



# Press release

Paris, February 22, 2018

## Full Year 2017 Earnings

Excellent performance in line with Ambition 2020

- **Underlying earnings per share** up 7% to Euro 2.40
- **Dividend** of Euro 1.26 per share, up 9% from FY16, to be proposed by the Board of Directors
- **Solvency II ratio** of 205%, up 8 points from December 31, 2016

*“AXA delivered another year of strong operating performance, with a 7% increase in underlying earnings per share and our highest ever reported net income”, said Thomas Buberl, Chief Executive Officer of AXA.*

*“AXA’s underlying earnings and net income both crossed the Euro 6 billion mark for the first time in the company’s history, with all major geographies contributing to this achievement. Our new business value was up 8%. Health was our fastest growing business in 2017, with revenues and earnings growing at 6% and 11% respectively.”*

*“In the context of the continued successful delivery of our Ambition 2020 plan and our balance sheet strength, the Board of Directors is proposing a dividend of Euro 1.26 per share, an increase of 9% from last year, which corresponds to a payout ratio of 49%.”*

*“In line with our vision to empower people to live a better life, we enhanced our Payer to Partner capabilities with the acquisition of Maestro Health. We continue to lead our industry in the fight against climate change, notably by quadrupling our 2020 green investments commitment.”*

*“I would like to thank our customers for their trust, and our teams and distributors for their commitment to our vision, as we strive together towards sustained long-term growth and continued value for all of our stakeholders.”*

### Key figures (in Euro million, unless otherwise noted)

	FY16	FY17 <sup>1</sup>	Change	
			Reported	At constant Forex
Gross Revenues <sup>2</sup>	100,193	<b>98,549</b>	-2%	0%
Underlying earnings <sup>3</sup>	5,688	<b>6,002</b>	+6%	+7%
Adjusted earnings <sup>3</sup>	6,103	<b>6,457</b>	+6%	+8%
Net income	5,829	<b>6,209</b>	+7%	+8%
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Group Operating Free Cash Flows <sup>4</sup> (in Euro billion)	6.2	<b>6.3</b>		
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Adjusted ROE <sup>3</sup> (%)	13.5%	<b>14.5%</b>	+1 pt	
Solvency II ratio <sup>5</sup> (%)	197%	<b>205%</b>	+8 pts	
Underlying earnings per share	2.24	<b>2.40</b>	+7%	

All notes are on page 11 of this document

## FY17 key highlights

### Sales

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**Total revenues** were stable, as growth in (i) the United States (+2%) from an improved mix and favorable market conditions at AB and higher advisory sales in Life & Savings, (ii) International (+2%) with growth in most markets more than offsetting changing market conditions in Turkey and (iii) at AXA IM (+9%), was offset by lower revenues in (i) Europe (-1%) from lower G/A<sup>6</sup> Savings sales in Italy and the non-repeat of the sale of a large Protection contract in Switzerland and (ii) Asia (-3%) mostly due to a change in regulation in Japan.

**Total new business volume** (Annual Premium Equivalent, **APE**<sup>4,7</sup>) held steady at Euro 6.5 billion. The strong growth in the US, International and France was offset by lower sales in Asia, partly due to regulatory changes, the non-repeat of the sale of a large contract in Switzerland and lower sales of traditional G/A in Germany.

**NBV margin**<sup>4,7</sup> was up 3.5 points to a strong 43.1%, with improvements in all geographies, mainly driven by a more favorable business mix in Asia and Europe as well as improved economic conditions across the board.

**New Business Value**<sup>4,7</sup> was up 8% to Euro 2.8 billion.

### Preferred segments<sup>8</sup>

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**Health**<sup>9</sup> revenues were 6% higher, with growth in all our major geographies, mainly driven by higher sales of Group Health in France and full benefit coverage in Germany.

**P&C Commercial lines** revenues increased by 2%, mainly driven by Non-motor (+3%) across all our geographies.

**Protection**<sup>10</sup> revenues decreased by 1%, mainly driven by higher selectivity in Spain and the non-repeat of a large contract in Switzerland, partly offset by higher sales in Asia.

### Profitability

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**Property & Casualty current year combined ratio** improved by 0.1 point to 97.6%, mainly due to an improved claims experience, partly offset by higher Natural Catastrophe charges. **All-year combined ratio** was stable at 96.3%, with prior year reserve developments at -1.2 points.

**Protection combined ratio** improved by 0.2 point to 96.9%, mainly due to strong improvements in Europe mostly from lower expense ratio in both Switzerland and Germany as well as an improved claims experience and higher fees in France, partly offset by an unfavorable mortality experience in the US.

**Health combined ratio** improved by 0.3 point to 94.7%, from selectivity in International and growth in Asia and Europe.

## Earnings

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**Underlying earnings** increased by 7% to Euro 6.0 billion with growth in all geographies.

**Adjusted earnings** were higher by 8% at Euro 6.5 billion, benefiting from the increase in underlying earnings and higher net realized capital gains.

**Net income** rose by 8% to Euro 6.2 billion, mainly driven by a strong increase in adjusted earnings and significantly lower restructuring costs, partly offset by a less favorable impact from exceptional and discontinued operations.

## Balance sheet

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**Shareholders' equity** was at Euro 69.6 billion, down Euro 1.0 billion versus December 31, 2016, mainly driven by (i) unfavorable forex movements, (ii) the dividend paid in 2017 and (iii) the share buyback program, partly offset by (iv) net income contribution.

**Solvency II ratio** was at 205%, up 8 points versus December 31, 2016, mainly driven by a strong operating return, partly offset by the dividend to be proposed by the Board of Directors, a net reduction in subordinated debt and the share buyback program.

**Debt gearing**<sup>4</sup> was at 25%, down 1 point versus December 31, 2016.

**Adjusted ROE** was up 1.0 point versus FY16 to 14.5%, mainly driven by the strong increase in adjusted earnings.

**Group Operating Free Cash Flows** were Euro 6.3 billion, up Euro 0.1 billion versus FY16.

A **dividend** of Euro 1.26 per share (up 9% versus FY16) will be proposed at the Shareholders' Annual General Meeting on April 25, 2018. The dividend is expected to be paid on May 7, 2018 with an ex-dividend date of May 3, 2018. This would represent a payout ratio of 49% of Adjusted Earnings, net of the interest charges on undated debt.

## Ratings

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**S&P:** On October 24, 2017, S&P Global Ratings reaffirmed its long-term financial strength rating of AXA's core operating subsidiaries to 'AA-' with a stable outlook.

**Fitch:** On May 31, 2017, Fitch reaffirmed AXA's core entities' insurer financial strength ratings at 'AA-', maintaining a stable outlook.

**Moody's:** On September 9, 2016, Moody's Investors Service reaffirmed the 'Aa3' insurance financial strength ratings of AXA's principle insurance subsidiaries, maintaining a stable outlook.



## France

- Market leader focused on profitability
- Accelerating in preferred segments supported by distribution strength

*“France recorded strong FY17 results, demonstrating the competitiveness of our innovative product offer and the strength of our distribution networks”,* said **Jacques de Peretti, Chairman and CEO of AXA France.**

### Strong sales in Unit-Linked and Health

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Revenues **+4%**  
*excl. 4Q16 large  
contract*

**Total revenues** held steady at Euro 24.5 billion, as strong sales in Health (+14%) and Unit-Linked (+13%) were offset by the non-repeat of the sale of a large contract in 4Q16. Excluding this large contract, revenues were up 4%.

Unit-Linked  
APE **+16%**

**APE** increased by 2%, supported by the strong commercial focus on Unit-Linked (+16%) and higher sales in Health (+9%), more than offsetting the non-repeat of the above mentioned large contract.

### Improved P&C profitability and higher NBV margin

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P&C CoR  
**94.6%**

**Property & Casualty all-year combined ratio** improved by 0.4 point to 94.6%, benefiting from a more favorable claims experience in Commercial lines, partly offset by higher expenses.

**Health combined ratio** was stable at 98.7%.

NBV margin  
**+3.5pts**

**NBV margin** increased by 3.5 points to 34.5%, mainly driven by more favorable economic conditions, a decrease in the future corporate tax rate and enhanced product features.

**New Business Value** increased by 13% to Euro 0.6 billion.

### Increased underlying earnings

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Underlying  
Earnings  
**+3%**

**Underlying earnings** rose by 3% to Euro 1,429 million, driven by an increase in Unit-Linked management fees from higher sales of profitable products and market appreciation, as well as an improved claims experience in both Protection and P&C, partly offset by higher acquisition expenses and lower investment margin.



## Europe

- European leader in P&C, Health and Group Protection
- Strong profitability and growth in preferred segments

*“In Europe, we continue to deliver strong growth in preferred segments, further building on our excellent technical profitability. We are proud to be a key contributor to the Group’s earnings and cash generation”,* said **Antimo Perretta, CEO of AXA in Europe.**

## Growth in preferred segments

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**P&C Commercial lines +3%** **Total revenues** declined by 1% to Euro 36.0 billion, as the strong growth in Unit-Linked (+30%), Health (+4%) and P&C Commercial lines (+3%) was more than offset by the lower G/A Savings sales in Italy (AXA MPS), and the non-repeat of the sale of a large Protection contract in Switzerland.

**Unit-Linked APE +18%** **APE** decreased by 8%, resulting from the non-repeat of the contract in Switzerland, lower sales of traditional G/A products in Germany, and the repositioning from G/A to Unit-Linked in Italy and Spain (respectively +36% and +49% in Unit-Linked sales), leading to 18% growth in Unit-Linked in Europe.

## Strong and improving levels of profitability

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**P&C CoR 94.6%** **Property & Casualty all-year combined ratio** improved by 0.5 point to 94.6%, mostly driven by higher technical margins in Germany, Belgium and Spain, combined with lower expenses from cost containment initiatives.

**Health CoR 96.1%** **Health combined ratio** improved by 0.2 point to 96.1%, primarily driven by decreasing expenses in Germany and improved claims management in UK & Ireland.

**NBV margin 56.6%** **NBV margin** increased by 8.5 points to 56.6%, reflecting more favorable economic conditions mainly in Switzerland due to higher interest rates and a continued improvement in the already excellent business mix. **New Business Value** increased by 9% to Euro 0.6 billion.

## Earnings growth from technical strength

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**Underlying Earnings +2%** **Underlying earnings** were up 2% to Euro 2,326 million, as higher technical margins notably in Belgium and Germany, and a lower VBI amortization mainly following the non-repeat of 2016 assumption updates in Switzerland were partly offset by a lower investment margin.

## Asia

- Leading multiline insurer in the region
- Strong and improving profitability from quality business mix

*“AXA in Asia delivered another year of earnings growth, illustrating our strong profitability in highly challenging and competitive markets”,* said **Gordon Watson, CEO of AXA in Asia.**

## Growth and focus on profitable products

Asia High  
Potentials  
**+11%**

**Economic revenues<sup>11</sup>** increased by 1%, as the strong growth in Asia High Potentials (+11%), notably in China (+11%), Thailand (+12%) and Philippines (+22%), as well as higher revenues in Hong Kong were partly offset by decreasing revenues in Japan following a regulatory change.

Positive  
business mix  
shift in **China**

**APE** decreased by 6%, mainly driven by lower G/A Savings sales in China and in Japan (following a regulatory change), and lower Protection sales in Hong Kong, partly offset by China from higher Protection sales with a strong commercial focus on critical illness Protection products, and by the Philippines.

## High profitability in preferred segments

P&C CoR  
**97.6%**

**Property & Casualty all-year combined ratio** improved by 0.2 point to 97.6%, mainly driven by Direct business with more favorable motor frequency in South Korea and positive price effect in Japan.

Health CoR  
**78.3%**

**Health combined ratio** improved by 0.9 point to 78.3%, mostly attributable to an improved morbidity margin in Japan.

NBV margin  
**70.6%**

**NBV margin** increased by 5.6 points to 70.6%, resulting from a more favorable business mix towards Protection in both China and Japan, and higher interest rates mainly in China, partly offset by Hong Kong. **New Business Value** increased by 2% to Euro 1.1 billion.

## Underlying earnings growth across the region

Underlying  
Earnings  
**+7%**

**Underlying earnings** were up 7% to Euro 1,089 million, mainly driven by lower expenses in Japan (including lower pension costs), improved morbidity in Japan, better frequency in Direct business mostly in South Korea and higher Health earnings mostly in both Indonesia and Thailand.



## United States

- Diversified franchise providing retirement, investment management and protection solutions
- Growth with an improved product mix

*“AXA recorded excellent FY17 results in the United States, with top and bottom line growth in both the Life & Savings and Asset Management businesses”, said Mark Pearson, CEO of AXA US.*

### US Life & Savings: increasing sales and new business margin

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APE

+6%

**APE** increased by 6%, mainly driven by higher advisory sales in Mutual Funds & Other reflecting improved market conditions, and strong sales of non-GMxB Variable Annuity offset by a decline in GMxB Variable Annuity in Unit-Linked, in line with our strategy.

NBV margin

+1.6pts

**NBV margin** was up 1.6 points to 23.4%, mainly driven by the decrease in the corporate tax rate from 35% to 21% enacted in December 2017. **New Business Value** increased by 14% to Euro 0.4 billion.

### AB: positive net flows and improved cost income ratio

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Retail net  
inflows

Euro +10 billion

**Asset Management net inflows** amounted to Euro 12 billion, mostly from the retail channel.

**Asset Management revenues** increased by 9% to Euro 2.7 billion, mainly driven by higher management fee bps resulting from an improved business mix and higher average assets under management mostly from positive market effects.

Cost Income  
ratio

-1.6pts

**Asset Management underlying cost income ratio** decreased by 1.6 points to 71.8%, mainly from cost containment initiatives.

### Excellent underlying earnings growth

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Underlying

Earnings

+16%

**Underlying earnings** were up 16% to Euro 1,135 million, from both (i) AB primarily from an increase in management fees and a lower cost income ratio, and (ii) Life & Savings mostly due to higher Unit-Linked management fees, an improved GMxB hedge margin and a lower effective tax rate, partly offset by an unfavorable mortality experience (Euro -0.2 billion) and model changes (Euro -0.1 billion). Tax one-offs (AB and US Life & Savings) increased by Euro 0.1 billion, stable versus 1H17.

## International

- Building for growth, managing for profits
- Strong increase in earnings, despite higher natural catastrophes

*“Thanks to the engagement and commitment of all our teams, International markets have delivered an excellent set of results for FY17, focusing on growth and value creation”, said Benoît Claveranne, CEO of International and New Markets.*

### Growth across most countries

<b>Revenues +6%</b> <i>excl. Turkey</i>	<b>Total revenues</b> increased by 2% to Euro 7.0 billion, mainly driven by Singapore, Brazil, Poland, Colombia and Mexico, partly offset by lower revenues in Turkey from changing market conditions. Excluding Turkey, revenues grew by 6%.
<b>APE +15%</b>	<b>APE</b> increased by 15%, driven by strong Unit-Linked sales in both Singapore and Turkey, partly offset by lower sales in Protection in Singapore and Mexico.

### Improvement in profitability – excluding natural catastrophes

<b>P&amp;C CoR 101.4%</b> (+1.5pts nat cat)	<b>Property &amp; Casualty all-year combined ratio</b> was 0.3 point higher at 101.4%, mainly driven by higher expenses from the first time consolidation of P&C Poland <sup>12</sup> , partly offset by an improved all-year loss ratio mainly from a strong increase in technical profitability in Turkey, despite higher nat cat charges (+1.5pts, mostly in Mexico and Turkey).
<b>Health CoR -1.2pts</b>	<b>Health combined ratio</b> improved by 1.2 points to 101.6%, primarily driven by profitability measures undertaken in both the Gulf region and Turkey, partly offset by higher expenses to support business growth in Mexico and Singapore.
<b>NBV margin +5.9pts</b>	<b>NBV margin</b> was up 5.9 points to 28.0%, reflecting a continued improvement in the business mix and more favorable economic conditions. <b>New Business Value</b> increased by 46% to Euro 0.1 billion.

### Strong earnings growth

<b>Underlying Earnings +20%</b>	<b>Underlying earnings</b> were up 20% to Euro 337 million, mainly due to a higher investment income and an improved technical margin in Turkey, as well as a higher technical margin in Russia, partly offset by higher nat cat charges in both Mexico and Turkey.
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## Transversal and Central Holdings

### AXA IM

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Third-party inflows <b>Euro +9 billion</b>	<p><b>Net inflows</b> amounted to Euro 8 billion, mainly driven by strong inflows from third-party clients.</p> <p><b>Assets under management</b> amounted to Euro 746 billion as of December 31, 2017, up from Euro 717 billion at the end of 2016. This was mainly driven by favorable market effects and strong net inflows, partly offset by an unfavorable Forex impact.</p>
Revenues <b>+9%</b>	<p><b>Total revenues</b> grew by 9% to Euro 1,276 million, mainly driven by higher management fees benefiting from both higher average assets under management and higher asset management fee bps.</p>
Underlying Earnings <b>+16%</b>	<p><b>Underlying cost income ratio</b> decreased by 1.3 points to 70.8%, in line with cost savings initiatives.</p> <p><b>Underlying earnings</b> were up by 16% to Euro 257 million, mainly benefiting from both higher revenues and lower cost income ratio.</p>

### AXA Corporate Solutions Assurance

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Revenues <b>+2%</b>	<p><b>Total revenues</b> increased by 2% to Euro 2,322 million, mainly driven by higher revenues in the United Kingdom and Brazil resulting from strong business growth in Marine, Liability and Property, partly offset by lower revenues in Construction.</p>
Natural events <b>Euro 80 million</b>	<p><b>Underlying earnings</b> decreased by 59% to Euro 50 million, mainly due to higher natural events in 2017 (Euro 80 million) with hurricanes Maria, Irma and Harvey, earthquakes in Mexico as well as wildfires in California.</p>

### AXA SA

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**Underlying earnings** increased by Euro 46 million to Euro -726 million, mainly driven by the impact of the removal of the 3% French tax on dividends paid to shareholders in 2017.



## Capital Management

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**Main transactions** between January 1, 2017 and December 31, 2017:

- Completion of the sale of AXA's UK P&C commercial broker Bluefin to Marsh announced on January 2, 2017;
- Successful placement of USD 1 billion dated subordinated notes due 2047 announced on January 11, 2017;
- Completion of the sale of the Romanian operations to Vienna Insurance Group announced on April 28, 2017;
- Announcement of AXA's intention to IPO its US operations announced on May 10, 2017;
- Announcement on May 10, 2017 of buyback of AXA shares and elimination of the dilutive effect of certain share-based compensation schemes. As of June 30, 2017, this program was completed with the purchase of 37,000,000 shares;
- Completion of the sale of AXA Life Europe Limited's Offshore Investment Bonds business to Life Company Consolidation Group announced on July 3, 2017;
- Announcement on September 13, 2017 of buyback of AXA shares to eliminate the dilutive impact of Shareplan 2017;
- Announcement on November 13, 2017 of the filing by AXA Equitable Holdings of a registration statement on Form S-1 with the US Securities and Exchange Commission relating to the proposed IPO;
- Announcement on December 22, 2017 that AXA has entered into an agreement with Jeneration Holdings Limited to sell its Swiss Privilege franchise in Hong Kong (AXA Wealth Management (HK) Ltd).

## Definitions

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

**Europe:** includes Belgium (insurance activities and holdings), Italy (insurance activities and holding), Germany (insurance excluding AXA Art, banking activities and holdings), Spain (insurance activities), Switzerland (insurance activities), United Kingdom & Ireland (insurance activities and holdings).

**Asia:** includes Japan, Hong Kong, Asia High Potential (in which (i) Thailand P&C, Indonesia L&S (excl. bancassurance entity) are fully consolidated and (ii) China, Thailand L&S, Philippines and L&S bancassurance business in Indonesia are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income), Asia Direct (AXA Global Direct Japan and AXA Global Direct South Korea) and Asia Holdings.

**United States:** includes Life & Savings insurance activities and holdings in the US, as well as AB.

**International:** includes (i) Mexico, Singapore, Colombia, Turkey, Poland, the Gulf Region, Morocco, AXA Bank Belgium, Malaysia P&C, Luxembourg, Brazil, the Czech Republic Life & Savings, Slovakia Life & Savings and Greece which are fully consolidated; (ii) Russia (Reso), India, Nigeria and Lebanon which are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income; (iii) Poland Property & Casualty traditional activities are fully consolidated since January 1, 2017; (iv) AXA Bank Hungary was disposed since November 2, 2016.

**Transversal & Central Holdings:** includes AXA Investment Managers, AXA Corporate Solutions Assurance, AXA Assistance, AXA Art, AXA Liabilities Managers, AXA Global Re (formerly AXA Global P&C and AXA Global Life), AXA Life Europe, AXA SA and other Central Holdings.



## Notes

- 1** From FY17, AXA's reporting reflects the new operating model and organization announced on November 13, 2017. Descriptions of the scope of the geographies (France, Europe, Asia, United States, International) and Transversal and Central Holdings are set forth on page 10 of this document.
- 2** Change for gross revenues are on comparable basis (constant Forex, scope and methodology).
- 3** Underlying earnings, adjusted earnings and adjusted RoE are non-GAAP financial measures. For further information, please refer to the reconciliations of these non-GAAP financial measures to the financial statements and to their definitions in the Glossary, which are provided in AXA's 2017 Activity Report (respectively, on pages 21 and 28, and pages 69 to 76) and on page 13 of this Press Release.
- 4** Annual premium equivalent (APE), earnings per share (EPS), free cash flows, debt gearing, NBV margin and other non-GAAP financial measures are defined in the Glossary set forth in AXA's 2017 Activity Report (pp. 69-76).
- 5** The Solvency II ratio is estimated based on AXA's internal model calibrated based on adverse 1/200 years shock and assuming US equivalence. For further information on AXA's internal model and Solvency II disclosures, please refer to AXA Group's SFCR for FY16, available on AXA's website ([www.axa.com](http://www.axa.com)).
- 6** General Account.
- 7** APE, NBV margin and NBV include Life & Savings business, as well as Health "life-like" business.
- 8** Preferred segments are Health, P&C Commercial lines and Protection, as shown during the 2017 Investor Day presentation on November 14, 2017.
- 9** From FY17, Health is reported as a separated business line.
- 10** In Life & Savings, some Protection products with Unit-Linked features which were previously classified under the Unit-Linked line of Business are from FY16 classified under the Protection Line of Business.
- 11** Due to the nature of our joint-venture holdings in Asia, revenues are presented using economic gross revenues, which better reflect our performance in that geography. Economic revenues are calculated as IFRS Gross Revenues (100% for fully consolidated entities and no contribution for entities consolidated under the equity method) as disclosed in Appendix 1 of this Press Release multiplied by the percentages of Group share of interests disclosed in Part 2 of the 2017 Half Year Financial Report – "Note 2 Scope of consolidation". As an example, in China, ICBC-AXA (consolidated under the equity-method) Gross Revenues do not contribute to IFRS Gross Revenues, but are consolidated at 27.5% in economic revenues.
- 12** Poland P&C activities in the traditional channel are consolidated for the first time in FY17 following the acquisition of Liberty Ubezpieczenia in 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.

AXA's FY17 financial statements have been examined by the Board of Directors on February 21, 2018 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 165,000 employees serving 105 million clients in 64 countries. In 2017, IFRS revenues amounted to Euro 98,5 billion and IFRS underlying earnings to Euro 6.0 billion. AXA had Euro 1,439 billion in assets under management as of December 31, 2017.

The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISIN FR 0000120628 – Bloomberg: CS FP – Reuters: AXAF.PA). AXA's American Depositary 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](http://axa.com)).

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**IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS**

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 the forward-looking statements. Please refer to Part 4 - "Risk factors and risk management" of AXA's Registration Document for the year ended December 31, 2016, 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, used by management in analysing 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 alternative performance 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 non-GAAP financial measures underlying earnings and adjusted earnings to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on page 13 of this Press Release and on page 21 of AXA's 2017 Activity Report. Adjusted return on equity ("Adjusted ROE") is reconciled to the financial statements in the table set forth on page 28 of AXA's 2017 Activity Report. The abovementioned and other non-GAAP financial measures used in this Press Release are defined in the Glossary set forth in AXA's 2017 Activity Report (pp. 69-76).

### Earnings: Key figures

in Euro million	FY16 restated <sup>i</sup>	FY17	Change Reported	At constant Forex
France	1,385	1,429	+3%	+3%
Europe	2,305	2,326	+1%	+2%
Asia	1,047	1,089	+4%	+7%
United States	998	1,135	+14%	+16%
International	288	337	+17%	+20%
Transversal & other	-335	-313	+6%	+8%
<b>Underlying earnings</b>	<b>5,688</b>	<b>6,002</b>	<b>+6%</b>	<b>+7%</b>
Realized capital gains/losses	880	674	-23%	-23%
Impairments	-395	-127	+68%	+67%
Equity portfolio hedging	-70	-92	+32%	-34%
<b>Adjusted earnings</b>	<b>6,103</b>	<b>6,457</b>	<b>+6%</b>	<b>+8%</b>
Change in fair value & Forex	-118	-134	-14%	-14%
Goodwill and related intangibles	-89	-90	0%	-3%
Integration and restructuring costs	-454	-148	+67%	+67%
Exceptional and discontinued operations	387	124	-68%	-66%
<b>Net income</b>	<b>5,829</b>	<b>6,209</b>	<b>+7%</b>	<b>+8%</b>

<sup>i</sup> FY16 has been restated to reflect the new reporting which is aligned with the new operating model and organization announced on November 13, 2017. Descriptions of the scope of the geographies (France, Europe, Asia, United States, International) and Transversal and Central Holdings are set forth on page 10 of this document.

### Earnings per share - fully diluted

in Euro	FY16	FY17	Reported change
Underlying EPS <sup>i</sup>	2.24	2.40	+7%
Adjusted EPS <sup>i</sup>	2.41	2.59	+8%
Net income per share <sup>i</sup>	2.30	2.49	+8%

<sup>i</sup> Net of interest charges on undated subordinated notes (TSDI) and undated deeply subordinated notes (TSS)



## APPENDIX 2: REVENUES AND EARNINGS BY GEOGRAPHY AND BUSINESS LINES

Press release

Gross revenues		Total <sup>i</sup>		o/w Life & Savings		o/w Property & Casualty		o/w Health		o/w Asset Management	
In Euro million		FY17	Change	FY17	Change	FY17	Change	FY17	Change	FY17	Change
France		24,475	0%	13,151	-3%	7,307	+1%	3,877	+14%	-	-
Europe		35,992	-1%	15,215	-6%	15,633	+1%	5,105	+4%	-	-
Asia		8,985	-3%	5,702	-4%	1,313	-1%	1,970	+2%	-	-
United States		16,911	+2%	14,154	+1%	-	-	57	+6%	2,700	+9%
International		7,034	+2%	1,678	+10%	3,798	+1%	1,235	0%	-	-
Transversal & other		5,152	+1%	7	n.a.	3,711	+2%	158	+5%	1,276	+9%
<b>Total</b>		<b>98,549</b>	<b>0%</b>	<b>49,907</b>	<b>-3%</b>	<b>31,763</b>	<b>+1%</b>	<b>12,403</b>	<b>+6%</b>	<b>3,976</b>	<b>+9%</b>

i. Including Banking (Euro 501 million)

Underlying earnings		Total <sup>ii</sup>		o/w Life & Savings		o/w Property & Casualty		o/w Health		o/w Asset Management	
In Euro million		FY17	Change	FY17	Change	FY17	Change	FY17	Change	FY17	Change
France		1,429	+3%	765	+8%	608	-2%	69	+3%	-	-
Europe		2,326	+2%	789	+6%	1,355	+2%	164	+10%	-	-
Asia		1,089	+7%	726	+9%	49	+12%	321	+3%	-	-
United States		1,135	+16%	954	+7%	-	-	-15	+40%	283	+51%
International		337	+20%	67	+18%	238	+30%	-2	n.a.	-	-
Transversal & Central Holdings		-313	+8%	-13	+56%	134	-39%	15	n.a.	257	+16%
<b>Total</b>		<b>6,002</b>	<b>+7%</b>	<b>3,288</b>	<b>+9%</b>	<b>2,384</b>	<b>-1%</b>	<b>552</b>	<b>+11%</b>	<b>540</b>	<b>+32%</b>

ii. Including Banking and other holdings (Euro -762 million)


**AXA Group IFRS revenues - Contribution & growth by geography**

in Euro million	FY16 restated <sup>i</sup>	FY17	IFRS revenues change	
			Reported	Comparable
France	24,557	24,475	0%	0%
Europe	37,039	35,992	-3%	-1%
Switzerland	10,132	9,797	-3%	-1%
Germany	10,534	10,672	+1%	+1%
Belgium	3,377	3,310	-2%	-2%
UK & Ireland	5,366	5,130	-4%	+1%
Spain	2,534	2,365	-7%	-7%
Italy	5,095	4,719	-7%	-7%
Asia	9,542	8,985	-6%	-3%
Japan	5,161	4,647	-10%	-6%
Hong Kong	3,172	3,170	0%	+2%
Asia Direct	1,032	989	-4%	-3%
Asia High Potentials	177	180	+2%	+2%
United States	16,872	16,911	0%	+2%
United States Life & Savings	14,342	14,210	-1%	+1%
AB	2,530	2,700	+7%	+9%
International	6,981	7,034	+1%	+2%
Transversal & other	5,202	5,152	-1%	+1%
AXA IM	1,180	1,276	+8%	+9%
AXA Corporate Solutions	2,318	2,322	0%	+2%
Other	1,703	1,554	-9%	-7%
<b>Total</b>	<b>100,193</b>	<b>98,549</b>	<b>-2%</b>	<b>0%</b>

<sup>i</sup> FY16 has been restated to reflect the new reporting which is aligned with the new operating model and organization announced on November 13, 2017. Descriptions of the scope of the geographies (France, Europe, Asia, United States, International) and Transversal and Central Holdings are set forth on page 10 of this document.



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

Press release

in Euro million	APE FY17					Total APE			NBV			NBV margin		
	Protection	G/A Savings	Unit-Linked	Health <sup>i</sup>	Mutual funds & other	FY16 Restated <sup>ii</sup>	FY17	Change on a comparable basis	FY16 Restated <sup>ii</sup>	FY17	Change on a comparable basis	FY16 Restated <sup>ii</sup>	FY17	Change on a comparable basis
France	387	558	387	518	0	1,824	1,849	+2%	565	637	+13%	31%	34%	+3 pts
Europe	415	268	209	108	35	1,124	1,034	-8%	542	585	+9%	48%	57%	+8 pts
Switzerland	245	0	9	0	5	301	259	-12%	174	172	+1%	58%	66%	+8 pts
Germany	83	118	35	108	18	382	361	-5%	164	210	+28%	43%	58%	+15 pts
Belgium	24	27	5	0	0	55	56	+1%	32	42	+32%	58%	75%	+18 pts
Spain	22	12	27	0	12	86	73	-15%	64	61	-4%	75%	84%	+9 pts
Italy	40	110	134	0	0	300	284	-5%	107	99	-7%	36%	35%	-1 pt
Asia	932	343	16	219	0	1,661	1,510	-6%	1,085	1,066	+2%	65%	71%	+6 pts
Japan	288	47	0	107	0	499	441	-8%	490	495	+6%	98%	112%	+14 pts
Hong Kong	331	64	13	48	0	536	456	-13%	402	291	-26%	75%	64%	-11 pts
Asia High Potentials	313	233	3	64	0	626	613	0%	194	281	+50%	31%	46%	+15 pts
United States	197	84	920	3	596	1,732	1,799	+6%	378	421	+14%	22%	23%	+2 pts
International	127	15	99	15	21	246	278	+15%	54	78	+46%	22%	28%	+6 pts
Transversal & other	-	-	-	-	-	14	-	n.a.	-	-	n.a.	-	-	n.a.
<b>Total</b>	<b>2,057</b>	<b>1,269</b>	<b>1,631</b>	<b>863</b>	<b>651</b>	<b>6,600</b>	<b>6,470</b>	<b>0%</b>	<b>2,623</b>	<b>2,787</b>	<b>+8%</b>	<b>40%</b>	<b>43%</b>	<b>+3 pts</b>

<sup>i</sup> Only includes "life-like" Health business.

<sup>ii</sup> FY16 has been restated to reflect the new reporting which is aligned with the new operating model and organization announced on November 13, 2017. Descriptions of the scope of the geographies (France, Europe, Asia, United States, International) and Transversal and Central Holdings are set forth on page 10 of this document.





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

Press release

	Personal Motor		Personal Non-Motor		Commercial Motor		Commercial Non-Motor	
in Euro million	Gross revenues	Change on comparable basis	Gross revenues	Change on comparable basis	Gross revenues	Change on comparable basis	Gross revenues	Change on comparable basis
France	2,011	-1%	2,157	+2%	577	-2%	2,562	+1%
Europe	5,936	+1%	3,586	0%	1,469	+6%	4,601	+2%
Switzerland	1,111	0%	563	0%	113	+1%	1,283	+3%
Germany	1,228	0%	1,206	+2%	216	0%	1,188	+3%
Belgium	633	+1%	477	0%	256	+5%	678	-5%
UK & Ireland	1,223	+1%	647	-6%	634	+12%	867	+1%
Spain	892	+3%	351	0%	53	-8%	310	+6%
Italy	849	+2%	342	+3%	197	+3%	275	+5%
Asia	962	-3%	191	+4%	14	-6%	146	+4%
Hong Kong	42	+10%	88	+5%	8	-11%	117	+7%
Asia High Potentials	30	-5%	7	+10%	6	+2%	29	-6%
Asia Direct	889	-3%	96	+3%	-	-	-	-
International	1,185	-6%	313	+15%	796	-8%	1,504	+10%
Transversal & other	0	0%	190	+8%	712	0%	2,731	+2%
<b>Total</b>	<b>10,093</b>	<b>-1%</b>	<b>6,438</b>	<b>+1%</b>	<b>3,568</b>	<b>0%</b>	<b>11,544</b>	<b>+3%</b>

**Personal lines net new contracts** amounted to -851k, mainly driven by changing market conditions in Turkey (-524k), lower volumes in UK & Ireland, and strong market competition in France. This was partly offset by positive developments in Italy and Spain.



Asset under Management rollforward					
in Euro billion	AB	AXA IM	AXA IM- Fully consolidated scope	AXA IM - Asian Joint Ventures	Total
<b>AUM at FY16</b>	<b>486</b>	<b>717</b>	607	110	<b>1,203</b>
Net Flows	12	8	8	0	<b>19</b>
Market appreciation	53	21	19	2	<b>75</b>
Scope & other	-21	20	20	0	<b>-1</b>
Forex impact	-62	-21	-15	-6	<b>-82</b>
<b>AUM at FY17</b>	<b>468</b>	<b>746</b>	640	106	<b>1,214<sup>ii</sup></b>
<b>Average AUM over the period<sup>i</sup></b>	<b>469</b>	-	<b>630</b>	-	<b>1,098</b>
Change of average AUM on a reported basis vs. FY16	+1%	-	+6%	-	<b>+4%</b>
Change of average AUM on a comparable basis vs. FY16	+3%	-	+7%	-	<b>+5%</b>

<sup>i</sup> Average AUM for AXA IM is calculated excluding the contribution from joint ventures.

<sup>ii</sup> The difference with Euro 1,439 billion of total assets under management mentioned in the Financial Supplement on page 58 corresponds to assets directly managed by AXA insurance companies.



**Changes in scope:**

- 04/01/2016 – [AXA has completed the sale of its Portuguese operations](#)
- 10/21/2016 – [AXA has completed the sale of its UK offshore investment bonds business based in the Isle of Man to Life Company Consolidation Group](#)
- 11/01/2016 – [AXA has completed the sale of its UK Life & Savings businesses](#)

**Main press releases issued 4Q17**

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

- 10/12/2017 – [AXA announces the Subscription Prices for its 2017 employee share offering \(Shareplan 2017\)](#)
- 11/02/2017 – [9M17 Activity Indicators: Continued growth in preferred segments](#)
- 11/13/2017 – [AXA Group simplifies its operating model to accelerate its transformation](#)
- 11/13/2017 – [AXA S.A announces filing of AXA U.S registration statement for Initial Public Offering](#)
- 11/14/2017 – [“Simplify to accelerate”: AXA holds its 2017 Investor Day](#)
- 12/04/2017 – [Results of the AXA Group employee share offering in 2017](#)
- 12/12/2017 – [AXA accelerates its commitment to fight climate change](#)
- 12/14/2017 – [AXA’s Board of Directors decides to propose the renewal of Denis Duverne and Thomas Buberl](#)
- 12/22/2017 – [AXA to sell its Swiss Privilege franchise in Honk Kong \(AXA Wealth Management \(HK\) Ltd\)](#)

**Post FY17 closing event**

- 01/22/2018 – [AXA accelerates its Payer-to-Partner strategy with the acquisition of Maestro Health](#)
- 02/15/2018 – [AXA S.A. announces filing of amendment No. 1 to AXA US registration statement for Initial Public Offering](#)
- 02/21/2018 – [AXA to sell its operations in Azerbaijan](#)

**FY17 Operations on AXA shareholders’ equity and debt**

**Shareholders’ equity:**

No significant operation

**Debt:**

- 01/11/2017 – [AXA announced the successful placement of USD 1 billion dated subordinated notes due 2047](#)

**Next main investor events**

- 04/25/2018 – Shareholders’ Annual General Meeting in Paris, Palais des Congrès
- 05/03/2018 – First Quarter 2018 Activity Indicators
- 08/03/2018 – Half Year 2018 Earnings Release