



Press release

Paris, February 20, 2020 (7:00am CET)

Full Year 2019 Earnings

Growth across the board and balance sheet strength

- **Total revenues**¹ up 5% to Euro 103.5 billion
- **Underlying earnings per share**² up 5% to Euro 2.59
- **Solvency II ratio**³ at 198%, up 5 points from December 31, 2018
- **Dividend** of Euro 1.43 per share, up 7% from FY18, to be proposed by the Board of Directors

“AXA recorded another strong operational performance in 2019”, said **Thomas Buberl, Chief Executive Officer of AXA**. “Revenues were up 5% to Euro 104 billion, with growth across all lines of business and geographies.”

“In 2019, the Group achieved a 5% increase in underlying earnings per share, with high technical profitability across all our businesses. Based on the strong operational performance and the strength of AXA’s balance sheet, the Board of Directors is proposing a dividend of Euro 1.43 per share, an increase of 7% from last year, which corresponds to a payout ratio of 52%.”

“The Group achieved a significant milestone in 2019 in its strategy to shift its profile away from financial markets and towards technical risk, by fully exiting the US Life & Savings market and integrating the XL Group, and at the same time reducing its debt gearing ratio. At AXA XL, impacted again by adverse claims experience in 2019, we are recording strong price increases and taking further steps to reduce volatility. I am also very happy to welcome Scott Gunter to the AXA Group to drive the next phase of development of AXA XL.”

“AXA’s active leadership role in fighting climate change also continued, as a global investor, a global insurer, and as a coalition builder. In 2019, AXA doubled its green investments target, launched transition bonds as a new asset class, further strengthened its coal underwriting policy, established AXA Climate and joined the Net Zero Asset Owner Alliance.”

“I would like to thank all our colleagues and partners who have been working together to deliver these results and transformative achievements, as well as our clients for their continued trust.”

Key figures (in Euro million, unless otherwise noted)

	FY18	FY19	Change on a reported basis	Change at constant Forex
Gross Revenues ¹	102,874	103,532	+1%	+5%
Underlying earnings ²	6,182	6,451	+4%	+2%
Underlying earnings per share ² (in Euro)	2.48	2.59	+5%	-
Net income	2,140	3,857	+80%	+75%
Adjusted ROE ² (%)	14.4%	16.0%	+1.6 pts	-
Solvency II ratio ³ (%)	193%	198%	+ 5 pts	-

All notes are on page 12 of this document.



FY19 key highlights

Sales

Total revenues were up 5% with growth in all geographies, (i) AXA XL (+10%) with strong growth momentum in both P&C Insurance and Specialty, (ii) Europe (+4%) with growth across all countries, (iii) France (+4%), driven by higher sales of Individual Savings and Health, (iv) International (+6%) driven by a strong contribution from Mexico and Turkey and (v) Asia (+4%), notably with higher sales of Protection with Savings products in Hong Kong and Japan.

Total revenues increased in all business lines, with (i) Property & Casualty (+5%), driven by Commercial lines (+7%) and Personal lines (+2%), from both positive volumes and price effects, (ii) Life & Savings (+5%), notably from higher sales of Individual Savings as well as Protection products and (iii) Health (+6%), with growth across all geographies.

New Business Value⁴ was up 1% to Euro 2.5 billion, with **APE⁴ (new business volume)** stable at Euro 6.0 billion and **NBV margin⁴** up 0.7 point to 42.2%.

Profitability

Property & Casualty all-year combined ratio² was 96.4%, improving by 0.6 point, mainly due to an improved claims experience (-0.6 point) and more favorable prior-year reserve developments (-0.2 point).

Protection combined ratio^{2,5} improved by 0.7 point to 93.2%, reflecting the positive impact of the Group Life transformation in Switzerland, partly offset by lower prior-year reserve developments.

Health combined ratio^{2,5} was up by 0.1 point to 94.1%, as a less favorable claims experience was partly offset by an improvement in expense ratio.

Earnings

Underlying earnings² increased by 2% to Euro 6.5 billion, reflecting continued positive operational performances from France (+9%), International (+17%), Asia (+3%) and Europe (+1%), mainly driven by improved technical profitability in P&C and volume growth in Health. The increased contribution from AXA XL was offset by the lower contribution from Equitable Holdings, Inc⁶. Holding costs were higher mainly due to temporary higher financial charges.

Property & Casualty underlying earnings⁷ increased by 12% to Euro 3.3 billion, driven by both current year and prior year loss ratio improvements.

Health underlying earnings⁷ increased by 5% to Euro 0.7 billion from volume growth.

Life & Savings underlying earnings⁷ were down 1% to Euro 2.9 billion, as higher volumes and investment margin were more than offset by higher expenses.



Underlying earnings per share² increased by 5% to Euro 2.59, reflecting the increase in underlying earnings and a favorable forex impact (+2%).

Net income increased by 75% to Euro 3.9 billion, mainly driven by (i) the non-repeat of the goodwill impairment of Equitable Holdings, Inc. in 2018 (Euro 3.0 billion) as well as (ii) higher underlying earnings, partly offset by (iii) the negative impacts from the announced disposal of AXA Bank Belgium (Euro -0.6 billion), the deconsolidation of Equitable Holdings, Inc. (Euro -0.6 billion) as well as the change in the fair value of derivatives.

Balance sheet

Shareholders' equity was at Euro 69.9 billion, up Euro 7.5 billion versus December 31, 2018, mainly driven by the positive impacts of both the change in net unrealized capital gains and net income contribution, partly offset by the dividend paid to shareholders.

Solvency II ratio³ was up 5 points versus December 31, 2018 to 198%, mainly driven by the positive impacts of a strong operating return net of accrued dividend (+11 points) and the secondary offerings of Equitable Holdings, Inc. (+10 points), partly offset by unfavorable market conditions (-14 points) mostly from lower interest rates, as well as the negative impact of the repayments of subordinated debts (-4 points).

Debt gearing² was at 28.8%, down 3.2 points versus December 31, 2018, mainly reflecting the positive impacts of debt repayments (Euro 1.8 billion) and the deconsolidation of Equitable Holdings, Inc.

Adjusted ROE² was up 1.6 points to 16.0% versus FY18, mostly driven by a strong increase in adjusted earnings.

A **dividend** of Euro 1.43 per share (up 7% versus FY18) will be proposed at the Shareholders' Annual General Meeting on April 30, 2020. The dividend is expected to be paid on May 13, 2020 with an ex-dividend date of May 11, 2020. This would represent a payout ratio of 52% of Adjusted Earnings, net of the interest charges on undated subordinated debt.

France

“In 2019, AXA strengthened its market leadership and delivered, once again, a strong operating performance”, said **Jacques de Peretti, Chairman and CEO of AXA France**. *“These strong results demonstrated our ability to build on our technical expertise and AXA France’s unique network of tied agents and advisors, to meet our customers’ needs.”*

Strong revenue growth from Life & Savings and Health

Total revenues increased by 4% to Euro 26.2 billion, driven by Life & Savings (+5%) from (i) Individual Savings due to strong sales of capital light⁸ G/A⁹ products sold through bancassurance channels and higher sales of Eurocroissance products, and (ii) Protection, as well as Health (+6%) with growth in both international and domestic Group business as well as in Individual business.

P&C revenues were stable at Euro 7.1 billion. In Commercial lines, volume growth and positive price effects in Motor, Property and Construction were offset by continued selectivity in the international Credit & Lifestyle Protection business.

Net flows were Euro + 3.0 billion, mainly from Protection, Health and Unit-Linked. In G/A Savings, inflows in capital lights products were offset by outflows in traditional products.

Excellent profitability in Property & Casualty

Property & Casualty all-year combined ratio improved by 1.6 points to 90.7%, driven by a lower expense ratio, more favorable prior year reserve developments and a more favorable claims experience.

Health combined ratio was up 0.8 point to 98.7%, as the improvement in the expense ratio was more than offset by a less favorable claims experience mainly from Group International business.

NBV margin increased by 2.2 points to 31.5%. **New Business Value** decreased by 1% to Euro 0.7 billion.

Strong earnings growth driven by enhanced technical margin

Underlying earnings rose by 9% to Euro 1,715 million due to a strong improvement in the Property & Casualty all-year combined ratio and a lower effective tax rate, partly offset by higher expenses from business growth in Life & Savings.

Europe

“In Europe, AXA delivered another good performance in 2019 with strong topline growth and a further improvement in technical profitability”, said Antimo Perretta, CEO of AXA in Europe. “We pushed ahead on our transformation journey across all countries in the region and developed a successful collaboration with AXA XL, while improving customer satisfaction and employee engagement.”

Revenue growth across the board

Total revenues were up 4% to Euro 34.4 billion mainly driven by L&S (+6%) with strong sales in both Italy (+17%) and Spain (+10%), mostly from Unit-Linked and capital light hybrid products, P&C (+3%) reflecting a strong growth across all countries in both Commercial (+4%) and Personal Non-Motor (+3%) as well as higher new business volumes and a positive price effect in Personal Motor in UK & Ireland, and Health (+4%) across all countries, notably Germany with positive price effects.

Excellent profitability in Property & Casualty

Property & Casualty all-year combined ratio improved by 1.3 points to 93.2%, mainly driven by more favorable prior year reserve developments and an improved claims experience across most countries.

Health combined ratio was up by 0.4 point to 95.1%, as higher profitability in Germany was more than offset by the non-repeat of an exceptional favorable claims experience in UK & Ireland.

NBV margin decreased by 2.8 points to 46.9%. **New Business Value** increased by 4% to Euro 0.6 billion.

Earnings growth from higher technical margin

Underlying earnings were up 1% to Euro 2,544 million, mostly reflecting a strong P&C technical result across most countries, partly offset by the non-repeat of positive one-offs in 2018 (Euro -0.1 billion) as well as the impact of lower rates and the Group life transformation in Switzerland.

Asia

“In 2019, we have been successfully pivoting towards Health and Protection while further developing our distribution capabilities”, said Gordon Watson, CEO of AXA in Asia. “In China, we have completed the acquisition of AXA Tianping, becoming the largest 100% foreign-owned P&C insurer in the Chinese market. Our focus remains on meeting our customers’ needs to support them at every stage of their lives.”

Protection and Health driving growth

Total revenues were up 4% to Euro 9.9 billion, driven by higher sales of Protection and Health products both in Hong Kong and Japan, partly offset by lower sales of G/A Savings.

Excluding COLI¹⁰ products in Japan, APE in Asia grew by 11%. Overall in Asia, **APE** was up 1%, mainly driven by higher Protection with Unit-Linked and Health sales in Japan, by China from higher New Year sales of G/A Savings products, and by Hong Kong from higher sales of Protection with Savings products. This was partly offset by a tax rule change impacting COLI products in Japan as well as lower G/A Savings sales in Hong Kong.

Strong and improving profitability levels

Property & Casualty all-year combined ratio improved by 0.1 point to 97.0%, as the improvement in claims experience, notably in Hong Kong and Thailand, was partly offset by higher expenses.

Health combined ratio improved by 2.0 points to 76.7%, mainly driven by an improved morbidity experience in Japan as well as a better claims experience in Hong Kong.

NBV margin increased by 0.6 point to 63.1%, mainly driven by Japan due to increased sales of higher margin Health and Protection with Unit-Linked products, partly offset by China from an unfavorable business mix reflecting higher New Year sales. **New Business Value** increased by 2% to Euro 1.0 billion.

Protection and Health driving earnings growth in the region

Underlying earnings were up 3% to Euro 1,204 million, mainly driven by (i) increased sales in Protection and higher volumes combined with improved claims experience in Health in both Hong Kong and Japan, (ii) higher profit contribution from Thailand across all businesses, partly offset by (iii) investment in business development in China.

AXA XL

“I am delighted to join the AXA Group and to lead AXA XL in these dynamic and promising markets”, said Scott Gunter, CEO of AXA XL. “With its breadth of offer both in terms of product and geographical reach, and its renowned innovative and client-oriented culture, AXA XL is uniquely positioned to grow profitably across its markets and segments.”

Selective growth supported by favorable pricing momentum

Total revenues¹¹ increased by 10% to Euro 18.7 billion.

- **P&C Insurance revenues** were up 18% to Euro 9.1 billion, mainly driven by (i) Professional lines, from strong positive price effects, as well as positive volume effects, including the large multi-year contract sold in 1Q19 (ii) Property lines, from new contracts as well as positive price effects, and (iii) North America Construction lines.
- **Specialty Insurance revenues** increased by 6% to Euro 4.9 billion, notably in Political Risks, partly from revenue synergies, as well as by Accident & Health and Fine Art & Species. This was partly offset by continued selectivity in Marine, London Wholesale and Energy.
- **Reinsurance revenues** increased by 2% to Euro 4.5 billion, mainly driven by higher volumes in Specialty lines, partly offset by selective underwriting in Property Cat (-11%).

Price increases on renewals for the year were 8.3% in Insurance and 3.0% in Reinsurance. The favorable pricing environment in our insurance business continued to improve with discrete fourth quarter renewals experiencing a 14%¹² increase.

Earnings impacted by natural catastrophes and social inflation

Underlying earnings¹¹ were Euro 507 million, mainly from a strong investment income, partly offset by (i) natural catastrophe charges in excess of the normalized level (Euro -0.3 billion), (ii) a current year loss deviation related to long-tail lines of business (Euro -0.2 billion) and (iii) elevated levels of non-cat large losses partly offset by favorable prior year reserve developments from 4Q18 catastrophe events (Euro -0.1 billion).

AXA XL all-year combined ratio was 101.5%.

Further steps have been taken to **reduce earnings volatility at AXA XL in 2020**, notably via reduced exposure to Property Catastrophe business, line-sizing in Casualty, as well as additional reinsurance covers. Those measures combined are expected to result into a Euro -0.2 billion earnings impact in 2020. Consequently, **AXA XL underlying earnings are expected to be ca. Euro 1.2 billion**¹³ in 2020.



International

“2019 was another year of growth, innovation and simplification”, said Benoît Claveranne, CEO of International and New Markets. “We captured profitable growth, transformed the access to healthcare with vertical integration initiatives in Mexico and Egypt, and simplified AXA’s profile with the announced disposals of AXA Bank Belgium and of our operations in Central and Eastern Europe.”

Continued topline momentum in preferred segments¹⁴

Total revenues increased by 6% to Euro 7.1 billion, mostly driven by (i) Mexico (+7%) mainly from strong new business in Health, (ii) Turkey (+21%) from a positive price effect in Motor as well as higher volumes in P&C Commercial Property and (iii) Colombia (+5%) mainly from volume growth in P&C Commercial lines.

Strong improvement in P&C technical profitability

Property & Casualty all-year combined ratio improved by 3.3 points to 97.2%, mainly from an improved claims experience from underwriting actions across most countries, combined with more favorable prior year reserve developments, partly offset by a higher acquisition expense ratio.

Health combined ratio improved by 0.2 point to 99.3%, primarily driven by the Gulf Region from more favorable prior year reserve developments.

NBV margin increased by 7.6 points to 43.9%, notably following a more favorable business mix towards Protection in Poland. **New Business Value** was up 15% to Euro 0.1 billion.

Excellent earnings growth led by Property & Casualty

Underlying earnings were up 17% to Euro 466 million, mainly driven by increased contribution from P&C across most countries, notably in Poland, Brazil and Mexico.



Transversal and Central Holdings

AXA IM

*“AXA IM has demonstrated resilience in 2019 despite the industry navigating a challenging low interest rate environment. In this context, having a strong and recognized alternative investments offering is key to bringing value to our clients, and we have further strengthened our expertise in this space.”, said **Gérald Harlin, Executive Chairman of AXA Investment Managers.** “As a responsible active asset manager we are committed to playing a central role in pressing for change to benefit our clients and wider society.”*

Asset Management net flows amounted to Euro +13 billion, mainly driven by inflows from Main Fund (Euro +18 billion), notably with the integration of the XL Group (Euro +8 billion), as well as inflows from third-party clients (Euro +4 billion), partly offset by outflows from Asian JVs (Euro -9 billion).

Average assets under management amounted to Euro 673 billion, up 5%, driven by positive market effects and net inflows.

Asset Management revenues were down 2% to Euro 1.2 billion, primarily from lower performance fees reflecting the non-repeat of 2018 exceptional levels.

Underlying cost income ratio decreased by 0.2 point to 72.0%, as lower expenses more than offset the impact of lower revenues.

Underlying earnings were down 3% to Euro 264 million, as a consequence of the overall decrease in revenues and higher taxes, partly offset by lower expenses.

AXA S.A.

Underlying earnings decreased by Euro 107 million to Euro -810 million, mainly driven by (i) temporary higher financial charges, notably in the context of the acquisition of XL Group and from the impacts of the mandatory exchangeable bonds following the deconsolidation of Equitable Holdings, Inc., as well as (ii) higher tax paid on dividends received from subsidiaries.



Ratings

S&P: On July 24, 2019, S&P Global Ratings reaffirmed the long-term financial strength rating of AXA's core operating subsidiaries at 'AA-' with a stable outlook.

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

Fitch: On December 10, 2019, Fitch Ratings affirmed the financial strength rating of AXA's core operating subsidiaries at 'AA-', changing the outlook to positive from stable.

Capital Management

Main transactions between January 1, 2019 and December 31, 2019:

- Completion on February 14, 2019 of the sale of AXA's operations in Ukraine;
- Completion on March 25, 2019 of a Secondary Common Stock Offering of Equitable Holdings, Inc. and related Share Buyback;
- Announcement on April 4, 2019 of the termination of the sale agreement related to AXA mBask Insurance Company in Azerbaijan;
- Completion on June 7, 2019 of a Secondary Common Stock Offering of Equitable Holdings, Inc.;
- Announcement on July 8, 2019 of the full exercise of the over-allotment option related to the secondary offering, completed on June 7, 2019, of Equitable Holdings, Inc.'s common stock;
- Announcement on September 16, 2019 of the buyback of AXA shares to eliminate the dilutive impact of Shareplan 2019;
- Announcement on October 25, 2019 of the sale of AXA Bank Belgium and entry into a long-term insurance distribution partnership with Crelan Bank;
- Completion on November 13, 2019 of the sale of the remaining stake in Equitable Holdings, Inc.;
- Completion on December 13, 2019 of the acquisition of the remaining 50% stake in AXA Tianping.



Definitions

France: includes insurance activities, banking activities and holdings in France.

Europe: includes 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: includes insurance activities in (i) Japan (including holdings), (ii) Hong Kong, (iii) Asia High Potentials of which (a) The Property & Casualty subsidiary in Thailand and the non-bancassurance Life & Savings subsidiary in Indonesia are fully consolidated; (b) the Property & Casualty subsidiary in China (AXA Tianping) has been fully consolidated as at December 31, 2019, and therefore contributes only to the underlying earnings, adjusted earnings and net income; (c) the Joint-Ventures' in China, the Philippines, Thailand, and Indonesia are consolidated under the equity method and contribute only to the non-GAAP financial measures and net income, and (iv) Asia - Direct (Direct Japan and South Korea), and (v) Asia Holdings.

AXA XL: includes insurance activities and holdings of XL Group as acquired on September 12, 2018 ("XL Group"), AXA Corporate Solutions Assurance (insurance activities) and AXA Art (insurance activities).

United States: includes Life & Savings insurance activities and holdings in the United States, as well as AB. Following the deconsolidation of Equitable Holdings, Inc. and its subsequent accounting as financial investment available for sale, the United States was consolidated under the equity method and contributed only to the underlying earnings, adjusted earnings and net income for the period January 1, 2019 to November 13, 2019.

International: includes (i) AXA Mediterranean Holdings, Mexico (insurance activities), Singapore (insurance activities and holdings), Colombia (insurance activities), Turkey (insurance activities and holdings), Poland (insurance activities), the Gulf Region (insurance activities and holdings), Morocco (insurance activities and holdings), AXA Bank Belgium (banking activities), Malaysia P&C (insurance activities), Luxembourg (insurance activities and holdings), Brazil (insurance activities and holdings), the Czech Republic and Slovakia in Life & Savings (insurance activities) and Greece (insurance activities) which are fully consolidated; (ii) Russia (Reso) (insurance activities), India (insurance activities and holdings), Nigeria (insurance activities and holdings) and Lebanon (insurance activities and holdings) which are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income.

Transversal & Central Holdings: includes AXA Investment Managers, AXA Assistance, AXA Liabilities Managers, AXA Global Re, AXA Life Europe, AXA S.A. and other Central Holdings.

NOTES

- 1** Change in gross revenues is on a comparable basis (constant forex, scope and methodology).
- 2** Underlying Earnings, Underlying Earnings per share, Underlying combined ratio, Adjusted Earnings, Adjusted Return on Equity and Debt Gearing are non-GAAP financial measures, or alternative performance measures (“APMs”). A reconciliation from APMs Adjusted Earnings, Underlying Earnings and Underlying combined ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 22 and 23 of AXA’s 2019 Activity Report. APMs Adjusted Return on Equity and Underlying Earnings per share are reconciled to the financial statements in the table set forth on page 31 of AXA’s 2019 Activity Report. The calculation methodology of the Debt Gearing is set out on page 25 of AXA’s 2019 Activity Report. The above-mentioned and other non-GAAP financial measures used in this press release are defined in the Glossary set forth on pages 66 to 73 of AXA’s 2019 Activity Report.
- 3** The Solvency II ratio is estimated primarily using AXA’s internal model calibrated based on an adverse 1/200 years. For further information on AXA’s internal model and Solvency II disclosures, please refer to AXA Group’s SFCR as of December 31, 2018, 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 the prior approval of the ACPR, the Group intends to extend its internal model to XL entities as soon as December 31, 2020.
- 4** APE, NBV margin and NBV include Life & Savings business, as well as Health “life-like” business, and are on Group Share basis. Annual Premium Equivalent (APE), New Business Value (NBV) and NBV margin are defined in the Glossary set forth on pages 66 to 73 of AXA’s 2019 Activity Report.
- 5** The combined ratio change is at constant forex and excludes the contribution of AXA XL and Equitable Holdings, Inc.
- 6** AXA sold its remaining stake in Equitable Holdings, Inc (“EQH”), excluding 44,162,500 shares of common stock of EQH, primarily related to the EQH shares to be delivered on redemption of the AXA S.A. bonds mandatorily exchangeable into EQH shares, maturing in May 2021.
- 7** Underlying earnings changes at constant forex, by line of businesses, have been restated to exclude AXA XL and Equitable Holdings, Inc.
- 8** General Account Savings products which, at inception, create more Solvency II Eligible Own Funds (EOF) than the economic capital they consume.
- 9** General account.
- 10** Corporate-Owned Life insurance.
- 11** XL Group is reported as part of a new segment named AXA XL, comprising XL Group, AXA Corporate Solutions Assurance and AXA Art. In the comments, changes in revenues are on a comparable basis, including the annual contribution from XL Group for FY18. Comments on underlying earnings are focused on FY19 and not on the change versus FY18, as contribution in 2018 from XL Group under IFRS was included only for 4Q.
- 12** Price effect, on the renewal premiums in 4Q19 in AXA XL insurance segment.
- 13** Based on normalized natural catastrophes charges.
- 14** Preferred segments are Health, P&C Commercial lines and Protection, as shown during the 2017 Investor Day presentation on November 14, 2017.

All comments and changes are on a comparable basis for activity indicators (constant forex, scope and methodology). Most significant changes in scope are as mentioned below:

- (i) Gross revenues for AXA XL in FY19 include contributions from XL Group, AXA Corporate Solutions Assurance and AXA Art. Gross revenues for AXA XL in FY18 included annual contribution of AXA Corporate Solutions Assurance and AXA Art revenues and 4Q18 revenues for XL Group. The change in gross revenues on comparable basis includes the annual contribution from XL Group for FY18.
- (ii) The change in APE and NBV on comparable basis for United States includes restating of FY18 APE and NBV, for the decrease in average ownership in Equitable Holdings, Inc. The change in gross revenues on comparable basis excludes the US contribution of the last three quarters of 2018 following the deconsolidation of Equitable Holdings, Inc. in 1Q19.
- (iii) Post the transformation of the business model of Switzerland’s main occupational benefits foundations from full-value insurance to semi-autonomous on 1st January 2019, the change in gross revenues on comparable basis excludes the savings portions of the premiums in FY18 related to the transformed full-value insurance foundations.

All comments are at constant forex, for earnings, unless otherwise specified.

AXA’s FY19 financial statements were examined by the Board of Directors on February 19, 2020 and are subject to completion of an audit procedure by AXA’s statutory auditors.

**ABOUT THE AXA GROUP**

The AXA Group is a worldwide leader in insurance and asset management, with 160,000 employees serving 108 million clients in 57 countries. In 2019, IFRS revenues amounted to Euro 103.5 billion and underlying earnings to Euro 6.5 billion. AXA had Euro 974 billion in assets under management as of December 31, 2019.

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 (axa.com).

THIS PRESS RELEASE IS AVAILABLE ON THE AXA GROUP WEBSITE axa.com

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Corporate Responsibility strategy:axa.com/en/about-us/strategy-commitments**SRI ratings:**axa.com/en/investor/sri-ratings-ethical-indexes**IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS CONCERNING 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 2018 Registration Document, 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, except as required by applicable laws and regulations.

In addition, this press release 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 Underlying Combined Ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 22 and 23 of AXA's 2019 Activity Report which is available on AXA's website (www.axa.com). APMs Adjusted Return on Equity and Underlying Earnings per share are reconciled to the financial statements in the table set forth on page 31 of AXA's 2019 Activity Report. The calculation methodology of the Debt Gearing is set out on page 25 of AXA's 2019 Activity Report. The above-mentioned and other non-GAAP financial measures used in this press release are defined in the Glossary set forth on pages 66 to 73 of AXA's 2019 Activity Report.

The results of our US segment are presented herein on the basis of IFRS and are not, and should not be relied upon as representing, the US GAAP results of Equitable Holdings, Inc. ("EQH") (including AllianceBernstein), which, as a US public company, reports in US GAAP in accordance with the rules of the US Securities and Exchange Commission ("SEC"). For further information on EQH's financial results and other public reports please consult the SEC website (www.sec.gov).



Earnings: Key figures				
in Euro million	FY18	FY19	Change on a reported basis	Change at constant Forex
France	1,573	1,715	+9%	+9%
Europe	2,496	2,544	+2%	+1%
Asia	1,102	1,204	+9%	+3%
AXA XL	-233	507	-	-
United States	1,125	444	-	-
International	400	466	+16%	+17%
Transversal	419	367	-12%	-13%
Central Holdings	-701	-796	-14%	-14%
Underlying earnings	6,182	6,451	+4%	+2%
<i>o/w Property & Casualtyⁱ</i>	2,207	3,341	+51%	+12%
<i>o/w Life & Savingsⁱ</i>	3,479	2,870	-17%	-1%
<i>o/w Healthⁱ</i>	630	699	+11%	+5%
<i>o/w Asset Managementⁱ</i>	541	390	-28%	-3%
<i>o/w Banking & Holdingsⁱ</i>	-675	-849	-26%	-33%
Realized capital gains/losses	841	752	-11%	-12%
Impairments	-440	-227	+48%	+49%
Equity portfolio hedging	-94	-131	-40%	-38%
Adjusted earnings	6,489	6,844	+5%	+3%
Change in fair value & Forex	-463	-791	-	-
<i>o/w gains/losses on economic hedgesⁱⁱ</i>	-137	-960	-	-
<i>o/w change in fair value of assets accounted for as fair value option</i>	-326	169	-	-
Goodwill and related intangibles	-3,102	-114	-	-
Integration and restructuring costs	-332	-449	-	-
Exceptional and discontinued operations	-451	-1,634	-	-
Net income	2,140	3,857	+80%	+75%

Earnings per share - fully diluted			
in Euro	FY18	FY19	Change on a reported basis
Underlying EPS ⁱⁱⁱ	2.48	2.59	+5%
Adjusted EPS ⁱⁱⁱ	2.61	2.76	+6%
Net income per share ⁱⁱⁱ	0.79	1.51	+92%

i Underlying earnings changes at constant forex, by line of businesses, have been restated to exclude AXA XL and Equitable Holdings, Inc.

ii Interest rate, equity and foreign exchange economic hedges not eligible for hedge accounting under IAS 39.

iii Net of interest charges on undated subordinated notes (TSDI), undated deeply subordinated notes (TSS), preferred shares, and bonds mandatorily exchangeable into shares of Equitable Holdings, Inc.



APPENDIX 2: REVENUES BY GEOGRAPHY AND BY BUSINESS LINE

Press release

Gross revenues in Euro million	Total ⁱ			o/w Life & Savings		o/w Property & Casualty		o/w Health		o/w Asset Management	
	FY19	Change on a reported basis	Change on a comparable basis	FY19	Change on a comparable basis	FY19	Change on a comparable basis	FY19	Change on a comparable basis	FY19	Change on a comparable basis
France	26,182	+4%	+4%	14,325	+5%	7,059	0%	4,619	+6%	-	-
Europe	34,415	-6%	+4%	12,268	+6%	16,645	+3%	5,477	+4%	-	-
<i>Switzerland</i>	5,992	-37%	+1%	2,824	0%	3,152	+1%	16	-	-	-
<i>Germany</i>	10,862	+3%	+2%	3,187	+1%	4,392	+2%	3,259	+4%	-	-
<i>Belgium</i>	3,405	+1%	+1%	1,201	+1%	2,100	+2%	103	0%	-	-
<i>UK & Ireland</i>	5,367	+4%	+3%	40	-30%	3,536	+4%	1,790	+2%	-	-
<i>Spain</i>	2,686	+6%	+6%	750	+10%	1,719	+5%	217	+8%	-	-
<i>Italy</i>	6,104	+13%	+13%	4,266	+17%	1,746	+3%	92	+20%	-	-
Asia	9,860	+10%	+4%	6,350	+3%	1,353	+5%	2,156	+4%	-	-
<i>Japan</i>	4,850	+6%	-1%	3,378	-1%	-	-	1,472	+1%	-	-
<i>Hong Kong</i>	3,829	+16%	+10%	2,917	+10%	271	+7%	640	+11%	-	-
<i>Asia High Potentials</i>	163	+7%	-1%	55	-8%	67	+5%	41	0%	-	-
<i>Asia-Direct</i>	1,018	+7%	+4%	-	-	1,015	+4%	3	-16%	-	-
AXA XL	18,741	-	+10%	188	-3%	18,553	+10%	-	-	-	-
United States	4,297	-74%	+5%	3,629	+7%	-	-	14	+1%	654	-6%
International	7,078	+8%	+6%	1,328	+3%	3,888	+5%	1,550	+14%	-	-
Transversal	2,959	+2%	+2%	230	-2%	1,319	+4%	184	+25%	1,225	-2%
Total	103,532	+1%	+5%	38,318	+5%	48,817	+5%	14,000	+6%	1,879	-4%

ⁱ Including Banking (Euro 517 million).



APPENDIX 3: UNDERLYING EARNINGS BY GEOGRAPHY AND BY BUSINESS LINE

Press release

Underlying earnings in Euro million	Total ⁱ		o/w Life & Savings		o/w Property & Casualty		o/w Health		o/w Asset Management	
	FY19	Change at constant Forex	FY19	Change at constant Forex	FY19	Change at constant Forex	FY19	Change at constant Forex	FY19	Change at constant Forex
France	1,715	+9%	861	+1%	772	+24%	83	-17%	-	-
Europe	2,544	+1%	744	-5%	1,535	+10%	217	-6%	-	-
Switzerland	798	+1%	263	-24%	548	+20%	-13	-1%	-	-
Germany	573	-1%	118	+16%	337	+14%	85	+13%	-	-
Belgium	381	-5%	219	+2%	163	-13%	1	-	-	-
UK & Ireland	383	0%	0	-	235	+10%	131	-13%	-	-
Spain	202	+9%	56	+5%	135	+17%	11	-36%	-	-
Italy	207	+10%	87	+25%	118	-1%	2	-	-	-
Asia	1,204	+3%	766	-3%	56	+23%	394	+16%	-	-
Japan	540	+1%	206	-10%	-	-	344	+13%	-	-
Hong Kong	434	+5%	370	+1%	26	+22%	38	+51%	-	-
Asia High Potentials	197	+5%	190	-3%	-4	+76%	11	+30%	-	-
Asia-Direct	35	-16%	-	-	34	-16%	1	+17%	-	-
AXA XL	507	-	13	-	585	-	-	-	-	-
United States	444	-63%	362	-66%	-	-	-5	+74%	126	-56%
International	466	+17%	62	-13%	349	+30%	14	+1%	-	-
Transversal	367	0%	62	+129%	45	-66%	-4	+66%	264	-3%
Central Holdings	-796	-14%	-	-	-	-	-	-	-	-
Total	6,451	+2%	2,870	-20%	3,341	+49%	699	+7%	390	-29%

ⁱ Including Banking activities (Euro 73 million) and Holdings (Euro -922 million).

or -1% excl.
Equitable Holdings,
Inc. and AXA XL

or +12% excl.
AXA XL

or +5% excl. Equitable
Holdings, Inc.

or -3% excl. Equitable
Holdings, Inc.



APPENDIX 4: NEW BUSINESS VOLUME (APE), VALUE (NBV) AND NBV MARGIN

Press release

in Euro million	APE FY19 by product										Total APE			NBV			NBV margin		
	Protection	Change ⁱ	G/A Savings	Change ⁱ	Unit-Linked	Change ⁱ	Health ⁱⁱ	Change ⁱ	MF & other	Change ⁱ	FY18	FY19	Change ⁱ	FY18	FY19	Change ⁱ	FY18	FY19	Change ⁱ
France	458	+9%	652	+16%	366	-1%	597	-33%	5	-	2,232	2,077	-7%	659	655	-1%	30%	32%	+2 pts
Europe	504	+2%	375	+19%	244	+15%	106	+5%	38	+12%	1,146	1,267	+10%	569	594	+4%	50%	47%	-3 pts
Switzerland	304	-7%	0	-	10	-11%	-	-	6	-	340	320	-6%	180	149	-20%	53%	47%	-8 pts
Germany	85	+5%	137	+15%	30	-5%	106	+5%	18	+2%	340	375	+7%	180	208	+16%	53%	55%	+4 pts
Belgium	44	+93%	41	+11%	16	-	-	-	-	-	64	101	+58%	42	53	+25%	67%	52%	-14 pts
Spain	28	+5%	18	+15%	44	+27%	-	-	13	+24%	88	103	+18%	70	62	-11%	80%	60%	-19 pts
Italy	44	+6%	179	+26%	144	+11%	-	-	-	-	315	368	+17%	97	122	+26%	31%	33%	+3 pts
Asia	1,065	0%	285	+1%	16	-23%	250	+7%	-	-	1,520	1,614	+1%	945	1,019	+2%	62%	63%	+1 pt
Japan	375	-13%	22	-41%	-	-	134	+15%	-	-	546	531	-9%	534	639	+12%	98%	120%	+23 pts
Hong Kong	394	+19%	38	-56%	13	+45%	41	-25%	-	-	456	486	+1%	215	216	-5%	47%	44%	-3 pts
Asia High Potentials	295	-4%	225	+39%	3	-77%	75	+18%	-	-	517	598	+11%	196	165	-19%	38%	28%	-10 pts
United States	90	+3%	46	+19%	410	+7%	3	-	267	0%	1,471	817	+5%	338	162	-9%	23%	20%	-3 pts
International	148	+2%	11	+13%	58	-21%	14	-15%	24	+4%	262	254	-5%	95	111	+15%	36%	44%	+8 pts
Total	2,265	+2%	1,368	+13%	1,094	+4%	970	-22%	333	+2%	6,631	6,029	0%	2,607	2,542	+1%	39%	42%	+1 pt

i Changes are at comparable basis (constant forex, scope and methodology), notably restating for the decrease in ownership of Equitable Holdings, Inc.

ii Only includes "life-like" Health business.

Annual Premium Equivalent, APE (new business volume) remained stable; as growth in (i) Europe across all countries, except for Switzerland in the context of the Group Life transformation and (ii) China from higher New Year sales of G/A Savings products was offset by France, notably from the non-repeat of exceptional sales in Group International Health business.

NBV margin was up 0.7 point to 42.2%, driven by an improved business mix in Japan in Health and Protection, partly offset by a less favorable business mix in China. **New Business Value** was up 1% to Euro 2.5 billion.



APPENDIX 5: **PROPERTY & CASUALTY – REVENUE CONTRIBUTION & GROWTH BY BUSINESS LINE**

Press release

in Euro million	Personal Motor		Personal Non-Motor		Commercial Motor		Commercial Non-Motor		Total P&C	
	Gross revenues	Change on a comparable basis	Gross revenues	Change on a comparable basis	Gross revenues	Change on a comparable basis	Gross revenues	Change on a comparable basis	Gross revenues	Change on a comparable basis
France	1,995	0%	1,978	-1%	646	+9%	2,441	-1%	7,059	0%
Europe	6,049	+2%	3,924	+3%	1,510	+3%	5,158	+4%	16,645	+3%
<i>Switzerland</i>	1,082	-2%	596	+4%	111	0%	1,363	+3%	3,152	+1%
<i>Germany</i>	1,227	-2%	1,513	+3%	171	+2%	1,478	+4%	4,392	+2%
<i>Belgium</i>	623	0%	494	+2%	257	+2%	726	+3%	2,100	+2%
<i>UK & Ireland</i>	1,302	+7%	604	+2%	710	+2%	920	+3%	3,536	+4%
<i>Spain</i>	930	+3%	361	+2%	56	+13%	371	+11%	1,719	+5%
<i>Italy</i>	885	+3%	355	+2%	206	+3%	300	+6%	1,746	+3%
Asia	971	+3%	221	+14%	15	+6%	146	+6%	1,353	+5%
<i>Hong Kong</i>	40	+4%	97	+7%	9	+8%	126	+9%	271	+7%
<i>Asia High Potentials</i>	33	+22%	7	-8%	6	+4%	20	-11%	67	+5%
<i>Asia-Direct</i>	898	+2%	117	+21%	-	-	-	-	1,015	+4%
AXA XL	-	-	-	-	245	+13%	18,308	+10%	18,553	+10%
International	1,199	+4%	359	+8%	779	-1%	1,550	+7%	3,888	+5%
Transversal	0	-	0	-	513	+2%	721	+7%	1,319	+4%
Total	10,215	+2%	6,481	+2%	3,708	+4%	28,324	+8%	48,817	+5%

Personal lines net new contracts amounted to +675k, mainly driven by Asia (+334k) mostly from a new partnership in Thailand and Europe (+295k) mostly following a strong new business in Motor, notably in UK & Ireland, Italy and Spain, partly offset by France (-8k).



Assets under Management rollforward			
in Euro billion	AXA IM	AXA IM - Fully consolidated scope	AXA IM - Asian Joint Ventures
AUM as of December 31, 2018	730	632	98
Net flows	13	22	-9
Market appreciation	51	50	1
Scope & other	0	0	0
Forex impact	7	7	0
AUM as of December 31, 2019	801	710	90
Average AUM over the periodⁱ	-	673	-
Change of average AUM on a reported basis vs. FY18	-	+5%	-
Change of average AUM on a comparable basis vs. FY18	-	+5%	-

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



For 1 Euro	End of Period Exchange rate		Average Exchange rate	
	FY18	FY19	FY18	FY19
USD	1.14	1.12	1.18	1.12
CHF	1.13	1.09	1.16	1.11
GBP	0.90	0.85	0.88	0.88
JPY	125	122	130	122
HKD	8.95	8.75	9.26	8.77



Changes in scope:

- 02/14/2019 – [AXA has completed the sale of its Ukrainian operations](#)
- 03/25/2019 – [AXA S.A. announces the successful completion of a Secondary Common Stock Offering of AXA Equitable Holdings, Inc. and related Share Buyback](#)
- 06/07/2019 – [AXA S.A. announces the successful completion of a Secondary Offering of AXA Equitable Holdings, Inc.'s Common Stock](#)
- 11/13/2019 – [AXA S.A. announces the successful completion of the sale of its remaining stake in AXA Equitable Holdings, Inc.](#)

Main press releases issued in 4Q19

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

- 10/14/2019 – [AXA announces changes in AXA IM's leadership to prepare a new phase of its development](#)
- 10/15/2019 – [AXA announces the Subscription Prices for its 2019 employee share offering \(Shareplan 2019\)](#)
- 10/25/2019 – [AXA to sell AXA Bank Belgium, and enter into a long-term insurance distribution partnership with Crelan Bank](#)
- 11/27/2019 – [AXA launches a new phase in its climate strategy to accelerate its contribution to a low-carbon and more resilient economy](#)
- 12/02/2019 – [Results of the AXA Group employee share offering in 2019](#)
- 12/13/2019 – [AXA has completed the acquisition of the remaining 50% stake in AXA Tianping](#)

Post FY19 closing event

- 02/07/2020 – [AXA to sell its operations in Central and Eastern Europe for Euro 1.0 billion](#)

2019 Operations on AXA shareholders' equity and debt: No significant operations

Next main investor events

- 04/30/2020 – Shareholders' Annual General Meeting in Paris, Palais des Congrès
- 05/05/2020 – First quarter 2019 Activity Indicators
- 07/31/2020 – Half Year 2020 Earnings release