

We are announcing today the acquisition of XL Group, which will make AXA the number one global Property & Casualty commercial line insurer.

With this transaction, AXA will become the market-leading commercial lines insurance partner for thousands and thousands of companies across the world, from SMEs to the largest multinationals

This transaction is a fantastic leap forward in AXA's Ambition 2020 strategic journey, favoring product lines with strong growth and sustainable margins, high-frequency customer contacts, superior quality service and technical expertise, such as Commercial P&C.

XL Group is a leader in P&C commercial and specialty lines, active in 30 countries. It generated 13 billion euros of revenues in 2017.

XL Group is a high-quality underwriting platform, renowned for the world class expertise of its 7400 employees and its innovative client solutions.

The AXA Group, over the last 30 years, has built a unique track record of successful integration of acquired companies, and of shaping the future with the best of both worlds.

I am truly looking forward to working with the XL Group teams which we believe fit very well with our culture and overall approach to our business.

Upon completion of the transaction, we expect to combine XL Group operations with AXA Corporate Solutions and AXA Art, creating an additional core pillar for the Group, led by Greg Hendrick, currently COO of XL Group. Greg will report to me and join the Management Committee of AXA. Mike McGavick, CEO of XL Group, will become Vice-Chairman of the combined operations and a special advisor to me, to support the integration and other strategic matters.

I know the culture of our two companies are a great fit. Our future global leadership in the P&C commercial line market will create long term opportunities for our respective teams.

Let me share a few words on the transaction: total consideration for the acquisition would amount to 15 billion dollars, or 12 billion euros, to be paid fully in cash.

Financing will be based on a combination of cash in hand, hybrid debt and the proceeds from the intended US IPO and subsequent secondary offerings.

This means we intend to progressively sell down the AXA Group's stake in AXA Equitable Holdings over the next couple of years subject, of course, to market conditions.

The acquisition of XL Group should deliver significant long-term value creation. Strong complementarities, notably on capital, investments and reinsurance, are expected to fuel future earnings and dividend growth, whilst maintaining a very robust and diversified balance sheet for AXA.

We therefore reaffirm the financial targets of our plan Ambition 2020.

Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory and XL Group shareholder approvals, and is expected to take place before the end of third quarter of 2018.

This truly is an exciting journey and an important milestone in AXA's history

The future AXA should generate three quarter of its revenues from its Property & Casualty, Health and Protection operations, with 30 billion euro revenues coming from commercial property and casualty business. It is a fundamental reshaping of our business!

With XL Group and its talents, AXA is more than ever positioned to become the partner of its millions of clients worldwide and build the future of the insurance industry.