Protection* (€+15 million or +6%), as well as higher Single Premiums in *Unit-Linked* (€+5 million or +3%), partly offset by *Protection with Savings* (€-28 million or -6%) in line with the strategy;
- **Health** (€+88 million or +5%) to €1,745 million, driven by the continued growth in the civil servants segment and tariff increases in full benefit insurance.

APE increased by €10 million (+5%) to €191 million. On a comparable basis, APE increased by €10 million (+5%) mainly from higher new business in hybrid products (€+4 million) and from *Health* (€+4 million).

NBV Margin remained stable at 59.0%.

Underlying earnings before tax decreased by €31 million (-7%) to €422 million:

- **Property & Casualty** (€-16 million or -6%) to €253 million, driven by a lower net investment result (€-37 million) mainly from lower dividends and a higher current year combined ratio (+1.6 points) due to higher claims in Business Interruption and Event Cancellation following the COVID-19 lockdown, partly offset by more favorable prior year reserve developments;
- **Life & Savings** (€-30 million or -37%) to €52 million, mainly reflecting a lower investment margin (€-38 million) driven by an increase in policyholder participation combined with a lower investment income, partly offset by a positive impact from higher loadings on premiums (€+7 million) in hybrid products and *Pure Protection*, in line with volume growth;
- **Health** (€-3 million or -5%) to €56 million, driven by a higher combined ratio (+0.4 point) mainly due to higher profit sharing and higher claims frequency, partly offset by lower expenses due to cost savings;
- **Other** (€+18 million or +43%) to €59 million, from *Holdings* (€+16 million) mainly due to an exceptional investment result.

Income tax expenses increased by €11 million (+8%) to €-149 million due to less favorable tax one-offs (€-14 million).

Underlying earnings decreased by €44 million (-14%) to €268 million.

Adjusted earnings decreased by €63 million (-19%) to €264 million driven by lower underlying earnings and higher impairments mainly on equity securities, as a consequence of the financial markets turmoil resulting from the COVID-19 crisis.

Net income decreased by €57 million (-22%) to €203 million mainly driven by lower adjusted earnings.



EUROPE - BELGIUM

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	1,765	1,794
Property & Casualty	1,138	1,160
Life & Savings	559	574
Health	67	60
Underlying earnings before tax	242	254
Property & Casualty	107	113
Life & Savings	130	141
Health	6	1
Other ^(b)	(0)	(1)
Income tax expenses / benefits	(52)	(62)
Minority interests	(0)	(0)
Income from affiliates and associates	-	-
Underlying earnings Group share	189	192
Net capital gains or losses attributable to shareholders net of income tax	36	164
Adjusted earnings Group share	225	355
Profit or loss on financial assets (under fair value option) and derivatives	(27)	(111)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangible impacts	(1)	(1)
Integration and restructuring costs	0	1
NET INCOME GROUP SHARE	198	244
Property & Casualty Combined Ratio	95.5%	97.0%
Health Combined Ratio	92.0%	101.2%
Protection Combined Ratio	100.5%	98.2%
New business		
APE	48	36
NBV Margin	44.5%	61.1%

^(a) Net of intercompany eliminations.

^(b) Other corresponds to holding.

Gross revenues decreased by €29 million (-2%) to €1,765 million. On a comparable basis, gross revenues decreased by €29 million (-2%):

- **Property & Casualty** (€-22 million or -2%) to €1,138 million, mostly from *Commercial lines* (€-22 million or -4%) following the impacts of the COVID-19 crisis and pruning measures in the Mid-Market segment while *Personal lines* remained stable, as the negative impacts of the COVID-19 crisis on new business were compensated by tariff increases and a higher retention;
- **Life & Savings** (€-15 million or -3%) to €559 million, mainly from *Unit-Linked* (€-11 million or -40%) due to a change in business mix towards pure investment products for which premiums are not recognized as gross revenues under IFRS;
- **Health** (€+8 million or +13%) to €67 million, due to new large corporate contracts.



APE increased by €11 million (+32%) to €48 million. On a comparable basis, APE increased by €11 million (+32%) driven by a large *Unit-Linked* Group pension contract, partly offset by a slowdown of the sales in the self-employed segment during the second quarter due to the COVID-19 crisis.

NBV Margin decreased by 16.6 points to 44.5% mainly driven by large *Unit-Linked* Group pension contract.

Underlying earnings before tax decreased by €12 million (-5%) to €242 million:

- **Property & Casualty** (€-6 million or -6%) to €107 million, mainly driven by a lower net investment income (€-22 million), partly offset by a lower all year combined ratio (-1.5 points) due to a decrease in attritional losses following the COVID-19 crisis as well as a lower claims severity;
- **Life & Savings** (€-11 million or -8%) to €130 million, driven by higher general expenses (€-7 million) mainly resulting from higher amortization of deferred acquisition costs (€-7 million) due to an update of economic assumptions;
- **Health** (€+5 million) to €6 million;
- **Other** remained stable at €0 million.

Income tax expenses decreased by €10 million (-16%) to €-52 million driven by lower pre-tax underlying earnings and a decrease in the corporate tax rate from 30% to 25%.

Underlying earnings decreased by €2 million (-1%) to €189 million.

Adjusted earnings decreased by €130 million (-37%) to 225 million mainly driven by lower underlying earnings, higher impairments (€-93 million) following the financial markets turmoil resulting from the COVID-19 crisis, as well as lower realized capital gains (€-47 million) driven by the non-repeat of the exceptional sale of a building in 2019 (€-85 million).

Net income decreased by €46 million (-19%) to €198 million driven by lower adjusted earnings, partly offset by a favorable change in the fair value of derivatives not eligible for hedge accounting, mainly driven by the strong equity market turmoil resulting from the COVID-19 crisis.

EUROPE - UNITED KINGDOM & IRELAND

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	2,794	2,856
Property & Casualty	1,771	1,817
Life & Savings	28	26
Health	996	1,013
Underlying earnings before tax	190	245
Property & Casualty	127	154
Life & Savings	2	1
Health	57	81
Other ^(b)	4	9
Income tax expenses / benefits	(35)	(35)
Minority interests	(0)	(0)
Income from affiliates and associates	(0)	-
Underlying earnings Group share	155	209
Net capital gains or losses attributable to shareholders net of income tax	(8)	10
Adjusted earnings Group share	147	219
Profit or loss on financial assets (under fair value option) and derivatives	(18)	(46)
Exceptional operations (including discontinued operations)	(17)	(37)
Goodwill and other related intangible impacts	(2)	(2)
Integration and restructuring costs	(4)	(9)
NET INCOME GROUP SHARE	106	125
Property & Casualty Combined Ratio	97.9%	96.7%
Health Combined Ratio	94.6%	92.3%

^(a) Net of intercompany eliminations.

^(b) Other corresponds to holding.

Gross revenues decreased by €62 million (-2%) to €2,794 million. On a comparable basis, gross revenues decreased by €40 million (-1%):

- **Property & Casualty** (€-44 million or -2%) to €1,771 million, from *Commercial Motor* (€-34 million or -10%) and *Personal Non-Motor* (€-12 million or -4%) mainly in *Travel*, both due to lower new business in the context of the COVID-19 crisis and lower retention, while *Personal Motor* slightly increased (€+3 million), as the growth in *the United Kingdom* and in *Ireland* (€+19 million) was almost fully offset by premium refunds related to the COVID-19 crisis in *Ireland* (€-16 million);
- **Life & Savings – Architas** (€+2 million or +7%) to €28 million;
- **Health** (€+2 million or 0%) to €996 million, mainly driven by volume growth in international business, partly offset by lower volumes in *the United Kingdom* in the context of the COVID-19 crisis.

Underlying earnings before tax decreased by €55 million (-23%) to €190 million. On a constant exchange rate basis, underlying earnings before tax decreased by €55 million (-22%):

- **Property & Casualty** (€-27 million or -18%) to €127 million, due to a higher current year loss ratio (+3.3 points) mainly driven by higher Nat Cat charges following the Ciara and Dennis storms (+2.4 points),



higher claims from Business Interruption due to COVID-19 lockdown, and higher large losses, partly offset by a lower claims frequency in *Motor*, and more favorable prior year reserve developments (-2.4 points);

- **Life & Savings – Architas** (€+1 million) to €2 million;
- **Health** (€-23 million or -29%) to €57 million, driven by a higher combined ratio (+2.2 points) mainly due to the non-repeat of favorable claims experience in the first half of 2019 and higher expenses due to investments to support the business continuity during the lockdown period;
- **Other** (€-5 million) to €4 million mainly due to a lower net investment income.

Income tax expenses remained stable (-1%) at €-35 million. On a constant exchange rate basis, income tax expenses remained stable (-1%) driven by lower pre-tax underlying earnings, offset by negative tax one-offs (€-11 million).

Underlying earnings decreased by €55 million (-26%) to €155 million. On a constant exchange rate basis, underlying earnings decreased by €55 million (-26%).

Adjusted earnings decreased by €73 million (-33%) to €147 million. On a constant exchange rate basis, adjusted earnings decreased by €72 million (-33%) driven by lower underlying earnings and higher impairment charges, as a consequence of the financial markets turmoil resulting from the COVID-19 crisis.

Net income decreased by €19 million (-15%) to €106 million. On a constant exchange rate basis, net income decreased by €19 million (-15%) as lower adjusted earnings and donations to solidarity funds were partly offset by (i) the non-repeat of the loss relating to the early redemption of a financing debt (€+37 million), and (ii) a favorable change in the fair value of derivatives not eligible to hedge accounting.

EUROPE - SPAIN

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	1,366	1,370
Property & Casualty	877	878
Life & Savings	332	346
Health	156	146
Underlying earnings before tax	155	147
Property & Casualty	104	108
Life & Savings	36	32
Health	15	8
Income tax expenses / benefits	(38)	(36)
Minority interests	(0)	(0)
Income from affiliates and associates	-	-
Underlying earnings Group share	117	112
Net capital gains or losses attributable to shareholders net of income tax	(8)	1
Adjusted earnings Group share	109	113
Profit or loss on financial assets (under fair value option) and derivatives	(9)	(7)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangible impacts	(1)	(1)
Integration and restructuring costs	(4)	(11)
NET INCOME GROUP SHARE	94	94
Property & Casualty Combined Ratio	93.1%	92.3%
Health Combined Ratio	88.6%	93.3%
Protection Combined Ratio	89.2%	95.5%
New business		
APE	47	48
NBV Margin	62.6%	62.4%

^(a) Net of intercompany eliminations.

Gross revenues decreased by €4 million (0%) to €1,366 million. On a comparable basis, gross revenues decreased by €4 million (0%):

- **Property & Casualty** (€-1 million or 0%) to €877 million, mainly due to lower new business in the context of the COVID-19 crisis, partly offset by higher retention;
- **Life & Savings** (€-14 million or -4%) to €332 million, mainly due to lower sales in traditional *G/A Savings* (€-30 million or -32%) in line with the strategy, partly offset by *Unit-Linked* (€+11 million or +7%) and *Pure Protection* (€+9 million or +10%);
- **Health** (€+11 million or +7%) to €156 million, driven by higher volumes and tariff increases.

APE decreased by €2 million (-3%) to €47 million, mainly driven by a decrease in *G/A Savings*, in line with the strategy.

NBV Margin increased by 0.2 point to 62.6%.



Underlying earnings before tax increased by €7 million (+5%) to €155 million:

- **Property & Casualty** (€-3 million or -3%) to €104 million, mainly due to a higher loss ratio (+1.8 points) driven by higher natural events, partly offset by lower claims frequency in *Motor* and a decrease in expense ratio (-0.9 point);
- **Life & Savings** (€+4 million or +11%) to €36 million, mainly driven by a better claims experience in *Protection*;
- **Health** (€+7 million or +93%) to €15 million, mainly due to higher volumes, a better claims experience and a decrease in expense ratio (-2.5 points).

Income tax expenses increased by €2 million (+6%) to €-38 million in line with higher pre-tax underlying earnings.

Underlying earnings increased by €5 million (+5%) to €117 million.

Adjusted earnings decreased by €3 million (-3%) to €109 million as higher underlying earnings were more than offset by higher impairments on equity securities following the financial markets turmoil resulting from the COVID-19 crisis.

Net income increased by €1 million (+1%) to €94 million as lower adjusted earnings were more than offset by lower restructuring costs.

EUROPE - ITALY

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	2,507	2,989
Property & Casualty	863	870
Life & Savings	1,595	2,073
Health	49	46
Underlying earnings before tax	229	201
Property & Casualty	154	110
Life & Savings	71	90
Health	4	0
Income tax expenses / benefits	(68)	(54)
Minority interests	(36)	(43)
Income from affiliates and associates	-	-
Underlying earnings Group share	125	104
Net capital gains or losses attributable to shareholders net of income tax	(9)	6
Adjusted earnings Group share	115	110
Profit or loss on financial assets (under fair value option) and derivatives	(14)	(2)
Exceptional operations (including discontinued operations)	(0)	-
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	(3)	(2)
NET INCOME GROUP SHARE	99	105
Property & Casualty Combined Ratio	87.3%	92.4%
Health Combined Ratio	94.1%	101.3%
Protection Combined Ratio	86.2%	80.2%
New business		
APE	152	172
NBV Margin	32.4%	32.7%

^(a) Net of intercompany eliminations.

Gross revenues decreased by €482 million (-16%) to €2,507 million. On a comparable basis, gross revenues decreased by €482 million (-16%):

- **Property & Casualty** (€-7 million or -1%) to €863 million, driven by *Personal lines* (€-21 million or -3%) due to a strong decrease in new business during the COVID-19 lockdown, partly offset by *Commercial lines* (€+14 million or +6%) due to a strong increase of new business during the first quarter in *Property*;
- **Life & Savings** (€-479 million or -23%) to €1,595 million, driven by *G/A Savings* (€-249 million or -18%) and *Unit-Linked* (€-228 million or -42%) both due to the impact of the COVID-19 crisis combined with a shift in *Unit-Linked* business mix towards pure Investment products for which premiums are not recognized as gross revenues under IFRS;
- **Health** (€+4 million or +8%) to €49 million, as a result of a strong commercial focus.

APE decreased by €20 million (-12%) to €152 million. On a comparable basis, APE decreased by €20 million (-12%) mainly from *G/A Savings* (€-19 million) due to the impact of the COVID-19 lockdown.

NBV margin decreased by 0.4 point to 32.4%, mainly due to change in product mix with lower share of *Pure Protection* products.

Underlying earnings before tax increased by €29 million (+14%) to €229 million:

- **Property & Casualty** (€+44 million or +40%) to €154 million, due to a decrease of the current year combined ratio (-4.5 points) mainly driven by a lower claims frequency as well as lower large losses in *Motor*, combined with more favorable prior year reserve developments (-0.7 point);
- **Life & Savings** (€-19 million or -21%) to €71 million, mainly due to a lower investment margin driven by a decrease in investment yields;
- **Health** (€+3 million) to €4 million, driven by a better claims experience.

Income tax expenses increased by €14 million (+26%) to €-68 million driven by higher pre-tax underlying earnings combined with the non-repeat of 1H19 positive tax one-offs.

Minority interests decreased by €7 million (-15%) to €-36 million as a result of the decrease of *AXA MPS* underlying earnings.

Underlying earnings increased by €21 million (+20%) to €125 million.

Adjusted earnings increased by €6 million (+5%) mainly driven by higher underlying earnings, partly offset by higher impairments mainly from equity securities, as a consequence of the financial markets turmoil resulting from the COVID-19 crisis.

Net income decreased by €6 million (-6%) to €99 million as higher adjusted earnings were more than offset by an unfavorable change in the fair value of assets accounted for under fair value option.

Asia

(in Euro million, except percentages)

	June 30, 2020	June 30, 2019 restated ^(a)
Gross revenues ^(b)	5,522	4,827
Property & Casualty	1,055	677
Life & Savings	3,206	3,087
Health	1,261	1,063
Underlying earnings before tax	757	664
Property & Casualty	91	48
Life & Savings	390	389
Health	278	236
Other ^(c)	(2)	(8)
Income tax expenses / benefits	(154)	(133)
Minority interests	(4)	(4)
Income from affiliates and associates	86	91
Underlying earnings Group share	685	619
Net capital gains or losses attributable to shareholders net of income tax	(3)	10
Adjusted earnings Group share	682	629
Profit or loss on financial assets (under fair value option) and derivatives	(65)	3
Exceptional operations (including discontinued operations)	(0)	-
Goodwill and other related intangible impacts	(10)	(8)
Integration and restructuring costs	(4)	(1)
NET INCOME GROUP SHARE	602	625
Property & Casualty Combined Ratio	94.8%	95.4%
Health Combined Ratio	78.6%	77.5%
Protection Combined Ratio	88.2%	86.3%
New business		
APE	657	867
NBV Margin	63.7%	56.3%

^(a) Restated: reclassification of Japanese activities of AXA Life Europe (previously reported as part of Japan) into AXA Life Europe (included in Transversal & Central Holdings).^(b) Net of intercompany eliminations.^(c) Other corresponds to holding.

ASIA - JAPAN

(in Euro million, except percentages)	June 30, 2020	June 30, 2019 restated ^(a)
Gross revenues ^(b)	2,508	2,414
Life & Savings	1,741	1,698
Health	767	716
Underlying earnings before tax	431	390
Life & Savings	189	181
Health	244	217
Other ^(c)	(2)	(8)
Income tax expenses / benefits	(122)	(110)
Minority interests	(4)	(4)
Income from affiliates and associates	-	-
Underlying earnings Group share	305	276
Net capital gains or losses attributable to shareholders net of income tax	(0)	(0)
Adjusted earnings Group share	305	276
Profit or loss on financial assets (under fair value option) and derivatives	(179)	(6)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	126	270
Health Combined Ratio	69.9%	70.0%
Protection Combined Ratio	88.7%	87.5%
New business		
APE	231	268
NBV Margin	114.7%	112.0%
Average exchange rate: € 1.00 = Japanese Yen	119	124

^(a) Restated: reclassification of Japanese activities of AXA Life Europe (previously reported as part of Japan) into AXA Life Europe (included in Transversal & Central Holdings).

^(b) Net of intercompany eliminations.

^(c) Other corresponds to holding.

Gross revenues increased by €93 million (+4%) to €2,508 million. On a comparable basis, gross revenues decreased by €29 million (-1%):

- **Life & Savings** (€-39 million or -2%) to €1,741 million, mainly due to the temporary discontinuation of the capital light *Single Premium Whole Life* product (€-90 million or -77%) as a consequence of the decrease in interest rates, lower sales of tax savings products impacted by a tax rule change (€-32 million or -5%), as well as lower sales activities in the context of the COVID-19 crisis, partly offset by *Protection with Unit-Linked* (€+128 million or +37%) from in-force growth and new business;
- **Health** (€+10 million or +1%) to €767 million, mainly from in-force growth and new business of *Cancer Therapy* products, partly offset by lower new business in the second quarter in the context of the COVID-19 crisis.

APE decreased by €37 million (-14%) to €231 million. On a comparable basis, APE decreased by €53 million (-19%) mainly driven by lower sales of tax savings products impacted by a tax rule change (€-59 million or -78%), and the temporary discontinuation of the capital light *Single Premium Whole Life* product (€-9 million or -79%), partly



offset by *Protection with Unit-Linked* (€+31 million or +28%). Excluding the decrease in sales of tax savings products, APE increased by €6 million (+3%).

NBV Margin increased by 2.7 points to 114.7%. On a comparable basis, NBV Margin increased by 3.2 points mainly driven by a favorable product mix shift towards *Protection with Unit-Linked*.

Underlying earnings before tax increased by €41 million (+11%) to €431 million. On a constant exchange rate basis, underlying earnings before tax increased by €24 million (+6%):

- **Life & Savings** (€+1 million or +1%) to €189 million, mainly due to an improved mortality margin, partly offset by the refinement of investment allocation between Health and Life & Savings;
- **Health** (€+17 million or +8%) to €244 million, mainly driven by the refinement of investment allocation between Health and Life & Savings, as well as an improved current year technical profitability;
- **Other** (€+6 million or +74%) to €-2 million, mainly due to the non-repeat of 1H19 registration tax costs linked to the establishment of a holding company (€+5 million).

Income tax expenses increased by €12 million (+11%) to €-122 million. On a constant exchange rate basis, income tax expenses increased by €7 million (+6%) in line with higher pre-tax underlying earnings.

Underlying earnings and **adjusted earnings** increased by €29 million (+11%) to €305 million. On a constant exchange rate basis, underlying earnings and adjusted earnings increased by €17 million (+6%).

Net income decreased by €144 million (-53%) to €126 million. On a constant exchange rate basis, net income decreased by €149 million (-55%) as higher adjusted earnings were more than offset by an unfavorable change in the fair value of fixed income and alternative investments as a consequence of the financial markets turmoil resulting from the COVID-19 crisis.

ASIA - HONG KONG

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	1,946	1,830
Property & Casualty	143	143
Life & Savings	1,442	1,362
Health	362	325
Underlying earnings before tax	257	237
Property & Casualty	18	13
Life & Savings	201	206
Health	37	17
Income tax expenses / benefits	(16)	(14)
Minority interests	-	-
Income from affiliates and associates	-	-
Underlying earnings Group share	241	223
Net capital gains or losses attributable to shareholders net of income tax	2	0
Adjusted earnings Group share	242	223
Profit or loss on financial assets (under fair value option) and derivatives	103	12
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangible impacts	(7)	(7)
Integration and restructuring costs	-	(0)
NET INCOME GROUP SHARE	338	228
Property & Casualty Combined Ratio	92.2%	95.3%
Health Combined Ratio	89.1%	94.4%
Protection Combined Ratio	86.9%	84.2%
New business		
APE	140	268
NBV Margin	50.1%	41.2%
Average exchange rate: € 1.00 = Hong Kong Dollar	8.55	8.86

^(a) Net of intercompany eliminations.

Gross revenues increased by €117 million (+6%) to €1,946 million. On a comparable basis, gross revenues increased by €49 million (+3%):

- **Property & Casualty** (€-5 million or -4%) to €143 million, mainly due to lower volumes notably in *Travel* and *Workers' Compensation* in the context of the COVID-19 crisis;
- **Life & Savings** (€+37 million or +3%) to €1,442 million, mainly in *Protection with Savings* (€+44 million or +4%) driven by in-force growth, partly offset by lower new business in the context of the COVID-19 crisis;
- **Health** (€+17 million or +5%) to €362 million, mainly driven by tariff increases in both *Individual* and *Group businesses*.

APE decreased by €128 million (-48%) to €140 million. On a comparable basis, APE decreased by €133 million (-50%) driven by lower sales in the context of the COVID-19 crisis.

NBV Margin increased by 9.0 points to 50.1% mainly driven by a favorable change in product mix towards *Health*.



Underlying earnings before tax increased by €20 million (+9%) to €257 million. On a constant exchange rate basis, underlying earnings before tax increased by €11 million (+5%):

- **Property & Casualty** (€+5 million or +35%) to €18 million, mostly from a better claims experience mainly driven by an improved frequency in both *Commercial* and *Personal lines*;
- **Life & Savings** (€-12 million or -6%) to €201 million, mainly driven by a lower surrender margin in the context of the COVID-19 crisis, partly offset by lower expenses combined with in-force growth;
- **Health** (€+19 million or +108%) to €37 million, mainly driven by a better claims experience from lower frequency combined with volume growth.

Income tax expenses increased by €3 million (+20%) to €-16 million. On a constant exchange rate basis, income tax expenses increased by €2 million (+16%) driven by higher pre-tax underlying earnings.

Underlying earnings increased by €17 million (+8%) to €241 million. On a constant exchange rate basis, underlying earnings increased by €9 million (+4%).

Adjusted earnings increased by €19 million (+9%) to €242 million. On a constant exchange rate basis, adjusted earnings increased by €11 million (+5%) mainly driven by higher underlying earnings.

Net income increased by €110 million (+48%) to €338 million. On a constant exchange rate basis, net income increased by €99 million (+43%) driven by higher adjusted earnings combined with a more favorable change in the fair value of derivatives not eligible for hedge accounting.

ASIA - HIGH POTENTIALS

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	512	75
Property & Casualty	359	29
Life & Savings	23	26
Health	130	20
Underlying earnings before tax	11	2
Property & Casualty	15	(1)
Life & Savings	(1)	2
Health	(3)	1
Income tax expenses / benefits	1	1
Minority interests	(0)	0
Income from affiliates and associates	86	91
Underlying earnings Group share	99	94
Net capital gains or losses attributable to shareholders net of income tax	(2)	10
Adjusted earnings Group share	96	104
Profit or loss on financial assets (under fair value option) and derivatives	13	(7)
Exceptional operations (including discontinued operations)	(0)	-
Goodwill and other related intangible impacts	(3)	-
Integration and restructuring costs	(1)	(0)
NET INCOME GROUP SHARE	105	97
Property & Casualty Combined Ratio	100.6%	105.8%
Health Combined Ratio	104.3%	98.0%
Protection Combined Ratio	121.8%	113.7%
New business		
APE	286	331
NBV Margin	29.1%	23.4%

^(a) Net of intercompany eliminations.

Scope: (i) The Property & Casualty subsidiary in Thailand, the non bancassurance Life & Savings subsidiary in Indonesia and the Property & Casualty subsidiary in China (AXA Tianping) are fully consolidated (since December 31, 2019, for AXA Tianping); **(ii)** China Life & Savings, the Philippines Life & Savings and the bancassurance Life & Savings subsidiaries in Thailand and Indonesia are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income.

Gross revenues increased by €436 million to €512 million. On a comparable basis, gross revenues increased by €88 million (+21%):

- **Property & Casualty** (€-11 million or -3%) to €359 million, in *China* (€-25 million or -7%) mainly due to lower volumes in *Motor* following the COVID-19 crisis, partly offset by *Thailand* (€+15 million or +50%) mainly driven by higher new business in *Personal Motor* during the first quarter;
- **Life & Savings** (€-3 million or -13%) to €23 million, driven by lower volumes in *Protection with Unit-Linked* in *Indonesia* (€-4 million or -25%);
- **Health** (€+102 million) to €130 million, driven by higher volumes in *China* mainly from the launch of a new digital partnership.



APE decreased by €46 million (-14%) to €286 million. On a comparable basis, APE decreased by €46 million (-14%):

- *China* (€-23 million or -12%) to €164 million, mainly driven by lower sales of *G/A Savings* products during the Chinese New Year following the COVID-19 crisis;
- *Thailand* (€-15 million or -24%) to €50 million, mainly driven by lower sales of traditional savings products in *G/A Savings* (€-8 million) and *Protection with Savings* (€-6 million);
- *The Philippines* (€-8 million or -31%) to €19 million, mainly driven by lower sales of *Protection with Unit-Linked* products (€-8 million) following the COVID-19 crisis;
- *Indonesia* remained stable at €52 million.

NBV Margin increased by 5.6 points to 29.1%. On a comparable basis, NBV Margin increased by 5.5 points mainly driven by lower volumes of low margin *G/A Savings* products in *China*, and *Protection with G/A Savings* products in *Thailand*.

Underlying earnings increased by €5 million (+5%) to €99 million. On a constant exchange rate basis, underlying earnings increased by €3 million (+3%):

- *China* (€+4 million or +20%) to €25 million, mainly driven by a better claims experience from lower frequency in *Motor* in the context of the COVID-19 crisis, partly offset by the non-repeat of 1H19 favorable tax impacts supported by a regulatory change in *Property & Casualty*;
- *The Philippines* remained stable at €14 million;
- *Thailand* (€-1 million or -2%) to €37 million;
- *Indonesia* (€-1 million or -2%) to €22 million.

Adjusted earnings decreased by €8 million (-8%) to €96 million. On a constant exchange rate basis, adjusted earnings decreased by €10 million (-9%) as higher underlying earnings were more than offset by lower net realized capital gains in *China*.

Net income increased by €7 million (+7%) to €105 million. On a constant exchange rate basis, net income increased by €6 million (+7%) as lower adjusted earnings were more than offset by a favorable change in the fair value of financial assets.

AXA XL

(in Euro million, except percentages)		
	June 30, 2020	June 30, 2019
Gross revenues ^(a)	10,522	10,436
Property & Casualty Insurance	7,703	7,593
Property & Casualty Reinsurance	2,718	2,748
Life & Savings	101	95
Underlying earnings before tax	(832)	603
Property & Casualty Insurance	(699)	363
Property & Casualty Reinsurance	(87)	281
Life & Savings	7	7
Other ^(b)	(53)	(48)
Income tax expenses / benefits	(11)	(100)
Minority interests	(0)	(2)
Income from affiliates and associates	-	1
Underlying earnings Group share	(843)	502
Net capital gains or losses attributable to shareholders net of income tax	(21)	45
Adjusted earnings Group share	(864)	547
Profit or loss on financial assets (under fair value option) and derivatives	(84)	(6)
Exceptional operations (including discontinued operations)	(1)	(45)
Goodwill and other related intangible impacts	(25)	(20)
Integration and restructuring costs	(85)	(82)
NET INCOME GROUP SHARE	(1,059)	394
Property & Casualty Combined Ratio	115.2%	98.3%

^(a) Net of intercompany eliminations.

^(b) Other corresponds to holding.

Gross revenues increased by €86 million (+1%) to €10,522 million. On a comparable basis, gross revenues increased by €20 million mainly driven by higher revenues in *Property & Casualty Insurance* mostly from tariff increases, almost fully offset by the impact of the COVID-19 crisis both in *Property & Casualty Insurance* and *Reinsurance*. As the crisis resulted in worldwide lockdowns, AXA XL's clients operating in acutely impacted sectors such as Aviation, Marine, Energy, Casualty, Travel & Leisure, Events, Art and Construction saw a significant reduction in their activity, thus driving expected exposure adjustments which resulted in lower contractual premiums written.

- **Property & Casualty Insurance** (€+246 million or +3%) to €7,703 million, mainly driven by **(i) Financial lines** (€+199 million or +17%) primarily stemming from tariff increases within International Financial lines (€+150 million or +45%) as well as volumes growth and tariff increases across North America Professional (€+45 million or +6%) and North America Cyber (€+25 million or +25%), and **(ii) Property** (€+168 million or +10%) mainly from significant tariff increases in both International Property (€+146 million or +15%) and North America Property (€+141 million or +47%) partly offset by both exposure adjustments in the context of the COVID-19 crisis as well as selective underwriting, partly offset by **(iii) Specialty** (€-96 million or -5%) mainly from exposure adjustments in the context of the COVID-19 crisis and selective underwriting, notably in Aviation, Marine and Energy, partly offset by Aerospace (€+79 million or +35%) mainly driven by tariff increases and Art, Specie and Bloodstock (€+65 million or +18%) driven by volume growth;

- **Property & Casualty Reinsurance** (€-229 million or -8%) to €2,718 million, driven by **(i) Specialty and Other lines** (€-150 million or -7%) mainly due to exposure adjustments in the context of the COVID-19 crisis, notably in Casualty partly offset by strong tariff increases, and **(ii) Property Cat** (€-79 million or -11%) mainly due to exposure adjustments in the context of the COVID-19 crisis as well as continued selective underwriting;
- **Life & Savings** (€+3 million) to €101 million.

Underlying earnings before tax decreased by €1,435 million to €-832 million. On a constant exchange rate basis, underlying earnings before tax decreased by €1,414 million:

- **Property & Casualty** (€-1,409 million) to €-786 million, mostly in the context of the COVID-19 crisis that adversely impacted incurred losses, mainly on Event Cancellation (€-555 million), Property & Business Interruption (€-508 million) and Long-tail lines (€-178 million), partly offset by tariff increases, the continued emergence of expense synergies related to the integration within AXA and net investment income which included higher private equity fund distributions, largely offset by losses incurred as a result of civil unrest in North America (€-136 million) at the end of the first half of 2020 as well as higher natural catastrophe losses (€-100 million);
- **Life & Savings** remained stable at €7 million;
- **Other** (€-5 million) to €-53 million.

Income tax expenses decreased by €90 million (89%) to €-11 million. On a constant exchange rate basis, income tax expenses decreased by €90 million driven by lower pre-tax underlying earnings, combined with a change in the geographical mix.

Underlying earnings decreased by €1,345 million to €-843 million. On a constant exchange rate basis, underlying earnings decreased by €1,323 million. On constant exchange rate basis and excluding the impact of COVID-19, underlying earnings were stable.

Adjusted earnings decreased by €1,411 million to €-864 million. On a constant exchange rate basis, adjusted earnings decreased by €1,389 million driven by lower underlying earnings combined with both higher impairments and lower realized capital gains as a consequence of the financial markets turmoil resulting from the COVID-19 crisis.

Net income decreased by €1,453 million to €-1,059 million. On a constant exchange rate basis, net income decreased by €1,427 million driven by lower adjusted earnings and unfavorable changes in the fair value of both mutual funds and derivatives not eligible for hedge accounting, partly offset by the non-repeat of the loss related to the repurchase of financing debt in 2019 (€45 million).

International

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	3,563	3,662
Property & Casualty	1,881	2,042
Life & Savings	610	645
Health	905	816
Other ^(b)	166	159
Underlying earnings before tax	311	292
Property & Casualty	220	184
Life & Savings	57	55
Health	5	21
Other ^(c)	29	31
Income tax expenses / benefits	(65)	(61)
Minority interests	(38)	(32)
Income from affiliates and associates	42	41
Underlying earnings Group share	251	240
Net capital gains or losses attributable to shareholders net of income tax	(17)	(2)
Adjusted earnings Group share	233	238
Profit or loss on financial assets (under fair value option) and derivatives	66	8
Exceptional operations (including discontinued operations)	(15)	-
Goodwill and other related intangible impacts	(13)	(12)
Integration and restructuring costs	(4)	(2)
NET INCOME GROUP SHARE	268	232
Property & Casualty Combined Ratio	96.4%	98.4%
Health Combined Ratio	100.8%	98.6%
Protection Combined Ratio	96.7%	98.7%
New business		
APE	91	129
NBV Margin	36.8%	45.3%

^(a) Net of intercompany eliminations.

^(b) Other corresponds to banking activities.

^(c) Other corresponds to banking activities and holding.

Scope: (i) Mexico, the Gulf Region, Colombia, Singapore, Turkey, Poland, Morocco, AXA Bank Belgium, Malaysia Property & Casualty, Luxembourg, the Czech Republic Life & Savings, the Slovak Republic Life & Savings, Greece and Brazil are fully consolidated; **(ii)** Russia (Reso), India, Nigeria and Lebanon are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income.

Gross revenues decreased by €99 million (-3%) to €3,563 million. On a comparable basis, gross revenues increased by €78 million (+2%):

- **Property & Casualty** (€-47 million or -2%) to €1,881 million:
 - *Mexico* (€-44 million or -9%) to €392 million, mainly driven by lower volumes in *Motor* following the COVID-19 crisis combined with the non-repeat of large multi-year accounts in *Commercial Property*,



- *Singapore* (€-15 million or -15%) to €87 million, mainly in *Personal Motor* and *Travel* following the COVID-19 crisis,
- *Brazil* (€-13 million or -18%) to €50 million, mainly due to the non-renewal of a large contract,
- *The Gulf Region* (€-3 million or -1%) to €264 million,
- *Colombia* (€+16 million or +7%) to €236 million, driven by tariff increases on renewals in *Commercial Property* and *Liability*,
- *Turkey* (€+14 million or +6%) to €241 million, mainly in *Commercial Property*,
- *Poland* (€+2 million or +1%) to €213 million;
- **Life & Savings** (€-15 million or €-2%) to €610 million, mainly driven by **(i) Colombia** (€-49 million or -69%) to €20 million due to the run-off portfolio of *G/A Savings*, and **(ii) Singapore** (€-10 million or -7%) to €130 million from lower volumes following the COVID-19 crisis, partly offset by an increase in **(iii) Mexico** (€+17 million or +14%) to €126 million from higher renewals in *Protection with Savings*, and **(iv) Morocco** (€+13 million or +18%) to €87 million driven by higher volumes in *G/A Savings*;
- **Health** (€+132 million or +17%) to €905 million, with growth across the board, notably in **(i) Mexico** (€+63 million or +15%) to €429 million mainly from price increases, **(ii) the Gulf Region** (€+41 million or +19%) to €258 million mainly from large accounts, and **(iii) Turkey** (€+13 million or +44%) to €38 million from higher renewals and new business, both on *Individual* and *Group Health*;
- **Other** (€+7 million or +4%) to €166 million at *AXA Bank Belgium*.

APE decreased by €38 million (-30%) to €91 million. On a comparable basis, APE decreased by €35 million (-27%) mainly driven by **(i) Singapore** (€-23 million or -46%) to €26 million and **(ii) India** (€-6 million or -27%) to €15 million, both as a consequence of the COVID-19 crisis.

NBV Margin decreased by 8.5 points to 36.8%, mainly in *Singapore* mostly due to an unfavorable mix effect.

Underlying earnings before tax increased by €20 million (+7%) to €311 million. On a constant exchange rate basis, underlying earnings before tax increased by €32 million (+11%):

- **Property & Casualty** (€+46 million or +25%) to €220 million, mainly from **(i) Turkey** (€+11 million) driven by a higher net investment income, **(ii) the Gulf Region** (€+9 million) due to more favorable prior year reserve developments, **(iii) Poland** (€+9 million) driven by a lower claims frequency in *Motor*, and **(iv) Mexico** (€+7 million) due to more favorable prior year reserve developments, partly offset by higher large losses and natural events;
- **Life & Savings** (€+4 million or +8%) to €57 million, mainly from **(i) Mexico** (€+4 million) driven by an improved mortality margin, and **(ii) the Czech Republic & Slovak Republic** (€+3 million) from higher fees, partly offset by **(iii) Singapore** (€-4 million) driven by a lower mortality margin and lower sales in *Protection with Savings*;
- **Health** (€-16 million or -78%) to €5 million, mainly from *Mexico* (€-16 million) driven by higher claims and lower prior year reserve developments;
- **Other** (€-2 million or -7%) to €29 million, from *Holdings* (€-5 million) partly offset by *AXA Bank Belgium* (€+3 million).

Income tax expenses increased by €4 million (+6%) to €-65 million. On a constant exchange rate basis, income tax expenses increased by €7 million (+11%) mainly driven by higher pre-tax underlying earnings.

Minority interests increased by €6 million (+18%) to €-38 million. On a constant exchange rate basis, minority interests increased by €6 million (+20%) driven by higher underlying earnings in *the Gulf Region*.

Income from affiliates and associates increased by €1 million (+2%) to €42 million. On a constant exchange rate basis, income from affiliates and associates remained stable.

Underlying earnings increased by €11 million (+5%) to €251 million. On a constant exchange rate basis, underlying earnings increased by €19 million (+8%).

Adjusted earnings decreased by €5 million (-2%) to €233 million. On a constant exchange rate basis, adjusted earnings increased by €2 million (+1%) driven by higher underlying earnings, partly offset by lower net realized capital gains.

Net income increased by €36 million (+15%) to €268 million. On a constant exchange rate basis, net income increased by €44 million (+19%) mainly driven by higher adjusted earnings combined with a favorable foreign exchange impact on financial assets.

Transversal & Central Holdings

<i>(in Euro million, except percentages)</i>	June 30, 2020	June 30, 2019 restated ^(a)
Gross revenues ^(b)	1,444	1,487
Property & Casualty	621	690
Life & Savings	116	122
Health	100	88
Other ^(c)	606	587
Underlying earnings before tax	(340)	(318)
Property & Casualty	(15)	75
Life & Savings	(1)	13
Health	4	(1)
Other ^(d)	(328)	(406)
Income tax expenses / benefits	103	90
Minority interests	(3)	(3)
Income from affiliates and associates	9	11
Underlying earnings Group share	(230)	(221)
Net capital gains or losses attributable to shareholders net of income tax	(2)	35
Adjusted earnings Group share	(232)	(185)
Profit or loss on financial assets (under fair value option) and derivatives	408	(450)
Exceptional operations (including discontinued operations)	(82)	(597)
Goodwill and other related intangible impacts	(28)	(0)
Integration and restructuring costs	(12)	(22)
NET INCOME GROUP SHARE	55	(1,255)
Property & Casualty Combined Ratio	106.2%	95.7%
Health Combined Ratio	96.4%	100.6%

^(a) Restated: reclassification of German and Japanese activities of AXA Life Europe (previously reported as part of Germany and Japan respectively) into AXA Life Europe.

^(b) Net of intercompany eliminations.

^(c) Other corresponds to asset management activities.

^(d) Other corresponds to asset management activities and holding.

AXA INVESTMENT MANAGERS (“AXA IM”)

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	606	587
Underlying earnings before tax	176	167
Income tax expenses / benefits	(52)	(51)
Minority interests	(3)	(3)
Income from affiliates and associates	9	10
Underlying earnings Group share	130	123
Net capital gains or losses attributable to shareholders net of income tax	-	-
Adjusted earnings Group share	130	123
Profit or loss on financial assets (under Fair Value option) and derivatives	(2)	(8)
Exceptional operations (including discontinued operations)	(1)	(0)
Goodwill and other related intangibles impacts	(0)	(0)
Integration and restructuring costs	(4)	(0)
NET INCOME GROUP SHARE	123	115
Average Assets under Management (in Euro billion)	717	649
Asset management fee bps	15.9	16.6
Underlying cost income ratio	71.0%	71.3%

^(a) Net of intercompany eliminations. Gross Revenues amounted to €761 million before intercompany eliminations as of June 30, 2020.

Assets under Management ("AUM") increased by €15 billion from December 31, 2019, to €815 billion at the end of June 30, 2020, mainly driven by **(i)** positive net inflows (€+16 billion) mainly from the Main Fund (€+9 billion) of which €+4 billion linked to the integration of *XL Group*, and from Third-Party clients (€+6 billion) mainly driven by the success of both *Alts* and *Core* platforms, and **(ii)** the integration of *Quadrant* (€+8 billion), partly offset by **(iii)** negative impacts related to unfavorable market conditions resulting from the COVID-19 crisis (€-9 billion).

Management fee bps decreased by 0.8 bps to 15.9 bps. On a constant exchange rate basis, management fee bps decreased by 0.9 bps due to an unfavorable change in product mix stemming from higher asset values on fixed income products.

Gross revenues increased by €20 million (+3%) to €606 million. On a comparable basis, gross revenues increased by €17 million (+3%) mainly driven by higher management fees (€+11 million) stemming from higher average assets under management, as well as higher transaction fees (€+9 million) in real estate.

Underlying earnings before tax increased by €9 million (+5%) to €176 million. On a constant exchange rate basis, underlying earnings before tax increased by €8 million (+5%) as a result of higher revenues and strong cost discipline.

The underlying cost income ratio decreased by 0.3 point to 71.0%. On a constant exchange rate basis, the underlying cost income ratio decreased by 0.3 point.

Income tax expenses increased by €1 million (+3%) to €-52 million. On a constant exchange rate basis, income tax expenses increased by €1 million (+2%).

Income from affiliates and associates decreased by €1 million (-13%) to €9 million. On a constant exchange rate basis, income from affiliates and associates decreased by €1 million (-12%).



Underlying earnings and **adjusted earnings** increased by €7 million (+6%) to €130 million. On a constant exchange rate basis, underlying earnings and adjusted earnings increased by €6 million (+5%).

Net income increased by €8 million (+7%) to €123 million. On a constant exchange rate basis, net income increased by €7 million (+6%) mainly driven by higher adjusted earnings.

AXA ASSISTANCE

(in Euro million, except percentages)	June 30, 2020	June 30, 2019
Gross revenues ^(a)	645	687
Property & Casualty	545	599
Health	100	88
Underlying earnings before tax	(21)	13
Property & Casualty	(25)	13
Health	4	(1)
Income tax expenses / benefits	(1)	(8)
Minority interests	0	0
Income from affiliates and associates	0	1
Underlying earnings Group share	(22)	5
Net capital gains or losses attributable to shareholders net of income tax	(0)	0
Adjusted earnings Group share	(22)	5
Profit or loss on financial assets (under fair value option) and derivatives	(0)	0
Exceptional operations (including discontinued operations)	4	1
Goodwill and other related intangible impacts	(28)	-
Integration and restructuring costs	(2)	(3)
NET INCOME GROUP SHARE	(48)	4
Property & Casualty Combined Ratio	104.5%	98.4%
Health Combined Ratio	96.4%	100.6%

^(a) Net of intercompany eliminations.

Gross revenues decreased by €42 million (-6%) to €645 million. On a comparable basis, gross revenues decreased by €36 million (-5%):

- **Property & Casualty** (€-52 million or -9%) to €545 million, driven by the impact of the COVID-19 crisis in both *Motor* and *Non-Motor* notably in Travel;
- **Health** (€+16 million or +18%) to €100 million, mainly driven by in-force portfolio growth.

Underlying earnings before tax decreased by €34 million to €-21 million:

- **Property & Casualty** (€-38 million) to €-25 million, mainly reflecting a higher current year combined ratio (+4.6 points) due to the COVID-19 impacts on volumes combined with investments related to both customer experience improvement and simplification;
- **Health** (€+5 million) to €4 million, in line with volumes growth.

Income tax expenses decreased by €7 million to €-1 million driven by lower pre-tax underlying earnings, partly offset by an unfavorable change in country mix.

Underlying earnings and **adjusted earnings** decreased by €27 million to €-22 million.

Net income decreased by €52 million to €-48 million mainly driven by lower adjusted earnings combined with higher charges related to intangible assets.



AXA SA

(in Euro million)	June 30, 2020	June 30, 2019
Underlying earnings Group share	(368)	(401)
Net capital gains or losses attributable to shareholders net of income tax	3	36
Adjusted earnings Group share	(366)	(365)
Profit or loss on financial assets (under fair value option) and derivatives	324	(438)
Exceptional operations (including discontinued operations)	(52)	(596)
Goodwill and other related intangible impacts	-	-
Integration and restructuring costs	(4)	(15)
NET INCOME GROUP SHARE	(98)	(1,414)

Underlying earnings increased by €33 million to €-368 million, mainly driven by **(i)** lower general expenses, **(ii)** higher dividends received mainly from the remaining stake in Equitable Holdings, Inc., related to the EQH shares to be delivered on redemption of the AXA SA bonds mandatorily exchangeable into EQH shares, maturing in May 2021, and **(iii)** lower tax paid related on dividends received from subsidiaries.

Adjusted earnings remained stable to €-366 million, as higher underlying earnings were more than offset by the non-repeat of the 2019 positive impact from derivatives set up to reduce the Group exposure to equities.

Net income increased by €1,316 million to €-98 million, mainly due to **(i)** a favorable change in the fair value of derivatives not eligible for hedge accounting (€+761 million) mainly from equity derivatives in the context of the strong equity market turmoil resulting from the COVID-19 crisis as well as from the significant decrease of the exposure to interest rates risk, and **(ii)** the non-repeat of the 1H19 negative impact linked to the deconsolidation of Equitable Holdings, Inc. (€+598 million).

Outlook

AXA's management re-affirms its current best estimate for the impact on the Group's 2020 underlying earnings from COVID-19 related P&C claims and solidarity measures at €1.5 billion (post-tax and net of reinsurance), consistent with the Group's June 3, 2020 announcement. This impact has been reflected in the underlying earnings of 1H20. In the context of a material estimated impact from COVID-19 on underlying earnings in 2020, AXA has withdrawn its Ambition 2020 UEPS and Adjusted ROE targets.

In a constantly evolving context, material uncertainties persist which may adversely impact the Group's financial performance in 2H20 and beyond, notably in respect of the evolution of regulatory, legislative and litigation-related developments for P&C Business Interruption claims, the impact of potential renewed localized or more generalized lockdown measures, and the impact of continued financial market volatility.

AXA's management sees the COVID-19 crisis as an earnings event and not a capital event, and expects that AXA's Solvency II position should continue to remain resilient to external shocks due to robust underwriting and reinsurance policies, a high quality asset portfolio and disciplined capital management.

AXA's business profile positions the Group well for a growing Health market, a hardening pricing cycle in P&C Commercial lines and in facing a continued low interest rate environment. The Group expects to benefit from an acceleration in digital interactions with its customers and distributors, and new ways of working for its employees, resulting in significant opportunities to further enhance efficiencies.

With its clear strategy, a simplified organization designed to foster growth, a significant shift in business profile and a strong balance sheet with financial flexibility, AXA's management believes that the Group is well positioned to create lasting shareholder value and offer an attractive return.

Glossary

This glossary includes definitions of non-GAAP financial measures, or alternative performance measures (“APMs”), indicated by an asterisk (*), that Management believes are useful to understand the Group’s business and analyze the Group’s performance. The scope of the following definitions of APMs remains unchanged compared to prior periods, except that the scope of certain definitions was updated to take into account **(i)** the deconsolidation of EQH, and **(ii)** the impact of the issuance by AXA of mandatory exchangeable bonds into shares of EQH (the “MEBs”) in May 2018, which were recorded in “shareholders’ equity - Minority interests” and “financial debt” and subsequently reclassified from “shareholders’ equity” components to financing debt starting 1Q19.

Scope and comparable basis

SPLIT BY GEOGRAPHY

The split by geography is detailed below:

- **France** (insurance and banking activities, and holdings);
- **Europe**, consisting of:
 - Switzerland (insurance activities),
 - Germany (insurance and banking activities, and holdings),
 - Belgium (insurance activities and holdings),
 - United Kingdom and Ireland (insurance activities and holdings),
 - Spain (insurance activities),
 - Italy (insurance activities);
- **Asia**, consisting of:
 - Japan (insurance activities and holdings),
 - Hong Kong (insurance activities),
 - Asia High Potentials, consisting of:
 - Thailand (insurance activities),
 - Indonesia (insurance activities),
 - China (insurance activities),
 - The Philippines (insurance activities),
 - Asia - Direct, consisting of:
 - Direct Japan (insurance activities),
 - Direct South Korea (insurance activities),
 - Asia Holdings;
- **AXA XL** (insurance activities and holdings);
- **United States** (insurance activities, AB and holdings);
- **International**, consisting of:



- AXA Bank Belgium (banking activities),
- Brazil (insurance activities and holdings),
- Colombia (insurance activities),
- Czech Republic and Slovak Republic (insurance activities),
- Greece (insurance activities),
- The Gulf Region (insurance activities and holdings),
- India (insurance activities and holdings),
- Lebanon (insurance activities and holdings),
- Luxembourg (insurance activities and holdings),
- Malaysia (insurance activities),
- AXA Mediterranean Holdings,
- Mexico (insurance activities),
- Morocco (insurance activities and holdings),
- Nigeria (insurance activities and holdings),
- Poland (insurance activities),
- Russia (Reso) (insurance activities),
- Singapore (insurance activities and holdings),
- Turkey (insurance activities and holdings);
- **Transversal & Central Holdings**, consisting of:
 - AXA Investment Managers,
 - AXA Assistance,
 - AXA Liabilities Managers,
 - AXA Global Re,
 - AXA Life Europe,
 - AXA SA and other Central Holdings.

CURRENT ENGINES AND HIGH POTENTIALS

The split between current engines and high potentials is detailed below:

- **Current Engines:** Belgium, France, Germany, Hong Kong, Italy, Japan, Spain, Switzerland, UK & Ireland and AXA XL;
- **High Potentials:** Brazil, China, Indonesia, Mexico, the Philippines and Thailand.

COMPARABLE BASIS FOR REVENUES, ANNUAL PREMIUM EQUIVALENT AND NBV MARGIN

“On a comparable basis” means the following:

- data for the current period were restated using the prevailing foreign currency exchange rates for the same period of prior year (**constant exchange rate basis**);



- data in one of the two periods being compared were restated for the results of acquisitions, disposals and business transfers (**constant structural basis**) and for changes in accounting principles (**constant methodological basis**).

Earnings and Capital

ADJUSTED EARNINGS*

Adjusted Earnings represent the net income (Group share) as disclosed in the table set forth on pages 19 to 20 of this report, before the impact of the following items net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- integration and restructuring costs related to material newly acquired companies as well as restructuring and associated costs related to productivity improvement plans;
- goodwill, impairments and amortization of intangibles related to customers and distribution;
- exceptional operations (primarily change in scope and discontinued operations); and
- profit or loss on financial assets accounted for under fair value option (excluding assets backing liabilities for which the financial risk is borne by the policyholder), foreign exchange impacts on assets and liabilities, and derivatives related to invested assets and liabilities.

Derivatives related to invested assets:

- include all foreign exchange derivatives, except the ones related to currency options in earnings hedging strategies which are included in underlying earnings;
- exclude derivatives related to insurance contracts evaluated according to the “selective unlocking” accounting policy; and
- exclude derivatives involved in the economic hedging of realized gains and impairments of equity securities backing General Account and shareholders’ funds, for which cost at inception, intrinsic value and pay-off flow through adjusted earnings, and only time value flows through net income when there is no intention to sell the derivatives in the short term (if not, flows through adjusted earnings).

UNDERLYING EARNINGS*

Underlying Earnings correspond to Adjusted Earnings without the following elements net of policyholder participation, deferred acquisition costs, VBI, taxes and minority interests:

- realized gains and losses and change in impairment valuation allowances (on assets not designated under fair value option or trading assets); and
- cost at inception, intrinsic value and pay-off of derivatives used for the economic hedging of realized gains and impairments of equity securities (other than the funds backing contracts where the financial risk is borne by policyholders).

EARNINGS PER SHARE

Earnings per share (**EPS**) represent AXA's consolidated earnings (net of financial charges related to undated subordinated debt recorded through shareholders’ equity, preferred shares and MEBs up to the date of the deconsolidation of EQH), divided by the weighted average number of outstanding ordinary shares.



Diluted earnings per share (**diluted EPS**) represent AXA's consolidated earnings (net of financial charges related to undated subordinated debt recorded through shareholders' equity, preferred shares and MEBs up to the date of the deconsolidation of EQH), divided by the weighted average number of outstanding ordinary shares, on a diluted basis (*i.e.* including the potential impact of all outstanding dilutive stock options being exercised, performance shares, and conversion of existing convertible debt into shares, provided that their impact is not anti-dilutive).

Underlying Earnings per share* correspond to Underlying Earnings (net of financial charges related to undated subordinated debt recorded through shareholders' equity, preferred shares and MEBs up to the date of the deconsolidation of EQH), divided by the weighted average number of outstanding ordinary shares.

RETURN ON EQUITY

The **Return on Equity ("RoE")** is calculated as earnings divided by the weighted average shareholders' equity. The weighted average shareholders' equity is based on opening shareholders' equity adjusted for weighted average impacts of capital flows (including dividends).

- for underlying RoE and adjusted RoE*:
 - reserves relating to the change in the fair value through shareholders' equity are excluded from the average shareholders' equity,
 - undated subordinated debts ("Super Subordinated Debts" TSS/"Undated Subordinated Debts" TSDI) are treated as financing debt, thus excluded from the average shareholders' equity,
 - and earnings include interest charges on TSS/TSDI, on preferred shares, and on shareholders' equity component of the MEBs up to the date of deconsolidation of EQH;
- for net income RoE: calculation is based on Consolidated Financial Statements, *i.e.*
 - average shareholders' equity including undated subordinated debt (TSS/TSDI) and reserves relating to the change in the fair value through shareholders' equity,
 - and net income.

FREE CASH FLOWS

Free Cash Flows are defined as a measure of dividend capacity calculated as the sum of earnings and required capital change.

EOF (ELIGIBLE OWN FUNDS)

Surplus derived from a Solvency II balance sheet. It is defined as the excess of market value of assets over best estimate liabilities and Risk Margin as per Solvency II regulation.

SOLVENCY II RATIO

This ratio is calculated as per Solvency II, and is equal to the total amount of the Group's Eligible Own Funds ("EOF") divided by the Group's Solvency Capital Requirement ("SCR"). The Solvency Capital Requirement, *i.e.* the denominator of the Solvency II ratio, is set at a level ensuring that insurers and reinsurers are able to meet their obligations towards policyholders and beneficiaries over the next 12 months, with a 99.5% probability. The Solvency Capital Requirement can be calculated either based on the standard formula or an internal model. The Group is using an internal model.

The Solvency II ratio is estimated primarily using AXA's internal model calibrated based on an adverse 1/200 years shock. It also reflects the release of the provision for the 4Q20 exceptional distribution of reserves of €0.7 per share



and includes a theoretical amount for dividends accrued for the first six months of 2020, based on the full year dividend of €1.43 per share initially proposed by the Board for FY19. Dividends are proposed by the Board, at its discretion based on a variety of factors described in AXA's 2019 Universal Registration Document, and then submitted to AXA's shareholders for approval. This estimate should not be considered in any way to be an indication of the actual dividend amount, if any, for the 2019 or the 2020 financial years. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's SFCR for the year ended December 31, 2019, available on AXA's website (www.axa.com). In compliance with the ACPR's decision, from January 1, 2019, entities that were part of the XL Group ("XL entities") have been fully consolidated for Solvency II purposes (as per the consolidation-based method set forth in the Solvency II Directive) and their contribution to the Group's Solvency Capital Requirement has been calculated using the Solvency II standard formula. Subject to prior approval of the ACPR, the Group intends to extend its internal model to XL entities as soon as December 31, 2020.

DEBT GEARING*

Debt Gearing refers to the level of a company's debt related to its equity capital, usually expressed as a percentage. Debt Gearing is used by Management to measure the financial leverage of the Group and the extent to which its operations are funded by creditors as opposed to shareholders. AXA's Debt Gearing is calculated by dividing the gross debt (financing debt and undated subordinated debt) by total capital employed (consolidated shareholders' equity excluding undated subordinated debt and reserves relating to the change in the fair value of financial instruments and of hedge accounting derivatives plus the gross debt). Furthermore, following the deconsolidation of EQH, MEBs were excluded from Debt Gearing.

Activities

INSURANCE

LIFE & SAVINGS HYBRID AND G/A CAPITAL LIGHT PRODUCTS

Hybrid products: Savings products allowing clients to invest in both Unit-Linked and General Account funds.

G/A capital light products: General Account Savings products which, at inception, create more EOF than the economic capital they consume.

LIFE & SAVINGS NET INFLOWS

Life & Savings Net Inflows are defined as the collected premiums (including risk premiums, fees and revenues), net of surrenders, maturities, claims paid and other benefits paid. This definition is applicable to all Life & Savings products as well as Life-like Health products, with the exception of Mutual Funds products.

NEW BUSINESS APE (NEW BUSINESS ANNUAL PREMIUM EQUIVALENT)

New business APE represents 100% of new regular premiums plus 10% of single premiums, in line with EEV methodology. APE is Group share.

NBV (NEW BUSINESS VALUE)

The value of newly issued contracts during the current year. It consists of the present value of future profits after the costs of acquiring business, less **(i)** an allowance for the time value of financial option and guarantees, and **(ii)** cost of capital and non-financial risks. AXA calculates this value net of tax.



NBV MARGIN (NEW BUSINESS VALUE MARGIN)

New Business Value Margin is the ratio of:

- New Business Value representing the value of newly issued contracts during the current year; to
- Annual Premium Equivalent.

This ratio represents the profitability of the new business.

MARGIN ANALYSIS

The Margin Analysis is presented on an underlying earnings basis.

Even though the presentation of the Margin Analysis is not the same as the Statement of Income (underlying basis), it is based on the same GAAP measures as used to prepare the Statement of Income in accordance with IFRS.

Underlying investment margin includes the following items:

- net investment income; and
- interests and bonuses credited to policyholders and unallocated policyholder bonuses (and the change in specific reserves purely linked to invested assets returns) related to the net investment income as well as the unwind of the discount rate used in calculating technical reserves.

Underlying fees & revenues include:

- revenues derived from mutual fund sales (which are part of consolidated revenues);
- loadings charged to policyholders (or contractual charges) on premiums of all Life & Savings products;
- loadings on deposits received on all Life & Savings products and fees on funds under management for separate account (Unit-Linked) business;
- deferred income such as capitalization net of amortization of URR (Unearned Revenue Reserve) and UFR (Unearned Fee Reserve); and
- other fee revenues, e.g. fees received on financial planning or sales of third party products.

Underlying net technical margin includes the following components:

- mortality and morbidity margin: the difference between income or earned premiums for assuming risk and the cost of benefits and claims charges directly linked to the claims experience or its anticipation (death or disability);
- surrender margin: the difference between the benefit reserve and the surrender value paid to the policyholder in the event of early contract termination;
- GMxB (Variable Annuity guarantees) active financial risk management: the net result from GMxB lines corresponding to explicit charges related to these types of guarantees less cost of hedging. It also includes the unhedged business result;
- policyholder bonuses if the policyholders participate in the risk margin;
- ceded reinsurance results;
- other changes in claims and insurance reserves: all the reserve strengthening or release coming from changes in valuation assumptions, claims experience, additional reserves for mortality risk and other technical impacts such as premium deficiencies net of derivatives if any; and
- claims handling costs.



Expenses include the following components:

- acquisition expenses, including commissions and general expenses allocated to new business;
- capitalization of acquisition expenses linked to new business: Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF;
- amortization of Deferred Acquisition Costs (DAC) and net rights to future management fees for investment contracts without DPF, including the impact of interest capitalized;
- administrative expenses; and
- policyholder bonuses if the policyholder participates in the expenses of the Company.

Underlying VBI amortization includes VBI (Value of Purchased Life Business In-force) amortization related to underlying margins.

There are certain material differences between the detailed line-by-line presentation in the Statement of Income and the components of Life & Savings Margin Analysis as set out below:

- For insurance contracts and investment contracts with Discretionary Participation Features (DPF):
 - gross premiums (net of deposits), fees and other revenues are allocated in the Margin Analysis based on the nature of the revenue between “Fees & Revenues” and “Net Technical Margin”,
 - policyholders’ interest in participating contracts is reflected as a change in insurance benefits in the Statement of Income. In the Margin Analysis, it is allocated to the related margin, *i.e.* primarily “Investment Margin” and “Net Technical Margin”,
 - the “Investment margin” represents the net investment result in the Statement of Income and is adjusted to consider the related policyholder participation (see above) as well as changes in specific reserves linked to invested assets’ returns and to exclude the fees on (or contractual charges included in) contracts with the financial risk borne by policyholders, which are included in “Fees & Revenues”,
 - change in URR (Unearned Revenue Reserve – capitalization net of amortization) is presented in the line “Change in unearned premiums net of unearned revenues and fees” in the underlying Statement of Income, whereas it is located in the line “Fees & Revenues” in the Margin Analysis;
- For investment contracts without DPF:
 - deposit accounting is applied. As a consequence, fees and charges related to these contracts are presented in the Underlying Statement of Income within Gross Consolidated Revenues on a separate line, and in Margin Analysis in the lines “Fees & Revenues” and “Net Technical Margin”,
 - change in UFR (Unearned Fee Reserve - capitalization net of amortization) is presented in the line “Change in unearned premiums net of unearned revenues & fees” in the Underlying Statement of Income, whereas it is located in the line “Fees & Revenues” in the Margin Analysis.

INSURANCE RATIOS (APPLICABLE TO PROPERTY & CASUALTY, HEALTH AND PROTECTION ACTIVITIES)

Current accident year loss ratio net of reinsurance is the ratio of:

- current year claims charge gross of reinsurance + claims handling costs + result of reinsurance ceded on current accident year, excluding for the discounted reserves the unwind of the discount rate used in calculating technical reserves; to
- earned revenues gross of reinsurance.

All accident year loss ratio net of reinsurance is the ratio of:



- all accident years claims charge gross of reinsurance + claims handling costs + result of reinsurance ceded on all accident years, excluding the unwind of the discount rate used in calculating technical reserves; to
- earned revenues gross of reinsurance.

Expense ratio is the ratio of:

- expenses (excluding claims handling costs, including changes in VBI amortization); to
- earned revenues gross of reinsurance.

Expenses include two components: expenses (including commissions) related to the acquisition of contracts (with the related **acquisition expense ratio**) and all other expenses excluding claims handling costs (with the related **administrative expense ratio**). Expenses exclude customer intangible amortization, but include the impact from the changes in VBI amortization.

The **Combined ratio*** is the sum of the all accident year loss ratio and the expense ratio.

ASSET MANAGEMENT

Net inflows: Inflows of client money less outflows of client money. Net inflows are used by the Management to measure the impact of sales efforts, product attractiveness (mainly dependent on performance and innovation), and the general market trend in investment allocation.

Underlying cost income ratio is the ratio of:

- general expenses excluding distribution related expenses; to
- gross revenues excluding distribution fees received.

Assets under management (AUM) are defined as the assets whose management has been delegated by their owner to an asset management company such as AXA Investment Managers. AUM only include funds and mandates which generate fees and exclude double counting.

BANKING

Operating net banking revenues are disclosed before intercompany eliminations and before realized capital gains/losses or changes in fair value of “fair-value-P&L” assets and hedging derivatives.

II. Consolidated financial statements



June 30, 2020

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1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Notes	(in Euro million)	June 30, 2020	December 31, 2019 restated ^(a)
	Goodwill	17,452	17,776
	Value of purchased business in force	1,393	1,520
	Deferred acquisition costs and equivalent	17,074	16,988
	Other intangible assets	4,677	4,875
	Intangible assets	40,596	41,159
	Investments in real estate properties	23,776	23,301
	Financial investments	503,681	497,257
	Assets backing contracts where the financial risk is borne by policyholders ^(b)	72,043	75,774
5	Investments from insurance activities	599,500	596,332
5	Investments from banking and other activities	22,740	22,389
	Investments accounted for using the equity method	2,407	2,437
	Reinsurers' share in insurance and investment contracts liabilities	26,403	22,970
	Tangible assets	2,696	2,873
	Deferred tax assets	467	654
	Other assets	3,162	3,527
	Receivables arising from direct insurance and inward reinsurance operations	30,095	27,094
	Receivables arising from outward reinsurance operations	2,307	2,074
	Receivables - current tax	984	954
	Other receivables	9,913	10,378
	Receivables	43,299	40,501
4	Assets held for sale ^(c)	33,833	28,908
	Cash and cash equivalents	32,231	22,656
	TOTAL ASSETS	804,172	780,878

Note: All invested assets are shown net of related derivative instruments impact.

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Includes assets backing contracts where the financial risk is borne by policyholders with Guaranteed Minimum features.

^(c) As of June 30, 2020, amounts included the assets relating to Central and Eastern Europe operations, AXA Bank Belgium and the remaining Group Life portfolio in Switzerland, for which disposal processes were not finalized at period-end.

As of December 31, 2019, amounts included the assets relating to AXA Bank Belgium and the remaining Group Life portfolio in Switzerland, for which disposal processes were not finalized at year-end.

Notes	(in Euro million)	June 30, 2020	December 31, 2019 restated ^(a)
	Share capital and capital in excess of nominal value	26,035	26,126
	Reserves and translation reserve	42,600	39,915
	Net consolidated income - Group share	1,429	3,857
	Shareholders' equity - Group share	70,065	69,897
	Minority interests	4,569	4,730
6	TOTAL SHAREHOLDERS' EQUITY	74,634	74,627
	Subordinated debt	9,690	11,294
	Financing debt instruments issued	1,806	1,806
7	Financing debt ^(b)	11,495	13,101
	Liabilities arising from insurance contracts	388,547	379,002
	Liabilities arising from insurance contracts where the financial risk is borne by policyholders ^(c)	56,809	59,823
	Total liabilities arising from insurance contracts	445,356	438,825
	Liabilities arising from investment contracts with discretionary participating features	35,905	36,036
	Liabilities arising from investment contracts with no discretionary participating features	79	67
	Liabilities arising from investment contracts with discretionary participating features and where the financial risk is borne by policyholders	3,227	3,139
	Liabilities arising from investment contracts with no discretionary participating features and where the financial risk is borne by policyholders	12,416	13,306
	Total liabilities arising from investment contracts	51,629	52,547
	Unearned revenue and unearned fee reserves	2,171	2,456
	Liabilities arising from policyholder participation and other obligations	56,167	52,766
	Derivative instruments relating to insurance and investment contracts	(1,321)	(1,724)
	Liabilities arising from insurance and investment contracts	554,002	544,871
	Liabilities arising from banking activities ^(b)	15,930	14,649
	Provisions for risks and charges	9,062	9,742
	Deferred tax liabilities	5,802	5,863
	Minority interests of consolidated investment funds and puttable instruments held by minority interest holders	8,933	8,596
	Other debt instruments issued, notes and bank overdrafts ^(b)	10,681	6,249
	Payables arising from direct insurance and inward reinsurance operations	10,010	10,709
	Payables arising from outward reinsurance operations	13,412	11,591
	Payables - current tax	1,280	1,166
	Collateral debts relating to investments under lending agreements or equivalent	41,542	37,920
	Other payables	15,315	13,145
	Payables	101,173	89,377
4	Liabilities held for sale ^(d)	32,074	28,648
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	804,172	780,878

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Amounts are shown net of related derivative instruments impact.

^(c) Includes liabilities arising from contracts where the financial risk is borne by policyholders with Guaranteed Minimum features.

^(d) As of June 30, 2020, amounts included the liabilities relating to Central and Eastern Europe operations, AXA Bank Belgium and the remaining Group Life portfolio in Switzerland, for which disposal processes were not finalized at period-end.

As of December 31, 2019, amounts included the liabilities relating to AXA Bank Belgium and the remaining Group Life portfolio in Switzerland, for which disposal processes were not finalized at year-end.



2. CONSOLIDATED STATEMENT OF INCOME

Notes	(in Euro million, except EPS in Euro)	June 30, 2020	June 30, 2019
	Gross written premiums	51,006	55,684
	Fees and charges relating to investment contracts with no participating features	118	121
	Revenues from insurance activities	51,124	55,805
	Net revenues from banking activities	244	226
	Revenues from other activities	1,023	1,918
	Revenues ^(a)	52,391	57,949
	Change in unearned premiums net of unearned revenues and fees	(4,440)	(5,203)
	Net investment income ^(b)	6,651	5,756
	Net realized gains and losses relating to investments at cost and at fair value through shareholders' equity ^(c)	1,026	418
	Net realized gains and losses and change in fair value of investments at fair value through profit and loss ^(d)	(3,159)	15,786
	of which change in fair value of assets with financial risk borne by policyholders ^(e)	(3,475)	15,154
	Change in investments impairments ^(f)	(731)	(91)
	Net investment result excluding financing expenses	3,787	21,869
	Technical charges relating to insurance activities ^(g)	(36,378)	(58,214)
	Net result from outward reinsurance	(1,020)	(689)
	Bank operating expenses	(35)	(31)
	Acquisition costs	(6,238)	(6,718)
	Amortization of the value of purchased business in force	(129)	(31)
	Administrative expenses	(5,273)	(5,541)
	Change in goodwill impairment and other intangible assets impairment and amortization	(104)	(79)
	Other income and expenses ^(h)	201	68
	Other operating income and expenses	(48,972)	(71,235)
	Income from operating activities before tax	2,764	3,380
	Income (net of impairment) from investment accounted for using the equity method	189	260
	Financing debts expenses ⁽ⁱ⁾	(634)	(433)
	Net income from operating activities before tax	2,320	3,208
	Income tax	(810)	(636)
	Net consolidated income after tax	1,510	2,572
	Split between :		
	Net consolidated income - Group share	1,429	2,333
	Net consolidated income - Minority interests	80	239
8	Earnings per share	0.56	0.92
8	Fully diluted earnings per share	0.56	0.92

^(a) Gross of reinsurance.

^(b) Net of investment management costs and including gains/losses from derivatives hedging variable annuities.

^(c) Includes impairment releases on investments sold.

^(d) Includes realized and unrealized forex gains and losses relating to investments at cost and at fair value through shareholders' equity.

^(e) Change in fair value of assets with financial risk borne by policyholders is offset by a balancing entry in technical charges relating to insurance activities.

^(f) Excludes impairment releases on investments sold.

^(g) As of June 30, 2020, it includes the removal of the held for sale classification previously applied for AXA Life Europe.

^(h) Includes net balance of income and expenses related to derivatives on financing debt (nonetheless excludes change in fair value of these derivatives).



3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in Euro million)</i>	June 30, 2020	June 30, 2019
Reserves relating to changes in fair value through shareholders' equity	970	6,404
Translation reserves	(781)	(347)
Items that may be reclassified subsequently to Profit or Loss	189	6,057
Employee benefits actuarial gains and losses	419	(402)
Reserves relating to changes in fair value of financial liabilities measured at fair value through profit and loss that are attributable to changes in own credit risk	20	(16)
Items that will not be reclassified subsequently to Profit or Loss	439	(418)
Net gains and losses recognized directly through shareholders' equity	628	5,639
Net consolidated income	1,510	2,572
<i>Split between:</i>		
Net consolidated income - Group share	1,429	2,333
Net consolidated income - Minority interests	80	239
TOTAL COMPREHENSIVE INCOME (CI)	2,137	8,211
<i>Split between:</i>		
Total comprehensive income - Group share	2,113	7,582
Total comprehensive income - Minority interests	24	629

Amounts are presented net of tax, policyholders' participation and other shadow accounting related movements. Tax, policyholder participation and related effects are further detailed in the Notes to the Consolidated Financial statements.

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in Euro million, except for number of shares and nominal value)

(in Euro million, except for number of shares and nominal value)	Attributable to shareholders											Minority interests
	Share Capital					Other reserves					Shareholders' equity Group share	
	Number of shares (in thousands)	Nominal value (in Euro)	Share Capital	Capital in excess of nominal value	Treasury shares	Reserves relating to the change in fair value of financial instruments available for sale	Reserves relating to the change in fair value of hedge accounting derivatives (cash flow hedge)	Other ^(a)	Translation reserves	Undistributed profits and other reserves		
Shareholders' equity opening January 1, 2020	2,417,695	2.29	5,537	21,706	(752)	19,328	196	6,636	(2,050)	19,297	69,897	4,730
Capital	4	2.29	0	-	-	-	-	-	-	-	0	-
Capital in excess of nominal value	-	-	-	(3)	-	-	-	-	-	-	(3)	-
Equity - share based compensation	-	-	-	23	-	-	-	-	-	-	23	-
Treasury shares	-	-	-	-	(110)	-	-	-	-	-	(110)	-
Others reserves - transaction on treasury shares	-	-	-	-	-	-	-	0	-	-	0	-
Equity component of compound financial instruments	-	-	-	-	-	-	-	-	-	-	-	-
Undated subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-
Financial expenses - Undated subordinated debt	-	-	-	-	-	-	-	-	-	(90)	(90)	-
Others (including impact on change in scope) ^(b)	-	-	-	-	-	0	0	-	0	(25)	(25)	(185)
Dividends	-	-	-	-	-	-	-	-	-	(1,740)	(1,740)	-
Impact of transactions with shareholders	4	2.29	0	19	(110)	0	0	0	0	(1,855)	(1,946)	(185)
Reserves relating to changes in fair value through shareholders' equity	-	-	-	-	-	325	680	-	-	-	1,005	(35)
Translation reserves	-	-	-	-	-	-	-	(77)	(681)	-	(758)	(23)
Employee benefits actuarial gains and losses	-	-	-	-	-	-	-	-	-	417	417	2
Reserves relating to changes in fair value of financial liabilities measured at fair value through profit and loss that are attributable to changes in own credit risk	-	-	-	-	-	-	-	-	-	20	20	0
Net consolidated income	-	-	-	-	-	-	-	-	-	1,429	1,429	80
Total Comprehensive Income (CI)	-	-	-	-	-	325	680	(77)	(681)	1,866	2,113	24
Shareholders' equity closing June 30, 2020	2,417,699	2.29	5,537	21,725	(862)	19,653	877	6,559	(2,732)	19,308	70,065	4,569

Note: Amounts are presented net of impacts of shadow accounting and its effects on policyholder participation, deferred acquisition costs, and value of business in force.

^(a) Mainly undated subordinated debts (TSS, TSDI) (see Note 6.1.1).

^(b) Including changes in ownership interest in consolidated subsidiaries.

(in Euro million, except for number of shares and nominal value)

(in Euro million, except for number of shares and nominal value)	Attributable to shareholders											
	Share Capital					Other reserves					Shareholders' Equity Group share	Minority interests
	Number of shares (in thousands)	Nominal value (in Euros)	Share Capital	Capital in excess of nominal value	Treasury shares	Reserves relating to the change in fair value of financial instruments available for sale	Reserves relating to the change in fair value of hedge accounting derivatives (cash flow hedge)	Other ^(a)	Translation reserves	Undistributed profits and other reserves ^(c)		
Shareholders' equity opening January 1, 2019	2,424,917	2.29	5,553	21,894	(1,038)	11,566	302	6,776	(2,395)	19,770	62,428	10,824
Capital	(9,954)	2.29	(23)	-	-	-	-	-	-	-	(23)	-
Capital in excess of nominal value	-	-	-	(229)	-	-	-	-	-	-	(229)	-
Equity - share based compensation	-	-	-	17	-	-	-	-	-	-	17	-
Treasury shares	-	-	-	-	353	-	-	-	-	-	353	-
Others reserves - transaction on treasury shares	-	-	-	-	-	-	-	(121)	-	-	(121)	-
Equity component of compound financial instruments	-	-	-	-	-	-	-	-	-	-	-	(614)
Undated subordinated debt	-	-	-	-	-	-	-	(0)	-	-	-	-
Financial expenses - Undated subordinated debt	-	-	-	-	-	-	-	-	-	(98)	(98)	-
Others (including impact on change in scope) ^(b)	-	-	-	-	-	0	0	-	0	4	4	(5,301)
Dividends paid	-	-	-	-	-	-	-	-	-	(3,189)	(3,189)	-
Impact of transactions with shareholders	(9,954)	2.29	(23)	(212)	353	0	0	(121)	0	(3,283)	(3,286)	(5,915)
Reserves relating to changes in fair value through shareholders' equity	-	-	-	-	-	6,141	50	-	-	-	6,191	213
Translation reserves	-	-	-	-	-	-	-	13	(541)	-	(528)	181
Employee benefits actuarial gains and losses	-	-	-	-	-	-	-	-	-	(398)	(398)	(4)
Reserves relating to changes in fair value of financial liabilities measured at fair value through profit and loss that are attributable to changes in own credit risk	-	-	-	-	-	-	-	-	-	(16)	(16)	0
Net consolidated income	-	-	-	-	-	-	-	-	-	2,333	2,333	239
Total Comprehensive Income (CI)	-	-	-	-	-	6,141	50	13	(541)	1,919	7,582	629
Shareholders' equity closing June 30, 2019	2,414,962	2.29	5,530	21,682	(685)	17,707	353	6,668	(2,936)	18,405	66,725	5,538

Note: Amounts are presented net of impacts of shadow accounting and its effects on policyholder participation, deferred acquisition costs, and value of business in force.

^(a) Mainly undated subordinated debts (TSS, TSDI) (see Note 6.1.2).

^(b) Including changes in ownership interest in consolidated subsidiaries without losing control.

^(c) Includes the first time application impact of IFRS 16 Leases (€-77 million Group share) and IFRIC 23 Uncertainty over Income Tax Treatments (€-110 million Group share). AXA has chosen to adopt the new standards retrospectively through the cumulative effect approach with an adjustment to the opening balance of retained earnings.

5. CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in Euro million)</i>	June 30, 2020	June 30, 2019 restated ^(a)
Operating income including discontinued operations before tax	2,320	3,208
Net amortization expense ^(b)	572	777
Change in goodwill impairment and other intangible assets impairment ^(c)	51	23
Net change in deferred acquisition costs and equivalent	(527)	(1,168)
Net increase / (write back) in impairment on investments, tangible and other intangible assets	730	89
Change in fair value of investments at fair value through profit or loss	3,078	(16,132)
Net change in liabilities arising from insurance and investment contracts ^(d)	4,953	19,495
Net increase / (write back) in other provisions ^(e)	(164)	(238)
Income (net of impairment) from investment accounted for using the equity method	(189)	(286)
Adjustment of non cash balances included in the operating income before tax	8,504	2,561
Net realized investment gains and losses	(1,025)	(39)
Financing debt expenses	634	433
Adjustment for reclassification to investing or financing activities	(391)	393
Dividends recorded in profit or loss during the period	(1,726)	(1,524)
Investment income & expense recorded in profit or loss during the period ^(f)	(5,391)	(4,768)
Adjustment of transactions from accrued to cash basis	(7,117)	(6,292)
Net cash impact of deposit accounting	1	(83)
Dividends and interim dividends collected	2,036	1,592
Investment income ^(f)	8,300	7,460
Investment expense (excluding interests on financing and undated subordinated debts, margin calls and others)	(2,844)	(2,175)
Net operating cash from banking activities	2,006	179
Change in operating receivables and payables	2,181	(2,344)
Net cash provided by other assets and liabilities ^(g)	757	197
Tax expenses paid	(668)	(268)
Other operating cash impact and non cash adjustment	328	(329)
Net cash impact of transactions with cash impact not included in the operating income before tax	12,096	4,231
NET CASH PROVIDED / (USED) BY OPERATING ACTIVITIES	15,411	4,101
Purchase of subsidiaries and affiliated companies, net of cash acquired	(19)	(14)
Disposal of subsidiaries and affiliated companies, net of cash ceded	(1)	(2,673)
Net cash related to changes in scope of consolidation	(20)	(2,688)
Sales of debt instruments ^(h)	26,718	30,374
Sales of equity instruments and non consolidated investment funds ^{(g) (h)}	13,025	8,580
Sales of investment properties held directly or not ^(g)	715	1,502
Sales and/or repayment of loans and other assets ^{(g) (i)}	9,236	11,790
Net cash related to sales and repayments of investments ^{(g) (h) (i)}	49,694	52,246
Purchases of debt instruments ^(g)	(29,094)	(34,007)
Purchases of equity instruments and non consolidated investment funds ^{(g) (h)}	(13,813)	(9,516)
Purchases of investment properties held direct or not ^(g)	(1,078)	(2,155)
Purchases and/or issues of loans and other assets ^{(h) (i)}	(10,720)	(9,994)
Net cash related to purchases and issuance of investments ^{(g) (h) (i)}	(54,704)	(55,672)
Sales of tangible and intangible assets	1	10
Purchases of tangible and intangible assets	(125)	(192)
Net cash related to sales and purchases of tangible and intangible assets	(123)	(182)
Increase in collateral payable / Decrease in collateral receivable	69,542	132,131
Decrease in collateral payable / Increase in collateral receivable	(66,084)	(132,295)
Net cash impact of assets lending / borrowing collateral receivables and payables	3,458	(164)
NET CASH PROVIDED / (USED) BY INVESTING ACTIVITIES	(1,695)	(6,459)

Issuance of equity instruments	7	21
Repayments of equity instruments	(176)	(819)
Transactions on treasury shares	2	0
Dividends payout	(42)	(3,447)
Interests on undated subordinated debts paid	(110)	(117)
Acquisition / sale of interests in subsidiaries without change in control	4	(45)
Net cash related to transactions with shareholders	(315)	(4,408)
Cash provided by financial debts issuance	31	6
Cash used for financial debts repayments	(1,356)	(541)
Interests on financing debt paid ⁽ⁱ⁾	(288)	(292)
Net interest margin of hedging derivatives on financing debt	(17)	-
Net cash related to Group financing	(1,631)	(826)
Other financing cash impact and non cash adjustment	-	-
NET CASH PROVIDED / (USED) BY FINANCING ACTIVITIES	(1,946)	(5,234)
	-	-
NET CASH PROVIDED BY DISCONTINUED OPERATIONS	-	-
	-	-
CASH AND CASH EQUIVALENT AS OF JANUARY 1 ^(k)	21,977	31,596
Net cash provided by operating activities	15,411	4,101
Net cash provided by investing activities	(1,695)	(6,459)
Net cash provided by financing activities	(1,946)	(5,234)
Net cash provided by discontinued operations	-	-
Impact of change in consolidation method and of reclassifications as held for sale ^(l)	(1,896)	(511)
Net impact of foreign exchange fluctuations and reclassification on cash and cash equivalents	(506)	139
CASH AND CASH EQUIVALENT AS OF JUNE 30 ^(k)	31,346	23,632

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Includes premiums/discounts capitalization and relating amortization, amortization of investment and owner occupied properties (held directly).

^(c) Includes impairment and amortization of intangible assets booked in the context of business combinations.

^(d) Includes impact of reinsurance and change in liabilities arising from contracts where the financial risk is borne by policyholders.

^(e) Mainly includes change in provisions for risks & charges, for bad debts/doubtful receivables and change in impairment of assets held for sale.

^(f) Includes gains/losses from derivatives hedging variable annuities.

^(g) Includes related derivatives.

^(h) Includes equity instruments held directly or by consolidated investment funds as well as non consolidated investment funds.

⁽ⁱ⁾ Includes sales/purchases of assets backing insurance & investment contracts where the financial risk is borne by policyholders.

^(j) Includes net cash impact of interest margin relating to hedging derivatives on financing debt.

^(k) Net of bank overdrafts.

^(l) As of June 30, 2020, amounts included the assets and liabilities relating to Central and Eastern Europe operations, AXA Bank Belgium and the remaining Group Life portfolio in Switzerland, for which disposal processes were not finalized at period-end.

As of June 30, 2019, amounts included the assets and liabilities relating to the Group Life portfolio in Switzerland and the AXA Wealth Management (HK) Limited portfolio for which disposal processes were not finalized at period-end.

(in Euro million)	June 30, 2020	June 30, 2019 restated ^(a)
Cash and cash equivalents	32,231	24,614
Bank overdrafts ^(b)	(885)	(982)
Cash and cash equivalents as of June 30 ^(c)	31,346	23,632

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Included in "Other debt instruments issued and bank overdrafts".

^(c) The "Cash and cash equivalents" item excludes cash backing contracts where the financial risk is borne by policyholders (Unit-Linked contracts).

NOTE 1 ACCOUNTING PRINCIPLES

1.1 General information

AXA SA, a French “Société Anonyme” (the “Company” and together with its consolidated subsidiaries, “AXA” or the “Group”), is the holding (parent) company for an international financial services group focused on financial protection. AXA operates principally in Europe, the Americas, Asia and Africa. The list of the main entities included in the scope of AXA’s consolidated financial statements is provided in Note 2 of the Notes to the consolidated interim financial statements.

AXA is listed on Euronext Paris Compartment A.

These consolidated interim financial statements including all Notes were set by the Board of Directors on August 5, 2020.

1.2 General accounting principles

AXA’s consolidated interim financial statements are prepared as of June 30.

The consolidated interim financial statements are prepared in compliance with IFRS standards according to IAS 34 – Interim Financial Reporting and interpretations of the IFRS Interpretations Committee that are endorsed by the European Union before the balance sheet date with a compulsory date published by the IASB of January 1, 2020. For existing and unchanged IFRS standards and interpretations, the accounting policies applied in the preparation of the consolidated interim financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year ended December 31, 2019.

The 2020 half year consolidated financial statements should be read in conjunction with the consolidated financial statements included in the 2019 Universal Registration Document.

IFRS REQUIREMENTS ADOPTED ON JANUARY 1, 2020

The application of the amendments below as of January 1, 2020 had no material impact on the Group's consolidated interim financial statements.

Amendments	Publication date	Topic
Conceptual Framework	March 29, 2018	<p>The revised Conceptual Framework includes:</p> <ul style="list-style-type: none"> • a new chapter on measurement; • guidance on reporting financial performance; • improved definitions of an asset and a liability, and guidance supporting these definitions; and • clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.
IFRS 3 Business combination Definition of Business	October 22, 2018	<p>The amendments:</p> <ul style="list-style-type: none"> • confirm that a business must include inputs and a process, • narrow the definitions of a business; and • add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.
IAS 1 Presentation of financial statements & IAS 8 Accounting policies, changes in accounting estimates and errors Definition of "Material"	October 31, 2018	<p>The amendments clarify the definition of "Material" and how it has to be applied by adding in the definition the clarifications that were included so far in other IFRS standards.</p>

PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions. The half year income tax charge is based on the best estimate of the expected full year tax rate. In preparing the consolidated interim financial statements, significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at the year ended December 31, 2019 with, in addition, the evaluation of the ultimate cost of claims triggered by the COVID-19 pandemic which necessitated a high degree of judgment. Please refer to the Half Year 2020 Activity Report for further information on the impact of the COVID-19 pandemic and in particular to Section Operating Highlights, part Risk Factors (Page 12) for the related risks.

As recommended by IAS 1, assets and liabilities are generally classified globally on the balance sheet in increasing order of liquidity, which is more relevant for financial institutions than a classification between current and non-current items. As for most insurance companies, expenses are classified by destination in the income statement.

All amounts in the consolidated statement of financial position, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and in the Notes are expressed in Euro million.

NOTE 2 SCOPE OF CONSOLIDATION

2.1 Consolidated companies

2.1.1 MAIN FULLY CONSOLIDATED COMPANIES

Change in scope	June 30, 2020		December 31, 2019	
	Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
AXA SA and Other Holdings				
France				
AXA	Parent company		Parent company	
CFP Management	100.00	100.00	100.00	100.00
AXA Group Operations SAS	100.00	100.00	100.00	100.00
Société Beaujon	100.00	100.00	100.00	100.00
AXA China	100.00	100.00	100.00	100.00
AXA Asia	100.00	100.00	100.00	100.00
France				
AXA France IARD	99.92	99.92	99.92	99.92
AXA France Vie	99.77	99.77	99.77	99.77
AXA Protection Juridique	98.52	98.44	98.52	98.44
Avanssur	100.00	100.00	100.00	100.00
AXA France Participations	100.00	100.00	100.00	100.00
Genworth Financial European Group Holdings	100.00	100.00	100.00	100.00
AXA Banque	100.00	99.89	100.00	99.89
AXA Banque Financement	65.00	64.93	65.00	64.93
Europe				
Germany				
AXA Versicherung AG	100.00	100.00	100.00	100.00
AXA Lebensversicherung AG	100.00	100.00	100.00	100.00
Deutsche Ärzteversicherung	100.00	100.00	100.00	100.00
AXA Krankenversicherung AG	100.00	100.00	100.00	100.00
Kölnische Verwaltungs AG für Versicherungswerte	100.00	100.00	100.00	100.00
AXA Konzern AG	100.00	100.00	100.00	100.00
AXA Bank AG	100.00	100.00	100.00	100.00
Roland Rechtsschutz-Versicherungs-AG	60.00	60.00	60.00	60.00
United Kingdom & Ireland				
Guardian Royal Exchange Plc	100.00	99.98	100.00	99.98
AXA UK Plc	100.00	99.98	100.00	99.98
AXA Equity & Law Plc	99.96	99.96	99.96	99.96
AXA Insurance UK Plc	100.00	99.98	100.00	99.98
AXA PPP Healthcare Limited	100.00	99.98	100.00	99.98
Architas Multi-Manager Limited	100.00	100.00	100.00	100.00
AXA Insurance Limited	100.00	99.98	100.00	99.98
AXA Life Europe Limited	100.00	100.00	100.00	100.00
Spain				
AXA Seguros Generales, S. A.	99.92	99.92	99.92	99.92
AXA Aurora Vida, S.A. de Seguros	99.84	99.84	99.84	99.84
Switzerland				
AXA Life	100.00	100.00	100.00	100.00
AXA-ARAG Legal Assistance	66.67	66.67	66.67	66.67
AXA Insurance	100.00	100.00	100.00	100.00
Italy				
AXA Assicurazioni e Investimenti	100.00	100.00	100.00	100.00
AXA MPS Vita	50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
AXA MPS Danni	50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
AXA MPS Financial	50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
Belgium				



Ardenne Prévoyante	100.00	100.00	100.00	100.00
AXA Belgium SA	100.00	100.00	100.00	100.00
AXA Holdings Belgium	100.00	100.00	100.00	100.00
Yuzzu SA (previously Touring Assurances SA)	100.00	100.00	100.00	100.00
Asia				
National Mutual International Pty Ltd.	100.00	100.00	100.00	100.00
Japan				
AXA Holdings Japan	98.70	98.70	98.70	98.70
AXA Life Insurance	100.00	98.70	100.00	98.70
AXA Non Life Insurance Co. Ltd.	100.00	98.70	100.00	98.70
AXA Direct Life Insurance Co. Ltd.	100.00	98.70	-	-
Hong Kong				
AXA China Region Limited	100.00	100.00	100.00	100.00
AXA General Insurance Hong Kong Ltd.	100.00	100.00	100.00	100.00
China				
AXA Tianping	100.00	100.00	100.00	100.00
Indonesia				
MLC Indonesia	100.00	100.00	100.00	100.00
Thailand				
AXA Insurance Public Company Limited	99.47	99.47	99.47	99.47
South Korea				
Kyobo AXA General Insurance Co. Ltd.	99.71	99.71	99.71	99.71
AXA XL				
XL Group ^(a)	100.00	100.00	100.00	100.00
International				
AXA Mediterranean Holding SA	100.00	100.00	100.00	100.00
AXA Bank Belgium (sub group)	100.00	100.00	100.00	100.00
Colombia				
AXA Colpatría Seguros	51.00	51.00	51.00	51.00
AXA Colpatría Seguros de vida	51.00	51.00	51.00	51.00
Morocco				
AXA Assurance Maroc	100.00	100.00	100.00	100.00
AXA Al Amane Assurance	100.00	100.00	100.00	100.00
AXA Holding Maroc S.A.	100.00	100.00	100.00	100.00
Turkey				
AXA Hayat ve Emeklilik A.S.	100.00	100.00	100.00	100.00
AXA Sigorta AS	92.61	92.61	92.61	92.61
AXA Turkey Holding W.L.L.	100.00	100.00	100.00	100.00
The Gulf Region				
AXA Cooperative Insurance Company	50.00	34.00	50.00	34.00
AXA Insurance B.S.C.c.	50.00	50.00	50.00	50.00
Greece				
AXA Insurance A.E.	99.98	99.98	99.98	99.98
Mexico				
AXA Seguros S.A. de C.V.	100.00	100.00	100.00	100.00
Luxembourg				
AXA Assurances Luxembourg	100.00	100.00	100.00	100.00
AXA Assurances Vie Luxembourg	100.00	100.00	100.00	100.00
AXA Luxembourg SA	100.00	100.00	100.00	100.00
Czech Republic & Slovakia				
AXA Czech Republic Pension Funds	100.00	100.00	100.00	100.00
AXA Czech Republic Insurance	100.00	100.00	100.00	100.00
AXA Slovakia	100.00	100.00	100.00	100.00
Poland				
AXA Poland	100.00	100.00	100.00	100.00
AXA Poland Pension Funds	100.00	100.00	100.00	100.00
AXA Ubezpieczenia TUIR S.A.	100.00	100.00	100.00	100.00
Singapore				
AXA Financial Services Singapore pte Ltd.	100.00	100.00	100.00	100.00
AXA Life Insurance Singapore	100.00	100.00	100.00	100.00
AXA Insurance Singapore	100.00	100.00	100.00	100.00
Malaysia				
AXA Affin General Insurance Berhad	50.00	50.00	50.00	50.00
India				
AXA India Holding	100.00	100.00	100.00	100.00
Other				
AXA Investment Managers (sub group)	97.62	97.61	97.58	97.57
AXA Global Re	100.00	100.00	100.00	100.00
AXA Assistance SA (sub group)	100.00	100.00	100.00	100.00
Colisée Ré	100.00	100.00	100.00	100.00

^(a) XL Group mainly operates in the United States, the United Kingdom, Bermuda, Switzerland, France, Ireland, Singapore, Germany, Australia and Canada.



MINORITIES INTERESTS ON CONSOLIDATED INVESTMENTS FUNDS AND REAL ESTATE COMPANIES

In most investment funds (particularly open-ended investment funds), minority interests are presented as liabilities under “Minority interests of consolidated investment funds”. As of June 30, 2020, these liabilities amounted to €8,933 million (€8,567 million as of December 31, 2019). Minority interests related to consolidated investment funds and real estate companies that are classified in shareholders’ equity amounted to €2,684 million as of June 30, 2020 (€2,848 million as of December 31, 2019).

2.1.2 MAIN INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

Companies accounted for using the equity method listed below exclude investment funds and real estate entities:

	Change in scope	June 30, 2020		December 31, 2019	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Neufilize Vie		39.98	39.98	39.98	39.98
Asia					
Philippines AXA Life Insurance Corporation		45.00	45.00	45.00	45.00
Krungthai AXA Life Insurance Company Ltd. (Thailand)		50.00	50.00	50.00	50.00
ICBC-AXA Life Insurance Co., Ltd. (China)		27.50	27.50	27.50	27.50
PT AXA Mandiri Financial Services (Indonesia)		49.00	49.00	49.00	49.00
International					
Reso Garantia (Russia)		36.68	36.68	36.68	36.68
Bharti AXA Life (India)		49.00	49.00	49.00	49.00
Bharti AXA General Insurance Company Limited (India)		49.00	49.00	49.00	49.00
AXA Middle East SAL (Lebanon)		50.99	50.99	50.99	50.99
AXA Mansard Insurance Plc (Nigeria)		76.48	76.48	76.48	76.48
Other					
Boi AXA Investment Managers Private Limited (India)	Relution	49.00	47.83	49.00	47.81
Kyobo AXA Investment Managers Company Limited (South Korea)	Relution	50.00	48.80	50.00	48.79
AXA SPDB Investment Managers Company Ltd. (China)	Relution	39.00	38.07	39.00	38.05

NOTE 3 CONSOLIDATED STATEMENT OF INCOME BY SEGMENT

AXA's Chief Executive Officer (CEO), acting as chief operating decision maker, is a member of the Board of Directors. He is assisted by a Management Committee in the operational management of the Group and by a group of senior executives, the so-called Partners' Group, in developing and implementing any strategic initiatives. The financial information related to AXA's business segments and holding companies reported to the Board of Directors twice a year is consistent with the presentation provided in the consolidated financial statements.

The results of operating activities and non-operating activities are presented on the basis of seven segments: France, Europe, Asia, AXA XL, International, Transversal & Central Holdings, and in 2019, the United States (former Equitable Holdings, Inc. activities).

As of June 30, 2020, the CEOs supervising the main geographies (respectively CEO of AXA France, CEO of AXA in Europe, CEO of AXA in Asia, CEO of AXA XL and CEO of AXA Investment Managers) are members of the Management Committee.

Key transversal entities and Central Holdings are managed alongside these geographies.

France: The French market consists of Life & Savings and Property & Casualty activities, AXA Banque France and French holdings.

Europe: The Europe market consists of Life & Savings and Property & Casualty activities in Switzerland, Germany, Belgium, United Kingdom & Ireland, Spain and Italy. The German bank and the holding companies in these countries are also included.

Asia: The Asian market consists of Life & Savings activities in Japan, Hong Kong and Asia High Potentials (Indonesia, Philippines, Thailand and China) as well as Property & Casualty activities in Hong Kong and Asia High Potentials (Thailand and China). The Asia-Direct entities (Japan and South Korea) and the Asia holdings are also included.

AXA XL: The AXA XL market mainly consists of Property & Casualty activities in XL Group, operating mainly in the United States, the United Kingdom, Bermuda, Switzerland, France, Ireland, Singapore, Germany, Australia and Canada. The holdings companies are also included.

International: The International market consist of Life & Savings and Property & Casualty activities in 14 countries within Europe, Middle East, Africa, Latin America as well as in Singapore, in Malaysia and in India. AXA Bank Belgium and the holding companies in these countries are also included.

Transversal & Central Holdings: includes transversal entities namely AXA Investment Managers, AXA Assistance, AXA Liabilities Managers, AXA Global Re, AXA Life Europe, as well as AXA SA and other Central Holdings.

The intersegment eliminations include only operations between entities from different countries and operating activities. They mainly relate to reinsurance treaties, assistance guarantees recharging, asset management fees and interests on loans within the Group.

In this document, "Insurance" covers the three insurance activities: Life & Savings, Property & Casualty and Health.

3.1 Consolidated Statement of Income by segment

(in Euro million)	June 30, 2020								of which Insurance ^(a)
	France	Europe	Asia	AXA XL	International	Transversal & Central Holdings	Intersegment Eliminations	Total	
Gross written premiums	12,659	18,749	5,518	10,525	3,340	706	(490)	51,006	51,006
Fees and charges relating to investment contracts with no participating features	1	62	18	-	37	-	-	118	118
Revenues from insurance activities	12,659	18,811	5,535	10,525	3,378	706	(490)	51,124	51,124
Net revenues from banking activities	64	5	-	-	171	-	4	244	-
Revenues from other activities	3	165	-	37	31	984	(197)	1,023	414
Revenues	12,726	18,981	5,535	10,562	3,580	1,690	(683)	52,391	51,538
Change in unearned premiums net of unearned revenues and fees	(333)	(2,589)	78	(1,460)	(243)	(22)	130	(4,440)	(4,440)
Net investment income ^(b)	2,406	2,416	761	634	262	202	(29)	6,651	6,082
Net realized gains and losses relating to investments at cost and at fair value through shareholders' equity	348	394	243	36	1	4	0	1,026	1,021
Net realized gains and losses and change in fair value of other investments at fair value through profit or loss ^(c)	(2,777)	(1,011)	(627)	(142)	174	1,209	14	(3,159)	(3,941)
of which change in fair value of assets with financial risk borne by policyholders	(2,057)	(645)	(432)	-	(75)	(265)	(2)	(3,475)	(3,475)
Change in investments impairment	(238)	(269)	(89)	(65)	(9)	(62)	-	(731)	(670)
Net investment result excluding financing expenses	(260)	1,530	288	461	428	1,354	(15)	3,787	2,492
Technical charges relating to insurance activities	(8,974)	(13,035)	(3,894)	(7,969)	(2,216)	(390)	100	(36,378)	(36,378)
Net result from outward reinsurance	73	22	(193)	(213)	(192)	(756)	239	(1,020)	(1,020)
Bank operating expenses	(11)	(0)	-	-	(23)	-	-	(35)	-
Acquisition costs	(1,300)	(2,041)	(814)	(1,275)	(607)	(234)	32	(6,238)	(6,238)
Amortization of the value of purchased business in force	-	(25)	(13)	(91)	(1)	-	-	(129)	(129)
Administrative expenses	(1,101)	(1,357)	(353)	(972)	(409)	(1,299)	218	(5,273)	(4,064)
Change in goodwill impairment and other intangible assets impairment	-	(22)	(9)	(24)	(22)	(28)	-	(104)	(104)
Other income and expenses ^(d)	(57)	(28)	(32)	0	1	443	(124)	201	37
Other operating income and expenses	(11,370)	(16,484)	(5,307)	(10,542)	(3,470)	(2,265)	465	(48,972)	(47,892)
Income from operating activities before tax	763	1,438	594	(979)	294	756	(103)	2,764	1,697
Income (net of impairment) from investment accounted for using the equity method	2	(0)	92	-	85	9	-	189	180
Financing debt expenses	(1)	(7)	(2)	(66)	(6)	(655)	103	(634)	(19)
Net income from operating activities before tax	765	1,431	684	(1,045)	374	111	0	2,320	1,858
Income tax	(266)	(329)	(80)	(14)	(67)	(54)	-	(810)	(321)
Net consolidated income after tax	499	1,102	604	(1,059)	306	57	-	1,510	1,538
<i>Split between:</i>									
Net consolidated income - Group share	498	1,066	602	(1,059)	268	55	(0)	1,429	1,460
Net consolidated income - Minority interests	1	36	2	0	39	2	0	80	78

^(a) Insurance covers the three insurance activities: Life & Savings, Property & Casualty and Health.

^(b) Includes gains/losses from derivatives hedging variable annuities within the Life & Savings activity.

^(c) Includes net realized and unrealized foreign exchange gains and losses relating to investments at cost and at fair value through shareholders' equity.

^(d) Includes the removal of the held for sale classification previously applied for AXA Life Europe.

	June 30, 2019 restated ^(a)									
(in Euro million)	France	Europe	Asia	AXA XL	United States	International	Transversal & Central Holdings	Intersegment Eliminations	Total	of which Insurance ^(b)
Gross written premiums	13,469	19,843	4,825	10,522	3,321	3,451	789	(535)	55,684	55,684
Fees and charges relating to investment contracts with no participating features	1	63	18	-	-	39	-	-	121	121
Revenues from insurance activities	13,470	19,906	4,843	10,522	3,321	3,490	789	(535)	55,805	55,805
Net revenues from banking activities	58	(0)	-	-	-	161	-	6	226	-
Revenues from other activities	3	161	-	0	1,007	32	934	(219)	1,918	675
Revenues	13,531	20,067	4,843	10,522	4,328	3,684	1,724	(748)	57,949	56,480
Change in unearned premiums net of unearned revenues and fees	(469)	(2,690)	(55)	(1,767)	(11)	(312)	(45)	146	(5,203)	(5,203)
Net investment income ^(b)	2,192	2,549	680	550	(375)	273	(58)	(55)	5,756	5,348
Net realized gains and losses relating to investments at cost and at fair value through shareholders' equity	290	560	113	56	(9)	5	(597)	0	418	1,013
Net realized gains and losses and change in fair value of other investments at fair value through profit or loss ^(c)	3,180	500	696	(37)	11,139	232	79	(3)	15,786	16,407
of which change in fair value of assets with financial risk borne by policyholders	3,106	927	705	-	9,926	204	286	0	15,154	15,154
Change in investments impairment	(14)	(39)	(21)	(7)	-	(4)	(6)	-	(91)	(82)
Net investment result excluding financing expenses	5,649	3,570	1,466	563	10,754	505	(581)	(57)	21,869	22,686
Technical charges relating to insurance activities	(15,030)	(15,727)	(4,674)	(5,863)	(13,600)	(2,342)	(1,177)	198	(58,214)	(58,214)
Net result from outward reinsurance	(164)	(184)	(51)	(476)	93	(161)	40	215	(689)	(689)
Bank operating expenses	(5)	(3)	-	-	-	(22)	-	-	(31)	-
Acquisition costs	(1,535)	(2,040)	(567)	(1,404)	(319)	(642)	(262)	52	(6,718)	(6,718)
Amortization of the value of purchased business in force	-	(23)	(6)	-	(0)	(1)	-	-	(31)	(31)
Administrative expenses	(805)	(1,286)	(287)	(968)	(742)	(416)	(1,193)	156	(5,541)	(3,926)
Change in goodwill impairment and other intangible assets impairment	-	(23)	(8)	(23)	(7)	(18)	(0)	-	(79)	(73)
Other income and expenses ^(d)	(5)	(8)	3	(0)	(113)	22	261	(92)	68	(28)
Other operating income and expenses	(17,544)	(19,294)	(5,591)	(8,734)	(14,689)	(3,580)	(2,331)	529	(71,235)	(69,679)
Income from operating activities before tax	1,167	1,652	663	584	382	297	(1,233)	(131)	3,380	4,284
Income (net of impairment) from investment accounted for using the equity method	5	-	98	1	110	33	12	-	260	208
Financing debt expenses	(1)	(52)	(4)	(97)	(52)	(6)	(350)	131	(433)	(12)
Net income from operating activities before tax	1,171	1,601	757	488	440	324	(1,572)	0	3,208	4,479
Income tax	(296)	(341)	(128)	(92)	(39)	(58)	320	-	(636)	(589)
Net consolidated income after tax	874	1,260	628	396	401	266	(1,252)	-	2,572	3,890
Split between:										
Net consolidated income - Group share	872	1,208	625	394	257	232	(1,255)	0	2,333	3,712
Net consolidated income - Minority interests	2	51	4	2	143	34	3	(0)	239	178

^(a) Restated: reclassification of German and Japanese activities of AXA Life Europe (previously reported as part of Germany and Japan respectively) into AXA Life Europe (included in Transversal & Central Holdings).

^(b) Insurance covers the three insurance activities: Life & Savings, Property & Casualty and Health.

^(c) Includes gains/losses from derivatives hedging variable annuities within the Life & Savings activity.

^(d) Includes net realized and unrealized foreign exchange gains and losses relating to investments at cost and at fair value through shareholders' equity.



NOTE 4 TRANSACTIONS IN CONSOLIDATED ENTITIES

4.1 Central and Eastern Europe operations disposal

On February 7, 2020, AXA entered into an agreement to sell its operations in Poland, Czech Republic and Slovakia (Central and Eastern Europe operations) to UNIQA Insurance Group AG.

Under the terms of the agreement, AXA would sell 100% of its Life & Savings, Property & Casualty and Pension businesses in Central and Eastern Europe for a total net cash consideration of €1,002 million.

The completion of the transaction is expected to take place during the second half of 2020 and it is subject to customary closing conditions, including the receipt of regulatory approvals.

The major classes of assets and liabilities (net of intercompany balances with other AXA entities) presented as held for sale related to:

ASSETS

	June 30, 2020
<i>(in Euro million)</i>	
Goodwill	222
Other intangible assets	476
Investments from insurance activities	2,049
Reinsurers' share in insurance and investment contracts liabilities	162
Other assets	195
Cash and cash equivalents	46
Total assets held for sale	3,151

LIABILITIES

	June 30, 2020
<i>(in Euro million)</i>	
Financing debt	1
Liabilities arising from insurance and investment contracts	2,003
Other liabilities	252
Total liabilities held for sale	2,255

As of June 30, 2020, the other comprehensive income of invested assets in the scope of the transaction amounted to €+25 million.

As of June 30, 2020, there is no impact recognized in the consolidated statement of income for this transaction.

4.2 AXA Bank Belgium disposal

On October 25, 2019, AXA entered into an agreement to sell its Belgian banking operations, AXA Bank Belgium, to Crelan Bank (“Crelan”).

Under the terms of the agreement, AXA will sell 100% of AXA Bank Belgium to Crelan for a total consideration of €620 million, comprised of (i) a total cash consideration of €540 million ⁽¹⁾, and (ii) the transfer to AXA Belgium of 100% of Crelan Insurance (valued at €80 million), the insurance company of Crelan, providing protection insurance linked to loans originated by Crelan.

In addition, AXA Belgium will take a 9.9% minority equity stake ⁽²⁾ in Crelan NV ⁽³⁾ and AXA Bank Belgium, investing a total of €90 million, which will be fully funded by the purchase by Crelan, for €90 million, of the contingent convertible bonds previously issued by AXA Bank Belgium to AXA Group.

The completion of the transaction is expected to take place during the second half of 2020 and is subject to customary closing conditions, including the receipt of regulatory approvals.

The major classes of assets and liabilities (net of intercompany balances with other AXA entities) presented as held for sale related to:

ASSETS

	June 30, 2020
<i>(in Euro million)</i>	
Investments from banking and other activities	25,540
Other assets	294
Cash and cash equivalents	2,738
Total assets held for sale	28,573

LIABILITIES

	June 30, 2020
<i>(in Euro million)</i>	
Financing debt	14
Liabilities arising from banking activities	27,399
Other liabilities	564
Total liabilities held for sale	27,976

As of June 30, 2020, the other comprehensive income of invested assets in the scope of the transaction amounted to €+9 million.

The transaction is expected to result in a loss of €-602 million, of which €-590 million were already recognized in the consolidated statement of income as of December 31, 2019. The total impairment was allocated to goodwill for €-68 million, other intangible assets for €-18 million and investments for €-516 million. All these impairments are included in the tables above.

⁽¹⁾ Subject to price adjustment at closing.

⁽²⁾ Crelan has a call option to purchase the Crelan NV and AXA Bank Belgium shares held by AXA.

⁽³⁾ Crelan NV is Crelan's banking subsidiary.



4.3 Group Life portfolio transformation in Switzerland

On April 10, 2018, AXA entered into an agreement with its main occupational benefits foundations ⁽¹⁾ to convert their business model from a full-value insurance ⁽²⁾ model to a semi-autonomous model ⁽³⁾ and during 2019 with additional small occupational foundations.

As of June 30, 2020, AXA Switzerland completed most of the transaction and transferred the assets and liabilities to the occupational foundations. Additionally, the remaining assets and liabilities to be transferred to the foundation on January 1, 2021, were classified as held for sale in AXA's Consolidated Financial Statements as of June 30, 2020.

As such, the major classes of assets and liabilities (net of intercompany balances with other AXA entities) presented as held for sale related to:

ASSETS

	June 30, 2020
<i>(in Euro million)</i>	
Investments from insurance activities	1,559
Cash and cash equivalents	248
Total assets held for sale	1,806

LIABILITIES

	June 30, 2020
<i>(in Euro million)</i>	
Liabilities arising from insurance and investment contracts	1,806
Total liabilities held for sale	1,806

As of June 30, 2020, the other comprehensive income of invested assets in the scope of the transaction was nil.

As of June 30, 2020, there is no impact recognized in the consolidated statement of income for this transaction.

⁽¹⁾ Collective group pensions schemes, which are managed by an independent Board.

⁽²⁾ Contract covering the whole offer: guaranteed savings and annuity benefits, death and disability benefits, and administration services.

⁽³⁾ Contract covering death and disability benefits, and administration services.

NOTE 5 INVESTMENTS

5.1 Breakdown of investments

Each investment item is presented net of the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges) except derivatives related to macro-hedges shown separately.

	June 30, 2020								
	Investments as per Consolidated Statement of Financial Position								
	Insurance			Other activities			Total		
(in Euro million)	Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)
Investment in real estate properties at amortized cost ^(a)	31,717	22,172	3.70%	3,634	3,438	15.12%	35,350	25,610	4.12%
Investment in real estate properties designated as at fair value through profit or loss ^(b)	1,604	1,604	0.27%	-	-	-	1,604	1,604	0.26%
Macro-hedge and other derivatives	-	-	-	-	-	-	-	-	-
Investment in real estate properties	33,321	23,776	3.97%	3,634	3,438	15.12%	36,954	27,214	4.37%
Debt instruments held to maturity	-	-	-	-	-	-	-	-	-
Debt instruments available for sale	393,990	393,990	65.72%	2,355	2,355	10.36%	396,345	396,345	63.70%
Debt instruments designated as at fair value through profit or loss ^(c)	20,369	20,369	3.40%	81	81	0.36%	20,450	20,450	3.29%
Debt instruments held for trading	4	4	0.00%	-	-	-	4	4	0.00%
Debt instruments (at cost) that are not quoted in an active market ^(d)	11,324	10,869	1.81%	36	36	0.16%	11,360	10,905	1.75%
Debt instruments	425,687	425,232	70.93%	2,472	2,472	10.87%	428,159	427,704	68.74%
Equity instruments available for sale	16,149	16,149	2.69%	2,208	2,208	9.71%	18,357	18,357	2.95%
Equity instruments designated as at fair value through profit or loss ^(b)	9,870	9,870	1.65%	568	568	2.50%	10,437	10,437	1.68%
Equity instruments held for trading	(0)	(0)	0.00%	0	0	0.00%	(0)	(0)	0.00%
Equity instruments	26,018	26,018	4.34%	2,776	2,776	12.21%	28,794	28,794	4.63%
Non consolidated investment funds available for sale	7,591	7,591	1.27%	48	48	0.21%	7,639	7,639	1.23%
Non consolidated investment funds designated as at fair value through profit or loss ^(b)	7,738	7,738	1.29%	19	19	0.08%	7,757	7,757	1.25%
Non consolidated investment funds held for trading	483	483	0.08%	-	-	-	483	483	0.08%
Non consolidated investment funds	15,813	15,813	2.64%	67	67	0.29%	15,880	15,880	2.55%
Other assets designated as at fair value through profit or loss, held by consolidated investment funds	15,041	15,041	2.51%	198	198	0.87%	15,238	15,238	2.45%
Macro-hedge and other derivatives	1,232	1,232	0.21%	173	173	0.76%	1,405	1,405	0.23%
Sub total Financial instruments (excluding Loans)	483,790	483,335	80.62%	5,686	5,686	25.00%	489,476	489,021	78.59%
Loans held to maturity	-	(0)	0.00%	-	-	-	-	(0)	0.00%
Loans available for sale	-	-	-	-	-	-	-	-	-
Loans designated as at fair value through profit or loss ^(b)	(0)	(0)	0.00%	-	-	-	(0)	(0)	0.00%
Loans held for trading	-	-	-	-	-	-	-	-	-
Loans at cost ^(e)	21,470	20,346	3.39%	13,728	13,616	59.88%	35,198	33,962	5.46%
Macro-hedge and other derivatives	-	-	-	0	0	0.00%	0	0	0.00%
Loans	21,470	20,346	3.39%	13,728	13,616	59.88%	35,198	33,962	5.46%
Total Financial instruments	505,260	503,681	84.02%	19,414	19,302	84.88%	524,674	522,983	84.05%
Assets backing contracts where the financial risk is borne by policyholders	72,043	72,043	12.02%	-	-	-	72,043	72,043	11.58%
INVESTMENTS	610,623	599,500	100.00%	23,048	22,740	100.00%	633,671	622,240	100.00%
Investments (excluding those backing contracts where the financial risk is borne by policyholders)	538,580	527,457	87.98%						

^(a) Includes infrastructure and forests investments.

^(b) Assets measured at fair value under the fair value option.

^(c) Includes assets measured at fair value notably under the fair value option.

^(d) Eligible to the IAS 39 Loans and receivables measurement category.

^(e) Mainly relates to mortgage loans and policy loans.

December 31, 2019 restated ^(a)									
Investments as per Consolidated Statement of Financial Position									
	Insurance			Other activities			Total		
(in Euro million)	Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)
Investment in real estate properties at amortized cost ^(b)	31,395	21,679	3.64%	3,431	3,309	14.78%	34,826	24,987	4.04%
Investment in real estate properties designated as at fair value through profit or loss ^(c)	1,622	1,622	0.27%	-	-	-	1,622	1,622	0.26%
Macro-hedge and other derivatives	-	-	-	-	-	-	-	-	-
Investment in real estate properties	33,017	23,301	3.91%	3,431	3,309	14.78%	36,448	26,609	4.30%
Debt instruments held to maturity	-	-	-	-	-	-	-	-	-
Debt instruments available for sale	385,347	385,347	64.62%	2,218	2,218	9.91%	387,565	387,565	62.64%
Debt instruments designated as at fair value through profit or loss ^(d)	22,274	22,274	3.74%	93	93	0.41%	22,367	22,367	3.62%
Debt instruments held for trading	117	117	0.02%	-	-	-	117	117	0.02%
Debt instruments (at cost) that are not quoted in an active market ^(e)	11,271	10,901	1.83%	-	(0)	0.00%	11,271	10,901	1.76%
Debt instruments	419,009	418,640	70.20%	2,311	2,311	10.32%	421,320	420,950	68.04%
Equity instruments available for sale	18,400	18,400	3.09%	2,582	2,582	11.53%	20,983	20,983	3.39%
Equity instruments designated as at fair value through profit or loss ^(c)	9,592	9,592	1.61%	572	572	2.56%	10,165	10,165	1.64%
Equity instruments held for trading	1	1	0.00%	0	0	0.00%	1	1	0.00%
Equity instruments	27,994	27,994	4.69%	3,155	3,155	14.09%	31,148	31,148	5.03%
Non consolidated investment funds available for sale	8,626	8,626	1.45%	76	76	0.34%	8,701	8,701	1.41%
Non consolidated investment funds designated as at fair value through profit or loss ^(c)	6,464	6,464	1.08%	24	24	0.11%	6,487	6,487	1.05%
Non consolidated investment funds held for trading	188	188	0.03%	-	-	-	188	188	0.03%
Non consolidated investment funds	15,277	15,277	2.56%	99	99	0.44%	15,376	15,376	2.49%
Other assets designated as at fair value through profit or loss, held by consolidated investment funds	15,132	15,132	2.54%	232	232	1.03%	15,363	15,363	2.48%
Macro-hedge and other derivatives	249	249	0.04%	(110)	(110)	-0.49%	139	139	0.02%
Sub total Financial instruments (excluding Loans)	477,660	477,291	80.04%	5,687	5,687	25.40%	483,347	482,977	78.06%
Loans held to maturity	-	-	-	-	-	-	-	-	-
Loans available for sale	-	-	-	-	-	-	-	-	-
Loans designated as at fair value through profit or loss ^(c)	-	-	-	-	-	-	(0)	(0)	0.00%
Loans held for trading	-	-	-	-	-	-	-	-	-
Loans at cost ^(f)	21,012	19,966	3.35%	13,483	13,393	59.82%	34,495	33,360	5.39%
Macro-hedge and other derivatives	-	-	-	0	0	0.00%	0	0	0.00%
Loans	21,012	19,966	3.35%	13,483	13,393	59.82%	34,495	33,360	5.39%
Total Financial instruments	498,672	497,257	83.39%	19,170	19,080	85.22%	517,842	516,337	83.45%
Assets backing contracts where the financial risk is borne by policyholders	75,774	75,774	12.71%	-	-	-	75,774	75,774	12.25%
INVESTMENTS	607,463	596,332	100.00%	22,601	22,389	100.00%	630,064	618,720	100.00%
Investments (excluding those backing contracts where the financial risk is borne by policyholders)	531,689	520,558	87.29%						

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Includes infrastructure and forests investments.

^(c) Assets measured at fair value under the fair value option.

^(d) Includes assets measured at fair value notably under the fair value option.

^(e) Eligible to the IAS 39 Loans and receivables measurement category.

^(f) Mainly relates to mortgage loans and policy loans.

5.2 Investment in real estate properties

Investment in real estate properties includes buildings owned directly and through real estate entities.

Breakdown of the carrying value and fair value of investments in real estate properties at amortized cost, including the impact of all derivatives:

	June 30, 2020					December 31, 2019				
	Gross value	Amortization	Impairment	Carrying value	Fair value	Gross value	Amortization	Impairment	Carrying value	Fair value
<i>(in Euro million)</i>										
Investment in real estate properties at amortized cost										
Insurance ^(a)	24,774	(1,594)	(1,061)	22,119	31,664	24,300	(1,536)	(981)	21,783	31,499
Other activities	3,438	-	(0)	3,438	3,634	3,309	-	(0)	3,309	3,431
All activities excluding derivatives	28,212	(1,594)	(1,061)	25,557	35,297	27,609	(1,536)	(981)	25,092	34,930
Impact of Derivatives				53	53				(104)	(104)
Total for all activities including derivatives				25,610	35,350				24,987	34,826

^(a) Includes infrastructure and forests investments.

Change in impairment and amortization of investment in real estate properties at amortized cost (all activities):

	Impairment - Investment in real estate properties		Amortization - Investment in real estate properties	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
<i>(in Euro million)</i>				
Opening value	981	752	1,536	1,624
Increase for the period	145	373	65	241
Write back following sale or repayment	(52)	(52)	(18)	(164)
Write back following recovery in value	(12)	(28)	-	-
Others ^(a)	(2)	(64)	11	(165)
Closing value	1,061	981	1,594	1,536

^(a) Includes changes in the scope of consolidation and the impact of changes in exchange rates.

5.3 Unrealized gains and losses on financial investments

Including the effect of derivatives, unrealized capital gains and losses on financial investments, when not already reflected in the income statement, were allocated as follows:

INSURANCE	June 30, 2020					December 31, 2019 restated ^(a)				
	Amortized cost ^(b)	Fair value	Carrying value ^(c)	Unrealized gains	Unrealized losses	Amortized cost ^(b)	Fair value	Carrying value ^(c)	Unrealized gains	Unrealized losses
(in Euro million)										
Debt instruments available for sale	334,293	393,990	393,990	63,951	4,254	332,557	385,347	385,347	57,289	4,499
Debt instruments (at cost) that are not quoted in an active market	10,855	11,324	10,869	529	60	10,888	11,271	10,901	445	62
Equity instruments available for sale	12,517	16,149	16,149	3,888	256	13,524	18,400	18,400	4,962	86
Non-consolidated investment funds available for sale	6,992	7,591	7,591	684	86	7,772	8,626	8,626	920	66

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Net of impairment - including premiums/discounts and related accumulated amortization.

^(c) Net of impairment.

OTHER ACTIVITIES	June 30, 2020					December 31, 2019				
	Amortized cost ^(a)	Fair value	Carrying value ^(b)	Unrealized gains	Unrealized losses	Amortized cost ^(a)	Fair value	Carrying value ^(b)	Unrealized gains	Unrealized losses
(in Euro million)										
Debt instruments available for sale	2,271	2,355	2,355	98	14	2,133	2,218	2,218	89	4
Debt instruments (at cost) that are not quoted in an active market	36	36	36	0	0	(0)	-	(0)	0	-
Equity instruments available for sale	1,745	2,208	2,208	580	118	1,766	2,582	2,582	819	3
Non consolidated investment funds available for sale	48	48	48	1	1	74	76	76	2	0

^(a) Net of impairment - including premiums/discounts and related accumulated amortization.

^(b) Net of impairment.

TOTAL	June 30, 2020					December 31, 2019 restated ^(a)				
	Amortized cost ^(b)	Fair value	Carrying value ^(c)	Unrealized gains	Unrealized losses	Amortized cost ^(b)	Fair value	Carrying value ^(c)	Unrealized gains	Unrealized losses
(in Euro million)										
Debt instruments available for sale	336,564	396,345	396,345	64,048	4,268	334,690	387,565	387,565	57,378	4,503
Debt instruments (at cost) that are not quoted in an active market	10,891	11,360	10,905	529	60	10,888	11,271	10,901	445	62
Equity instruments available for sale	14,263	18,357	18,357	4,468	374	15,290	20,983	20,983	5,782	89
Non consolidated investment funds available for sale	7,041	7,639	7,639	686	87	7,845	8,701	8,701	922	66

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Net of impairment - including premiums/discounts and related accumulated amortization.

^(c) Net of impairment.



5.4 Financial investments subject to impairment

5.4.1 BREAKDOWN OF FINANCIAL INVESTMENTS SUBJECT TO IMPAIRMENT

Each investment item is presented net of the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges).

	June 30, 2020					December 31, 2019 restated ^(a)				
	Cost before impairment and revaluation to fair value ^(b)	Impairment	Cost after impairment but before revaluation to fair value ^(c)	Revaluation to fair value ^(d)	Carrying value	Cost before impairment and revaluation to fair value ^(b)	Impairment	Cost after impairment but before revaluation to fair value ^(c)	Revaluation to fair value ^(d)	Carrying value
<i>(in Euro million)</i>										
Debt instruments available for sale	336,587	(23)	336,564	59,781	396,345	334,709	(19)	334,690	52,875	387,565
Debt instruments (at cost) that are not quoted in an active market ^(e)	10,893	(2)	10,891	14	10,905	10,890	(2)	10,888	13	10,901
Debt instruments	347,479	(25)	347,455	59,795	407,249	345,599	(21)	345,578	52,888	398,466
Equity instruments available for sale	17,012	(2,750)	14,263	4,094	18,357	17,856	(2,566)	15,290	5,693	20,983
Non consolidated investment funds available for sale	7,939	(899)	7,041	599	7,639	8,584	(739)	7,845	856	8,701
Loans held to maturity	(0)	-	(0)	-	(0)	-	-	-	-	-
Loans available for sale	-	-	-	-	-	-	-	-	-	-
Loans at cost ^(e)	34,129	(155)	33,974	(12)	33,962	33,523	(118)	33,405	(45)	33,360
Loans	34,129	(155)	33,974	(12)	33,962	33,523	(118)	33,405	(45)	33,360
TOTAL	406,559	(3,827)	402,732	64,475	467,207	405,562	(3,444)	402,118	59,392	461,510

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

^(b) Asset value including impact of discounts/premiums and accrued interests, but before impairment and revaluation to fair value of assets available for sale.

^(c) Asset value including impairment, discounts/premiums and accrued interests, but before revaluation to fair value of assets available for sale.

^(d) Revaluation to fair value for instruments at cost related to the application of hedge accounting.

^(e) Including policy loans.

5.4.2 CHANGE IN IMPAIRMENT ON FINANCIAL INVESTMENTS

(in Euro million)	January 1, 2020	Increase for the period	Write back following sale or repayment	Write back following recovery in value	Other ^(a)	June 30, 2020
Impairment - Debt instruments	21	4	(0)	(0)	(1)	25
Impairment - Equity instruments	2,566	447	(134)	-	(130)	2,750
Impairment - Non-consolidated investment funds	739	115	(24)	-	69	899
Impairment - Loans	118	54	(0)	(21)	3	155
TOTAL	3,444	621	(158)	(21)	(58)	3,827

^(a) Mainly relates to changes in the scope of consolidation and the impact of changes in exchange rates.

(in Euro million)	January 1, 2019	Increase for the period ^(a)	Write back following sale or repayment	Write back following recovery in value	Other ^(b)	December 31, 2019
Impairment - Debt instruments	78	3	(36)	(0)	(24)	21
Impairment - Equity instruments	2,733	412	(647)	-	69	2,566
Impairment - Non-consolidated investment funds	915	69	(331)	-	85	739
Impairment - Loans	199	46	(14)	(49)	(64)	118
TOTAL	3,925	529	(1,028)	(49)	66	3,444

^(a) Includes the impairment of the participation in non-consolidated subsidiaries for €245 million.

^(b) Mainly relates to changes in the scope of consolidation and the impact of changes in exchange rates.

5.5 Investments/Fair value

Fair values determined in whole directly by reference to an active market relate to prices which are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis, i.e. the market is still active. Such assets are categorized in the level 1 of the IFRS 13 fair value hierarchy.

Level 2 and 3 assets are investments which are not quoted in an active market or for which there is no active market. Fair values for level 2 and 3 assets include:

- values provided by external parties which
 - are readily available including last transaction prices but relate to assets for which the market is not always active,
 - values provided at the request of the Group by pricing services and which are not readily publicly available;
- assets measured on the basis of valuation techniques including a varying degree of assumptions supported by market transactions and observable data.

The common characteristic of level 2 and 3 assets is that their related market is considered as inactive. Their value is generally based on a mark to market basis, except when there is no market or when the market is distressed, in which case a mark to model approach is used. Assets not quoted in an active market which are marked to market using mainly observable inputs are classified in level 2. Assets not quoted in an active market for which fair value determination is not mainly based on observable inputs are classified as level 3. For all assets not quoted in an active market/ no active market and for which a mark to model approach is used, the classification between level

2 and level 3 depends on the proportion of assumptions used supported by market transactions and observable data (market observable inputs):

- assumed to be used by pricing services; or
- used by the Group in the limited cases of application of mark to model valuations.

5.5.1 INVESTMENTS RECOGNIZED AT FAIR VALUE

The breakdown by valuation method of investments recognized at fair value including derivatives but excluding assets backing contracts where the financial risk is borne by policyholders is as follows:

	June 30, 2020					December 31, 2019 restated ^(a)				
	Assets quoted in an active market excluding derivatives Fair value determined directly by reference to active market excluding derivatives (level 1)	Assets not quoted in an active market or no active market excluding derivatives Fair value mainly based on observable market data excluding derivatives (level 2)	Fair value mainly not based on observable market data excluding derivatives (level 3)	Total excluding derivatives	Total including derivatives	Assets quoted in an active market excluding derivatives Fair value determined directly by reference to active market excluding derivatives (level 1)	Assets not quoted in an active market or no active market excluding derivatives Fair value mainly based on observable market data excluding derivatives (level 2)	Fair value mainly not based on observable market data excluding derivatives (level 3)	Total excluding derivatives	Total including derivatives
<i>(in Euro million)</i>										
Debt instruments	261,898	134,439	607	396,944	396,345	297,082	92,439	661	390,182	387,565
Equity instruments	14,333	1,905	2,083	18,322	18,357	16,590	2,129	2,278	20,997	20,983
Non-consolidated investment funds	920	4,580	2,129	7,629	7,639	1,243	5,096	2,345	8,684	8,701
Loans	-	(0)	-	(0)	(0)	-	(0)	-	(0)	(0)
Financial investments and loans available for sale	277,152	140,924	4,820	422,895	422,340	314,915	99,664	5,284	419,863	417,249
Investment in real estate properties	-	1,604	-	1,604	1,604	-	1,622	0	1,622	1,622
Debt instruments	9,081	10,370	920	20,371	20,450	13,355	7,528	1,304	22,187	22,367
Equity instruments	3,622	182	6,633	10,437	10,437	3,317	970	5,877	10,165	10,165
Non-consolidated investment funds	397	4,430	2,945	7,773	7,757	330	3,740	2,402	6,472	6,487
Other assets held by consolidated investment funds designated as at fair value through profit or loss	1,399	7,912	5,920	15,231	15,238	1,634	6,560	7,181	15,375	15,363
Loans	-	-	-	-	(0)	-	-	-	-	(0)
Financial investments and loans designated as at fair value through profit or loss	14,499	24,498	16,418	55,415	55,487	18,636	20,420	16,764	55,821	56,004
Debt instruments	2	5	-	7	4	84	54	-	138	117
Equity instruments	-	-	-	-	(0)	1	-	-	1	1
Non-consolidated investment funds	0	483	-	483	483	0	188	-	188	188
Loans	-	-	-	-	-	-	1	-	1	1
Financial investments and loans held for trading	2	489	-	491	487	85	242	1	327	306
TOTAL FINANCIAL INVESTMENTS AND LOANS ACCOUNTED FOR AT FAIR VALUE	291,652	165,911	21,238	478,802	478,314	333,636	120,326	22,049	476,012	473,560

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

In the first half of 2020, the Covid-19 crisis has affected the corporate bonds market which prices experienced an important bid-ask spread widening in March and April. These spreads have progressively tightened since then but did not return to their pre-crisis level, leading to transfers from Level 1 to Level 2.

During the period ended on June 30, 2020, the net transfer between Level 1 and Level 2 was €34,085 million. This amount comprised €2,143 million transferred from Level 2 to Level 1, and €36,228 million from Level 1 to Level 2, of which €32,654 million for corporate bonds and €2,841 million for government bonds. These reclassifications were mainly due to the widening of the bid ask spreads on corporates bonds in the context of the COVID-19 crisis.

TRANSFER IN AND OUT OF THE LEVEL 3 CATEGORY AND OTHER MOVEMENTS

From January 1, 2020 to June 30, 2020, the amount of level 3 assets decreased by €0.8 billion to €21.2 billion, representing 4.4% of the total assets at fair value (4.7% as of December 31, 2019 or €22.1 billion).

Main movements relating to level 3 assets to be noted were the following:

- €+1.5 billion of new investments;
- €-1.3 billion of net asset transfers in and out of level 3 and foreign exchange fluctuation impact;
- €+0.1 billion of change in unrealized gains and losses;
- €-1.1 billion of asset sales, redemptions and settlements mainly debt instruments, equity securities and non-consolidated investment funds accounted as available for sale and equity securities, non-consolidated investment funds, other assets held by controlled investment funds and debt instruments accounted as fair value through P&L.

A majority of assets classified in level 3 corresponds to private investments, in particular private equity assets.

5.5.2 INVESTMENTS RECOGNIZED AT AMORTIZED COST

	June 30, 2020					December 31, 2019 restated ^(a)				
	Assets quoted in an active market Fair value determined directly by reference to active market (level 1)	Assets not quoted in an active market or no active market Fair value mainly based on observable market data (level 2)	Fair value mainly not based on observable market data (level 3)	Total excluding derivatives	Total including derivatives	Assets quoted in an active market Fair value determined directly by reference to active market (level 1)	Assets not quoted in an active market or no active market Fair value mainly based on observable market data (level 2)	Fair value mainly not based on observable market data (level 3)	Total excluding derivatives	Total including derivatives
<i>(in Euro million)</i>										
Debt instruments held to maturity	-	-	-	-	-	-	-	-	-	-
Loans held to maturity	-	-	-	-	-	-	-	-	-	-
Financial investments and loans held to maturity	-	-	-	-	-	-	-	-	-	-
Investment in real estate properties at amortized cost	(0)	34,803	494	35,297	35,350	(0)	34,477	454	34,930	34,826
Debt instruments at cost (loans & receivables)	460	5,570	5,316	11,346	11,360	332	6,365	4,560	11,257	11,271
Loans at amortized cost	35	21,004	14,171	35,210	35,197	30	20,366	14,144	34,540	34,494
Financial investments and loans at amortized cost	495	61,377	19,981	81,853	81,907	362	61,208	19,158	80,728	80,591
TOTAL FAIR VALUE OF INVESTED ASSETS AT AMORTIZED COST	495	61,377	19,981	81,853	81,907	362	61,208	19,158	80,728	80,591

Note: This table excludes assets backing contracts where the financial risk is borne by policyholders with guaranteed minimum features.

^(a) Following the termination of the sale agreement of AXA Life Europe, the held for sale classification previously applied has been restated.

NOTE 6 SHAREHOLDERS' EQUITY AND MINORITY INTERESTS

The consolidated statement of changes in equity is presented as a primary Financial Statement.

6.1 Impact of transactions with shareholders

6.1.1 CHANGE IN SHAREHOLDERS' EQUITY GROUP SHARE FOR THE FIRST HALF OF 2020

SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

During the first half of 2020, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- capital decrease of €10 million corresponding to 0.4 million shares in order to eliminate the dilutive effect of share-based compensation schemes;
- capital increase of €6 million due to the exercise of stock options corresponding to 0.4 million shares;
- shared based payments for €23 million.

TREASURY SHARES

AS OF JUNE 30, 2020, THE COMPANY AND ITS SUBSIDIARIES OWNED 34.2 MILLION AXA SHARES, REPRESENTING 1.4% OF THE SHARE CAPITAL, AN INCREASE OF 2.9 MILLION SHARES COMPARED TO DECEMBER 31, 2019.

The 0.9 million treasury shares backing contracts where the financial risk is borne by policyholders held in controlled investment funds were not deducted from shareholders' equity. Their total estimated historical cost was €6 million and their market value was €17 million at the end of June 2020.

The carrying value of treasury shares and related derivatives was €862 million and there were no AXA shares held by consolidated mutual funds not backing contracts where financial risk is borne by policyholders.

UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

Undated subordinated debt instruments are classified in shareholders' equity at their historical value and at their closing value as regards exchange rates. The corresponding exchange rate differences are cancelled out through the translation reserve.

During the first half of 2020, the following transactions pertaining to undated subordinated debt had an impact on AXA's other reserves:

- €-77 million change in other from to foreign exchange rate fluctuations;
- €-90 million from interest expenses related to the undated subordinated debt (net of tax).



As of June 30, 2020 and December 31, 2019, undated subordinated debts recognized in shareholders' equity were as follows:

(in million)	June 30, 2020		December 31, 2019	
	Value of the undated subordinated debt in currency of issuance	Value of the undated subordinated debt in Euro million	Value of the undated subordinated debt in currency of issuance	Value of the undated subordinated debt in Euro million
October 29, 2004 - 375 M€ 6.0%	375	375	375	375
December 22, 2004 - 250 M€ 6.0%	250	250	250	250
January 25, 2005 - 250 M€ 6.0%	250	250	250	250
July 6, 2006 - 350 M€ 6.7%	350	384	350	411
December 14, 2006 - 750 MUS\$ 6.4%	750	667	750	665
November 7, 2014 - 984 M€ 3.941%	984	981	984	981
November 7, 2014 - 724 M€ 5.453%	724	791	724	848
May 20, 2014 - 1,000 M€ - 3.9%	1,000	997	1,000	997
January 22, 2013 - 850 MUS\$, 5.5%	850	753	850	751
Undated notes - 625 M€, variables rates	625	625	625	625
Undated notes - 27,000 MJPY, 3.3%	27,000	224	27,000	221
Undated notes - 375 MUS\$, variables rates	375	335	375	334
TOTAL		6,631		6,708

Undated subordinated debt often contains the following features:

- early redemption clauses (calls) at the Group's option, giving AXA the ability to redeem on certain dates the principal amount before settlement and without penalty, and;
- interest rate step-up clauses with effect from a given date.

DIVIDENDS PAID

At the Shareholders' meeting held on June 30, 2020, shareholders approved a dividend distribution of €0.73 per share corresponding to €1,740 million with respect to the 2019 financial year to be paid on July 9, 2020. As a consequence, the dividend to be paid was recorded as other payables in the consolidated statement of financial position as of June 30, 2020.

6.1.2 CHANGE IN SHAREHOLDERS' EQUITY GROUP SHARE FOR THE FIRST HALF OF 2019

SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

During the first half of 2019, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- capital decrease of €274 million corresponding to 11.4 million shares in order to eliminate the dilutive effect of share-based compensation schemes;
- capital increase of €22 million due to the exercise of stock options for 1.5 million shares;
- shared based payments for €17 million.



TREASURY SHARES

As of June 30, 2019, the Company and its subsidiaries owned 29.8 million AXA shares, representing 1.2% of the share capital, a decrease of 11.8 million shares compared to December 31, 2018.

The 1.6 million treasury shares backing contracts where the financial risk is borne by policyholders held in controlled investment funds were not deducted from shareholders' equity. Their total estimated historical cost was €30 million and their market value was €38 million at the end of June 2019.

The carrying value of treasury shares and related derivatives was €685 million and there were no AXA shares held by consolidated mutual funds not backing contracts where financial risk is borne by policyholders.

UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

During the first half of 2019, the following transactions pertaining to undated subordinated debt had an impact on AXA's other reserves:

- €+13 million change in other from to foreign exchange rate fluctuations;
- €-98 million from interest expenses related to the undated subordinated debt (net of tax).

DIVIDENDS PAID

At the shareholders' meeting held on May 6, 2019, shareholders approved a dividend distribution of €1.34 per share corresponding to €3,189 million with respect to the 2018 financial year.

6.2 Comprehensive income for the period

The Statement of Comprehensive Income, presented as a primary financial statement, includes net income for the period, the reserve relating to the change in fair value of available for sale financial instruments, the translation reserve, and actuarial gains and losses on employee benefit obligations.

6.2.1 COMPREHENSIVE INCOME FOR THE FIRST HALF OF 2020

RESERVE RELATED TO CHANGES IN FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL INSTRUMENTS INCLUDED IN SHAREHOLDERS' EQUITY

The increase in gross unrealized gains and losses on assets available for sale totaled €+2,999 million, of which a €+4,953 million increase in unrealized capital gains on debt securities driven by the decrease on interest rates mainly in the United States (-126 bps), partly offset by €-1,649 million on equity due to the stock markets turmoil as a consequence of the Covid-19 crisis.

The following table shows the reconciliation between gross unrealized gains and losses on available for sale financial assets and the corresponding reserve recognized in shareholders' equity:

(in Euro million)	June 30, 2020	December 31, 2019
Gross unrealized gains and losses ^(a)	64,242	61,244
Less unrealized gains and losses attributable to:		
Shadow accounting on policyholder participation and other obligations	(37,185)	(34,196)
Shadow accounting on Deferred Acquisition Costs ^(b)	(842)	(876)
Shadow accounting on Value of purchased Business In force	(171)	(167)
Unallocated unrealized gains and losses before tax	26,045	26,005
Deferred tax	(5,967)	(6,174)
Unrealized gains and losses net of tax - assets available for sale	20,077	19,831
Unrealized gains and losses net of tax (100%) - equity accounted companies	78	56
UNREALIZED GAINS AND LOSSES (NET OF TAX) – 100% - TOTAL	20,155	19,887
Minority interests' share in unrealized gains and losses ^(c)	(211)	(255)
Translation reserves ^(d)	(291)	(303)
UNREALIZED GAINS AND LOSSES (NET GROUP SHARE) ^(e)	19,653	19,328

^(a) Unrealized gains and losses on total available for sale invested assets including loans and assets held for sale.

^(b) Net of shadow accounting on unearned revenues and fees reserves and held for sale activities.

^(c) Including foreign exchange impact attributable to minority interests.

^(d) Group share.

^(e) Including unrealized gains and losses on assets held for sale.

As of June 30, 2020, most of the unrealized gains on assets available for sale related to Life & Savings entities.

In jurisdictions where participating business represents an important portion of contracts in force and where required minimum local policyholders' share in the entities' results (limited to investment or not) are significant, the reconciliation between gross unrealized gains and losses on available for sale financial assets and the corresponding net reserve recognized in shareholders' equity were as follows as of June 30, 2020:

	June 30, 2020			
(in Euro million)	France Life & Savings	Germany Life & Savings	Switzerland Life & Savings	Belgium Life & Savings
Gross unrealized gains and losses ^(a)	21,968	11,725	3,630	6,430
Less unrealized gains and losses attributable to:				
Shadow accounting on policyholders' participation and other obligations	(16,547)	(10,052)	(1,921)	(3,677)
Shadow accounting on Deferred Acquisition Costs ^(b)	(344)	-	(119)	(75)
Shadow accounting on Value of purchased Business In force	-	-	(93)	(1)
Unallocated unrealized gains and losses before tax	5,077	1,672	1,498	2,678
Deferred tax	(1,295)	(535)	(270)	(628)
Unrealized gains and losses (net of tax) - assets available for sale	3,783	1,137	1,228	2,050
Unrealized gains and losses net of tax - equity accounted companies	11	-	-	-
UNREALIZED GAINS AND LOSSES (NET OF TAX) – 100% - TOTAL	3,794	1,137	1,228	2,050
Minority interests' share in unrealized gains and losses ^(c)	(9)	0	-	(0)
Translation reserves ^(d)	0	-	(226)	(0)
UNREALIZED GAINS AND LOSSES (NET GROUP SHARE) ^(e)	3,785	1,137	1,002	2,049

^(a) Unrealized gains and losses on total available for sale invested assets including loans and assets held for sale.

^(b) Net of shadow accounting on unearned revenues and fees reserves.

^(c) Including foreign exchange impact attributable to minority interests.

^(d) Group share.

^(e) Including unrealized gains and losses on assets held for sale.

The change in reserves related to changes in fair value of available for sale financial instruments included in shareholders' equity relating to changes in fair value of assets in June 30, 2020 and December 31, 2019, broken down as follows:

(in Euro million)	June 30, 2020	December 31, 2019
Unrealized gains and losses (net of tax) 100%, opening	19,887	11,831
Transfer in the income statement on the period ^(a)	(520)	(187)
Investments bought in the current accounting period and changes in fair value	1,108	8,593
Foreign exchange impact	(364)	217
Change in scope and other changes	44	(567)
Unrealized gains and losses (net of tax) 100%, closing	20,155	19,887
Minority interests' share in unrealized gains and losses ^(b)	(211)	(255)
Translation reserves ^(c)	(291)	(303)
UNREALIZED GAINS AND LOSSES (NET GROUP SHARE) ^(d)	19,653	19,328

^(a) Transfer induced by disposal of financial assets, impairment write-back following reevaluation, or transfer of expenses following impairment charge during the period, and debt instruments discount premium impacts.

^(b) Including foreign exchange impact attributable to minority interests.

^(c) Group share.

^(d) Including unrealized gains and losses on assets held for sale operations.

CURRENCY TRANSLATION RESERVE

The total impact of currency translation reserve for the first half year of 2020 amounted to €-758 million. This was mainly driven by International (€-443 million), the United Kingdom (€-299 million), China (€-55 million), AXA XL (€-55 million), partly offset by Switzerland (€+235 million) and Japan (€+41 million).

EMPLOYEE BENEFIT ACTUARIAL GAINS AND LOSSES

The total impact of employee benefit actuarial gains for the first half year of 2020 amounted to €+417 million shareholders' equity Group share. This was mainly driven by the gains on plan assets registered in the United Kingdom & Ireland (€+238 million) and the gains on liabilities in Switzerland (€+185 million). A low level of discount



rates in the Eurozone and the drop of discount rates and inflation rates in the United States have entailed limited actuarial losses at half year.

6.2.2 COMPREHENSIVE INCOME FOR THE FIRST HALF OF 2019

RESERVE RELATED TO CHANGES IN FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL INSTRUMENTS INCLUDED IN SHAREHOLDERS' EQUITY

The increase in gross unrealized gains and losses on assets available for sale totaled €+21,876 million, of which a €+19,471 million increase in unrealized capital gains on debt securities driven by the decrease on interest rates.

CURRENCY TRANSLATION RESERVE

The total impact of currency translation reserve for the first half year of 2019 amounted to €-528 million. This was mainly driven by the deconsolidation of Equitable Holdings, Inc. (€-925 million), partly offset by AXA SA (€+229 million), Japan (€+171 million) and Switzerland (€+154 million).

EMPLOYEE BENEFIT ACTUARIAL GAINS AND LOSSES

The total impact of employee benefit actuarial losses for the first half year of 2019 amounted to €-398 million net shareholders' equity Group share. This was mainly driven by losses on Germany (€-269 million), Switzerland (€-53 million), Belgium (€-39 million) and France (€-36 million) due to the discount rate decrease in the Eurozone and Switzerland, partly offset by the gains registered on United Kingdom & Ireland (€+67 million) related to the increase in discount rates and inflation rates.

6.3 Change in minority interests

Under IFRS, minority interests in most investment funds in which the Group invests consist of instruments that holders can redeem at will at fair value, and qualify as a liability rather than a shareholders' equity item.

6.3.1 CHANGE IN MINORITY INTERESTS FOR THE FIRST HALF OF 2020

The €-161 million decrease in minority interests to €+4,569 million was mainly driven by the comprehensive income and transactions with minority interest holders:

- The comprehensive income for the period included the following:
 - Net income attributable to minority interests for €+80 million;
 - Reserves relating to changes in fair value through shareholders' equity for €-35 million;
 - Foreign exchange movements for €-23 million;
 - Employee benefits actuarial gains and losses for €+2 million.
- Transactions with minority interests' holders, mainly included:
 - Minority interests in consolidated investments funds qualified as equity resulting from the decrease in the value of minority interests holdings due to a capital decrease for €-155 million;
 - Dividend payout to minority interests' holders for €-34 million.



6.3.2 CHANGE IN MINORITY INTERESTS FOR THE FIRST HALF OF 2019

The €-5,286 million decrease in minority interests to €+5,538 million was mainly driven by the comprehensive income and transactions with minority interest holders:

- The comprehensive income for the period included the following:
 - Net income attributable to minority interests for €+239 million;
 - Reserves relating to changes in fair value through shareholders' equity for €+213 million;
 - Foreign exchange movements for €+181 million;
 - Employee benefits actuarial gains and losses for €-4 million.
- Transactions with minority interests' holders, mainly included:
 - Decrease in minority interests as a consequence of the deconsolidation of Equitable Holdings, Inc. for €-5,172 million;
 - Reclassification of the equity component of the Mandatory Exchangeable Bonds to financing debt for €-614 million;
 - Minority interests in consolidated investments funds qualified as equity resulting from the increase in the value of minority interests holdings due to a capital increase for €+53 million;
 - Dividend payout to minority interests' holders for €-202 million.

NOTE 7 FINANCING DEBT

(in Euro million)	Carrying value	
	June 30, 2020	December 31, 2019
AXA	8,190	9,794
Subordinated notes, 5.25% due 2040 (€)	-	1,300
Subordinated notes, 5.125% due 2043 (€)	1,000	1,000
U.S. registered redeemable subordinated debt, 8.60% 2030 (US\$)	1,327	1,183
U.S. registered redeemable subordinated debt, 7.125% 2020 (€)	356	382
Subordinated debt, 5.625% due 2054 (€)	822	882
Derivatives relating to subordinated debts ^(a)	(468)	(99)
Subordinated debt, 3.375% due 2047 (€)	1,500	1,500
Undated Subordinated notes, US\$ 850M, 4.5%	759	757
Subordinated notes, 5.125% due 2047 (US\$)	893	890
Subordinated notes, 3.25% due 2049 (€)	2,000	2,000
AXA XL	1,401	1,400
Subordinated Notes, 4.45% due March 2025 (US\$)	445	445
Subordinated Notes, 5.5% due March 2045 (US\$)	454	455
Subordinated Notes, 3.25% due June 2047 (€)	502	500
AXA Italy	67	67
Subordinated notes, EURIBOR 6 months + 81bps	67	67
Other subordinated debt (under €100 million)	33	33
Subordinated debt	9,690	11,294
AXA	1,270	1,268
Bonds mandatorily exchangeable into shares of Equitable Holdings, Inc.	770	768
Euro Medium Term Note, due 2028	500	500
AXA XL	288	289
Senior Notes, 5.25% due December 2043 (US\$)	288	289
AXA Switzerland	143	146
Deferred payment for the acquisition of Tianping, due 2020 (in CNY)	143	146
Other financing debt instruments issued (under €100 million)	103	104
Other financing debt instruments issued (under €100 million)	103	104
Financing debt instruments issued	1,806	1,806
TOTAL FINANCING DEBT ^(b)	11,495	13,101

^(a) Hedging instruments in accordance with IAS 39 and economic hedge derivatives not eligible for hedge accounting.

^(b) Excluding accrued interest on derivatives.

NOTE 8 NET INCOME PER ORDINARY SHARE

The Group calculates a basic net income per ordinary share and a diluted net income per ordinary share:

- The calculation of the basic net income per ordinary share assumes no dilution and is based on the weighted average number of outstanding ordinary shares during the period.
- The calculation of diluted net income per ordinary share takes into account shares that may be issued as a result of stock option plans. The effect of stock option plans on the number of fully diluted shares is taken into account only if options are considered to be exercisable on the basis of the average stock price of the AXA share over the period.

<i>(in Euro million)</i> ^(a)	June 30, 2020	June 30, 2019
Net income Group share	1,429	2,333
Undated subordinated debt financial charge ^(b)	(90)	(136)
Net income including impact of undated subordinated debt	A 1,339	2,197
Weighted average number of ordinary shares (net of treasury shares) - opening	2,386	2,383
Stock options exercised ^(c)	0	1
Treasury shares ^(c)	(5)	8
Share purchase program ^(c)	(0)	(11)
Weighted average number of ordinary shares	B 2,381	2,381
BASIC NET INCOME PER ORDINARY SHARE	C = A / B 0.56	0.92
Potentially dilutive instruments :		
- Stock options	1	2
- Other	4	1
Fully diluted - weighted average number of shares ^(d)	D 2,385	2,384
NET INCOME INCLUDING IMPACT OF UNDATED SUBORDINATED DEBT	1,339	2,197
FULLY DILUTED NET INCOME PER ORDINARY SHARE	E = A / D 0.56	0.92

^(a) Except for number of shares (million of units) and earnings per share (Euro).

^(b) As of June 30, 2019, it includes financial charges of €9 million related to Mandatory Exchangeable Bonds for only the first three months of 2019 and €29 million related to preferred shares.

^(c) Weighted average.

^(d) Taking into account the impact of potentially dilutive instruments.

As of June 30, 2020, net income per ordinary share stood at €0.56 on a basic calculation and on a fully diluted basis.

As of June 30, 2019, net income per ordinary share stood at €0.92 on a basic calculation and on a fully diluted basis.

NOTE 9 SUBSEQUENT EVENTS

TERMINATION OF THE SALE AGREEMENT RELATED TO AXA LIFE EUROPE

On August 5, 2020, AXA and Cinven mutually agreed to terminate the sale agreement related to AXA Life Europe (“ALE”) as certain conditions to closing were not met by the agreed long stop date. As a consequence, AXA Life Europe assets and liabilities were no longer classified as held for sale as of June 30, 2020 and consolidated statement of financial position as of December 31, 2019 has been restated accordingly in the report.

The major classes of assets and liabilities as of December 31, 2019 that were restated in this report are intangible assets for €307 million, cash and cash equivalent for €708 million, investments and other assets for €4,732 million, liabilities arising from insurance and investment contracts for €5,241 million and other liabilities for €468 million.

AXA is reviewing its strategic options in order to maximize value creation and cash efficiency of ALE, while giving due regard to the interests of ALE’s policyholders and ensuring a seamless continuation of service to these policyholders.

BOARD OF DIRECTORS’ DECISION ON EXCEPTIONAL DISTRIBUTION OF RESERVES IN 4Q20

Following a number of discussions with the French regulator (ACPR) and, in the context of the COVID-19 crisis, reinforced communication from various European regulators, including the ACPR on July 28, 2020, recommending insurers to refrain from dividend distributions until January 1, 2021, AXA’s Board of Directors, at its meeting on August 5, 2020, decided it will not propose an exceptional distribution of reserves to shareholders in 4Q 2020.

**III. Statutory auditors'
review report on**



**the 2020 Half Year
Financial Information**

AXA SA

Statutory Auditors' Review Report on the half-year Financial Information

(Period from January 1st to June 30th 2020)

PricewaterhouseCoopers AuditMazars
63, rue de Villiers 61, rue Henri Regnault
92208 Neuilly-sur-Seine Cedex 92075 Courbevoie Cedex

Statutory Auditors' Review Report on the half-year Financial Information

Period from January 1st to June 30th, 2020

To the Shareholders
AXA SA
25, avenue Matignon
75008 Paris

In compliance with the assignment entrusted to us by your Shareholders' Meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of AXA SA, for the period from January 1 to June 30th, 2020;
- the verification of the information contained in the half-year management report.

These condensed half-year consolidated financial statements were prepared under the responsibility of the Board of Directors on August 5th, 2020, based on information available at that date in the evolving context of the COVID-19 crisis and difficulties in understanding its impacts and future prospects. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – the standard of IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information given in the half-year management report on the condensed half-yearly consolidated financial statements prepared on August 5th, 2020 subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements. It is not our responsibility to conclude on the fair presentation and consistency with the half-year financial statements of the solvency related information.



Neuilly-sur-Seine and Courbevoie, August 5th, 2020

The Statutory Auditors
*French original signed by**

PricewaterhouseCoopers Audit

Mazars

Bénédicte Vignon Grégory Saugner Jean-Claude Pauly Maxime Simoen

**This is a free translation into English of the statutory auditors' review report on the half-year financial information issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

IV. Statement of the person responsible



**for the Half Year
Financial Report**

Statement of the person responsible for the Half-Year Financial Report

I certify, to the best of my knowledge, that the condensed financial statements for the past half-year have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities and financial position and profit or loss of the Company and all the undertakings included in the consolidation, and that the interim management report, to be found in the first part of this Report, presents a fair review of the important events that have occurred during the first six months of the financial year, their impact on the financial statements, major related-party transactions, and describes the principal risks and uncertainties for the remaining six months of the financial year.

Paris, August 6, 2020.

Thomas Buberl

Chief Executive Officer