

AXA

PRESS RELEASE

PARIS, AUGUST 3, 2016

Half Year 2016 Earnings

Resilient earnings despite headwinds

- > **Total revenues** stable at Euro 54 billion
- > **Underlying earnings** stable at Euro 3.1 billion
- > **Adjusted earnings** down 2% to Euro 3.4 billion
- > **Net income** up 4% to Euro 3.2 billion

*“AXA’s strong performance in the first half of 2016 reflects once again the pertinence of our business model and strategic choices in an environment which continues to be characterized by low interest rates and higher market volatility. We have delivered resilient underlying earnings of Euro 3.1 billion despite market headwinds and a higher cost of natural events. Our balance sheet remains very strong with a Solvency II ratio at 197%, well within our target range”, said **Thomas Buberl, incoming AXA CEO.***

“In Life & Savings, we focused on profitable business growth with increased sales of Protection & Health and capital light Savings products. In Property & Casualty, we delivered strong growth in both Personal and Commercial lines while maintaining our emphasis on profitability. Asset Management continued its momentum with net inflows in both our asset managers.”

*“In our Ambition 2020 strategy, unveiled on June 21, we committed to **focus** on clear growth drivers in order to achieve our objectives even in these adverse market conditions. In parallel, with the new management team and our people, we are actively pursuing the **transformation** of the Group, towards our vision of empowering people to live a better life.”*

Key figures (In Euro million unless otherwise noted)

	1H15 restated*	1H16	Change on a reported basis	Change on a comparable basis
Total revenues	54,324	54,036	-0.5%	+0.2%
L&S Annual Premium Equivalent (APE ^{1,2})	3,362	3,274	-2.6%	-1.9%
L&S New Business Value (NBV ²) margin (%)	37.3%	37.3%	0.0 pt	-0.4 pt
P&C all-year combined ratio (%)	95.1%	96.0%	+0.9 pt	+0.9 pt ³
	1H15 restated*	1H16	Change on a reported basis	Change at constant Forex
Underlying earnings ²	3,075	3,063	0%	0%
Adjusted earnings ²	3,457	3,364	-3%	-2%
Net income	3,077	3,207	+4%	+4%
Adjusted ROE (%)	16.0%	14.6%	-1.4 pts	
	FY15	1H16	Change on a reported basis	
Shareholders' equity (in Euro billion)	68.5	74.1	+8%	
Debt gearing ⁴ (%)	26%	28%	+2 pts	
Solvency II ratio ⁵ (%)	205%	197%	-8 pts	

*1H15 figures are restated for the sale of the UK Life & Savings business.
All notes are on page 9 of the document.

1H16 key highlights

	<p>Total revenues⁶ were stable as growth in Property & Casualty and International Insurance was offset by Life & Savings and Asset Management:</p> <ul style="list-style-type: none"> ● Life & Savings revenues were down 2% as growth in G/A⁷ Savings and Protection & Health⁸ was more than offset by lower revenues in Unit-Linked and Mutual Funds & others; ● Property & Casualty revenues were up 4%, mainly driven by a positive price effect of 3.4%¹⁸ on average; ● International Insurance revenues were up 5% mainly driven by AXA Corporate Solutions up 5% and AXA Assistance up 8%; ● Asset Management revenues were down 8% due to lower management fees at AXA IM and AB and a decrease in average management fee bps linked to a higher share of fixed income at AB. <p>Health revenues⁹ (reported above in L&S or P&C) were up 3% to Euro 6.2 billion driven by Mexico, Germany, France and the UK, partly offset by lower business in the Gulf region.</p> <p>Life & Savings New Business Volume (Annual Premium Equivalent, APE), was down 2% as growth in (i) G/A Savings mainly due to China following higher Chinese New Year sales of single premium products and whole life savings products, as well as Japan following the successful launch of new G/A capital light¹⁰ products, partly offset by lower sales in France and Switzerland, and (ii) Protection & Health mainly driven by higher sales of Group business in France, a large contract in Switzerland, and higher sales in Spain, was more than offset by (iii) Unit-Linked mainly due to lower sales in Italy, Belgium and France following unfavorable market conditions, as well as in Hong Kong due to the non-repeat of both the exceptional sale of several large contracts and the carryover of accelerated sales in anticipation of January 1, 2015 regulatory changes, partly offset by the US, and (iv) Mutual funds & other due to lower sales in the US and the non-repeat of the exceptional sale of a large contract in France in 1Q15.</p> <p>Life & Savings net inflows amounted to Euro +4.3 billion compared to Euro +5.6 billion in 1H15. This was mainly driven by (i) Protection & Health at Euro +3.8 billion mainly in Switzerland, France, Japan and Hong Kong, and (ii) Unit-Linked at Euro +0.8 billion mainly from strong inflows in the US from non-GMxB Variable Annuities as well as inflows in France and Germany, partly offset by outflows in Italy and the Variable Annuity GMxB buyout offer in the US (Euro -0.7 billion). This was partly offset by (iii) G/A Savings at Euro -0.4 billion mainly driven by outflows in Belgium and France, partly offset by Italy. G/A capital light inflows were at Euro +2.3 billion driven by Italy, France, Japan and the US.</p> <p>Asset Management net inflows amounted to Euro 19 billion in 1H16. AXA IM recorded Euro 17 billion of net inflows, mostly from Asian Joint Ventures (Euro 16 billion or Euro 7 billion on a Group share basis¹¹). AB recorded Euro 2 billion of net inflows mainly in fixed income.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">SALES</p>	<p>Life and Savings New Business Value margin was stable at 37% as higher volumes in profitable Group Protection business in Switzerland were offset by increased sales in South East Asia, India & China mostly with higher volumes and a seasonal unfavorable business mix in China, and by a deteriorating business mix in France and the US. New Business Value^{2,12} (NBV) decreased by 3% to Euro 1.2 billion.</p> <p>In Property & Casualty, current year combined ratio deteriorated by 1.3 points to 98.2% mainly driven by higher natural catastrophe charges. All-year combined ratio was at 96.0% up from 95.1% in 1H15.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">PROFITABILITY</p>	<ul style="list-style-type: none"> ● Underlying earnings² were stable at Euro 3.1 billion, mainly driven by an increase in Life & Savings offset by a decrease in Property & Casualty. ● Adjusted earnings² were down 2% to Euro 3.4 billion, mainly driven by lower net realized capital gains. ● Net income was up 4% to Euro 3.2 billion, as the positive impact from the gain on the sale of two real estate properties in New York City was partly offset by the net impact of the disposal of the UK Life & Savings and Portuguese operations, unfavorable changes in the fair value of financial assets and derivatives not eligible for hedge accounting, net of foreign exchange impacts.
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">EARNINGS</p>	

BALANCE SHEET	<ul style="list-style-type: none"> ● Shareholders' equity was at Euro 74.1 billion, up Euro 5.6 billion versus December 31, 2015, mainly driven by (i) higher unrealized gains¹³ on fixed income assets and (ii) net income contribution, partly offset by (iii) dividend payment. ● Solvency II ratio was at 197%, down 8 points versus FY15 as the impacts of adverse financial market conditions and estimated dividend accrual¹⁴ were partially offset by the operating return contribution and the issuance of Euro 1.5 billion of dated subordinated notes. ● Debt gearing⁴ was at 28%, up 2 points vs. December 31, 2015, due to the issuance of Euro 1.5 billion subordinated notes and Euro 0.5 billion of senior notes to refinance, in advance, part of the outstanding debt. ● Adjusted ROE stood at 14.6%, down 1.4 points vs. 1H15 mainly driven by an increase in average shareholders' equity¹⁵.
CAPITAL MANAGEMENT	<p>Significant transactions announced since January 1, 2016:</p> <ul style="list-style-type: none"> ● Announcement of buyback of AXA shares and elimination of the dilutive effect of certain share-based compensation schemes on January 5, 2016; ● Agreement to dispose of AXA's Hungarian banking operations to OTP Bank Plc on February 3, 2016. Completion of the transaction is subject to customary conditions, including obtaining required regulatory approvals, and should be finalized during the second semester of 2016; ● Announcement of AXA's global business initiative to develop its Emerging Customer insurance offer and the increase to 46% of AXA's stake in MicroEnsure on February 11, 2016; ● Completion of the acquisition of an 8% stake in Africa Internet Group on March 21, 2016; ● Announcement of the successful placement of Euro 1.5 billion dated subordinated notes due 2047 on March 24, 2016; ● Completion of the sale of the Portuguese operations on April 1, 2016; ● Announcement to sell the UK offshore investment bonds business based in the Isle of Man to Life Company Consolidation Group on April 28, 2016. Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to occur in the second semester of 2016; ● Announcement of an agreement to sell the wrap platform business, Elevate, to Standard Life plc on May 4, 2016. Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to occur in the second semester of 2016; ● Announcement of the successful placement of Euro 500 million senior notes due 2028 on May 11, 2016; ● Announcement to sell the investment, pension and direct protection business in the UK to Phoenix Group Holdings on May 27, 2016. Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to occur in the second semester of 2016; ● Announcement to sell the Serbian operations to Vienna Insurance Group and exit the Serbian market on July 7, 2016. Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals.
RATINGS	<ul style="list-style-type: none"> ● On October 29, 2015, S&P reaffirmed long-term ratings on AXA Group's principle subsidiaries at 'A+', maintaining a positive outlook. ● On June 28, 2016, Fitch reaffirmed all AXA entities' insurer financial strength ratings at 'AA-', maintaining a stable outlook. ● On July 25, 2016, Moody's Investors Services reaffirmed the 'Aa3' insurance financial strength ratings of AXA's principle insurance subsidiaries, maintaining a stable outlook.

Non-GAAP measures such as underlying earnings and adjusted earnings are reconciled to net income on page 16 of this release. AXA's 1H16 financial statements have been examined by the Board of Directors on August 2, 2016 and are subject to completion of a limited review procedure by AXA's statutory auditors.

Actuarial and financial assumptions are not updated on a quarterly basis in NBV calculation, except for interest rates which are hedged at point of sale for GMxB Variable Annuity products. Actuarial and other financial assumptions will be updated at year-end 2016.

All comments are on a comparable basis for activity indicators (constant Forex, scope and methodology), and at constant Forex for earnings, unless otherwise specified.

Life & Savings

Key figures	Revenues			Underlying earnings		
	1H15 restated	1H16	% change	1H15 restated	1H16	% change ³
In Euro billion						
Mature markets	29.7	29.1	-2%	1.6	1.6	+3%
High growth markets	2.0	2.0	+8%	0.3	0.3	+12%
Total	31.7	31.0	-2%	1.8	1.9	+4%

In Euro billion	Pre-tax Underlying earnings			APE			NBV margin		
	1H15 restated	1H16	% change ³	1H15 restated	1H16	% change	1H15 restated	1H16	% change ³
Protection & Health	1.2	1.2	-4%	1.3	1.3	+6%	51%	54%	-1 pt
G/A Savings	0.4	0.4	-2%	0.5	0.7	+22%	17%	16%	0 pt
<i>of which capital light</i>	-	-	-	0.3	0.4	+16%	21%	26%	+7 pts
Unit-Linked	0.7	0.6	-11%	1.2	0.9	-18%	38%	39%	0 pt
Mutual funds & Other	0.1	0.1	+54%	0.4	0.3	-21%	11%	6%	-3 pts
Total	2.4	2.3	-4%	3.4	3.3	-2%	37%	37%	0 pt
<i>of which mature markets</i>	2.1	2.0	-7%	2.7	2.6	-5%	35%	37%	+2 pts
<i>of which high growth markets</i>	0.3	0.3	+17%	0.7	0.7	+11%	48%	39%	-11 pts

New Business Volume (Annual Premium Equivalent, APE), was down 2% as growth in (i) **G/A Savings** mainly due to China following higher Chinese New Year sales of single premium products and whole life savings products, as well as Japan following the successful launch of new G/A capital light¹⁰ products, partly offset by lower sales in France and Switzerland, and (ii) **Protection & Health** mainly driven by higher sales of Group business in France, a large contract in Switzerland, and higher sales in Spain, was more than offset by (iii) **Unit-Linked** mainly due to lower sales in MedLA, Belgium and France following unfavorable market conditions, as well as in Hong Kong due to the non-repeat of both the exceptional sale of several large contracts and the carryover of accelerated sales in anticipation of January 1, 2015 regulatory changes, partly offset by the US, and (iv) **Mutual Funds & Other** due to lower sales in the US and the non-repeat of the exceptional sale of a large contract in France in 1Q15.

In high growth markets, APE increased by 11%, mainly due to South-East Asia, India & China, partly offset by Hong Kong. In mature markets, APE was down 5%, as growth in Japan and Germany was more than offset by lower new business in Italy, France, Belgium and the US.

NBV margin was stable at 37% as higher volumes in profitable Group Protection business in Switzerland were offset by increased sales in South East Asia, India & China mostly with higher volumes in China and a seasonal unfavorable business mix, and by a deteriorating business mix in France and the US.

As a consequence, **NBV** was down 3% to Euro 1.2 billion.

Pre-tax underlying earnings decreased by 4% mainly driven by (i) lower Unit-Linked management fees in the US reflecting a lower average asset base, linked to the decline and recovery in equity markets over the period, (ii) the non-repeat of an exceptional positive reserve development in Group Protection in France in 1H15, and (iii) lower investment margin. This was partly offset by (iv) lower administrative expenses linked to the cost savings programs.

- **Protection & Health APE** (40% of total) was up 6%, mainly driven by higher sales of Group business in France, a large contract in Switzerland and higher sales in Spain.

Pre-tax underlying earnings were down 4% mainly due to lower mortality margin in France mostly due to the non-repeat of an exceptional positive reserve development in Group Protection in 1H15 and lower mortality margin in the US. This was partly offset by higher mortality margin in Mexico and Japan, and lower administrative expenses.

- **Unit-Linked APE** (29% of total) was down 18%, mainly driven by MedLA, Belgium and France following adverse market conditions, and Hong Kong due to the non-repeat of both the exceptional sale of several large contracts and the carryover of accelerated sales in anticipation of January 1, 2015 regulatory changes. This was partly offset by the US from higher sales of non-GMxB Variable Annuities products partially compensated by a decrease in GMxB Variable Annuities sales.

Pre-tax underlying earnings were down 11% mainly driven by lower Unit-Linked management fees in the US, reflecting a lower average asset base, linked to the decline and recovery in equity markets over the period.

- **G/A Savings APE** (23% of total) was up 22%, mainly driven by China following higher Chinese New Year sales of single premium and whole life savings products, and by Japan due to the successful launch of G/A capital light products, partly offset by lower sales in France and Switzerland. **G/A capital light APE** increased by 16% to Euro 0.4 billion, mainly driven by Japan. **G/A capital light NBV** increased by 59% to Euro 0.1 billion.

Pre-tax underlying earnings were down 2%, mainly from lower investment margin mostly in France and the US, partly offset by higher net technical margin mostly in France and Italy.

On a post-tax basis, **underlying earnings** grew by 4% as lower pre-tax underlying earnings were more than offset by lower income tax expenses mainly due to higher positive tax one-offs (Euro 198 million in 1H16 vs. Euro 109 million in 1H15) mainly in the US.

Property & Casualty

Key figures	Revenues (In Euro billion)			1H16 price effect
	1H15	1H16	% change	% change
Personal	10.2	10.3	+4%	+4.2% ¹⁸
Commercial	7.9	8.2	+3%	+2.4% ^{16,18}
Other	0.1	0.1	+113%	-
Total	18.2	18.6	+4%	+3.4% ¹⁸

	Revenues (In Euro billion)			Current year combined ratio			All-year combined ratio		
	1H15	1H16	% change	1H15	1H16	% change ³	1H15	1H16	% change ³
Mature markets	14.1	14.4	+2%	96.0%	97.3%	+1.2 pts	93.6%	95.2%	+1.5 pts
Direct	1.4	1.5	+6%	98.8%	98.5%	-0.2 pt	99.2%	94.9%	-4.4 pts
High growth markets	2.7	2.7	+11%	99.9%	102.3%	+2.5 pts	100.2%	100.8%	+0.7 pt
Total	18.2	18.6	+4%	96.9%	98.2%	+1.3 pts	95.1%	96.0%	+0.9 pt

Revenues were up 4% mainly driven by a positive price effect of 3.4%¹⁸ on average.

- **Mature markets revenues** were up 2%, mostly driven by tariff increases across the board, notably in UK & Ireland.
- **High growth markets revenues** increased by 11% overall, mainly driven by Turkey, due to significant tariff increases. Excluding Turkey, revenues increased by 5%, mainly driven by Mexico from both tariff increases and higher volumes in Health business.
- **Direct revenues** were up 6% mainly driven by strong growth in Japan, the UK, France and Poland, partly offset by South Korea following pruning actions.

Personal lines net new contracts amounted to +94k mainly driven by strong business growth in Asia (+243k), mostly in Malaysia, partly offset by Turkey (-95k) due to selective underwriting and France (-75k) partly due to the Hamon law.

Current year combined ratio was up 1.3 points to 98.2% driven by 1.0 point increase in current year loss ratio, and 0.3 point increase in expense ratio.

- **Current year loss ratio** increase was driven by higher natural catastrophe charges mainly from storms in Germany and floods in France, combined with higher claims in (i) Belgium as a consequence of the floods in May and June 2016 and the terrorist attacks in March 2016, (ii) MedLA mainly in Motor business in Turkey and Italy, and (iii) the UK with higher large losses in Commercial motor;
- Higher **expense ratio** was mainly driven by an increase in acquisition expense ratio notably as a consequence of higher commissions, notably in MedLA. This was partly offset by a decrease in the administrative expense ratio due to the positive impacts of cost savings programs.

Prior year reserve developments improved by 0.4 point to -2.1 points, mainly driven by positive developments in Direct in the UK as well as in France.

As a result, the **all-year combined ratio** deteriorated by 0.9 point to 96.0%.

Investment result decreased by 3% to Euro 1.0 billion.

Underlying earnings were down 6%, mainly driven by higher natural catastrophe charges.

Asset Management

Key figures	Revenues			Underlying earnings			Average Assets under Management (Euro billion)		
	1H15	1H16	% change	1H15	1H16	% change	1H15	1H16	% change
In Euro million									
AXA IM	632	583	-7%	115	116	+3%	626	589	-5%
AB	1,324	1,216	-8%	108	98	-9%	460	453	-1%
Total	1,956	1,799	-8%	222	213	-3%	1,086	1,042	-3%

Asset Management net inflows amounted to Euro 19 billion in 1H16. AXA IM recorded Euro 17 billion of net inflows, mostly from Asian Joint Ventures (Euro 16 billion or Euro 7 billion on a group share basis). AB recorded Euro 2 billion of net inflows mainly in fixed income.

Assets under Management amounted to Euro 1,152 billion as of June 30, 2016, up 2.5% from December 31, 2015, as positive market effects and net inflows more than offset unfavorable forex impact as Euro strengthened against some of the major currencies.

Average Assets under Management were down 3% at Euro 1,042 billion, decreasing in both AXA IM and AB, mainly driven by the partial withdrawal of the Friends Life assets at AXA IM in 4Q15 and unfavorable foreign exchange impact.

Asset Management revenues were down 8% due to (i) lower management fees mainly driven by lower average Assets under Management both at AXA IM and AB and, (ii) a decrease in average management fee bps linked to a higher share of fixed income products at AB.

Underlying earnings were down 3% at Euro 213 million, mainly driven by lower revenues at both AB and AXA IM, partly offset by lower taxes at AXA IM.

Adjusted earnings

Adjusted earnings decreased by 2% to Euro 3.4 billion mainly driven by lower net realized capital gains.

Net income

Net income was up 4% to Euro 3.2 billion, as the positive impact from the gain on the sale of two real estate properties in New York City was partly offset by the net impact of the disposal of the UK Life & Savings and Portuguese operations, unfavorable changes in the fair value of financial assets and derivatives not eligible for hedge accounting, net of foreign exchange impacts.

Solvency II ratio

Solvency II ratio was at 197%, down 8 points versus FY15 as the impacts of adverse financial market conditions and estimated dividend accrual were partially offset by the operating return contribution and the issuance of Euro 1.5 billion of dated subordinated notes.

General Account Invested Assets and Asset & Liability Management

Insurance invested assets amounted to Euro 598 billion¹⁷ at June 30, 2016, up from Euro 552 billion as of December 31, 2015. The changes are mainly linked to the impact of the decrease in interest rates on fixed income assets and the appreciation of Japanese Yen against Euro. The asset allocation remained broadly stable, mostly geared towards government bonds and high quality corporate bonds (average rating in the A range).

Annualized asset yields on the investment portfolio were 3.4% in Life & Savings and 3.5% in Property & Casualty benefitting from average asset durations of 8.3 years and 5.4 years respectively. On the Life & Savings side, this compared well to the average guaranteed rate of 2.0% that led to an annualized investment margin of 74 bps in 1H16, at the top end of the guidance of 65 to 75 bps for 2016-2018.

In 1H16, Life & Savings and Property & Casualty entities reinvested Euro 45 billion in fixed income assets at an average yield of 2.0%, well above the Life & Savings new business average guaranteed rate of 0.4%.

Notes

1. Annual Premium Equivalent (APE) represents 100% of new business regular premiums + 10% of new business single premiums. APE is Group Share.
2. APE, NBV, adjusted earnings and underlying earnings are non-GAAP measures and as such are not audited, may not be comparable to similarly titled measures reported by other companies and should be read together with our GAAP measures. Management uses these non-GAAP measures as key indicators of performance in assessing AXA's various businesses and believes that the presentation of these measures provides useful and important information to shareholders and investors as measures of AXA's financial performance.
Underlying earnings are adjusted earnings, excluding net realized capital gains attributable to shareholders. Adjusted earnings represent net income before the impact of exceptional and discontinued operations, intangibles amortization and other, and profit or loss on financial assets (classified under the fair value option) and derivatives.
3. Changes are adjusted for Forex and changes related to the acquisition of Genworth and the disposal of AXA Portugal.
4. Starting 1H16, debt gearing is calculated gross of Holding company cash. FY15 debt gearing net of cash was reported at 23%.
5. The Solvency II ratio is based on AXA's internal model calibrated based on adverse 1/200 year shock and assuming US equivalence. AXA's internal model was approved by ACPR on November 18, 2015. Solvency II took effect January 1, 2016.
6. Including Banking & Holdings revenues which were down 2% to Euro 297 million in 1H16 (vs. Euro 302 million in 1H15).
7. General Account.
8. General Account Protection & Health.
9. Health is reported in Life & Savings (France, the US, Japan, Germany, Greece, Hong Kong, Singapore and Indonesia) or Property & Casualty (the UK, Belgium, MedLA excl. Greece, Luxembourg, Hong Kong, Thailand, Singapore, Malaysia and Direct) in line with reporting standards. The additional focus on Health is in line with the new strategy and organization dedicated to the Health business.
10. General Account Savings products which, at inception, create more AFR than the economic capital they consume.
11. AXA IM's joint ventures in Asia (China, South Korea and India) are included at 100% in net flows, opening and closing assets under management but are excluded from revenues and average assets under management as they are not fully consolidated.
12. New Business Value in Group Share.
13. Excluding forex, minority interests and others
14. Solvency II ratio is estimated including a theoretical amount for dividends accrued for the first semester of 2016 based on half of the full year dividend paid in 2016 for FY 2015. Dividends are declared by the Board in its discretion based on a variety of factors described in AXA's Annual Reports 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 2016 financial year.
15. Average shareholders' equity excluding undated debt and reserves related to change in fair value.
16. Renewals only.
17. 1H16 invested assets referenced in page 57 of the financial supplement are Euro 795 billion, which include notably Euro 164 billion of Unit-linked assets and Euro 36 billion related to the Banking segment.
18. Pricing effect percentage amounts have been revised to reflect the correction of a calculation error made in connection with our August 3, 2016 Press Release. Such correction has no impact on previously reported revenues, net income or other IFRS financial measures or financial statement items for any period.

Definitions

Life & Savings high growth markets: APE and NBV: China, Czech Republic, Hong Kong, India, Indonesia, Mexico, Morocco, Philippines, Poland, Singapore, Thailand and Turkey; Revenues: Colombia, Czech Republic, Hong Kong, Indonesia (excl. bancassurance entity), Mexico, Morocco, Poland, Singapore, Slovakia and Turkey.

Property & Casualty high growth markets: Revenues: Brazil, Colombia, the Gulf region, Hong Kong, Malaysia, Mexico, Morocco, Singapore, Thailand, and Turkey.

NORCEE (Northern, Central and Eastern Europe – L&S and P&C): Belgium, Central & Eastern Europe (Poland (L&S only), Czech Republic and Slovakia), Germany, Luxembourg, Russia (P&C only) and Switzerland; Luxembourg APE and NBV are not modeled; Russia (RESO) is not included in revenues due to consolidation under equity method.

South-East Asia, India and China (L&S): APE and NBV: China, India, Indonesia, Philippines, Singapore and Thailand; Revenues: Singapore and non-bancassurance subsidiaries in Indonesia and Thailand; China, India, Philippines, and bancassurance business in Indonesia and Thailand are not included in revenues due to consolidation under equity method; Malaysian operations are not consolidated.

MedLA (Mediterranean and Latin American Region – L&S and P&C): Brazil (P&C only), Colombia, Greece, the Gulf region (P&C only), Italy, Mexico, Morocco, Portugal, Spain and Turkey. Lebanon and Nigeria are not included in revenues due to consolidation under equity method (P&C only).

Asia (P&C): Hong Kong, Malaysia, Singapore and Thailand. China and India are not included in revenues due to consolidation under equity method. Indonesian operations are not consolidated.

Direct (P&C): AXA Global Direct (Belgium, France, Italy, Japan, Poland, South Korea and Spain), UK Direct operations. In France, Natio is not included in revenues due to consolidation under equity method.

ABOUT THE AXA GROUP

The AXA Group is a worldwide leader in insurance and asset management, with 166,000 employees serving 103 million clients in 64 countries. In 2015, IFRS revenues amounted to Euro 99.0 billion and IFRS underlying earnings to Euro 5.6 billion. AXA had Euro 1,363 billion in assets under management as of December 31, 2015.

The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISN FR 0000120628 – Bloomberg: CS FP – Reuters: AXAF.PA). AXA's American Depository Share is also quoted on the OTC QX platform under the ticker symbol AXAHY.

The AXA Group is included in the main international SRI indexes, such as Dow Jones Sustainability Index (DJSI) and FTSE4GOOD.

It is a founding member of the UN Environment Programme's Finance Initiative (UNEP FI) Principles for Sustainable Insurance and a signatory of the UN Principles for Responsible Investment.

This press release and the regulated information made public by AXA pursuant to article L. 451-1-2 of the French Monetary and Financial Code and articles 222-1 et seq. of the Autorité des marchés financiers' General Regulation are available on the AXA Group website (www.axa.com).

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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 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 actual results and AXA's plans and objectives to differ materially from those expressed or implied in the forward looking statements. Please refer to the section "Cautionary statements" in page 2 of AXA's Document de Référence for the year ended December 31, 2015, for a description of certain important factors, risks and uncertainties that may affect AXA's business, and/or results of operations. 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.

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AXA Group IFRS revenues – Contributions & growth by segment and country/region

In Euro million	1H15 restated	1H16	IFRS revenues change	
	IFRS	IFRS	Reported	Comp. basis
United States	6,761	6,921	+2%	+2%
France	8,225	7,767	-6%	-7%
NORCEE ⁱ	9,912	9,264	-7%	-5%
of which Germany	3,300	3,325	+1%	+1%
of which Switzerland	5,367	5,119	-5%	-1%
of which Belgium	1,021	614	-40%	-40%
of which Central & Eastern Europe	161	144	-11%	-9%
Asia Pacific	3,464	4,132	+19%	+17%
of which Japan	2,002	2,597	+30%	+20%
of which Hong Kong	1,205	1,245	+3%	+11%
of which South-East Asia, India & China	257	290	+13%	+16%
MedLA	3,173	2,853	-10%	-6%
of which Spain	378	497	+32%	+32%
of which Italy ⁱⁱ	2,356	2,025	-14%	-14%
of which Other ⁱⁱⁱ	439	331	-25%	+3%
Other ^{iv}	188	102	-46%	-41%
Life & Savings	31,722	31,040	-2%	-2%
of which mature markets	29,749	29,055	-2%	-2%
of which high growth markets	1,973	1,984	+1%	+8%
NORCEE ⁱ	6,486	6,478	0%	+2%
of which Germany	2,454	2,517	+3%	+3%
of which Belgium	1,094	1,102	+1%	+1%
of which Switzerland	2,872	2,789	-3%	+1%
France	3,342	3,706	+11%	+1%
MedLA	3,926	3,811	-3%	+7%
of which Spain	846	840	-1%	-1%
of which Italy	776	770	-1%	-1%
of which Mexico	744	712	-4%	+14%
of which Turkey	490	594	+21%	+38%
of which Other ^v	1,071	895	-16%	-2%
United Kingdom & Ireland	2,452	2,566	+5%	+7%
Asia	589	590	0%	+4%
Direct	1,389	1,451	+5%	+6%
Property & Casualty	18,183	18,602	+2%	+4%
of which mature markets	14,082	14,407	+2%	+2%
of which Direct	1,389	1,451	+5%	+6%
of which total high growth markets	2,712	2,743	+1%	+11%
AXA Corporate Solutions Assurance	1,451	1,546	+7%	+4%
Other international activities	711	752	+6%	+6%
International Insurance	2,162	2,298	+6%	+5%
AB	1,324	1,216	-8%	-8%
AXA Investment Managers	632	583	-8%	-7%
Asset Management	1,956	1,799	-8%	-8%
Banking^{vi}	302	297	-2%	-2%
TOTAL	54,324	54,036	-1%	0%

ⁱ Including Luxembourgⁱⁱ Pure Unit-Linked products sold at AXA MPS are accounted as investment products under IFRS and contribute to APE but not to revenuesⁱⁱⁱ Colombia, Greece, Mexico, Morocco, Portugal (only for 1H15), Turkey^{iv} Architas, AXA Life Invest Services, Family Protect and AXA Life Europe-UK^v Brazil, Colombia, Greece, the Gulf region, Morocco and Portugal (only for 1H15)^{vi} and other companies

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In million local currency except Japan in billion	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
Life & Savings						
United States	3,603	3,941	3,766	3,937	3,809	3,917
France	4,427	3,797	3,563	4,207	4,032	3,735
United Kingdom	130	148	119	115	113	-
NORCEE						
<i>Germany</i>	1,638	1,662	1,617	1,733	1,657	1,668
<i>Switzerland</i>	4,408	1,259	920	1,145	4,490	1,120
<i>Belgium</i>	589	432	293	402	331	283
<i>Central & Eastern Europeⁱ</i>	83	78	83	53	69	76
Asia Pacific						
<i>Japan</i>	136	133	138	161	164	159
<i>Hong Kong</i>	5,284	5,141	5,603	5,729	5,514	5,283
MedLA ⁱ	1,462	1,711	1,135	1,397	1,535	1,318
Property & Casualty						
NORCEE						
<i>Germany</i>	1,805	649	781	674	1,844	672
<i>Switzerland</i>	2,743	289	156	154	2,763	294
<i>Belgium</i>	618	475	471	446	622	480
France	2,136	1,206	1,507	1,171	2,361	1,345
MedLA ⁱ	2,130	1,796	1,586	1,984	2,020	1,791
United Kingdom & Ireland ⁱⁱ	863	933	829	879	943	1,056
Asia ⁱ	315	274	276	234	322	268
Direct ⁱ	661	728	685	658	717	734
International Insurance						
AXA Corporate Solutions Assurance	1,067	384	402	401	1,196	350
Other international activities ⁱ	387	324	336	313	409	343
Asset Management						
AB	728	749	716	695	673	685
AXA Investment Managers	309	323	316	295	273	310
Bankingⁱ	174	127	192	128	145	152

ⁱIn Euro million due to multiple local currencies

ⁱⁱIreland revenues are in GBP in this table

APPENDIX 3: LIFE & SAVINGS – NEW BUSINESS VOLUME (APE), VALUE (NBV) AND NBV MARGIN /

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In Euro million	1H16 APE by product				Total APE			NBV			NBV margin		
	G/A Protection & Health	G/A Savings	Unit-Linked	Mutual funds & other	1H15 restated	1H16	Change on a comparable basis	1H15 restated	1H16	Change on a comparable basis	1H15 restated	1H16	Change on a comparable basis
United States	55	42	484	240	838	821	-2%	215	183	-15%	26%	22%	-3 pts
France	451	242	163	2	870	858	-6%	231	213	-8%	27%	25%	-1 pt
NORCEE	317	74	43	20	506	454	-7%	195	222	+16%	39%	49%	+10 pts
Germany	100	63	16	11	182	191	+5%	70	76	+9%	38%	40%	+2 pts
Switzerland	194	4	6	0	220	204	+1%	88	117	+38%	40%	58%	+16 pts
Belgium	11	7	6	0	63	24	-61%	23	14	-39%	38%	60%	+22 pts
Central & Eastern Europe	11	0	15	8	41	35	-13%	14	14	+2%	34%	40%	+6 pts
Asia Pacific	451	276	164	0	809	891	+13%	508	503	-2%	64%	55%	-9 pts
Japan	146	47	59	0	194	252	+19%	199	247	+14%	102%	98%	-4 pts
Hong Kong	143	55	29	0	281	227	-8%	197	168	-10%	70%	74%	-2 pts
South-East Asia, India & China	162	174	76	0	333	412	+28%	113	88	-18%	34%	21%	-12 pts
MedLA	52	111	70	4	316	237	-22%	103	101	-5%	33%	43%	+7 pts
Spain	23	15	9	4	41	50	+23%	24	39	-32%	60%	78%	+6 pts
Italy	11	94	55	0	242	160	-34%	73	60	-20%	30%	37%	+7 pts
Other ⁱ	19	2	6	0	33	27	+16%	6	2	-17%	12%	9%	-4 pts
Other ⁱⁱ	0	0	15	0	24	15	-35%	2	1	-65%	7%	4%	-3 pts
Total	1,326	745	939	265	3,362	3,274	-2%	1,255	1,222	-3%	37%	37%	0 pt
<i>of which mature markets</i>	991	514	812	257	2,682	2,575	-5%	928	950	0%	35%	37%	+2 pts
<i>of which high growth markets</i>	334	231	127	8	680	699	+11%	327	272	-13%	48%	39%	-11 pts

ⁱ Colombia, Greece, Mexico, Morocco, Portugal (only for 1H15) and Turkey

ⁱⁱ Architas, AXA Life Invest Services, Family Protect and AXA Life Europe-UK

Property & Casualty revenues – contribution & growth by business line – 1H16

in Euro millions	Personal Motor		Personal Non-Motor		Commercial Motor		Commercial Non-Motor	
	Gross revenues	Change on comp. basis	Gross revenues	Change on comp. basis	Gross revenues	Change on comp. basis	Gross revenues	Change on comp. basis
NORCEE	2,325	+1%	1,192	0%	420	+2%	2,400	+2%
<i>of which Germany</i>	872	+2%	580	+2%	145	0%	759	+5%
<i>of which Belgium</i>	291	-1%	232	-1%	141	0%	435	+2%
<i>of which Switzerland</i>	1 136	1%	367	+1%	121	+6%	1 186	0%
France	852	0%	1,050	+6%	317	0%	1,498	-2%
MedLA	1,262	+8%	761	+3%	510	+14%	1,259	+2%
<i>of which Spain</i>	349	-2%	273	-1%	39	+9%	183	+1%
<i>of which Italy</i>	442	-3%	184	+5%	26	+11%	116	-4%
<i>of which Mexico</i>	68	-4%	169	+14%	182	+14%	301	+20%
<i>of which Turkey</i>	280	+66%	38	+24%	156	+15%	127	+22%
<i>of which otherⁱ</i>	123	0%	97	-11%	107	+16%	532	-9%
United Kingdom & Ireland	361	+13%	767	+4%	321	+22%	1,161	+1%
Asia	148	+5%	142	+12%	41	+2%	267	-1%
Direct	1,265	+8%	201	+1%	-	-	-	-
Total	6,214	+4%	4,112	+3%	1,608	+9%	6,586	+1%
<i>of which mature markets</i>	4,339	+1%	3,487	+3%	1,124	+7%	5,374	+1%
<i>of which high growth markets</i>	610	+25%	423	+8%	484	+14%	1,212	+3%

ⁱ Brazil, Colombia, Greece, the Gulf region, Morocco and Portugal (only for 1H15)

Assets under Management rollforward					
In Euro billion	AB	AXA IM	AXA IM - Fully consolidated scope	AXA IM - Asian Joint Ventures	Total
AUM at FY15	455	669	595	74	1,124
Net flows	+2	+17	0	+16	+19
Market appreciation	+26	+10	+10	0	+35
Scope & other	0	-7	-7	0	-7
Forex impact	-10	-9	-6	-3	-19
AUM at 1H16	473	679	591	88	1,152ⁱⁱ
Average AUM over the periodⁱ	453	-	589	-	1,042
<i>Change of average AUM on a reported basis vs. 1H15</i>	-1%	-	-6%	-	-4%
<i>Change of average AUM on a comparable basis vs. 1H15</i>	-1%	-	-5%	-	-3%

ⁱ Average AUM for AXA IM is calculated excluding the contribution from joint ventures

ⁱⁱ The difference with Euro 1,387 billion of total assets under management mentioned in the Financial Supplement on page 69 corresponds to assets directly managed by AXA insurance companies.

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Earnings: Key figures				
In Euro million	1H15 restated	1H16	Change	
			Reported	At constant Forex
Life & Savings	1,835	1,915	+4%	+4%
Property & Casualty	1,286	1,176	-9%	-7%
Asset Management	222	213	-4%	-3%
International Insurance	126	86	-32%	-32%
Banking	56	60	+7%	+7%
Holdings	-451	-387	+14%	+14%
Underlying earnings	3,075	3,063	0%	0%
Realized capital gains/losses	471	479	+2%	+3%
Impairments	-86	-194	+125%	+128%
Equity portfolio hedging	-2	16	-	-
Adjusted earnings	3,457	3,364	-3%	-2%
Change in fair value & Forex	-250	-647	+158%	+159%
Goodwill and related intangibles	-42	-45	-8%	-11%
Integration and restructuring costs	-52	-91	-74%	-76%
Exceptional and discontinued operations	-36	626	-	-
Net income	3,077	3,207	+4%	+4%

Earnings per share – Fully diluted			
In Euro	1H15 reported	1H16	Reported change
Underlying EPS ⁱ	1.20	1.21	0%
Adjusted EPS ⁱ	1.36	1.33	-2%
Net income per share ⁱ	1.19	1.27	+6%

ⁱ Net of interest charges on undated subordinated notes (TSDI) and undated deeply subordinated notes (TSS).

AXA Group Assets		
In Euro billion	FY15	1H16
Goodwill	17.1	16.4
VBI	2.4	2.2
DAC & equivalent	24.0	22.1
Other intangibles	3.3	3.2
Investments	755.2	762.9
Other assets & receivables	58.9	78.6
Cash & cash equivalents	26.3	33.2
TOTAL ASSETS	887.1	918.7

AXA Group Liabilities		
In Euro billion	FY15	1H16
Shareholders' equity, Group share	68.5	74.1
Minority interests	4.2	4.9
SH EQUITY & MINORITY INTERESTS	72.6	79.1
Financing debt	8.1	8.6
Technical reserves	707.8	705.7
Provisions for risks & charges	12.7	13.7
Other payables & liabilities	85.9	111.7
TOTAL LIABILITIES	887.1	918.7

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Changes in scope:

- 04/01/2016 – [AXA has completed the sale of its Portuguese operations](#)
- 04/28/2016 – [AXA to sell its UK offshore investment bonds business based in the Isle of Man to Life Company Consolidation Group](#)
- 05/04/2016 – [AXA announces UK Life & Savings transactions](#)
- 05/27/2016 – [AXA to sell its investment, pensions and direct protection businesses in the UK to Phoenix Group Holdings](#)

2Q16 main press releases

Please refer to the following web site address for further details: <https://www.axa.com/en/newsroom/press-releases>

- 04/04/2016 – [AXA has completed the acquisition of Charter Ping An](#)
- 04/19/2016 – [AXA expands operations in Africa by launching a Lloyd's specialty insurance venture with Chaucer](#)
- 04/27/2016 – [Results of AXA's Shareholders' Meeting / AXA publishes its 2015 Activity & Corporate Responsibility Report](#)
- 05/23/2016 – [AXA Group divests tobacco industry assets](#)
- 05/27/2016 – [AXA announces its new leadership team, focuses its organization on customers and transformation](#)
- 06/21/2016 – [Focus and Transform: AXA reveals its new Ambition 2020 strategy](#)

1H16 Operations on AXA shareholders' equity and debt

Shareholders' equity: No significant operation

Debt:

- 03/24/2016 – [AXA announces the successful placement of Euro 1.5 billion subordinated notes due 2047](#)
- 05/11/2016 – [AXA announces the successful placement of Euro 500 million senior notes due 2028](#)

Post 1H16 closing event

- 07/07/2016 – [AXA to sell its Serbian operations to Vienna Insurance Group](#)
- 07/29/2016 – [AXA, Alibaba and Ant Financial Services announce global strategic partnership](#)

Next main investor events

- 11/04/2016 - First Nine Months 2016 Activity Indicators
- 02/23/2017 - Full Year 2016 Earnings Release