

côté AXA

AXA Group shareholders' newsletter

EDITORIAL

“2015 marked the final year of the Ambition AXA strategic plan launched in 2010, with all its objectives achieved.”

Dear Shareholders,

The Ambition AXA plan launched in 2010 has enabled us to become more efficient and agile, while continuing to serve our 103 million customers. We are reaping the benefits of our work and, despite a challenging economic environment, we have shown our ability to achieve regular, recurring earnings.

2015 was a further year of strong earnings growth, with record revenues of €99 billion and €5.6 billion in underlying earnings. This will enable us to propose a dividend of €1.10 per share, up 16%. Our balance sheet remained strong in 2015, with shareholders' equity climbing to €68.5 billion and a debt gearing ratio of 23%, in line with our targets.

AXA has continued to build on its capacity for innovation, particularly with the digital transformation.

AXA also has extensive commitments as a responsible company. Highlighting this, the Group has developed a “socially responsible insurance” program to meet the new consumer expectations emerging in France.

Before our Group enters into a new strategic cycle, I considered, with the support of the Board of Directors, that it was the best moment to begin our transition to a new management team.

I am very happy and confident to see Thomas Buberl take over the executive management of AXA.* Thomas, with support from Denis Duverne, will be able to successfully meet the challenges we face and seize the opportunities available to further strengthen AXA's close connections with its customers.

Henri de Castries
Chairman and CEO



* For full details on the March 21 announcements, visit www.axa.com

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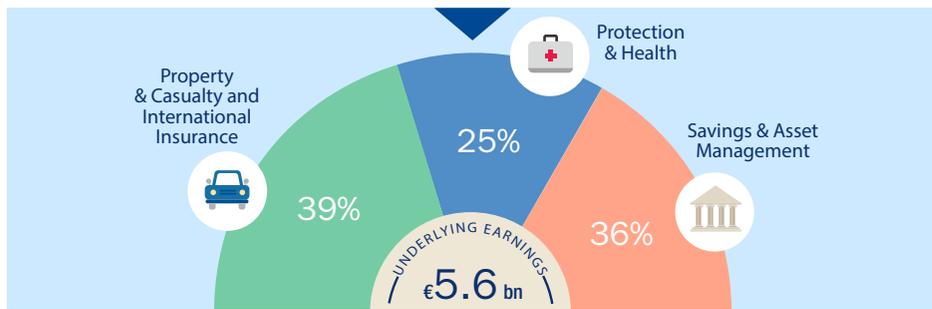
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2015 full-year earnings

The Group is reaping the benefits of its transformation

2015 was once again a year of strong growth for AXA, with underlying earnings climbing to an all-time high of €5.6 billion.

GROWTH SUPPORTED BY ALL THE GROUP'S BUSINESS LINES

Revenues for life, savings, retirement and health are up 7% to €59 billion. Life, savings and retirement net inflows climbed to +€10 billion, compared with +€4 billion in 2014. New business is up 14%, driven primarily by Protection & Health (+12%) and Unit-Linked (+22%), our priority development segments.

On property and casualty insurance, revenues are up 6% to €31 billion, with 9% growth for emerging markets and 16% for Direct.

The asset management business is up 15%, with +€45 billion in net inflows and €1,363 billion in assets under management at the end of the year.

STRONG BALANCE SHEET AND PROFITABILITY

On life insurance, savings and retirement, our earnings have continued to grow thanks to our rigorous underwriting, while securing our investment margin, despite the low interest rate environment. On property and casualty insurance, we have maintained our underwriting discipline, reflected in a strong technical result.

Underlying earnings are up 10% to €5.6 billion, with adjusted earnings rising 9% to €6 billion.

Alongside this, we have continued to achieve significant net inflows for asset management. Lastly, our debt gearing and solvency ratios are well positioned within our target ranges, confirming our solid balance sheet.

KEY FIGURES*

+7%
Revenues
up to **€99 billion**

+10%
Underlying earnings
up to **€5.6 billion**

+9%
Adjusted earnings
up to **€6.0 billion**

+12%
Net income
up to **€5.6 billion**

+€3.3 bn
Shareholders' equity
up to **€68.5 billion**

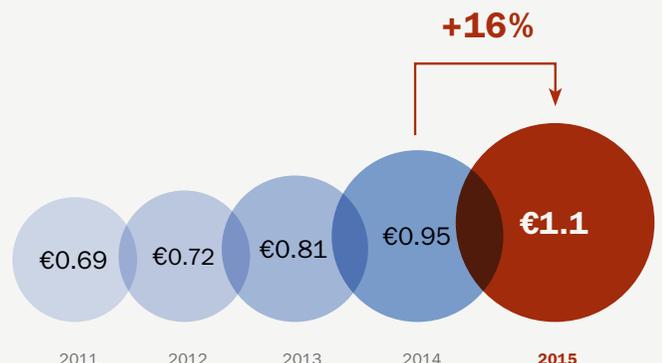
+4 points
Solvency II ratio of **205%**

* Changes on a reported basis.

SUSTAINED DIVIDEND GROWTH

A dividend of €1.10 per share, up 16% versus 2014, will be submitted for approval at the Shareholders' Meeting on April 27. This payout ratio represents 47% of adjusted earnings, an increase of 2 points, aligned with our new payout policy, targeting 45% to 55% of consolidated adjusted earnings* for 2015.

If it is approved by shareholders, it will be released for payment on May 10, 2016, with an ex-dividend date of May 6, 2016 for ordinary shares.



* Net of interest charges on undated debt.



Ambition AXA strategic plan: mission accomplished

We have successfully delivered on our Ambition AXA strategic plan, which has made the Group more resilient, efficient and agile. Moving forward, we will continue with our transformation by building on the various initiatives already rolled out to achieve sustained growth and continue creating value for all our stakeholders.

The Ambition AXA strategic plan, launched in 2010, was focused on three priorities:

- **Selectivity** (to improve the allocation of resources and further strengthen positions on strategic segments);
- **Acceleration** (to develop in high-growth markets);
- **Efficiency** (to ensure effective control over costs and make the Group's size a competitive advantage).

Over the past five years, this strategy has delivered a range of benefits, including:

- **High adjusted return on equity:** 14.1% for 2015, in line with the initial target (13% - 15%);

- **Solid balance sheet**, supported by an increase in shareholders' equity;

- **Ability to achieve sustained earnings**, further strengthening the business mix, for selective, sustainable growth, effectively aligned with customers' expectations;

- **Balanced geographical presence** and strong positions in emerging markets, with over €5 billion invested in acquisitions since 2010;

- **Digital transformation** moving forward, driven by €950 million of investments since 2013.

AXA has further strengthened its positions throughout this period, despite a challenging economic climate. By accelerating its **digital transformation**, putting in place a number of investments and partnerships for the future, and maintaining its high **corporate responsibility** standards, the Group is preparing for its future.

Today, AXA remains firmly focused on protecting its **103 million customers** and anticipating changes in their requirements.

In June, we will be presenting the strategic plan that will follow on from Ambition AXA.

OUR AMBITION AXA TARGETS...		...A REALITY
Underlying earnings per share	From +5% to +10% per year (between 2010 and 2015)	+7% per year (between 2010 and 2015) ✓
Operating free cash flow	€24 bn (aggregate 2011-2015)	€25.4 bn (aggregate 2011-2015) ✓
Adjusted return on equity	Between 13 and 15% (in 2015)	14.1% (in 2015) ✓
Debt gearing ratio	23-25% (in 2015)	23% (in 2015) ✓



AXA is developing its “socially responsible insurance” approach

The world is changing and ecological and socially responsible expectations are emerging among French people: civic responsibility, the environment and energy consumption are becoming more important than budget management and tax issues in their day-to-day concerns*.

According to recent research by the French society and consumption observatory (OBSOCO), the reasons for this recent development are linked to:

- A tense economic environment, with strong pressure on commodities and biodiversity;
- A digital revolution, which is enabling the development of new connected solutions, but raising other challenges such as personal data confidentiality;
- A widespread crisis of confidence.

In this highly specific context, people want to adopt a more meaningful way of consuming, while ensuring better value for money, reducing waste and making a positive contribution to societal issues.

Today, AXA is the first insurer to draw up a dedicated “socially responsible insurance” program, factoring in environmental, societal and social aspects when creating its offers and making a commitment to develop its existing policies in line with this broader corporate responsibility. This program is supported by the creation of a unique framework for assessment, with help from demanding external stakeholders and independent certification.

Since the end of 2015, the products and services offered by AXA in France have been guided by four commitments:

→ **Ensuring confidence and trust in insurance**, for instance with a comparison site for motor insurance policies, covering 11 competitors AXA, including the cover and exclusions available with each policy (<https://www.testezvotreassurance.com>);

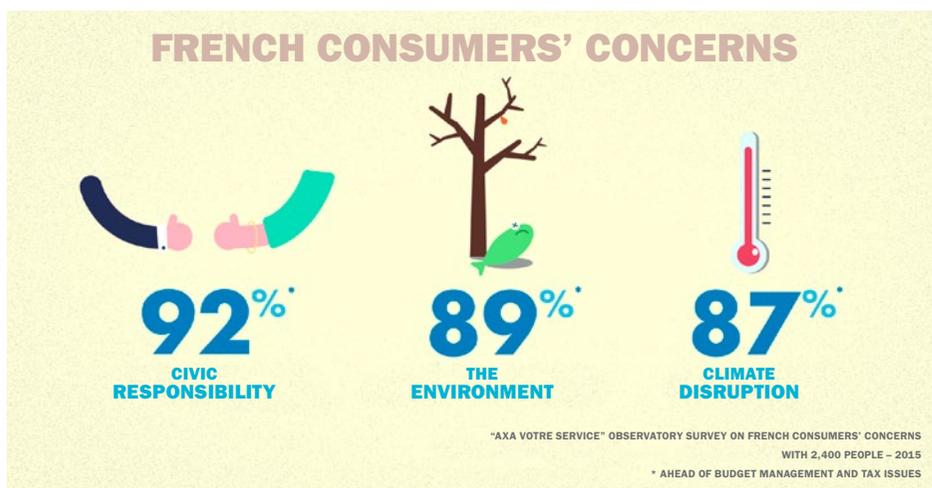
→ **Safeguarding energy for its customers and the planet**, thanks to partnerships with the sharing economy (such as BlaBlaCar or OuiCar), or offering paper-free processes for customers to take out and manage their policies;



→ **Protecting policyholders against current and future risks**, by encouraging more responsible behavior, as with the Joker cover option, which allows young drivers to get a free taxi home to avoid taking risks (up to five times per year);

→ **Ensuring a stronger focus on solidarity**, thanks in particular to microinsurance for entrepreneurs from underprivileged backgrounds to offer protection based on a tight budget.

To accelerate innovation, AXA is also launching a platform for direct dialogue with web users (<https://www.monassurancecitoyenne.com/>), to co-build more socially responsible insurance solutions with them.



* Based on findings from the third “AXA Votre Service” Observatory survey.



2016 Shareholders' Meeting

AXA's next Shareholders' Meeting will be held on **Wednesday April 27, 2016, from 2:30 pm at the Palais des Congrès, 2 place de la Porte Maillot, 75017 Paris, France.**

HOW CAN I 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 midnight (Paris time) on Monday April 25, 2016.



→ 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 BNP Paribas Securities Services, the centralizing bank appointed by AXA. If you are a registered shareholder but do 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 post 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 BNP Paribas Securities Services, the centralizing bank appointed by AXA.

→ **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 Meeting Notice.

VOTING ONLINE

Whether you hold registered or bearer shares, you can submit your instructions online before the Shareholders' Meeting.

→ **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 Meeting Notice.

You can then obtain your password by post 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.



* Check that your bank is part of the online voting system.

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

Download the comprehensive, secure Planetshares® app for managing your assets on your tablet, wherever and whenever you want.

AXA share's performance

At the start of 2016, equities markets have been dominated by bearish trends, linked to persistent international tensions, as well as the drop in oil prices and the growing uncertainty surrounding Chinese economic growth, fueling concerns of a global economic slowdown and interest rates remaining extremely low.

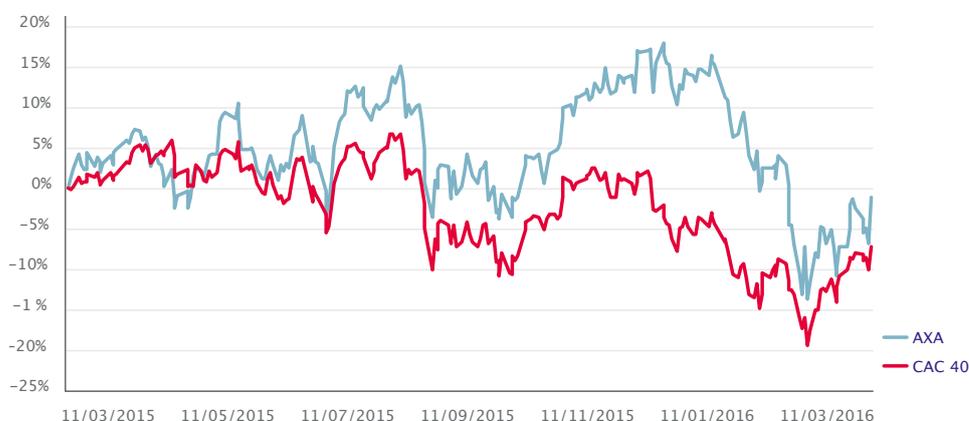
AXA's share performance has been affected by this environment, dropping 14%* since the start of the year, although its share price

picked up again after it reported earnings growth on February 25, confirming the Group's solid balance sheet and the success of its Ambition AXA strategic plan.

Over one year, AXA's share* performance (with dividends reinvested) came to -1%, compared with -7% for the CAC 40. Over five years, it is up to +90%, versus +37% for the CAC 40.

* At March 11, 2016.

AXA SHARE TOTAL RETURN
(dividends reinvested)



Source: Bloomberg, March 11, 2016.

2016 calendar

April 27, 2016

SHAREHOLDERS' MEETING, PARIS
(PALAIS DES CONGRÈS)

May 3, 2016

Q1 2016 ACTIVITY INDICATORS

June 16, 2016

PRIVATE TOUR OF RODIN MUSEUM, PARIS*
(REGISTRATION OPENS ON MAY 2)

August 3, 2016

HALF-YEAR EARNINGS

September 27, 2016

SHAREHOLDERS' INFORMATION MEETING, LILLE

September 29, 2016

SHAREHOLDERS' INFORMATION MEETING, NICE

October 6, 2016

SHAREHOLDERS' INFORMATION MEETING,
BORDEAUX

October 13, 2016

FINANCIAL MEETING WITH STUDENTS
UNIVERSITÉ CATHOLIQUE, LILLE

November 7, 2016

SHAREHOLDERS' INFORMATION MEETING,
AMIENS

December 8, 2016

SHAREHOLDERS' INFORMATION MEETING,
TOULOUSE

* Reserved for members of the AXA Shareholders' Circle.

▶ See all our events at: <https://www.axa.com/en/newsroom/events>

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CONFERENCE ON AXA AND STARTUPS: AXA STRATEGIC VENTURES (ASV)

On March 17, shareholders* were able to attend a presentation of the AXA Strategic Ventures fund by Sébastien Loubry, Business Development Director and Head of Communications.

Set up in early 2015, with an investment capacity of €230 million, AXA Strategic Ventures is a venture capital fund focused on promoting innovation in the insurance and finance industries.

ASV is building up a diversified portfolio of investments in innovative insurance, asset management, financial technology and health startups in order to harness the ongoing digital revolution to drive growth and open up opportunities to continue improving our customer experience.

ASV has four offices: San Francisco, New York, London and Paris. A new office will be opened in Hong Kong in 2016.

* This conference is part of the program of events for AXA shareholders:
www.axa.com/fr/investisseurs/cercle-des-actionnaires

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