

côté AXA

AXA Group shareholders' newsletter

[FOREWORD]

“AXA has delivered another year of earnings growth in all business lines, with underlying earnings crossing the €5 billion mark for the first time in the company’s history.”

Dear Shareholders,

In 2014, AXA turned out a strong performance in line with its Ambition AXA strategic plan, serving its 103 million customers.

Our underlying earnings grew by 7% and our net income by 12%, enabling us to propose a dividend of €0.95 euro per share, up 17%.

The Group’s historic core in Europe and the United States continues to drive our growth. With €21 billion in revenues, up 6%, France accounts for almost one-fourth of AXA’s underlying earnings.

In 2014, we continued our acceleration in growth markets (with mBank in Poland, Mansard in Nigeria, new green-field operations in Brazil, and a partnership with Banque Mondiale), while pursuing our digital transformation with the creation of the Data Innovation Lab, partnerships with Facebook and LinkedIn, the Mon AXA application, and more.

2015 has begun at the same pace, and AXA is reaffirming its determination to accelerate the Group’s transformation, with innovation as our mantra.

Whether by financing projects via the launch of the venture capital fund AXA Strategic Ventures, shaping in-house culture with Start’In and reverse mentoring, or investing in digital, with €450 million in planned investments in 2015, the Group is seizing opportunities and anticipating tomorrow’s needs, to better protect its customers. We are creating long-term value that will benefit everyone—including our shareholders, I am sure.

Henri de Castries
Chairman and CEO



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Full-Year Earnings 2014: strong performance in line with Ambition AXA

2014 was a good year for AXA in terms of both revenues and profit. For the first time in AXA's history, underlying earnings were more than €5 billion last year, while net income rose 12%. We are well positioned to successfully conclude our Ambition AXA plan.

ALL BUSINESS LINES ARE CONTRIBUTING TO GROWTH

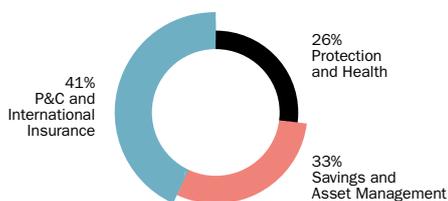
Life & Savings revenues increased by 3%, driven by both mature and high-growth markets. New business was up 6%.

Property & Casualty revenues advanced 1%, reflecting a 2% increase in commercial lines and net new personal contracts of more than 500,000 policies. Direct revenues were up 5%.

Asset Management revenues grew by 4% supported by growth at both AXA IM and AB*.

*Formerly AllianceBernstein

Breakdown of underlying earnings by business line (in %)



Net inflows were very high at €22 billion, signaling AB's return to positive territory for this indicator.

PROFITABILITY HAS BEEN ACHIEVED

The improved business mix in **Life & Savings** enabled us to achieve a new business value margin of 34% while our current year combined ratio in Property & Casualty improved by 0.2 point to 97.6% in spite of natural catastrophe costs.

Underlying earnings in **asset management**, restated to exclude AXA Private Equity's contribution in 2013, were up 12%. Overall, underlying earnings were up 8% to €5.1 billion, and adjusted earnings increased by 7% to €5.5 billion.

OUR BALANCE SHEET IS STRONG

Debt gearing was stable at 24%, already reaching the target set for the end of 2015, while shareholders' equity rose sharply to €65.2 billion, driven in particular by unrealized capital gains on fixed-income securities. Lastly, operating free cash flows were €5.5 billion.

KEY FIGURES

+3%
Total revenues up, to **€92 billion**

+8%
Underlying earnings up, to **€5.1 billion**

+7%
Adjusted earnings up, to **€5.5 billion**

+12%
Net income up, to **€5.0 billion**

+12.3 billion
Shareholders' equity up, to **€65.2 billion**

24%
Debt gearing: stable

+17%
Proposed dividend: **€0.95 per share**

All indicated changes are on a comparable basis.

Dividends on a sharp rise

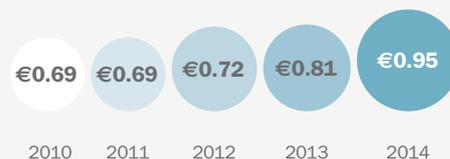
A dividend of **€0.95 per share**, a **17% increase from 2013**, will be submitted for approval at the Shareholders' Meeting of April 30, 2015.

The corresponding dividend payout ratio is 45% of adjusted earnings, net of the interest charges on undated debt, representing a 5-point increase. It aligns with our long-term policy of maintaining the payout ratio at 40-50%.

The aim of this policy is to combine cautious capital management with attractive dividends for shareholders. This year's increase is based on our adjusted earnings growth as well as our strong balance sheet and our operating free cash flow.

If approved by the shareholders, the dividend will be paid out on May 13, 2015, and ordinary shares will trade ex-dividend on May 11, 2015.

Dividend history for the past 5 years





AXA's top three goals to encourage and support innovation

1

Connecting with the most innovative companies and projects

AXA has signed partnerships with Facebook and LinkedIn to develop its employees' expertise in all aspects of using these social networks. AXA Global Direct created the "Smart Data for Customer Intelligence" incubator to promote collaborations with the growing innovation and start-up ecosystem in Europe. And in early January, the Group launched **AXA Strategic Ventures**, a €200 million venture capital fund to promote innovation and improve the customer experience.



2

Inspiring a culture of innovation throughout the Group

Numerous projects have been launched to inspire a culture of innovation everywhere in the Group, including the January 2014 launch of AXA Lab in San Francisco to accelerate entrepreneurship and innovation, especially in the digital arena, throughout the Group; the emergence of COOCs—the "corporate" version of massive open online courses—to disseminate training around the world; reverse mentoring, where AXA encourages younger, tech-savvy employees to interact closely with more experienced colleagues, to spur its digital transformation; and Start'In, an in-house challenge encouraging AXA's 161,000 employees to contribute to its transformation strategy by inventing solutions to business priorities.

3

Accelerating investment

€450 million will be invested this year—bringing the total to €950 million between 2013 and 2015—to improve service to our customers, continue to modernize our distribution networks, and accelerate our mobile strategy.



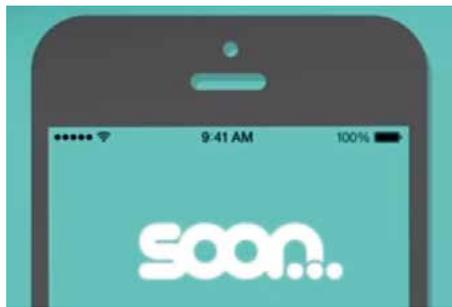
€950 million invested in digital from 2013 to 2015, of which **€450 million**

AXA Strategic Ventures, or how to support innovation and start-ups

AXA Seed Factory, the French seed fund launched in June 2013, recently joined **AXA Strategic Ventures**, the new international venture capital fund launched by the Group. The €200 million fund will be dedicated to fostering innovation and improving the customer experience in the insurance, asset management, financial technology, and healthcare service industries. Its offices will be located in San Francisco, New York, London, Paris, Zurich, Berlin, and soon in Asia as well, to identify and support the most promising start-ups and seize opportunities locally on all continents.

The goal of **AXA Strategic Ventures** is to discover and support innovative start-ups whose ideas are likely to change the business model of our industry. It will therefore assist these young high-tech companies to expand worldwide and contribute to the growth of their business.





Digital innovation serving our customers

Mon AXA: an easier life just a download away

If you are an AXA France customer, you should know that with the *Mon AXA* application it's even easier to manage your accounts and policies and use AXA's services.

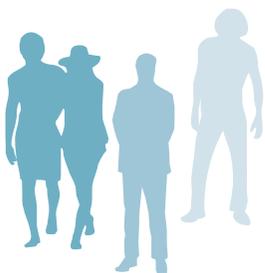
How?

Just download the *Mon AXA* application. More than 80,000 customers are already taking advantage of these services:

- view your bank account balances and transactions;
- keep track of your auto, home, health and life insurance policies;
- easily contact your AXA advisor through the application;
- geolocate AXA's auto and healthcare partners, simulate refunds, download insurance certificates, and much more.

MY SWITCH, an application for under 30s

For AXA France customers: after launching its *Mon AXA* application in July 2014, AXA France developed *My Switch* for the 18-29 age group. The new app for young people enables them to "chat" with their insurer, view their bank account details, see information about their auto, home, and health insurance policies, and take advantage of special Pass Switch deals.



SOON, for new-generation banking

SOON is a 100%-mobile banking service enabling users to track past spending and anticipate future expenses. The service also includes a checking account and a free Visa Classic card, with no minimum income requirement.

Twenty-four hours a day, six days a week (excluding holidays), SOON bank advisors answer customer inquiries directly using live chat.

To open an account, just download the application. The process is fast and easy and 100% smartphone-enabled.

With this app, users can keep an eye on their Reste à dépenser®, i.e what is "Left to spend," automatically categorize payments, create projects, and set a budget for food, entertainment, clothing, and so on. An alert is sent if the user goes over the budget. The app puts the focus on convenience and connectivity. To pay back a friend or ask for money, there's no need to exchange bank account information: SOON is integrated with PayPal. Here's another benefit: SOON can connect to hundreds of online services to upload receipts and invoices into the application.



With Happy Hours, plan your retirement

Think you'll be paying more income tax this year? With the *Happy Hours* by AXA smartphone app, estimate the tax savings you can get right now by planning for your retirement.

Whether you are an employee or self-employed:

- get practical information explaining why it is important to start planning for retirement today;
- discover the calculator for estimating your tax savings based on your income;
- get a personalized assessment from an AXA advisor;
- receive your tax savings estimation and the 2014 AXA Retirement Guide (in French) by email.

▶ **To find out more:**
<https://www.axa.fr/calculer-sa-retraite>
 (in French)

The applications can also be downloaded from the App Store or Google Play





2015 Shareholders' Meeting

AXA's next Shareholders' Meeting will be held on Thursday, April 30, 2015, at 2:30 pm, at the Palais des Congrès, 2 Place de la Porte Maillot, 75017 Paris, France.

WHAT DO I NEED TO PARTICIPATE?

If you are a registered shareholder, your shares must be registered in the Company's share registers (pure or administered) on the second business day preceding the meeting, i.e. by Tuesday, April 28, 2015, at 0:00 a.m., Paris time.

If you hold bearer shares, you must contact the custodian holding your shares as soon as possible to request a certificate of attendance.

HOW CAN I ATTEND?

You will be admitted upon presentation of an admission card, which is required to attend the meeting and vote. The card will be sent to you in advance by the centralizing bank mandated by AXA, BNP Paribas Securities Services.

If you are a registered shareholder but did not receive an admission card, you will be asked to produce valid proof of identity.

WHAT IF I CANNOT ATTEND IN PERSON?

You have several options:*

- appointing a proxy to represent you: this can be any individual or legal entity of your choice;
- sending the proxy form to BNP Paribas Securities Services without appointing a representative;
- voting online or by mail using the paper voting form.

WHERE SHOULD I SEND THE VOTING FORM?

If you hold registered shares or FCPE fund units, send the completed, signed form to the centralizing bank mandated by AXA, BNP Paribas Securities Services.

If you hold bearer shares, send the voting form as early as possible to the custodian (bank, brokerage firm, online broker, etc.) holding your shares. Your custodian will send your voting form and a certificate of attendance to BNP Paribas Securities Services.

* See the instructions in the Notice of Meeting.

PlanetShares, your interactive website

Do you hold pure registered shares? Download the Planetshares application, an interactive online account management tool, for IOS and Android.

In a few clicks, you can quickly:

- securely view your account balances
- place real-time orders online via a direct link with markets
- update your personal information
- change your password

▶ To find out more: <http://www.axa.com/en/shareholders/being-a-shareholder/types-of-shareholding/>

VOTING ONLINE

Whether you hold registered or bearer shares, you can vote online before the Shareholders' Meeting is held.

If you hold pure registered shares, use the ID and password you already use to access your registered account on the Planetshares website.

If you hold administered registered shares, use the ID printed in the upper right corner of the paper voting form enclosed with your Notice of Meeting. You can then obtain your password by postal mail or email.

Once you have logged on to the Planetshares website, follow the instructions to access VOTACCESS, the secure website reserved for the Shareholders' Meeting.

If you hold bearer shares* and your custodian uses the secure VOTACCESS website, you may vote online. Log on to your custodian's website with your usual codes. Then, click on the icon appearing on the line corresponding to your AXA shares and follow the instructions.

▶ <https://planetshares.bnpparibas.com>



* Check to ensure that your bank uses this online voting system.

AXA share price movements

After dipping in the first week, the AXA share performed well in January 2015, generally aligning with the CAC 40 index, in a market environment that remained volatile but was buoyed by the euro's depreciation against the dollar.

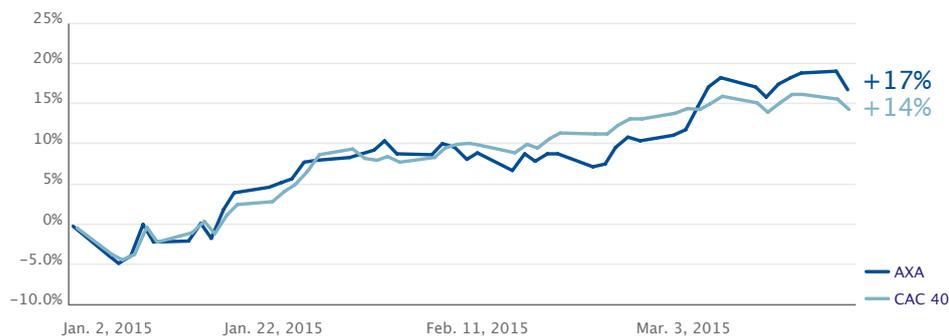
In February, the share price, like the market generally, was weighed down by concerns about the Greek elections, the economic situation in the eurozone, and its impact on interest rates.

The publication of AXA's earnings on February 25, 2015, showed once again that despite the

dreary economic climate in Europe and low-interest-rate environment, the Group succeeded in achieving strong results. The markets also responded favorably to the announcement of a dividend increase of 17%.

The AXA share appreciated by 2.6% on the date of the earnings publication. Overall, since the beginning of the year, the AXA share is up 17% against 14% for the CAC 40.

* As of March 10, 2015.



Source: Bloomberg, March 10, 2015.



JOIN THE SHAREHOLDERS' CIRCLE ONLINE!

Become a member of the Shareholders' Circle and stay on top of the latest AXA news! Created in 1997, the Shareholders' Circle has more than 15,000 members, who are kept regularly informed of all major operations and the Group's important news and are invited to Shareholders' Meetings, investor fairs, conferences, and even private tours of the Louvre Museum.

Members also benefit from special deals offered by AXA Millésimes on a selection of *grands crus* from the Group's wineries. Custody fees are waived for Circle members who hold their AXA shares through AXA Banque. Registration is free: you only need to own one AXA share.

Use the online form to join:

▶ <http://www.axa.com/fr/ecercle.aspx>

▶ www.axa.com/en/shareholders/being-a-shareholder/shareholders-circle/

2015 Agenda

April 30, 2015

SHAREHOLDERS' MEETING, PARIS
(PALAIS DES CONGRÈS)

May 6, 2015

1Q2015 ACTIVITY INDICATORS

June 1, 2015

TOUR OF PALAIS BRONGNIART, PARIS*

June 3, 2015

SHAREHOLDERS' INFORMATION MEETING,
ROUEN

June 4, 2015

SHAREHOLDERS' INFORMATION MEETING,
BRUSSELS

June 9, 2015

SHAREHOLDERS' INFORMATION MEETING,
MONTPELLIER

June 16, 2015

CONFERENCE ON SAVINGS

June 23, 2015

PRIVATE TOUR OF THE LOUVRE MUSEUM*

August 4, 2015

HALF-YEAR EARNINGS 2015

* Reserved for members
of the AXA Shareholders' Circle.

▶ See all our events at:
<http://www.axa.com/en/diary/>

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