Registration Document

Annual Report 2010

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SUMMARY

This document is a free translation into English of the French Annual Report (*Document de Référence*) and is being furnished for information purposes only. Only the original version in the French language has legal force.

REGISTRATION DOCUMENT
ANNUAL REPORT 2010

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

This registration document was filed with the *Autorité des marchés financiers* on March 18, 2011, in accordance with the provisions of Article 212-13 of its General Regulations. It may be used in support of a financial transaction if supplemented by an information memorandum approved by the AMF. This document has been prepared by the issuer, and its signatories are responsible for its content.

This Annual Report also includes (i) all the components of the Annual Financial Report (*Rapport Financier Annuel*) referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) as well as in Article 222-3 of the AMF General Regulations (*Règlement Général de l'AMF*) (please refer to the table on page 537 of this Annual Report which indicates the relevant sections of this Registration Document corresponding to disclosures required under Article 222-3 of the AMF General Regulations), (ii) all disclosure matters required to be included in the Board of Directors' Report to AXA's Shareholders' Meeting to be held on April 27, 2011, established pursuant to the Articles L.225-100 and L.225-100-2 of the French Commercial Code (*Code de commerce*) (the relevant sections of this Registration Document corresponding to these required disclosures have been approved by AXA's Board of Director's and are presented in the table on page 534 of this Annual Report), and (iii) all information required under Article R.225-83 of the French Commercial Code.

CERTAIN PRELIMINARY INFORMATION ABOUT THIS ANNUAL REPORT

Presentation of Information

In this Annual Report unless provided otherwise, (i) the "Company", "AXA" and/or "AXA SA" refer to AXA, a *Société Anonyme* organized under the laws of France which is the publicly traded parent company of the AXA Group, and (ii) "AXA Group", the "Group" and/or "we" refer to AXA SA together with its direct and indirect consolidated subsidiaries. The Company's ordinary shares are referred to in this Annual Report as "shares", "ordinary shares" or "AXA ordinary shares". The principal trading market for the Company's ordinary shares is the Compartment A of Euronext Paris, which we refer to in this Annual Report as "Euronext Paris". The Company's American Depositary Shares are referred to in this Annual Report as "ADS". Since the delisting of AXA's ADS from the New York Stock Exchange on March 26, 2010, AXA's ADS are traded on the U.S. over-the-counter market and are quoted on the OTC QX platform under the ticker symbol AXAHY. Each ADS represents one AXA ordinary share.

This Annual Report includes AXA's Consolidated Financial Statements for the year ended December 31, 2010, as well as, by reference, the AXA's Consolidated Financial Statements for the years ended December 31, 2009 and 2008 [(1)]. AXA's Consolidated Financial Statements, including the notes there to, are included in Part 4 – "Consolidated Financial Statements" of this Annual Report and have been prepared in accordance with International Financial Reporting Standards (referred to in this Annual Report as "IFRS") and interpretations from the International Financial Reporting Interpretations Committee (referred to in this Annual Report as "IFRIC") that were definitive and effective as at December 31, 2010, as adopted by the European Union prior to the balance sheet date. The Group does not, however, use the "carve out" option to avoid applying all the hedge accounting principles required by IAS 39. In addition, the adoption of IFRS 9 published by the IASB in November 2009 has not yet been formally submitted to the European Union. However, the Group would not have used the earlier adoption option of the standard in either 2009 or 2010. Consequently, AXA's Consolidated Financial Statements also comply with IFRS as issued by the International Accounting Standards Board ("IASB"). The adoption date of IFRS 9, including its different phases and its mode of enforcement are currently being reviewed bythe Group.

Unless otherwise specified, various amounts in this document are shown in million for presentation purposes. Such amounts have been rounded. Rounding differences may also exist for percentages.

(1) For more precise details on the Consolidated Financial Statements for the years ended December 31, 2009 and December 31, 2008, please refer to the 2009 Annual Report (Registration Document), the French version of which was filed with the AMF on March 17, 2010 under reference n° D10-0117, and to the 2008 Annual Report (Registration Document), the French version of which was filed with the AMF on March 26, 2009 under reference n° D09-0158.

CERTAIN PRELIMINARY INFORMATION ABOUT THIS ANNUAL REPORT

Exchange Rate Information

The Company publishes its Consolidated Financial Statements in Euro ("Euro", "euro" or "€"). Unless otherwise stated, all amounts in this Annual Report are expressed in Euro. The currency of the United States will be referred to as "U.S. dollars" or "USD" or "U.S.$" or "$". For historical exchange rate information, please refer to Part 1 – "The AXA Group: Our global business operations, recent financial performance and financial condition", Section 1.1 "Exchange Rate Information" of this Annual Report. For a discussion of the impact of foreign currency fluctuations on AXA's financial condition and results of operations, please see Part 1 – "The AXA Group: Our global business operations, recent financial performance and financial condition", Section 1.3 "Activity Report" of this Annual Report.

Cautionary Statements concerning the use of non-gaap measures and forward-looking statement

This Annual Report includes certain terms that are used by AXA in analyzing its business operations and, therefore, may not be comparable with terms used by other companies. These terms are defined in the glossary provided at the end of Section 1.3 in Part 1 – "The AXA Group: Our global business operations, recent financial performance and financial condition" of this Annual Report.

Certain statements contained herein are 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 (or from past results). These risks and uncertainties include, without limitation, the risk of future catastrophic events including possible future weather-related catastrophic events or terrorist related incidents. Please refer to Part 3 – "Risk factors, certain disclosures about market risks and related matters" of this Annual Report 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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THE AXA GROUP

Our global business operations, recent financial performance and financial condition

1.1 SELECTED CONSOLIDATED FINANCIAL DATA

The selected historical consolidated financial data presented below have been derived from AXA's Consolidated Financial Statements and related notes for the years ended December 31, 2010 and 2009 in accordance with IFRS.

The table of historical data set out below is only a summary. You should read it in conjunction with the Consolidated Financial Statements and related notes included in Part 4 —"Consolidated Financial Statements" of this Annual Report [(1)].

The Consolidated Financial Statements are prepared in compliance with IFRS standards and IFRIC interpretations that are definitive and effective as at December 31, 2010, as adopted by the European Union before the balance sheet date.

However, the Group does not use the "carve out" option to avoid applying all the hedge accounting principles required by IAS 39. In addition, the adoption of the new IFRS 9 standard published by the International Accounting Standards Board (IASB) in November 2009 has not been yet formally submitted to the European Union. However, the Group would not have used the earlier adoption option of the standard in 2009. As a consequence, the Consolidated Financial Statements also comply with IFRSs as issued by the IASB. The adoption date of IFRS 9, including its different phases and its mode of enforcement are currently being reviewed within the Group.

(in Euro million, except per share data)	2010	2009	2008
Income Statement Data:			
In accordance with IFRS [(a)]:			
Total revenues	90,972	90,124	91,221
Net investment result excluding financing expenses [(b)]	32,031	36,157	(36,068)
Operating income before tax	4,051	5,564	406
Income tax	(960)	(1,530)	830
Result from discontinued operations, net of tax	-	-	-
Net Consolidated Income	3,091	4,033	1,236
Net income Group Share	2,749	3,606	923
Earnings per share: [(c)]			
- basic [(d)]	1.08	1.56	0.30
- diluted [(d)]	1.08	1.56	0.30
Earnings per share from discontinued operations:			
- basic	-	-	-
- diluted	-	-	-
Other data:			
Number of outstanding shares	2,320	2,290.0	2,089.2
Dividend per share [(e)]	0.69	0.55	0.40

(1) *For more precise details on the Consolidated Financial Statements for the years ended December 31, 2009 and December 31, 2008, please refer to the 2009 Annual Report (Registration Document), the French version of which was filed with the AMF on March 17, 2010 under reference n° D10-0117, and to the 2008 Annual Report (Registration Document), the French version of which was filed with the AMF on March 26, 2009 under reference n° D09-0158.*

(in Euro million, except per share data)	2010	2009	2008 Restated [f]
In accordance with IFRS: [a]			
Total assets	731,865	708,252	673,560
Shareholders' equity	49,698	46,229	37,440
Shareholders' equity per share [c]	21.7	20.4	18.2

(a) As described in Notes 1.10, 12.2 and 1.13.2 of Part 4– Consolidated Financial Statements of this Annual Report, these amounts take into account, in line with accounting FRS27, the reclassification in the United Kingdom of some with-profits technical reserves to allow for all future terminal bonuses payable to with-profits policyholders within the allocated policyholder reserves, previously held in the unallocated policyholder bonus reserve, without any impact on earnings.

(b) Includes investment income net of investment management costs, impairment, net realized investment gains and losses and net unrealized investment gains and losses on assets with financial risk borne by the policyholders and on assets designated as at fair value through profit & loss, including assets backing the UK with-profits business.

(c) (i) The calculation of net income per share is based on the weighted average number of outstanding shares for each period presented, and (ii) shareholders' equity per share is calculated based on the actual number of outstanding shares at each period-end presented. The calculations deduct shares held by AXA and its subsidiaries (i.e. treasury shares) in the calculation of weighted average number of outstanding shares (for net income per share) and outstanding shares (for shareholders' equity per share). The calculation of basic and diluted net income per share at ended December 31, 2010 is presented in Note 27 "Net Income per Ordinary Share" to AXA's Consolidated Financial Statements.

(d) (i) Revised net income EPS takes into account interest payments related to undated subordinated debts classified in equity, excluding foreign exchange impacts. Previously disclosed EPS included foreign exchange adjustments. Basic net income EPS amounted to €1.51 and €0.43 and fully diluted net income EPS to €1.51 and €0.43 at 2009 and at 2008 respectively. Excluding foreign exchange reflects implemented hedges which would qualify as net investment hedges with related changes in fair value recognised through translation reserves. (ii) Following AXA's rights issue in 4Q2009, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009, 47.7 million in 2008. As of December 31, 2009, total net outstanding number of shares was 2,264 million and average fully diluted number of shares was 2,133 million.

(e) An annual dividend is generally paid each year in respect of the prior year after the Annual Shareholders' Meeting (customarily held in April or May) and before September of that year. Dividends are presented in this table in the year to which they relate and not in the year in which they are declared and paid. A dividend of €0.69 per share will be proposed at AXA's Shareholders'Meeting that will be held on April 27, 2011. The dividend will be payable on May 4,2011with an ex-dividend date of April 29, 2011.

(f) In accordance with IFRS 3, i.e.within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of the Seguros ING (Mexico) purchase price, resulting in a €33 million increase in the goodwill to €512 million. Most of this increase in goodwill was due to adjustments to provisions for liabilities and claims reserves.

Exchange Rate Information

The average and closing exchange rates used in the preparation of the Consolidated Financial Statements, to translate into Euro the results of operations of the principal subsidiaries that are not denominated in Euro, are set out in the table below:

	Year End Exchange Rate		Average Exchange Rate	
	2010 (for €1)	2009 (for €1)	2010 (for €1)	2009 (for €1)
U.S. Dollar	1.34	1.43	1.34	1.39
Japanese Yen (x100)	1.09	1.31	1.22	1.30
British Sterling Pound	0.86	0.89	0.86	0.89
Swiss Franc	1.25	1.48	1.39	1.51

Dividends

The Company pays dividends in Euro. Future dividends will depend on AXA's earnings, financial condition and various other factors. Proposals for dividend payments are made at the discretion of the Board of Directors based upon the recommendation of its Finance Committee, and are submitted for final approval to the Shareholders' Meeting.

AXA determines its dividend policy on the basis of its adjusted earnings minus interest charges on undated debt, and, in each of the past several years, with the exception of 2009, AXA has paid aggregate dividends in a general range of 40% to 50% of this amount. While management currently intends to maintain this dividend policy over the long-term, the dividend proposed by management in any particular year depends on a variety of factors (including the Company's performance, prevailing financial market conditions and the general economic environment) and, consequently, may fall outside the target 40%-50% range in certain years. In assessing the dividend to be paid in any given year, management tries to strike the appropriate balance between (i) prudent capital management, (ii) reinvestment of previous results to support business development and (iii) an attractive dividend for shareholders.

A dividend of €0.69 per share for the 2010 fiscal year will be proposed to the Shareholders' Meeting to be held on April 27, 2011.

The following table sets forth information on the dividends declared and paid in the most recent five years:

Fiscal year	Distribution (in Euro million)	Number of shares (as of December 31)	Net dividend per share (in Euro)	Dividend per share eligible for a tax relief (in Euro)	Gross dividend per share (in Euro)
2006	2,218	2,092,888,314	1.06 (b)	1.06 (b)	1.06 (b)
2007	2,473	2,060,753,492	1.20 (c)	1.20 (c)	1.20 (c)
2008	836	2,089,158,169	0.40 (d)	0.40 (d)	0.40 (d)
2009	1,259	2,289,965,124	0.55 (e)	0.55 (e)	0.55 (e)
2010	1,601 (a)	2,320,105,237	0.69 (f)	0.69 (f)	0.69 (f)

(a) Proposal to be submitted to the Shareholders' Meeting to be held on April 27, 2011.
(b) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.424 per share for fiscal year 2006.
(c) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.48 per share for fiscal year 2007.
(d) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.16 per share for fiscal year 2008.
(e) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.22 per share for fiscal year 2009.
(f) Proposal to be submitted to the Shareholders' Meeting to be held on April 27, 2011. Individual shareholders who are residents of France for tax purposes will be eligible for a tax relief of 40% on the dividend, i.e. €0.28 per share for fiscal year 2010.

Dividends not claimed within five years afterthe payout date become the property of the French Treasury Department.

For further information on AXA's dividend policy, see Part 4 – "Consolidated Financial Statement" and Part 5 – "Certain Additional Information", Section "Dividends" of this Annual Report.

1.2 INFORMATION ON THE COMPANY

Introduction

AXA is a French "*Société Anonyme*" (a form of limited liability company) existing under the laws of France. The Company's registered office is located at 25 avenue Matignon, 75008 Paris, France and its telephone number is +33 (0) 1 40 75 57 00. AXA was incorporated in 1957 but the origin of its activities goes back to 1852. The Company's corporate existence will continue, subject to dissolution or prolongation, until December 31, 2059. The Company's number in the Paris Trade Registry is 572 093 920.

History and development

AXA originated from several French regional mutual insurance companies, known collectively as "*les Mutuelles Unies*".

1982

Les Mutuelles Unies took control of Groupe Drouot and following this transaction, the new Group began operating under the name of AXA.

1986

AXA acquired Groupe Présence.

1988

AXA transferred its insurance businesses to Compagnie du Midi which operated under the name of AXA Midi and subsequently changed its name to AXA.

1992

AXA acquired a controlling interest in The Equitable Companies Incorporated following the demutualization of Equitable Life. The Equitable Companies Incorporated, based in the United States, changed its name in 1999 to AXA Financial, Inc. ("AXA Financial").

1995

AXA acquired a majority interest in National Mutual Holdings following its demutualization. National Mutual Holdings, based in Australia, subsequently changed its name to AXA Asia Pacific Holdings Ltd.

1997

AXA merged with its French competitor Compagnie UAP. This transaction enabled AXA to significantly increase its size and reinforce its strategic position in a number of important markets, particularly in Europe.

1998

AXA purchased the minority interest in its subsidiary AXA Royale Belge and, in 1999, AXA acquired Guardian Royal Exchange in Great Britain through its subsidiary Sun Life & Provincial Holdings ("SLPH"). The Guardian Royal Exchange acquisition allowed AXA to further strengthen its positions in both the United Kingdom and Germany.

2000

AXA (i) acquired a majority interest in a Japanese life insurance company, "Nippon Dantaï Life Insurance Company", through a new Japanese holding company, "AXA Nichidan", (ii) increased its interest in SLPH from 56.3% to 100%, (iii) sold its interest in Donaldson Lufkin & Jenrette ("DLJ") to Credit Suisse Group, (iv) acquired Sanford C. Bernstein through its US asset management subsidiary Alliance Capital (which subsequently changed its name to AllianceBernstein), and (v) acquired the minority interest in AXA Financial, which is now a 100% owned subsidiary of AXA.

2001 and 2002

AXA acquired a banking platform in France, Banque Directe. AXA also continued to streamline its portfolio of businesses, selling its Health business in Australia and insurance operations in Austria and Hungary, and reorganizing its reinsurance business.

2003

AXA sold all its activities in Argentina and Brazil.

2004

AXA acquired the American insurance group MONY, which allowed the expansion of its life insurance distribution capacity in the United States by approximately 25%. In addition, AXA sold (i) its insurance activities in Uruguay (AXA Seguros Uruguay) thereby finalizing its disengagement from South America, (ii) its Dutch insurance broking operations (Unirobe), (iii) its Dutch Health insurance operations, and (iv) its mortgage lending activities in Germany (AXA Bausparkasse AG).

2005

FINAXA, a listed holding company that was AXA's principal shareholder, was merged into AXA. Prior to the merger, FINAXA owned the "AXA" brand which, upon consummation of the merger, became the property of AXA. This merger resulted in a simplification of AXA's shareholding structure and an increase in the proportion of its publicly traded shares.

2006

AXA acquired the Winterthur Group, which was then active in 17 countries and served approximately 13 million clients worldwide. This operation gave AXA the opportunity to strengthen its leading position in several European markets and to increase its presence in a number of high growth markets including in Central and Eastern Europe and Asia. During 2006, AXA also acquired (i) "Citadel" in Canada, (ii) Thinc Destini (subsequently renamed Thinc Group) in the United Kingdom, and (iii) MLC Hong Kong and Indonesia via its subsidiary AXA Asia Pacific Holdings. In addition, in December, AXA completed the sale of AXA RE's (now called "Colisée RE") reinsurance business.

2007

AXA (i) acquired a 90% stake in Kyobo Auto (now called "AXA General Insurance") which has a leading position in the South Korean Motor direct insurance market, (ii) established a joint-venture in the Ukrainian P&C insurance market with Ukr Sibbank (the Ukrainian banking subsidiary of BNP Paribas) and subsequently acquired (together with UkrSibbank) 99% of the share capital of Vesko, Ukraine's 6th largest P&C insurer, (iii) completed the sale of its principal Dutch operations, comprising 100% of AXA Netherlands, Winterthur Netherlands and DBV Netherlands, and (iv) finalized a long-term partnership agreement with the Italian bank BMPS for the distribution of life, non-life and pension business in Italy.

2008

AXA (i) completed the acquisition of 36.7% of the share capital of RESO, Russia's 2nd largest P&C insurer (June), (ii) completed the acquisition of Seguros ING (subsequently renamed AXA Seguros, SA de Compañia de Valores), the 3rd largest Mexican insurer with leading positions in key markets such as Motor or Health and also active on the Life market (July), and (iii) acquired OYAK's 50% share in AXA OYAK, Turkey's 1st largest P&C insurer (August).

2009

AXA strengthened its position in Central and Eastern Europe with the acquisition of minority interests held by the European Bank for Reconstruction and Development (EBRD) in AXA's Hungarian, Czech and Polish subsidiaries.

2010

AXA voluntarily delisted from the New York Stock Exchange in March and deregistered with the SEC in June. Since its NYSE delisting, AXA's ADS have been traded on the U.S. over-the-counter market and are quoted on the OTC QX platform under the symbol AXAHY. In April, AXA's Shareholders' Meeting approved the change of the Company's corporate governance structure from a dual board structure (Supervisory Board and Management Board) to an unitary board structure (Board of Directors). In September, AXA UK sold to Resolution Ltd its traditional life and pensions businesses, its IFA protection and corporate pension businesses, and its annuity businesses for consideration of £2.75 billion. In October, AXA announced plans to restructure its existing Chinese joint venture with Minmetals by partnering with China's largest bank, Industrial and Commercial Bank of China Co. Ltd (ICBC) to create a leading brand in China life insurance market. According to the agreement, ICBC will hold a majority stake of 60%, AXA will hold 27.5% and Minmetals will hold the remaining 12.5%. Completion of this transaction is subject to regulatory approval and is expected to close in the first half of 2011. Finally, in November, AMP Limited ("AMP"), AXA Asia Pacific Holdings Limited ("AXA APH") and AXA entered into transaction documents whereby AXA will acquire from AMP 100% of the Asian businesses of AXA APH following the acquisition of 100% of AXA APH by AMP. This transaction is subject to a number of conditions as well as court, regulatory and shareholder approvals and is expected to be completed in the first quarter or early second quarter of 2011.

Recent developments

For a description of significant acquisitions and disposals undertaken by AXA during the fiscal year, please see Part 1 – "The AXA Group: Our global business operations, recent financial performance and financial condition", Section 1.3 "Activity Report" – "Operating highlights" and Note 5 "Goodwill" to the Consolidated Financial Statements included under Part 4 – "Consolidated Financial Statements" of this Annual Report.

General information

The Company is the holding company for the AXA Group, a worldwide leader in financial protection. Based on available information at December 31, 2010, the AXA Group was one of the world's largest insurance groups, with consolidated gross revenues of €91 billion for the year ended December 31, 2010. The AXA Group was also one of the world's largest asset managers, with total assets under management as at December 31, 2010 of €1,103 billion. Based on available information at December 31, 2009 and taking into account companies engaged in the asset management business, AXA was the world's 6th largest asset manager [(1)].

For information concerning the ownership structure of the Group, see Part 2.4 – "Major shareholders and Related Party Transactions" in this Annual Report.

AXA operates primarily in Europe, North America, the Asia-Pacific Region and, to a lesser extent, in other regions including the Middle East, Africa, and Latin America. AXA has five operating business segments: Life & Savings, Property & Casualty, International Insurance, Asset Management, and Banking. In addition, various holding companies within the AXA Group conduct certain non-operating activities.

The diversification of the AXA Group – both by geography and by business – is designed to mutualize the different types of risks to which the Group is exposed. For example, mortality risks are partly offset by longevity risks, and Life & Savings risks by Property & Casualty risks. In addition, geographic diversification helps reduce the concentration of risk and volatility of claims experience.

Table of principal subsidiaries with Group share of interests and voting rights percentages

Set forth below is a simplified organization chart of AXA as of December 31, 2010. For additional information, please see Note 2 "Scope of consolidation" included in Part 4 – "Consolidated Financial Statements" of this Annual Report.

Please note that the percentages shown in the third column ("Group share of interests") represent the economic interest and the percentages shown in the fourth column ("Voting rights percentage") represent the percentage of the company's total voting power controlled by AXA.

(1) *Source: Towers Watson, "The World's 500 largest asset managers" ranking, 2009.*

PRINCIPAL SUBSIDIARIES AS OF DECEMBER 31, 2010

		Group share of interests	Voting rights percentage
International Insurance			
AXA Assistance SA		100%	100%
AXA Corporate Solutions Assurance		98.75%	98.75%
AXA Corporate Solutions Life Reinsurance Company		100%	100%
Colisée Ré [(a)]		100%	100%
Asset Management			
AXA Investment Managers		95.27%	95.29%
AllianceBernstein [(b)]		61.43%	61.43%
North America			
	United States		
Insurance	AXA Financial, Inc. [(c)]	100%	100%
	Canada		
Insurance	AXA Canada Inc. [(d)]	100%	100%
	Mexico		
Insurance	AXA Seguros, S.A.C.V. [(e)]	99.94%	99.94%
AFRICA			
	Morocco		
Insurance	AXA Holding Maroc S.A. [(f)]	100%	100%
Europe			
	Belgium		
Insurance	AXA Holdings Belgium [(g)]	100%	100%
Financial Services	AXA Bank Europe	100%	100%
	Czech Republic		
Insurance	AXA Czech Republic Insurance	100%	100%
	AXA Czech Republic Pension Funds	99.99%	99.99%

(a) Formerly AXA RE.
(b) AXA also holds indirectly 100% of the general partner of AllianceBernstein.
(c) Holding company that owns AXA Equitable Life Insurance Company, Mony Companies, AXA Financial Bermuda Ltd.
(d) Holding company that owns AXA Assurances Inc.
(e) Company owned by AXA Mediterranean Holding, SA (Spain).
(f) Holding company that owns AXA Assurance Maroc.
(g) Holding company that owns AXA Belgium.

		Group share of interests	Voting rights percentage
	France		
Insurance	AXA France Assurance [h]	100%	100%
Financial Services	Compagnie Financière de Paris	100%	100%
	AXA Banque	99.89%	100%
	Greece		
Insurance	AXA Insurance A.E. [i]	99.89%	99.89%
	Hungary		
Insurance	AXA Hungary	100%	100%
	Italy		
Insurance	AXA Italia SpA [j]	100%	100%
	AXA- MPS Vita [k]	50%	50% + 1 voting right
	AXA- MPS Danni [l]	50%	50% + 1 voting right
	Ireland		
Insurance	AXA Holdings Ireland Limited [m]	99.98%	100%
	AXA Life Europe Limited	100%	100%
	Germany		
Insurance	AXA Konzern AG [n]	100%	100%
	WinCom Versicherungs-Holding AG [o]	100%	100%
	AXAVersicherung AG	100%	100%
	AXA Lebensversicherung AG	100%	100%
Financial Services	AXA Bank AG	100%	100%
	Luxembourg		
Insurance	AXA Luxembourg SA [p]	100%	100%
	Poland		
Insurance	AXA Poland Pension Funds	100%	100%
	AXA Poland	94.92%	94.92%
	Portugal		
Insurance	AXA Portugal Companhia de Seguros SA	99.49%	99.73%
	AXA Portugal Companhia de Seguros de Vida SA	94.89%	95.09%
	Seguro Directo [q]	100%	100%
	Spain		
Insurance	AXA Mediterranean Holding SA [r]	100%	100%
	Switzerland		
Insurance	AXA Life	100%	100%
	AXA Insurance [s]	100%	100%

(h) Holding company that owns AXA France Vie, AXA France IARD, AVENSSUR, Juridica, AXA Epargne Entreprise and Natio.
(i) Company owned by AXA Mediterranean Holding, SA (Spain).
(j) Holding company that owns AXA Assicurazioni SpA and AXA Interlife SpA.
(k) Company owned by AXA Mediterranean Holding, SA (Spain).
(l) Company owned by AXA Mediterranean Holding, SA (Spain).
(m) Holding company that owns AXA Ireland Limited and AXA Insurance Limited.
(n) Holding company that owns AXA Versicherung AG, AXA Lebensversicherung AG, AXA ART Versicherung AG and AXA Krankenvesicherung AG.
(o) Holding company that owns DBV-Winterthur Lebensversicherung AG, AXA Krankenversicherung AG, DBV-Winterthur Holding AG and DBV-Winterthur Versicherung AG.
(p) Holding company that owns AXA Assurances Luxembourg and AXA Assurances Vie Luxembourg.
(q) Company owned by AXA Mediterranean Holding, SA (Spain).
(r) Holding company that owns Hilo Direct de Seguros y Reaseguros, AXA Seguros Generales, SA de Seguros y Reaseguros, AXA Vida, SA de Seguros y Reaseguros, AXA MedLa IT & Local Support Services SA, AXA Winterthur Salud SA de Seguros, AXA Aurora Vida, SA de Seguros y Reaseguros and AXA Pensiones, SA E.G.F.P.
(s) Holding company that owns 66.67% of AXA-ARAG Rechtsschutz AG.
(t) Holding company that owns 100% of AXA Hayat Sigorta AS and 72.55% of AXA Sigorta AS.
(u) Holding company that owns directly AXA Sun Life Direct Limited, Sun Life Corporation plc, AXA Portfolio Services Limited, Winterthur UK Financial Services Group Limited, Guardian Royal Exchange plc, AXA Insurance plc, Bluefin Advisory Services Limited and AXA PPP healthcare Limited.

		Group share of interests	Voting rights percentage
	Turkey		
Insurance	AXATurkey Holding A.S. (t)	100%	100%
	United Kingdom		
Insurance	AXA UK Plc (u)	99.98%	100%
Asia-Pacific			
	Australia/New Zealand		
Insurance	AXA Asia Pacific Holdings Ltd (w)	54.03%	54.03%
	Hong Kong		
Insurance	AXA China Region Limited (x)	54.03%	100%
	Japan		
Insurance	AXA Japan Holding (y)	98.72%	98.72%
	Singapore		
Insurance	AXA Financial Services (Singapore) (z)	54.03%	100%
	SouthKorea		
Insurance	Kyobo AXA General Insurance Co. Ltd.	92.82%	92.82%

(w) Holding company that owns The National Mutual Life Association of Australasia Limited, National Mutual Funds Management (Global) Limited and National Mutual International Pty Limited. AXA's ownership interest and voting power in AXA Asia Pacific Group is divided between a direct holding of 44.60% and an additional 9.42% owned by Société Beaujon.

(x) Wholly owned by AXA Asia Pacific Holdings Limited.

(y) Holding company that owns AXA Life Insurance Co. Ltd, AXA Non-Life Insurance Co. Ltd.

(z) Holding company that owns AXA Life Insurance Singapore Pte Ltd. Wholly owned by AXA Asia Pacific Holdings Limited.

Ratings

PRINCIPAL RATINGS OF THE GROUP AS AT MARCH 17, 2011

The Company and certain of its insurance subsidiaries are rated by recognized rating agencies. The significance and the meaning of individual ratings vary from agency to agency.

At March 17, 2011, the relevant ratings for the Company and its principal insurance subsidiaries were as follows:

	Agency	Rating	Outlook
Insurer Financial Strength Ratings			
The Company's principal insurance subsidiaries	Standard & Poor's	AA-	Stable
	Moody's	Aa3	Stable
	Fitch Ratings	AA–	Stable
Ratings of the Company's Long Term and Short Term Debt			
Counterparty credit rating/Senior Debt	Standard & Poor's	A	Stable
	Moody's	A2	Stable
	Fitch Ratings	A–	
Short Term Debt	Standard & Poor's	A 1	
	Moody's	P-1	
	Fitch Ratings	F 1	

The ratings set forth above may be subject to revision or withdrawal at any time by the assigning rating agency. None of these ratings is an indication of the historic or potential performance of AXA's ordinary shares, ADSs, ADRs or debt securities and should not be relied upon for purpose of making an investment decision with respect to any of these securities. The Company accepts no responsibility for the accuracy or reliability of the ratings.

SRI ratings

AXA's social, societal, environmental and governance performance is rated by a number of specialists, including investors, brokers and rating agencies that focus specifically on the socially responsible investment (SRI) market. AXA is ranked above the average for its industry and is included in the three major global ethical indices:

- DJSI STOXX and DJSI World (based on SAM research);
- FTSE4GOOD (based on EIRIS [1] research);
- ASPI Eurozone (based on Vigeo research).

(1) EIRIS does not publish public ratings.

AXA's current ratings, which are subject to change, are set forth below:

Agency	Theme	AXA rating
SAM (November 2010)	General score	70% (sector avg.: 46%)
	Economy	80% (sector avg.: 61%)
	Social	60% (sector avg.: 37%)
	Environment	73% (sector avg.: 41%)
	"Sustainability Yearbook" category	Bronze
Vigeo [(a)] (April 2010)	Human Resources	51% (rating: +)
	Human rights	55% (rating: +)
	Community involvement	42% (rating: +)
	Environment	57% (rating: +)
	Business behaviour	55% (rating: +)
	Corporate governance	56% (rating: =)

(a) Definition of Vigeo ratings:
--: least advanced;
-: companies that fall below the average for their sector;
=: companies that are within the average for their sector;
+: active companies;
++: the most committed companies in the sector.

Business overview

The table below summarizes certain key financial data by segment for the last two years.

AXA ACTIVITY INDICATORS AND EARNINGS

	Years ended December 31,			
(in Euro million, except percentages)	2010		2009	
Consolidated gross revenues				
– Life & Savings	56,923	63%	57,620	64%
– Property & Casualty	27,413	30%	26,174	29%
– International Insurance	2,847	3%	2,860	3%
– Asset management	3,328	4%	3,074	3%
– Banking	459	1%	395	0%
– Holdings and other companies	0	0%	0	0%
Consolidated gross revenues	**90,972**	**100%**	**90,124**	**100%**
Annual Premium Equivalent (APE) (a)	**5,780**		**6,188**	
New Business Value (NBV) (b)	**1,290**		**1,113**	
Underlying earnings (c)				
– Life & Savings	2,455	63%	2,336	61%
– Property & Casualty	1,692	44%	1,670	43%
– International Insurance	290	7%	286	7%
– Asset management	269	7%	355	9%
– Banking	9	0%	(2)	0%
– Holdings and other companies	(836)	-22%	(793)	-21%
Underlying earnings	**3,880**	**100%**	**3,854**	**100%**
Net capital gains	437		(386)	
Adjusted earnings (d)	**4,317**		**3,468**	
Exceptional operations (including discontinued operations)	(1,616)		(202)	
Goodwill and other related intangible impacts	(87)		(85)	
Profit or loss on financial assets (under fair value option) & derivatives	210		485	
Integration and restructuring costs	(76)		(60)	
Net income	**2,749**		**3,606**	
– Life & Savings	1,396	37%	2,075	48%
– Property & Casualty	1,750	46%	1,516	35%
– International Insurance	378	10%	326	8%
– Asset management	255	7%	409	9%
– Banking	9	0%	(17)	0%
Net income from operating segments	**3,788**	**100%**	**4,309**	**100%**
– Holdings and other companies	(1,040)		(703)	
Net income	**2,749**		**3,606**	

(a) Annual Premium Equivalent (APE): Measure of new business volume which represents 100% of regular premiums +10% of single premiums, in line with EEV methodology. APE is Group share.

(b) New Business Value (NBV): The value of new business issued during the current year which consists of the Value In Force of new business at the end of the year plus the statutory profit result of the business during the year. NBV is Group share.

(c) Underlying earnings correspond to adjusted earnings excluding net capital gains attributable to shareholders.

(d) Adjusted earnings represent the net income (Group share) before the impact of:

(i) Exceptional operations (primarily change in scope and discontinued operations);

(ii) Integration and restructuring costs related to material newly acquired companies as well as restructuring and associated costs related to productivity improvement plans;

(iii) Goodwill and other related intangibles; and

(iv) Profit or loss on financial assets accounted for under fair value option (excluding assets backing liabilities for which the financial risk is borne by the policyholder) and derivatives related to invested assets, including all foreign exchange rate impacts on assets, liabilities and derivatives.

OTHER FINANCIAL DATA

	2010	2009 [a]
For the years ended December 31,		
Net income per ordinary share (in Euro) [a]		
Basic	1.08	1.56
Diluted	1.08	1.56
Adjusted earnings per share [b]	1.77	1.49
Average share price (in Euro)	14.0	13.8
At December 31,		
Shareholders' equity (in Euro million)	49,698	46,229
Share price (in Euro)	12.5	16.5

(a) Revised net income EPS takes into account interest payments related to undated subordinated debts classified in equity, excluding FOREX impacts. Previously disclosed EPS included FOREX adjustments. Basic net income EPS amounted to €1.51 and fully diluted net income EPS to €1.51 at 2009. Excluding FOREX reflects implemented hedges which would qualify as net investment hedges with related changes in fair value recognised through translation reserves.

(b) Fully diluted bases.

The table below sets forth the total assets managed by AXA's subsidiaries, including assets managed on behalf of third parties:

AXA'S TOTAL ASSETS UNDER MANAGEMENT

	At December 31,	
(in Euro million)	2010 [a] [b]	2009 [a] [b]
AXA:		
General account assets [b]	493,791	460,660
Assets backing contracts with financial risk borne by policyholders (unit-linked)	149,066	155,457
Subtotal	**642,858**	**616,117**
Managed on behalf of third parties [c]	460,599	417,666
TOTAL ASSETS UNDER MANAGEMENT	**1,103,456**	**1,033,783**

(a) Reclassification of AUM Australia & New Zealand from "managed by AllianceBernstein" to "managed by other AXA companies" (General account: €4.4bn; unit-linked: €1.7bn).

(b) In order to improve the Consolidated Financial Statements presentation consistency across segments, balances of receivables arising from banking operations disclosed so far in the "Other assets and receivables" aggregate have been reclassified to the "Investments from non- insurance activities" aggregate. Published figures in 2009 before reclassification for "General account assets" were €441.928 millon.

(c) Includes assets managed on behalf of Mutuelles AXA.

The table below sets forth AXA's consolidated gross revenues by segment for each of its major geographic markets for the years indicated:

BREAKDOWN OF AXA'S GROSS REVENUES

	Years ended December 31, 2010		2009	
	Segment contribution (%)	Market contribution to total Segment (%)	Segment contribution (%)	Market contribution to total Segment (%)
Total gross revenues *(in Euro million)* [(a)]		**90,972**		**90,124**
Life & Savings	**63%**		**64%**	
France		26%		28%
United States		17%		16%
United Kingdom		4%		5%
Japan		10%		9%
Germany		12%		12%
Belgium		4%		4%
Mediterranean & Latin American Region		12%		11%
Switzerland		9%		8%
Other countries		7%		6%
Property & Casualty	**30%**		**29%**	
France		21%		22%
Germany		13%		13%
United Kingdom (including Ireland)		15%		15%
Belgium		8%		8%
Mediterranean & Latin American Region		25%		26%
Switzerland		8%		8%
Other countries		10%		8%
International Insurance	**3%**		**3%**	
Colisée RE [(a)]		0%		0%
AXA Corporate Solutions Assurance		68%		67%
AXA Global Life and AXA Global P&C		2%		2%
AXA Assistance		27%		27%
Others [(a)]		3%		4%
Asset Management	**4%**		**3%**	
AllianceBernstein		63%		61%
AXA Investment Managers		37%		39%
Banking	**1%**		**0%**	
AXA Banque (France)		22%		23%
AXA Bank Europe (Belgium)		58%		59%
Others		20%		18%
Holdings and other companies	**0%**		**0%**	
AXA SA		0%		0%
Others		0%		0%

(a) As described in Note 1.10 of "Part 4 - Consolidated Financial Statements", the contribution of discontinued operations is stated in a separate line of the income statement.

For additional information on AXA's revenues by segments, see Note 21 "Revenues by segment and net revenues from banking activities" included in "Part 4 – Consolidated Financial Statements" of this Annual Report.

For additional information on AXA's business segments, see "Part 1.3 – Activity Report", and Note 3 "Segmental Information" included in "Part 4 – Consolidated Financial Statements" of this Annual Report.

Segment information

Life & Savings segment

AXA offers a broad range of Life & Savings products including Individual and Group savings products, as well as life and health products for both individual and commercial clients. The Life & Savings segment accounted for €56.9 billion or 63% of AXA's consolidated gross revenues for the year ended December 31, 2010 (2009: €57.6 billion or 64%).

The table below summarizes AXA's Life & Savings consolidated gross revenues and gross insurance liabilities by geographic region for the periods and at the dates indicated:

LIFE & SAVINGS SEGMENT: GROSS REVENUES BY COUNTRY

	Gross revenues Years ended December 31,				Gross insurance liabilities at December 31, 2010
(in Euro million, except percentages)	2010		2009		
France	14,624	26%	16,340	28%	118,934
United States	9,458	17%	9,384	16%	112,344
Japan	5,560	10%	5,438	9%	40,795
United Kingdom [(a)]	2,040	4%	2,783	5%	17,541
Germany	6,867	12%	6,694	12%	58,065
Belgium	2,504	4%	2,515	4%	27,699
Mediterranean & Latin American Region [(b)]	6,944	12%	6,473	11%	38,277
Switzerland	5,082	9%	4,437	8%	46,150
Others	3,844	7%	3,555	6%	26,560
of which Australia and New Zealand [(c)]	1,551	3%	1,532	3%	10,339
of which Hong Kong	1,321	2%	1,203	2%	8,149
of which Central & Eastern Europe [(d)]	512	1%	468	1%	5,700
TOTAL	**56,923**	**100%**	**57,620**	**100%**	**486,364**
Of which:					
Gross written premiums	*54,962*		*55,899*		
Fees and charges relating to investment contracts with no participating feature	*518*		*547*		
Fees, commissions and others revenues [(e)]	*1,444*		*1,174*		

(a) For the United Kingdom, reflects retained business only in 2010.

(b) Mediterranean & Latin American Region includes Spain, Italy, Portugal, Turkey, Greece, Morocco and Mexico.

(c) The assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated balance sheet, but are included in the following table as gross insurance liabilities for €8.7 billion.

(d) Includes Poland, Hungary, Czech Republic and Slovakia.

(e) Includes revenues from other activities (mainly commissions and related fees on mutual funds sales).

BREAKDOWN OF AXA'S LIFE & SAVINGS APE AND NBV

	Annual Premium Equivalent [a]		New Business Value [b]	
(in Euro million)	2010	2009	2010	2009
France	1,384	1,602	159	145
United States	986	994	122	73
Japan	465	532	354	330
United Kingdom	545	926	29	97
Germany	464	469	96	63
Belgium	218	264	22	41
Mediterranean & Latin American Region [c]	553	497	91	79
Switzerland	283	255	124	84
Others	882	649	291	201
of which Australia and New Zealand	283	269	44	38
of which Hong Kong	159	123	114	78
of which Central & Eastern Europe	274	168	56	34
TOTAL GROUP SHARE	**5,780**	**6,188**	**1,290**	**1,113**

(a) Annual Premium Equivalent (APE): Measure of new business volume. Represents 100% of regular premiums +10% of single premiums, in line with EEV methodology. APE is Group share.

(b) New Business Value (NBV): The value of new business issued during the current year consists of the Value In Force of new business at the end of the year plus the statutory profit result of the business during the year. NBV is Group share.

(c) For APE and NBV: Mediterranean & Latin American Region includes Spain, Italy, Portugal, Turkey, Greece and Mexico.

MARKETS AND COMPETITION

In the Life & Savings segment, AXA operates primarily in Western Europe (including France, the United Kingdom, Germany, Belgium, Switzerland and the Mediterranean Region), the United States and Japan. In addition, AXA offers investment and saving products as well as life and health products in a number of other jurisdictions including Australia and New Zealand, Asia (notably Hong Kong, Singapore, China and Indonesia), Central and Eastern Europe, Middle East and Latin America (Mexico). The products in these markets are offered through various distribution channels, including exclusive agents, salaried sales forces, brokers, independent financial advisers, and bank networks. See the "Distribution channels" section below.

The nature and level of competition vary among the countries in which AXA operates for all the types of Individual and Group Life & Savings products sold by AXA. Many other insurance companies offer similar products to those offered by AXA, and, in some cases, also use similar marketing techniques and distribution methods.

The principal competitive factors affecting the Life & Savings business include:

- Size, strength and quality of the distribution channels, in particular the quality of advisors;
- Range of product lines and product quality, feature functionality and innovation;
- Price;
- Quality of service;
- Investment management performance;
- Historical levels of bonuses with respect to participating contracts;
- Crediting rates on general account products;
- Reputation, visibility and recognition of brand;
- Quality of management;
- Ratings for financial strength and claims-paying ability; and
- Changes in regulations that may affect the policy charge structure relating to commission and administrative charges.

AXA competes with insurance companies and also with banks, asset management companies, investment advisers and other financial institutions for sales of savings-related investment products and, to a lesser extent, life insurance products.

The table below presents the main Life & Savings insurance markets in which AXA operates ranked by worldwide gross revenues in 2009, along with AXA's estimated ranking (by market share):

INSURANCE MARKET - LIFE & SAVINGS

	Based on worldwide gross revenues in 2009			
	Country Statistics [a]		AXA [b]	
Countries	Ranking	% revenues	Ranking	Market share
France [c]	4	8%	3	10%
United States [d]	1	21%	6 (g)	5%
Japan [d]	2	17%	12	2%
United Kingdom [e]	3	9%	6 (h)	8%
Germany [f]	6	5%	5 (i)	5%
Belgium [d]	18	1%	3	13%
Mediterranean & Latin American Region				
- Italy [d]	5	5%	8	5%
- Spain [d]	12	2%	12	3%
- Portugal [d]	25	1%	9	2%
- Turkey [f]	44	0%	10	3%
- Mexico [d]	31	0%	6	6%
Hong Kong [f]	23	1%	6	8%
Indonesia [f]	34	0%	8	5%
Switzerland [f]	17	1%	1	27%

(a) Source: Swiss Re, Sigma report 2010 "World Insurance in 2009".
(b) Source: AXA, mainly based on national insurance association data for each specific country.
(c) AXA's ranking and market share are based on updated December 2009 figures.
(d) AXA's ranking and market share are based on updated September 2010 figures.
(e) AXA's ranking and market share are based on updated December 2009 figures (which included both sold and retained business). For detailed market positions on retained business, please refer to Activity Report Section "Insurance and Management Market".
(f) AXA's ranking and market share are based on updated December 2009 figures.
(g) Relates to Variable Annuity products.
(h) Based on new business Annual Premium Equivalent (APE). Represents 100% of regular premiums+10% of single premiums, in line with EEV methodology.
(i) Considering all companies part of the Group of Public Insurers independently.

For additional information on markets, see Section "Insurance and Asset Management Markets" included in "Part 1.3 – Activity Report" of this Annual Report.

PRODUCTS AND SERVICES

AXA's Life & Savings products include a broad range of investment and savings products as well as life and health products marketed to individual and commercial clients. The Life & Savings products offered by AXA include term life, whole life, universal life, endowment, deferred annuities, immediate annuities, and other investment-based products. The health products offered include critical illness and permanent health insurance products. The types and specificities of the products offered by AXA vary from market to market.

PRODUCT TYPES BY NATURE OF RISK

Investment and savings products include:

- Deferred annuities, which may be purchased with either a single premium or regular premiums. A deferred annuity has two distinct periods: an accumulation period and an annuity payment period. Typically, more flexibility is permitted in premium payments for longer deferred periods. The premium generally can be invested either in the general account of the insurer, or in a choice of unit-linked funds. Also known as individual variable annuities in the United States, these products often include optional guarantees (for a fee) such as guaranteed minimum income benefit (GMIB), guaranteed minimum death benefit (GMDB) and guaranteed minimum withdrawal benefit (GMWB);

- Pure savings products, which generally provide investment return through a crediting rate to policyholders, while AXA bears the investment risk;
- Universal savings products, which is the same as universal life but has no significant death benefit component. See below for a description of universal life products.

Life products include:

- Term assurance, which provides a death benefit for a defined period of time;
- Whole life products, which provide a death benefit over a person's entire lifetime or up to a certain age, such as age 95 or 100, as long as the required premiums are paid;
- Universal life products, which are bundled products that include a significant death benefit component. Funds can be invested in unit-linked and / or general accounts;
- Endowment products, which pay a level death benefit for a limited period of time or to age 65. An endowment benefit is paid at the end of that period if the insured is still alive;
- Disability products, which pay a benefit in case of disability. The benefit can be a lump sum, or a percentage of the income paid over a specified period of time;
- Immediate annuity products, which are usually single premium products with no previous accumulation period, which promise regular payments for a fixed period of time or over a beneficiaries' lifetime.
  - Health products (1) generally offer reimbursement of medical expenses or provide medical services,
  - Mutual funds offered by insurance companies are generally open-ended funds operated by an investment management company, in accordance with a stated set of objectives.

AXA's Life & Savings products may be distinguished between:

- *Participating contracts*, in which the policyholders participate in the excess assets over liabilities (the surplus) of – and therefore in the investment return and/or in part of the operating profits earned by – the insurance company issuing the contract by way of the payment of an interest or bonus payment;
- *Contracts with the financial risk borne by the policyholders (unit-linked)*, in which the investment risk (and reward) is generally borne by the policyholder while the issuing company earns fee income from managing the underlying assets.

New product initiatives

To attract and retain clients, especially in the segments identified as strategic, AXA has developed solutions designed to meet the needs of the targeted customer groups. In addition, new products have been designed to support AXA's cross-selling strategy and thus improve client retention and enhance value for the clients. AXA also aims to reuse across markets successful products and experiences developed for individual country markets.

(1) *Health products are classified either in Life & Savings or Property & Casualty, depending on the features of the products but also market practice specific to each country. For example health product providing savings features or rider options are classified in the Life & Savings segment.*

The table below presents consolidated gross revenues (after inter-segment elimination) and gross insurance liabilities by major product for the periods and as of the dates indicated for AXA's Life & Savings segment:

LIFE & SAVINGS SEGMENT

	Gross revenues by main product lines Years ended December 31,				Gross insurance liabilities at December 31, 2010 [(a)]
(in Euro millon, except percentages)	2010		2009		
Investment & Savings	25,507	46%	29,376	53%	257,053
Individual	22,887	42%	25,410	45%	218,319
Group	2,620	5%	3,966	7%	38,734
Life contracts (including endowment contracts)	20,338	37%	17,676	32%	156,637
Health contracts	7,007	13%	6,653	12%	19,472
Other	2,111	4%	2,194	4%	9,524
Sub-Total	**54,962**	**100%**	**55,899**	**100%**	**442,687**
Fees and charges relating to investment contracts with no participating features	518		547		25,726
Fees, commissions and other revenues [(b)]	1,444		1,174		
Liabilities arising from policyholder's participation					15,890
Unearned revenues and unearned fees reserves					2,780
Derivatives relating to insurance and investment contracts					(719)
TOTAL REVENUES AND LIABILITIES	**56,923**		**57,620**		**486,364**
Of which:					
Contracts with financial risk borne by policyholders (Unit-Linked)	*12,285*	*22%*	*13,167*	*24%*	*143,007*
UK with-profit business (c)	*443*	*1%*	*560*	*1%*	*-*

(a) The assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated balance sheet, but are included in the following table as gross insurance liabilities for €10.1 billion.

(b) Includes revenues from other activities (mainly commissions and related fees on mutual funds sales).

(c) UK with-profit business: A participating contract, specific to the United Kingdom and known as the with-profit contract, was offered by AXA Sun Life until 2002. Under with-profits contracts, the policyholders are entitled to receive a share of the profits arising from the invested policyholders' premiums which includes regular bonuses and terminal bonuses. The regular bonuses are designed to provide a return to the policyholder through a periodic increase in benefits and are credited to the policyholder. Once credited, regular bonuses are guaranteed to be paid at maturity, death or as otherwise specified in the policy. Terminal bonuses, which are not guaranteed in advance of payment are designed to provide policyholders with their share of total investment performance and other experience of the fund (including expenses, mortality experience and income taxes) over several periods. Terminal bonuses can represent a significant portion of the total amount paid at maturity or upon surrender prior to maturity and are at the discretion of the Board of Directors. Following policyholder and court approvals, in 2001 AXA Equity & Law underwent a financial reorganization whereby the life insurance funds were transferred to AXA Sun Life and fundamentally restructured. A portion of the assets that accumulated over the years (which we refer to in this Annual Report as the "inherited estate") were attributed to AXA as the shareholder, less a portion allocated to the with-profits policyholders in the form of a reorganization bonus, based on the number of eligible policyholders that elected in favor of this plan.

DISTRIBUTION CHANNELS

AXA distributes its products through exclusive and non-exclusive channels that vary from country to country. Exclusive channels include exclusive agents, salaried sales forces and direct sales. Non-exclusive channels include brokers, independent financial advisors, aligned distributors or wholesale distributors and partnerships.

Exclusive agents are individuals or firms commissioned by a single insurance company to sell its products exclusively on its behalf. Tied agents are exclusive agents.

Salaried sales forces are salespeople employed by a single insurance company (or an affiliated company) to sell the company's products on an exclusive basis.

Direct sales relate to all sales made through mail, telephone, and internet.

Brokers are independent firms that negotiate with insurance companies on behalf of customers seeking coverage. As opposed to exclusive agents, brokers usually work with different insurance companies.

Independent Financial Advisors (IFAs) are individuals or firms that provide financial advice to customers and negotiate related policies with insurance companies on behalf of customers. IFAs usually work with different insurance companies.

Aligned distributors are independent individuals or firms who have chosen AXA to provide them with a full range of dealership services. They negotiate, on behalf of customers, policies of various insurance companies among a range of products selected by AXA.

Distribution partnerships are generally structured as sales agreements between an insurance company and another company from the financial services industry, especially banks, or from another industry. This may take the form of a joint venture between the insurance company and its partner or a pure contractual distribution arrangement.

AXA's distribution strategy focuses on strengthening traditional channels and developing new ones, such as direct selling and partnerships. Staff hiring, retention of veteran staff, professionalism and commercial performance are the main initiatives to strengthen traditional distribution channels. To serve increasingly sophisticated and demanding customers, AXA believes that the diversification of its distribution channels through the development of new channels improves opportunities for increased penetration and more frequent contact with AXA's target customer base.

The split of distribution channels used by AXA's principal Life & Savings operations, based on consolidated gross revenues for the years ended December 31, 2010 and 2009, is presented below:

BASED ON GROSS REVENUES IN 2010

	Agents, salaried salesforce and direct sales	Intermediaries / independent advisers / brokers	Other networks, including corporate partnerships and bank networks
France	49%	45%	6%
United States	76%	10%	15%
Japan	48%	38%	14%
United Kingdom	23%	76%	1%
Germany	58%	35%	7%
Belgium	-	100%	-
Mediterranean & Latin American Region	19%	9%	72%
Switzerland	52%	43%	4%

BASED ON GROSS REVENUES IN 2009

	Agents, salaried salesforce and direct sales	Intermediaries / independent advisers / brokers	Other networks, including corporate partnerships and bank networks
France	44%	46%	10%
United States	69%	9%	22%
Japan	50%	36%	14%
United Kingdom	24%	75%	1%
Germany	58%	35%	6%
Belgium	-	100%	-
Mediterranean & Latin American Region	19%	9%	71%
Switzerland	57%	38%	5%

SURRENDERS AND LAPSES

For most Life & Savings products, fees and revenues accrue over time, while costs to the issuing company in the first year are generally higher than costs in subsequent years due to first year commissions and the costs of underwriting and issuing a contract. Consequently, the rate of policies remaining in-force and not lapsing, also known as the "persistency rate", plays an important role in profitability. The majority of individual Life & Savings products issued by AXA may be surrendered for a cash surrender value. Most of the individual Life & Savings products issued by AXA have front-end charges to the policyholder (or subscription fees), which are assessed at the inception date of the contract and/or surrender charges (charges assessed in the case of early surrender). Both front-end charges and surrender charges are intended to offset a portion of the acquisition costs.

Total surrenders and lapses for 2010, and the ratio of surrenders and lapses to gross surrenderable insurance reserves at the beginning of the periods indicated are presented below:

SURRENDERS AND LAPSES

	Years ended December, 31		
	2010	2010	2009
	Total surrenders & lapses	Surrenders & lapses ratio	
	(in Euro million)	%	%
France	5,782	5.9%	6.4%
United States [(a)]	5,691	6.2%	6.6%
Japan [(b) (c)]	2,719	7.9%	12.9%
United Kingdom	4,486	7.1%	8.5%
Germany	585	1.7%	2.1%
Belgium	709	2.7%	2.8%
Mediterranean & Latin American Region [(d)]	2,617	8.5%	8.2%
Switzerland	708	2.4%	2.7%

(a) *Amounts and percentages reported for the United States operations exclude surrenders and lapses for corporate separate accounts.*
(b) *Includes conversions in Japan.*
(c) *Surrenders & Lapses in Japan were impacted in 2009 by the bankruptcy of one large independent agent and by the decrease in the guaranteed rate of group pension contracts.*
(d) *Mediterranean & Latin American Region includes Spain, Italy, Portugal, Morocco, Greece, Turkey and Mexico.*

AXA GLOBAL LIFE

The Group has built up an organization by Global Business lines since early 2010 to support a new stage of its development. Life & Savings Global Business line, as part of its role to define a common strategy has set the following priorities:

- accelerate diversification into Protection and Health;
- enhance profitability in Savings business;
- prioritize investments for growth;
- foster business efficiency.

Property & Casualty segment

AXA's Property & Casualty segment offers a broad range of products including motor, household property and general liability insurance for both personal and commercial customers, targeting mainly small to medium sized companies. In certain countries, health products are classified as Property & Casualty products [(1)]. The Property & Casualty segment accounted for €27.4 billion, or 30% of AXA's consolidated gross revenues for the year ended December 31, 2010 (2009: €26.2 billion or 29%).

(1) *Some countries classify health activity in the Property & Casualty segment, while other countries classify it in the Life & Savings segment. AXA chooses to follow local classification.*

The table below summarizes AXA's Property & Casualty consolidated gross revenues (after inter-segment eliminations) and gross insurance liabilities by geographic region for the periods and at the indicated dates.

PROPERTY & CASUALTY SEGMENT

(in Euro million, except percentages)	Gross revenues - Years ended December 31, 2010		2009		Gross insurance liabilities at December 31, 2010
France	5,849	21%	5,684	22%	12,609
Germany	3,458	13%	3,501	13%	6,382
United Kingdom & Ireland	4,147	15%	3,905	15%	5,535
Belgium	2,099	8%	2,130	8%	6,424
Mediterranean & Latin American Region [(a)]	6,888	25%	6,697	26%	9,007
Switzerland	2,327	8%	2,154	8%	7,004
Other Countries	2,645	10%	2,103	8%	3,613
TOTAL	**27,413**	**100%**	**26,174**	**100%**	**50,573**
Of which:					
Gross written premiums	*27,335*		*26,097*		
Other revenues	*78*		*77*		

(a) Mediterranean and Latin American Region includes Spain, Italy, Portugal, Greece, Morocco, Turkey, Mexico and the Gulf Region.

MARKETS AND COMPETITION

In the Property & Casualty segment, AXA operates mainly in the largest Western European markets, including France, Germany, the United Kingdom, Belgium, Switzerland and the Mediterranean Region. AXA also offers personal and commercial Property & Casualty insurance products in other countries in Central and Eastern Europe as well as in Canada, Asia (notably Japan, Singapore, South Korea and Hong Kong), the Middle East, and Latin America (Mexico).

The nature and level of competition vary among the countries in which AXA operates. AXA competes with other insurers in each of its Property & Casualty products and in all the markets where it operates. In general, the Property & Casualty insurance industry tends to be cyclical with surplus underwriting capacity leading to lower premium rates.

The principal competitive factors are as follows:

- Price;
- Quality of service;
- Distribution network;
- Brand recognition;
- Ratings for financial strength and claims-paying ability; and
- Changes in regulations, which may affect premium rates charged or claims settlement costs paid.

The table below presents the Property & Casualty markets in which AXA operates ranked by worldwide gross revenues in 2009, along with AXA's ranking (by market share).

PROPERTY AND CASUALTY MARKETS

	Based on worldwide gross revenues in 2009			
	Country Statistics [a]		AXA [b]	
	Ranking	% revenues	Ranking	Market share
France [h]	5	5%	2	15%
Germany [f]	2	7%	4	6%
United Kingdom [c]	4	5%	5	5%
Belgium [e]	16	1%	1	21%
Mediterranean & Latin American Region				
Italy [e]	8	3%	7	4%
Spain [e]	10	3%	2	8%
Portugal [e]	30	0%	2	9%
Turkey [e]	28	0%	1	13%
Gulf Region [d] [g]	21	1%	7	4%
Mexico [e]	22	1%	1	15%
Japan [g]	3	6%	10	0%
South Korea [g]	12	2%	11	1%
Ireland [g]	23	1%	3	12%
Switzerland [g]	15	1%	1	14%

(a) Source: Swiss Re, Sigma report 2010 "World insurance in 2009".
(b) Source: AXA, mainly based on national insurance association data for each specific country.
(c) United Kingdom: includes health, but excludes Ireland.
(d) Gulf Region: includes Saudi Arabia, United Arab Emirates, Kuwait, Qatar and Oman. Rankings are calculated with the agregation of these 5 countries.
(e) AXA's ranking and market share based on updated September 2010 figures.
(f) AXA's ranking and market share based on updated November 2010 figures.
(g) AXA's ranking and market share based on updated December 2010 figures.
(h) AXA's ranking and market share based on updated December 2009 figures.

For more details on market description, refer to "Part 1.3 – Activity Report", section "Insurance and Asset Management Markets".

PRODUCTS AND SERVICES

AXA's Property & Casualty insurance operations offer a broad range of products including motor, household, property and general liability insurance for both personal and commercial customers (targeting mainly small to medium sized companies) and, in certain countries, health products. In addition, AXA offers engineering services to support prevention policies in companies.

The tables below sets forth gross revenues and gross insurance liabilities by major product for the periods and as at the dates indicated:

PROPERTY & CASUALTY SEGMENT

(in Euro million, except percentages)	Gross Written Premiums Years ended December 31, 2010		2009		Gross insurance liabilities at December 31, 2010
Personal lines					
Motor	9,834	36%	9,093	35%	16,450
Homeowners/household	4,099	15%	3,947	15%	3,754
Other	2,806	10%	2,782	11%	5,683
Commercial lines					
Motor	2,191	8%	2,091	8%	3,297
Property damage	2,635	10%	2,590	10%	2,873
Liability	1,538	6%	1,480	6%	6,752
Other	3,877	14%	3,746	14%	10,660
Other	355	1%	368	1%	791
TOTAL	**27,335**	**100%**	**26,097**	**100%**	**50,261**
Liabilities arising from policyholders' participation					314
TOTAL					**50,575**

DISTRIBUTION CHANNELS

AXA distributes its Property & Casualty insurance products through a number of channels that vary from country to country, including exclusive agents, brokers, salaried sales forces, direct sales and banks and other partnerships, including car dealers. In Continental Europe, the same distribution channels are used by both AXA's Life & Savings and Property & Casualty operations. For a description of these distribution channels, please refer to the "Distribution channels" section in the Life & Savings segment of this Part 1.2.

Development of distribution channels is key to reach targeted customers and overall for the profitability of the activity.

The split of distribution channels used by AXA's Property & Casualty operations, based on gross revenues for the year ended December 31, 2010 and 2009, is presented below:

Based on gross revenues in 2010	General agents and salaried salesforce	Intermediaries, independent advisers & brokers	Direct Sales and marketing	Other networks, including corporate partnerships and bank networks
France	69%	25%	5%	1%
Germany	49%	46%	1%	5%
United Kingdom	2%	55%	33%	10%
Belgium	2%	93%	3%	2%
Mediterranean & Latin American Region	43%	44%	3%	9%
Switzerland	76%	22%	0%	2%

Based on gross revenues in 2009	General agents and salaried salesforce	Intermediaries, independent advisers & brokers	Direct Sales and marketing	Other networks, including corporate partnerships and bank networks
France	69%	25%	5%	1%
Germany	47%	47%	1%	5%
United Kingdom	2%	59%	29%	10%
Belgium	2%	93%	3%	2%
Mediterranean and Latin American Region	45%	44%	3%	8%
Switzerland	76%	22%	0%	2%

AXA GLOBAL PROPERTY & CASUALTY

AXA's Property & Casualty operations use various types of reinsurance, primarily to limit their maximum exposure to catastrophic events, environmental pollution risks and certain other types of risks, in order to protect Group solvency and reduce volatility on key financial indicators. A growing portion of AXA's Property & Casualty insurance exposures are ceded internally to AXA Global Property & Casualty (formerly AXA Cessions), which organizes external reinsurance programs.

Total gross premiums ceded by AXA's Property & Casualty operations to third party reinsurers in 2010 amounted to €1,390 million (2009: €1,356 million).

The Group has built up an organization by Global Business lines since early 2010 to support a new stage of its development. Property & Casualty Global Business line is responsible for defining common P&C strategy, accelerating efficiency gains, building common platforms and leveraging global technical expertise.

International Insurance Segment

Operations in this segment are principally focused on large risks, reinsurance and assistance. The insurance products, offered by AXA Corporate Solutions Assurance include coverage to large national and international corporations mainly relating to property damage, third party liability, marine, aviation and transport, construction risk, financial risk, and directors and officer liability. In addition, AXA Liabilities Managers is the Group's specialized unit in charge of managing the AXA Group's Property & Casualty run-off portfolios including risks underwritten by Colisée Re (ex AXA RE) for all periods prior to and including 2005 when Colisée Re's business was sold. Reinsurance operations (Colisée Re) principally focus on property damage, third party liability, marine and aviation property, and third-party liability reinsurance. The reserves corresponding to the ceded business are fully reinsured by PartnerRE, with Colisée Re, however, retaining the risk of any deviation (positive or negative) as compared to the reserves constituted as at January 1, 2006 in respect of occurrence years 2005 and prior.

The businesses of the International Insurance activities are described below. The International Insurance segment accounted for €2.8 billion, or 3% of AXA's consolidated gross revenues for the year ended December 31, 2010 (2009: €2.9 billion or 3%).

AXA Corporate Solutions Assurance is the AXA Group subsidiary dedicated to worldwide Property & Casualty insurance of large national and multinational corporations, and to Aviation, Marine and Space insurance.

AXA Global Life and AXA Global P&C (ex AXA Cessions) are two intra-group reinsurance companies in charge of analysis, structure and placement of reinsurance treaties on behalf of AXA Group insurance companies after a selection of third party reinsurers. AXA Global P&C activity is mainly driven by its Property pool which provides AXA entities with cover on natural catastrophes.

AXA Assistance provides assistance services including medical aid for travelers, automobile-related road assistance, home assistance and health-related services mainly to banking and insurance companies, tour operators, telecommunications operators, gas, water and electricity utilities and automobiles manufacturers. AXA Assistance has also developed its expertise in the home services market.

AXA Liabilities Managers is the Group's specialized unit in charge of managing the AXA Group's Property & Casualty run-off portfolios. This entity manages the internal run-off portfolios of AXA UK, AXA Germany and AXA Belgium, as well as a number of stand-alone run-off companies in the "Other International Activities" segment. In connection with the disposal of AXA's reinsurance activities, AXA Liabilities Managers also manages the run-off of Colisée RE as noted above.

AXA Corporate Solutions Life Reinsurance Company is a reinsurance company in the United States, in run-off, notably managing a book of reinsurance contracts of Variable Annuities with guaranteed minimum death and income benefits.

The table below summarizes AXA's consolidated gross revenues and gross insurance liabilities (gross of reinsurance) for the International Insurance segment for the periods and at the dates indicated:

INTERNATIONAL INSURANCE

(in Euro million, except percentages)	Gross written premiums Years ended December 31, 2010		2009		Gross insurance liabilities at December 31, 2010
AXA Corporate Solutions Assurance	1,931	68%	1,930	67%	5,964
AXA Global Life and Global P&C [(a)]	50	2%	58	2%	327
AXA Assistance	772	27%	765	27%	299
Other international activities	95	3%	107	4%	3,549
of which					
Colisée Re	*12*	*0%*	*23*	*1%*	*1,511*
AXA Liabilities Managers	*13*	*0%*	*13*	*0%*	*1,571*
AXA Corporate Solutions Life Reinsurance	*71*	*2%*	*71*	*2%*	*467*
TOTAL	**2,847**	**100%**	**2,860**	**100%**	**10,139**
Gross written premiums	*2,649*		*2,650*		-
Other revenues	*199*		*211*		-

(a) Formerly AXA Cessions.

MARKET AND COMPETITION

AXA Corporate Solutions Assurance. The competitors in the global risks market are acting at a worldwide level with multinational clients placing their risks far beyond their countries of origin via international programs or in key global market places. In this market, AXA Corporate Solutions Assurance, AXA's subsidiary dedicated to worldwide Property & Casualty insurance of large national and multinational corporations, and to Aviation, Marine and Space insurance, is amongst the top five players in Europe.

AXA Assistance is one of the three leading worldwide assistance companies, in a market where traditional assistance companies are developing their activities outside their home markets, while new players are focusing on a limited product line.

PRODUCTS AND SERVICES

AXA Corporate Solutions Assurance provides global insurance programs to large international corporations that require coverage for all their worldwide locations. AXA Corporate Solutions Assurance underwrites large insurance risks such as property damage, liability, construction risks, motor fleet, marine and aviation. AXA also offers loss-prevention and risk management services.

AXA Assistance provides both emergency and daily services and health management through a new range of products and claims management. AXA Assistance has developed its expertise in managing crisis situations, whether they are of a political nature, health-related nature or linked to natural disasters.

The table below presents the International Insurance segment's gross revenues and gross insurance liabilities by major product for the periods and at the dates indicated:

INTERNATIONAL INSURANCE

(in Euro million, except percentages)	Gross revenues Years ended December 31, 2010		2009		Gross insurance liabilities at December 31, 2010
Property damage	557	21%	524	20%	1,352
Motor, Marine, Aviation	759	29%	788	30%	2,747
Casualty / Civil Liability	444	17%	455	17%	3,759
Other	889	34%	883	33%	2,282
TOTAL	**2,649**	**100%**	**2,650**	**100%**	**10,140**
Derivatives relating to insurance and investment contracts					(1)
TOTAL					**10,139**

DISTRIBUTION CHANNELS

AXA Corporate Solutions Assurance mainly distributes its products through international brokers, but also domestic brokers. Marine and aviation business is distributed through specialized brokers.

AXA Assistance mainly operates as a business-to-business company although it also uses direct sales and marketing to sell its products. In countries in which AXA offers Property & Casualty insurance products such as France, Switzerland, Mediterranean and Latin American Region, Belgium, the United Kingdom and Germany, AXA distribution networks offer assistance services among their portfolio of insurance products. AXA Assistance aims at integrating service providers and developing capacities of distribution to final customers.

CEDED REINSURANCE AND RETROCESSION

AXA Corporate Solutions Assurance reviews annually its exposure to ensure that the risks underwritten are diversified geographically and by lines of business in order to manage concentration risk. In 2010, AXA Corporate Solutions Assurance ceded €842 million of premiums (2009: €844 million) to third-party reinsurers.

Also, in 2010, approximately €937 million of premiums were placed externally by AXA Global Life and AXA Global Property & Casualty (ex AXA Cessions) on behalf of AXA's insurance subsidiaries (2009: €981 million), mainly for Property & Casualty business but also for Life & Savings business.

Asset Management Segment

The development of Asset Management activities is a key part of AXA's financial services strategy, which seeks to capitalize on existing strengths and expand its client base. This strategy is based on the belief that its asset management expertise will enable AXA to benefit in the future from the expected growth in savings-related products in the markets where it operates. The Asset Management segment accounted for €3.3 billion, or 4% of AXA's consolidated gross revenues for the year-ended December 31, 2010 (2009: €3.1 billion or 3%).

AXA's principal Asset Management companies are AllianceBernstein and AXA Investment Managers. These companies manage assets on behalf of institutional clients, retail investors and private clients, as well as on behalf of companies affiliated with AXA and operate in each of AXA's major markets:

Western Europe, the United States and the Asia / Pacific Region.

The table below sets forth the total assets managed by AllianceBernstein and AXA Investment Managers, including assets managed on behalf of third parties, and the fees earned by such companies on these assets for the indicated dates and periods.

ASSETS MANAGEMENT SEGMENT

	2010	2009
Assets managed by AXA's Assets Managers at December 31, [a]		
Managed on behalf of third parties [b]	459,863	415,873
Assets backing contracts with financial risk borne by policyholders	53,657	72,935
Other invested assets	364,436	349,811
TOTAL	**877,957**	**838,618**
Of which		
AllianceBernstein [c]	362,081	339,770
AXA Investment Managers	515,876	498,848
Commissions and fees earned for the years ended December 31,		
AllianceBernstein	2,203	1,973
AXA Investment Managers	1,482	1,445
Sub-total	**3,685**	**3,419**
Intercompany eliminations	(357)	(344)
Contribution to AXA's consolidated gross revenues	**3,328**	**3,074**

(a) Based on estimated fair value at the dates indicated. Assets under management presented in this table are based on asset management companies only. AXA Group (including insurance companies) assets under management amounted to €1,079.5 billion and €1,033.8 billion, as of December 31, 2010 and 2009 respectively.

(b) Includes assets managed on behalf of Mutuelles AXA.

(c) In 2009, reclassification of AUM Australia & New Zealand from "managed by AllianceBernstein" to "managed by other AXA companies" (General account: €4.4bn; Unit-linked: €1.7bn)

MARKET AND COMPETITION, PRODUCTS AND SERVICES, AND DISTRIBUTION CHANNELS

Alliancebernstein

AllianceBernstein, a 61.43% subsidiary, is a leading global investment management firm based in the United States. AllianceBernstein provides diversified investment management and related services to individual investors, private clients and to a variety of institutional clients, including AXA and its insurance company subsidiaries (which collectively are AllianceBernstein's largest client). AllianceBernstein Holding L.P. is listed on the New York Stock Exchange under the ticker symbol "AB".

AllianceBernstein provides diversified Asset Management and related services globally to a broad range of clients including:

- Diversified investment management services through separately managed accounts, hedge funds, mutual funds, and other investment vehicles to private clients (such as high net worth individuals, trusts and estates and charitable foundations);
- Management of mutual funds sponsored by AllianceBernstein, its subsidiaries and affiliates, for individual investors;
- Management of investments on behalf of institutional investors; and
- Research portfolio analysis and brokerage-related services for institutional investors and equity capital markets services for issuers of publicly traded securities.

At December 31, 2010, AllianceBernstein had €362.1 billion of assets under management, including €284.0 billion of assets managed on behalf of third party clients (2009: €339.8 billion and €270.4 billion, respectively).

AXA investment managers ("AXA IM")

AXA IM, headquartered in Paris, is a significant player in the international Asset Management business. AXA IM provides its clients with a wide range of global products and expertise via mutual funds and dedicated portfolios. AXA IM's clients include (i) institutional investors, (ii) individual investors to whom mutual funds are distributed through AXA and external distribution networks, and (iii) AXA's insurance subsidiaries both for main fund and unit-linked fund backing insurance products.

At December 31, 2010, AXA IM had €515.9 billion of assets under management, including €176.0 billion of assets managed on behalf of third party clients (2009: €498.9 billion and €145.5 billion, respectively).

Banking Segment

The operations in the Banking segment are conducted primarily in Belgium, France, Germany, Switzerland and Central & Eastern Europe. For the years ended December 31, 2010 and 2009, the Banking segment accounted for €0.5 billion each year, or less than 1% of AXA's consolidated gross revenues.

This segment's operations principally include:

BELGIUM

AXA Bank Europe is a subsidiary of AXA Holdings Belgium. It offers a complete range of banking products and services: daily banking, mortgage loans, short-term savings for retail customers. AXA Bank products and services in Belgium are mainly distributed by a network of 911 tied but independent bank agents. AXA Bank Europe is ranked sixth on the Belgian banking market where the four major banks represent approximately 75% of the market. Bank products and offers are linked with insurance business.

FRANCE

Based in Paris, AXA Banque had more than 718,212 registered customers at the end of 2010, with a retail banking product offer (innovative current accounts with advantages on insurance premiums, savings and credit). Directly linked with the Group's insurance business, banking products are offered to AXA France clients through its distribution networks. AXA Banque also manages direct clients through internet banking relationships.

GERMANY

AXA Bank targets private customers in retail banking and is an important element of pension and asset management business of AXA Germany. The Bank had approximately 74,000 clients at year-end 2010. The major activities of AXA Bank are deposits and mutual funds. These products are mainly sold through the tied agent network of AXA Germany.

SWITZERLAND

The commercial activity of AXA Bank in Switzerland was launched in January 2009 as a branch of AXA Bank Europe. The bank's product offer consists of savings accounts, term deposits and pension savings accounts. These products are distributed through AXAs tied agents network and the direct channel (internet). The bank had more than 26,850 clients at year-end 2010.

HUNGARY

AXA Bank Hungary (formerly Ella Bank) became a branch of AXA Bank Europe in January 2009. AXA Bank Hungary, acquired in July 2007, works in collaboration with AXA's insurance operations in Hungary. Products such as mortgages loans and saving accounts are offered to clients and are distributed through over 450 insurance agents and internet.

CZECH REPUBLIC

The commercial activity of AXA Bank in Czech Republic was launched in February 2010. The bank's product offer consisted of a savings account to which a loyalty bonus may be added. This product is distributed by existing AXA sales networks and over the internet through an internet site that offers customers a unique entry point to AXA's banking and insurance products in the Czech Republic.

Additional factors which may affect AXA's business

For information relating to certain additional matters that may affect AXA's business, see the Section included in Part 3 "Risk Factors", and Part 4 "Consolidated Financial Statements" included in this Annual Report.

REGULATION

AXA is engaged in regulated business activities on a global basis through numerous operating subsidiaries and the Group's principal business activities of insurance and asset management are subject to comprehensive regulation and supervision in each of the various jurisdictions where the Group operates. AXA SA, the ultimate parent holding company of the AXA Group, is also subject to extensive regulation as a result of its listing on Euronext Paris and its interest in numerous regulated insurance and asset management subsidiaries. Given that the AXA Group is headquartered in Paris, France, this supervision is based to a significant extent on European Union ("EU") directives, discussed more fully below, and on the French regulatory system. The AXA Group's principal regulators in France are the *Autorité des marchés financiers* ("AMF"), which is the French financial market regulator, and the *Autorité de contrôle prudentiel* ("ACP"), a new authority resulting mainly from a merger of the Banking Commission ("*Commission bancaire*"), the *Comité des entreprises d'assurance* and the *Autorité de contrôle des assurances et des mutuelles* ("ACAM"), which was the principal French insurance regulator.

REGULATORY AND LEGISLATIVE INITIATIVES RELATED TO THE FINANCIAL CRISIS

The financial crisis of 2008-2009 gave rise to numerous legislative and regulatory initiatives across various jurisdictions where the Group does business. The first phase of these initiatives was generally designed to stabilize financial markets and financial institutions around the world in the wake of the Lehman Brothers bankruptcy and the bail-out of American International Group in September 2008. These initiatives included government programs in France, the United States and most of the other principal markets where the Group does business.

In 2009 and 2010, as many emergency government programs slowed or wound down, global regulatory and legislative focus generally moved to a second phase of broader reform and a restructuring of the way in which financial institutions are regulated. While the final nature, scope and extent of this second phase of initiatives are still evolving, many of the principal jurisdictions where the Group does business have considered or enacted major, and in some cases transformational, changes to the way financial institutions are regulated.

For example, in the European Union, significant efforts towards establishing a more cohesive and streamlined European supervisory framework have been made, including by adjusting the current insurance regime to include a European Insurance and Occupational Pensions Authority and establishing a European Systemic Risk Board. In the US, the Dodd-Frank Wall Street Reform and Consumer Protection Act ("the Dodd-Frank Act" or "Dodd-Frank") represents a fundamental change to the US financial regulatory landscape and, while directly impacting US financial institutions, may also have a substantial impact on large non-US financial institutions such as AXA and its US affiliates and subsidiaries. In addition, while many international reform initiatives revolve around common themes and attempts are being made to coordinate and harmonize these reforms internationally, management believes that the multitude of reform initiatives under consideration may ultimately result in the enactment of a series of technically incoherent and inconsistent measures across the various jurisdictions where the Group does business, with broad potential implications for the Group and its business.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank")

Although the full scope of the regulatory changes imposed by the Dodd-Frank Wall Street Reform and Consumer Protection Act will only be determined once extensive implementing regulations have been promulgated and become effective, Dodd-Frank has had a significant impact on the US financial regulatory landscape. While the focus of the Dodd-Frank Act is on US financial institutions, many of its provisions could significantly affect non-US companies with financial operations in the United States, such as AXA. Certain changes that could potentially have a meaningful impact on non-US institutions such as AXA include, but are by no means limited to:

- the newly established Financial Stability Oversight Council (the "FSOC") may, among other powers:
  - designate non-US non-bank financial companies, including possibly AXA, as "systemically important" and therefore subject to supervision by the Board of Governors of the Federal Reserve System (the "Federal Reserve"), as well as enhanced prudential standards, which may include stress testing, and
  - make recommendations to the Federal Reserve regarding the establishment of the supervisory requirements and prudential standards applicable to "systematically important" entities and activities and work with all primary

financial regulatory agencies (including state insurance regulators) to establish regulations, as necessary, in order to address financial stability concerns;

- a new resolution procedure for large financial companies;
- imposition of comprehensive regulation of the over-the-counter derivatives market;
- expanding reach of the antifraud provisions of the US securities laws with respect to non-US issuers to actions brought by the United States or the Securities and Exchange Commission (the "SEC") if they involve significant US contacts;
- the Volcker Rule, which will potentially limit in important respects the ability of US and non-US "banking entities" to engage in proprietary trading or to sponsor or invest in hedge funds and private equity funds, both in and even outside the United States, could, if applied to AXA as a non-US non-bank financial company, result in heightened capital requirements for such activities;
- enhanced reporting and regulation of incentive-based compensation structures regarding certain regulated entities, including registered broker-dealers and investment advisers such as certain of the Group's subsidiaries and affiliates;
- elimination of the private adviser exemption from registration, thereby requiring advisers to hedge funds and private equity funds to register with the SEC, subject to certain exceptions; and
- additional levels of regulation over broker-dealers and investment advisers, including harmonizing broker-dealer and investment adviser regulation, and possibly appointing a self-regulatory organization to oversee investment advisers, much as FINRA does for broker-dealers.

Dodd-Frank also contains measures designed to enhance consumer protection for various types of financial services, including by increasing SEC enforcement powers and anti-fraud provisions, and centralizing responsibility for consumer financial protection by creating a new agency responsible for implementing, examining and enforcing compliance with federal consumer financial laws, many of which are strengthened. Dodd-Frank also facilitates sharing of information between the SEC and US and non-US regulators, including law enforcement authorities, expands extraterritorial jurisdiction in actions brought by the US Department of Justice or the SEC and extends the statute of limitations for a securities fraud offenses. This expansion of enforcement power potentially includes conduct within the United States that constitutes significant steps in furtherance of the violation, even if the securities transaction occurs outside the United States and involves only foreign investors, as well as conducts occurring outside the United States that have a foreseeable substantial effect within the United States.

Selected French Financial and Banking Reforms

Significant French and E.U. reforms impacting the French financial sector include, but are not limited to:

- the creation of the French prudential supervisory authority (*Autorité de contrôle prudentiel*), which, in addition to prudential supervision, has broad competence for implementing, examining and enforcing compliance with numerous aspects of consumer financial laws;
- additional prudential requirements on financial institutions with respect to capital, liquidity, leverage and business activities;
- increased restrictions on securitization transactions, in particular retention of risk by originators/sponsors;
- enhanced regulation of, or recommendations with respect to, incentive-based compensation structures at certain financial regulated entities;
- increased restrictions as to counterparts of certain financial institutions;
- enhanced customer protection via higher thresholds of guaranty funds in the event of insolvent financial institutions;
- supervision and regulation of rating agencies;
- the enactment of the French Banking and Financial Regulation Law of October 22, 2010, which provides, among other measures:
  - the creation of a financial regulation and systemic risk council, chaired by the Minister of the Economy,
  - enhanced powers of the AMF, the French financial markets authority,
  - the tighter regulation of short selling and prohibition of naked short selling,
  - enhanced regulation of financial solicitation,
  - enhanced regulation of the derivatives market,
  - enhanced corporate governance standards, including the creation of new board committees or by additional responsibilities of existing committees, in particular with respect to supervising risks within financial institutions, and to specifically identify and address financial incentives that may lead to "excessive" risk taking by an institution.

Potential Areas of Reform In Other Jurisdictions Where the Group Operates

Management believes that ongoing reforms in other jurisdictions where the Group operates are likely to involve regulatory and legislative changes that will revolve around areas and themes similar to those that have already been addressed the Dodd-Frank Act (where extensive rulemaking is expected with respect to many provisions), French law and regulation (including in the French Financial and Banking Regulation Law), and European Union regulations. These areas and themes are likely to include:

- potential reforms to regulatory structures and schemes:
  - various proposals designed to optimize regulatory structures and coordination with respect to supervision of the largest "systemically significant" global financial institutions including proposals to impose new/additional prudential requirements/restrictions on these institutions with respect to capital, liquidity, leverage and/or business activities,
  - proposals to establish new regulatory or judicial "resolution authorities" designed to stabilize, merge, wind-up/liquidate or take other appropriate actions with respect to systemically significant financial institutions that become insolvent or otherwise unable to meet their obligations,
  - proposals to impose new taxes and/or fees on (1) financial institutions, (2) on financial transactions (e.g. the "Tobin tax"), and/or (3) bonuses or other executive compensation in excess of defined limits,
  - proposals to establish new national and/or supra-national "guaranty funds" (funded with new taxes or fees similar to those described above) to stabilize insolvent financial institutions, protect customers and ensure stability of the overall financial system,
  - proposals to create new or additional consumer protection bodies designed to ensure that retail financial services products are suitable for their target markets, understandable by consumers and marketed appropriately,
  - Similar proposals aimed at ensuring the continued stability of the overall financial system and addressing the risk of "regulatory arbitrage" arising from fractured and inconsistent regulation of financial institutions both nationally and internationally;
- potential legislative initiatives designed to "cure" perceived excessive risk taking and misaligned financial incentives:
  - increased responsibilities of Boards and Board Committees to specifically identify and address financial incentives that may lead to "excessive" risk taking by an institution with broad potential implications for fiduciary duties and liabilities of directors,
  - increased taxes, restrictions and/or disclosure requirements with respect to executive and employee compensation, including disclosure requirements and restrictions on compensation determined to encourage excessive risk-taking,
  - increased restrictions on, and new disclosure requirements with respect to, related party transactions including payment of dividends, transfers of assets and/or liabilities and other transactions between related parties,
  - increased restrictions on, and new disclosure requirements with respect to, conflicts of interest – in particular aimed at misaligned financial incentives,
  - increased restrictions on, and new disclosure requirements with respect to, securitization transactions – in particular retention of risk by originators/sponsors,
  - increased restrictions on, and new disclosure requirements with respect to, off-balance sheet arrangements,
  - attempts to legislate corporate governance standards and principles;
- potential financial market regulation reforms:
  - potential regulation of CDSs as "credit insurance" requiring licensing of institutions offering these instruments,
  - regulation of rating agencies and redefinition of the relationship (including compensation relationship) between agencies and issuers,
  - regulation of hedge funds, mortgage brokers, non-bank lenders and other participants in the "shadow" financial systems,
  - tighter regulation of short selling,
  - review of mark-to-market accounting rules and impairment rules.

Management believes that 2011 is likely to see significant additional regulation in some or all of these areas, among others. In addition, during 2011, management believes that US and European authorities are likely to designate certain companies as "systemically important". Certain national authorities have already done so and AXA Belgium has been designated systemically important by the Belgian authorities. The full consequences and implications of being so designated are not yet clear but, if the AXA Group were to be so designated, it could have a variety of consequences (including imposition of new/additional prudential requirements and restrictions with respect to capital, liquidity, leverage and/or business activities) and could adversely affect the Group's competitive position. See Section 3.1 "Risk Factors - Financial crisis related legislative and regulatory initiatives designed to reform the regulation of financial institutions, such as the Dodd-Frank Act and recent reforms in France and the European Union, may adversely impact AXA's business, results of operations and financial condition".

The massive injection of government funds into a number of major financial institutions during 2008 and 2009 has broad potential implications, the full extent of which is not clear yet, for those institutions (and for the financial services sector more generally) in terms of the extent and nature of continuing government influence and control. The Group will continue to monitor the evolution of these initiatives and their potential impact on its business closely over the coming months.

Regulatory environment with respect to executive compensation

Since 2008 there have been a variety of proposals with respect to executive compensation practices at financial institutions including from the Financial Stability Board (FSB) and other regulatory bodies. Certain of these proposals have been embodied in regulation or legislation while others remain best practice recommendations.

In 2009, the FSB published implementation standards for its Principles of Sound Compensation Practices. Among the matters covered in these standards and principles are a variety of mechanisms (including minimum recommended deferrals of cash bonuses, greater use of long-term equity grants rather than cash as a form of compensation, minimum vesting/deferral periods, and performance criteria for vesting of long-term awards) that are designed to ensure an appropriate alignment of interests between (i) Executive management and certain employees (such as traders) who can have a potentially significant impact on the nature and duration of risks incurred, (ii) the Company, and (iii) shareholders.

These principles and standards are reflected in a variety of regulations and legislations that have been enacted over the past two years in various jurisdictions where the Group does business. While these restrictions are often aimed primarily at the banking sector and do not apply uniformly to the Group across the various jurisdictions where we do business, the Group has aligned its global executive compensation practices with these standards and principles and conducts regular reviews of its compensation practices and policies in light of these standards as well as applicable legal and regulatory requirements. The uneven application of these principles and standards to the different actors in the financial sector (e.g. banks, insurers, asset managers, private equity funds, hedge funds, etc.) and across the various jurisdictions where the Group does business raises competitive issues for the Group – including our ability to attract and retain top-rate talent – because certain of our direct and indirect competitors, which do not apply these principles or do not apply them to the same extent as the Group, compete directly with us for talent in key markets where we operate.

INSURANCE RELATED REGULATION

While the extent and nature of regulation varies from country to country, most jurisdictions in which AXA's insurance subsidiaries operate have laws and regulations governing sales practices, standards of solvency, levels of capital and reserves, permitted types and concentrations of investments, business conduct, agent licensing, approval of policy forms and, for certain lines of insurance, approval or filing of rates. In certain jurisdictions, regulations limit sales commissions and certain other marketing expenses that may be incurred by the insurer. In general, insurers are required to file detailed annual financial statements with their supervisory agencies in each of the jurisdictions in which they do business. Such agencies may conduct regular or targeted examinations of the insurers' operations and accounts and make requests for information from the insurer. Certain jurisdictions also require registration and periodic reporting by holding companies that control a licensed insurer. This holding company legislation typically requires periodic disclosure concerning the corporation that controls the licensed insurer and other affiliated companies, including prior approval of transactions between the insurer and other affiliates such as inter-Group transfers of assets and payment of dividends by the controlled insurer. In general, these regulatory regimes are designed to protect the interests of policyholders rather than shareholders.

REGULATORY CAPITAL REQUIREMENTS

The Company's insurance subsidiaries are subject to regulatory capital requirements in the jurisdictions where they do business, which are designed to monitor capital adequacy and to protect policyholders. While the specific regulatory capital requirements (including definition of admitted assets and methods of calculation) vary between jurisdictions, an insurer's required capital can be impacted by a wide variety of factors including, but not limited to, business mix, product design, sales volume, invested assets, liabilities, reserves and movements in the capital markets, including interest rates and equity markets. Regulatory capital requirements may increase, possibly significantly, during periods of declining equity markets and/or lower interest rates such as those experienced during 2008 and parts of 2009.

At the consolidated Group level, the Company is required to calculate, in accordance with applicable French "Solvency I" regulations, a consolidated solvency margin ratio which represents the Company's total available capital as compared to its required regulatory capital. Under applicable French regulations, 100% is the minimum required consolidated solvency margin for the Company. As at December 31, 2010 the Company's consolidated solvency margin was 182%. The Company's year-end 2010 solvency margin is significantly higher than its consolidated solvency margin at December 31, 2009 (171%).

Insurance regulators have broad discretion in interpreting, applying and enforcing their rules and regulations with respect to regulatory capital requirements and, during periods of extreme financial market turmoil of the type we have experienced over the past several years, regulators may become more conservative in the interpretation, application and enforcement of these rules which may involve them, for example, imposing increased reserving requirements for certain types of risks, greater liquidity requirements, higher discounts/"haircuts" on certain assets or asset classes, more conservative calculation methodologies or taking other similar measures which may significantly increase regulatory capital requirements.

Rating agencies also take into account the Company's consolidated solvency margin and the regulatory capital position of its insurance subsidiaries in assessing its financial strength and credit ratings. Rating agencies may make changes to their internal models from time to time that may increase or decrease the amount of capital the Company must hold in order to maintain its current ratings.

Management monitors the Company's consolidated solvency margin and the regulatory capital requirements of its insurance subsidiaries on an on-going basis both for regulatory compliance purposes and to ensure that the Company and its subsidiaries are appropriately positioned from a competitive point of view. In the event of a failure by the Company and/or any of its insurance subsidiaries to meet minimum regulatory capital requirements, insurance regulators have broad authority to require or take various regulatory actions including limiting or prohibiting the issuance of new business, prohibiting payment of dividends, and/or, in extreme cases, putting a company into rehabilitation or insolvency proceedings. A failure of any of the Company's insurance subsidiaries to meet their regulatory capital requirements may also result in the Company having to inject significant amounts of new capital into its insurance subsidiaries which could adversely affect the Company's liquidity position, results of operations and financial position. For further information, please see Section 3.1 "Risk Factors – Our consolidated solvency margin and the regulatory capital requirements of our insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors, which could have a material adverse effect on our business, liquidity, credit ratings, result of operations and financial position".

EUROPE

Within the European Union, AXA operates in most major markets, including France, Germany, the United Kingdom ("UK") and Belgium through free-standing subsidiaries that are subject to a comprehensive regulatory regime based on the EU insurance directives on life insurance and insurance other than life insurance. These directives have been implemented in France, Germany, the UK and other European jurisdictions and are founded on the "home country control" principle, according to which the ongoing regulation of insurance companies, including their non-home country insurance operations (whether direct or through branches), is the responsibility of the home country insurance regulatory authority. The home country insurance regulator monitors compliance with applicable regulations, including regulations governing solvency, actuarial reserves, investment of assets, statutory accounting principles, internal governance and periodic reporting requirements. In France, ACP monitors compliance with applicable regulations, the insurer's capital base and actuarial reserves, as well as the assets of the insurer that support such reserves. Selling activities of non-home country insurance operations are generally supervised by the regulator in the country in which the sale of the insurance product takes place. As a result of the implementation of these directives, an insurance company that has been licensed to conduct insurance business in one jurisdiction of the EU may do business directly or through branches in all other jurisdictions of the EU without being subject to additional licensing requirements in the other jurisdictions.

The EU has also adopted various directives concerning solvency margin requirements for insurers and insurance groups:

- A 1998 EU directive, implemented into French law in 2002, requires insurance groups to calculate a consolidated solvency margin. In accordance with this directive, AXA must establish appropriate internal controls to ensure sufficient solvency to cover all of the Group's insurance liabilities, inform the French insurance regulatory authorities annually of certain intra-group transactions, and calculate on a consolidated basis the capital needed to meet the respective solvency requirements of the Group's insurance subsidiaries. Similar solvency requirements must be fulfilled by intermediate holding companies that own AXA Group insurance subsidiaries in different EU jurisdictions.
- A 2002 EU directive, implemented into French law in 2005, concerns the regulation and supervision of financial conglomerates and provides for the assessment of financial conglomerates capital requirements at the consolidated Group level, the supervision of risk concentration and intra-group transactions, and the prevention of double-leveraging of the capital of a parent holding company, i.e. once at the holding parent level and a second time at the subsidiary level ("double gearing"). Although the AXA Group is not currently

deemed a financial conglomerate within the meaning of this legislation by the French insurance regulator, there can be no assurance that it will not become (or be deemed) a financial conglomerate in the future, in particular within the framework of the current revision of the directive. Due to the lack of uniform interpretation of this legislation by local insurance regulators throughout the various EU jurisdictions, AXA's Belgian subsidiaries have been deemed a financial conglomerate by the Belgian insurance regulator and it is possible that other European subsidiaries of the AXA Group may also be deemed financial conglomerates by local regulators thereby subjecting them to the requirements of this law.

- The European Commission ("Commission"), jointly with Member States, has undertaken a fundamental review of the regulatory capital regime of the insurance industry (the "Solvency II" project) that has updated the existing life, non-life, reinsurance and insurance group directives. Its principal objective is to establish a solvency regime that is better matched to the underlying risks of insurers, enabling supervisors to protect policyholders' interests as effectively as possible and with common principles across the EU ensuring a level playing field. The new approach will be based on three pillars – minimum solvency requirements, supervisory review of firms' assessment of risk, and enhanced disclosure requirements – and will cover valuations, the treatment of insurance groups, the definition of capital and the overall level of capital requirements. Specifically, Pillar 1 covers the quantitative requirements around own funds, valuation rules for assets and liabilities and capital requirements. Pillar 2 provides the qualitative requirements for risk management, governance and controls, including the requirement for insurers to submit an Own Risk and Solvency Assessment (ORSA) which will be used by the Regulator as part of the supervisory review process. Pillar 3 deals with the enhanced requirements for reporting to supervisors and public disclosures.

  A key aspect of Solvency II is that the assessment of risks and capital requirements will be aligned more closely with economic capital methodologies, and may allow the Group to make use of its internal economic capital models, if approved by AXA lead supervisor ACP, to enable a better understanding of risks and an appropriate risk management.

  In 2007, the Commission adopted a draft Directive setting forth various policy principles and guidelines that would act as a framework for the development of the Solvency II regime. In 2009, the Commission, the European Parliament and the European Council agreed on a compromise text for the Solvency II Framework Directive that was adopted by the European Parliament in April. The final text of the Solvency II Directive regarding the "taking-up and pursuit of the business of insurance and reinsurance" was adopted by the European Council in November 2009 and includes rules regarding, among other things, valuations, own funds, capital requirements and investments.

  Following adoption of the Level 1 Framework Directive, the European Commission has initiated the development of detailed rules following the Lamfalussy process according to which Directives related to financial institutions should be developed on the basis of a 4 level approach that will complement the Principles of the Directive, referred to as "implementing measures" (Level 2), which are subject to a consultation process and are not expected to be finalised until late 2011.

  In particular, the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS, now EIOPA since January 1, 2011) published a number of consultation papers in 2009 and 2010 covering advice to the European Commission. At this stage, significant uncertainties on some of the implementing measures remain. AXA is actively participating in the various consultation processes through its involvement in industry bodies and trade associations, including the Chief Risk Officer and Chief Financial Officer Forums, the Pan-European Insurance Forum (PEIF), together with the Association of French Insurers (FFSA) and the *Comité Européen des Assurances* (CEA).

  There is continuing risk that the effect of the final measures adopted could depart from the initial objective of the Directive (*i.e.* setting an economic framework) and end up more focussed on prudence driven principles which could be adverse for the Group in many respects including potentially imposing a significant increase in the capital required to support existing business. In addition, the application of Solvency II to international groups is still unclear and there is a risk of inconsistent application throughout Europe, which may place AXA at a competitive disadvantage with regards to other European and non-European financial services groups.

  The Commission is expected to publish the Level 2 measures in the second quarter of 2011 for an adoption in January 2013.

  Having assessed the high-level requirements of Solvency II, an implementation programme was initiated with dedicated teams at both the Group level and in each entity. Over the coming months the Group will pursue its implementation plans and remains in regular contact with the ACP and local regulators to prepare the initial stage of the approval process for its internal economic capital models. While the Group currently expects to be able to obtain ACP's approval for use of its internal economic capital models on a timely basis, discussions with ACP are on-going and, consequently, there is a risk that ACP may not approve these models on a timely basis (or otherwise) and/or may impose conditions or require modifications which would have multiple adverse consequences for the Group including increasing the levels of required capital.

- In 2008, the Swiss financial Market supervisory authority issued a new directive concerning solvency margin requirements for insurers and insurance groups operating in Switzerland pursuant to the new Insurance Supervision Act adopted in 2005 and associated regulations. This "Swiss Solvency Test" is designed on a risk-based capital approach. After a transition period of five years, the new capital requirements resulting from the Swiss Solvency Test are legally binding as from January 1, 2011. The SST is a precursor of the Solvency II framework in the EU which will enter into force only in 2013. There have been a number of other initiatives in Europe with implications for AXA's European insurance subsidiaries, and the European insurance sector more generally, including the following:
  - the regulatory reform initiatives referred to above,
  - over the past several years a number of European jurisdictions, including France, Belgium, Spain and other jurisdictions have enacted legislation that permits corporate entities to be charged with criminal offenses. The standard for attributing criminal conduct by corporate officers and employees to corporate entities is not clearly defined in many of these jurisdictions and government prosecutors and judges have broad discretion in this area. In recent years, indictments of corporate entities for alleged criminal offenses have become increasingly common. While a criminal indictment of a corporate entity may not pose material financial risk, it could have broad potential implications for a regulated financial institution like AXA both from a reputation point of view and from a regulatory perspective because a criminal conviction can have potentially far-reaching negative implications for other Group companies engaged in regulated businesses around the world including for their ability to obtain and/or maintain licenses to engage in certain types of regulated business activities.
- A number of countries in Europe are currently considering legislation that would authorize class action litigation and/or other forms of redress for consumers.
- In 2010, the UK enacted the Bribery Act 2010 (the Act) which was scheduled to come into force in April 2011 (albeit has since been delayed). The Act includes wide-ranging provisions with significant extra-territorial reach aimed at the prosecution of corruption and bribery related offences. The Act creates a new strict liability offence for corporations and partnerships of failing to prevent bribery occurring within the organisation. The only defence is if the corporate has put in place adequate "procedures" designed to stop incidences of corruption, although the meaning of "adequate procedures" is not defined. The "failure to prevent bribery" offence applies to any corporate or partnership (wherever it is registered, incorporated or conducts its main activities) as long as it carries on a business, or part of a business, in the UK. In addition, corporates can be guilty of an offence if an "associated person" carries out an act of bribery in connection with the company's business whether in the UK or elsewhere. A person will be "associated" with the company where that person performs services for or on behalf of an organisation.
- Over the past several months, a number of European jurisdictions, have also been considering legislation or regulations designed to better "ring fence" companies in their jurisdiction by imposing prohibitions (or strengthening existing restrictions) on intra-group transactions between local subsidiaries and foreign parent (or other affiliated) companies that may be in financial difficulty. For example, in Germany, a 2009 law gave the German supervisory authority ("BaFin") power to (i) forbid adverse payments between affiliated companies even prior to any identified financial difficulties or other crisis situations and (ii) the ability to make such payments contingent on certain conditions. This provision is designed to permit German authorities to prevent a non-German company from withdrawing liquid assets from a German affiliate during periods of financial difficulty.
- Finally, there are numerous other legislative and regulatory initiatives within various European jurisdictions relating to a variety of matters, including such matters as distribution practices and changes to tax laws that may affect the attractiveness of certain of our products, which currently have favorable tax treatment.

UNITED STATES

Insurance regulation

In the United States, the insurance business regulation remains principally at the state level, with AXA's insurance operations being subject to regulation and supervision by various states and territories. Within the US, the methods of regulation vary between the different states but generally has its source in statutes that delegate regulatory and supervisory powers to a state insurance commissioner. While the extent of regulation varies by jurisdiction, most jurisdictions have laws and regulations governing approval of policy forms and rates, sales practices and business conduct, the standards of solvency that must be met and maintained (including risk-based capital measurements), the establishment and levels of reserves, the licensing of insurers and their agents, sales practices by agents, the nature of and limitations on permitted investments, restrictions on the size of risks which may be insured under a single policy, deposits of securities for the benefit of policyholders, methods of accounting, periodic examinations of the affairs of insurance companies, and the form and content of reports of financial condition and results of operations to be filed. In addition, many federal laws currently affect the insurance business in a variety of ways, including the Federal Fair Credit Reporting Act related to the privacy of information and the USA Patriot Act of 2001 relating to, among other things, the establishment of anti-money laundering programs.

While the Dodd-Frank Act does not remove primary responsibility for the supervision and regulation of insurance from the states, Title V of the Act establishes a Federal Insurance Office ("FIO") within the US Treasury Department and reforms the regulation of the non-admitted property and casualty insurance market and the reinsurance market. The FIO has authority that extends to all lines of insurance except health insurance, crop insurance and (unless included with life or annuity components) long-term care insurance. Under the Dodd-Frank Act, the FIO is charged with monitoring all aspects of the insurance industry (including identifying gaps in regulation that could contribute to a systemic crisis), recommending to the FSOC the designation of any insurer and its affiliates (potentially including the Group and its affiliates) as a non-bank financial company subject to oversight by the Federal Reserve (including the administration of stress testing on capital), assisting the Treasury Secretary in negotiating "covered agreements" with non-US governments or regulatory authorities, and, with respect to state insurance laws and regulation, determining whether such state insurance measures are pre-empted by such covered agreements. In addition, the FIO will be empowered to request and collect data (including financial data) on and from the insurance industry and insurers (including reinsurers) and their affiliates. In such capacity, the FIO may require an insurer or an affiliate of an insurer to submit such data or information as the FIO may reasonably require. In addition, the FIO's approval will be required to subject an insurer or a company whose largest US subsidiary is an insurer to resolution mechanisms described above. Dodd-Frank also reforms the regulation of the non-admitted property/casualty insurance market (commonly referred to as excess and surplus lines) and the reinsurance markets, including the ability of non-domiciliary state insurance regulators to deny credit for reinsurance when recognized by the ceding insurer's domiciliary state regulator.

Broker-dealer regulation

Certain of AXA's US insurance, broker-dealer, investment adviser and investment management subsidiaries, including AXA Equitable Life Insurance Company ("AXA Equitable"), and certain life insurance policies and annuity contracts offered by them are subject to regulation under the Federal securities laws administered by the SEC and under certain state securities laws. The SEC conducts regular examinations of the operations of these companies, and from time to time, makes requests for information from them. The SEC, other governmental and regulatory authorities, including state insurance and securities regulators, and the Financial Institutions Regulatory Authority ("FINRA") may institute administrative or judicial proceedings which may result in censures, fines, the issuance of cease-and-desist orders, the suspension or expulsion of a broker-dealer or member, its officers or employees or other similar sanctions. Over time, AXA Financial's broker-dealer subsidiaries and its other subsidiaries have provided and, in certain cases continue to provide information and documents to the SEC, FINRA, state attorneys general and other regulators on a wide range of issues. Ongoing or future regulatory investigations could result in fines, other sanctions and/or other costs. Dodd-Frank also permits the SEC to promulgate rulemaking to limit or prohibit the use of mandatory arbitration clauses in standard broker-dealer customer agreements, which, if enacted could potentially lead to an increased number of customer complaints going into litigation rather than arbitration.

In addition, the Dodd-Frank Act provides that the SEC may promulgate rules to provide that the standard of conduct for all broker-dealers, when providing personalized investment advice about securities to retail customers (and any other customers as the SEC may by rule provide) will be the same as the standard of conduct applicable to an investment adviser under the US Investment Advisers Act of 1940 (i.e. a fiduciary standard). Although the full impact of such a provision can only be measured when the implementing regulations are adopted, the intent of this provision is to authorize the SEC to impose on broker-dealers fiduciary duties to their customers, as applies to investment advisers under existing law. At the same time the SEC is considering rulemaking as directed by Dodd-Frank, FINRA has recently proposed and, in some cases, finalized significant additional rules of conduct affecting broker-dealers in a number of areas. The Dodd-Frank Act also permits the SEC to promulgate rule making to limit or prohibit the use of mandatory arbitration clauses in standard broker-dealer customer agreements, which, if enacted, could potentially lead to an increased number of customer complaints going into litigation rather than arbitration.

Capital

Several US states, including the state of New York, regulate transactions between an insurer and its affiliates under insurance holding company acts that establish certain reporting requirements and place restrictions on provision of services and on intercompany transactions. State insurance regulators also have the discretionary authority to limit or prohibit new issuances of business to policyholders within their jurisdiction when, in their judgment, the issuing insurer is not maintaining adequate statutory surplus or capital. Life insurers in the United States are also subject to risk-based capital ("RBC") guidelines, which provide a method of measuring the adjusted capital (statutory capital and surplus plus asset valuation allowance and other adjustments) that a life insurance company should have for regulatory purposes and that takes into account the risk characteristics of the company's investments and products. AXA Equitable and AXA's other US life insurance subsidiaries expect that the statutory surplus will continue to be in excess of the minimum RBC levels required to avoid regulatory action.

Taxation

Furthermore, many US federal tax laws affect the business in a variety of ways. There are a number of existing, expiring, newly enacted and previously or currently proposed US federal legislative initiatives, including US federal tax initiatives, that may significantly affect AXA's US life insurance subsidiaries including, among others, the following:

Estate and Related Taxes. Under federal tax legislation passed in 2001, exemption amounts had been increasing and rates had been decreasing for estate and generation skipping transfer ("GST") taxes through 2009. These taxes were repealed for 2010, though a $1 million gift tax limit remained in place. Legislation enacted in December 2010 reinstated the estate and GST taxes in the United States, on estates over $5 million ($10 million for married couples), at a top rate of 35%. The legislation also reunified gift taxes with the new exemption level and rates. This rate and exemption amount will apply through December 31, 2012, at which time they are scheduled to increase to a 55% maximum rate with a $1 million exemption amount.

The reinstatement of the estate tax for 2011-2012 with a return to lower exemptions and higher rates in 2013 may benefit sales and persistency. The prospect of future elimination of the estate tax or permanency of the 2011-2012 exemptions and rates could be expected to have an adverse impact on life insurance sales since a significant portion of our life insurance sales are made in conjunction with estate planning. In the interim, the higher gift tax exemption may encourage certain life insurance estate planning for larger estates.

Income, Capital Gains and Dividend Tax Rates. Federal tax legislation passed in 2001 and 2003 reduced income tax rates, and tax rates on long-term capital gains and qualifying corporate dividends. Such changes have lessened the tax appeal of cash value life insurance and annuity products. Legislation passed in December 2010 extended these lower rates until taxable years beginning after December 31, 2012, at which time these lower rates will expire. The tax advantages of cash value life insurance and annuity products would favorably increase in the event of higher income and capital gains tax rates but would be reduced by lower tax rates.

Dividends Received Deduction. The US Treasury Department and the Internal Revenue Service have indicated that they intend to address through regulations the methodology to be followed in determining the dividends received deduction ("DRD") related to variable life insurance and annuity contracts. The DRD reduces the amount of dividend income subject to tax and is a significant component of the difference between AXA Equitable's actual tax expense and expected amount determined using the federal statutory tax rate of 35%. A change in the DRD, including the possible retroactive or prospective elimination of this deduction through regulations or legislation, could increase AXA Equitable's actual tax expense and reduce its consolidated net income.

In February 2011, the Obama Administration released the "General Explanations of the Administration's Revenue Proposals" (the "Green Book"). The Green Book included proposals, which if enacted, would affect the taxation of life insurance companies and certain life insurance products. In particular, the proposals would change the method used to determine the amount of dividend income received by a life insurance company on assets held in separate accounts established to support variable life insurance and Variable Annuity contracts that is eligible for the DRD. The proposal is similar to a proposal included in last year's Green Book, which was not enacted. If proposals of this type were enacted, AXA Equitable's actual tax expense could increase, reducing earnings.

Corporate Owned Life Insurance. This year's Green Book also contained a proposal, similar to last year's which was not enacted that would affect the treatment of certain corporate owned life insurance policies ("COLIs"). The proposal will limit a portion of a business entity's interest deductions unless the insured person was a 20% or more owner of the business. If a proposal of this type were enacted, AXA Equitable's sale of new COLIs could be adversely affected. In its current form, the proposal would generally not affect in-force previously purchase COLI policies.

United States Federal Withholding Tax and Information Reporting Legislation (FACTA)

Under U.S. federal tax legislation passed in 2010, a 30% withholding tax will be imposed on "withholdable payments" made after December 31, 2012 (or such later date as may be permitted under IRS guidance) to non-U.S. financial institutions (including non-U.S. investment funds and certain other non-U.S. financial entities) that fail (or that have 50% affiliates which are also non-U.S. financial institutions that fail) to provide certain information regarding their U.S. accountholders and/or certain U.S. investors (such U.S. accountholders and U.S. investors, "U.S. accountholders") to the U.S. Internal Revenue Service (the "IRS"). For non-U.S. financial institutions that fail to comply, such withholding would apply without regard to whether the beneficial owner of a withholdable payment is a U.S. person or would otherwise be entitled to an exemption from withholding tax under either an applicable tax treaty or federal tax law. "Withholdable payments" generally include, among other items, payments of U.S.-source interest and dividends and the gross proceeds from the sale or other disposition of property that may produce U.S.-source interest and dividends.

In general, non-publicly traded debt and equity interests in investment vehicles (such as some of those managed by the Group) would be treated as accounts and subject to the reporting requirements. In addition, the IRS has stated that certain insurance policies and annuities will be considered accounts for these purposes, and therefore information would be required to be reported in respect of certain U.S. policyholders and annuitants. While significant regulatory guidance remains to be issued, the most recent IRS proposal requires non-U.S. financial institutions seeking to avoid the withholding tax to follow a multi-step process to identify their reportable U.S. accountholders. The proposed steps are generally focused on the information that non-U.S. financial institutions have in their records (or that they customarily request), but in a number of circumstances additional information will need to be requested from accountholders, policyholders, annuitants and certain other investors.

The Group intends to enter into such agreements as the IRS may require (and to satisfy any requirements pursuant to such agreements and any related Treasury regulations or other guidance that has been or may be promulgated) to the extent necessary to avoid the imposition of a withholding tax on payments made to it. However, if the Group cannot enter into such agreements or satisfy the requirements thereunder (including as a result of local laws prohibiting information sharing with the IRS, as a result of contracts or local laws prohibiting withholding on certain payments to accountholders, policyholders, annuitants or other investors, or as a result of the failure of accountholders, policyholders, annuitants or other investors to provide requested information), certain payments to the Group may be subject to U.S. withholding tax under the legislation. The possibility of such withholding tax and the need for accountholders, policyholders, annuitants and investors to provide certain information may adversely affect the sales of certain of the Group's products. In addition, entering into agreements with the IRS and compliance with the terms of such agreements and with the legislation and any regulations or other guidance promulgated thereunder may substantially increase the Group's compliance costs. Because most of the regulatory guidance remains to be written, it is difficult to accurately estimate the impact of this law on the Group.

Other Proposals. The US Congress may also consider proposals for, among other things, the comprehensive overhaul of the Federal tax law and/or tax incentives targeted particularly to lower and middle-income taxpayers. For example, as part of deficit reduction ideas being discussed, there may be renewed interest in tax reform options, which could present sweeping changes to many longstanding tax rules. One possible change includes the creation of new tax-favoured savings accounts that would replace many existing qualified plan arrangements. Others would eliminate or limit certain tax benefits currently available to cash value life insurance and deferred annuity products. Enactment of these changes or similar alternatives would likely adversely affect new sales, and possibly funding and persistency of existing cash value life insurance and deferred annuity products. Finally, current legislative proposals may introduce significant increases on the taxation of financial institutions, including taxes on certain financial institutions to compensate for the funds dispersed during the financial crisis, taxes on financial transactions, and taxes on executive compensation, including bonuses. The current, rapidly changing economic environment and projections relative to government budget deficits may increase the likelihood of substantial changes to federal tax law.

Other federal regulation

On August 25, 1998, AXA, Winterthur Group and certain other European insurers signed a Memorandum of Understanding with certain US insurance regulators and non-governmental Jewish organizations agreeing to the establishment of the

International Commission on Holocaust Era Insurance Claims ("ICHEIC"). ICHEIC conducted an investigatory process to determine the status of life insurance policies issued to Holocaust victims between 1920 and 1945 and settled thousands of claims filed with the ICHEIC with respect to policies issued by the European insurers participating in ICHEIC. After having completed its archival researches and audit processes as well as the payment of all valid claims submitted by Holocaust victims and their heirs, the ICHEIC concluded its work in March 2007. As a result of its participation in the ICHEIC process, AXA benefits from a statement of interest issued by the US federal government which provides that ICHEIC should be recognized as the exclusive remedy for all Holocaust era insurance claims. This statement of interest is intended to protect AXA against future civil litigation in the US by Holocaust claimants and to encourage judges handing this type of litigation to dismiss these claims. While this statement of interest provides AXA with a certain level of protection against future lawsuits of this type in the US, it does not offer complete protection and, consequently, AXA could still be subject to litigation in the US brought by Holocaust claimants. Legislation has recently been introduced in the US House of Representatives that is designed to validate the constitutionality of various state laws which impose (1) substantial reporting requirements with respect to insurance policies that were in effect during the World War II era to residents of countries occupied or controlled by Nazi Germany, and (2) significant penalties on US insurers and their affiliates that fail to comply with these reporting requirements.

Management cannot predict with any certainty at this time which of the legislative and regulatory initiatives described above will ultimately become law and their potential impact on the Group.

ASIA-PACIFIC AND OTHER JURISDICTIONS

The other jurisdictions in which AXA operates, including those in the Asia-Pacific Region, also have comprehensive regulatory regimes with which AXA must comply. In general, insurance laws and regulations grant supervisory authorities broad administrative powers, including the power to limit or restrict the conduct of business for failure to comply with such laws and regulations or to revoke an insurer's license to operate. Consequently, AXA's insurance subsidiaries operating in the Asia-Pacific Region could be subject to regulatory orders limiting, restricting or terminating their regulated business activities in the event they fail to meet local regulatory requirements. In addition to licensing requirements, AXA's insurance operations in these jurisdictions are also generally regulated with respect to currency, policy terms and language, amount and types of security deposits, amount and types of reserves, amount and type of local investment and the share of profits to be paid to policyholders on participating policies. In certain jurisdictions, regulations governing constitution of technical reserves and similar regulations may prevent payment of dividends to shareholders and/or repatriation of assets.

AXA's life insurance products' advantageous tax treatment may be eliminated or adversely impacted for certain products by changes in tax laws that are considered from time to time in various jurisdictions in which AXA operates including in the Asia-Pacific. For example, the Japanese legislature adopted a change in inheritance tax treatment that reduced the advantages and attractiveness of certain life insurance products. As in other regions of the world, regulators in the Asia-Pacific Region have broad discretion in their application of regulation and to investigate licensed insurers, on an individual or sector basis, to examine specific issues. For example, in Japan, the FSA ordered an extensive examination of claims payment practices in the life insurance sector during 2007. As part of this investigation, AXA Japan reviewed several hundred thousand life insurance payments over the prior 5 years to determine whether benefits had been paid correctly. The investigation uncovered a limited number of incidents, which have since been fully addressed, and the FSA decided not to pursue any administrative action against AXA Japan. In addition, in the fourth quarter of 2008 the FSA launched a formal investigation into the circumstances surrounding the collapse of an independent agent that was a distributor of AXA Life Japan products. The agent is alleged to have engaged in certain fraudulent and illegal sales practices over a period of several years and the FSA requested that AXA Life submit a detailed report describing its relationship with the agent, whether AXA Japan and its personnel had any knowledge of the agent's sales practices and proposed improvements to AXA Life Japan's internal controls and procedures to more closely monitor and quickly detect questionable sales practices by independent agents that distribute its products. This investigation, with which AXA Japan fully cooperated, has now been concluded, and is periodically monitored. In 2008, the Government of Japan also enacted a new Insurance Law which became effective in 2010. The main intent of the law is to further protect policyholders' interest and to increase transparency for the policyholders. AXA Japan is implementing measures to comply with the law and to minimize the potential adverse impact on its business. The Japanese solvency regime is also being revised. The FSA released a draft of the revised solvency rules in late 2009. The revision is intended to be part of a roadmap to an economic solvency margin and the new solvency margin ratio is to be published by insurers from the fiscal year ending March 2011 and will become effective from March 2012.

ASSET MANAGEMENT RELATED REGULATION

AllianceBernstein and AXA Investment Managers are subject to extensive regulation in the various jurisdictions in which they operate. These regulations are generally designed to safeguard client assets and to ensure adequacy of disclosure concerning investment returns, risk characteristics of invested assets in various funds, suitability of investments for client investment objectives and risk tolerance, as well as the identity and qualifications of the investment manager. These regulations also generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the conduct of business for failure to comply with such laws and regulations. In such event, the possible sanctions that may be imposed include the suspension of individual employees, limitations on engaging in business for specific periods, the revocation of the registration as an investment adviser, censures and fines.

AllianceBernstein and certain of its subsidiaries as well as certain US subsidiaries of AXA Investment Managers and AXA Financial, Inc. are investment advisers registered under the United States Investment Advisers Act of 1940 (the "Investment Advisers Act"). Each of AllianceBernstein's US Mutual funds is registered with the SEC under the US Investment Company Act of 1940 (the "Investment Company Act") and the shares of most of these funds are qualified for sale in all states in the United States and the District of Columbia, except for US funds offered only to residents of a particular state. Certain subsidiaries of Alliance Bernstein and AXA Financial, Inc. are also registered with the SEC as transfer agents and broker-dealers that are subject to minimum net capital requirements. Asset management services rendered by AllianceBernstein and/or AXA Investment Managers to the AXA Group insurance companies (and other types of transactions between these companies), are subject to various insurance laws and regulations in the various jurisdictions where these insurance companies' clients are domiciled. These regulations generally require that the terms of transactions between the investment manager and its client be fair and equitable, that charges or fees for services performed be reasonable and that certain other standards be met. Fees must be determined either with reference to fees charged to unaffiliated clients for similar services or, in certain cases, which include ancillary service agreements, based on cost reimbursement.

The Dodd-Frank Act has recently imposed a number of new requirements applicable to such investment advisers. These include a provision requiring registered investment advisers to take steps to safeguard client assets over which an adviser has custody, including verification of the assets by an independent public accountant, as the SEC may prescribe by rule; a new Section of the Advisers Act imposing aiding and abetting liability in certain actions brought by the SEC on any person that knowingly or recklessly has aided, abetted, counselled, commanded, induced or procured a violation of any provision of the Advisers Act or rules thereunder; authorizing the SEC to promulgate rules that would impose the same fiduciary duty on broker-dealers as currently exists between investment advisers and their clients; and, increased SEC enforcement powers. While the full impact of such requirements can only be evaluated in the context of implementing regulations, such new legislation could have a substantial impact on AXA's regulated asset management business.

FINANCIAL MARKET REGULATION, EVOLUTION OF ACCOUNTING STANDARDS AND RELATED MATTERS

As a publicly-traded company with its securities listed on Euronext Paris, the Company must comply with the relevant rules for listing and trading on this exchange and with a number of other laws and regulations including French securities laws administered and enforced by the AMF in France. These listing rules, other laws and regulations govern a wide variety of matters including (i) timely and accurate disclosure of information to investors, (ii) presentation of financial information in accordance with IFRS requirements, (iii) auditors' independence requirements, and (iv) numerous corporate governance requirements. Management devotes substantial resources to ensure compliance with both the letter and spirit of these laws and anticipates that considerable resources will continue to be devoted to this area in the future.

The Company publishes its accounts in accordance with International Financial Reporting Standards and IFRIC interpretations that were definitive and effective as of December 31, 2010 as adopted by the European Union (the "Standards"). The Company does not use the "carve out" option to avoid applying all the hedge accounting principles required by IAS 39. In addition, the adoption of IFRS 9 published by the IASB in November 2009 has not been yet formally submitted to the European Union. However, the Group would not have used the earlier adoption option of the standard neither in 2009 nor 2010. As a consequence, AXA Group's Consolidated Financial Statements also comply with IFRS as issued by the International Accounting Standards Board (IASB). Note 1.2 to the Company's Consolidated Financial Statements for the year ended December 31, 2010 included in Part 4 of this Annual Report summarizes the significant amendments and interpretations of the Standards effective in 2010. There are continuing discussions at the IASB concerning possible modifications to the Standards and certain of these modifications may have potentially significant impacts on insurers and other financial institutions, including AXA, that prepare their consolidated accounts in accordance with the Standards. These modifications include, among others, the following:

- Financial assets and liabilities held by the AXA Group are recognised and measured under IAS 39 which is currently the subject of major potential amendments. Mandatory adoption dates range from 2013 to 2015. Optional adoption by issuers may be applicable in 2011 (depending on endorsement by the EU). These amendments, which relate primarily to classification of financial assets and liabilities, impairment and hedge accounting principles, may have potentially significant impacts on the Company's future financial statement presentation, shareholders equity and earnings and may also affect prior year comparatives depending on the adoption date;
- Policyholders liabilities and related assets are currently accounted for according to IFRS 4 – Phase I which generally allows the continuation of accounting policies applied prior to the conversion to IFRS. The IASB issued a Discussion Paper in May 2007 and an Exposure Draft in July 2010 in order to define principles to be applied for IFRS 4 Phase II. This amendment which is scheduled to be finalized in 2011 may significantly affect policyholders' liabilities and related assets such as Deferred Acquisition Costs at the date of adoption by 2014 or 2015;
- Consolidation, Derecognition and Lease are other areas of potential significant amendments which may impact the Group as well.

Management cannot predict with any certainty at this time the potential impact of these proposed changes (or of other potential future modifications to the Standards) given the on-going nature of the discussions at the IASB; however, any significant modifications to the Standards may adversely impact the Company's results of operations and financial condition.

In addition to these matters, a number of recent legislative and regulatory initiatives in France, at the EU level or in other jurisdictions where AXA operates have potential implications for AXA and its subsidiaries. Certain of these initiatives may help create more uniform practices across the EU and facilitate the development of more open and accessible European market for international companies like AXA. For instance, the European takeover directive, implemented into French law in 2006, provides a more uniform takeover regime within the EU, and the European directive relating to cross-border mergers, which was implemented into French law in 2008, considerably simplifies the regulatory framework applicable to these mergers. However, other initiatives may increase the compliance burden, associated expense and regulatory risk for AXA and other market participants, including the following:

- Anti-money laundering and anti-terrorism legislations have been enacted and continue to evolve in the many jurisdictions in which AXA and its subsidiaries operate. These laws and regulations impose increasingly complex compliance requirements on international groups such as AXA and prohibit the Group from doing business with certain countries, individuals or organizations;
- Certain European jurisdictions have enacted legislation that impacts investment of the Group's proprietary assets and may also affect the Group's asset management activities for third-party clients in those jurisdictions, including by restricting investment in financial instruments issued by companies engaged in certain activities. These types of legislation, which often vary from one jurisdiction to another, increase compliance costs and risks for the Group in the various European jurisdictions where it operates;
- In France and in certain other EU jurisdictions, there are continuing discussions concerning implementation of a "class action" litigation mechanism that would allow groups of plaintiffs to bring collective actions. The scope and form of any such mechanism, as well as the timing of introduction, are currently under discussion.

1.3 ACTIVITY REPORT

Insurance and Asset Management markets

LIFE & SAVINGS

France [1]. The Life & Savings market increased by 4% in 2010, and proved resilient in the context of low interest rates, driven by 4% growth of general account participating contracts representing 87% of the market. Unit-linked contracts grew by 7%, representing only 13% of the market. The 2010 growth was driven by bancassurance channels (+8%), whereas sales from traditional insurers decreased by 1%. The market growth was +4% for Health and Accident. Overall, AXA ranked 3rd with a market share of 9.8%.

United States [2]. After a difficult sales environment for Life Insurance and Annuities in 2009, industry sales slightly improved in 2010:

- In the Life insurance market, total sales grew by 4% in 2010 over 2009. Industry Variable Life product sales increased by 4%, after dropping 49% in 2009. Corporate-owned, bank-owned and private placement sales are above the market average increase. Industry Universal Life sales gained 8% from 2009 levels, attributable to growth in products featuring both long-term secondary guarantees as well as non-guaranteed products. Whole Life sales increased by 13% and remain an attractive offer during uncertainty in the marketplace. Term Insurance sales decreased by 10%, most notably due to price increases and withdrawals in product offerings;
- In the Annuity market, total sales decreased by 9% in 2010. Variable Annuity industry sales increased by 8% as guaranteed living benefits continue to drive sales. Although some companies continue to enhance product features, a number of insurers have withdrawn from the marketplace or have reduced benefits or increased charges. Fixed Annuity sales declined by 29% as some companies lowered their production given the low interest rate environment and concerns on new business capital strain.

In Life, AXA ranked 15th with a 2.5% market share. In Variable Annuities, AXA ranked 6th with a 4.8% market share.

United Kingdom & Ireland. The United Kingdom insurance market increased by 6% [3] on an Annual Premium Equivalent (APE) basis [4] recovering partially after the sharp fall in 2009. The United Kingdom Wealth management market [5] has increased by 1% [3] with business through Independent Financial Advisers (IFAs) increasing by 15% [3]. Following the partial sale of its Life & Savings business, AXA's retained business consists mainly in:

- Sun Life Direct Protection business, which had a 3% [3] market share in terms of total protection APE and 41% [3] in terms of the Direct Protection market only;
- Elevate Wrap Platform, which grew its funds under management and reputation strongly in its second year of operation and reached 1.4% [6] market share based of funds under management;
- AXA Wealth Management's IFA business, which had a market share of 10.3% [3] in terms of APE.

Japan [7]. The insurance market grew by 6.1%, mainly due to the recovering economy and bancassurance sourced saving products' sales such as traditional general account savings. However those players started to refrain from selling in the extremely low interest rate environment towards the end of the year. Term products with tax deductibility grew along with the market recovery whereas the Medical segment remained

(1) *Source: FFSA based on gross written premiums.*

(2) *Please note that the numbers quoted for market data (life and annuity) are for nine months ended September 30, 2010 vs. 9 months 2009. Source: LIMRA (annualized first year premiums excluding drop-in premiums) and MARC annuity sales (first year and renewal premiums excluding replacements).*

(3) *Source: ABI/MSE ©2010 Association of British Insurers, 9 months to Q3 2010 versus 9 months to Q3 2009.*

(4) *Annual Premium Equivalent (APE) is new regular premiums plus 10% of single premiums.*

(5) *Excludes mutual funds and annuities.*

(6) *Platform report Q3 2010 with AXA estimate of advised market (excluding direct and institutional assets).*

(7) *Source: Insurance Research Institute (excluding Kampo Life), and financial statements of the companies. Premiums are for the twelve months ended September 30, 2010.*

stable but competition intensified. AXA had a market share of 2.2% and ranked 12th based on premium income (8th in Medical business).

Germany [1]. The market increased by 7.3% in 2010 with a 32% increase in single premiums [2], especially retirement pension insurance up 82% while other collective insurance increased by 64% [3] driven by single premiums. Retirement products with low surrender charges and distributed by banks enjoyed increasing popularity; short-term and medium-term investment products slightly decreased (-3.1% [4]) affected by regulatory volume limits. German Private Health insurance market grew by 5% [5]. In 2009, AXA ranked 5th in the Life market with a 5.2% market share and 4th in the Health market with a 6.9% market share.

Switzerland [6]. The market in 2010 benefited from the economic recovery translating into a 1.4% growth. Group Life premiums increased by 4.2% driven by a strong increase in number of newly created companies, revived transfers in pension market, after the standstill in 2009 due to financial crisis and underfunding of pension institutions, as well as higher switches from small and medium enterprise clients to a fully financed foundations set up by Life insurers. AXA achieved a growth rate of 5.1% and confirmed its leader position in Group Life with a market share remaining above 30%. Individual Life market decreased by 4.5% reflecting the current environment of low interest rates level. The trend towards unit-linked products, especially with guarantees, continued but at a moderate level. In this challenging context, AXA achieved a growth of 6.3% thanks to the successful launch of new product "AXA Protect Invest" and ranked second in Individual Life with a market share of 15%.

Belgium. In 2010, the market recovered from the aftermath of the economic and financial crisis. As a result, market [7] increased by 9%. However, full year market growth expectations are lower since competition from short term banking products increased during the last quarter. Market growth in Individual Life & Savings products was more pronounced on unit-linked products (+50%) with customers seeking higher returns in a low interest rates environment and willing to take on more risk. Group Life market volumes kept growing moderately, still limited by legal requirements on pension contracts. AXA maintained its third position with a market share of approximately 13% [8].

Mediterranean and Latin American Region. In **Spain**, the market decreased by 11% [9], mainly explained by the movement from insurance products to banking savings products fostered by bank distribution channels. In **Italy**, spectacular growth at 23% [10] was boosted by the tax amnesty law applicable during the first half of 2010, mainly in saving products. In **Portugal**, strong growth at 29% [11], mainly came from capitalization products. This market is dominated by bancassurance companies which form the top 5 providers. In **Greece**, the economic crisis deeply affected the private insurance market, producing a decrease of 4% [12] with many surrenders and lower new business. In **Turkey**, the market grew by 16% [13] mainly driven by protection, in particular Term products. In **Morocco**, limited growth at 2% [14] has been driven by the financial crisis. In **Mexico**, the market increased by 3% [15] mainly coming from protection business.

In Spain, AXA ranked 12th [9], in Italy 8th [10], in Portugal 9th [11], in Greece 8th [12], in Turkey 10th [13], in Morocco 4th [14] and in Mexico 6th [15].

In Spain, AXA market share was 3% [9], in Italy 5% [10], in Portugal 2% [11], in Greece 4% [12], in Turkey 3% [13], in Morocco 9% [14] and in Mexico 6% [15].

(1) Source: http://www.gdv.de.

(2) Forecast by GDV in September 2010.

(3) Data from 1st quarter to 3rd quarter.

(4) Forecast by GDV in November 2010.

(5) Forecast by GDV in November 2010.

(6) Source: SIA (Swiss Insurance Association) publication "Jahresmedienkonferenz 2011" as per January 28, 2011.

(7) Source: Assuralia (Belgian Professional Union of Insurance companies). Derived from the nine months ended September 30, 2010 figures based on gross written premiums.

(8) Source: AXA Belgium estimates based on Assuralia market figures.

(9) Spanish Association of Insurance Companies (ICEA) as of September 2010.

(10) Source: Istituto per la vigilanza sulle Assicurazioni Private e di Interesse Collettivo (ISVAP) as of September 2010. Ranking as of December 2009 (cross border business not included), source Associazione Nazionale Imprese Assicuratrici (ANIA); considering cross border figures related to AXA MPS Financial (part of AXA MPS Group), the estimated rank of AXA in Italy would raise to the 7th position in 2009.

(11) Source: Portuguese Insurance Association as of September 2010.

(12) Source: Hellenic Association of Insurance Companies as of September 2010.

(13) Source: Turkish Association of Insurance Companies as of September 2010.

(14) Source: Moroccan Association of Insurance Companies as of December 2009.

(15) Source: AMIS Asociación Mexicana de instituciones de Seguros as of September 2010.

Australia & New Zealand. In 2010, the total managed funds market increased by 5% (1) to AU$ 1.4 trillion, driven by superannuation funds and life insurance general account's assets. AXA ranked 5th by assets under management (2) and 12th by net new money (3). The Australian financial protection market was relatively resilient with in-force annual premiums increasing by 11.7% (4). In Australia, AXA ranked 6th by Annual Premium Equivalent (APE) and in-force annual premiums (4). The Wealth Management market in New Zealand increased by 22% (5) driven by a continued strong growth of KiwiSaver products. AXA's position in the New Zealand financial protection market remained strong ranking 3rd by in-force annual premiums in a market that grew by 9.3% from the previous year (6).

Hong Kong. The market demonstrated solid growth in 2010, fuelled by a buoyant economy which grew by 7.1% which was the highest since 2007. Inforce premiums increased by 16% (7). The Life insurance market remained concentrated with the top 10 players, accounting for about 80% market share (7). AXA ranked 5th by in-force premiums (8) with a 9.1% market share (7).

South East Asia and China. The region continued to record strong positive growth in Life insurance premiums in 2010. **Indonesia** (9). The market was up by 22% in new business premiums, of which over 50% came from unit-linked products. Such increase was mainly attributed to the continuing expansion of the middle-class driven by strong economic growth. AXA ranked 2nd with a market share of 12.4%. **Thailand** (10). The market recorded a growth of 8% for new business, of which short-term traditional saving products with guarantees were most popular due to the stable interest rate policy. AXA recorded strong growth of 26% in new business and was ranked 5th compared to 6th in 2009, with market share increased to 9.2% compared to 8.1% in 2009. **Singapore** (11). The Life insurance industry performed strongly with a 17% increase over last year. Due to improved market sentiment, product mix has shifted from regular premium to single premium unit-linked products. AXA grew by 22% and ranked 8th by APE, with a stable market share at 3%. **India** (12). The Life insurance market grew by 35% in APE. As a result of new regulation, insurance players are moving their product mix towards traditional products or unit-linked products bundled with life protection. AXA grew by 36%, with market share increased from 1.0% in December 2009 to 1.3% in November 2010 and ranked 15th amongst private players. **China** (13). Life insurance market continued to grow by 31% in premiums, driven by strong growth of bancassurance business mainly participating products sales. AXA outperformed the market growing by 44% and ranked 39th amongst all insurers and 16th amongst foreign insurers.

Central and Eastern Europe (14). The market increased by 4% in Poland, by 6% in Hungary and by 14% in Czech Republic and Slovakia. AXA's market share in the region increased by 0.4 pt to 3.3%. AXA ranked 10th in Hungary, 9th in Czech Republic and 12th in Poland. The Pension Funds market increased by 6% in Czech Republic, by 17% in Hungary, by 23% in Slovakia and by 24% in Poland. AXA's position was stable with a market share of 8% in the region. AXA ranked 2nd in Czech Republic and Slovakia, and 5th in Poland and Hungary. The mandatory Pension Funds in Hungary (Pillar II) have been nationalized by law voted on December 13rd, 2010.

(1) ABS Management Funds 565501 September 2010.

(2) Plan for Life September 2010.

(3) Ambition 2 measure (cumulative NFF since December 2007 and Plan for Life September 2010).

(4) Plan for Life September 2010.

(5) ISI 2010 Annual Review September 2010.

(6) ISI 2010 Annual Review September 2010 Individual risk products.

(7) Source: Office of the Commissioner of Insurance, in-force (weighted) business 2009Q3YTD and 2010Q3YTD.

(8) Annualized regular premiums of all in-force policies.

(9) Source: AAJI statistics report as of September 30, 2010.

(10) Source: TLAA statistics report as of November 30, 2010, measured on collected premium basis.

(11) Source: LIA statistics report as of September 30, 2010. New business represented annualized regular premium plus 10% single premium (including recurring single premium).

(12) Source: IRDA statistics as of November 30, 2010.

(13) Source: CIRC statistics as of November 30, 2010.

(14) Source: estimate based on September 2010 data from Czech association of insurance companies, "Report of the Association of Hungarian Insurance Companies (Mabisz)" and Polish Financial Supervision Authority site.

PROPERTY & CASUALTY

France [(1)]. The market grew by 1.5% in 2010. Commercial and Personal Motor business increased by 2% (after a 0.5% decrease in 2009). Household market increased by 5%, notably driven by the rise of the construction index. In Commercial lines (other than Motor), Property increased by 1.5% whereas Construction declined by 4.5% and Liability by 1%. AXA ranked 2nd with a market share of 14.6%.

United Kingdom & Ireland. AXA ranked 5th in the United Kingdom, and market share increased by 0.4 pt to 5.4% [(2)] driven by substantial growth in the Direct Personal lines business, especially Motor with strong increases in rates and policy count. The United Kingdom Personal lines market started to harden, led by Private Motor, with significant rate increases throughout 2010. AXA improved its ranking to 4th in Personal lines with a market share of 7% [(2)]. In Commercial lines, the market has contracted each year since 2004, due to soft pricing and a lack of economic growth. The United Kingdom recession further delayed the insurance market recovery, particularly in the SME segment. However, AXA ranked 5th, with an estimated market share of 6% [(2)]. The United Kingdom Private Medical insurance market continued to be adversely impacted by the recession. AXA's Healthcare revenues declined marginally (c.1%) in 2010 with the largest decline experienced in Large Corporate revenues. AXA remained 2nd in the Healthcare market, with its share further strengthened at 26% [(3)]. In Ireland, AXA jumped from 5th to 3rd overall with a market share of 11.6% and became 1st in Motor with a market share of 19.1% [(4)]. AXA's market share has grown steadily in Ireland since 2008 reflecting its competitiveness in the market. Tariffs rose across the Irish market in 2009 and into 2010.

Germany [(5)]. In 2010, the market increased by 0.7% [(6)]. Personal and Commercial Motor increased by 0.5%, which was the first increase in six years [(6)]. Personal and Commercial Liability decreased by 1.0% due to lower sum insured in Commercial business following last years financial crisis [(6)]. In Personal Non-Motor the situation was positive: with a 2% rise in Property and Personal Accident increasing by 0.5% [(6)]. Industrial Commercial Property premiums increased by 0.5%, and Engineering was up 3% [(6)]. AXA ranked 4th in the Property & Casualty market in 2009 with a market share of 5.6%.

Switzerland [(7)]. The Property & Casualty market grew by 0.4%. The Swiss market is still saturated and very competitive with a continuing pressure on prices, especially in Commercial business. AXA was the market leader in Property & Casualty with a market share of 13.4%.

Belgium. The market increased by 1,5% like in 2009 [(8)]. The Motor segment continued its upward trend and grew by 3% mainly as a result of a record number of new car sales even though price competition in this segment remained strong. Other growing segments in 2010 were Liability (+2%) and Health (+3%). The Household & Property market segment declined by 1% while Workers Compensation market decreased by 4%. AXA remained the market leader with a 21% [(9)] market share.

Mediterranean and Latin American Region. In **Spain** [(10)] the persistent economic weakness caused the market to decline by 0.5% despite an increase of car sales (+3% in 2010). In **Italy** [(11)], the market grew by 2% on a comparable basis driven by Motor (+3%). In **Portugal** [(12)], the market remained stable (+0.3%) notably in the Motor market, only two companies experienced growth among top 5 insurers. In **Greece** [(13)], the market grew by 4% driven by Motor (7%). Some competitors in the market focused on volumes, capturing customers from collapsed companies. Commercial lines were negatively impacted by the plummeting public and private investments. In **Turkey** [(14)], the market increased by 11% driven by Motor (14%), remaining unprofitable for many players despite the liberalization of the Third Party Liability tariffs in July 2008. In the **Gulf Region** [(15)], the market grew in Saudi Arabia driven by mandatory Health insurance, (50% of the whole market with 52% growth), while the insurance market grew by 10% in United Arab Emirates driven by a few players. In **Morocco** [(16)], the market grew by 8%, mainly driven by Motor (+10%). In **Mexico** [(17)], the market increased by 7%, excluding one large outsourcing insurance contract.

(1) Source: FFSA.

(2) Source: Based on publicly reported competitor accounts and 2009 FSA Returns, excluding MAT, Home-Foreign Business and Lloyds premiums.

(3) Source: Laing & Buisson Health Care & Cover Report 2010.

(4) Source: Financial Regulator's "Insurance Statistical Review" (2009).

(5) Source: http://www.gdv.de

(6) Forecast by GDV in November 2010.

(7) Source: SIA (Swiss Insurance Association) publication "Jahresmedienkonferenz 2011" as per January 28, 2011.

(8) Source: Assuralia (Belgian Professional Union of Insurance companies). Derived from the nine months ended September 30, 2010 figures.

(9) Source: AXA Belgium estimates based on Assuralia market figures.

(10) Source: Spanish Association of Insurance Companies. ICEA as of September 2010.

(11) Sources: Istituto per la vigilanza sulle Assicurazioni Private e di Interesse Collettivo (ISVAP) as of September 2010. Published ISVAP figures excluded cross border business from their scope. Reported basis would show a decrease by 3%. Ranking as of December 2009, source: Associazione Nazionale Imprese Assicuratrici (ANIA).

(12) Source: Portuguese Insurance Association as of September 2010.

(13) Source: Hellenic Association of Insurance Companies as of September 2010.

(14) Source: Turkish Association of Insurance Companies as of September 2010.

(15) Sources: KSA Tadawul website, Dubai stock exchange (Abu Dhabi stock exchange), as of December 2009.

(16) Source: Moroccan Association of Insurance Companies as of December 2009.

(17) Source: AMIS: Asociacion Mexicana de Instituciones de Seguros as of September 2010.

In Spain, AXA ranked 2nd [1], in Italy 7th [2], in Portugal 2nd [3], in Greece 11th [4], in Turkey 1st [5], in Morocco 2nd [7] in Mexico 1st [8], Saudia Arabia 5th [6] and in United Arab Emirates 6th [6].

In Spain, AXA's market share is 8% [1], in Italy 4% [2], in Portugal 9% [3], in Greece 3% [4], in Turkey 13% [5], in Morocco 18% [7] in Mexico 15% [8], Saudia Arabia 3% [6] and in United Arab Emirates 3% [6].

Asia. South Korea [9]. The insurance market increased by 18% while the Motor market grew by 9% mainly due to economic recovery and tariff increases. AXA ranked 1st in the direct Motor insurance market or 7th in the total Motor market with a market share of 4%. **Japan** [10]. The market declined by 2.5% [11] while Motor insurance declined by 1%. AXA ranked 2nd in the direct insurance market, with a market share of around 17% or 13th among all insurers for Motor insurance. **Singapore** [12]. The insurance market grew by 16%. AXA ranked 3rd in Motor, 2nd in Marine Cargo and 1st in Health. AXA's market share stood at 7%. **Malaysia** [13]. The insurance market grew by 9% driven by Motor and Medical. AXA ranked 7th with a 5% market share. **Hong Kong** [14]. The insurance market grew by 9% driven by all lines of business. AXA ranked 9th with a 3% market share in 2009. **Canada**. In 2010, overall premiums grew by 6% [15], the market continued to be very fragmented and competitive. AXA ranked 7th [16] with a market share of 4.7%.

INTERNATIONAL INSURANCE

The competitors in the global risks market are acting at a worldwide level with multinational clients placing their risks far beyond their countries of origin via international programs or in key global market places. In this market, AXA Corporate Solutions Assurance, AXA's subsidiary dedicated to worldwide Property & Casualty insurance of large national and multinational corporations, and to Aviation, Marine and Space insurance, is amongst the top five players in Europe. After several years of soft underwriting conditions, corporate risks insurance pricing conditions tightened in 2010.

ASSET MANAGEMENT

Throughout 2010, the Asset Management industry continued the recovery path begun in 2009 largely due to the expansionary monetary policies characterized by large scale quantitative easing by central banks.

The most significant inflows went into fixed income and equity products investing in emerging or global markets, corporate high yield bonds and absolute return products. On the other hand, investors flew out of money markets, and a growing fear of inflation combined with the on-going concern on public debt sustainability in Europe has reduced demand for sovereign bonds.

New regulations have already started to create opportunities and challenges for the industry in the aftermath of the crisis. Insurers and banks continued to move towards a more cautious approach to asset allocation in light of Solvency II and Basel III.

In the asset management market, AXA Investment Managers ranked 14th [17] and AllianceBernstein 20th [17] on volume of assets under management basis. On a combined basis, AXA ranked 8th [17].

(1) Source: Spanish Association of Insurance Companies. ICEA as of September 2010.

(2) Sources: Istituto per la vigilanza sulle Assicurazioni Private e di Interesse Collettivo (ISVAP) as of September 2010. Published ISVAP figures excluded cross border business from their scope. Reported basis would show a decrease by 3%. Ranking as of December 2009, source: Associazione Nazionale Imprese Assicuratrici (ANIA).

(3) Source: Portuguese Insurance Association as of September 2010.

(4) Source: Hellenic Association of Insurance Companies as of September 2010.

(5) Source: Turkish Association of Insurance Companies as of September 2010.

(6) Sources: KSA Tadawul website, Dubai stock exchange (Abu Dhabi stock exchange), as of December 2009.

(7) Source: Moroccan Association of Insurance Companies as of December 2009.

(8) Source: AMIS: Asociacion Mexicana de Instituciones de Seguros as of September 2010.

(9) GIAK (General Insurance Association of Korea) website as as of November 2010.

(10) Source: General Insurance Association of Japan as of November 2010.

(11) In the year ending March 2010.

(12) Source: Monetary Authority of Singapore.

(13) Source: ISM: Insurance Services Malaysia Berhad as of December 2009. Ranking AXA inlcuding BHI.

(14) HKSAR (Hong Kong Special Administrative Region) website.

(15) Source: IBC – Insurance Bureau of Canada.

(16) Source: Canadian Insurance – 2010 annual statistical issue.

(17) AXA assets managers ranking based on company reports as of September 30, 2010.

Financial market conditions in 2010

GDP growth for 2010 will most likely turn out to have been much stronger than was expected at the beginning at the year, boosted by Emerging Markets, the US and Germany.

First, Emerging Markets growth is expected around 8.5% in 2010, notably as a result of sustained domestic demand, coupled with rising commodity prices.

Second, industrialised countries, in particular the US, reaccelerated after an inventory-induced GDP growth at the beginning of the year. Whilst housing as well as the labour market remained lacklustre, the biggest surprise for US growth was consumption, which came in higher than expected.

In industrialised countries, central banks maintained their accommodative monetary policies. In order to support economic expansion, in the US, the Fed once more showed its flexibility and pragmatism, announcing a second round of quantitative easing in November 2010.

STOCK MARKETS

The combination of growth gaining traction with ample and even rising liquidity as well as appealing valuation levels, was positive for equities. While not all regions were equal, most of the mature markets had a positive performance, with a significant inflexion in the second half of the year.

Overall, the Dow Jones in New York increased by 11% in 2010, as did the FTSE in London (+9%) and the S&P 500 (+13%), whereas the Nikkei in Japan and the CAC 40 both depreciated by 3%. The MSCI World Index increased by 8% as well as emerging indices gained 12% and MSCI G7 increased by 9% in common currency terms. The S&P 500 implied volatility index decreased from 21.7% to 17.8% between December 31, 2009 and December 31, 2010.

BOND MARKETS

Market concerns regarding economic growth source and sustainability of public debt in Europe combined with monetary policy that remained anchored at very low levels, sent yields for long-dated benchmark bonds to historical lows (around 2.5% and 2.2% for US Treasuries and German Bunds respectively) before a significant rebound in the 4th quarter supported by better than anticipated economic expansion, rise in inflation expectations following the announcement of a second round of quantitative easing measures by the Fed.

The US 10-year T-bond ended the year at 3.32%, a decrease of 52 bps compared to December 31, 2009 and the 10-year Bund yield decreased by 43 bps to 2.96%.

In Europe, the iTRAXX Main spreads widened by 31 bps and moved from 74 bps to 105 bps, while the iTRAXX Crossover slightly increased by 4 bps to 437 bps. In the United States, the CDX Main remained at 85 bps.

EXCHANGE RATES

Against market turbulence in Europe, the Euro decreased against the main currencies during the year.

Compared to December 31, 2009, the US Dollar gained 6% against the Euro (closing exchange rate moved from $1.43 at the end of 2009 to $1.34 at the end of 2010). The Yen gained 17% against the Euro (closing exchange rate moved from Yen 131.3 at the end of 2009 to Yen 108.8 at the end of 2010). The Pound Sterling gained 3% against the Euro (closing exchange rate moved from £0.888 at the end of 2009 to £0.857 at the end of 2010). The Swiss Franc gained 16% against the Euro (closing exchange rate moved from CHF 1.48 at the end of 2009 to CHF 1.25 at the end of 2010).

On an average rate basis, the US Dollar gained 4% against the Euro (from $1.39 over 2009 to $1.34 over 2010). The Yen gained 6% against the Euro (from Yen 129.6 for the twelve months ending September 2009 to Yen 121.6 for the twelve months ending September 2010). The Pound Sterling increased by 3% (from £0.891 over 2009 to £0.861 over 2010) and the Swiss Franc gained 8% against the Euro (from CHF 1.51 over 2009 to CHF 1.39 over 2010).

Operating highlights

SIGNIFICANT ACQUISITIONS

In 2010

On January 15, 2010, AXA announced the acquisition of **Omniasig Life**. With this operation, AXA enters the Romanian Life insurance market, in line with its objective of accelerating the development of its activities in the emerging countries, notably in Central and Eastern Europe. Created in 1997, Omniasig Life sells protection products, representing premiums of €5 million in 2010 (1), through a network of 1.437 agents (2). Omniasig Life ranked 11th (3) in the Romanian Life market and holds a 1.1% market share. This transaction closed on July 6, 2010.

On February 10, 2010, AXA and **Banca Monte dei Paschi di Siena (BMPS)** announced the extension of their bancassurance agreement in Italy to the 1,000 branches of former Banca Antonveneta following its acquisition by BMPS for a consideration of €240 million to be paid by AXA. The AXA MPS joint-venture extended its current reach from 2,000 to 3,000 branches in total, providing access to an additional 1.6 million potential customers.

On June 9, 2010, AXA Investment Managers, Barr Rosenberg and Kenneth Reid (AXA Rosenberg co-founders) announced they had reached an agreement whereby AXA Investment Managers will purchase the remaining 25% equity interest in AXA Rosenberg from Barr Rosenberg and Kenneth Reid. This buy-out closed in November 2010.

Following the rejection by the ACCC (Australia's antitrust authority) of a proposed transaction with NAB and reopening of discussion with AMP, AXA announced, on November 15, 2010, a joint proposal ("Proposal") with AMP to AXA APH whereby AXA would dispose of its 54% stake in AXA APH to AMP and would acquire AXA APH Asian operations.

This joint offer would result in AMP acquiring AXA APH's outstanding shares for AU$ 13.3 billion, of which AXA' shares in AXA APH would be paid for AU$ 7.2 billion in cash, while AXA would acquire from AMP 100% of AXA APH's Asian operations for AU$ 9.8 billion in cash. AXA APH's Australia & New Zealand businesses price would be AU$ 3.5 billion.

Under the Proposal, AXA APH shareholders will receive the equivalent of AU$ 6.43 per share, consisting of cash and AMP shares, as well as AXA APH's 2010 final dividend of up to 9.25 cents per share.

The proposal (excluding the above dividend) comprises 0.73 AMP shares (worth AU$ 3.88 per share) and AU$ 2.55 cash per AXA APH share (4). AXA APH minority shareholders will receive full protection for a decline of AMP's Post Scheme VWAP (5) down to AU$ 4.50 with additional cash to be provided to maintain the offer price equivalent of AU$ 6.43 (6). AXA APH minority shareholders will also participate in 50% of any increase in the AMP Post Scheme VWAP above AU$ 5.60. The offer is designed to give AXA APH shareholders price protection against movements in AMP share price, and will vary depending upon AMP's Post Scheme VWAP measured over a 10-day period (on an ex-dividend basis) immediately after completion of the scheme.

On November 29, 2010, AXA announced that AXA, AMP and AXA APH had signed transaction documents to implement proposal. The transaction documents provide for a two step transaction to allow the merger of AMP and AXA APH, followed by a sale to AXA by AMP of AXA APH's Asian assets. The independent directors of AXA APH have unanimously recommended the transaction to their shareholders who are expected to vote on the transaction by the end of March 2011.

This transaction is subject to shareholder approval, court approvals and regulatory approvals from the Australian Federal Treasurer & the New Zealand Overseas Investments Office as well as other regulators notably in Asia. AMP has already received approval for the acquisition from both the Australian Competition and Consumer Commission ("ACCC") and the New Zealand Commerce Commission.

On September 7, 2010, AXA finalized the acquisition of the insurance business of Crédit Agricole in Serbia. The new entity, which will operate under the name **AXA zivotno osiguranje a.d.o** is about to launch its activities. It will also benefit from a distribution agreement with Crédit Agricole's network in Serbia.

On October 14, 2010, AXA announced the acquisition of a majority stake (51%) in the Azeri insurance company **MBASK**, one of the country's top 10 insurers, in operation since 1992. With a penetration rate of around 0.5% of the GDP, Azerbaidjan insurance market offers strong potential for growth, leveraging the footprint and market knowledge of its partner MBSK, as

(1) Forecasts based on December 2010 figures.

(2) As of November 2010.

(3) As of September 2010.

(4) Based on AMP's 10 day VWAP of AU$ 5.32, as of the close of trading on Friday, November 12, 2010.

(5) Calculated as the arithmetic average of the daily volume weighted average prices of AMP ordinary shares traded on ASX in the ordinary course of trading during the period of 10 consecutive trading days immediately prior to the relevant day.

(6) Pre any AXA APH 2010 final dividend of up to AU$ 9.25 cents per share.

well as the experience from AXA Sigorta in Turkey, who will supervise its activities in this new market.

On October 28, 2010, **Industrial and Commercial Bank of China Co. Ltd (ICBC), AXA**, and **China Minmetals Corporation** (Minmetals) have reached agreement on the equity transfer of AXA-Minmetals Assurance Co. Ltd (AXA-MM). According to the agreement, ICBC will assume the majority stake of 60%, AXA will hold 27.5% and Minmetals will hold the remaining 12.5%. The final completion of the transaction is subject to the relevant regulators' approvals. After the completion of the transaction, AXA-Minmetals Assurance will be renamed ICBC-AXA Life Insurance Co. Ltd.

On December 30, 2010, AXA announced the acquisition of 80% of Belarussian second largest insurer (and 1st private insurer) **B&B Insurance**. With this operation, AXA pursues its expansion in Central & Eastern Europe (CEE). On the Property & Casualty Belarussian insurance market, B&B Insurance enjoys a 10% market share overall (€29 million revenues in 2009), leveraging a network of ca. 260 exclusive agents. The closing of this operation is subject to regulatory approvals and is expected to take place in the first quarter 2011.

In 2009

On January 6, 2009, the purchase of the last tranche of 8.16 million **AllianceBernstein** units was completed at $18.3 per unit for a total price of $150 million pursuant to the final installment of the put agreement exercised by the certain former shareholders of Sanford C. Bernstein. This resulted in an increase in AXA's ownership which was mainly offset by the issuance of 8.3 million restricted units in December 2009 to fund deferred compensation plans which were previously granted through mutual funds. These 2009 restricted unit awards vest over four years.

As a result, at December 31, 2009, the ownership of AXA in AllianceBernstein LP was 62.15%.

On December 18, 2009, AXA announced the strengthening of its position in Central and Eastern Europe through the buyout of the non-controlling interests held by the European Bank for Reconstruction and Development (EBRD) for an amount of €147 million (1) (ca. 0.9 x Embedded Value). This transaction will be funded internally. Closing, subject to customary regulatory approval, is expected to take place in the course of the first semester 2010.

On November 8, 2009, AXA announced a joint offer with AMP whereby AXA would acquire 100% of AXA APH's Asian businesses while AMP would acquire 100% of AXA APH's Australia & New Zealand businesses under an exclusive arrangement. This joint offer would result in AMP acquiring AXA APH's outstanding shares for AU$ 11.0 billion, of which AXA's shares in AXA APH would be paid for AU$ 6.0 billion in cash, while AXA would acquire from AMP 100% of AXA APH's Asian operations for AU$ 7.7 billion in cash. Compared to the closing price of AXA APH share price on November 5, 2009, this offer provided a 31% premium to AXA APH's shareholders.

On November 9, 2009, the independent Committee of AXA APH's Board of Directors rejected this joint proposal.

On December 13, 2009, AXA announced that a revised joint offer, their best and final, was communicated by AXA and AMP to the AXA APH Committee of independent directors. AMP would buy AXA's shares in AXA APH for AU$ 6.9 billion in cash and AXA would acquire from AMP AXA APH's Asian operations for AU$ 9.1 billion in cash. As a result, net cash consideration paid by AXA would be AU$ 2.2 billion (or €1.4 billion). Compared to the closing price of AXA APH share price on November 5, 2009, this offer provided a 53% premium and represented a 16% improvement on the original proposal of November 8, 2009.

On December 17, 2009 this new revised proposal was rejected by the same independent Committee. At the same time, AXA took note of an offer made by National Australia Bank Limited (NAB), which was recommended by the AXA APH Committee of independent directors. Under terms publicly disclosed by NAB, the offer subject to AXA's approval, made by NAB provided a 58% premium to AXA APH's shareholders compared the closing price of AXA APH share price on November 5, 2009 and the impact for AXA would be comparable to those of the AXA/AMP revised offer.

SIGNIFICANT DISPOSALS

On June 24, 2010, AXA announced that it had agreed to sell to Resolution Ltd **part of its UK Life operations** including UK-based traditional life and pensions businesses, its IFA protection and corporate pension businesses, and its annuity businesses for a consideration of £2.8 billion (or ca. €3.3 billion).

This sale is consistent with AXA's intention to focus on growing its Wealth management business in the UK Life & Savings market, comprising the AXA wrap platform ("Elevate"), Architas Multi-Manager, AXA Wealth International and the AXA Winterthur Wealth Management specialist pensions and investments operations, as well as its AXA Direct Protection business. The Group also remains committed to all its other UK-based businesses including AXA Insurance, AXA PPP Healthcare, Bluefin and the UK operations of AXA Investment Managers.

This transaction underlines AXA's focus in Life & Savings on further optimizing capital allocation throughout the Group,

(1) Based on foreign exchange rate as of December 5, 2009.

towards identified business lines (including Health, Protection and unit-linked) and geographies (including high growth markets).

The consideration of £2.8 billion (or ca. €3.3 billion) consists of £2.3 billion (or ca. €2.7 billion) in cash and £0.5 billion (or ca. €0.6 billion) of Resolution Ltd senior Deferred Considerations Notes, which bear an effective interest rate of 6.5% per annum and are repayable in instalments over an 8 year period (4 years duration). The face value of the Notes and consequently the consideration may be reduced by up to £0.2 billion depending on the amount of inherited estateas as of December 31, 2010, which is found to be releasable from the AXA Sun Life long term fund following testing aiming first half of 2011.

The purchase price received by AXA corresponds to 0.86x full year 2009 Embedded Value (£3.2 billion) of the sold business adjusted for AXA APH shares. After the buy-back of €0.9 billion of AXA APH shares currently held by AXA Life UK, net cash proceeds are €1.7 billion for the AXA Group. Proceeds are dedicated to funding the further development of the UK Wealth management business and to redeploying capital more efficiently throughout the AXA Group, while maintaining a strong balance sheet.

This transaction had an impact on AXA Group of €-1.6 billion exceptional capital loss accounted for in net income.

On September 15, 2010 AXA announced that this sale had been successfully completed.

CAPITAL OPERATIONS

On April 14, 2010, AXA announced the issuance of €1.3 billion subordinated debt (maturity 2040, 5.25% annual coupon, spread of 205 bps over Euribor 3M), to anticipate the reimbursement before the end of 2010 of maturing subordinated debts. The transaction has been structured to comply with the latest Solvency II advice for Tier 2 capital treatment.

For several years, the AXA Group has been offering its employees in and outside France, the opportunity to subscribe to shares issued by way of a capital increase reserved for employees. In 2010, employees invested a total of €0.3 billion leading to a total of 30 million newly issued shares. Employee shareholders represented 6.5% of the outstanding share capital as of December 3, 2010.

As of December 31, 2010, AXA total share capital amounted to 2,320,105,237 shares.

On November 2, 2010, AXA Global P&C (formerly AXA Cessions) announced the successful placement of €275 million catastrophe bonds due January 2014 (the "Bonds") to institutional investors. The Bonds are issued by Calypso Capital Limited, an Irish special purpose company, under a €1.5 billion catastrophe bond program set up by AXA Global P&C. The Bonds represented the largest Euro denominated catastrophe bond issuance. This structure provides AXA Global P&C with €275 million of collateralized, 3 years protection against European windstorms in Belgium, France (excluding French overseas territories), Germany, Ireland, Luxembourg, Switzerland and the United Kingdom.

OTHER

On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the New York Stock Exchange ("NYSE") and to voluntarily deregister with the U.S. Securities and Exchange Commission ("SEC"). AXA's delisting from the NYSE became effective on March 26, 2010. AXA filed its Form 15-F to deregister with the SEC on March 26, 2010 and its deregistration with the SEC became effective on June 25, 2010. Following its delisting from the NYSE and deregistration (i) AXA's ADS trade in the United States on the OTCQX International Premier market and (ii) AXA intends to maintain its financial reporting discipline through an annual program to test the effectiveness of its internal financial controls going forward.

On August 6, 2010, **AXA** announced the renewal of the 2005 agreement with **BNP Paribas** consistent with their long-standing relationship over many years through various industrial projects. In this context, a new agreement has been concluded on August 5, 2010 for a period of 3 years, and it includes the principal terms of the December 15, 2005 agreement. However, in order to take into account the anticipated regulatory developments for financial institutions, BNP Paribas and AXA have not extended their respective commitments to maintain minimum cross shareholding participations, even though they currently do not contemplate unwinding them.

Events subsequent to December 31, 2010

On February 3, 2011, AXA received an administrative order approved by the United States Securities and Exchange Commission settling charges against three AXA Rosenberg units and requiring payment of client compensation and penalty amounts, leading to € 66 million net provision already reflected in AXA's half year 2010 accounts.

In March 2011, **AXA APH** announced the following:

(i) on March 1, 2011, AXA APH announced that it has been notified that the proposed merger of AXA APH's Australian and New Zealand businesses with AMP and the sale of AXA APH's Asian businesse to AXA has given the necessary approval by the Deputy Prime Minister and Federal Treasurer,

(ii) on March 2, 2011, the AXA APH shareholders approved all resolutions in relations to the proposed merger of AXA APH's Australian and New Zealand businesses with AMP and the sale of AXA APH's Asian businesses to AXA,

(iii) on March 7, 2011, the Suprerme Court made orders approving the schemes of arrangement between AXA APH and its shareholders in relation to the proposed transaction,

(iv) on March 8, 2011, a copy of the Court's orders has been lodged with the Australian Securities and Investments Commission, at which time the Schemes became legally effective.

On March 11, 2011, AXA announced the sale of 15.6% stake in **Taikang Life**. China Insurance Regulatory Commission («CIRC») has issued its approvalin connection with the proposed transfer by AXA's wholly-owned Swiss subsidiary, AXA Life Ltd., of its entire 15.6% interest in Taikang Life, China's 4th largest life insurer, to a consortium of new and existing shareholders. The consideration for this transaction amounts to USD 1.2 billion (or ca. Euro 0.9 billion). This corresponds to implied 2009 multiples of 21x net earnings[(1)] and 6x book value[(1)].

This transaction is expected to generate a positive impact of ca. Euro 0.8 billion in net income and reduce debt gearing by 1 point in the first half of 2011.

The completion of the transaction is subject to obtaining other CIRC approvals which are pending.

This section includes certain terms that are used by AXA in analyzing its business operations and, therefore, may not be comparable with terms used by other companies; these terms are defined in the glossary provided at the end of this section.

Consolidated gross revenues

CONSOLIDATED GROSS REVENUES [(a)]

(in Euro million)	2010	2009	2010/2009
Life & Savings	56,923	57,620	-1.2%
of which Gross written premiums	*54,962*	*55,899*	*-1.7%*
of which Fees and revenues from investment contracts with no participating feature	*518*	*547*	*-5.2%*
Property & Casualty	27,413	26,174	4.7%
International Insurance	2,847	2,860	-0.4%
Asset Management	3,328	3,074	8.2%
Banking [(b)]	459	395	16.3%
Holdings and other companies [(c)]	0	0	-67.3%
TOTAL	**90,972**	**90,124**	**0.9%**

(a) Net of intercompany eliminations.
(b) Excluding net realized capital gains and change in fair value of assets under fair value option and derivatives, net banking revenues and total consolidated revenues would respectively amount to €444 million and €90,964 million for the period ending December 31, 2010, €392 million and €90,128 million for the period ending December 31, 2009.
(c) Includes notably CDOs and real estate companies.

(1) Source : China Insurance Yearbook 2010.

On a comparable basis means that the data for the current year period were restated using the prevailing foreign currency exchange rates for the same period of prior year (**constant exchange rate basis**). It also means that data in one of the two periods being compared were restated for the results of acquisitions, disposals and business transfers (**constant structural basis**) and for changes in accounting principles (**constant methodological basis**).

In particular, comparable basis for revenues and APE [1] in this document means including, in both periods, acquisitions, disposals and business transfers, and net of intercompany transactions.

As a consequence of the partial sale of the United Kingdom Life & Savings operations, 2010 APE [1] is based on retained business only.

Consolidated gross revenues for full year 2010 reached €90,972 million, up 1% compared to 2009.

The restatements to a comparable basis were mainly driven by the evolution of Euro against other currencies (€-2,605 million or -3 points) and the impact of partial UK Life & Savings operations disposal (€+801 million or +1 point). **On a comparable basis, gross consolidated revenues were down 1%.**

Total Life & Savings gross revenues were down 1% to €56,923 million, or down 3% on a comparable basis mainly due to France, the United States, Japan and Australia & New Zealand partly offset by Mediterranean & Latin American Region and Switzerland.

Total Life & Savings New Business APE amounted to €5,780 million, down 7% compared to 2009. On a comparable basis, APE decreased by 2%, mainly driven by France, Japan and Belgium partly offset by Mediterranean & Latin American Region and South-East Asia & China.

France APE decreased by €217 million (-14%) to €1,384 million, mainly due to (i) lower volumes in Group Retirement (€-88 million or -69%) following last year high level of large contracts, (ii) a decrease in Individual Savings (€-69 million or -8%) in a context of aggressive competition on rates and a more selective approach focused on profitability, and (iii) a decrease in Protection and Health business (€-30 million or -5%) due to a decrease in Individual Health (€-32 million or -22%) partly offset by an increase in Individual Protection (€+11 million or +49%).

The United States APE decreased by €48 million (-5%) to €986 million driven by (i) Variable Annuities APE down 22% primarily in the Wholesale channel, reflecting repricing and redesign actions in 2009, (ii) Life up 3% reflecting increased Term Insurance sales partly offset by the removal of certain Universal Life guaranteed features in the first quarter of 2009, and (iii) mutual funds increased by 26% reflecting higher sales under improved market conditions.

Japan APE decreased by €96 million (-18%) to €465 million. Excluding the Cancer product discontinuation impact (€-85 million), APE decreased by €11 million (-3%). This was mainly driven by a €13 million decrease (-8%) in Health following lower Medical Whole Life products new business partly offset by a €4 million increase (+5%) in Investment & Savings mainly due to Variable Annuity products.

Belgium APE decreased by €45 million (-17%) to €218 million mainly due to the decrease both in (i) Individual Life & Savings sales (€-41 million or -18%) mainly driven by general accounts products following a decrease in guaranteed rates in the second half of 2010 and in (ii) Group Life & Savings products (€-4 million or -15%).

Mediterranean & Latin American Region APE increased by €49 million (+10%) to €553 million mainly due to (i) higher contribution of general account savings products (€+26 million or +9%) mainly in AXA MPS in Italy (€+22 million or +13%) in a favorable environment, (ii) higher sales of Group Life business (€+11 million or +27%) mainly in Mexico, and (iii) Variable Annuity products (€+6 million or +35%) mainly in AXA MPS.

United Kingdom APE [2] increased by €140 million (+36%) to €545 million driven by mutual funds sales with the success of the Elevate wrap platform (€+71 million) and Investment and Savings products (€+69 million), mainly offshore bonds (€+38 million) and Individual pensions (€+50 million).

South-East Asia & China APE increased by €52 million (+58%) to €166 million, primarily (i) in Indonesia (€+30 million) mainly due to new unit-linked products in bancassurance (€+19 million), (ii) strong growth in bancassurance (€+7 million) and Group Life business (€+3 million) in Thailand as well as (iii) growth across all channels in China (€+8 million).

Central Eastern Europe APE increased by €35 million (+16%) to €274 million driven by (i) Poland (€+34 million) mainly due to an increase in Pension funds (€+32 million), (ii) Hungary (€+5 million) mainly driven by Pension funds partly offset by (iii) Czech republic (€-5 million) mainly due to Pension funds.

Hong Kong APE increased by €30 million (+25%) to €159 million due to higher sales of Protection products driven by the launch of new products and improved productivity in the agents channel.

Property & Casualty gross revenues were up 5% to €27,413 million, or up 1% on a comparable basis mainly driven by Personal lines (+4%) mainly driven by the United Kingdom & Ireland and France, partly offset by Germany. Commercial lines decreased by 3% especially in Non-Motor (-4%) mainly driven by the United Kingdom & Ireland, the Mediterranean & Latin American Region and Belgium, partly offset by Canada.

Personal lines (62% of P&C gross revenues) were up 4% on a comparable basis, stemming from both Motor (+5%) and Non-Motor (+3%), reflecting the strength of the AXA brand as well as the ability of AXA proprietary networks to retain their customers in a rising pricing environment.

Motor revenues grew by 5% mainly driven by (i) the United Kingdom & Ireland (+34%), due to the combination of tariff increases and an increase in volumes on both UK Direct and intermediaries channels, (ii) France (+3%) mostly due totariff increases, (iii) Canada with increased average premium (+4%) and (iv) Asia (+4%) mainly due to net new inflows in Japan and tariff increases in Singapore and Malaysia as well as an increase in Health in South Korea, partly offset by (v) Germany (-1%) as a result of a strong market price competition.

(1) *« Annual Premium Equivalent » (APE) is a new regular premiums plus are tenth of single premiums, inline with EEV methodology. APE is Group share.*

(2) *On retained business only.*

Non-Motor revenues increased by 3% mainly driven by (i) the Mediterranean & Latin American Region (+6%) mainly due to Health following tariff increases in Mexico and Spain as well as Property notably benefiting from the rebound on bank mortgage loan activity in Italy and tariff increases in Spain, (ii) France (+6%) in Property lines mainly reflecting tariff increases, and (iii) Belgium (+3%) mainly due to Property mainly due to tariff increases, partly offset by (iv) Germany (-3%) following restructuring of Medical Liability leading to cancellations.

Commercial lines (38% of P&C gross revenues) decreased by 3% on a comparable basis with Non-Motor down 3% while Motor remained stable.

Non-Motor revenues were down 3%, with notably (i) the United Kingdom & Ireland down 11% in a soft market environment and the strategy to exit from unprofitable schemes, (ii) the Mediterranean & Latin American Region down 4% reflecting the current economic context, (iii) Belgium down 7% resulting from the economic slowdown and (iv) Switzerland (-3%) mainly resulting from a focus on profitability.

Motor revenues remained stable, with (i) the United Kingdom & Ireland (+10%) reflecting new business and tariff increases, (ii) France (+2%) mainly as a result of tariff increases in a context of focus on profitability, partly offset by (iii) the Mediterranean & Latin American Region (-7%) reflecting the exit from unprofitable business.

International Insurance revenues remained stable at €2,847 million or were down 3% on a comparable basis mainly driven by (i) **AXA Corporate Solutions Assurance** (down 3% to €1,931 million) driven by portfolio selection focused on profitability (Aviation (-15%), Financial lines (-30%), Property (-4%) and Liability (-3%)) partly offset by positive developments in Motor (+11%), Construction (+6%) and Marine (+1%), and (ii) **AXA Assistance** down 2% to €772 million.

Asset management revenues increased by 8% or 5% on a comparable basis to €3,328 million mainly driven by management fees (+5%) due to higher average assets under management (AUM) up 3% and higher average fees up +0.4 bp.

AllianceBernstein revenues were up 7% to €2,109 million due to management fees up 8% in line with 6% higher average AUM, distribution fees up 22% following higher Retail AUM.

AUM increased by €16 billion from year-end 2009 to €362 billion at December 31, 2010 driven by market appreciation of €31 billion, positive exchange rate impact of €24 billion, partly offset by net outflows of €44 billion (€37 billion from Institutional clients, €6 billion from Retail and €1 billion from Private Clients).

AXA Investment Managers revenues increased by €18 million (+1%) to €1,219 million. Excluding distribution fees (retroceded to distributors), net revenues increased by €13 million (+1%) mainly due to higher performance fees (€+11 million) while management fees remained stable.

AUM increased by €17 billion from year-end 2009 to €516 billion at the end of December 31, 2010 mainly as a result of €18 billion positive exchange rate impact and a €22 billion positive market effect partly offset by €20 billion net outflows, mostly driven by net outflows at AXA Rosenberg (€29 billion) partly offset by €9 billion net inflows mainly on AXA Fixed Income and AXA Framlington expertises.

Net banking revenues were up 16% both on reported and comparable basis to €459 million, mainly driven by Belgium (+15% mainly due to higher interest margin driven by mortgage and consumer loans portfolio growth), Hungary (+25% mainly due to loans and deposits portfolio growth) and France (+13% mainly due to higher interest margin).

CONSOLIDATED UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
Gross written premiums	84,946	84,646
Fees and revenues from investment contracts with no participating feature	518	547
Revenues from insurance activities	**85,464**	**85,193**
Net revenues from banking activities	444	392
Revenues from other activities	5,055	4,544
TOTAL REVENUES	**90,964**	**90,128**
Change in unearned premium reserves net of unearned revenues and fees	**(510)**	**(238)**
Net investment result excluding financing expenses [(a)]	**30,576**	**35,081**
Technical charges relating to insurance activities [(a)]	(94,351)	(98,458)
Net result of reinsurance ceded	(819)	(919)
Bank operating expenses	(96)	(89)
Insurance acquisition expenses	(8,699)	(9,166)
Amortization of value of purchased life business in force	(250)	(365)
Administrative expenses	(10,783)	(10,006)
Valuation allowances on tangibles assets	(9)	(2)
Change in value of goodwill	(3)	(3)
Other	(62)	(151)
Other operating income and expenses	**(115,071)**	**(119,159)**
OPERATING EARNINGS BEFORE TAX	**5,959**	**5,812**
Net income from investments in affiliates and associates	71	20
Financing expenses	(488)	(569)
UNDERLYING EARNINGS BEFORE TAX	**5,542**	**5,262**
Income tax expenses	(1,296)	(1,033)
Minority interests	(366)	(375)
UNDERLYING EARNINGS	**3,880**	**3,854**
Net realized capital gains or losses attributable to shareholders	437	(386)
ADJUSTED EARNINGS	**4,317**	**3,468**
Profit or loss on financial assets (under fair value option) & derivatives	210	485
Exceptional operations (including discontinued operations)	(1,616)	(202)
Goodwill and other related intangible impacts	(87)	(85)
Integration and restructuring costs	(76)	(60)
NET INCOME	**2,749**	**3,606**

(a) For the periods ended December 31, 2010 and December 31, 2009, the change in fair value of assets backing contracts with financial risk borne by policyholders impacted the net investment result for respectively €+13,788 million, and €+23,861 million, and benefits and claims by the offsetting amounts respectively.

NB: Line items of this income statement are on an underlying earnings basis, and not on a net income basis.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
Life & Savings	2,455	2,336
Property & Casualty	1,692	1,670
International Insurance	290	286
Asset Management	269	355
Banking	9	(2)
Holdings and other companies [(a)]	(836)	(793)
UNDERLYING EARNINGS	**3,880**	**3,854**
Net realized capital gains or losses attributable to shareholders	437	(386)
ADJUSTED EARNINGS	**4,317**	**3,468**
Profit or loss on financial assets (under Fair Value option) & derivatives	210	485
Exceptional operations (including discontinued operations)	(1,616)	(202)
Goodwill and related intangibles impacts	(87)	(85)
Integration and restructuring costs	(76)	(60)
NET INCOME	**2,749**	**3,606**

(a) Includes notably CDOs and real estate companies.

Group underlying earnings amounted to €3,880 million. On a constant exchange rate basis, underlying earnings decreased by €112 million (-3%), driven by Asset Management, Holdings and Property & Casualty, partly offset by an increase in Life & Savings.

All comparative figures mentioned in the below paragraphs are presented at constant exchange rate basis and adjusted for reclassifications between margins including the reclassification from net technical margin to commissions in 2009 reflecting contractual changes in Group Protection contracts in France (€125 million). The impact from the partial disposal of the United Kingdom Life & Savings operations was not restated.

Life & Savings underlying earnings amounted to €2,455 million. On a constant exchange rate basis, Life & Savings underlying earnings were up €34 million (+1%) mainly attributable to France (€+137 million), Japan (€+103 million), partly offset by the United States (€-86 million), Belgium (€-61 million), the United Kingdom (€-57 million), and Switzerland (€-31 million) mainly resulting from:

(i) **Higher investment margin** (€+312 million or up 14%) primarly as a result of higher asset base in Belgium (€+33 million) and the Mediterranean & Latin American Region (€+26 million), a lower investment income allocated to policyholders, notably in the United States (€+35 million) and a combination of both effects in France (€+221 million);

(ii) **Higher fees & revenues** (€205 million or up 3%) mainly driven by:

a. **Unit-linked management fees** up €161 million (+9%), mainly driven by the United States (€+149 million) with higher fees following equity market appreciation and France (€+15 million) partly offset by the United Kingdom (€-45 million) as a result of the partial business disposal in September 2010,

b. **Other fees** were up €53 million driven by the United States (€+42 million) following financial market improvement impact on mutual funds assets under management and Australia & New Zealand (€+17 million),

c. **Loadings on premiums and mutual funds** was down €9 million mainly driven by France (€+68 million) with higher loadings on premiums on Group Protection in line with higher gross revenues, offset by the United Kingdom (€-65 million);

(iii) **Net technical margin** was down €1,116 million (-56%) mainly driven by (i) €702 million deterioration of the Variable Annuity products hedging margin, primarily as a result of the non-repeat of interest hedging gains and the impact of credit spread tightening, additional reserve adjustment following lower lapse assumptions in the United States partly offset by lower volatility cost, (ii) non-recurring prior year gain from the internal restructuring of an annuity portfolio in the United Kingdom (€165 million), and (iii) €68 million non-repeat of 2009 positive prior year reserve developments in Group Retirement in France;

(iv) **Lower expenses** decreased by €625 million driven by:

a. €197 million in the United Kingdom mainly as a result of the partial business disposal in September 2010,

b. acquisition expenses down €422 million (-11%) mainly driven by lower DAC amortization notably following lower technical margin in the United States,

c. administrative expenses remained stable (down €7 million or 0%);

(v) **Higher tax expenses and minority interests** (up €144 million or +17%) driven by both higher pre-tax earnings and lower positive tax one-offs (€76 million in the United States and €13 million in Australia & New Zealand in 2010 compared to €129 million in 2009).

Property & Casualty underlying earnings amounted to €1,692 million. On a constant exchange rate basis, Property & Casualty underlying earnings decreased by €31 million (-2%) mainly due to:

(i) **Lower net technical result (including expenses)** down €49 million (or -18%) due to:

a. **An all year loss ratio** up 0.3 point to 71.1% mainly due to (i) 1.9 points lower current year loss ratio driven by 2.0 points reduction following tariff increases and lower Nat Cat charge (-0.2 point) more than offsetby (ii) lower positive prior year developments (+2.2 points),

b. **An expense ratio** slightly down 0.1 point to 28.0%,

c. as a result, **the combined ratio** was up 0.2 point to 99.1%;

(ii) **Stable investment result** (€+9 million or 0%) mainly reflecting higher dividend yield on equities and higher distribution from alternative assets partly offset by the negative impact of lower interest rates;

(iii) **Lower income tax expense and minority interests** (down €9 million) mainly driven by lower pre-tax underlying earnings partly offset by lower positive tax one-offs (€6 million in Belgium and €7 million in Germany compared to €61 million in 2009).

International Insurance underlying earnings amounted to €290 million. On a constant exchange rate basis, underlying earnings remained stable (€+1 million or 0%) mainly driven by (i) improved combined ratio following lower attritional claims charge mainly as a result of a more selective underwriting at AXA Corporate Solutions Assurance, (ii) higher earnings from Group reinsurance operations, partly offset by (iii) less favorable results in run-off Property & Casualty activities.

Asset Management underlying earnings amounted to €269 million. On a constant exchange rate basis, underlying earnings decreased by €93 million (-26%). Excluding both €62 million last year tax one-off at AllianceBernstein and €66 million net provision related to AXA Rosenberg coding error at AXA IM, underlying earnings increased by €34 million (+12%) mainly due to (i) higher revenues (€148 million or +5%) mainly driven by increasing management fees (€101 million) following higher average AUM and higher distribution fees (€49 million) mainly driven by higher Retail AUM at AllianceBernstein, partly offset by (ii) €127 million higher general expenses at (i) AllianceBernstein (€-105 million) following higher compensation expenses and higher distribution fees and (ii) AXA IM (€-22 million), notably reflecting external fees related to AXA Rosenberg coding error.

Banking segment's underlying earnings amounted to €9 million. On a constant exchange rate basis, banking underlying earnings increased by €13 million, mainly driven by Belgium (€+40 million) benefiting from a €22 million non-recurring tax benefit, partly offset by Hungary (€-17 million) and Czech Republic (€-10 million).

Holdings and other companies' underlying earnings amounted to €-836 million. On a constant exchange rate basis, holdings underlying earnings decreased by €36 million (-5%) mainly due to higher taxes on higher dividends upstream to the parent company and lower positive tax one-offs notably in Germany partly offset by lower financial charge mainly driven by lower interest rates.

Group net capital gains attributable to shareholders amounted to €437 million. On a constant exchange rate basis, Group net capital gains and losses attributable to shareholders were up €819 million mainly due to:

(i) €+662 million lower **impairments**, to €-379 million in 2010 mainly driven by lower impairments on equity and fixed income;

(ii) €+177 million higher **realized capital gains**, to €+920 million in 2010, mainly driven by €+247 million higher realized gains on equities, €+190 million following the change in French tax regulation on the "réserve de capitalisation" partly offset by lower realized gains on fixed income €-274 million;

(iii) €-104 million related to an unfavorable impact of equity derivatives hedging programs.

As a result, **adjusted earnings** amounted to €4,317 million. On a constant exchange rate basis, adjusted earnings increased by €707 million (+20%).

Net Income amounted to €2,749 million. Excluding the €1,642 million loss related to the partial disposal of the United Kingdom Life & Savings business and on a constant exchange rate basis, net income increased by €645 million (+18%) mainly as a result of:

(i) **Higher adjusted earnings**: €+707 million to €4,317 million;

(ii) **Less favorable change in fair value of financial assets and derivatives**: €-288 million to €+210 million. These €+210 million can be analyzed as follows:

a. positive change in fair value mainly from Asset Backed Securities (€+131 million mainly in France and Belgium) have been offset by negative impact from lower interest rates and credit spread evolution on other fixed income assets and derivatives (€-131 million),

b. €+194 million positive performance from private equity, equity and hedge funds, net of derivatives,

c. €-19 million foreign exchange negative impact mainly in Switzerland and the United States,

d. €+35 million in the United Kingdom reflecting an undiscounted tax adjustment on lower unrealized gains attributable to policyholders in unit-linked life funds;

(iii) **Higher other exceptional operations results for €+236 million**, from €-202 million in 2009 to €+34 million.

CONSOLIDATED SHAREHOLDERS' EQUITY

As of December 31, 2010, consolidated shareholders' equity totaled €49.7 billion. The movements in shareholders' equity since December 31, 2009 are presented in the table below:

(in Euro million)	Shareholders' equity
At December 31, 2009	**46,229**
Share Capital	69
Capital in excess of nominal value	247
Equity-share based compensation	59
Treasury shares sold or bought in open market	10
Deeply subordinated debt (including accrued interests)	(333)
Fair value recorded in shareholders' equity	1,463
Impact of currency fluctuations	1,000
Cash dividend	1,259
Other	(85)
Net income for the period	2,749
Actuarial gains and losses on pension benefits	(450)
At December 31, 2010	**49,698**

Shareholder value

EARNINGS PER SHARE ("EPS")

(in Euro million except ordinary shares in million)	2010 Basic [a]	2010 Fully diluted [a]	2009 Restated [b] Basic [a]	2009 Restated [b] Fully diluted [a]	2009 Published Basic [a]	2009 Published Fully diluted [a]	Var. 2010 versus 2009 Restated Basic [a]	Var. 2010 versus 2009 Restated Fully diluted [a]
Weighted average number of shares	2,266.3	2,274.6	2,127.0	2,133.3	2,127.0	2,133.3		
Net income (Euro per Ordinary Share)	1.08	1.08	1.56	1.56	1.51	1.51	*-31%*	*-31%*
Adjusted earnings (Euro per Ordinary Share)	1.77	1.77	1.50	1.49	1.50	1.49	*19%*	*18%*
Underlying earnings (Euro per Ordinary Share)	1.58	1.57	1.68	1.67	1.68	1.67	*-6%*	*-6%*

(a) EPS calculation takes into account interest payments related to undated debts classified in shareholders equity with retrospective application.

(b) Revised net income EPS takes into account interest payments related to undated subordinated debts classified in equity, excluding foreign exchange impacts. Previously disclosed EPS included foreign exchange adjustments and, as at December 31, 2009, basic net income EPS amounted to €1.51 and fully diluted net income EPS to €1.51. Excluding foreign exchange impact reflects implemented hedges which would qualify as net investment hedges with related changes in fair values recognised through translation reserves.

RETURN ON EQUITY ("ROE")

(in Euro million)	Period ended, December 31, 2010	Period ended, December 31, 2009	Change in % points
ROE	**5.9%**	**9.3%**	**-3.3 pts**
Net income group share	2,749	3,606	
Average shareholders' equity	46,225	38,857	
Adjusted ROE	**12.0%**	**11.0%**	**1.0 pts**
Adjusted earnings [a]	4,018	3,180	
Average shareholders' equity [b]	33,552	28,887	
Underlying ROE	**10.7%**	**12.3%**	**-1.7 pts**
Underlying earnings [a]	3,580	3,566	
Average shareholders' equity [b]	33,552	28,887	

(a) Including adjustement to reflect net financial charges related to perpetual debt (recorded through shareholders' equity).

(b) Excluding fair value of invested assets and derivatives and perpetual debt (both recorded through shareholders' equity).

Life & Savings segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income attributable to AXA's Life & Savings segment for the periods indicated:

LIFE & SAVINGS SEGMENT [(a)]

(in Euro million)	2010	2009
Gross written premiums	55,023	55,954
Fees and revenues from investment contracts without participating feature	518	547
Revenues from insurance activities	**55,541**	**56,501**
Net revenues from banking activities	-	-
Revenues from other activities	1,447	1,176
TOTAL REVENUES	**56,988**	**57,677**
Change in unearned premium reserves net of unearned revenues and fees	**(331)**	**(162)**
Net investment result excluding financing expenses [(b)]	**28,384**	**33,058**
Technical charges relating to insurance activities [(b)]	(73,993)	(79,000)
Net result of reinsurance ceded	197	(74)
Bank operating expenses	-	-
Insurance acquisition expenses	(3,388)	(4,007)
Amortization of value of purchased life business in force	(250)	(365)
Administrative expenses	(3,991)	(3,685)
Valuation allowances on tangible assets	-	(1)
Change in value of goodwill	(0)	-
Other	(67)	(145)
Other operating income and expenses	**(81,491)**	**(87,277)**
OPERATING EARNINGS BEFORE TAX	**3,550**	**3,295**
Net income from investments in affiliates and associates	39	3
Financing expenses	(90)	(98)
UNDERLYING EARNINGS BEFORE TAX	**3,500**	**3,201**
Income tax expenses	(807)	(670)
Minority interests	(238)	(195)
UNDERLYING EARNINGS	**2,455**	**2,336**
Net realized capital gains or losses attributable to shareholders	279	(73)
ADJUSTED EARNINGS	**2,734**	**2,263**
Profit or loss on financial assets (under fair value option) & derivatives	347	(52)
Exceptional operations (including discontinued operations)	(1,646)	(105)
Goodwill and other related intangible impacts	(23)	(21)
Integration and restructuring costs	(16)	(11)
NET INCOME	**1,396**	**2,075**

(a) Before intercompany transactions.

(b) For the periods ended December 31, 2010 and December 31, 2009 the change in fair value of assets backing contracts with financial risk borne by policyholders impacted the net investment result for respectively €+13,788 million and €+23,861 million, and benefits and claims by the offsetting amounts respectively.

CONSOLIDATED GROSS REVENUES

(in Euro million)	2010	2009
France	14,650	16,353
United States	9,460	9,386
United Kingdom	2,040	2,783
Japan	5,560	5,438
Germany	6,880	6,715
Switzerland	5,090	4,442
Belgium	2,506	2,519
Mediterranean & Latin American Region [a]	6,955	6,483
Other countries	3,848	3,557
TOTAL	**56,988**	**57,677**
Intercompany transactions	(64)	(57)
Contribution to consolidated gross revenues	**56,923**	**57,620**

(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco and Mexico.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
France	607	470
United States	478	545
United Kingdom	134	186
Japan	335	211
Germany	174	157
Switzerland	212	226
Belgium	170	231
Mediterranean & Latin American Region [a]	117	115
Other countries	228	195
Underlying earnings	**2,455**	**2,336**
Net realized capital gains or losses attributable to shareholders	279	(73)
Adjusted earnings	**2,734**	**2,263**
Profit or loss on financial assets (under Fair Value option) & derivatives	347	(52)
Exceptional operations (including discontinued operations)	(1,646)	(105)
Goodwill and related intangible impacts	(23)	(21)
Integration and restructuring costs	(16)	(11)
NET INCOME	**1,396**	**2,075**

(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco and Mexico.

LIFE & SAVINGS OPERATIONS – FRANCE

(in Euro million)	2010	2009
Gross revenues	**14,650**	**16,353**
APE (Group share)	*1,384*	*1,602*
Investment margin	1,105	884
Fees & revenues	1,513	1,430
Net technical margin	561	762
Expenses	(2,296)	(2,318)
Amortization of VBI	(13)	(77)
Other	6	(0)
Underlying earnings before tax	**875**	**680**
Income tax expenses / benefits	(266)	(208)
Minority interests	(2)	(1)
Underlying earnings Group share	**607**	**470**
Net capital gains or losses attributable to shareholders net of income tax	247	91
Adjusted earnings Group share	**854**	**561**
Profit or loss on financial assets (under FV option) & derivatives	63	281
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	**917**	**842**

Gross revenues decreased by €1,704 million (-10%) to €14,650 million [(1)]. On a comparable basis, gross revenues decreased by €1,717 million (-11%) mainly due to:

- *Group Retirement* decreasing by €1,103 million (–54%), due to much lower sales of large contracts compared to 2009;
- *Individual Savings* decreasing by €783 million (-9%) explained by a lower volume of large contracts notably on corporate clients as well as on banking partnerships, resulting from selective underwriting in the context of fierce competition;
- partly offset by a rise in both *Individual and Group Protection business* (€+170 million or +3%).

APE decreased by €217 million (-14%) to €1,384 million:

- *Group Retirement* decreased by 64% or €-120 million due to a non-recurring level of new business in 2009 on both general accounts and unit-linked contracts;
- *Individual Savings* decreased by 8% or €-69 million, due to lower volumes of large contracts, driven by a selective underwriting. General accounts decreased by 13% or €-100 million while unit-linked contracts increased by 27% or €31 million;
- *Protection and Health decreased* by 5% or €-30 million due to a decrease in new business (-22% or €-32 million) in Individual Health, partly offset by an increase in Individual Protection (+49% or €+11 million), due to a very strong increase in new contracts.

Investment margin increased by €221 million (+25%) to €1,105 million mainly as a result of a higher asset base as well as lower investment income allocated to policyholders.

Fees & revenues increased by €83 million (+6%) to €1,513 million mainly due to higher loadings on premiums on Group Protection in line with higher gross revenues, and higher management fees on unit-linked products.

Net technical margin decreased by €201 million (-26%) to €561 million mainly as a result of (i) €-101 million impact of the change in Retirement regulation in Group Protection offset by non-recurring positive prior year reserve developments, (ii) €-125 million from a charge reclassified from technical margin to commissions, reflecting somecontractual changes in Group Protection, (iii) €-68 million non-repeat of 2009 positive prior year reserve developments in Group Retirement.

(1) €14,624 million after intercompany eliminations.

Expenses decreased by €21 million (-1%) to €-2,296 million driven by (i) €+49 million lower volume of commissions as the positive impact of the reclassification between technical margin and commissions partly offset by the effect of a change in product mix towards Protection business, and (ii) €-27 million higher general expenses mainly due to higher salaried sales force costs.

Amortization of VBI decreased by €64 million (-83%) to €-13 million due to the non-repeat of a 2009 actuarial assumptions update.

As a result, the **underlying cost income ratio** decreased by 5.2 points to 72.7%.

Income tax expenses increased by €59 million (+28%) to €-266 million mainly driven by higher pre-tax underlying earnings.

Underlying earnings increased by €137 million (+29%) to €607 million.

Adjusted earnings increased by €292 million (+52%) to €854 million mainly driven by higher underlying earnings, lower impairments (€+92 million) and the change in the French tax regulation on the "réserve de capitalisation" balance (€+112 million), and higher realized capital gains (€+11 million) partly offset by an unfavorable change in intrinsic value of equity hedging positions (€-59 million).

Net income increased by €74 million (+9%) to €917 million reflecting higher adjusted earnings,€+16 million higher foreign exchange impact partly offset by a less favorable change in fair value of mutual funds.

LIFE & SAVINGS OPERATIONS - UNITED STATES

(in Euro million)	2010	2009
Gross revenues	**9,460**	**9,386**
APE (Group share)	*986*	*994*
Investment margin	505	450
Fees & revenues	1,804	1,554
Net technical margin	(426)	500
Expenses	(1,278)	(1,735)
Amortization of VBI	(52)	(39)
Other	-	-
Underlying earnings before tax	**553**	**729**
Income tax expenses / benefits	(75)	(184)
Minority interests	-	(0)
Underlying earnings Group share	**478**	**545**
Net capital gains or losses attributable to shareholders net of income tax	(138)	(16)
Adjusted earnings Group share	**340**	**529**
Profit or loss on financial assets (under FV option) & derivatives	73	(555)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	(1)	(1)
Integration and restructuring costs	(3)	-
NET INCOME GROUP SHARE	**410**	**(28)**
Average exchange rate: 1.00 € = $	*1.3370*	*1.3945*

Gross revenues increased by €74 million (+1%) to €9,460 million. On a comparable basis, gross revenues decreased by €316 million (-3%):

- *Variable Annuity premiums* (53% of gross revenues) decreased by 13% reflecting repricing and redesign actions in 2009 of Variable Annuity products, partially offset by the impact of the progressive launch of Retirement Cornerstone and Structured Capital Strategies products in 2010. Retirement Cornerstone was introduced in proprietary channels in January, and was released within third-party channels beginning of March, 2010;
- *Life premiums* (29% of gross revenues) increased by 6% primarily reflecting stronger Term Insurance and Interest Sensitive Life sales, as well as the impact of the new Indexed unit-linked product launched in August, partially offset by the impact from the removal of certain Universal Life guaranteed features in the first quarter of 2009;
- *Fees on Asset Management business* (7% of gross revenues) increased by 16% driven by higher average separate account balances resulting from equity market increases over the past year;

- *Mutual Funds gross revenues* (1% of gross revenues) increased by 20% driven by improved equity market conditions compared to last year.

APE decreased by €8 million (-1%) to €986 million. On a comparable basis, APE decreased by €48 million (-5%):

- *Variable Annuity* APE decreased by 22% primarily in the Wholesale channel, reflecting repricing and redesign actions in 2009 partially offset by the introduction of Retirement Cornerstone;
- *Life* APE increased by 3% reflecting increased Term Insurance and Interest Sensitive Life sales partly offset by the removal of certain Universal Life guaranteed features in the first quarter of 2009;
- *Mutual funds* APE increased by 26% reflecting higher sales under improved market conditions.

Investment margin increased by €56 million (+12%) to €505 million. On a constant exchange rate basis, investment margin increased by €35 million (+8%). Investment income decreased by €12 million reflecting lower yields on fixed income assets partly offset by higher distribution from alternative investments. Interests and bonus credited decreased by €46 million primarily reflecting lower balances.

Fees & revenues increased by €250 million (+16%) to €1,804 million. On a constant exchange rate basis, fees & revenues increased by €176 million (+11%) primarily due to higher fees on unit-linked balances following equity market appreciation compared to last year.

Net technical margin decreased by €925 million from €500 million to €-426 million. On a constant exchange rate basis, net technical margin decreased by €908 million, primarily due to lower Variable Annuity GMxB margins, reflecting additional GMxB reserve adjustment for lower lapse assumptions, the non-repeat of 2009 interest hedging gains and credit spread tightening partly offset by lower volatility cost in 2010.

Expenses decreased by €457 million (-26%) to €-1,278 million. On a constant exchange rate basis, expenses decreased by €510 million (-29%):

expenses, net of capitalization (including commissions and DAC capitalization) increased by €47 million (+5%) to €-1,102 million mainly due to higher asset based commission expenses;

DAC amortization decreased by €557 million (-77%) to €-176 million, primarily due to the decrease in GMxB margins, and the non-repeat of higher lapses rate adjustment on Variable Life products, partly offset by the impact of a change in general account investment return assumption (€-70 million).

Amortization of VBI increased by €13 million (+34%) to €-52 million. On a constant exchange rate basis, amortization of VBI increased by €11 million (+28%) reflecting revised projections of future profits on MONY in-force contracts.

As a result, the **underlying cost income ratio** decreased by 0.3 point to 70.6%.

Income tax expenses decreased by €109 million (-59%) to €-75 million. On a constant exchange rate basis, income tax expenses decreased by €112 million (-61%). The tax expense decrease reflects the impact of favorable tax settlements in 2010 (€76 million) and lower pre-tax underlying earnings.

Underlying earnings decreased by €66 million (-12%) to €478 million. On a constant exchange rate basis, underlying earnings decreased by €86 million (-16%).

Adjusted earnings decreased by €188 million (-36%) to €340 million. On a constant exchange rate basis, adjusted earnings decreased by €202 million (-38%) mainly reflecting the decrease in underlying earnings and €117 million higher impairments on CMBS portfolio.

Net income increased by €438 million to €410 million. On a constant exchange rate basis, net income increased by €421 million. Net income improved due to an increase in the fair value of interest rate derivatives (€+178 million) and alternative investments (€+90 million) as well as a favorable change in the fair value of equity derivatives related to a statutory liability hedge (€+358 million) mostly expired in March 2010, partly offset by the decrease in adjusted earnings (€-202 million).

LIFE & SAVINGS OPERATIONS - UNITED KINGDOM

(in Euro million)	2010	2009
Gross revenues	**2,040**	**2,783**
APE (Group share)	*545*	*926*
Investment margin	122	133
Fees & revenues	506	609
Net technical margin	65	243
Expenses	(577)	(754)
Amortization of VBI	(3)	(5)
Other	-	-
Underlying earnings before tax	**113**	**225**
Income tax expenses / benefits	21	(39)
Minority interests	(0)	(0)
Underlying earnings Group share	**134**	**186**
Net capital gains or losses attributable to shareholders net of income tax	(6)	(38)
Adjusted earnings Group share	**128**	**148**
Profit or loss on financial assets (under FV option) & derivatives	59	(165)
Exceptional operations (including discontinued operations)	(1,642)	(3)
Goodwill and other related intangibles impacts	(12)	(13)
Integration and restructuring costs	(1)	0
NET INCOME GROUP SHARE	**(1,468)**	**(33)**
Average exchange rate: 1.00 € = £	*0.8615*	*0.8913*

As a consequence of the partial disposal of the Life & Savings business, 2010 gross revenues, underlying earnings, adjusted earnings and net income only include 8 months of the sold business. For consistency, 2010 figures have been compared to the same scope for 2009, *i.e.* 8 months for sold business and 12 months for retained business; this is referred to as a 'comparable scope basis' in the commentary below.

2010 APE is based on retained business only.

Gross revenues decreased by €744 million (-27%) to €2,040 million. On a constant exchange rate and comparable scope basis, gross revenues decreased by €1 million.

APE decreased by €381 million (-41%) to €545 million. On a constant exchange rate basis and for the retained business only, APE increased by €140 million (+36%), driven by Mutual funds sales through the Elevate platform (€+71 million) and Investment and Savings products (€+69 million), mainly offshore bonds (€+38 million) and Individual pensions (€+ 50 million).

Investment margin decreased by €11 million (-8%) to €122 million. On a constant exchange rate and comparable scope basis, the investment margin increased by €26 million (28%) mainly due to:

- a €8 million increase in shareholder participation in with-profit bonuses of the sold business, as a result of improved market conditions;
- a €11 million increase in the investment income on shareholder assets;
- a €12 million increase as a result of a non-recurring reclassification into fees and revenues in 2009.

Fees & revenues decreased by €103 million (-17%) to €506 million. On a constant exchange rate and comparable scope basis, fees & revenues increased by €4 million (1%) mainly due to:

- a €24 million increase as a result of higher fees on account balance driven by positive market conditions;
- a decrease in loadings of €10 million as a result of lower volumes of Creditor business, fully offset in expenses;
- a €12 million decrease as a result of a non-recurring reclassification from investments in 2009.

Net technical margin decreased by €177 million (-73%) to €65 million. On a constant exchange rate and comparable scope basis, net technical margin decreased by €166 million (-72%), mainly driven by the non repeat of 2009 one-off items of the sold business, notably as a result of the internal restructuring of an annuity portfolio.

Expenses decreased by €178 million (-24%) to €-577 million. On a constant exchange rate and comparable scope basis, the expense margin decreased by €35 million (-6%) mainly due to:

- a €46 million decrease due to a non-recurring release of policyholder tax reserve;
- a €10 million decrease due to lower commissions from lower volumes of Creditor business;
- partly offset by €35 million non-recurring employee pension scheme curtailment last year.

Amortization of VBI decreased by €2 million (-34%) to €-3 million.

Income tax expenses decreased by €59 million to €21 million. On a constant exchange rate and comparable scope basis, income tax expenses decreased by €70 million largely driven by lower pre-tax underlying earnings and lower tax rate.

As a consequence, the **underlying cost income ratio** increased by 6.5 points to 83.6%.

Underlying earnings decreased by €52 million (-28%) to €134 million. On a constant exchange rate and comparable scope basis, underlying earnings decreased by €37 million (-22%).

Adjusted earnings decreased by €20 million (-13%) to €128 million. On a constant exchange rate basis, adjusted earnings decreased by €24 million (-16%) largely due to the underlying earnings movement, partly offset by €28 million lower net impairments.

Net income decreased by €1,435 million to €-1,468 million. On a constant exchange rate basis, net income decreased by €1,386 million. In addition to the changes in adjusted earnings, the year on year movement in net income included:

- €1,642 million loss related to the partial sale of the Life & Savings business, partly offset by;
- a €123 million favorable adjustment for undiscounting tax on unrealised gains attributable to policyholders in unit-linked life funds;
- a €71 million favorable change in fair value of fixed income and equity derivatives;
- a €29 million increase in relation to foreign exchange movements.

LIFE & SAVINGS OPERATIONS – JAPAN

(in Euro million)	2010	2009
Gross revenues	**5,560**	**5,438**
APE (Group share)	*465*	*532*
Investment margin	(0)	(0)
Fees & revenues	1,356	1,326
Net technical margin	43	16
Expenses	(782)	(851)
Amortization of VBI	(66)	(178)
Other	-	(2)
Underlying earnings before tax	**550**	**311**
Income tax expenses / benefits	(211)	(97)
Minority interests	(4)	(4)
Underlying earnings Group share	**335**	**211**
Net capital gains or losses attributable to shareholders net of income tax	5	20
Adjusted earnings Group share	**340**	**231**
Profit or loss on financial assets (under FV option) & derivatives	46	191
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	(9)	(2)
NET INCOME GROUP SHARE	**377**	**420**
Average exchange rate: 1.00 € = Yen	*121.5997*	*129.6333*

Gross revenues increased by €122 million (+2%) to €5,560 million. On a comparable basis, revenues decreased by €222 million (-4%):

- *Protection revenues* (39% of gross revenues) decreased by €157 million (-7%) negatively impacted by products not actively promoted (Endowment and Whole life) and lower premiums from Increasing Term and Group Life products;
- *Investment & Savings revenues* (31% of gross revenues) decreased by €74 million (-4%) mainly due to declining

revenues of Group Pension partly offset by increased sales of Variable Annuity products (€+58 million);

- *Health revenues* (31% of gross revenues) increased by €9 million (+1%) mainly resulting from higher regular premiums of Nursing Care and Medical Whole life products following improved retention (€+75 million), partly offset by Cancer product discontinuation (€-34 million) and lower Medical Term and Medical rider sales (€-34 million).

APE decreased by €67 million (-13%) to €465 million. On a comparable basis and excluding the Cancer products' discontinuation impact (€85 million), APE decreased by €11 million (-3%). This was driven by (i) €13 million (-8%) decrease in Health mainly as a result of lower new business of Medical Whole life products, (ii) €2 million (-1%) decrease in Protection due to lower sales of Group Life and Increasing Term products partly offset by higher sales of other Term Products, and (iii) €4 million (+5%) increase in Investment & Savings driven by Variable Annuity products.

Investment margin remained stable at €0 million.

Fees & revenues increased by €30 million (+2%) to €1,356 million. On a constant exchange rate basis, fees & revenues declined by €54 million (-4%) mainly due to €23 million lower URR (Unearned Revenue Reserve) amortization on Variable Annuity products (partly offset by lower amortization of deferred acquisition costs) notably reflecting improved market conditions and higher margins. Excluding this impact, fees and revenues declined by €31 million mainly due to lower revenues from products not actively promoted (Endowment and Whole life) partly offset by higher fees from Health.

Net technical margin increased by €27 million to €43 million. On a constant exchange rate basis, net technical margin increased by €24 million mainly driven by:

- change in assumptions €+89 million following the change in investment assumptions on the legacy book of business in 2009;
- surrender margin down €-43 million mainly driven by independent agent LINA's shock lapses in 2009 and improved client retention;
- mortality margin down €-23 million mainly driven by less favorable mortality experience in Protection and Savings products.

Expenses decreased by €69 million (-8%) to €-782 million. On a constant exchange rate basis, expenses decreased by €117 million (-14%) mainly driven by (i) €83 million lower DAC amortization mainly due to non-repeat of 2009 negative impact of assumption and model changes and LINA shock lapses, (ii) €30 million lower staff expenses as a result of last year's early retirement plan, (iii) €29 million cost savings from other cost reduction initiatives partly offset by (iv) €21 million higher investments to support future growth.

Amortization of VBI decreased by €112 million (-63%) to €-66 million. On a constant exchange rate basis, VBI amortization decreased by €116 million (-65%) mainly driven by the non-repeat of 2009 negative impact of assumption and model changes (€96 million) and better client retention (€20 million).

As a result, the **underlying cost income ratio** improved by 16 points to 60.6%.

Income tax expenses increased by €114 million to €-211 million. On a constant exchange rate basis, income tax expenses increased by €101 million due to higher pre-tax underlying earnings and a non-recurring positive tax one-off in 2009 (€30 million).

Underlying earnings increased by €124 million (+59%) to €335 million or increased by €103 million (+49%) on a constant exchange rate basis.

Adjusted earnings increased by €109 million (+47%) to €340 million or increased by €88 million (+38%) on a constant exchange rate basis, driven by €103 million higher underlying earnings and €56 million lower impairment, partly offset by €71 million lower realized capital gains.

Net income decreased by €44 million to €377 million. As a reminder, AXA Japan closes its full year accounts at the end of September. According to IFRS principles, full year 2008 accounts were adjusted with a €106 million provisional loss reflecting the increase in credit spreads from October to December 2008. This adjustment was reversed in 2009. The 2010 full year accounts were not adjusted.

On a constant exchange rate basis and excluding the €+106 million reversal in 2009, net income increased by €39 million, mainly due to (i) €88 million higher adjusted earnings, (ii) favorable change in fair value of alternative assets partly offset by lower favorable change in mark-to-market of corporate bonds and CDS investments.

LIFE & SAVINGS OPERATIONS – GERMANY

(in Euro million)	2010	2009
Gross revenues	**6,880**	**6,715**
APE (Group share)	*464*	*469*
Investment margin	84	118
Fees & revenues	306	302
Net technical margin	98	37
Expenses	(225)	(228)
Amortization of VBI	(14)	(11)
Other	-	-
Underlying earnings before tax	**249**	**218**
Income tax expenses / benefits	(75)	(61)
Minority interests	(0)	(0)
Underlying earnings Group share	**174**	**157**
Net capital gains or losses attributable to shareholders net of income tax	11	(145)
Adjusted earnings Group share	**185**	**12**
Profit or loss on financial assets (under FV option) & derivatives	29	25
Exceptional operations (including discontinued operations)	1	(84)
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	(0)	(3)
NET INCOME GROUP SHARE	**214**	**(50)**

Gross revenues increased by €164 million (+2%) to €6,880 million [(1)]:

- *Life* (67% of gross revenues) increased by €88 million (+2%) driven by higher single premiums from co-insured Pension business, general account and unit-linked Annuities partly offset by lower single premiums from general account short term investment products and lower Protection with savings components in regular premiums;
- *Health* (33% of gross revenues) increased by €84 million (+4%) mainly deriving from premium indexation.

APE decreased by €5 million (-1%) to €464 million due to:

- *Life* increased by €2 million (+1%) driven by higher new business from annuities partly offset by declining single premiums from general account short term investment products and lower Variable Annuities with secondary guarantee ("Twinstar");
- *Health* decreased by €8 million (-6%) due to an insolvency of a major broker at the end of 2009 partly compensated by the launch of long term care products.

Investment margin decreased by €34 million (-29%) to €84 million due to higher investment income allocated to policyholders partly offset by an increasing investment income as a result of a change in asset allocation towards fixed income assets and higher asset base.

Fees & revenues increased by €5 million (+2%) to €306 million due to lower fees and revenues allocated to policyholders partly offset by lower loadings on general account premiums and on unit-linked regular premiums in line with the new business development.

Net technical margin rose by €61 million to €98 million mainly due to improved hedging margin on GMxB products (€+56 million) including a non-recurring change in lapse assumptions (€+16 million).

Expenses remained stable at €-225 million.

Amortization of VBI increased by €3 million to €-14 million.

As a result, the **underlying cost income ratio** decreased by 3.3 points to 49.0%.

Income tax expenses increased by €15 million (+24%) to €-75 million due to higher pre-tax underlying earnings and non-recurring positive items in 2009.

Underlying earnings increased by €17 million (+11%) to €174 million.

(1) €6,867 million after intercompany eliminations.

Adjusted earnings increased by €173 million to €185 million due to lower impairments (€+145 million) mainly on fixed income assets, higher underlying earnings and higher capital gains (€+13 million).

Net income increased by €264 million to €214 million mainly driven by higher adjusted earnings and the non-recurring policyholder bonus allocation related to the share transfer of the Health company from the Life company to the German holdingin 2009.

LIFE & SAVINGS OPERATIONS – SWITZERLAND

(in Euro million)	2010	2009
Gross revenues	**5,090**	**4,442**
APE (Group share)	*283*	*255*
Investment margin	113	92
Fees & revenues	231	208
Net technical margin	169	163
Expenses	(194)	(179)
Amortization of VBI	(43)	(28)
Other	-	-
Underlying earnings before tax	**275**	**256**
Income tax expenses / benefits	(63)	(30)
Minority interests	-	-
Underlying earnings Group share	**212**	**226**
Net capital gains or losses attributable to shareholders net of income tax	34	(1)
Adjusted earnings Group share	**247**	**225**
Profit or loss on financial assets (under FV option) & derivatives	69	(19)
Exceptional operations (including discontinued operations)	51	(16)
Goodwill and other related intangibles impacts	(6)	(5)
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	**361**	**185**
Average exchange rate: 1.00 € = Swiss Franc	*1.3910*	*1.5096*

Gross revenues increased by €649 million (+15%) to €5,090 million [(1)]. On a comparable basis, gross revenues increased by €246 million (+6%):

- *Group Life* increased by €192 million (+5%) to €4,318 million mainly due to higher single premiums (€+122 million) and higher regular premiums (€+70 million) following low level of cancellations in 2009;
- *Individual Life* increased by €57 million (+9%) to €773 million as a consequence of higher single premiums (€+49 million) mainly driven by the success of new general account product "AXA Protect Invest".

APE increased by €28 million (+11%) to €283 million. On a comparable basis, APE increased by €6 million (+2%) mainly due to Group Life (€+9 million) driven by higher demand for full-protection insurance schemes.

Investment margin increased by €21 million (+23%) to €113 million. On a constant exchange rate basis, investment margin increased by €12 million (+13%) due to lower investment income more than offset by lower allocation to policyholders.

Fees & revenues increased by €24 million (+11%) to €231 million. On a constant exchange rate basis, fees & revenues increased by €5 million (+3%) mainly reflecting the increase in gross revenues in Group Life.

Net technical margin rose by €6 million (+4%) to €169 million. On a constant exchange rate basis, net technical margin decreased by €7 million (-4%) mainly due to higher bonus allocated to policyholders.

(1) €5,082 million after intercompany eliminations.

Expenses increased by €16 million (+9%) to €-194 million. On a constant exchange rate basis, expenses remained flat resulting from acquisition expenses up €8 million (+19%) reflecting volume increase and higher amortization of deferred acquisition costs due to higher profits, fully offset by administrative expenses down €8 million (-6%) reflecting a tight expense management.

Amortization of VBI increased by €16 million (+56%) to €-43 million. On a constant exchange rate basis, amortization of VBI increased by €12 million (+44%) mainly resulting from assumptions unlocking in Group Life in 2010 (€-7 million).

As a result, the **underlying cost income ratio** increased by 1.7 points to 46.4%.

Income tax expenses increased by €33 million to €-63 million. On a constant exchange rate basis, income tax expenses increased by €28 million (+94%) mainly driven by €21 million positive one-off impact in 2009.

Underlying earnings decreased by €14 million (-6%) to €212 million. On a constant exchange rate basis, underlying earnings decreased by €31 million (-14%).

Adjusted earnings increased by €21 million (+10%) to €247 million. On a constant exchange rate basis, adjusted earnings increased by €2 million (+1%) mainly driven by lower impairments mainly on alternative investments, partly offset by lower underlying earnings.

Net income increased by €176 million (+95%) to €361 million. On a constant exchange rate basis, net income increased by €148 million (+80%) mainly due to favorable changes in fair value of interest rate derivatives as well as positive one-off tax impact in 2010 (€54 million).

LIFE & SAVINGS OPERATIONS – BELGIUM

(in Euro million)	2010	2009
Gross revenues	**2,506**	**2,519**
APE (Group share)	*218*	*264*
Investment margin	262	228
Fees & revenues	153	159
Net technical margin	67	95
Expenses	(250)	(256)
Amortization of VBI	(4)	(0)
Other	-	-
Underlying earnings before tax	**227**	**225**
Income tax expenses / benefits	(57)	6
Minority interests	(0)	(0)
Underlying earnings Group share	**170**	**231**
Net capital gains or losses attributable to shareholders net of income tax	69	24
Adjusted earnings Group share	**239**	**256**
Profit or loss on financial assets (under FV option) & derivatives	33	188
Exceptional operations (including discontinued operations)	(4)	-
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	(3)	(4)
NET INCOME GROUP SHARE	**265**	**439**

Gross revenues decreased by €14 million (-1%) to €2,506 million [(1)]:

- *Individual Life & Savings revenues* increased by 3% (or €+50 million) mainly driven by the strong increase in unit-linked investment and savings products by €61 million (+47%) while Crest products remained stable;
- *Group Life & Savings revenues* decreased by 10% (or €-64 million) to €589 million due to an exceptional premium on a large existing contract in 2009. Excluding this non-recurring item, Group Life revenues were stable (+1%).

APE decreased by €45 million (-17%) to €218 million. Individual Life & Savings APE decreased by 18% (or €-41 million) mainly driven by Crest products following the lowering of guaranteed rates in the second half of 2010 and an increasing competition from banks. Group Life & Savings APE decreased by 15% (or €-4 million).

Investment margin increased by €33 million (+15%) to €262 million mainly as a result of a decrease of the average crediting rate, a higher asset base and a change of asset allocation towards fixed income partly offset by interest arrears received on a tax benefit in 2009 (€-14 million).

(1) €2,504 million after intercompany eliminations.

Fees & revenues decreased by €6 million (-4%) to €153 million mainly due to lower URR (Unearned Revenues Reserves) amortization (€-4 million) and lower loadings on general accounts products (€-2 million).

Net technical margin decreased by €28 million (-29%) to €67 million mainly explained by the 2009 non-recurring positive prior year reserve developments in individual Life (€-47 million) partly offset by a more favorable mortality and disability experience (€+14 million).

Expenses decreased by €6 million (-2%) to €-250 million mainly driven by lower deferred acquisition cost amortization (€-18 million) partly offset by higher investments to further improve the quality of service.

Amortization of VBI increased by €4 million to €-4 million.

As a result the **underlying cost income ratio** decreased by 0.5 point to 52.8%.

Income tax expenses increased by €64 million to €-57 million explained by the 2009 non-recurring impact of the favorable court decision for insurance companies on RDT (Revenus Définitivement Taxés: €-66 million).

Underlying earnings decreased by €61 million (-27%) to €170 million.

Adjusted earnings decreased by €17 million (-6%) to €239 million as a result of lower underlying earnings and lower net realized capital gains mainly on fixed income partly offset by lower impairments mainly on equities and a less unfavorable impact of hedging equity derivatives.

Net income decreased by €174 million (-40%) to €265 million mainly driven by a less favorable change in fair value of fixed income Mutual funds mainly due to credit spreads.

LIFE & SAVINGS OPERATIONS – MEDITERRANEAN AND LATIN AMERICAN REGION

(in Euro million)	2010	2009
Gross revenues	**6,955**	**6,483**
APE (Group share)	*553*	*497*
Investment margin	253	225
Fees & revenues	332	303
Net technical margin	108	98
Expenses	(455)	(406)
Amortization of VBI	(21)	(30)
Other	-	-
Underlying earnings before tax	**217**	**189**
Income tax expenses / benefits	(70)	(48)
Minority interests	(30)	(27)
Underlying earnings Group share	**117**	**115**
Net capital gains or losses attributable to shareholders net of income tax	35	4
Adjusted earnings Group share	**152**	**119**
Profit or loss on financial assets (under FV option) & derivatives	(24)	20
Exceptional operations (including discontinued operations)	-	1
Goodwill and other related intangibles impacts	(0)	(0)
Integration and restructuring costs	-	(1)
NET INCOME GROUP SHARE	**127**	**139**

Gross revenues increased by €472 million (+7%) to €6,955 million. On a comparable basis, gross revenues increased by €454 million (+7%) mainly driven by a strong growth in general account savings products (€+432 million or +10%) mainly in Italy (€+479 million or +13%, of which AXA MPS (€+331 million or +10%), reinforced by Antonveneta and a favorable context, notably tax amnesty until April 2010, and by higher sales of Variable Annuity products (€+95 million or +52%) mainly driven by AXA MPS.

APE increased by €55 million (+11%) to €553 million. On a comparable basis, APE increased by €49 million (+10%) mainly driven by (i) higher contribution of general account savings products (€+26 million or +9%) mainly in AXA MPS (€+22 million or +13%) reinforced by Antonveneta, (ii) higher sales of Group Life business (€+11 million or +27%) mainly in Mexico, and (iii) Variable Annuity products (€+6 million or +35%) mainly in AXA MPS.

Investment margin increased by €29 million (+13%) to €253 million. On a constant exchange rate basis, investment margin increased by €26 million (+12%) mainly due to higher asset base while maintaining a stable average investment spread.

Fees & revenues increased by €29 million (+10%) to €332 million. On a constant exchange rate basis, fees & revenues increased by €20 million (+7%) as a result of volume growth mainly in AXA MPS.

Net technical margin rose by €10 million (+10%) to €108 million. On a constant exchange rate basis, net technical margin increased by €8 million (+8%) mainly due to a higher mortality margin partly offset by the release of a risk reserve in Spain in 2009.

Expenses increased by €49 million (+12%) to €-455 million. On a constant exchange rate basis, expenses increased by €37 million (+9%) mainly to support business development in AXA MPS and in Mexico Protection business.

Amortization of VBI decreased by €8 million (-28%) to €-21 million. On a constant exchange rate basis, amortization of VBI decreased by €9 million (-29%) mainly due to the natural decline of VBI balance in AXA MPS.

As a result, the **underlying cost income ratio** decreased by 1.0 point to 68.7%. On a constant exchange rate basis, underlying cost income ratio decreased by 1.5 points.

Income tax expenses increased by €22 million (+46%) to €-70 million, on both a reported and constant exchange rate basis, mainly due to new tax on reserves in Italy (€12 million), higher pre-tax underlying earnings and a negative country mix impact.

Underlying earnings increased by €2 million (+2%) to €117 million. On a constant exchange rate basis, underlying earnings increased by €1 million (+1%).

Adjusted earnings increased by €33 million (+28%) to €152 million. On a constant exchange rate basis, adjusted earnings increased by €32 million (+27%) mainly due to higher realized capital gains on fixed income and equities as well as higher underlying earnings.

Net income decreased by €11 million (-8%) to €127 million. On a constant exchange rate basis, net income decreased by €12 million (-9%) mainly due to a negative change in fair value of mutual funds, partly offset by higher adjusted earnings.

Life & Savings operations - Other countries

The following tables present the operating results for the other Life & Savings operations of AXA:

CONSOLIDATED GROSS REVENUES

(in Euro million)	2010	2009
Australia / New Zealand	1,551	1,532
Hong Kong	1,321	1,203
Central and Eastern Europe [(a)]	515	470
Other countries	460	352
o/w Canada	132	115
o/w Luxembourg	82	72
o/w South East Asia [(b)]	244	164
TOTAL	**3,848**	**3,557**
Intercompany transactions	(3)	(2)
Contribution to consolidated gross revenues	**3,844**	**3,555**

(a) Includes Poland, Hungary, Czech Republic and Slovakia.
(b) South East Asia earnings include Indonesia and Singapore.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

	2010	2009
Australia & New Zealand	82	46
Hong Kong	142	135
Central & Eastern Europe [(a)]	9	16
Other countries	(4)	(2)
o/w Canada	10	5
o/w Luxembourg	5	5
o/w South-East Asia and China [(b)]	3	(2)
o/w AXA Global Distributors	(22)	(9)
Underlying earnings	**228**	**195**
Net realized capital gains or losses attributable to shareholders	22	(12)
Adjusted earnings	**250**	**183**
Profit or loss on financial assets (under Fair Value option) & derivatives	(0)	(17)
Exceptional operations (including discontinued operations)	(52)	(3)
Goodwill and related intangible impacts	(3)	(2)
Integration and restructuring costs	(0)	-
NET INCOME	**194**	**161**

(a) Includes Poland, Hungary, Czech Republic and Slovakia.
(b) South East Asia earnings include Indonesia, Thailand, Philippines, Singapore and India.

Australia & New Zealand [(1)]

Gross revenues increased by €19 million (+1%) to €1,551 million. On a comparable basis, gross revenues decreased by €262 million (-17%):

- *Gross written premium and fees* (70% of gross revenue) decreased by €277 million (-24%) to €1,090 million, as a result of lower sales in Guaranteed Savings Account product (€-259 million) due to lower demand for conservative investment products than last year;
- *Revenues from mutual funds and advice business* (30% of gross revenues) increased by €15 million (+4%) to €461 million due to higher assets under management levels mainly resulting from improved financial market conditions.

APE increased by €13 million (+5%) to €283 million. On a comparable basis, APE decreased by €38 million (-14%) mainly due to a drop in Guaranteed Savings Account and mutual funds sales of €-13 million and €-20 million respectively.

Underlying earnings increased by €36 million (+77%) to €82 million. On a constant exchange rate basis, underlying earnings increased by €21 million (+46%). On a 100% share basis, the evolution of underlying earnings was as follows:

- **Investment margin** increased by €41 million to €32 million. On a constant exchange rate basis, investment margin increased by €36 million due to higher fixed income yield and higher average asset base, as well as the restructuring of inter-company loans;
- **Fees & revenues** increased by €188 million (+29%) to €840 million. On a constant exchange rate basis, fees & revenues increased by €39 million (+6%) driven by growth in average asset balances within mutual funds businesses and higher fees from Protection products;
- **Net technical margin** fell by €23 million to €-25 million. On a constant exchange rate basis, net technical margin decreased by €18 million due to unfavorable claims experience in Individual Protection products (€-5 million) and the subsequent non-recurring strengthening of Individual Protection reserves (€-16 million) in 2010;
- **Expenses** increased by €144 million (+26%) to €-690 million. On a constant exchange rate basis, expenses increased by €21 million (+4%) following evolution of fees and higher staff costs;
- **Amortization of VBI** increased by €10 million (+93%) to €-22 million. On a constant exchange rate basis, amortization of VBI increased by €7 million (+58%) due to a strong recovery in financial markets in second half of 2009 which significantly reduced the 2009 amortization;

(1) AXA interest in AXA Asia Pacific Group is 54.03% broken down into 53.93% direct interest holding and an additional 0.10% owned by the AAPH Executive plan trust.

- As a consequence, the **underlying cost income ratio** decreased by 3.0 points to 83.9%;
- **Income tax** benefits increased by €13 million to €15 million. On a constant exchange rate basis, income tax benefits increased by €11 million, due to one-off tax benefits in 2010 (€13 million) partly offset by an increase in pre-tax underlying earnings.

Adjusted earnings increased by €48 million (+164%) to €77 million. On a constant exchange rate basis, adjusted earnings increased by €34 million (+117%) due to the improvement in underlying earnings and higher realized capital gains following improved markets conditions.

Net income increased by €49 million (+182%) to €76 million. On a constant exchange rate basis, net income increased by €36 million (+132%), broadly in line with adjusted earnings.

Hong-Kong (1)

Gross revenues increased by €118 million (+10%) to €1,321 million. On a comparable basis, gross revenues increased by €149 million (+13%) mainly due to higher revenues from both Protection & Savings (€+86 million) and Investment & Savings products (€+43 million).

APE increased by €37 million (+30%) to €159 million. On a comparable basis, APE increased by €30 million (+25%) due to higher sales of Protection products driven by the successful launch of new products and improved productivity in the agents channel.

Underlying earnings increased by €8 million (+6%) to €142 million. On a constant exchange rate basis, underlying earnings increased by €2 million (+1%). On a 100% share basis, the evolution of underlying earnings was as follows:

- **Investment margin** increased by €3 million (+16%) to €24 million. On a constant exchange rate basis, investment margin increased by €2 million (+11%) mainly due to higher average investment spread;
- **Fees & revenues** increased by €53 million (+19%) to €332 million. On a constant exchange rate basis, fees & revenues increased by €40 million (+14%) mainly as a result of higher gross revenues;
- **Net technical margin** increased by €5 million (+10%) to €53 million. On a constant exchange rate basis, net technical margin increased by €3 million (+5%) mainly due to favorable claims experience partially offset by lower surrender margin due to improved persistency;
- **Expenses** increased by €15 million (+13%) to €-128 million. On a constant exchange rate basis, expenses increased by €10 million (+8%) mainly due to increased investments in distribution channels;
- **Amortization of VBI** increased by €26 million to €-8 million. On a constant exchange rate basis, amortization of VBI increased by €26 million mainly due to a one-off adjustment on VBI amortization in 2009;
- As a consequence, the **underlying cost income ratio** increased by 6.0 points to 33.3%;
- **Income tax** expenses increased by €8 million to €-14 million. On a constant exchange rate basis, income tax expenses increased by €7 million mainly driven by higher pre-tax underlying earnings.

Adjusted earnings increased by €25 million (+18%) to €161 million. On a constant exchange rate basis, adjusted earnings increased by €18 million (+14%) mainly reflecting higher underlying earnings and lower equity hedging costs.

Net income increased by €30 million (+22%) to €162 million. On a constant exchange rate basis, net income increased by €23 million (+18%) mainly due to higher adjusted earnings and non-repeat of 2009 losses on credit derivatives strategies.

Central and Eastern Europe

Gross revenues increased by €45 million (+10%) to €515 million. On a comparable basis, gross revenues increased by €21 million (+5%) mainly driven by Life business in Poland and Hungary, partly offset by lower Pension Funds revenues in Czech Republic.

APE increased by €106 million (+63%) to €274 million. On a comparable basis, APE increased by €35 million (+16%) driven by Pension Funds (€+26 million or +21%) and Life and Savings (€+9 million or +9%) benefiting from unit-linked products sales acceleration. The main countries contributing to growth were Poland (€+34 million or +30%), and to a lower extent Hungary (€+5 million) whereas Czech Republic declined (€-5 million).

Underlying earnings decreased by €8 million (-48%) to €9 million. On a constant exchange rate basis, underlying earnings decreased by €8 million (-51%) due to higher volume-related costs and administrative expenses partly offset by higher fees and revenues and net technical margin.

(1) *AXA interest in AXA Asia Pacific Group is 54.03% broken down into 53.93% direct interest holding and an additional 0.10% owned by the AAPH Executive plan trust.*

As a result, the **underlying cost income ratio** increased by 6.6 points to 91.8%.

Adjusted earnings decreased by €6 million to €10 million. On a constant exchange rate basis, adjusted earnings decreased by €7 million mainly as a result of lower underlying earnings.

Net income decreased by €8 million to €6 million. On a constant exchange rate basis, net income decreased by €8 million mainly driven by lower adjusted earnings.

Canada

Gross revenues increased by €16 million (+14%) to €132 million. On a constant exchange rate basis, gross revenues remained stable.

Underlying earnings increased by €5 million to €10 million. On a constant exchange rate basis, underlying earnings increased by €4 million (+86%) as result of improved morbidity experience in 2010.

Adjusted earnings increased by €6 million (+83%) to €13 million. On a constant exchange rate basis, adjusted earnings increased by €4 million (+60%) driven by higher underlying earnings.

Net income increased by €5 million (+68%) to €12 million. On a constant exchange rate basis, net income increased by €3 million (+46%) mainly driven by higher adjusted earnings.

South East Asia and China

Gross revenues increased by €80 million (+48%) to €244 million. On a comparable basis, gross revenues increased by €50 million (+30%) mainly due to overall higher level of new business sales (mainly in unit-linked products) resulting from the improved market conditions in Indonesia and Singapore.

APE increased by €78 million (+88%) to €166 million. On a comparable basis, APE increased by €52 million (+58%) primarily in Indonesia (€+30 million) mainly driven by new unit-linked products launched through the joint-venture with Mandiri Bank (€+19 million), and in Thailand (€+10 million) with strong growth in the bancassurance channel (€+7 million) and Group Life business (€+3 million), as well as growth across all channels in China (€+8 million) partly due to continuing increased geographical coverage.

Underlying earnings increased by €5 million to €3 million. On a constant exchange rate basis, underlying earnings increased by €4 million mainly driven by earnings improvement in Indonesia (€+5 million) and Thailand (€+5 million), partly offset by higher operational losses in India (€-6 million) and non-recurring adjustments in Singapore (€-1 million).

Adjusted earnings increased by €5 million to €6 million. On a constant exchange rate basis, adjusted earnings increased by €5 million primarily driven by growth in underlying earnings.

Net income decreased by €31 million to €-45 million. On a constant exchange rate basis, net income decreased by €23 million mainly reflecting residual past losses in India (€-28 million) partly offset by growth in adjusted earnings.

AXA GLOBAL DISTRIBUTORS (1)

Underlying earnings as well as **adjusted earnings** and **net income** decreased by €13 million to €-22 million due to the build-up of the infrastructure due to geographic expansion in Europe.

(1) AXA Global Distributors was formed in March 2009 and is 100% owned by AXA SA. The AXA Global Distributors' initiative aim is to distribute Variable Annuity products through third party partnerships, specifically large banks.

P&L excluding infrastructure costs are reflected within AXA France and AXA UK Life & Savings segments.

Property & Casualty segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income attributable to AXA's Property & Casualty segment for the periods indicated.

The presentation between current and prior year loss ratio have been harmonized throughout the Group. 2009 current year loss ratios by country presented hereafter incorporate such change [1] to ensure sufficient comparability. The all accident year loss ratio, combined ratio, earnings and reserves are not impacted by this change in presentation.

PROPERTY AND CASUALTY SEGMENT [(a)]

(in Euro million)	2010	2009
Gross written premiums	27,578	26,291
Fees and revenues from investment contracts without participating feature	-	-
Revenues from insurance activities	**27,578**	**26,291**
Net revenues from banking activities	-	-
Revenues from other activities	78	77
TOTAL REVENUES	**27,656**	**26,368**
Change in unearned premium reserves net of unearned revenues and fees	**(209)**	**(103)**
Net investment result excluding financing expenses	**2,121**	**2,068**
Technical charges relating to insurance activities	(18,629)	(17,901)
Net result of reinsurance ceded	(885)	(710)
Bank operating expenses	-	-
Insurance acquisition expenses	(4,985)	(4,863)
Amortization of value of purchased life business in force	-	-
Administrative expenses	(2,694)	(2,517)
Valuation allowances on tangible assets	(8)	(1)
Other	(3)	(7)
Other operating income and expenses	**(27,204)**	**(25,999)**
OPERATING EARNINGS BEFORE TAX	**2,364**	**2,334**
Net income from investments in affiliates and associates	33	18
Financing expenses	(6)	(5)
OPERATING INCOME GROSS OF TAX EXPENSE	**2,390**	**2,347**
Income tax expense	(658)	(638)
Minority interests	(40)	(39)
UNDERLYING EARNINGS	**1,692**	**1,670**
Net realized capital gains or losses attributable to shareholders	111	(264)
ADJUSTED EARNINGS	**1,803**	**1,406**
Profit or loss on financial assets (under fair value option) & derivatives	27	187
Exceptional operations (including discontinued operations)	6	32
Goodwill and other related intangible impacts	(64)	(64)
Integration and restructuring costs	(22)	(46)
NET INCOME	**1,750**	**1,516**

(a) Before intercompany transactions.

(1) Mainly current year loss ratios in Germany, Belgium, Switzerland and Mediterranean & Latin American Region.

CONSOLIDATED GROSS REVENUES

(in Euro million)	2010	2009
France	5,896	5,724
United Kingdom & Ireland	4,229	3,976
Germany	3,489	3,527
Belgium	2,118	2,145
Mediterranean & Latin American Region [(a)]	6,928	6,721
Switzerland	2,336	2,161
Other countries	2,661	2,116
TOTAL	**27,656**	**26,368**
Intercompany transactions	(242)	(194)
Contribution to consolidated gross revenues	**27,413**	**26,174**

(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf Region and Mexico.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
France	432	406
United Kingdom & Ireland	50	100
Germany	177	283
Belgium	159	168
Mediterranean & Latin American Region [(a)]	358	326
Switzerland	359	260
Other countries	157	126
Underlying earnings	**1,692**	**1,670**
Net realized capital gains or losses attributable to shareholders	111	(264)
Adjusted earnings	**1,803**	**1,406**
Profit or loss on financial assets (under Fair Value option) & derivatives	27	187
Exceptional operations (including discontinued operations)	6	32
Goodwill and related intangibles impacts	(64)	(64)
Integration and restructuring costs	(22)	(46)
NET INCOME	**1,750**	**1,516**

(a) Mediterranean & Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf Region and Mexico.

PROPERTY & CASUALTY OPERATIONS – FRANCE

(in Euro million)	2010	2009
Gross revenues	**5,896**	**5,724**
Current accident year loss ratio (net)	76.5%	81.5%
All accident year loss ratio (net)	74.0%	74.2%
Net technical result before expenses	**1,524**	**1,473**
Expense ratio	25.1%	24.9%
Net investment result	609	600
Underlying earnings before tax	**661**	**652**
Income tax expenses / benefits	(229)	(245)
Net income from investments in affiliates and associates	-	-
Minority interests	(0)	(1)
Underlying earnings Group share	**432**	**406**
Net capital gains or losses attributable to shareholders net of income tax	36	(26)
Adjusted earnings Group share	**468**	**380**
Profit or loss on financial assets (under FV option) & derivatives	(6)	65
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	**462**	**445**

Gross revenues increased by €172 million (+3%) to €5,896 million [1] :

- *Personal lines* (62% of gross revenues) increased by 4% to €3,617 million mainly as a result of tariff increases;
- *Commercial lines* (38% of gross revenues) increased by 1% to €2,233 million mainly as a result of tariff increases in all lines of business in a context of focus on profitability with a limited negative portfolio development except in Construction negatively impacted by the economic context.

Net technical result increased by €51 million (+3%) to €1,524 million:

- *Current accident year loss ratio* decreased by 5.0 points to 76.5% reflecting lower impact of Nat Cat charge (-1.4 points, Klaus storm in 2009 and Xynthia in 2010) and mainly a positive impact of tariff increases notably in Motor;
- *All accident year loss ratio* decreased by 0.2 point to 74.0% as a result of the decrease in current accident year loss ratio mostly offset by lower positive prior year reserve developments.

Expense ratio rose by 0.2 point to 25.1% as a consequence of higher IT investments in order to improve operational efficiency.

As a result, the **combined ratio** remained stable at 99.1%.

Net investment result increased by €9 million (+2%) to €609 million mainly explained by a higher income from inflation linked securities.

Income tax expenses decreased by €17 million (-7%) to €-229 million mainly explained by higher level of non taxable revenues.

Underlying earnings increased by €25 million (+6%) to €432 million.

Adjusted earnings increased by €88 million to €468 million mainly due to lower impairments (€+26 million), higher realized capital gains (€+36 million) mainly on equities, including €+10 million positive impact following a change in the French tax regulation on the “réserve de capitalisation” balance, combined with higher underlying earnings.

Net income increased by €17 million (+4%) to €462 million driven by the increase in adjusted earnings partly offset by less favorable change in fair value of mutual funds and derivatives (€-50 million) driven by credit spread evolution and €-20 million foreign exchange impact.

(1) €5,849 million after intercompany eliminations.

PROPERTY & CASUALTY OPERATIONS - UNITED KINGDOM & IRELAND

(in Euro million)	2010	2009
Gross revenues	**4,229**	**3,976**
Current accident year loss ratio (net)	74.4%	74.1%
All accident year loss ratio (net)	73.0%	70.0%
Net technical result before expenses	**1,129**	**1,202**
Expense ratio	30.9%	32.3%
Net investment result	218	216
Underlying earnings before tax	**54**	**127**
Income tax expenses / benefits	(3)	(26)
Net income from investments in affiliates and associates	-	-
Minority interests	(0)	(0)
Underlying earnings Group share	**50**	**100**
Net capital gains or losses attributable to shareholders net of income tax	(9)	(58)
Adjusted earnings Group share	**42**	**42**
Profit or loss on financial assets (under FV option) & derivatives	5	7
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	(5)	(6)
Integration and restructuring costs	(10)	-
NET INCOME GROUP SHARE	**32**	**44**
Average exchange rate: 1.00 € = £	*0.8615*	*0.8913*

Gross revenues increased by €254 million (+6%) to €4,229 million [(1)]. On a comparable basis, gross revenues increased by €119 million (+3%):

- *Personal lines* (61% of gross revenues) were up 12% to €2,547 million. **Motor** was up 34% to €1,061 million due to the combination of tariff increases in a hardening market and an increase in volumes on both UK Direct and intermediaries channels, together with a strong performance in Ireland. **Non-Motor** was up 1% to €1,486 million. Property was up 6% to €619 million following growth in UK Direct, new affinity schemes as well as the implementation of tariff increases. Health was up 1% to €565 million. Other Personal lines were down 9% to €302 million mainly reflecting selective underwriting within Travel and Warranty lines;
- *Commercial lines* (39% of gross revenues) were down 8% to €1,606 million. **Motor** was up 10% to €276 million reflecting new business and tariff increases within the United Kingdom and Ireland. **Non-Motor** was down 11% to €1,330 million following the strategy to exit unprofitable schemes and the continuing impact of the soft market conditions. Health was down 3% to €636 million reflecting the focus on margins in a competitive environment on large corporate schemes partially offset by growth in the SME business.

Net technical result decreased by €73 million (-6%) to €1,129 million. On a constant exchange rate basis, net technical result decreased by €106 million (-9%):

- *Current accident year loss* ratio increased by 0.4 point to 74.4% reflecting severe Nat Cat charge in 2010 partly offset by lower large losses notably in Property;
- *All accident year loss* ratio increased by 3.1 points to 73.0% reflecting the deterioration in current year loss ratio combined with lower positive prior year reserve developments.

Expense ratio decreased by 1.4 point to 30.9% with an **acquisition ratio** down 2.8 points to 22.1%, largely reflecting a decrease in commissions (-2.4 points) driven by renegotiation of broker commission rates, reduced exposure to highly commissioned Delegated Authority business and an increase in UK Direct business share. The **administrative expense** ratio increased by 1.3 point to 8.8% due to the non-repeat

(1) *€4,147 million after intercompany eliminations.*

of a 2009 positive one-off impact on employee pension scheme (+0.9 point) together with IT investments in UK Direct (+0.4 point) and Health (+0.2 point).

As a result, the **combined ratio** was up 1.6 points to 103.9%.

Net investment result increased by €1 million (+1%) to €218 million. On a constant exchange rate basis, net investment result decreased by €4 million (-2%) mainly resulting from lower cash yields.

Income tax expenses decreased by €23 million (-88%) to €-3 million. On a constant exchange rate basis, income tax expenses decreased by €23 million (-88%) mainly reflecting lower pre-tax underlying earnings and the geographical mix between the United Kingdom and Ireland.

Underlying earnings decreased by €50 million (-50%) to €50 million. On a constant exchange rate basis, underlying earnings decreased by €49 million (-49%).

Adjusted earnings decreased by €1 million (-1%) to €42 million. On a constant exchange rate basis, adjusted earnings were stable. The decrease in underlying earnings, combined with €7 million lower realized capital gains, was offset by €57 million lower impairment charges mainly due to fixed income (€22 million) and equities (€19 million).

Net income decreased by €11 million (-25%) to €32 million. On a constant exchange rate basis, net income decreased by €10 million (-23%) reflecting stable adjusted earnings combined with higher restructuring costs (€-10 million).

PROPERTY & CASUALTY OPERATIONS – GERMANY

(in Euro million)	2010	2009
Gross revenues	**3,489**	**3,527**
Current accident year loss ratio (net) [(a)]	74.3%	72.1%
All accident year loss ratio (net)	73.3%	67.4%
Net technical result before expenses	**930**	**1,148**
Expense ratio	31.3%	31.4%
Net investment result	375	352
Underlying earnings before tax	**213**	**397**
Income tax expenses / benefits	(38)	(112)
Net income from investments in affiliates and associates	2	(0)
Minority interests	(0)	(1)
Underlying earnings Group share	**177**	**283**
Net capital gains or losses attributable to shareholders net of income tax	8	(105)
Adjusted earnings Group share	**185**	**179**
Profit or loss on financial assets (under FV option) & derivatives	7	23
Exceptional operations (including discontinued operations)	-	26
Goodwill and other related intangibles impacts	(0)	-
Integration and restructuring costs	(3)	(21)
NET INCOME GROUP SHARE	**190**	**207**

(a) The 2009 published current year loss ratio was 76.4%.

Gross revenues decreased by €38 million (-1%) to €3,489 million [(1)]:

- *Personal lines* (64% of gross revenues) decreased by 2% to €2,221 million due to a negative price impact in Motor as a result of market price pressure and cancellations in Medical Liability, partly offset by higher new business in Property, supported by the bundled product Box Plus;
- *Commercial lines* (29% of gross revenues) decreased by 0.3% resulting from cancellations and lower sum insured in Industrial Liability and Marine insurance;
- *Other lines* (7% of gross revenues) increased by 3% to €249 million mainly due to a higher quota share in assumed Legal Protection business.

(1) €3,458 million after intercompany eliminations.

Net technical result decreased by €218 million (-19%) to €930 million:

- *Current accident year loss ratio* increased by 2.2 points to 74.3% due to higher attritional losses as a consequence of the severe winter, as well as higher Nat Cat charge (+0.6 point);
- *All accident year loss ratio* increased by 6.0 points to 73.3% due to higher current accident year loss ratio and lower positive prior year reserve developments.

Expense ratio decreased by 0.1 point to 31.3%.

As a result, the **combined ratio** increased by 5.9 points to 104.6%.

Net investment result increased by €22 million (+6%) to €375 million. Excluding €21 million non-recurring reversal of interest arrears, net investment result remained stable as higher alternative funds distributions was offset by lower income on fixed income assets.

Income tax expenses decreased by €74 million (-66%) to €-38 million due to lower pre-tax underlying earnings and lower positive tax one-offs (€7 million in 2010 compared to €13 million in 2009).

Underlying earnings decreased by €107 million (-38%) to €177 million.

Adjusted earnings increased by €6 million (+4%) to €185 million mainly due to lower underlying earnings, more than offset by lower level of impairments on fixed income assets and higher realized capital gains on equities.

Net income decreased by €17 million (-8%) to €190 million, mainly due to less favorable change in fair value following credit spreads evolution partly offset by non-repeat of unfavorable change in fair value of alternative funds in 2009.

PROPERTY & CASUALTY OPERATIONS – BELGIUM

(in Euro million)	2010	2009
Gross revenues	**2,118**	**2,145**
Current accident year loss ratio (net) [(a)]	77.2%	78.4%
All accident year loss ratio (net)	67.2%	69.7%
Net technical result before expenses	**696**	**651**
Expense ratio	31.3%	30.1%
Net investment result	199	196
Underlying earnings before tax	**229**	**197**
Income tax expenses / benefits	(70)	(29)
Net income from investments in affiliates and associates	-	-
Minority interests	0	0
Underlying earnings Group share	**159**	**168**
Net capital gains or losses attributable to shareholders net of income tax	(15)	(25)
Adjusted earnings Group share	**144**	**143**
Profit or loss on financial assets (under FV option) & derivatives	20	62
Exceptional operations (including discontinued operations)	(2)	-
Goodwill and other related intangibles impacts	(2)	(2)
Integration and restructuring costs	(9)	(18)
NET INCOME GROUP SHARE	**151**	**186**

(a) The 2009 published current year loss ratio was 82.1%.

Gross revenues decreased by €27 million (-1%) to €2,118 million [(1)] :

- *Personal lines* (51% of gross revenues) were up 2% driven by **Non-Motor** (+3%) and **Motor** (+2%) following tariff increases partly offset by portfolio decrease;
- *Commercial lines* (49% of gross revenues) were down 5% with **Motor** down 1% and **Non-Motor** down 7% negatively impacted by the economic context and the focus on profitability most notably in Workers' compensation and Liability.

(1) €2,099 million after intercompany eliminations.

Net technical result increased by €44 million (+7%) to €696 million:

- *Current accident year loss ratio* decreased by 1.2 point to 77.2%, mainly due to fewer losses (-2.6 points or €-57 million), price increases (-0.7 point) partly offset by a Nat Cat charge increase (+2.0 points or €42 million);
- *All accident year loss ratio* decreased by 2.5 points to 67.2% reflecting the improvement of current loss ratio and increase in prior year reserve developments (mainly in Workers' Compensation).

Expense ratio rose by 1.2 point to 31.3% mainly driven by higher administrative expenses (+1.3 point) notably reflecting investments to further improve quality of service.

As a result, the **combined ratio** decreased by 1.3 point to 98.5%.

Net investment result increased by €3 million (+2%) to €199 million mainly as a result of a higher asset base.

Income tax expenses increased by €42 million to €70 million resulting from the 2009 non-recurring impact of the favorable court decision for insurance companies on RDT (Revenus Définitivement Taxés: €39 million) and higher pre-tax underlying earnings partly offset by a non-recurring tax benefit in 2010 (€+6 million).

Underlying earnings decreased by €9 million (-6%) to €159 million.

Adjusted earnings remained stable at €144 million as a result of lower impairments mainly on equities partly offset by lower capital gains on fixed income and lower underlying earnings.

Net income decreased by €35 million (-19%) to €151 million mainly driven by an unfavorable change in fair value on inflation derivatives and by a less favorable change in fair value on fixed income mutual funds mainly due to credit spreads.

PROPERTY & CASUALTY OPERATIONS – MEDITERRANEAN AND LATIN AMERICAN REGION

(in Euro million)	2010	2009
Gross revenues	**6,928**	**6,721**
Current accident year loss ratio (net) [(a)]	75.2%	77.7%
All accident year loss ratio (net)	72.0%	73.3%
Net technical result before expenses	**1,924**	**1,796**
Expense ratio	25.7%	25.7%
Net investment result	396	415
Underlying earnings before tax	**553**	**482**
Income tax expenses / benefits	(162)	(124)
Net income from investments in affiliates and associates	-	-
Minority interests	(33)	(32)
Underlying earnings Group share	**358**	**326**
Net capital gains or losses attributable to shareholders net of income tax	22	(44)
Adjusted earnings Group share	**380**	**281**
Profit or loss on financial assets (under FV option) & derivatives	13	22
Exceptional operations (including discontinued operations)	(1)	7
Goodwill and other related intangibles impacts	(24)	(25)
Integration and restructuring costs	-	(7)
NET INCOME GROUP SHARE	**368**	**277**

(a) The 2009 published current year loss ratio was 79.2%.

Gross revenues increased by €207 million (+3%) to €6,928 million [(1)]. On a comparable basis, gross revenues were stable or driven by the difficult economic environment in mature markets (-3%) fully offset by positive performance in high growth markets (+5%):

- *Personal lines* (64% of gross revenues) were up +3% to €4,416 million increasing in all lines of business driven by (i) Health (+8% or €+43 million) with tariff increases across the region and positive volume impact in Turkey and Spain, (ii) Property (+4% or €+26 million) benefiting from the rebound on bank mortgage activity in AXA MPS and from tariff increases in Spain and (iii) Motor (up 1% or €+37 million) reflecting strong performance in Turkey due to the competitive Third Party Liability products partly offset by Spain where tariff increases drove negative volume evolution;
- *Commercial lines* (36% of gross revenues) were down -5% to €2,476 million mainly driven by Non-Motor (-4% or €-68 million) reflecting the economic context notably in Liability and Construction, as well as lower new business in Property mainly due to selective underwriting in Mexico. Motor decreased by 7% reflecting the focus on profitable business.

Net technical result increased by €128 million (+7%) to €1,924 million. On a constant exchange rate basis, net technical result increased by €80 million (+4%):

- *Current accident year loss ratio* decreased by 2.5 points to 75.2%, mainly driven by (i) the focus on profitability through pricing actions notably on Personal lines and selective underwriting on Commercial lines combined with (ii) lower Nat Cat charge (-0.4 point), partly offset by (iii) higher severity in Commercial lines due to large claims;
- *All accident year loss ratio* decreased by 1.4 point to 72.0% driven by the decrease of current accident year loss partly offset by lower prior year reserve developments mainly on Motor and Health.

Expense ratio was stable at 25.7%.

As a result, the **combined ratio** down by 1.4 point to 97.7%.

Net investment result decreased by €19 million (-5%) to €396 million. On a constant exchange rate basis, net investment result decreased by €28 million (-7%) mainly driven by lower asset base and equity dividend yield in Spain as well as lower fixed income yield notably in Turkey and Mexico.

Income tax expenses increased by €38 million (+31%) to €-162 million. On a constant exchange rate basis, income tax expenses increased by €36 million (+29%) reflecting higher pre-tax underlying earnings and a negative country mix.

Underlying earnings increased by €33 million (+10%) to €358 million. On a constant exchange rate basis, underlying earnings increased by €26 million (+8%).

Adjusted earnings increased by €99 million (+35%) to €380 million. On a constant exchange rate basis, adjusted earnings increased by €93 million (+33%) reflecting the increase in underlying earnings combined with higher realized capital gains (€26 million) notably on equities and lower impairments (€43 million).

Net income increased by €91 million (+33%) to €368 million. On a constant exchange rate basis, net income increased by €86 million (+31%) reflecting adjusted earnings evolution partly offset by less favorable change in fair value of mutual funds.

(1) €6,888 million after intercompany eliminations.

PROPERTY & CASUALTY OPERATIONS – SWITZERLAND

(in Euro million)	2010	2009
Gross revenues	**2,336**	**2,161**
Current accident year loss ratio (net) [(a)]	68.5%	73.2%
All accident year loss ratio (net)	61.9%	66.3%
Net technical result before expenses	**892**	**726**
Expense ratio	26.9%	27.6%
Net investment result	195	186
Underlying earnings before tax	**457**	**316**
Income tax expenses / benefits	(95)	(54)
Net income from investments in affiliates and associates	-	-
Minority interests	(2)	(2)
Underlying earnings Group share	**359**	**260**
Net capital gains or losses attributable to shareholders net of income tax	40	(13)
Adjusted earnings Group share	**400**	**247**
Profit or loss on financial assets (under FV option) & derivatives	(12)	5
Exceptional operations (including discontinued operations)	9	(1)
Goodwill and other related intangibles impacts	(26)	(25)
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	**370**	**227**
Average exchange rate: 1.00 € = Swiss Franc	*1.3910*	*1.5096*

(a) The 2009 published current year loss ratio was 76.8%.

Gross revenues increased by €175 million (+8%) to €2,336 million [(1)]. On a comparable basis, gross revenues decreased by €9 million (0%) mainly due to:

- *Personal lines* (52% of gross revenues) were up 1% to €1,220 million mainly driven by positive net inflows in Motor and Property and higher insured sums in Property;
- *Commercial lines* (48% of gross revenues) were down 2% to €1,122 million mainly resulting from a focus on profitability.

Net technical result increased by €166 million (+23%) to €892 million. On a constant exchange rate basis, net technical result increased by €96 million (+13%):

- *Current accident year loss ratio* decreased by 4.7 points to 68.5% mainly driven by lower Nat Cat charge (-1.8 point) and improvements in Commercial lines (-2.6 points) reflecting a selective underwriting policy;
- *All accident year loss ratio* decreased by 4.4 points to 61.9% primarily reflecting the current year loss ratio improvement.

Expense ratio decreased by 0.7 point to 26.9% mainly driven by acquisition cost decrease mainly as a result of a change in agents' commission structure.

As a result, the **combined ratio** decreased by 5.1 points to 88.8%.

Net investment result increased by €9 million (+5%) to €195 million. On a constant exchange rate basis, net investment result decreased by €6 million (-3%) mainly due to lower interest rates partly offset by a change in asset allocation towards fixed income.

Income tax expenses increased by €41 million (+77%) to €-95 million. On a constant exchange rate basis, income tax expenses increased by €34 million (+63%) mainly driven by higher pre-tax underlying earnings and a €9 million positive tax one-off in 2009.

(1) €2,327 million after intercompany eliminations.

Underlying earnings increased by €99 million (+38%) to €359 million. On a constant exchange rate basis, underlying earnings increased by €71 million (+27%).

Adjusted earnings increased by €152 million (+61%) to €400 million. On a constant exchange rate basis, adjusted earnings increased by €121 million (+49%) mainly driven by higher underlying earnings, higher realized capital gains mainly on equity securities (€+29 million) and lower impairments (€+16 million).

Net income increased by €143 million (+63%) to €370 million. On a constant exchange rate basis, net income increased by €114 million (+50%) mainly driven by higher adjusted earnings.

Property & Casualty operations - Other countries

CONSOLIDATED GROSS REVENUES

(in Euro million)	2010	2009
Canada	1,436	1,174
Others	1,224	941
o/w Asia [a]	1,023	819
o/w Luxembourg	93	91
o/w Central and Eastern Europe [b]	109	31
TOTAL	**2,661**	**2,116**
Intercompany transactions	(16)	(13)
Contribution to consolidated gross revenues	**2,645**	**2,103**

(a) Includes Hong Kong, Singapore, South Korea, Malaysia and Japan.
(b) Includes Poland and Ukraine.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
Canada	139	87
Others	18	40
o/w Asia [a]	(13)	20
o/w Luxembourg	10	12
o/w Central and Eastern Europe [b]	(8)	(10)
o/w Reso (Russia)	30	18
Underlying earnings	**157**	**126**
Net realized capital gains or losses attributable to shareholders	28	7
Adjusted earnings	**185**	**133**
Profit or loss on financial assets (under Fair Value option) & derivatives	(1)	3
Exceptional operations (including discontinued operations)	-	-
Goodwill and related intangibles impacts	(7)	(6)
Integration and restructuring costs	(0)	-
NET INCOME	**177**	**130**

(a) Includes Hong Kong, Singapore, South Korea, Malaysia and Japan.
(b) Includes Poland and Ukraine.

Canada

Gross revenues increased by €262 million (+22%) to €1,436 million [(1)]. On a comparable basis, gross revenues increased by €75 million (+6%) as a result of higher volumes and tariffs increases in both Motor and Property lines.

Underlying earnings increased by €52 million (+60%) to €139 million. On a constant exchange rate basis, underlying earnings increased by €34 million (+39%) reflecting a 2.7 points improvement of combined ratio to 91.8% as a result of better weather conditions, tariffs increases in Personal lines (mainly in Property) and a lower effective income tax rate.

Adjusted earnings increased by €63 million (+69%) to €154 million. On a constant exchange rate basis, adjusted earnings increased by €43 million (+47%) due to €34 million higher underlying earnings, €6 million lower impairment on equities and €3 million higher realized capital gains.

Net income increased by €60 million (+69%) to €147 million. On a constant exchange rate basis, net income increased by €41 million (+47%) mainly due to higher adjusted earnings.

Asia [(2)]

Gross revenues increased by €203 million (+25%) to €1,023 million [(3)]. On a comparable basis, gross revenues increased by €55 million (+7%):

- *Personal lines* (80% of gross revenues) were up 6% or €+39 million due to €26 million in Motor benefiting from net new inflows in Japan (+61,000), tariffs increases in Singapore and Malaysia as well as €8 million increase in Health in South Korea;
- *Commercial lines* (20% of gross revenues) were up +4% or €6 million attributable to Motor in Singapore and Hong Kong.

Net technical result increased by €4 million (+2%) to €212 million. On a constant exchange rate basis, net technical result decreased by €17 million (-8%):

- *Current accident year loss ratio* increased by 1.4 point to 75.6% mainly as a result of a deterioration in Motor in South Korea due to a higher claims frequency, partly offset by an improvement in Singapore and Hong Kong in Motor;
- *All accident year loss ratio* increased by 4.8 points to 78.9% attributable to unfavorable prior year reserve developments in Singapore and Malaysia (€22 million) as well as €6 million reserve strengthening in South Korea and Japan.

Expense ratio decreased by 0.7 point to 24.6% with the administrative expense ratio down 0.8 point reflecting a tight management of administrative expenses.

As a result, the **combined ratio** was up by 4.0 points to 103.6%.

Net investment result increased by €2 million (+9%) to €23 million. On a constant exchange rate basis, net investment result decreased by €1 million (-3%).

Income tax expenses decreased by €5 million to €2 million. On a constant exchange rate basis, income tax expenses decreased by €4 million mainly due to lower pre-tax underlying earnings.

Underlying earnings decreased by €34 million to €-13 million. On a constant exchange rate basis, underlying earnings decreased by €32 million.

Adjusted earnings decreased by €25 million to €-1 million. On a constant exchange rate basis, adjusted earnings decreased by €24 million mainly due to lower underlying earnings partly offset by €8 million higher realized capital gains.

Net income decreased by €24 million to €-4 million. On a constant exchange rate basis, net income decreased by €23 million mainly due to lower adjusted earnings.

Central and Eastern Europe (Poland and Ukraine)

Gross revenues increased by €78 million to €109 million. On a comparable basis, gross revenues increased by €9 million driven by Poland (+26% or €+8 million) with significant net new inflows in Personal Motor (+45,000) and Ukraine (+2% or €+1 million) mainly in Commercial Health.

Underlying earnings and **adjusted earnings** increased by €2 million to €-8 million mainly reflecting higher net technical result mainly driven by operational leverage in Poland.

Net income remained stable at €-8 million.

Reso Garantia (Russia)

Underlying earnings, adjusted earnings and **net income** increased by €13 million (+71%) to €30 million. On a constant exchange rate basis, underlying earnings, adjusted earnings and net income increased by €10 million mainly driven by a decrease in loss ratio and to a lower extent a lower expense ratio.

(1) *€1,428 million after intercompany eliminations.*

(2) *Includes Honk Kong, Singapore, South Korea, Malaysia and Japan.*

(3) *€1,016 million after intercompany eliminations.*

International Insurance segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income for the International Insurance Segment for the periods indicated:

CONSOLIDATED GROSS REVENUES

(in Euro million)	2010	2009
AXA Corporate Solutions Assurance	1,951	1,946
AXA Global Life and Global P&C (a)	50	59
AXA Assistance	929	883
Other (b)	95	108
TOTAL	**3,025**	**2,996**
Intercompany transactions	(178)	(136)
Contribution to consolidated gross revenues	**2,847**	**2,860**

(a) Formerly AXA Cessions.
(b) Including AXA Liabilities Managers and AXA Corporate Solutions Life Reinsurance Company.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

	2010	2009
AXA Corporate Solutions Assurance	161	132
AXA Global Life and Global P&C (a)	17	(3)
AXA Assistance	16	16
Other (b)	95	141
Underlying earnings	**290**	**286**
Net realized capital gains or losses attributable to shareholders	53	19
Adjusted earnings	**343**	**306**
Profit or loss on financial assets (under Fair Value option) & derivatives	32	20
Exceptional operations (including discontinued operations)	3	1
Goodwill and related intangibles impacts	-	(1)
Integration and restructuring costs	-	-
NET INCOME	**378**	**326**

(a) Formerly AXA Cessions.
(b) Including AXA Liabilities Managers and AXA Corporate Solutions Life Reinsurance Company.

AXA CORPORATE SOLUTIONS ASSURANCE

(in Euro million)	2010	2009
Gross revenues	**1,951**	**1,946**
Current accident year loss ratio (net)	85.6%	87.2%
All accident year loss ratio (net)	81.5%	84.0%
Net technical result before expenses	**364**	**311**
Expense ratio	15.4%	15.0%
Net investment result	184	186
Underlying earnings before tax	**245**	**205**
Income tax expenses / benefits	(81)	(71)
Net income from investments in affiliates and associates	-	-
Minority interests	(2)	(2)
Underlying earnings Group share	**161**	**132**
Net capital gains or losses attributable to shareholders net of income tax	5	12
Adjusted earnings Group share	**166**	**144**
Profit or loss on financial assets (under FV option) & derivatives	26	16
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	-	-
NET INCOME GROUP SHARE	**192**	**160**

Gross revenues increased by €5 million to €1,951 million [1]. On a comparable basis, gross revenues decreased by €55 million (-3%) mainly due to portfolio selection focused on profitability (Aviation (-15%), Financial lines (-30%), Property (-4%), Liability (-3%)) partly offset by positive developments in Motor (+11%), Construction (+6%) and Marine (+1%).

Net technical result increased by €53 million (+17%) to €364 million. On a constant exchange rate basis, net technical result increased by €52 million (+17%):

- *Current accident year loss ratio* decreased by 1.6 points to 85.6% explained by a lower level of attritional claims charge, reflecting the impact of portfolio selection focused on profitability and tariff increases;
- Prior year technical result increased by €19 million (from €72 million to €91 million) as a result of positive prior year reserve and premium developments.

As a consequence, the all accident year loss ratio decreased by 2.5 points to 81.5%.

Expense ratio increased by 0.4 point to 15.4% mainly due to higher staff costs related to the development of new foreign branches and a negative exchange rate impact (0.1 point).

As a result, the **combined ratio** decreased by 2.2 points to 96.9%.

Net investment result slightly decreased by €2 million (-1%) to €184 million. On a constant exchange rate basis, net investment result decreased by €3 million (-2%).

Income tax expenses increased by €11 million (+15%) to €-81 million. On a constant exchange rate basis, income tax increased by €10 million (+15%) mainly due to higher pre-tax underlying earnings partly offset by €5 million non-recurring tax benefit.

Underlying earnings increased by €29 million (+22%) to €161 million. On a constant exchange rate basis, underlying earnings increased by €28 million (+21%).

Adjusted earnings increased by €22 million (+15%) to €166 million on a constant exchange rate basis, driven by the increase in underlying earnings partly offset by €7 million lower realized capital gains net of impairments notably in equities.

Net income increased by €32 million (+20%) to €192 million. On a constant exchange rate basis, net income increased by €31 million (+20%) reflecting higher adjusted earnings and a more favorable change in fair value on Mutual funds (€+9 million) mainly in private equity funds.

(1) €1,931 after intercompany eliminations.

AXA GLOBAL LIFE AND GLOBAL P&C [1]

Underlying earnings increased by €20 million to €17 million as a result of improved technical results in AXA Motor Liability cover and lower Nat Cat charge impacting AXA Property pool results.

Adjusted earnings increased by €21 million to €18 million reflecting higher underlying earnings.

Net income increased by €19 million to €22 million reflecting higher adjusted earnings, positive impact of unrealized capital gains mainly on equities partly offset by negative impact of foreign exchange rates.

AXA ASSISTANCE

Gross revenues increased by €46 million (+5%) to €929 million [2]. On a comparable basis, gross revenues decreased by €15 million (-2%) mainly due to the end of a joint-venture in Japan and portfolio selection in Legal Protection partly offset by Travel business development.

Underlying earnings increased by €1 million (+3%) to €16 million mainly driven by Travel activity development.

Adjusted earnings increased by €3 million (+25%) to €17 million mainly reflecting higher underlying earnings and €3 million higher realized capital gains net of impairment.

Net income increased by €8 million to €20 million mainly reflecting higher adjusted earnings and capital gain following the end of a joint-venture in Japan.

OTHER INTERNATIONAL ACTIVITIES

Underlying earnings decreased by €45 million (-32%) to €95million. On a constant exchange basis, underlying earnings decreased by €48 million (-34%) driven by lower results on Property &Casualty run-off portfolio partly offset by lower losses on Life run-off portfolio.

Adjusted earnings decreased by €8 million (-6%) to €142 million. On a constant exchange basis, adjusted earnings decreased by €11 million (-7%) as a result of €48 million lower underlying earnings and lower realized capital gains partly offset by a €+45 million positive impact following a change in the French tax regulation on the “réserve de capitalisation” balance in French entities.

Net income decreased by €7 million (-4%) to €144 million. On a constant exchange basis, net income decreased by €9 million (-6%), mainly as a result of lower adjusted earnings.

Asset Management segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income for the Asset Management segment for the periods indicated:

CONSOLIDATED GROSS REVENUES

(in Euro million)	2010	2009
AllianceBernstein	2,203	1,973
AXA Investment Managers	1,482	1,445
TOTAL	**3,685**	**3,419**
Intercompany transactions	(357)	(344)
Contribution to consolidated gross revenues	**3,328**	**3,074**

(1) Gathers both central teams from Life & Savings and Property & Casualty global business lines in addition to existing Group reinsurance operations.

(2) €772 million after intercompany eliminations.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
AllianceBernstein	143	185
AXA Investment Managers	125	171
Underlying earnings	**269**	**355**
Net realized capital gains or losses attributable to shareholders	(5)	-
Adjusted earnings	**264**	**355**
Profit or loss on financial assets (under Fair Value option) & derivatives	21	49
Exceptional operations (including discontinued operations)	2	5
Goodwill and related intangibles impacts	-	-
Integration and restructuring costs	(31)	-
NET INCOME	**255**	**409**

ALLIANCEBERNSTEIN

(in Euro million)	2010	2009
Gross revenues	**2,203**	**1,973**
Net investment result	(3)	22
General expenses	(1,821)	(1,665)
Underlying earnings before tax	**379**	**331**
Income tax expenses / benefits	(93)	(26)
Minority interests	(142)	(120)
Underlying earnings Group share	**143**	**185**
Net capital gains or losses attributable to shareholders net of income tax	-	-
Adjusted earnings Group share	**143**	**185**
Profit or loss on financial assets (under FV option) & derivatives	0	20
Exceptional operations (including discontinued operations)	2	0
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	(29)	-
NET INCOME GROUP SHARE	**116**	**205**
Average exchange rate: 1.00 € = $	*1.3370*	*1.3945*

Assets under management ("AUM") increased by €16 billion from year-end 2009 to €362 billion at the end of 2010 driven by market appreciation of €31 billion, positive exchange rate impact of €24 billion and €6 billion change in scope from the acquisition of SunAmerica Alternative Investment Group, partly offset by net outflows of €44 billion (€37 billion from Institutional clients, €6 billion from Retail and €1 billion from Private Clients).

Gross revenues increased by €230 million (+12%) to €2,203 million [1]. On a comparable basis, gross revenues increased by €135 million (+7%) driven by higher management fees (+8%) due to 6% higher average AUM and higher distribution fees (+22%) from higher Retail AUM.

Net investment result decreased by €25 million to €-3 million. On a constant exchange rate basis, net investment result decreased by €25 million due to lower realized and unrealized gains on investments related to deferred compensation obligations, offset in general expenses.

General expenses increased by €157 million (+9%) to €1,821 million. On a constant exchange rate basis, general expenses increased by €81 million (+5%) mainly due to (i) higher compensation expenses (6% or €55 million) due to higher deferred compensation obligations and (ii) higher promotion and servicing expenses (13% or €43 million) due to higher distribution fees (from higher average Retail AUM).

(1) €2,109 after intercompany eliminations.

As a result, the **underlying cost income ratio** improved by 1.0 point to 80.6%.

Income tax expenses increased by €67 million to €-93 million. On a constant exchange rate basis, income tax expenses increased by €63 million due to the non-repeated 2009 one-time tax benefit of €62 million primarily due to the release of reserves relating to the tax treatment of compensation plans.

Underlying and **adjusted earnings** decreased by €41 million (-22%) to €143 million. On a constant exchange rate basis, underlying earnings decreased by €47 million (-25%).

AXA ownership of AllianceBernstein as of December 31, 2010 was 61.4%, down by 0.7% largely due to the issuance of 13 million restricted units to fund deferred compensation awards mostly offset by repurchases of AllianceBernstein units in 2010.

Net income decreased by €89 million (-43%) to €116 million. On a constant exchange rate basis, net income decreased by €94 million (-46%) as a result of lower adjusted earnings combined with €20 million less favorable change in fair value of financial assets, together with €-29 million lease write-off following restructuring plans implemented in previous years.

AXA INVESTMENT MANAGERS ("AXA IM")

(in Euro million)	2010	2009
Gross revenues	**1,482**	**1,445**
Net investment result	18	(3)
General expenses	(1,375)	(1,158)
Underlying earnings before tax	**124**	**284**
Income tax expenses / benefits	(38)	(87)
Minority interests	39	(26)
Underlying earnings Group share	**125**	**171**
Net capital gains or losses attributable to shareholders net of income tax	(5)	-
Adjusted earnings Group share	**120**	**171**
Profit or loss on financial assets (under FV option) & derivatives	20	29
Exceptional operations (including discontinued operations)	0	5
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	(2)	-
NET INCOME GROUP SHARE	**139**	**204**

Assets under management ("AUM") increased by €17 billion from year-end 2009 to €516 billion at the end of 2010 mainly as a result of €22 billion favorable market impact and €18 billion favorable foreign exchange impact, partly offset by €20 billion negative net outflows, of which €29 billion net outflows at AXA Rosenberg, partly offset by €9 billion net inflows mainly on AXA Fixed Income and AXA Framlington expertises.

Gross revenues increased by €36 million (+2%) to €1,482 million [(1)]. On a comparable basis and excluding distribution fees (retroceded to distributors), net revenues increased by €13 million (+1%) to €1,090 million mainly due to higher performance fees (€+11 million) while management fees remained flat.

Net investment result increased by €21 million to €18 million. On a constant exchange rate basis, net investment result increased by €19 million mainly driven by higher realized carried interests and lower interests paid.

General expenses increased by €218 million (+19%) to €1,375 million. On a constant exchange rate basis and excluding distribution fees, general expenses increased by €190 million (+25%). Excluding the €168 million provision related to the AXA Rosenberg coding error [(2)], general expenses increased by €22 million (+3%) mainly driven by non-recurring €17 million external fees at AXA Rosenberg and higher IT costs.

(1) €1,219 million after intercompany eliminations.

(2) The provision related to AXA Rosenberg coding error was reported in AXA SA underlying earnings in half year 2010.

As a result, the **underlying cost income ratio** increased by 15.6 points to 88.8%. Excluding the provision related to the AXA Rosenberg coding error, the underlying cost income ratio would have increased by 0.5 point to 73.6%.

Income tax expenses decreased by €49 million (-56%) to €-38 million or by €48 million (-55%) on a constant exchange rate basis. Excluding the €49 million net tax credit arising from the provision related to the AXA Rosenberg coding error [1], income tax expenses would have increased by €1 million.

Minority interests decreased by €65 million to €39 million, or by €63 million on a constant exchange rate basis. Excluding the €53 million minority interests in the provision related to the AXA Rosenberg coding error [1], minority interests decreased by €11 million mainly as a result of a lower contribution from AXA Rosenberg.

Underlying earnings decreased by €46 million (-27%) to €125 million at both current and constant exchange rate bases. Excluding the €66 million net provision related to the AXA Rosenberg coding error [1], underlying earnings increased by €19 million (+11%) as lower contribution from AXA Rosenberg (€-29 million or -87%) was more than offset by €49 million higher underlying earnings (+35%) from other expertises of AXA IM.

Adjusted earnings decreased by €50 million (-29%) to €120 million. On a constant exchange rate basis, adjusted earnings decreased by €51 million (-30%). Excluding the €66 million net provision related to the AXA Rosenberg coding error [1], adjusted earnings increased by €15 million (+9%) as the higher underlying earnings were partly offset by a €-5 million impairment charge.

Net income decreased by €66 million (-32%) to €139 million on both current and constant exchange rate bases. Excluding the €66 million net provisionrelated to the AXA Rosenberg coding error [1], net income was flat, as higher adjusted earnings were offset notably by an unfavorable foreign exchange impact on USD-denominated intercompany debt (€-15 million).

Banking

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and the net income attributable to AXA's banking for the periods indicated:

CONSOLIDATED GROSS REVENUES

(in Euro million)	2010	2009
AXA Banks [(a)]	**496**	**472**
o/w Belgium [(b)]	311	301
o/w France	116	112
o/w Hungary	59	45
o/w Germany	15	15
o/w Switzerland	(2)	(1)
o/w Others [(c)]	(3)	(0)
Others	7	8
TOTAL	**504**	**480**
Intercompany transactions	(44)	(85)
Contribution to consolidated gross revenues	**459**	**395**

(a) Of which AXA Bank Europe and its branches: €365 million.
(b) Includes commercial activities in Belgium and shared services of AXA Bank Europe (treasury and support functions).
(c) Includes Slovakia and Czech Republic.

(1) The provision related to AXA Rosenberg coding error was reported in AXA SA underlying earnings in half year 2010.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
AXA Banks [(a)]	15	3
o/w Belgium [(b)]	64	24
o/w France	1	0
o/w Hungary	(19)	(2)
o/w Germany	(0)	(4)
o/w Switzerland	(14)	(11)
o/w Others [(c)]	(16)	(3)
Others	(6)	(5)
Underlying earnings	**9**	**(2)**
Net realized capital gains or losses attributable to shareholders	(3)	(4)
Adjusted earnings	**7**	**(6)**
Profit or loss on financial assets (under Fair Value option) & derivatives	9	(8)
Exceptional operations (including discontinued operations)	-	-
Goodwill and related intangibles impacts	(0)	(0)
Integration and restructuring costs	(6)	(4)
NET INCOME	**9**	**(17)**

(a) Of which AXA Bank Europe and its branches: €14 million.
(b) Includes commercial activities in Belgium for €32 million and shared services of AXA Bank Europe (treasury and support functions) for €32 million.
(c) Includes Slovakia and Czech Republic.

AXA BANKS

Belgium

Net banking revenues increased by €11 million (+4%) to €311 million. On a comparable basis [(1)], net banking revenues increased by €34 million (+15%) mainly due to higher interest margin driven by mortgage and consumer loans portfolio growth and an increase in fee income following higher volumes.

Underlying earnings increased by €40 million (+170%) to €64 million. On a comparable basis [(2)], underlying earnings increased by €50 million to €64 million mainly due to a 2010 non-recurring tax benefit (€22 million), lower distribution commissions (€+10 million mainly following lower net new money), a higher interest and commission margin (€+16 million), and a decrease in provision on loan losses (€+3 million) partly offset by higher administrative expenses (€-7 million) mostly resulting from a new deposits protection scheme.

Adjusted earnings increased by €42 million to €61 million mainly due to the increase in underlying earnings and lower impairments on fixed income (€+2 million).

Net income increased by €60 million to €66 million mainly driven by the increase in adjusted earnings and following an improvement of hedging efficiency.

France

Net banking revenues increased by €3 million (+3%) to €116 million. On a comparable basis [(3)], net banking revenues increased by €12 million (+13%) to €103 million mainly led by interest margin improvement and higher fees on current account activity.

Underlying and **adjusted earnings** increased by €1 million to €1 million, revenue growth being partly offset by higher expenses (€-6 million) following an investment program to support growth.

Net income decreased by €1 million to €2 million, reflecting less favorable change in fair value of macro-hedge derivatives instruments following lower interest rates decrease.

(1) In Banking segment, for net banking revenues, "on a comparable basis" means after intercompany eliminations.
(2) In Banking segment, for underlying earnings, "on a comparable basis" means after allocation of central treasury results to the various branches of AXA Bank Europe in 2009.
(3) In Banking segment, for underlying earnings, "on a comparable basis" means after allocation of central treasury results in 2009.

Hungary

Net banking revenues increased by €14 million (+32%) to €59 million. On a comparable basis [1], net banking revenues increased by €14 million (+25%) due to loans and deposits portfolio growth.

Underlying earnings and **adjusted earnings** decreased by €17 million to €-19 million. On a comparable basis [2], underlying earnings and adjusted earnings decreased by €27 million to €-19 million mainly due to higher provision for loan losses following depressed real estate market and unfavorable macro-economic environment as well as a new tax on the financial sector (€6 million).

Net income decreased by €20 million to €-23 million due to decrease of adjusted earnings and exchange rates impact (€-2 million).

Germany

Net banking revenues remained stable at €15 million. On a comparable basis [1], net banking revenues increased by €6 million (+78%) driven by the increase of the interest margin due to lower interest paid as well as higher fees on mutual funds activities.

Underlying earnings as well as **adjusted earnings** and **net income** increased by €4 million to €0 million driven by lower expenses due to lower mortgage new business.

Czech Republic

Underlying earnings as well as **adjusted earnings** and **net income** decreased by €10 million to €-13 million on a constant exchange rate basis mainly driven by higher expenses following the launch of the banking activity in 2009.

Switzerland

Underlying earnings as well as **adjusted earnings** and **net income** decreased by €2 million to €-14 million on a constant exchange rate basis.

Holdings and other companies

The Holdings and other companies consist of AXA's non-operating companies, including mainly AXA parent company, AXA France Assurance, AXA Financial, AXA Asia Pacific Holdings, AXA United Kingdom Holdings, AXA Germany Holdings, AXA Belgium Holdings, CDOs and real estate companies.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2010	2009
AXA	(553)	(602)
Other French holdings companies	(40)	(24)
Foreign holdings companies	(251)	(194)
Others [a]	9	28
Underlying earnings	**(836)**	**(793)**
Net realized capital gains or losses attributable to shareholders	2	(64)
Adjusted earnings	**(834)**	**(857)**
Profit or loss on financial assets (under Fair Value option) & derivatives	(226)	288
Exceptional operations (including discontinued operations)	20	(135)
Goodwill and related intangibles impacts	0	0
Integration and restructuring costs	(0)	0
NET INCOME	**(1,040)**	**(703)**

(a) Includes notably CDOs and real estate entities.

(1) In Banking segment, for net banking revenues, "on a comparable basis" means after intercompany eliminations.

(2) In Banking segment, for underlying earnings, "on a comparable basis" means after allocation of central treasury results in 2009.

AXA [1]

Underlying earnings [2] increased by €49 million to €-553 million mainly due to a decrease of financial charges by €102 million mainly driven by lower interest rates partly offset by higher €-38 million tax expenses resulting from higher dividends received from consolidated foreign subsidiaries.

Adjusted earnings increased by €83 million to €-549 million mainly driven by underlying earnings evolution and net higher realized capital gains by €34 million, including €-18 million premium amortization on equity calls option.

Net income decreased by €149 million to €-691 million mainly driven by:

- €-379 million unfavorable change in fair value of interest rates and foreign exchange derivatives instruments which are not eligible to hedge accounting mainly due to interest rates decrease;
- €-61 million on time value related to equity derivatives;
- partly offset by the adjusted earnings evolution of €+83 million, and a partial release by €92 million of deferred tax liability due to a more favorable tax rate (short term to long term tax regime) related to the potential sale of the Australia & New Zealand business, compared to €141 million allowance in 2009.

OTHER FRENCH HOLDING COMPANIES

AXA France Assurance

Underlying earnings, adjusted earnings and **net income** increased by €14 million to €-9 million mainly due to lower tax expenses (€13 million) resulting from lower inter-company dividends received.

Other French holdings

Underlying earnings decreased by €30 million to €-32 million mainly reflecting a €-17 million operational losses in India related to the Property & Casualty activity which is not consolidated and an increase in financial charges.

Adjusted earnings decreased by €21 million to €-35 million mainly driven by underlying earnings evolution partly offset by lower impairments.

Net income decreased by €32 million to €-47 million driven by adjusted earnings evolution and residual past losses in India Property & Casualty operations (€-10 million).

FOREIGN HOLDING COMPANIES

AXA Financial Inc.

Underlying earnings decreased by €50 million (-43%) to €-165 million. On a constant exchange rate basis, underlying earnings decreased by €43 million (-37%) primarily due to a €53 million increase in financial charges related to internal debt restructuring at the end of 2009 and a €11 million increase in equity based compensation reflecting an increase in performance unit expense.

Adjusted earnings decreased by €50 million (-43%) to €-165 million. On a constant exchange rate basis, adjusted earnings decreased by €43 million (-37%), in line with underlying earnings evolution.

Net income decreased by €102 million (-83%) to €-225 million. On a constant exchange rate basis, net income decreased by €93 million (-75%) due to lower adjusted earnings and an unfavorable fair value of a cross currency swap.

AXA Asia Pacific Holdings [3]

Underlying earnings decreased by €12 million to €-23 million. On a constant exchange rate basis, underlying earnings decreased by €8 million due to the restructuring of inter-company loans, higher Asian corporate expenses offset by lower financial charges on lower debt levels.

Adjusted earnings decreased by €17 million to €-23 million. On a constant exchange rate basis, adjusted earnings decreased by €12 million mainly due to the decrease in underlying earnings.

Net income decreased by €45 million to €-32 million. On a constant exchange rate basis, net income decreased by €39 million due to the decrease in adjusted earnings combined with lower foreign exchange gains on USD denominated inter-company debt, costs associated with the probable sale of the Australia &New Zealand operations.

(1) All the figures are after tax.

(2) In half year 2010, net reserve related to AXA Rosenberg coding error was presented in AXA SA earnings and booked in full year 2010 at AXA IM.

(3) AXA interest in AXA Asia Pacific Group is 54.03% broken down into 53.93% direct interest holding and an additional 0.10% owned by the AAPH Executive plan trust.

AXA UK Holdings

Underlying earnings decreased by €9 million (-37%) to €-32 million. On a constant exchange rate basis, underlying earnings decreased by €8 million (-32%) mainly due to lower tax one-offs (€-18 million), partially offset by €17 million lower financial charges reflecting lower interest rates and repayment of a Euro-denominated inter-company debt in July 2009.

Adjusted earnings decreased by €10 million (-43%) to €-34 million. On a constant exchange rate basis, adjusted earnings decreased by €9 million in line with underlying earnings.

Net income decreased by €40 million (-130%) to €-9 million. On a constant exchange rate basis, net income decreased by €40 million (-129%) reflecting adjusted earnings evolution together with a significant decrease of €43 million on exchange rate gains following the repayment of a Euro-denominated inter-company debt partially offset by the unwind of interest rate swaps (€+11million) following the redemption of subordinated debt.

German Holding companies

Underlying earnings increased by €7 million to €16 million mainly due to non-recurring provision releases (€+21 million) partly offset by lower non-recurring positive tax impacts.

Adjusted earnings increased by €36 million to €18 million mainly driven by the increase of underlying earnings and lower impairments on equities.

Net income increased by €21 million to €9 million due to higher adjusted earnings partly offset by unrealized losses on derivatives in 2010 and a non-recurring gain on the sale of a stake in a sales company in 2009.

Belgium Holding companies

Underlying earnings decreased by €3 million (-70%) to €1 million mainly due to the lower net investment result following the anticipated reimbursement of a subordinated loan granted to AXA Belgium partly compensated by lower financial charges.

Adjusted earnings decreased by €2 million (-66%) to €1 million following the underlying earnings evolution.

Net income increased by €6 million to €1 million mainly due to the price adjustment on Dutch activities sale in 2009.

Mediterranean and Latin American Region Holdings

Underlying earnings increased by €9 million to €-63 million. On a comparable exchange rate basis, underlying earnings increased by €9 million due to lower financial charges on floating rate loans.

Adjusted earnings increased by €9 million to €-63 million. On a comparable exchange rate basis, adjusted earnings increased by €9 million in line with underlying earnings.

Net income increased by €6 million to €-65 million. On a comparable exchange rate basis, underlying earnings increased by €6 million following adjusted earnings partly offset by litigation fees related to the acquisition in Mexico.

OTHER

CFP

Underlying earnings, adjusted earnings and **net income** decreased by €-19 million (-67%) to €9 million driven by less favorable run-off developments.

Outlook

Global economic growth should remain robust in 2011 and monetary policies could gradually become less accommodative, leading to higher interest rates.

While insurance premium growth should remain modest in Western countries and Japan, it should continue at a fast pace in high growth countries.

In Life & Savings, the financial markets should be slightly more favourable for both volumes and margins on new business, as well as for the overall value of our inforce portfolio.

In Property & Casualty, the underwriting cycle should continue to gradually improve which, combined with our pricing actions, should lead to better current year loss ratios, allowing our current year combined ratio to converge to 100% in 2011.

In Asset Management, improved recent investment performance and increased risk appetite should lead to lower outflows and our cost income ratio should come down.

Our operational agility should deliver productivity gains across business lines which, combined with a continued strong focus on capital management, should support value creation and the improvement of the Group operating free cash flows.

Glossary

COMPARABLE BASIS FOR REVENUES AND ANNUALIZED PREMIUMS EQUIVALENT

On a comparable basis means that the data for the current period were restated using the prevailing foreign currency exchange rates for the same period of prior year (**constant exchange rate** basis). It also means that data in one of the two periods being compared were restated for the results of acquisitions, disposals and business transfers (**constant structural** basis) and for changes in accounting principles (**constant methodological** basis).

ADJUSTED EARNINGS

Adjusted earnings represent the net income (Group share) before the impact of:

(i) Exceptional operations (primarily change in scope and discontinued operations);

(ii) Integration and restructuring costs related to material newly acquired companies as well as restructuring and associated costs related to productivity improvement plans;

(iii) Goodwill and other related intangibles; and

(iv) Profit or loss on financial assets accounted for under fair value option (excluding assets backing liabilities for which the financial risk is borne by the policyholder), foreign exchange impacts on assets and liabilities, and derivatives related to invested assets.

- Derivatives related to invested assets: include all foreign exchange derivatives, except the ones related to currency options in earnings hedging strategies which are included in underlying earnings;
- exclude derivatives related to insurance contracts evaluated according to the “selective unlocking” accounting policy;
- and also exclude derivatives involved in the economic hedging of realized gains and impairments of equity securities and real estate backing general account and shareholders’ funds, for which cost at inception, intrinsic value and pay-off flow though adjusted earnings, and only time value flows through net income when there is no intention to sell the derivatives in the short term (if not, flows through adjusted earnings).

UNDERLYING EARNINGS

Underlying earnings correspond to adjusted earnings excluding net capital gains or losses attributable to shareholders.

Net capital gains or losses attributable to shareholders include the following elements net of tax:

- realized gains and losses and change in impairment valuation allowance (on assets not designated under fair value option or trading assets);
- cost at inception, intrinsic value and pay-off of derivatives involved in the economic hedging of realized gains and impairments of equity securities and real estate backing general account and shareholders' funds;
- related impact on policyholder participation (Life & Savings business);
- DAC and VBI amortization or other reactivity to those elements if any (Life & Savings business) and net of hedging if any.

EARNINGS PER SHARE

Earnings per share **(EPS)** represent AXA's consolidated earnings (including interest charges related to undated debts recorded through shareholders' equity), divided by the weighted average number of outstanding ordinary shares.

Diluted earnings per share **(diluted EPS)** represent AXA's consolidated earnings (including interest charges related to undated debts recorded through shareholders' equity), divided by the weighted average number of outstanding ordinary shares, on a diluted basis (that is to say including the potential impact of all outstanding dilutive stock options being exercised performance shares, and conversion of existing convertible debt into shares, provided that their impact is not anti-dilutive).

RETURN ON EQUITY ("ROE")

The calculation is prepared with the following principles:

- for net income ROE: Calculation is based on consolidated financial statements, i.e. shareholders' equity including perpetual debt ("Super Subordinated Debts" TSS / "Perpetual Subordinated Debts" TSDI) and Other Comprehensive Income "OCI", and net income not reflecting any interest charges on TSS / TSDI;
- for adjusted and underlying ROE:
  - all perpetual debts (TSS / TSDI) are treated as financing debt, thus excluded from shareholders' equity,
  - interest charges on TSS / TSDI are deducted from earnings,
  - OCI is excluded from the average shareholders' equity.

LIFE & SAVINGS MARGIN ANALYSIS

Life & Savings margin analysis is presented on an underlying basis.

Even though the presentation of Margin Analysis is not the same as the Statement of Income (underlying basis), it is based on the same GAAP measures as used to prepare the Statement of Income in accordance with IFRS. As a result, the operating income under the Margin Analysis is equal to that reported in AXA's Statement of Income for the segment.

There are certain material differences between the detailed line-by-line presentation in the Statement of Income and the components of Margin Analysis as set out below.

- For insurance contracts and investment contracts with Discretionary Participation Features (DPF):

(i) gross premiums (net of deposits), fees and other revenues are allocated in the Margin Analysis based on the nature of the revenue between "Fees and Revenues" and "Net Technical Margin";

(ii) policyholders' interest in participating contracts is reflected as a change in insurance benefits in the Statement of Income. In the Margin Analysis, it is allocated to the related margin, i.e. primarily "Investment Margin" and "Net Technical Margin";

(iii) the "Investment margin" represents the net investment result in the Statement of Income and is adjusted to take into account the related policyholders' participation (see above) as well as changes in specific reserves linked to invested assets' returns and to exclude the fees on (or contractual charges included in) contracts with the financial risk borne by policyholders, which are included in "Fees and Revenues";

(iv) change in URR (Unearned Revenue Reserve – capitalization net of amortization) is presented in the line "Change in unearned premiums net of unearned revenues and fees" in the underlying Statement of Income, whereas it is located in the line "Fees & Revenues" in the Margin analysis.

- For investment contracts without DPF:

(i) deposit accounting is applied. As a consequence, fees and charges related to these contracts are presented in the underlying Statement of Income within Gross consolidated revenues on a separate line, and in Margin analysis in the lines "Fees & Revenues" and "Net Technical margin";

(ii) change in UFR (Unearned Fees Reserve – capitalization net of amortization) is presented in the line "Change in unearned premiums net of unearned revenues & fees" in the underlying Statement of Income, whereas it is located in the line "Fees & Revenues" in the Margin analysis.

Underlying Investment margin includes the following items:

(i) net investment income;

(ii) interests and bonuses credited to policyholders and unallocated policyholder bonuses (and the change in specific reserves purely linked to invested assets returns) related to the net investment income.

Underlying Fees & Revenues include:

(i) revenues derived from mutual fund sales (which are part of consolidated revenues);

(ii) loading charged to policyholders on premiums / deposits and fees on funds under management for separate account (unit-linked) business;

(iii) loading on (or contractual charges included in) premiums / deposits received on all general account product lines;

(iv) deferral income such as capitalization net of amortization of URR (Unearned Revenue Reserve) and UFR (Unearned Fee Reserve);

(v) other fee revenues, e.g., fees received on financial planning or sales of third party products.

Underlying Net Technical margin includes the following components:

(i) mortality/morbidity margin: The amount charged to the policyholder in respect of mortality/morbidity for the related period less benefits and claims. It is equal to the difference between income for assuming risk and the actual cost of benefits. This margin does not include the claims handling costs and change in claims handling cost reserves;

(ii) surrender margin: The difference between the benefit reserve and the surrender value paid to the policyholder in the event of early contract termination;

(iii) GMxB (Variable Annuity guarantees) Active Financial Risk Management is the net result from GMxB lines corresponding to explicit charges related to these types of guarantees less cost of hedge. It also includes the unhedged business result;

(iv) policyholder bonuses if the policyholder participates in the risk margin;

(v) ceded reinsurance result;

(vi) other changes in insurance reserves are all the reserves strengthening or release coming from changes in valuation assumptions, additional reserves for mortality risk and other technical impacts such as premium deficiency.

Underlying Expenses are:

(i) acquisition expenses, including commissions and general expenses allocated to new business, related to insurance products as well as to other activities (e.g., mutual fund sales);

(ii) capitalization of acquisition expenses linked to new business: Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF;

(iii) amortization of acquisition expenses on current year and prior year new business, including the impact of interest capitalized: amortization charge for Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF;

(iv) administrative expenses;

(v) claims handling costs;

(vi) policyholder bonuses if the policyholder participates in the expenses of the Company.

Underlying VBI amortization includes VBI (Value of Purchased Life Business In-force) amortization related to underlying margins, as well as amortization of other intangibles related to the in-force business.

Life & Savings underlying cost income ratio: Underlying expenses plus underlying VBI amortization divided by "Underlying" operating margin, where "Underlying" operating margin is the sum of (i) Underlying Investment margin; (ii) Underlying Fees and revenues, and (iii) Underlying Net technical Margin (all items defined above).

PROPERTY & CASUALTY (INCLUDING AXA CORPORATE SOLUTIONS ASSURANCE)

Underlying net investment result includes the net investment income less the recurring interests credited to insurance annuity reserves.

Underlying net technical result is the sum of the following components:

(i) earned premiums, gross of reinsurance;

(ii) claims charges, gross of reinsurance;

(iii) change in claims reserves, including claims handling costs reserves, gross of reinsurance, less the recurring interests credited to insurance annuity reserves;

(iv) claims handling costs;

(v) net result of ceded reinsurance.

Current accident year loss ratio net of reinsurance is the ratio of:

(i) current year claims charge gross of reinsurance + claims-handling costs + result of reinsurance ceded on current accident year excluding the recurring interests credited to the insurance annuity reserves; to

(ii) earned revenues, gross of reinsurance.

All accident year loss ratio net of reinsurance is the ratio of:

(i) all accident years claims charge gross of reinsurance + claims-handling costs + result of reinsurance ceded on all accident years excluding the recurring interests credited to the insurance annuity reserves; to

(ii) earned revenues, gross of reinsurance.

Underlying expense ratio is the ratio of:

(i) underlying expenses (excluding claims handling costs); to

(ii) earned revenues, gross of reinsurance.

Underlying expenses include two components: expenses (including commissions) related to acquisition of contracts (with the related **acquisition ratio**) and all other expenses (with the related **administrative expense ratio**). Underlying expenses exclude customer intangible amortization and integration costs related to material newly acquired companies.

The **underlying combined ratio** is the sum of the underlying expense ratio and the all accident year loss ratio.

ASSET MANAGEMENT

Net New Money: Inflows of client money less outflows of client money. Net New Money measures the impact of sales efforts, product attractiveness (mainly dependent on performance and innovation), and the general market trend in investment allocation.

Underlying Cost Income Ratio: (general expenses including distribution revenues) / (gross revenues excluding distribution revenues).

BANKING

Net New Money is a banking volume indicator. It represents the net cash flows of customers' balances in the bank, with cash inflows (collected money) and cash outflows (exiting money). It includes market effect and capitalized interests over the period.

1.4 LIQUIDITY AND CAPITAL RESOURCES

Information in this section should be read in conjunction with Note 4 to the Consolidated Financial Statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the Consolidated Financial Statements.

Liquidity management is a core part of the Group financial planning including our debt profile schedule and, more broadly, our capital allocation process. Liquidity resources result principally from the operations of our Life & Savings, Property & Casualty and Asset Management operations, as well as from capital raising activities, and confirmed bank credit lines.

Over the past several years, AXA has expanded its core operations (insurance and asset management) through a combination of organic growth, direct investments and acquisitions. This expansion has been funded primarily through a combination of (i) dividends received from operating subsidiaries, (ii) proceeds from debt instruments issuance principally subordinated debts and borrowings (including debt issued by subsidiaries), (iii) the issuance of ordinary shares, and (iv) proceeds from the sale of non-core businesses and assets.

Each of the major operating subsidiaries is responsible for managing its liquidity position, together with the Company if appropriate. The Company, as the holding company for the AXA Group, coordinates funding and liquidity management of these activities and, in this role, participates in financing the operations of certain subsidiaries. Certain of AXA's subsidiaries, including AXA France Assurance, AXA Financial, AXA Asia Pacific Holdings, AXA UK Plc. and AXA Mediterranean Holding SA are also holding companies and, consequently, are dependent on dividends received from their own subsidiaries to meet their obligations. The Group's operating insurance companies are required to meet multiple regulatory constraints, in particular, a minimum solvency ratio. The level of internal dividends paid by operating entities to the Company (or other Group companies) must therefore take into account these constraints as well as potential future regulatory changes. Cash positions also fluctuate as a result of cash-settled margin calls from banks relating to collateral agreements on derivatives, and the Company's statutory (parent only) results may be significantly impacted by unrealized gains and losses on derivatives used to hedge currency or other risks. The Company anticipates that cash dividends received from operating subsidiaries and other financing sources available to the Company will continue to cover its operating needs.

Internal sources of liquidity: AXA's subsidiaries

The principal sources of funds for AXA's insurance operations are premiums, investment income and proceeds from sales of invested assets. These funds are mainly used to pay policyholder benefits, claims and claims expenses, policy surrenders and other operating expenses, and to purchase investment assets. The liquidity of the Group's insurance operations is affected by, among other things, the overall quality of AXA's investments and the Group's ability to liquidate its investment assets to meet policyholder benefits and insurance claims as they fall due. The Group regularly reviews the quality of its assets to ensure adequate liquidity in stress scenarios.

Information on projected payments and surrenders related to Life & Savings and Property & Casualty insurance contracts are disclosed in Note 14.9.1 of Part 4 — Consolidated Financial Statements.

LIFE & SAVINGS

Liquidity needs can be affected by fluctuations in the level of surrenders, withdrawals, maturities and guarantees to policyholders including guarantees in the form of minimum income benefits or death benefits, particularly on Variable Annuity business (see Part 1.2 — "Information on the Company" Segment Information — Life & Savings — Surrenders and lapses).

The investment strategy of AXA's Life & Savings subsidiaries is designed to match the investment returns and estimated maturity of their investments with expected payments on their insurance contracts. Entities regularly monitor the valuation and duration of their investments and the performance of their financial assets. Financial market performance may affect the level of surrenders and withdrawals on life insurance policies, as well as immediate and projected long-term cash needs. As a result of close monitoring of surrender rates, Group subsidiaries are able to adjust their investment portfolios to reflect such considerations and react in a targeted manner.

PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE

Liquidity needs can be affected by actual claims experience. Insurance net cash flows are generally positive but can be negative in the case of exceptional events. A portion of these cash flows is invested in liquid, short-term bonds and other listed securities in order to manage the liquidity risk that may arise from such events.

ASSET MANAGEMENT AND BANKING

These subsidiaries' principal sources of liquidity are operating cash flows, proceeds from the issuance of ordinary shares (where applicable), drawings on credit facilities, repurchase agreements and other borrowings from credit institutions, banking clients or others.

The financing needs of asset management subsidiaries arise principally from their activities, which require working capital, in particular to finance prepaid commissions on some mutual fund-type products at AllianceBernstein or to constitute seed money for new funds at both AllianceBernstein and AXA Investment Managers.

Liquidity position and risk management framework

AXA continued in 2010 to manage its liquidity risk carefully and conservatively, and proved its resilience in terms of its liquidity position.

At year end 2010, AXA consolidated its liquidity position with:

- a large cash position across all business lines (information on cash flows from operations is provided in Note 12 to the Financial Statements included in Part 4 of this Annual Report). As of December 31, 2010, AXA's consolidated statement of financial position included cash and cash equivalents of €21.0 billion, net of bank overdrafts of €1.1 billion;
- a debt profile characterized by (i) debt mostly subordinated and with a long maturity profile (€1.0 billion of debt repayments over the next three years out of total net financing debt of €15.2 billion [(1)]), taking into account the first date of step-up calls on subordinated debt, and (ii) stable debt ratios consistent with strong rating requirements (debt gearing: 28% [(2)] at year-end 2010, versus 26% at year-end 2009; interest coverage: 8.5x [(3)] at year-end 2010, versus 7.9x at year-end 2009);
- broad access to various markets via standardized debt programs: for example, at the end of 2010, an envelope of €5 billion of French commercial paper, of $1.5 billion of US commercial paper and of €14 billion under an EMTN program.

AXA has a robust liquidity risk management framework, including (i) a regular monitoring of the liquidity position in terms of resources (monthly monitoring of liquidity resources including government bonds and a part of the equity and corporate bond portfolio) and requirement (monthly monitoring of surrender rates for each local entity and consolidated view at Group level), (ii) committed undrawn credit lines for €11 billion at year-end 2010, up €2.3 billion from year-end 2009, and (iii) a liquidity emergency plan in place designed to deal with liquidity crises that may arise, which can provide short term liquidity of approximately €30 billion of assets eligible for European Central Bank tenders (of which €27 billion immediately available) at year-end 2010, representing an increase by respectively €3 and €2 billion compared to year-end 2009, creating a substantial alternative source of refinancing.

In addition, as part of its risk control system, AXA remains constantly vigilant regarding contractual provisions, such as ratings triggers or restrictive covenants, in financing and other documentation that may give lenders, security holders or other counterparties, rights to accelerate repayment, demand collateral or seek other similar remedies under circumstances that could have a material adverse effect on its consolidated financial position. At year-end 2010, AXA had no rating triggers and no financial covenants in its credit facilities.

(1) *Total net financing debt = senior debt and commercial paper outstanding net of cash available at central holdings' levels + dated subordinated debt + undated subordinated debt.*

(2) *(Total net financing debt) / (Shareholders' equity excluding unrealized gains & losses recorded through shareholders' equity + total net financing debt excluding undated subordinated debt).*

(3) *Including interest charge on undated subordinated debt.*

SUBORDINATED DEBT

On a consolidated basis, dated subordinated debt (including derivative instruments) totaled €7,066 million at December 31, 2010 after taking into account all intra-group eliminations and excluding undated subordinated debts (TSS / TSDI, which are included in shareholders' equity, as described in Note 1.12.2 of Part 4 – Consolidated Financial Statements), compared to €6,352 million at December 31, 2009.

The increase of €714 million, or €701 million on a constant exchange rate basis, mainly resulted from the €413 million unfavorable change in market value of currency swaps and interest rate swaps at AXA SA, €1,300 million increase arising from AXA SA's issue of dated subordinated debt in April 2010 partly offset by € 1,070 million decrease at AXA reflecting repayment of a US registered redeemable subordinated debt.

Since January 2007, AXA's only convertible debt outstanding is AXA's 2017 convertible bonds, (6.6 million bonds at December 31, 2010) representing a carrying value of €1,360 million for its debts component in Note 17 of Part 4 (Consolidated Financial Statements as of December 31, 2010). To neutralize the dilutive impact of the 2017 convertible bonds, AXA has purchased from a banking counterparty call options on the AXA ordinary share with an automatic exercise feature. This feature is such that one call option is automatically exercised upon each conversion of a convertible bond. Consequently, each issuance of a new ordinary share resulting from the conversion of a bond will be offset by the delivery to AXA of an ordinary share under the call option (which ordinary share AXA intends to cancel in order to avoid any increase of in the number of its outstanding shares and/or dilution).

At December 31, 2010, the number of ordinary shares issuable upon conversion of outstanding bonds was 29.2 million.

Movements in these items are described in Note 17 of Part 4 – "Consolidated Financial Statements".

The contractual maturities of financing debts are detailed in Note 17.3 of Part 4 – "Consolidated Financial Statements".

FINANCING DEBT INSTRUMENTS ISSUED

On a consolidated basis, AXA's total financing debt outstanding amounted to €2,500 million at December 31, 2010, a decrease of €436 million from €2,937 million at the end of 2009. On a constant exchange rate basis, the decrease was €467 million, mainly due to two issues of senior notes by AXA Financial maturing in 2010, for €546 million.

Movements in this item are described in Note 17 of Part 4 – "Consolidated Financial Statements".

FINANCING DEBT OWED TO CREDIT INSTITUTIONS

At December 31, 2010, the amount of debt owed by AXA and its subsidiaries to credit institutions was €887 million versus €921 million at the end of 2009. The decrease of €62 million on a constant exchange rate basis was mainly due to reimbursement of outstanding loans in the Mediterranean and Latin America Region.

OTHER DEBT (OTHER THAN FINANCING DEBT)

Other debt instruments issued

At December 31, 2010, other debt instruments issued totaled €3,688million, up from €805 million at the end of 2009. The increase of €2,883 million resulted mainly from an increase in commercial paper at AXA (€2,573 million) which primarily ensure the financing of margin calls under collateral agreements and at AXA Financial (€424 million).

Other debt owed to credit institutions (including bank overdrafts)

At December 31, 2010, other debt owed to credit institutions totaled €3,218 million (including €1,079 million of bank overdrafts), a decrease of €450 million compared to €3,668 million at the end of 2009 (including €1,356 million of bank overdrafts).

Movements in this item are described in Note 18 of Part 4 – Consolidated Financial Statements.

ISSUANCE OF ORDINARY SHARES

For several years, the AXA Group has offered to its employees, the opportunity to subscribe for shares issued through a capital increase reserved for employees. In 2010, employees invested a total of €330 million leading to a total of 30.1 million newly issued shares. Employee (including agent) shareholders represented 6.5% of the outstanding share capital and 7% of the voting rights at December 31, 2010.

DIVIDENDS RECEIVED

Dividends received by the Company from its subsidiaries amounted to €4,031 million in 2010 (2,718 million in 2009), of which €986 million were in currencies other than the Euro (€295 million in 2009), including a €1,334 million exceptional distribution representing part of the cash proceeds from the partial disposal of the UK Life & Savings business to Resolution Ltd. Excluding this exceptional dividend, dividends received from subsidiaries remained stable in 2010.

As a holding company, AXA is not subject to restrictions on dividend payments, provided that its accumulated profits are sufficient to cover them and that the Group solvency ratio does not decrease below 100% after dividend payment in cash. However, many Group subsidiaries, particularly AXA's insurance subsidiaries, are subject to restrictions on the amount of dividends they can pay to their shareholders. For more information on these restrictions, see Note 29.3 of Part 4 – Consolidated Financial Statements.

The Company anticipates that cash dividends received from operating subsidiaries and other financing sources available to the Company will continue to cover its operating expenses (including interest payments on its outstanding debts and borrowings) and dividend payments during each of the next three years. AXA expects that anticipated investments in subsidiaries and existing operations, future acquisitions and strategic investments will be funded from available cash flow remaining after payments of dividends and operating expenses, proceeds from the sale of non-strategic assets and businesses as well as future issues of debt and equity instruments.

Uses of funds

Interest paid by the Company in 2010 totaled €1,182 million (€1,292 million in 2009) or €1,271 million after the impact of hedging derivative instruments (€1,180 million in 2009), of which undated subordinated debt of €457 million (€443 million in 2009).

Dividends paid to AXA SA's shareholders in 2010 in respect of the 2009 financial year totaled €1,259 million, or €0.55 per share, versus €0.40 per share paid in 2009 in respect of the 2008 financial year (€836 million in total). All of these dividends were paid in cash.

Solvency margin

The Company's operating insurance subsidiaries are required by local regulations to maintain a minimum solvency margin. The primary objective of the solvency margin requirements is to protect policyholders. AXA's insurance subsidiaries monitor compliance with these requirements on a continuous basis and are in compliance with the applicable solvency requirements as of December 31, 2010.

The solvency margin calculation is based on a formula that contains variables related to economic, financial and technical parameters.

A European Directive dated October 27, 1998 requires a consolidated solvency margin calculation effective for periods ending on or after December 31, 2001. France implemented this directive under an ordinance dated August 29, 2001, decreed on March 14, 2002 and applicable from 2002. Additional supervision of credit institutions, investment companies and insurance companies belonging to "financial conglomerates" was introduced by the European Parliament and Council Directive 2002/87/EC of December 16, 2002. France implemented this directive through an ordinance dated December 12, 2004, which introduced the notion of financial conglomerate into the French Insurance Code. According to article 20 of the Insurance Code, the provisions of this ordinance applied for the first time to periods starting on or after January 1, 2005.

The various components of what the Group considers as available capital are determined in accordance with these regulatory requirements under Solvency 1, which are not yet harmonized throughout Europe while waiting for Solvency 2. At December 31, 2010, available capital amounted to €42.7 billion (€37.7 billion at December 31, 2009) of which:

(i) consolidated shareholders' equity after dividend proposal: €41.0 billion (€39.4 billion at December 31, 2009), including minority interests, but excluding reserves relating to changes in fair value through equity (available for sale assets) and undated subordinated debt;

(ii) gross unrealized capital gains and other: €17.4 billion (€14 billion at December 31, 2009);

(iii) admitted subordinated debt: €11.7 billion (€11.0 billion at December 31, 2009);

(iv) locally admitted assets: €2.5 billion (€3.4 billion at December 31, 2009);

(v) less intangible assets (excluding goodwill on AllianceBernstein as it is part of its net consolidated book value) of €24.2 billion (€24.5 billion at December 31, 2009) and less the net consolidated book value of its equity interests in credit institutions, investment companies and other financial institutions: €4.3 billion (€4.4 billion at December 31, 2009).

AXA is not considered as a financial conglomerate. However, in accordance with the Decree of September 19, 2005, if a company is not subject to the additional supervision applicable to a financial conglomerate, its solvency margin is nevertheless reduced by the amount of its equity interests in credit institutions, investment companies or financial institutions if the Group holds more than 20% in the mentioned entities.

Dated and undated subordinated notes issued by the Company qualify for favorable capital treatment from the French insurance regulator, which oversees the Company's consolidated solvency position, and rating agencies.

The Company has issued dated subordinated notes, undated subordinated notes ("TSDI"), and undated deeply subordinated notes ("TSS"), which include provisions designed to allow the Company to ensure the continuity of its activities in the event its financial position deteriorates.

In particular, the Company's TSS include loss absorption mechanisms which provide that under certain circumstances relating to the consolidated solvency margin of the Group, the principal amount of each of the relevant TSS will be written down following which interest is payable on the reduced principal amount until such time as it is reinstated (following the Company's return to financial health as defined in the TSS).

In addition, subordinated notes include mechanisms to defer or cancel interest payments either on a mandatory or an optional basis.

The terms and conditions of the EUR 1.3 billion dated subordinated note issued in April 2010 have been designed to comply with the future Solvency II capital eligibility criteria. In particular, this subordinated note provides for a cumulative mandatory interest deferral if it is required under the future Solvency II Tier 2 capital eligibility criteria. In addition, the maturity of this subordinated note would be postponed from the scheduled redemption date, upon the occurrence of either a supervisory demand not to redeem in view of the Group financial condition or in a situation where the Group capital is not sufficient to cover its capital requirement. Under such circumstances, the redemption would only occur as soon as both the Group capital is sufficient to cover its capital requirement and there is no ongoing supervisory demand not to redeem the subordinated note.

Pursuant to the terms and conditions of AXA's TSDI, the Company may, at its option, defer interest payment upon the occurrence of certain events (e.g. absence of dividend payment voted in the preceding Annual Shareholders' Meeting or receipt by the Company or by certain of its principal subsidiaries of a regulatory demand to restore their applicable minimum solvency margin level). Payment of deferred interest becomes due in certain specified cases (e.g. payment of a dividend, notification of the end of a regulatory demand to restore solvency, liquidation or redemption of the TSDI).

In addition, for most of the Company's TSS, upon the occurrence of certain events relating to the Company's consolidated net earnings and shareholders' equity, the Company is required to defer payment of interest. In such events, the Company may satisfy mandatory deferred interest by way of alternative settlement mechanisms (such as, subject to applicable limits, issuance of new shares or other securities including TSS or preference shares, sale of treasury shares, or an increase in the principal amount of the relevant notes) within five years, failing which the interest is forfeited. However, the settlement of deferred interest becomes due, on a best efforts basis, in certain circumstances including redemption of the notes, liquidation, payment of a dividend or interest on any other TSS, any share buy back outside the Company's buy-back program, or any redemption or repurchase of other TSS.

Finally, under its TSS, the Company has an option to cancel payments of interest upon the deterioration of its financial position, unless certain events have occurred in the preceding year (e.g. a dividend payment or interest payment on any TSS, any share buy-back outside the Company's share buy-back program or a repurchase or redemption of any TSS). However, upon the occurrence of certain circumstances relating to the consolidated solvency margin of the Company, the Company is required to cancel the payment of interest.

In accordance with the methods of calculation implemented by AXA in line with existing regulations, AXA's consolidated solvency ratio was estimated at 182% at December 31, 2010 compared to 171% at the end of 2009. This change resulted mainly from the 2010 Underlying Earnings and from the dividend proposed to the next Shareholder's Meeting. This 2010 solvency margin calculation will be reviewed by the Autorité de Contrôle Prudentiel (ACP), which controls the application of these directives in France.

In the event of a failure by the Company and/or any of its insurance subsidiaries to meet minimum regulatory capital requirements, insurance regulators have broad authority to require or take various regulatory actions. A failure of any of the Company's insurance subsidiaries to meet their regulatory capital requirements and/or a reduction in the level of their regulatory capital that may negatively impact their competitive position may also result in the Company having to inject significant amounts of new capital into its insurance subsidiaries, which could adversely affect the Company's liquidity position.

Credit rating

Claims paying and credit strength ratings have become increasingly important factors in establishing the competitive position of insurance companies. Rating agencies review their ratings and rating methodologies on a recurring basis and may change their ratings at any time. Consequently, our current ratings may not be maintained in the future. In March 2010, (i) Standard & Poor's lowered ratings on the core operating entities of AXA Group to AA- stable outlook from AA negative outlook, and the counterparty credit ratings on the holding company AXA to A from A+; the stable outlook reflects Standard & Poor's opinion that the Group's business fundamentals, earnings, management, and strategy are likely to counterbalance the pressure on the ratings due to capital adequacy level; and (ii) Moodys' Investors Services reaffirmed the Aa3 counterparty credit and financial strength ratings on AXA's principal insurance subsidiaries and its A2 counterparty credit rating on the Company and maintained its stable outlook. In December 2010, Fitch Ratings affirmed the financial strength ratings of AXA's principal insurance subsidiaries at AA- and revised its outlook on these ratings from negative to stable.

Management closely monitors the Group's ratings and currently expects that these ratings should remain at levels sufficient for the Company and its insurance subsidiaries to compete effectively. Given continuing high volatility and uncertainty in financial markets and general economic conditions, however, management cannot predict with any degree of certainty the timing and/or magnitude of future ratings actions.

A downgrade or the potential for a downgrade of our ratings, could have a variety of negative impacts on us including (i) damaging our competitive position, (ii) negatively impacting our ability to underwrite new insurance policies, (iii) increasing the levels of surrenders and termination rates of our in-force policies, (iv) increasing our cost of obtaining reinsurance, (v) negatively impacting our ability to obtain financing and/or increasing our cost of financing, (vi) triggering additional collateral requirements under certain agreements to which we are party, (vii) harming our relationships with creditors or trading counterparties and/or (viii) adversely affecting public confidence in us. Any of these developments could have a material adverse effect on our business, liquidity position, results of operations, revenues and financial condition.

These developments could have a material adverse effect on our business, liquidity position, results of operations, revenues and financial condition by, for example, increasing our need for cash in order to meet increased surrender requests and/or collateral calls, causing us to liquidate assets at unattractive prices or to borrow at unattractive rates to raise necessary cash, and/or negatively impacting our ability to sell new insurance policies or other products due to negative publicity associated with a downgrade and the associated impact on public confidence in us.

Subsequent events after December 31, 2010 impacting AXA's liquidity

A dividend per share of €0.69 will be proposed at AXA's Annual Shareholders' Meeting that will be held on April 27, 2011. The dividend will be payable on May 4, 2011 with an ex-dividend date of April 29, 2011. For individuals whose fiscal residence is in France, this dividend gives rise to a 40% tax relief equal to €0.28 per share. These individuals may, barring certain exceptions, opt to have an 19% flat deduction at source, leading to the loss of the 40% tax relief mentioned earlier. The 12.3% welfare taxes (CSG, CRDS and welfare deduction) due by the persons who are deemed to be French residents for tax purposes are, in any case, paid at the date of the dividend payout.

Please refer to Note 32 of Part 4 – "Consolidated Financial Statements" for other subsequent events.

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2

CORPORATE GOVERNANCE

Executive compensation, major shareholders and related matters

2.1 DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Implementing sound corporate governance principles has been a priority at AXA for many years. Subject to prevailing corporate governance requirements and practices in France, AXA adopted, in 2008, the AFEP/MEDEF Code (defined below) as its Corporate Governance Code of reference. The AFEP/MEDEF Code consists, in particular, of recommendations issued by the AFEP and the MEDEF in a report dated October 2003 and recommendations dated January 2007, October 2008 and April 2010 (hereafter the "AFEP/MEDEF Code").

Governance

On April 29, 2010, AXA's shareholders approved the change of AXA's governance structure. The former dual structure consisting of a Management Board and a Supervisory Board was replaced by a unitary Board of Directors. This unitary board structure was implemented in order to enhance the efficiency and reactivity of the Group's governance processes and has been carefully designed to ensure an appropriate balance of powers. In the uncertain market, regulatory and competitive environment coming out of the financial crisis, greater reactivity and increased efficiency in the Group's governance processes were considered critical to the Group's continued future success.

In the context of the change in AXA's governance structure, the Board of Directors concluded that it was in the best interest of the Company and its shareholders for Mr. Henri de Castries to hold the position of Chairman in addition to his functions as Chief Executive Officer.

In order to preserve a well balanced governance structures and debates, the Board of Directors' By-Laws require that a majority of the Board be composed of independent directors, that certain board committees (including Audit and Compensation & Human Resources) be composed entirely of independent directors and that the Board have an independent Vice-Chairman who acts as Lead Independent Director in all cases where the positions of Chairman & Chief Executive Officer are held by the same person. The Lead Independent Director has a number of specific powers including the capacity to convene meetings of the non-executive directors without the attendance of the Chairman & Chief Executive Officer and the Deputy Chief Executive Officer or to inform the Chairman and the Board of Directors about potential conflicts of interests, and a variety of other powers designed to ensure that the Company's governance structures remain well balanced and robust at all times when the positions of Chairman and Chief Executive Officer are held by the same person.

Board of Directors

ROLE AND POWERS

The Board of Directors determines the orientations of the Company's activities and ensures their implementation.

Notwithstanding the powers specifically assigned to the Shareholders' Meetings by law, and within the limit of the Company's purpose, the Board is responsible for considering all material questions and taking all material decisions related to the Company and its business. It notably exercises the following powers:

- chooses between the two forms of Executive Management (separation or combination of the roles of Chairman & Chief Executive Officer) upon appointment or reappointment of the Chairman of the Board of Directors or the Chief Executive Officer;
- appoints and determines the compensation of the Chief Executive Officer as well as the Deputy Chief Executive Officers;
- reviews and approves the Company's half-year and annual results;
- approves the report of its Chairman on the composition, the conditions of preparation and organization of the Board of Directors' works and the internal control and risks management procedures set up by the Company;
- convenes Shareholders' Meetings;

- grants stock options or performance shares to employees and corporate officers of the Group within the framework of the authorizations it receives from the Extraordinary Shareholders' Meeting;
- authorizes regulated agreements *(conventions réglementées)*.

The Board of Directors is also required to approve certain significant transactions (sales or acquisitions over €500 million; significant financing operations or other types of transactions that are not within the Company's announced strategy…).

OPERATING PROCEDURES

The guidelines governing the operation, organization and compensation of the Board of Directors and its Committees are set forth in the Board's Bylaws. The Bylaws detail, in particular, the powers, missions and obligations of the Board of Directors and its Committees.

The Board of Directors meets as often as it deems necessary. Periodically, Board members may meet among themselves without the attendance of the Executive Management. Prior to each meeting, Board members receive documentation concerning matters to be reviewed, generally eight days in advance. In accordance with the Board of Directors' Bylaws, they are also informed by all means by the Chief Executive Officer on a regular basis about the Company's financial condition, cash position and commitments as well as any significant events or transactions involving the Company or the Group.

Training sessions are offered to the new members of the Board of Directors in order to familiarize them with the main issues related to the Group and its activities. These sessions are also available for any other member of the Board who would like to participate. The subjects studied during these sessions are in particular related to the outlines of the Life and Non Life businesses, financial issues or the regions and main entities of the Group.

Training sessions, apart from the meetings of the Board of Directors, were also organized in 2010 in order to inform the directors of the future regulatory changes in the insurance industry resulting from the "Solvency II" Directive.

To ensure that their interests and those of the Company are appropriately aligned, the Board's Bylaws provide that each member of the Board of Directors must hold, within two years following his/her first appointment, AXA shares whose value, on the basis of the closing price of the AXA share on December 31 of the preceding fiscal year, shall correspond to an amount at least equivalent to the gross director's fees earned in respect of the previous fiscal year.

COMPOSITION

Pursuant to Article 10 of the Company's Charter, the members of the Board of Directors are appointed by the General Shareholders' Meeting for four years. However, following the change in the Company's governance structure on April 29, 2010, the terms of all Supervisory Board members automatically terminated and most Supervisory Board members became members of the Company's new unitary Board of Directors for the remaining duration of their terms, in order to allow a spreading of the terms within the Board of Directors (one year for Messrs. Jean-Martin Folz, Giuseppe Mussari and Ezra Suleiman; two years for Ms. Wendy Cooper and Mr. François Martineau; three years for Mrs. Dominique Reiniche and Messrs. Jacques de Chateauvieux, Anthony Hamilton, Ramon de Oliviera and Michel Pébereau, and four years for Mr. Norbert Dentressangle). In addition, four new Directors were appointed by the Shareholders' Meeting for a term of four years: Mmes. Isabelle Kocher and Suet Fern Lee as well as Messrs. Henri de Castries and Denis Duverne. Messrs. Léo Apotheker, Jean-René Fourtou and Gérard Mestrallet, whose terms of office as members of the Supervisory Board ended by anticipation on April 29, 2010, were not proposed as members of the Company's new Board of Directors.

On December 31, 2010, the Board of Directors was comprised of fifteen members appointed by the shareholders. Currently, five members of the Board of Directors are nationals of countries other than France and four members are women. In accordance with French law, one member of the Board of Directors (currently Ms. Wendy Cooper) is the employee shareholders' representative who is appointed by shareholders every four years from a list of candidates selected by the Group's employee shareholders. The Board of Directors does not have any non-voting member (censor).

Each year the Board of Directors assesses the independence of all of its members on the basis of the recommendations contained in the AFEP/MEDEF Code. As of February 16, 2011, the Board of Directors determined that eleven of the fifteen Board members were independent after assessing the criteria of the AFEP/MEDEF Code: Mmes. Isabelle Kocher, Suet Fern Lee, Dominique Reiniche, Messrs. Jacques de Chateauvieux, Norbert Dentressangle, Jean-Martin Folz, Anthony Hamilton, François Martineau, Giuseppe Mussari, Ramon de Oliveira and Ezra Suleiman.

The Company's Charter and By-Laws provide for the mandatory appointment of a Vice-Chairman acting as Lead Independent Director in all cases where the positions of Chairman & Chief Executive Officer are held by one person. On April 29, 2010, the Board of Directors appointed Mr. Norbert Dentressangle as Lead Independent Director. This Lead Independent Director has a number of specific powers including supervising the contribution of the independent directors to the Board's deliberations and acting as their spokesperson with Executive Management to the extent necessary or appropriate.

More particularly, the Lead Independent Director has the power to:

- require the Chairman & Chief Executive Officer to convene full meetings of the Board on a specific agenda at any time;
- convene meetings of the non-executive directors at any time without the attendance of the Chairman & Chief Executive Officer and the Deputy Chief Executive Officer. These meetings called "Executive Sessions" may be held at the Vice-Chairman's discretion either before or after each meeting of the Board or at any other time the Vice-Chairman would deem appropriate. The Vice-Chairman chairs the Executive Sessions;
- attend and participate in all meetings of Board Committees (regardless of whether he is a Committee member);
- inform the Chairman and the Board of Directors about any potential conflicts of interests;
- report to the Company's Shareholders' Meetings with respect to all corporate governance related matters.

COMPOSITION OF THE BOARD OF DIRECTORS ON DECEMBER 31, 2010

Name (age) and office presently held at AXA	Principal occupation (as of December 31, 2010)	Principal business address	First appointment/ term of office
Henri de Castries (56) Chairman & Chief Executive Officer	Chairman & Chief Executive Officer of AXA	AXA 25, avenue Matignon 75008 Paris - France	April 2010/2014 Annual General Meeting
Norbert Dentressangle (56) [a] Vice-Chairman of the Board of Directors Lead Independent Director	Chairman of Financière de Cuzieu (SAS)	Financière Norbert Dentressangle 30 bis, rue Sainte-Hélène 69287 Lyon Cedex 02 - France	May 2006/2014 Annual General Meeting
Denis Duverne (57) Deputy Chief Executive Officer in charge of Finance, Strategy and Operations	Deputy Chief Executive Officer in charge of Finance, Strategy and Operations	AXA 25, avenue Matignon 75008 Paris - France	April 2010/2014 Annual General Meeting
Jacques de Chateauvieux (59) [a] Member of the Board of Directors	Chairman of the Board of Directors of BOURBON [1]	BOURBON 33, rue du Louvre 75002 Paris - France	April 2005/2013 Annual General Meeting
Wendy Cooper (60) Member of the Board of Directors, representing the employee shareholders	Senior Vice President & Associate General Counsel of AXA Financial, Inc. (United States)	AXA Financial, Inc. 1290, Avenue of the Americas New York – NY10104 United States	April 2008/2012 Annual General Meeting
Jean-Martin Folz (63) [a] Member of the Board of Directors	Companies' director	AXA 25, avenue Matignon 75008 Paris - France	May 2007/2011 Annual General Meeting
Anthony Hamilton (69) [a] Member of the Board of Directors	Non-executive Chairman of AXA UK plc (United Kingdom) and AXA Equity and Law plc (United Kingdom)	AXA UK plc 5 Old Broad Street London EC2N 1AD United Kingdom	January 1996/2013 Annual General Meeting
Isabelle Kocher (44) [a] Member of the Board of Directors	Chief Executive Officer of Lyonnaise des Eaux	Lyonnaise des Eaux Tour CB 21 16, place de l'Iris 92040 La Défense Cedex – France	April 2010/2014 Annual General Meeting
Suet Fern Lee (52) [a] Member of the Board of Directors	Senior Director of Stamford Law Corporation	Stamford Law Corporation 9 Raffles Place #32-00 Republic Plaza Singapore 048619 Singapore	April 2010/2014 Annual General Meeting
François Martineau (59) [a] Member of the Board of Directors	Attorney at Law	Lussan & Associés 250 bis, boulevard Saint Germain 75007 Paris - France	April 2008/2012 Annual General Meeting
Giuseppe Mussari (48) [a] Member of the Board of Directors	Chairman of the Board of Banca Monte dei Paschi di Siena S.p.A. (Italy)	Banca Monte dei Paschi di Siena S.p.A. Piazza Salimbeni, 3 53100 Siena – Italy	May 2007/2011 Annual General Meeting

(1) As of January 1st, 2011.

Name (age) and office presently held at AXA	Principal occupation (as of December 31, 2010)	Principal business address	First appointment/ term of office
Ramon de Oliveira (56) [(a)] Member of the Board of Directors	Managing Director of ROC Partners (United States)	ROC Partners 580 Park Avenue New York, NY 10065 United States	April 2009/2013 Annual General Meeting
Michel Pébereau (68) Member of the Board of Directors	Chairman of the Board of Directors of BNP Paribas	BNP Paribas 3, rue d'Antin 75002 Paris - France	January 1997/2013 Annual General Meeting
Mrs. Dominique Reiniche (55) [(a)] Member of the Board of Directors	Chairman Europe of The Coca-Cola Company	The Coca-Cola Company 27, rue Camille Desmoulins 92784 Issy-les-Moulineaux Cedex 9 - France	April 2005/2013 Annual General Meeting
Ezra Suleiman (69) [(a)] Member of the Board of Directors	Professor of Political Sciences at the University of Princeton – IBM Chair (United States)	Department of Politics Corwin Hall Princeton University Princeton, N.J. 08544 United States	April 2003/2011 Annual General Meeting

(a) Independent.

Mr. Claude Bébéar, who was the Honorary Chairman of the Supervisory Board since April 22, 2008, has been Honorary Chairman of the Board of Directors since April 29, 2010.

The Shareholders' Meeting to be held on April 27, 2011 will be asked to vote on the reappointment of two members of the Board of Directors whose terms will end as well as the appointment of a new director. In this context, the Board of Directors proposed, based on the recommendation of the Ethics and Governance Committee, (i) the re-appointments as directors of Messrs. Jean-Martin Folz and Giuseppe Mussari as well as (ii) the appointment of Mr. Marcus Schenck in replacement of Mr. Ezra Suleiman, whose term will expire at the close of this Shareholders' Meeting.

Mr. Marcus Schenck's candidacy was selected due to his financial knowledge and experience. Mr. Schenck has been a member of the Management Board and Chief Financial Officer of E.ON AG (Germany) since 2006 after spending nine years at Goldman Sachs and six years at McKinsey & Co. The Board of Directors has also reviewed Mr. Marcus Schenck's situation in light of the AFEP/MEDEF Code and considered him independent.

Subject to the Shareholders' Meeting approval, the Board of Directors would therefore be comprised of fifteen members including eleven members considered independent by the Board of Directors in accordance with the criteria of the AFEP/MEDEF Code of corporate governance.

BOARD [(1)] ACTIVITIES IN 2010

In 2010, the Board met twelve times (four times as Supervisory Board and eight times as Board of Directors) and the average attendance rate was 86.93%. The Board reviewed the strategy of the Group during a full day dedicated session. Within the framework of its principal missions such as described above, the Board focused, in particular, on the following matters during 2010:

- Review of the Group strategy;
- Examination of the 2009 financial statements and the 2010 half year financial statements;
- Review of the reports of the Board Committees;
- Change in the Group governance structure;
- Appointment of the Chairman & Chief Executive Officer, the Deputy Chief Executive Officer and the Vice-Chairman-Lead Independent Director as well as their powers;
- Approval of the new Bylaws of the Board of Directors;
- The structure of the Committees;
- Authorization of the main projects with respect to acquisitions and disposals;
- Review of the Group's portfolio of businesses and activities;
- Self-assessment of the Board of Directors;
- Independence of the Board Members.

(1) It should be noted that the Group governance structure consisted of a Management Board and a Supervisory Board from January 1st, 2010 to April 29, 2010 and a Board of Directors as from April 29, 2010. The term "Board" therefore refers to the Supervisory Board or the Board of Directors depending on the date.

INFORMATION ON CURRENT MEMBERS OF THE BOARD OF DIRECTORS (1)

Henri de CASTRIES,

Chairman & Chief Executive Officer of AXA

56, French nationality.
Business address
AXA – 25, avenue Matignon – 75008 Paris – France

Expertise and experience

Mr. Henri de Castries is a graduate of the *École des Hautes Études Commerciales* (HEC) and obtained a law degree before completing preparatory studies at the *École Nationale d'Administration* (ENA). After graduating from ENA, Mr. de Castries began his career with the French Finance Ministry Inspection Office. Mr. de Castries joined AXA's Corporate Finance Department on September 1, 1989. He was appointed Corporate Secretary in 1991 and Senior Executive Vice-President for the Group's asset management, financial and real-estate businesses in 1993. In 1997, Mr. de Castries was appointed Chairman of The Equitable Companies Incorporated (now AXA Financial, Inc.). From May 2000 to April 2010, Mr. de Castries was Chairman of the AXA Management Board. Since April 2010, Mr. Henri de Castries has been Chairman & Chief Executive Officer of AXA.

Directorships currently held (2)

AXA, *Chairman & Chief Executive Officer*

Chairman of the Board of Directors:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Financial, Inc. (United States)

Director:

- AXA France IARD
- AXA France Vie
- AllianceBernstein Corporation (United States)
- AXA America Holdings, Inc. (United States)
- AXA Belgium SA (Belgium)
- AXA Equitable Life Insurance Company (United States)
- AXA Holdings Belgium (Belgium)
- AXA UK plc (United Kingdom)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

Previous directorships held during the last five years

AXA, *Chairman of the Management Board*

AXA Courtage Assurance Mutuelle, *Chairman of the Board of Directors*

AXA Konzern AG (Germany), *member of the Supervisory Board*

Norbert DENTRESSANGLE,

Vice-Chairman of the AXA Board of Directors, Lead Independent Director

56, French nationality.
Business address
Financière Norbert Dentressangle – 30 bis, rue Sainte Hélène – 69287 Lyon Cedex 02 – France

Expertise and experience

In 1979, Mr. Norbert Dentressangle founded the Norbert Dentressangle Group, a transportation and logistics services specialist, and served as Chairman until 1998. He is currently Chairman of the Supervisory Board. Mr. Norbert Dentressangle has also been, since its creation in 1988, Chairman of Financière Norbert Dentressangle, the family-owned holding company which, in addition to a majority stake in Norbert Dentressangle S.A. (formerly Groupe Norbert Dentressangle), also holds equity interests in real estate, industrial and business services firms. From April 2008 to April 2010, Mr. Norbert Dentressangle was Vice-Chairman of the AXA Supervisory Board. Since April 2010, Mr. Norbert Dentressangle has been Vice-Chairman, Lead Independent Director, of the Board of Directors of AXA.

Directorships currently held

Chairman:

- Financière de Cuzieu (SAS)
- Financière Norbert Dentressangle (SAS)
- ND Investissements (SAS)

Norbert Dentressangle S.A., *Chairman of the Supervisory Board*

SOFADE (SAS), *Chief Executive Officer*

AXA, *Vice-Chairman of the Board of Directors*

Versailles Richaud ND (SARL), *co-manager*

Director or member of the Supervisory Board:

- HLD (SCA)
- SEB
- SOGEBAIL

Previous directorships held during the last five years

AXA, *member and Vice-Chairman of the Supervisory Board*

FINAIXAM, *Chairman of the Supervisory Board*

Financière Egnatia, *permanent representative of the company Financière Norbert Dentressangle to the Board of Directors*

(1) *Except otherwise stated, the following information concerning the members of the Board of Directors is updated as of December 31, 2010.*

(2) *Mr. Henri de Castries only holds directorships within the AXA Group.*

Denis DUVERNE,

Deputy Chief Executive Officer of AXA

57, French nationality.
Business address
AXA – 25, avenue Matignon – 75008 Paris – France

Expertise and experience

Mr. Denis Duverne is a graduate of the *École des Hautes Études Commerciales* (HEC). After graduating from the *École Nationale d'Administration* (ENA), he started his career in 1984 as commercial counsellor for the French Consulate General in New York before becoming director of the Corporate Taxes Department for the French Ministry of Finance in 1986. In 1988, he became Deputy Assistant Secretary for Tax Policy for the French Ministry of Finance and, in 1991, he was appointed Corporate Secretary of Compagnie Financière IBI. In 1992, he became a member of the Executive Committee of Banque Colbert, in charge of operations. In 1995, Mr. Denis Duverne joined the AXA Group and assumed responsibility for supervision of AXA's operations in the US and the UK and managed the reorganization of AXA companies in Belgium and the United Kingdom. From February 2003 until December 2009, Mr. Duverne was the Management Board member in charge of Finance, Control and Strategy. From January 2010 until April 2010, Mr. Duverne assumed broader responsibilities as Management Board member in charge of Finance, Strategy and Operations. Since April 2010, Mr. Denis Duverne has been director and Deputy Chief Executive Officer of AXA, in charge of Finance, Strategy and Operations.

Directorships currently held (1)

AXA, *director and Deputy Chief Executive Officer*

AXA America Holdings, Inc. (United States), *Chairman & Chief Executive Officer*

AXA Millésimes (SAS), *Chairman*

Director:

- AllianceBernstein Corporation (United States)
- AXA Assicurazioni S.p.A. (Italy)
- AXA Belgium SA (Belgium)
- AXA Equitable Life Insurance Company (United States)
- AXA Financial, Inc. (United States)
- AXA Holdings Belgium (Belgium)
- AXA Italia S.p.A. (Italy)
- AXA MPS Assicurazioni Danni S.p.A. (Italy)
- AXA MPS Assicurazioni Vita S.p.A. (Italy)
- AXA UK plc (United Kingdom)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

Previous directorships held during the last five years

AXA, *member of the Management Board*

Director:

- AXA France IARD
- AXA France Vie

Jacques de CHATEAUVIEUX,

Member of the AXA Board of Directors

59, French nationality.
Business address
BOURBON – 33, rue du Louvre – 75002 Paris – France

Expertise and experience

Mr. Jacques de Chateauvieux is a graduate of the *Institut Supérieur de Gestion* (Paris) and of Columbia University (New York). In 1975, he joined l'*Union des Transports Aériens* as a management auditor. From 1977 to 1979, he worked as a consultant for the Boston Consulting Group (BCG). From 1979 to 2010, Mr. Jacques de Chateauvieux was Chairman and Chief Executive Officer of BOURBON and since January 1st, 2011, he has been Chairman of the Board of Directors of BOURBON. From 1989 to 2001, he developed BOURBON into an international conglomerate and then listed the Company on the Paris Stock Exchange in 1998. Since 2001, he has refocused BOURBON's strategy on making it a world leader in offshore oil and marine services. From April 2008 until April 2010, Mr. Jacques de Chateauvieux chaired the AXA Supervisory Board. Since April 2010, Mr. Jacques de Chateauvieux has been member of the Board of Directors of AXA.

Directorships currently held

Chairman of the Board of Directors:

- BOURBON (2)
- SAPMER

CANA TERA (formerly JACCAR), *Chairman*

JACCAR HOLDINGS (Luxembourg), *Chairman and Managing director*

Director:

- AXA
- SINOPACIFIC Shipbuilding Group (China)

Previous directorships held during the last five years

BOURBON, *Chief Executive Officer*

AXA, *Chairman of the Supervisory Board*

CBo Territoria, *Chairman of the Board of Directors*

Chairman:

- Vindemia S.A.S.
- Antenne Réunion Télévision

INNODIS (Mauritius), *director*

(1) Mr. Denis Duverne only holds directorships within the AXA Group.

(2) As of January 1st, 2011.

Wendy COOPER,

Member of the AXA Board of Directors, representing the employee shareholders

60, American nationality.
Business address
AXA Financial, Inc. – 1290 Avenue of the Americas – New York – NY 10104 – United States

Expertise and experience

Ms. Wendy Cooper is a graduate of Allegheny College and Fordham Law School, New York, NY. From 1981 to 1987, she was Assistant Counsel to New York Governors Carey and Cuomo. From August 1987 to March 1995, she was the First Deputy Superintendent of Insurance of the New York Insurance Department and from January 1990 to June 1990, she held the position of Superintendent of Insurance of the New York Insurance Department. In May 1995, she joined The Equitable, which became AXA Equitable, as Vice-President & Associate General Counsel. Since September 1999, she has been Senior Vice-President & Associate General Counsel of AXA Equitable in charge of the Government Relations function, representing AXA Equitable's legislative and regulatory interests in front of the U.S. Congress, state legislatures, state insurance departments, state and national trade associations and other external audiences. As of April 2008, Ms. Wendy Cooper was elected the employee shareholder member of the AXA Supervisory Board and the AXA Board of Directors (as of April 2010).

Directorships currently held

AXA, *member of the Board of Directors representing the employee shareholders*

Previous directorships held during the last five years

AXA, *member of the Supervisory Board representing the employee shareholders*

Jean-Martin FOLZ,

Member of the AXA Board of Directors

63, French nationality.
Business address
AXA – 25, avenue Matignon – 75008 Paris - France

Expertise and experience

Mr. Jean-Martin Folz is a graduate of the *École Polytechnique et ingénieur des Mines*. Between 1975 and 1978, he has held various French government cabinet positions, his last position being head of cabinet of the Secretary of State for Industry. In 1978, he joined Rhône-Poulenc to run the Saint-Fons plant, and was then promoted to Senior Executive Vice-President of Rhône-Poulenc for the Specialty Chemicals business unit. In 1984, he became Senior Executive Vice-President and then Chairman and Chief Executive Officer of Jeumont-Schneider (a Schneider subsidiary). In 1987, he was appointed Chief Executive Officer of Péchiney and Chairman of Carbone Lorraine (in 1988). In 1991, he became Group Chief Executive Officer of Eridania Béghin-Say and Chairman of Béghin-Say. Mr. Jean-Martin Folz joined PSA Peugeot Citroën in 1995 and became Chairman of the Management Board in 1997. He left PSA in February 2007. From June 2007 to March 2010, he was Chairman of the AFEP.

Directorships currently held

Director:

- Alstom
- AXA
- Compagnie de Saint-Gobain
- ONF-Participations (SAS)
- Société Générale
- Solvay (Belgium)

Previous directorships held during the last five years

Peugeot SA, *Chairman of the Management Board*

Chairman:

- Automobiles Citroën
- Automobiles Peugeot

Director or member of the Supervisory Board:

- AXA (Supervisory Board)
- Banque PSA Finance
- Carrefour [(1)]
- Faurecia
- Peugeot Citroën Automobiles

Anthony HAMILTON,

Member of the AXA Board of Directors

69, British nationality.
Business address
AXA UK plc – 5 Old Broad Street – London EC2N 1AD – United Kingdom

Expertise and experience

Mr. Anthony Hamilton is a graduate of Oxford University. His early career was spent in London and New York working for the investment banks Schroders, Morgan Grenfell, and Wainwright. In 1978, he joined Fox-Pitt, Kelton and was appointed Chief Executive Officer in 1994. In 1993, he became a non-executive director of AXA Equity and Law plc (Chairman, 1995) and in 1997 a non-executive director of AXA UK plc. Since September 2000, Mr. Anthony Hamilton has been non-executive Chairman of AXA UK plc.

(1) End of mandate March 1st, 2011.

Directorships currently held

Non-executive Chairman:

- AXA Equity and Law plc [(1)] (United Kingdom)
- AXA UK plc [(1)] (United Kingdom)

Director:

- AXA
- AXA Equitable Life Insurance Company [(1)] (United States)
- AXA Financial, Inc. [(1)] (United States)
- Golf Club of Valderrama (Spain)
- MONY Life Insurance Company [(1)] (United States)
- MONY Life Insurance Company of America [(1)] (United States)
- Tawa plc (United Kingdom)
- The Game & Wildlife Conservation Trust (United Kingdom)

Previous directorships held during the last five years

Director or member of the Supervisory Board:

- AXA (Supervisory Board)
- Pinault-Printemps-Redoute
- Binley Limited (United Kingdom)
- Swiss Re Capital Markets Limited (United Kingdom)

Isabelle KOCHER

Member of the AXA Board of Directors

44, French nationality.
Business address
Lyonnaise des Eaux – Tour CB 21 – 16, place de l'Iris – 92040 La Défense Cedex – France

Expertise and experience

Mrs. Isabelle Kocher is a graduate of the *École Normale Supérieure* (ENS-Ulm) and member of the *Corps des Mines*. From 1997 to 1999, she was in charge of budget of Telecommunication and Defense at the French Ministry of Economy. From 1999 to 2002, she was Advisor on Industrial Affairs of the French Prime Minister Office (Lionel Jospin). In 2002, she joined the Suez Group. She then held various positions: from 2002 to 2005, at Strategy & Development; from 2005 to 2007, director of Performance and Organisation; from 2007 to 2008, Deputy Chief Executive Officer of Lyonnaise des Eaux. Since 2009, Mrs. Isabelle Kocher has been Chief Executive Officer of Lyonnaise des Eaux, Head of Water Development in Europe.

Directorships currently held

Lyonnaise des Eaux, *Chief Executive Officer*

Director:

- Arkema
- AXA

Previous directorships held during the last five years

Lyonnaise des Eaux, *Deputy Chief Executive Officer*

(1) AXA Group Company.

Suet Fern LEE

Member of the AXA Board of Directors

52, Singaporean nationality.
Business address
Stamford Law Corporation – 9 Raffles Place # 32-00 Republic Plaza – Singapore 048619 – Singapore

Expertise and experience

Mrs. Suet Fern Lee graduated with a double first in law from Cambridge University in 1980 and qualified as a Barrister-at-Law at Gray's Inn London in 1981. She was admitted to the Singapore Bar in 1982. She is President of the Inter-Pacific Bar Association (IPBA) and has been a council member of the International Bar Association. She is Chairman of the Asian Civilisations Museum Board, and is also a member of the National Heritage Board, a member of the Advisory Board to the Law School at Singapore Management University, a trustee for Nanyang Technological University as well as a Fellow of the Singapore Institute of Directors. Since 2000, she has been Senior Director of Stamford Law Corporation (Singapore).

Directorships currently held

Stamford Law Corporation (Singapore), *Senior Director*

Asian Civilisations Museum (Singapore), *Chairman*

IPBA (Singapore), *President*

Director:

- AXA
- Macquarie International Infrastructure Fund Ltd (Bermuda)
- National Heritage Board (Singapore)
- Rickmers Trust Management Pte Ltd (Singapore)
- SembCorp Industries Ltd (Singapore)
- Stamford Corporate Services Pte Ltd (Singapore)

Nanyang Technological University (Singapore), *member of the Board of Trustees*

National University of Singapore Business School (Singapore), *member of the Accounting Advisory Board*

Singapore Management University School of Law (Singapore), *member of the Advisory Board*

Previous directorships held during the last five years

Director:

- China Aviation Oil (Singapore) Corporation Ltd (Singapore)
- ECS Holdings Limited (Singapore)
- International Capital Investment Limited (Singapore)
- Media Asia Entertainment Group Limited (Hong Kong)
- Richina Pacific Limited (Bermuda)
- Sincere Watch (Hong Kong) Limited (Hong Kong)
- Transcu Group Limited (Singapore)
- Transpac Industrial Holdings Limited (Hong Kong)

François MARTINEAU,

Member of the AXA Board of Directors

59, French nationality.
Business address
Lussan & Associés – 250bis, boulevard Saint-Germain – 75007 Paris – France

Expertise and experience

Mr. François Martineau is a graduate of the University Paris IV (Philosophy Degree), University Paris I (Law Master), and of l'*Institut d'Études Politiques de Paris*. Mr. François Martineau has been Attorney since 1976. In 1981, he was "*Secrétaire de la Conférence*". In 1985, he was a lecturer at the University Paris I (Civil Procedure). In 1995, he was a Professor at the Paris Bar School (EFB) and since 1998, he is Honorary Professor at the Law and Political Sciences School of Lima (Peru). In 1996, he became an Expert at the Council of Europe and fulfilled various missions in Eastern Europe countries regarding the reform of the Code of the Judicial Organization, the reform of the magistrates' and lawyers' training and the revision of the Code of Civil Procedure. He also teaches professionals at the *Ecole Nationale de la Magistrature* (ENM). Since 1987, Mr. François Martineau has been a Partner of the law firm SCP Lussan & Associés, and Managing Partner since 1995.

Directorships currently held

SCP Lussan & Associés, *Managing Partner*

Vice-Chairman and director:

- Associations Mutuelles Le Conservateur
- Assurances Mutuelles Le Conservateur
- Bred Banque Populaire

Director:

- AXA
- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- Conservateur Finance

Previous directorships held during the last five years

AXA, *member of the Supervisory Board*

Giuseppe MUSSARI,

Member of the AXA Board of Directors

48, Italian nationality.
Business address
Banca Monte dei Paschi di Siena S.p.A. – Piazza Salimbeni, 3 – 53100 Siena – Italy

Expertise and experience

Mr. Giuseppe Mussari is a graduate in Law of the University of Siena (Barrister registered in the Rolls of the Court of Siena since 1993). In 1998, he became Deputy Chairman of the Criminal Section of the Court of Siena and then in 2000 Chairman of the Criminal Section of the Court of Siena. In July 2001, he was appointed Chairman of the Monte dei Paschi di Siena Foundation. Since April 2006, Mr. Giuseppe Mussari has been Chairman of Banca Monte dei Paschi di Siena (BMPS).

Directorships currently held

Banca Monte dei Paschi di Siena S.p.A. (Italy), *Chairman of the Board*

Italian Bankers' Association (Italy), *Chairman*

Director:

- AXA
- Interbank Deposit Protection Fund (Italy)
- Italy-China Foundation (Italy)
- Rosselli Foundation (Italy)

Member:

- Promoting Committee of Symbola Foundation (Italy)
- Steering Board of ABI – ANIA (Italy)
- Steering Board of Assonime (Italy)

Previous directorships held during the last five years

Cassa dei Depositi e Prestiti (Bank for Deposits and Loans) (Italy), *Chairman of the Guidance Committee*

Chairman:

- Chigiana Music Academy Foundation (Italy)
- Mecenate 90 Association (Italy)
- Monte dei Paschi di Siena Foundation (Italy)

Siena Biotech (Italy), *Chairman of the Ethical Monitoring Committee*

ACRI (Italy), *Vice-Chairman*

Director or member of the Supervisory Board:

- AXA (Supervisory Board)
- Cotec Foundation (Italy)
- Ravello Foundation (Italy)
- Sansedoni S.p.A. (Italy)

Clear Pacts Consortium (Italy), *member of the General Council*

Toscana Life Sciences Foundation (Italy), *member of the Guidance Committee*

Ramon de OLIVEIRA,

Member of the AXA Board of Directors

56, French nationality.
Business address
ROC Partners – 580 Park Avenue – New York, NY 10065 – United States

Expertise and experience

Mr. Ramon de Oliveira is a graduate of the University of Paris and of the *Institut d'Études Politiques* (Paris). Starting in 1977, Mr. de Oliveira spent 24 years at JP Morgan & Co. From 1996 to 2001, Mr. de Oliveira was Chairman and Chief Executive Officer of JP Morgan Investment Management. Mr. de Oliveira was also a member of the firm's Management Committee since its inception in 1995. Upon the merger with Chase Manhattan Bank in 2001, Mr. de Oliveira was the only executive from JP Morgan & Co. asked to join the Executive Committee of the new firm with operating responsibilities. Between 2002 and 2006, Mr. de Oliveira was an Adjunct Professor of Finance at Columbia University. Mr. Ramon de Oliveira is the Managing Director of the consulting firm ROC Partners, based in New York.

Directorships currently held

ROC Partners (United States), *Managing Director*

The Kauffman Foundation (United States), *Trustee and Chairman of the Investment Committee*

Fonds de Dotation du Musée du Louvre, *Chairman of the Investment Committee*

Director:

- AXA
- Taittinger-Kobrand USA (United States)

The Red Cross (United States), *member of the Investment Committee*

Previous directorships held during the last five years

Friends of Education (not-for-profit organization) (United States), *Chairman of the Board*

Director or member of the Supervisory Board:

- American Century Company, Inc (United States)
- AXA (Supervisory Board)
- JP Morgan Suisse (Switzerland)
- SunGard Data Systems (SDS) (United States)
- The Hartford Insurance Company (United States)

Michel PÉBEREAU,

Member of the AXA Board of Directors

68, French nationality.
Business address
BNP Paribas – 3, rue d'Antin – 75002 Paris – France

Expertise and experience

Mr. Michel Pébereau is a graduate of the *École Polytechnique* and the *École Nationale d'Administration* (ENA). In 1967, he started his career as auditor at the Treasury (*inspecteur des finances*). He then held various management positions at the *direction du Trésor* and at the "*Cabinets*" of two Ministers (Valéry Giscard d'Estaing and René Monory). In 1982, he joined Crédit Commercial de France. In 1987, he was in charge of its privatization before becoming Chairman and Chief Executive Officer from 1987 to 1993. In 1993, he became Chairman and Chief Executive Officer of BNP, which he privatized, and after the merger with Paribas in 2000, Chairman and Chief Executive Officer of BNP Paribas. Since 2003, Mr. Michel Pébereau has been Chairman of the Board of Directors of BNP Paribas.

Directorships currently held

BNP Paribas, *Chairman of the Board of Directors*

Director or member of the Supervisory Board:

- Aspen France
- AXA
- Compagnie de Saint-Gobain
- Lafarge
- Total
- BNP Paribas SA (Switzerland)
- Banque Marocaine pour le Commerce et l'Industrie (BMCI) (Morocco)
- EADS N.V. (Netherlands)
- Pargesa Holding S.A. (Switzerland)

Société Anonyme des Galeries Lafayette, *non-voting member of the Board (Censor)*

Chairman:

- Commission Banque d'Investissement et de Marchés de la Fédération Bancaire Française
- Conseil de Direction de l'Institut d'Etudes Politiques de Paris
- Institut de l'Entreprise
- European Financial Round Table (Belgium)

Member:

- Académie des sciences morales et politiques
- Conseil Exécutif du Mouvement des Entreprises de France
- Haut Conseil de l'Education
- Institut International d'Etudes Bancaires
- International Advisory Panel of the Monetary Authority of Singapore (Singapore)
- International Business Leaders'Advisory Council for the Mayor of Shanghaï (IBLAC) (China)

Previous directorships held during the last five years

BNP Paribas, *Chairman and Chief Executive Officer*

Chairman:

- Aspen France
- Fédération Bancaire Européenne

AXA, *member of the Supervisory Board*

International Capital Markets Advisory Committee of theFederal Reserve Bank of New York, *member*

Dominique REINICHE,

Member of the AXA Board of Directors

55, French nationality.
Business address
The Coca-Cola Company – 27, rue Camille Desmoulins – 92784 Issy-les-Moulineaux Cedex 9 – France

Expertise and experience

Mrs. Dominique Reiniche is a graduate of the Essec. In 1978, she joined Procter & Gamble and in 1983 became Associate Advertising Manager. In 1986, she joined Kraft Jacobs Suchard and was appointed Marketing & Strategy Manager. In 1992, she joined Coca-Cola Entreprise as a Marketing & Responsible "*Compte-clé*" Manager. In 1998, she was appointed Chairman and Chief Executive Officer of Coca-Cola Entreprise and Vice-Chairman of Coca Cola Enterprises – Europe Group in 2002. From January 2003 to May 2005, she was Chairman of Coca-Cola Enterprises – Groupe Europe. Since May 2005, Mrs. Dominique Reiniche has been Chairman Europe of The Coca-Cola Company.

Directorships currently held

ECR Europe (Belgium), *Vice-Chairman of the Board*

AXA, *director*

UNESDA (Union of European Beverages Associations) (Belgium), *Vice-Chairman*

CIAA (Confederation of the Food and Drink Industries of the EU) (Belgium), *member of the Executive Committee and member of the Board*

Previous directorships held during the last five years

Coca-Cola Enterprise – Groupe Europe, *Chairman*

AXA, *member of the Supervisory Board*

ING Direct, *member of the France Advisory Board*

MEDEF, *member of the Executive Committee*

Ezra SULEIMAN,

Member of the AXA Board of Directors

69, American nationality.
Business address
Department of Politics – Corwin Hall – Princeton University – Princeton, N.J. 08544 – United States

Expertise and experience

Mr. Ezra Suleiman is a graduate of Harvard University and of Columbia University. In 1973, he started his career as a Professor at the University of California, Los Angeles. Since September 1979, Mr. Suleiman has been a Professor of Political Sciences at Princeton University.

Directorships currently held

University of Princeton (United States), *Professor of Political Sciences*

Director:

- AXA
- Suez Environnement Company
- AXA Equitable Life Insurance Company (1) (United States)
- AXA Financial, Inc. (1) (United States)
- MONY Life Insurance Company (1) (United States)
- MONY Life Insurance Company of America (1) (United States)

AXA Research Fund, *Chairman of the Scientific Board*

Institut Montaigne, *Chairman of the Advisory Board*

Member of the Editorial Committee:

- La Revue des Deux Mondes
- Politique Internationale
- Politique Américaine
- Comparative Politics (United States)

Council on Foreign Relations (New York) (United States), *member*

HEC International, *member of Advisory Board*

Previous directorships held during the last five years

AXA, *member of the Supervisory Board*

European Studies Center at the University of Princeton (United States), *Manager*

Institut d'Études Politiques (Paris), *Associate Professor*

SERVICE CONTRACTS BETWEEN THE AXA GROUP AND MEMBERS OF THE BOARD OF DIRECTORS

Ms. Wendy Cooper, who is the employee shareholders representative on the AXA's Board of Directors, is an employee of AXA Equitable, which is AXA's principal United States subsidiary.

FAMILY RELATIONSHIP

To the best knowledge of the Company, there are no family relationships among the members of the Board of Directors or with members of the Executive Management.

OTHER INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS

Conflicts of interests

The Chairman & Chief Executive Officer and the Deputy Chief Executive Officer do not currently exercise any professional activity or hold any directorships outside the AXA Group, other than functions within non-profit organizations. Certain members of the Board of Directors, however, are corporate officers and/or directors of companies that may have agreements or dealings from time to time with the AXA Group

(1) AXA Group Company.

including extensions of credit, purchases of securities (for their own account or for third parties), underwriting of securities and/or furnishing of other types of services or goods. These agreements or dealings are generally fully negotiated and performed on arm's length terms and conditions. Consequently, AXA does not believe these agreements or dealings give rise to any conflicts of interests between (i) the duties to AXA of the Board of Directors members and (ii) the private interests and/or other duties of these individuals.

To the best of the Company's knowledge, there are no arrangements or understandings that have been entered into with major shareholders, customers, suppliers or others pursuant to which a member of the Board of Directors was selected, except for Mr. Giuseppe Mussari who was proposed for appointment to the AXA Supervisory Board during the Shareholders' Meeting dated May 14, 2007 pursuant to the terms of a bancassurance partnership agreement entered into in March 2007 between AXA and Banca Monte dei Paschi di Siena (BMPS), an Italian bank.

Absence of any conviction in relation to fraudulent offences, any official public incrimination and/or sanctions, or any responsibility in a bankruptcy for the last five years

To the best of the Company's knowledge based on information reported to it, none of the members of its Board of Directors have been, during the last five years (i) subject to any conviction in relation to fraudulent offences or to any official public incrimination and/or sanction by statutory or regulatory authorities, (ii) disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer, or (iii) associated as a member of the administrative, management or supervisory bodies with any company that has declared bankruptcy or been put into receivership or liquidation, provided, however, that AXA has from time to time sold, discontinued and/or restructured certain business operations and voluntarily liquidated affiliated companies in connection with these or similar transactions and certain members of AXA's Board of Directors may have been associated with other companies that have undertaken similar solvent liquidations.

SELF-ASSESSMENT OF THE BOARD OF DIRECTORS ACTIVITY

The Board of Directors conducts an annual self-assessment in order to review its composition, organization and functioning. The conclusions of this self-assessment are discussed annually during a meeting of the Board of Directors.

Interviews were conducted at the end of 2010 and the beginning of 2011 by the Chairman of the Ethics and Governance Committee with each member of the Board of Directors on the basis of a simplified questionnaire. The conclusions of this assessment and the principal areas identified for improvement were discussed at the Board of Directors' meeting on February 16, 2011. During this meeting, the members of the Board expressed their very favorable opinion regarding its membership and functioning, the quality of the provided documents as well as the training and information sessions set up for the directors. The transparency and level of discussions on key issues were also appreciated. The main areas for improvement relate to the diversification of the Board members' expertise, the priority being the reinforcement of skills in certain areas such as insurance, finance or risk analysis, the interaction between the Board and its Committees and the importance of informing the directors on a regular basis in-between the Board meetings.

Board of Directors' Committees

The Board of Directors has four special committees that review specific matters and report to the board: (1) the Audit Committee, (2) the Finance Committee, (3) the Ethics and Governance Committee, and (4) the Compensation and Human Resources Committee.

In order to preserve a well balanced governance, the Board of Directors has ensured that independent directors have a major role on all Board Committees. In this context:

- each of the four Committees is chaired by an independent director;
- all members of the Audit Committee and the Compensation and Human Resources Committee are independent directors.

The role, organization and operating procedures of each Committee are set forth in the Board of Directors' Bylaws and in a dedicated Charter for the Audit Committee.

Each Committee issues opinions, proposals or recommendations to the Board of Directors on matters within the scope of its responsibilities but, under French law, Board Committees do not have any formal decision making power.

Each Committee is empowered to undertake or commission specific studies or reviews, if necessary by requesting external consulting expertise, within the scope of its responsibilities. They may also invite external participants to attend their meetings.

Committee Chairmen report to the Board of Directors on a regular basis following Committee meetings.

AUDIT COMMITTEE

Composition

As of December 31, 2010, the Audit Committee had four members: Messrs. Anthony Hamilton (Chairman), Jacques de Chateauvieux, Ramon de Oliviera and Ezra Suleiman.

All members of the Audit Committee were determined by the Board to be independent in accordance with the criteria contained in the AFEP/MEDEF Code. In addition to assessing independence, the Board of Directors also reviewed the qualifications of all Audit Committee members in terms of their financial expertise and business experience and believes that all members have the requisite expertise, experience and qualifications to fulfil their duties as Audit Committee members.

Missions and activities

The Audit Committee meets at least four times a year.

The scope of the Audit Committee's responsibilities is set forth in an Audit Committee Charter which defines the Committee's principal missions, including the following:

- Reviewing annual and half year financial statements;
- Monitoring the statutory audit of AXA's annual and consolidated financial statements;
- Providing for recommendations on proposals for appointment of the Statutory Auditors as well as monitoring their independence;
- Overseeing the compensation of the Statutory Auditors;
- Overseeing the activities and systems of internal control over events that expose the Group to significant risk;
- Monitoring the financial reporting process;
- Reviewing professional and regulatory developments and understanding their impact on the financial statements;
- Monitoring the effectiveness of the systems of internal control as well as reviewing the policy and the procedures for risk management;
- Reviewing the risk appetite with regard to financial, operational, insurance and other exposures;
- Overseeing the performance of the Group's internal audit function.

The Audit Committee Charter is reviewed on a regular basis and updates are submitted to the Board of Directors for approval.

The Audit Committee met nine times in 2010 (four times as Audit Committee of the Supervisory Board). The average attendance rate was 100%. Within the framework of its principal missions such as described above, the Committee focused, in particular, on the following issues:

- 2009 annual financial statements and 2010 half-year financial statements;
- Group Audit strategy;
- 2010 Group Strategic Audit Plan;
- Internal fraud and anti-money laundering report;
- Internal financial control programme (IFC);
- 2010 Group Internal Audit Plan;
- Statutory Auditors fees and actions plan;
- Significant litigation and regulatory matters;
- Risk management issues, including IT risk management issues;
- The Group's Annual Report (*Document de Référence*);
- Whistle-blower and employee's complaints report;
- Review of the insurance policies of the Group Managers (D&O);
- Review of the Audit Committee Charter and Group Audit Charter;
- Audit Committee self-assessment.

The review of financial statements by the Audit Committee is accompanied by a presentation from the Company's Statutory Auditors on the Group's consolidated financial position and results of operations which includes the Auditors' views on the accounting choices adopted by management. The Committee also receives a presentation from the Group Chief Financial Officer describing the Company's principal risk exposures.

The Deputy Chief Executive Officer, the Group Chief Financial Officer, the Head of the Group Audit Department as well as the Chief Risk Officer attend each Committee's meeting. The Statutory Auditors of the Group, the Group Chief Accounting Officer as well as the Head of the Group Legal Department attend the Committee's meetings on a regular basis.

The Committee may request external consulting expertise in connection with matters falling within the scope of its responsibility.

FINANCE COMMITTEE

Composition

As of December 31, 2010, the Finance Committee had seven members: Mr. Ramon de Oliviera (Chairman), Mmes. Wendy Cooper, Suet Fern Lee, Dominique Reiniche and Messrs. Jean-Martin Folz, Giuseppe Mussari and Michel Pébereau.

Five of these members were determined by the Board to be independent in accordance with the criteria set forth in the AFEP/MEDEF Code.

Missions and activities

The Finance Committee meets at least four times a year.

It has the following principal missions:

- To examine and issue an opinion on any plan to sell ownership interests or on any acquisition or strategic partnership, whatever form they may take, when their value exceeds the authorizations granted to the Chairman & Chief Executive Officer by the Board of Directors;

- To examine and issue an opinion on any plan to set up sureties or grant guarantees, endorsements and warrantees in favor of third parties, when their value exceeds the authorizations granted to the Chairman & Chief Executive Officer by the Board of Directors;
- To examine and issue an opinion on any of the following plans:
  - to issue securities giving a claim, whether directly or indirectly, to the Company's share capital,
  - to propose share repurchase programs to the Ordinary Shareholders' Meeting,
  - financing operations that might substantially change the Company's financial structure,
  - to propose distribution of annual profit and the payment of the dividend for the year ended to the Ordinary Shareholders' Meeting,
  - to set the dates of payment of the dividend and, if any, of interim dividends;
- To examine any plan to perform a financial operation of significant size for the AXA Group presented by the Chairman & Chief Executive Officer, originating with a company that is directly or indirectly controlled by the Company, as well as the directions given in the management of the assets of the AXA Group and, more generally, any issue involving the financial management of the AXA Group;
- To review the impact on capital and solvency at Group level of the main orientations and limits of the Asset-Liability Management policy which are submitted to the Committee as well as any significant implications these orientations and limits may have on AXA's principal subsidiaries; and
- To examine and measure the "risk appetite" as regards financial matters.

The Finance Committee met five times in 2010 (two times as Finance Committee of the Supervisory Board). The average attendance rate was 83.87% and focused, in particular, on the following issues:

- Financial risk management;
- Capital and solvency;
- Share price volatility;
- Liquidity and financing;
- Risk appetite and asset allocation;
- Review of the financial resolutions proposed to the AXA Shareholders' Meeting;
- Proposal for payments of dividends;
- Acquisitions, restructurings and disposals;
- Review of the project of capital increase reserved for the employees of the AXA Group ("SharePlan 2010").

ETHICS AND GOVERNANCE COMMITTEE

Composition

As of December 31, 2010, the Ethics and Governance Committee had five members: Messrs. Jean-Martin Folz (Chairman), Jacques de Chateauvieux, François Martineau, Michel Pébereau and Ezra Suleiman.

Four of these members were determined by the Board to be independent in accordance with the criteria set forth in the AFEP/MEDEF Code.

The Chairman of the Board of Directors, even if not a member of the Committee, takes part in the Committee's works and attends its meetings except when his personal situation is at stake.

Missions and activities

The Ethics and Governance Committee meets at least once a year.

It has the following principal missions:

- To formulate proposals to the Board of Directors, for the appointment of:
  - members of the Board of Directors, its Chairman and its Vice-Chairman,
  - non-voting members (censors),
  - members of a specialised Committee of the Board of Directors and its Chairman;
- To organize the periodic self-assessment of the Board of Directors;
- To examine in more depth certain governance matters related to the operation and organization of the Board of Directors (Board assessment, communication with shareholders…);
- To review the AXA Group Compliance and Ethics Guide;
- To examine the Group's strategy on corporate responsibility and related issues;
- To examine every year the Company's policy with respect to professional equality as well as equal pay.

The Ethics and Governance Committee met five times in 2010 (two times as Ethics and Governance Committee of the Supervisory Board). The average attendance rate was 81.48% and the Committee focused, in particular, on the following matters:

- Evolution of the Group governance (examination of the changes in the Company Charter and the project of Bylaws of the Board of Directors);
- Process of selection of the future directors as well as the internal selection process of candidates for the position of director representing the employee shareholders;

- Composition of the Board and its Committees;
- Independence of the members of the Board;
- Self-assessment of the Board of Directors;
- Directors' training;
- Corporate responsibility.

COMPENSATION AND HUMAN RESOURCES COMMITTEE

Composition

As of December 31, 2010, the Compensation and Human Resources Committee had five members: Mr. Norbert Dentressangle (Chairman), Mrs. Isabelle Kocher, Messrs. Jean-Martin Folz, Anthony Hamilton and François Martineau.

All members of the Compensation and Human Resources Committee were determined to be independent by the Board in accordance with the criteria set forth in the AFEP/MEDEF Code.

Missions and activities

The Compensation and Human Resources Committee meets at least once a year.

It has the following principal missions:

- To issue proposals to the Board of Directors for the fixing of:
  - the compensation of the Chairman & Chief Executive Officer and the Deputy Chief Executive Officer and the preparation of their annual evaluation,
  - the amount of the directors' fees for the members of the Board of Directors to be submitted to the Shareholders' Meeting,
  - the number of Company's stock options and performance shares to be granted to the Chairman & Chief Executive Officer, the Deputy Chief Executive Officer and the other members of the Executive Committee;
- To formulate an opinion on the proposals of the Chairman & Chief Executive Officer concerning:
  - the principles and conditions for the determination of the compensation of the executives of the AXA Group,
  - overall annual allocation of Company's stock options or performance shares to employees of the AXA Group;
- To issue proposals on the appointments of the members of the Executive Management. The Committee is also informed of the appointments of the main executives of the Group, and in particular of the members of the Management Committee and the Executive Committee. The Committee examines the provisions considered by the Chief Executive Officer in order to prepare the succession of the members of the Executive Management;
- To examine in more depth certain Group human resources issues (Group training and development policy, international mobility…).

The Compensation and Human Resources Committee met eight times in 2010 (four times as Compensation and Human Resources Committee of the Supervisory Board). The average attendance rate was 84.38% and the Committee focused, in particular on the following matters:

- Compensation policy and principles;
- Compensation paid to members of the Management Board and the Executive Committee;
- Stock option and performance share allocation;
- Organization & Talent Review (OTR) and succession plan;
- Shareholding requirement for the Chairman & Chief Executive Officer, the Deputy Chief Executive Officer and the members of the Management Committee and the Executive Committee;
- Directors' fees for Board members;
- The Leadership framework (Group evaluation process with regards to Group Senior Executives).

Executive Management

AXA's Executive Management comprises the Chairman & Chief Executive Officer and a Deputy Chief Executive Officer. A Management Committee and an Executive Committee also support the operational management of the Group.

THE CHAIRMAN & CHIEF EXECUTIVE OFFICER

In the context of the change in AXA's governance structure, the Board of Directors appointed, on April 29, 2010, Mr. Henri de Castries to hold the position of Chairman in addition to his functions as Chief Executive Officer, for the duration of his term of office as director, i.e. four years.

This combination of the posts of Chairman and CEO is the result of an analysis of the specific circumstances of the Group at this stage in its development, the unique experience and abilities of Mr. Henri de Castries and the desire to optimize the Group's decision making processes and reactivity going forward.

The Chairman & Chief Executive Officer is vested with the broadest powers to act on behalf of the Company and represents the Company vis-à-vis third parties. He exercises these powers within the scope of the corporate purpose and subject to the powers expressly assigned by law to the Shareholders' Meetings and to the Board of Directors. In addition, the Bylaws of the Board of Directors provide for specific limitations of the powers of the Chairman & Chief Executive Officer and require prior Board's approval for certain significant transactions (sales or acquisitions over €500 million; significant financing operations or other type of transactions that are not in line with the Company's announced strategy…).

THE DEPUTY CHIEF EXECUTIVE OFFICER

Mr. Denis Duverne has been appointed Deputy Chief Executive Officer by the Board of Directors on April 29, 2010, for the duration of his term of office as director, i.e. four years. His role is to second the Chairman & Chief Executive Officer. The Board of Directors determines the scope of the powers vested in the Deputy Chief Executive Officer.

The Management Committee

The Chairman & Chief Executive Officer has decided to establish a Management Committee to assist him in the operational management of the Group. The Management Committee has no formal decision making authority. AXA's Management Committee currently comprises seven members and generally meets once a week [(1)]. Every month, the Management Committee reviews aspects of the Group strategy and operations during an entire day.

COMPOSITION OF THE MANAGEMENT COMMITTEE AS OF DECEMBER 31, 2010

Name	Principal office currently held in AXA
Henri de Castries	Chairman & Chief Executive Officer
Christopher Condron [(a)]	President and Chief Executive Officer of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health
Denis Duverne	Deputy Chief Executive Officer in charge of Finance, Strategy and Operations
Peter Kraus	Chairman & Chief Executive Officer of AllianceBernstein (United States)
Nicolas Moreau	Chief Executive Officer of AXA France
François Pierson	Global Head of Property & Casualty
Jacques de Vaucleroy [(b)]	Chief Executive Officer for the Northern, Central and Eastern Europe business unit

(a) Mr. Christopher Condron decided to retire as from January 1st, 2011. Mr. Mark Pearson was appointed President and Chief Executive Officer of AXA Financial, Inc. replacing Mr. Christopher Condron, and joined the Management Committee on January 1st, 2011.

(b) As of January 1st, 2011, Mr. Jacques de Vaucleroy, in addition to his preceding position, became Global Head of Life & Savings and Health replacing Mr. Christopher Condron.

(1) During the year 2010, until the change in the governance structure which took place on April 29, 2010, the Management Board met almost every week to discuss issues related to Group strategy and activities.

Members of the Management Committee devote substantially all of their professional time to the management of the Group and do not hold outside directorships or engage in professional activities outside the AXA Group that would interfere with or impede in any material way their availability to focus on the Group and its business.

EXPERTISE AND EXPERIENCE OF THE MANAGEMENT COMMITTEE MEMBERS (1)

The biographies of Mr. Henri de Castries and Mr. Denis Duverne are included in Section "Information on current members of the Board of Directors" of Part 2.1 "Directors, Senior Management and employees".

Christopher CONDRON,

Member of the AXA Management Committee

63, American nationality.

Expertise and experience

Mr. Christopher Condron has a bachelor's degree in Business Management from the University of Scranton. In 1989, he became head of the Private Client Group of The Boston Company, now Mellon Private Asset Management. In 1993, he was appointed Executive Vice-President of Mellon and, in 1994, became Vice-Chairman. In 1999, Mr. Condron became President & Chief Operating Officer of Mellon Financial Corporation. Since May 2001, Mr. Christopher Condron has been President and Chief Executive Officer of AXA Financial, Inc. and Chairman of the Board, President (since May 2002) and Chief Executive Officer of AXA Equitable Life Insurance Company. From July 2001 to April 2010, Mr. Condron was a member of the AXA Management Board. In January 2010, Mr. Condron took global responsibility for the Group's AXA's Life & Savings and Health businesses. From April to December 2010, he has been a member of the AXA Management Committee. Mr. Christopher Condron decided to retire as from January 1st, 2011.

Directorships currently held in the AXA Group

Director, Chairman of the Board, President and Chief Executive Officer:

- AXA Equitable Life Insurance Company (United States)
- AXA Equitable Life Financial Services, LLC (United States)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

AXA Financial, Inc. (United States), *director, President and Chief Executive Officer*

AXA America Holdings, Inc. (United States), *director and President*

AllianceBernstein Corporation (United States), *director*

Directorships currently held outside the AXA Group

Director:

- American Council of Life Insurers (ACLI) (United States)
- Central Supply Corp (United States)
- Financial Services Roundtable (United States)
- KBW, Inc. (United States)

The American Ireland Fund (United States), *director and treasurer*

University of Scranton, *Trustee and Chairman of the Board*

Previous directorships held during the last five years

AXA, *member of the Management Board*

MONY Holdings, LLC (United States), *Chairman of the Board, President and Chief Executive Officer*

Director, Chairman of the Board, President and Chief Executive Officer:

- AXA Distribution Holding Corporation (United States)
- AXA Life and Annuity Company (United States)
- MONY Financial Services, Inc. (United States)

ACMC, Inc. (United States), *director, Chairman and President*

Director and Chairman:

- AXA Art Insurance Corporation (United States)
- Financial Marketing, Inc. (United States)
- U.S. Financial Life Insurance Company (United States)

Financial Services Roundtable (United States), *Chairman and member*

Peter KRAUS

Member of the AXA Management Committee

58, American nationality.

Expertise and experience

Mr. Peter Kraus earned a BA from Trinity College and an MBA from New York University. Mr. Kraus has more than thirty years of experience in accounting and financial markets, including investment banking, asset management, and private wealth management. He was an audit partner at Peat Marwick Mitchell & Co before joining Goldman Sachs in 1986. During his 22-year tenure at Goldman Sachs, Mr. Kraus also served as co-head of the Financial Institutions Group (FIG). He worked in FIG Tokyo from 1990 to 1991. He was named a partner at Goldman Sachs in 1994 and managing director in 1996. Mr. Kraus was co-head of Goldman Sachs' Investment Management Division for more than seven years and in addition to this role, he was a member of the firm's Management Committee, head of firm-wide strategy and Chairman of the Strategy Committee. In 2008, Mr. Kraus was appointed executive vice-president at Merrill Lynch, where he was responsible for overseeing the firm's business strategy

(1) *Except otherwise stated, the following information concerning the members of the Management Committee is updated as of December 31, 2010.*

and investments, global growth plans and opportunities. Mr. Peter Kraus joined AllianceBernstein in December 2008 as Chairman and Chief Executive Officer. Since April 2010, he has been a member of the AXA Management Committee.

Directorships currently held in the AXA Group

AllianceBernstein (United States), *Chairman and Chief Executive Officer*

Director:

- AXA Financial, Inc. (United States)
- AXA Equitable Life Insurance Company (United States)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

Directorships currently held outside the AXA Group

Cal Arts Board of Overseers (United States), *Chairman of the Supervisory Board*

Director:

- Lincoln Center Board (United States)
- Investment Committee of Trinity College (United States)
- Young Audiences, Inc. (United States)
- Keeywadin Camp (United States)

Previous directorships held during the last five years

Merrill Lynch & Co. Inc (United States), *Executive Vice-President and member of the Management Committee*

Goldman Sachs (United States), *member of the Management Committee*

Nicolas MOREAU

Member of the AXA Management Committee

45, French nationality

Expertise and experience

Mr. Nicolas Moreau is a graduate of the *Ecole Polytechnique* and has an actuarial degree from the *Centre d'Etudes Actuarielles*. From 1988 to 1991, he was an auditor with Arthur Andersen in Paris. In 1991, he joined AXA as Vice-President of the Finance Department and was appointed Senior Vice-President of the AXA Group Finance Department in 1994. In 1997, Mr. Nicolas Moreau joined AXA Investment Managers and became Chief Executive Officer of AXA Rosenberg in 1999. In March 2000, he became Chief Operating Officer of AXA Investment Managers. He was appointed Vice-Chairman of AXA Rosenberg in January 2001. Mr. Moreau also coordinated the private equity business as well as the relationship between AXA Investment Managers and the insurance companies of the AXA Group. In April 2002, Mr. Nicolas Moreau was promoted as Chief Executive Officer of AXA Investment Managers and, following his appointment as Group Chief Executive Officer of AXA UK, he became Chairman of the Board of AXA Investment Managers. Mr. Nicolas Moreau was appointed to the Board of AXA UK plc in July 2006. From 2006 to 2010, he was Group Chief Executive of AXA UK. Since 2003, he has been a member of the AXA Executive Committee and since April 2010, a member of the AXA Management Committee. On October 2010, he was appointed Chief Executive Officer of AXA France.

Directorships currently held in the AXA Group

Director and Chief Executive Officer:

- AXA France IARD
- AXA France Vie

Director or member of the Supervisory Board or member of the Management Committee:

- AXA Assurances Vie Mutuelle
- AXA Investment Managers Private Equity
- AXA Investment Managers Private Equity Europe
- AXA Technology Services (SAS)
- AXA Rosenberg Group LLC (United States)

Directorships currently held outside the AXA Group

Media-Participations (Belgium), *director*

Previous directorships held during the last five years

Chairman:

- AXA Investment Managers
- Architas Multi-Manager Limited (United Kingdom)
- AXA Annuity Company Limited (United Kingdom)
- AXA General Insurance Limited (United Kingdom)
- AXA Insurance plc (United Kingdom)
- AXA Insurance UK plc (United Kingdom)
- AXA PPP healthcare limited (United Kingdom)
- AXA PPP healthcare group plc (United Kingdom)
- AXA Sun Life plc (United Kingdom)
- AXA Sun Life Holdings Public Limited Company (United Kingdom)
- AXA Sun Life Services plc (United Kingdom)
- AXA Technology Services UK Limited (United Kingdom)
- PPP lifetime care plc (United Kingdom)
- Sun Life Pensions Management Limited (United Kingdom)

Director:

- AXA Real Estate Investment Managers
- Association of British Insurers (United Kingdom)
- AXA Business Services Pvt Ltd (India)
- AXA UK plc (United Kingdom)
- Bluefin Insurance Group Limited (United Kingdom)
- French Chamber of Commerce in Great Britain (United Kingdom)
- Guardian Royal Exchange Public Limited Company (United Kingdom)
- Hedge Fund Standards Board Limited (United Kingdom)
- Sun Life Assurance Society plc (United Kingdom)

- Sun Life Unit Assurance Limited (United Kingdom)
- Winterthur Financial Services UK Limited (United Kingdom)
- Winterthur Life UK Limited (United Kingdom)
- Winterthur Pension Funds UK Limited (United Kingdom)
- AXA Pacific Insurance Company (Canada)

Directorships currently held outside the AXA Group

Euromed (Management School), *Chairman of the Board of Directors*

UCAR, *Permanent representative of AXA France IARD to the Board of Directors*

Previous directorships held during the last five years

AXA, *member of the Management Board*

Chief Executive Officer:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Courtage Assurance Mutuelle
- AXA France IARD
- AXA France Vie

AXA Japan Holdings Ltd (Japan), *director*

AXA Cessions, *Permanent representative of AXA to the Board*

François PIERSON,

Member of the AXA Management Committee

63, French nationality.

Expertise and experience

After studies of Sciences and Management at the University Paris Dauphine, Mr. François Pierson joined AGP in 1974 and became Sales director. In 1990, he became General Manager of the South-East Region of AXA Assurances in France and director of Distribution. In 1995, he was appointed Deputy Chief Executive of AXA Assurances and, in 1997, he became Chief Executive Officer of UAP Vie and of Alpha Assurances. In 1999, he became Chief Executive Officer of AXA Assurances. From November 2001 to April 2010, Mr. François Pierson was a member of the AXA Management Board as well as Chief Executive Officer of AXA France and responsible of the Group's Large Risks activities, AXA Assistance and AXA Canada. In January 2010, Mr. Pierson took global responsibility for the Group's Property & Casualty insurance businesses and since April 2010, he has been a member of the AXA Management Committee. Since October 1st, 2010, Mr. Pierson is fully dedicated to his role of Global Head of AXA's Property & Casualty insurance operations, while keeping direct management responsibility of AXA Assistance, AXA Corporate Solutions, AXA Global Direct and AXA Canada.

Directorships currently held in the AXA Group

AXA Global P&C, *Chairman and Chief Executive Officer*

Chairman of the Board of Directors:

- AXA Corporate Solutions Assurance
- AXA France IARD
- AXA France Vie

AXA France Assurance (SAS), *Chairman*

AXA Canada inc. (Canada), *Vice-Chairman of the Board of Directors*

Director:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Assurances inc. (Canada)
- AXA Assurances agricoles inc. (Canada)
- AXA Assurance Maroc (Morocco)
- AXA General Insurance (Canada)
- AXA General Insurance (South Korea)
- AXA Holding Maroc (Morocco)
- AXA Insurance (Canada)

Jacques de VAUCLEROY

Member of the Management Committee

49, Belgian nationality.

Expertise and experience

Mr. Jacques de Vaucleroy has a bachelor degree in law from the *Université Catholique de Louvain* and a master's degree in business law from the Vrije Universiteit Brussel. Mr. de Vaucleroy has 24 years of experience in banking, insurance and asset management. From January 2001 to June 2002, he was Managing Director, member of the Executive Committee of ING Belgium (formerly Banque Bruxelles Lambert), responsible for Retail/Private Banking and Insurance activities in Belgium as well as in Luxembourg, France, Switzerland, Spain and Portugal. From June 2002 to December 2003, Mr. de Vaucleroy joined ING Insurance in the United States as Head of Distribution and from January 2004 to April 2006, he was Group President of ING Insurance in the United States, responsible for the Annuity, Life, Mutual funds and Broker-Dealers business units. From April 2006 to May 2009, he was Member of the Executive Board of ING Group and Chief Executive Officer for Insurance and Investment Management Europe. From June 2009 to October 2009, Mr. de Vaucleroy was Chief Executive Officer of ING Investment Management and member of the ING Insurance Management Board and the ING Group Executive Committee. Mr. Jacques de Vaucleroy joined the AXA Group on February 1, 2010 and was appointed Chief Executive Officer for the Northern, Central and Eastern Europe business unit in March 2010. He is also in charge of AXA Bank Europe. Since April 2010, he has been a member of the AXA Management Committee. As of January 1st, 2011, he took global responsibility for the Group's Life & Savings and Health businesses in addition to his functions of Chief Executive Officer for the Northern, Central and Eastern Europe business unit.

Directorships currently held in the AXA Group

AXA Holdings Belgium (Belgium), *Managing Director*

Chairman of the Board of Directors:

- AXA Assurances Luxembourg SA (Luxembourg)
- AXA Assurances Vie Luxembourg SA (Luxembourg)
- AXA Bank Europe (Belgium)
- AXA Belgium (Belgium)
- AXA Leben (Switzerland)
- AXA Luxembourg SA (Luxembourg)
- AXA Participations Belgium (Belgium)
- AXA Versicherungen AG (Switzerland)

Chairman of the Supervisory Board:

- AXA Art Versicherung AG (Germany)
- AXA Konzern AG (Germany)
- AXA Lebensversicherung AG (Germany)
- AXA Versicherung AG (Germany)

Director or member of the Supervisory Board or member of the Management Committee:

- AXA Technology Services (SAS)
- L'Ardenne Prévoyante (Belgium)
- RESO Garantia (Russia)

Directorships currently held outside the AXA Group

Delhaize Group (Belgium), *director*

Previous directorships held during the last five years

AXA Investment Managers, *Chairman of the Board of Directors*

Member of the Management Board:

- ING Insurance Management Board (The Netherlands)
- ING USFS (United States)

Director:

- The King Baudouin Foundation (United States)
- TiasNimbas Business School, Tilburg (The Netherlands)

ING Group (The Netherlands), *member of the Executive Committee*

Executive Committee

The Management Committee is supported by an Executive Committee. Its principal mission is to review and define the Group's strategy.

The Executive Committee is composed of the members of the Management Committee as well as other key senior executives from across the Group selected on the basis of their role in the organization (central or local).

The Executive Committee conducts quarterly business reviews (QBRs), during which the performance of the AXA Group is assessed. These QBRs were introduced in 2000 to provide a clear and consistent framework for:

- Reviewing operational performance and monitoring the progress of key projects using quantifiable standards of measurement defined;
- Assessing the status of Group transversal projects; and
- Exchanging ideas and information on key Group strategic orientations.

As an internal management committee, the Executive Committee has no formal decision making authority. The Executive Committee is advisory in nature and serves as an important sounding board in formulating Group strategy and considering key business issues or strategic initiatives. As a team, the members of the Executive Committee also contribute to shape and disseminate AXA's management culture.

On January 1st, 2011, the Executive Committee was comprised of the following twenty members, including eleven non-French nationals:

Henri de Castries	Chairman & Chief Executive Officer of AXA
Michael Bishop	Regional Chief Executive Officer for Asia Life
Dominique Carrel-Billiard	Chief Executive Officer of AXA Investment Managers
Denis Duverne	Deputy Chief Executive Officer of AXA in charge of Finance, Strategy and Operations
John R. Dacey	Chief Executive Officer for the Japan, Asia-Pacific business unit
Philippe Egger	Chief Executive Officer of Insurance activities in Switzerland
Paul Evans	Chief Executive Officer of AXA UK
Jean-Laurent Granier	Chief Executive Officer of the Mediterranean and Latin America Region business unit
Gérald Harlin	Group Chief Financial Officer
Frank Keuper	Chief Executive Officer of AXA Konzern AG (Germany)
Peter Kraus	Chairman and Chief Executive Officer of AllianceBernstein (United States)
Nicolas Moreau	Chief Executive Officer of AXA France
Jean-Louis Laurent Josi	Chief Executive Officer of AXA Japan
Mark Pearson	President and Chief Executive Officer of AXA Financial, Inc. (United States)
Andrew Penn	Chief Executive Officer of AXA Asia Pacific Holdings (Australia)
François Pierson	Global Head of Property & Casualty
George Stansfield	AXA Group General Counsel and Head of Group Human Resources
Emmanuel de Talhouët	Chief Executive Officer of AXA Belgium
Jacques de Vaucleroy	Chief Executive Officer for the Northern, Central and Eastern Europe business unit and Global Head of Life & Savings and Health
Véronique Weill	Group Chief Operating Officer

AXA Group Subsidiaries

AXA's principal subsidiaries, whether publicly traded or not, are generally governed by:

- A board of directors or a supervisory board whose membership includes independent or non-executive directors; and
- Various board committees including a Compensation Committee and an Audit Committee, whose membership includes independent or non-executive directors.

Over the past years, AXA initiated a process designed to harmonize corporate governance standards throughout the Group. This effort is focused, among other matters, on standardizing, to the extent practicable, principles relating to a number of corporate governance matters including board composition and size, directors' independence criteria, Board Committees' and their roles, and directors' fees.

The Group Governance Standards require the Boards of AXA's principal subsidiaries to establish an Audit Committee and a Compensation Committee in addition to any other Board Committees that they consider necessary or appropriate for their specific businesses or that are required by local regulators. The role, duties, and composition of these Committees (including the requirements for participation of independent directors) are specified in a detailed Audit Committee Standard and Compensation Committee Standard. The Audit Committee Standard requires the Company's Audit Committee to be composed entirely of independent directors and the Audit Committee's of Group subsidiaries to have a significant component of independent directors in order to ensure that this Committee is strongly independent towards the management given its critical role in reviewing financial results and other financial information prepared by management, financial reporting and control processes, critical accounting policies, particular accounting issues, key risks and systems of internal control, fraud and similar issues. In addition, the Group's Compensation Committee Standard requires that the Compensation Committee have a minimum of one independent director to ensure a level of independent review and judgment on all senior executive compensation matters.

Employees

The table below sets forth the number of salaried employees of the AXA Group over the past two years broken down by line of business and geographic region:

Salaried employees (full time equivalent)	At December 31, 2009	At December 31, 2010
Insurance	**88,529**	**88,219**
- France [(a)]	16,066	16,021
- U.S.	5,185	5,206
- Japan	3,295	3,235
- UK [(b) (c)]	12,885	11,101
- Germany [(d)]	10,113	9,976
- Switzerland	4,006	3,987
- Belgium (Including AXA Bank Belgium) [(e)]	5,514	5,350
- Mediterranean and Latin American Region	12,807	12,533
- Other countries and transversal entities	10,681	12,663
Of which Australia/New Zealand	*2,582*	*2,660*
Of which Hong Kong	*1,650*	*1,258*
Of which Canada	*2,302*	*2,396*
Of which Luxemburg	*184*	*191*
Of which Singapore	*502*	*540*
Of which Indonesia	*321*	*335*
Of which South Korea	*1,550*	*1,612*
Of which Malaysia	*362*	*682*
Of which Central and Eastern Europe [(f)]	*1,190*	*2,900*
Of which Axa Global Distributors	*38*	*89*
- International Insurance	**7,977**	**8,147**
AXA Corporate Solutions Assurance	*1,299*	*1,299*
AXA Global Life and AXA Global P&C	*150*	*200*
AXA Assistance	*6,137*	*6,307*
Other international activities	*391*	*341*
Asset Management	**7,226**	**6,694**
- AllianceBernstein	4,369	4,256
- AXA Investment Managers [(g)]	2,857	2,438
Banking (excluding AXA Bank Belgium) [(e)]	**619**	**666**
- France	536	542
- Switzerland	29	40
- Germany	54	84
Group Management Services	**589**	**637**
AXA Technology, AXA Group Solutions, AXA Business Services	**6,469**	**6,741**
TOTAL	**103,432**	**102,957**

Employees of non-consolidated companies or companies accounted for using the equity method are not included in the above table. Employees of companies proportionally consolidated are included, pro-rata, in accordance with the percentage of consolidation.

(a) A portion of the employees of AXA's French affiliates are included in GIEs. In addition, the employees included in insurance and financial services activities in France are included in the "cadre de convention" of four not consolidated "mutuelles".

(b) Including Ireland.

(c) In the United Kingdom, Life activity records -2,480 salaried employees in 2010 mainly due to the staff transfered to Resolution Ltd following the sale of part of the Life business, and Property & Casualty activity take on +696 salaried employees primarily relating to the continued growth within Direct business and the inclusion of an entity.

(d) In Germany the main driver for the decrease of FTE in 2010 is the synergies coming from the "W2G-Integration".

(e) Some employees of AXA Bank Belgium provide services in common for both the insurance activities and the bank activities. Consequently, split is not available.

(f) Mainly due to new consolidated companies notably in Ukraine (+1,150 salaried employees), and in Poland (+393 salaried employees).

(g) In order to harmonise the calculation of FTE throughout the Group, full year 2010 FTE data don't include IT contractors.

2.2 FULL DISCLOSURE ON EXECUTIVE COMPENSATION AND SHARE OWNERSHIP

Executive compensation and directors' fees

COMPENSATION OF THE MANAGEMENT COMMITTEE (OR PREVIOUSLY MANAGEMENT BOARD) MEMBERS (1)

The general principles of AXA's executive compensation policy are regularly reviewed by the Compensation & Human Resources Committee of the AXA Board of Directors. These principles apply to all executives of the Group and are adapted to local regulations, as appropriate, under the supervision of the Boards of Directors and compensation committees of the Company's subsidiaries.

AXA's executive compensation policy is designed to:

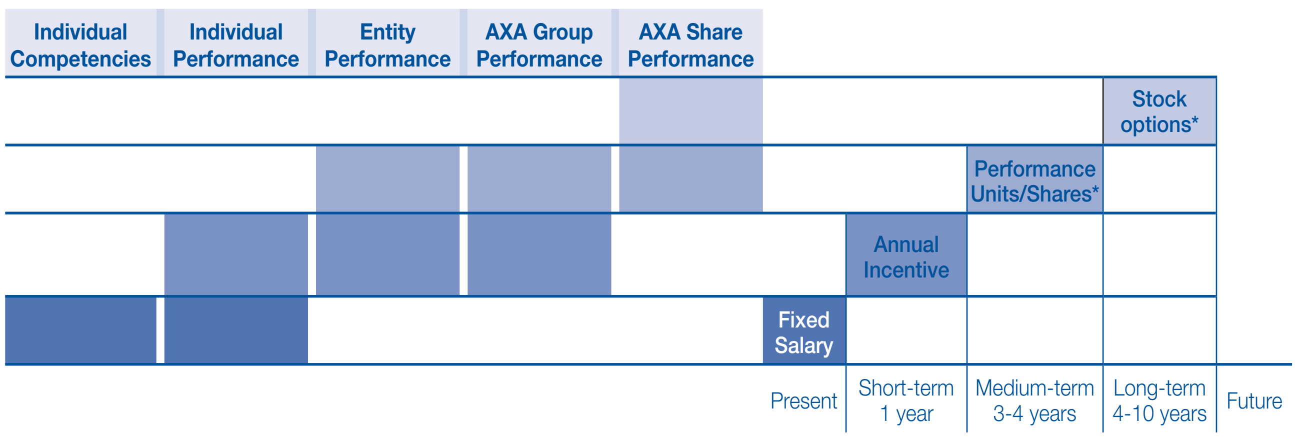
- Attract, retain and motivate the best talents;
- Drive superior performance;
- Align compensation levels with the Company's business performance.

It follows three guiding principles:

- Compensation competitiveness;
- Internal equity, based on individual and collective performance;
- The financial results and capacity of the Company.

Executive compensation is therefore structured so as to foster and reward performance:

- At individual level and collective level (local business entity and AXA Group);
- With a short-term, medium-term and long-term focus.



* *Deferred compensation.*

(1) *Following the change in the governance approved by the Shareholders' Meeting dated April 29, 2010, Messrs. Henri de Castries, Christopher Condron, Denis Duverne and François Pierson, members of the AXA Management Board until then, became, after the Meeting, members of AXA's Management Committee, as well as Messrs. Peter Kraus, Nicolas Moreau and Jacques de Vaucleroy. Mr. Alfred Bouckaert, member of the Management Board until April 29, 2010 and Mr. Christopher Condron decided to retire respectively as of April 29, 2010 and January 1, 2011.*

Executive compensation includes a fixed and a variable component. The fixed component is targeted to beat the median of the market. The variable component is linked, with different weightings according to the level of responsibility, to AXA's global performance, local entity performance, and the attainment of the executive's individual objectives. The variable portion is designed to represent the principal component of the executive's annual global compensation such that, in cases where an executive attains or exceeds the objectives, the compensation levels of AXA executives will be between median and the third or beyond the third quartile of the benchmark market rate. The variable part of compensation that is effectively paid shall not exceed 150% of the target variable compensation.

The Board of Directors met for the first time on April 29, 2010 following the Shareholders' Meeting that approved the change in AXA's governance, and appointed Mr. Henri de Castries (previously Chairman of the Management Board) as Chairman & Chief Executive Officer (*Président Directeur Général*) and Mr. Denis Duverne (previously member of the Management Board) as Deputy Chief Executive Officer (*Directeur Général Délégué*) in charge of Finance, Strategy and Operations.

The Board of Directors subsequently determined the compensation of Messrs. Henri de Castries and Denis Duverne in connection with their new functions.

The Board of Directors decided to maintain unchanged the total cash compensation target of Mr. Henri de Castries at €3.3 million and to adjust Mr. Denis Duverne's to €2.2 million as a consequence of his broader responsibilities.

The Board of Directors decided to modify the fixed/variable ratio of the total cash compensation target as from May 1st, 2010 taking into account a variety of factors including a study carried out in 2009 and at the beginning of 2010 by an external consulting firm relative to compensation practices for similar functions in selected CAC 40 companies and other major European insurance companies as well as the recommendations of the G20, the European Commission and the Financial Stability Forum.

The fixed annual compensation of the Chairman & Chief Executive Officer is €950,000 as from May 1st, 2010 (i.e. €833,333 in 2010).

The variable component of his compensation is determined on the basis of a predefined target amount (€2,700,000 until April 30, 2010 and €2,350,000 as from May 1st, 2010, reduced on a *prorata temporis* basis, i.e. a predefined target amount of €2,466,667 in 2010) and includes two components:

- Group performance, as measured by underlying Earnings per Share, Return on Equity, New Business Value in Life & Savings and customer scope index;
- Individual performance, which is evaluated by the Compensation & Human Resources Committee, then validated by the Board of Directors on the basis of specific strategic objectives set at the beginning of the year.

The proportion linked to the Group results accounts for 60% and the proportion linked to the individual performance for 40% of the variable compensation.

The variable compensation amounts awarded to Mr. Henri de Castries since he was appointed in May 2000 Chairman of the Management Board demonstrate the demanding objectives and the genuine variability of this compensation component:

	Target	Actual	% Target
Variable compensation for the year 2000 paid en 2001	€1,750,000	€1,381,373	79%
Variable compensation for the year 2001 paid en 2002	€1,750,000	€719,967	41%
Variable compensation for the year 2002 paid en 2003	€2,000,000	€1,419,277	71%
Variable compensation for the year 2003 paid en 2004	€2,000,000	€1,824,277	91%
Variable compensation for the year 2004 paid en 2005	€2,000,000	€2,304,277	115%
Variable compensation for the year 2005 paid en 2006	€2,000,000	€2,671,626	134%
Variable compensation for the year 2006 paid en 2007	€2,500,000	€3,045,987	122%
Variable compensation for the year 2007 paid en 2008	€2,500,000	€2,644,366	106%
Variable compensation for the year 2008 paid en 2009	€2,700,000	€1,846,304	68%
Variable compensation for the year 2009 paid en 2010	€2,700,000	€2,599,327	96%
Variable compensation for the year 2010 paid en 2011	€2,466,667	€2,061,087	84%

"% Target" corresponds to the achievement of performance objectives related to the year.

For other members of the Management Committee (or previously Management Board), the variable compensation is also determined on the basis of an individually predefined target amount and includes three factors:

- Group performance, as measured by the underlying earnings per share, Return on Equity, New Business Value in Life & Savings and customer scope index;
- Performance of the business unit or functional area of responsibility, measured against objectives set at the beginning of the year;
- Their individual performance, evaluated on the basis of predetermined strategic objectives.

For Management Committee (or previously Management Board) members who have an operational responsibility

(Messrs. Alfred Bouckaert, Christopher Condron, Peter Kraus, Nicolas Moreau, François Pierson and Jacques de Vaucleroy), the proportion of their variable compensation linked to the Group results accounts for 30%, the proportion linked to results of their operational entity for 40% and the proportion linked to their individual performance for 30%.

For the Management Committee member who has a functional responsibility (Mr. Denis Duverne), the proportion of his variable compensation linked to the AXA Group results accounts for 40%, the proportion linked to the performance of his functional area of responsibility for 30% and the proportion linked to his individual performance for 30%.

The performance of operational entities is determined on the basis of a grid made of the following performance indicators:

- Underlying earnings;
- Technical operating cash flows (Life net inflow);
- P&C revenues;
- Life & Savings New Business Value;
- Combined ratio;
- Customer scope index.

For each performance indicator that measures both the Group and the operational entities' performance, targets, floors and caps are defined at the beginning of the year:

- A target, aligned with the strategic plan, the attainment of which will deliver 100% of the variable component linked to the indicator;
- A floor, below which no variable component linked to the indicator will be paid;
- A cap, from which the variable component linked to the indicator is capped at 150%.

The individual performance is assessed both on the achievement of results for each predetermined strategic objective (the "what"), but also on the demonstrated leadership behaviors (the "how").

The assessment of the leadership behaviors is based on the dimensions of the AXA leadership model:

- Catalyze high performance – Change and Team leadership;
- Build to grow – Strategic vision and Building capability;
- Focus on customers;
- Share to succeed;
- Lead through actions – Results orientation and Living through AXA values.

The variable compensations paid to Executive Officers have been:

Executive Officers		Country	Variable compensation for the year 2008			Variable compensation for the year 2009			Variable compensation for the year 2010		
			Target	Actual	% Target	Target	Actual	% Target	Target	Actual	% Target
Henri de Castries	Chairman & Chief Executive Officer	France	€2,700,000	€1,846,304	68%	€2,700,000	€2,599,327	96%	€2,466,667	€2,061,087	84%
Denis Duverne	Deputy Chief Executive Officer in charge of Finance, Strategy and Operations	France	€1,350,000	€1,052,337	78%	€1,350,000	€1,485,480	110%	€1,416,667	€1,265,910	89%

"% Target" corresponds to the achievement of performance objectives related to the year.

In reviewing the Group component of the variable compensation of Messrs. de Castries and Duverne, the Compensation and Human Ressources Committee and the Board of Directors took into account the following measures: (1) the 12% increase of the New Business Value in Life & Savings in 2010, (2) the customer scope index, which was higher than expected, (3) the decrease of return on equity in 2010 compared to 2009, and (4) the 6% decrease of the underlying earnings per share.

The Committee and the Board also considered the level of individual performance of Messrs. de Castries and Duverne on the basis of predefined strategic objectives set at the beginning of 2010, as well as the level of performance of Mr. Duverne with respect to the performance of those areas for which he is responsible.

The variable compensations paid to other members of the Management Committee (or previously the Management Board) have been:

Other members of the Management Committee (or previously the Management Board)		Country	Variable compensation for the year 2008		Variable compensation for the year 2009		Variable compensation for the year 2010	
			Target	Actual	Target	Actual	Target	Actual
Alfred Bouckaert [(a)]	Chief Executive Officer for the Northern, Central and Eastern Europe business unit	Belgium	€1,000,000	€750,000	€1,000,000	€1,000,000	-	-
Christopher Condron [(b)]	"President" and Chief Executive Officer of AXA Financial Inc. (United States) and Global Head of Life & Savings and Health	USA	$4,750,000	$0	$4,750,000	$4,750,000	$4,750,000	$4,370,000
Peter Kraus	Chairman & Chief Executive Officer of AllianceBernstein	USA	-	-	-	$6,000,000	-	-
Nicolas Moreau	Chief Executive Officer of AXA France	France	£750,000	£618,000	£800,000	£650,000	€832,790	€749,511
François Pierson	Global Head of Property & Casualty	France	€1,200,000	€988,174	€1,200,000	€1,188,967	€1,052,000	€1,030,467
Jacques de Vaucleroy [(c)]	Chief Executive Officer for the Northern, Central and Eastern Europe business unit	Belgium	-	-	-	-	€802,083	€786,000

"% Target" corresponds to the achievement of performance objectives related to the year.

(a) Mr. Alfred Bouckaert decided to retire as of April 29, 2010.

(b) Mr. Christopher Condron decided to retire as of January 1st, 2011.

(c) Mr. Jacques de Vaucleroy joined AXA Group on February 1st, 2010, he has been appointed CEO for the Northern, Central and Eastern Europe business unit as of March 15, 2010 and from January 1st, 2011 took the global responsibility for the Group AXA's Life & Savings and Health businesses.

All the amounts presented in this Section 2.2 are gross amounts and before taxation.

In the tables below, compensation not paid in euro have been converted into euro on the basis of yearly average exchange rate for 2010 as follows: USD/EUR 0.747959; GBP/EUR 1.160776.

Due to substantial differences in the tax systems to which members of the Management Committee (or previously Management Board) are subject, meaningful comparisons of the compensation and benefits earned are uneasy. For information, the relevant marginal tax rates are as follows: Belgium: 53.5% (50% corresponding to federal taxes and 3.5% to local taxes); France: 53.3% (including an additional 12.3% for social taxes); United States (New York): 43.27% and the United Kingdom: 41% (including an additional 1% for National Insurance Contributions).

SUMMARY OF COMPENSATION, OPTIONS AND PERFORMANCE SHARES/UNITS GRANTED TO MANAGEMENT COMMITTEE (OR PREVIOUSLY MANAGEMENT BOARD) MEMBERS

			Year 2009				
Members of the Management Committee (or previously the Management Board)		Country	Compensation due in respect of the year	Value of options granted during the year	Value of performance shares granted during the year	Value of performance units granted during the year	Total
Henri de Castries	Chairman & Chief Executive Officer	France	3,284,364	819,848	1,021,189	-	**5,125,401**
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	France	2,006,420	683,722	850,988	-	**3,541,130**
Alfred Bouckaert (a)	CEO for the Northern, Central & Eastern Europe business unit	Belgium	2,151,464	894,098	-	595,695	**3,641,257**
Christopher Condron (b)	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	USA	4,457,540	1,030,225	-	1,283,293	**6,771,058**
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	USA	4,664,794	-	-	-	**4,664,794**
Nicolas Moreau	CEO of AXA France	France	1,131,710	334,003	-	306,353	**1,772,066**
François Pierson	Global Head of Property & Casualty	France	1,653,812	587,816	731,856	-	**2,973,484**
Jacques de Vaucleroy (c)	CEO for the Northern, Central and Eastern Europe business unit	Belgium	-	-	-	-	-
TOTAL			**19,350,104**	**4,349,712**	**2,604,032**	**2,185,341**	**28,489,190**

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.

(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

(c) Mr. Jacques de Vaucleroy joined AXA Group on February 1st, 2010, he has been appointed CEO for the Northern, Central and Eastern Europe business unit on March 15, 2010 and from January 1st, 2011 took the global responsibility for the Group AXA's Life & Savings and Health businesses.

At each date of grant, the fair value of stock options and performance shares/units is determined in accordance with IFRS standards. This is an historical value at the date of grant, calculated for accounting purposes as described in Note 26.3.1 of the 2010 consolidated financial statements included in Part 4 of this Annual Report. This value does not represent a current market value, a current valuation of these options and performance shares/units or the actual proceeds if and when the options are exercised or the performance shares/units are acquired.

On June 10, 2009, the fair value of one option was €3.43 for options without performance conditions, €3.02 for options with performance conditions, and the fair value of one performance share/unit was €9.23.

On March 19, 2010, the fair value of one option was €2.50 for options without performance conditions, €1.68 for options with performance conditions, and the fair value of one performance share/unit was €10.53.

Year 2010				
Compensation due in respect of the year	Value of options granted during the year	Value of performance shares granted during the year	Value of performance units granted during the year	Total
2,980,624	554,400	1,137,240	-	4,672,264
1,966,075	443,520	909,792	-	3,319,387
464,198	-	-	-	464,198
4,276,679	572,880	-	1,175,148	6,024,707
601,921	-	-	-	601,921
1,416,985	244,934	-	379,080	2,040,999
1,632,394	355,740	729,729	-	2,717,863
1,646,713	183,700	-	284,310	2,114,723
14,985,589	**2,355,174**	**2,776,761**	**1,838,538**	**21,956,062**

SUMMARY OF THE MANAGEMENT COMMITTEE (OR PREVIOUSLY MANAGEMENT BOARD) MEMBERS' COMPENSATION FOR THE YEAR 2010

Members of the Management Committee (or previously the Management Board)		Country	Amounts paid in respect of the year					
			Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	Total
Henri de Castries	Chairman & Chief Executive Officer	France	833,333	2,061,087	0	82,054	4,150	**2,980,624**
Denis Duverne	Deputy Chief Executive Officer in charge of Finance, Strategy and Operations	France	660,000	1,265,910	0	36,015	4,150	**1,966,075**
Alfred Bouckaert [(a)]	Chief Executive Officer for the Northern, Central and Eastern Europe business unit	Belgium	216,667	-	0	246,370	1,162	**464,198**
Christopher Condron [(b)]	"President" and Chief Executive Officer of AXA Financial Inc. (United States) and Global Head of Life & Savings and Health	USA	745,950	3,268,579	0	0	262,150	**4,276,679**
Peter Kraus	Chairman & Chief Executive Officer of AllianceBernstein	USA	205,689	-	0	0	396,232	**601,921**
Nicolas Moreau	Chief Executive Officer of AXA France	France	519,997	749,511	0	0	147,477	**1,416,985**
François Pierson	Global Head of Property & Casualty	France	578,000	1,030,467	0	17,893	6,034	**1,632,394**
Jacques de Vaucleroy [(c)]	Chief Executive Officer for the Northern, Central and Eastern Europe business unit	Belgium	641,667	786,000	0	217,446	1,601	**1,646,713**
TOTAL			**4,401,303**	**9,161,554**	**0**	**599,778**	**822,955**	**14,985,589**

(a) Mr. Alfred Bouckaert decided to retire as of April 29, 2010.

(b) Mr. Christopher Condron decided to retire as of January 1st, 2011.

(c) Mr. Jacques de Vaucleroy joined AXA Group on February 1st, 2010, he has been appointed CEO for the Northern, Central and Eastern Europe business unit on March 15, 2010 and from January 1st, 2011 took the global responsibility for the Group AXA's Life & Savings and Health businesses.

Year 2010					
Amounts paid during the year					
Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	Total
833,333	2,475,676	0	82,054	4,150	**3,395,213**
660,000	1,484,935	0	36,015	4,150	**2,185,100**
216,667	757,803	0	246,370	1,162	**1,222,001**
745,950	3,552,803	0	0	262,150	**4,560,903**
205,689	0	0	0	396,232	**601,921**
519,997	771,412	0	0	147,477	**1,438,886**
578,000	1,250,235	0	17,893	6,034	**1,852,162**
641,667	0	0	217,446	1,601	**860,713**
4,401,303	**10,292,864**	**0**	**599,778**	**822,955**	**16,116,899**

SUMMARY OF THE MANAGEMENT COMMITTEE (OR PREVIOUSLY MANAGEMENT BOARD) MEMBERS' COMPENSATION FOR THE YEAR 2009

Members of the Management Committee (or previously the Management Board)		Country	Amounts paid in respect of the year					
			Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	Total
Henri de Castries	Chairman & Chief Executive Officer	France	600,000	2,599,327	0	80,887	4,150	**3,284,364**
Denis Duverne	Deputy Chief Executive Officer in charge of Finance, Strategy and Operations	France	480,000	1,485,480	0	36,790	4,150	**2,006,420**
Alfred Bouckaert [(a)]	Chief Executive Officer for the Northern, Central and Eastern Europe business unit	Belgium	650,000	1,000,000	0	499,263	2,201	**2,151,464**
Christopher Condron [(b)]	"President" and Chief Executive Officer of AXA Financial Inc. (United States) and Global Head of Life & Savings and Health	USA	705,569	3,406,298	0	0	345,673	**4,457,540**
Peter Kraus	Chairman & Chief Executive Officer of AllianceBernstein	USA	197,207	4,302,693	0	0	164,894	**4,664,794**
Nicolas Moreau	Chief Executive Officer of AXA France	France	364,632	729,265	0	0	37,813	**1,131,710**
François Pierson	Global Head of Property & Casualty	France	430,000	1,188,967	0	17,769	17,076	**1,653,812**
TOTAL			**3,427,408**	**14,712,030**	**0**	**634,709**	**575,957**	**19,350,104**

(a) Mr. Alfred Bouckaert decided to retire as of April 29, 2010.
(b) Mr. Christopher Condron decided to retire as of January 1st, 2011.

Board fees paid for board memberships in AXA Group companies or in external companies when representing AXA, are deducted by 70% from the variable compensation of the same year.

The only "Benefits in kind" for Messrs. Henri de Castries, Alfred Bouckaert, Denis Duverne, and Jacques de Vaucleroy are a company car.

In addition, Mr. Christopher Condron benefits from a credit of flight hours from use of a private plane, Mr. Nicolas Moreau benefits from accommodation allowance paid in respect of his expatriate status in the UK until September 30, 2010 and Mr. François Pierson benefits from airplane tickets between Paris and his domicile in Marseille.

Year 2009

Amounts paid during the year					
Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	Total
600,000	1,834,155	0	80,887	4,150	**2,519,192**
480,000	1,003,887	0	36,790	4,150	**1,524,827**
650,000	603,577	0	499,263	2,201	**1,755,041**
705,569	0	0	0	345,673	**1,051,242**
197,207	4,302,693	0	0	164,894	**4,664,794**
364,632	693,363	0	0	37,813	**1,095,808**
430,000	978,175	0	17,769	17,076	**1,443,020**
3,427,408	**9,415,850**	**0**	**634,709**	**575,957**	**14,053,924**

DIRECTORS' FEES [(1)]

Directors' fees

During the fiscal year 2010, the members of the Supervisory Board until April 29, 2010 and then members of the Board of Directors as from this date, except for its Chairman and the Deputy Chief Executive Officer, didn't receive compensation from the Company, with the exception of a fee for attending meetings. The amount of directors' fees paid to each AXA Board member is indicated in the table below.

(Gross amounts, in Euro)	Directors' fees paid in 2011 for 2010 [(a)]	Directors' fees paid in 2010 for 2009
Current members of the Board of Directors		
Henri de Castries – Chairman & Chief Executive Officer	0	-
Norbert Dentressangle – Vice-Chairman – Lead Independent Director	161,336.37	135,434.82
Denis Duverne – Deputy Chief Executive Officer	0	-
Jacques de Chateauvieux	103,343.47	136,581.40
Ms. Wendy Cooper	75,567.82	68,290.70
Jean-Martin Folz	96,352.80	79,427.14
Anthony Hamilton	127,027.95	119,722.11
Mrs. Isabelle Kocher	44,584.54	-
Mrs. Suet Fern Lee	52,809.44	-
François Martineau	74,570.61	67,144.12
Giuseppe Mussari	59,142.17	48,634.16
Ramon de Oliveira	98,999.24	64,364.39
Michel Pébereau	68,395.19	63,375.02
Mrs. Dominique Reiniche	59,729.01	44,865.07
Ezra Suleiman	97,971.13	91,222.29
Former members of the Supervisory Board		
Léo Apotheker	13,029.82	47,810.77
Jean-René Fourtou	16,117.53	58,788.70
Gérard Mestrallet	17,688.91	46,499.51
Henri Lachmann	-	27,839.81
TOTAL	**1,166,666**	**1,100,000.00**

(a) Total amount of directors' fees (Supervisory Board and Board of Directors).

(1) It should be noted that the Group governance structure consisted of a Management Board and a Supervisory Board from January 1st, 2010 to April 29, 2010 and a Board of Directors as from April 29, 2010. The term "Board" therefore refers to the Supervisory Board or the Board of Directors depending on the date.

CRITERIA OF DIRECTORS' FEES ALLOCATION

Supervisory Board (until April 29, 2010)

The total annual amount of directors' fees to be allocated to the members of the Supervisory Board was set by the Shareholders' Meeting on May 14, 2007 at €1,100,000.

For the 2010 fiscal year and until April 29, 2010, it was decided to distribute among the members of the Supervisory Board a total amount of €366,666 (representing the total amount indicated above *prorata temporis*).

Board of Directors (as from April 29, 2010)

The total annual amount of directors' fees to be allocated to the members of the Board of Directors was set by the Shareholders' Meeting on April 29, 2010 at €1,200,000.

For the 2010 fiscal year and as from April 29, 2010, it was decided to distribute among the members of the Board of Directors a total amount of €800,000 (representing the total amount indicated above *prorata temporis*).

No directors' fees are paid to directors exercising executive functions (i.e. Chief Executive Officer and Deputy Chief Executive Officer).

The total amount of directors' fees is determined by the General Shareholders' Meeting, in accordance with applicable laws, and apportioned by the Board of Directors to its members in accordance with its Bylaws:

- half of the value of the directors' fees is distributed evenly among the members of the Board of Directors as a fixed fee, with the Vice-Chairman receiving a double fee;
- a first half of the remaining amount is distributed among the members of the Board of Directors in proportion to their actual attendance at the meetings of the Board, with the Vice-Chairman receiving a double fee;
- a second half of the remaining amount is allocated by the Board of Directors to the various advisory Committees and distributed among their members in proportion to the number of Committee meetings attended by each member, the Chairmen of the Committees receiving a double fee.

Due to the importance of their role and the significant demand on their time, members of the Audit Committee receive a higher proportion of directors' fees.

Members of the Board of Directors who are not members of a Board Committee but who nevertheless attend a Committee meeting receive one-half of a normal fee for a Committee member and the Vice-Chairman – Lead Independent Director receives a full fee.

In addition of his directors' fees, Mr. Jacques de Chateauvieux received as Chairman of the Supervisory Board from January 1st to April 29, 2010, an annual gross compensation of €76,666.68.

Ms. Wendy Cooper, member of the Board of Directors representing the employee shareholders of the AXA Group, received in 2010 an annual gross compensation of USD 529,315 paid by AXA Equitable in the US in connection with her position there as Senior Vice-President and Associate General Counsel. This compensation consists of USD 254,315 of fixed compensation and USD 275,000 of variable compensation.

Messrs. Anthony Hamilton and Ezra Suleiman received in 2010, as directors of several companies of the Group, director's fees for a gross amount of GBP 250,000 and USD 52,200 for Mr. Hamilton and USD 61,800 for Mr. Suleiman.

Stock options

Since 1989, AXA has promoted a stock option program, for its directors, officers and employees in France and abroad, aimed at rewarding their performance and aligning their interests with those of the Group by linking them to AXA's stock performance over the long term.

Within the global cap authorized by the Shareholders' Meetings, the Board of Directors approves all stock option programs prior to their implementation.

Stock options are valid for a period of 10 years. They are granted at market value, with no discount, and become exercisable by tranches generally in thirds between 2 and 4 years following the grant date. Pursuant to the stock option plan rules, beneficiaries who resign from the Group loose their right to exercise the options.

Annual grants are made during the first quarter of the year, generally 20 trading days after the date annual earnings of the Group are published. As such, in 2010, the annual consolidated earnings were published on February 18, 2010 and the option grants took place on March 19, 2010. The strike price, equal to the average of the share price during the 20 trading days before the grant date, has been fixed at €15.43.

Options may be granted during the year normally only in the United States to newly-hired or newly-promoted employees or when the performance measures that give rise to option grants are available after the first quarter of the year.

Each year, the Board of Directors, acting upon the recommendation of its Compensation & Human Resources Committee, approves the grant of a global option pool. The pool of options allocated to each business unit is essentially determined on the basis of their contribution to the Group financial results during the previous year.

Beneficiaries are identified among the Group and business units executive population, technical experts and employees holding key positions within the organization. Selection criteria and individual option grants take into account:

- Importance of the position ⇨ role
- Importance of the individual within the position ⇨ retention
- Importance of the individual in the future ⇨ potential
- Quality of the individual contribution ⇨ performance

The recommendations for individual grants of options are made by the Chief Executive Officers of the business units and by the Group functional department heads. These recommendations are reviewed by the Executive Management to ensure coherence and fairness. Individual grants of options are then decided by the Board of Directors, provided that individual grants to the Chairman & Chief Executive Officer, the Deputy Chief Executive Officer and other members of the Executive Committee are preceded by a proposal of the Compensation & Human Resources Committee of the Board of Directors.

Since 2006, options granted to Executive Officers (members of the Management Board) and Executive Committee members, and since 2007 with respect to any beneficiary receiving a minimum of 5,000 options, are subject to a performance condition: the last tranche, i.e. 1/3 of the options granted, will be exercisable only if the AXA share performs at least as well as the EuroStoxx Insurance index.

Since 2009, this performance condition applies to all options granted to Executive Officers (members of the Management Board) and to the last tranche of the options granted to the Executive Committee, as well as to beneficiaries receiving a minimum of 5,000 options or more.

Following the governance change on April 29, 2010, it was decided to apply this performance condition to all the options granted to Management Committee members.

If the performance condition has not been met at the expiry date of the options, the options under performance conditions are automatically cancelled.

The Board of Directors, acting upon recommendation of its Compensation & Human Resources Committee, decided on December 22, 2010 that the total number of options granted to the Executive Officers (Chairman & CEO and Deputy CEO) each year may not exceed 10% of the aggregate number of options granted to all beneficiaries during the same year.

In 2010, AXA stock options were granted as follows: 8,028,795 subscription or purchase options at a weighted average price of €15.41 granted to 5,572 employees, representing 0.35% of the share capital as of December 31, 2010.

The portion of options granted in 2010 to the members of the Management Board represented 14.28% of the total number of options granted.

As of December 31, 2010, more than 10,400 AXA employees owned 81,486,814 outstanding options, representing 3.51% of the share capital on the same date (disregarding the dilution related to the exercise of these options), and 1,280 employees in the United States owned 10,032,274 outstanding purchase options on ADSs, representing 0.43% of the share capital.

On the basis of the AXA share price on December 31, 2010, i.e. €12.45, only 10,272,247 subscription options are in the money, i.e. 12.61% of the outstanding stock options.

STOCK OPTIONS PLAN SUMMARY

Date of the Shareholders' meeting		05/05/1999	26/05/1999 (b)	05/05/1999	05/05/1999
Grant date (Board of Directors or Management Board)		**05/07/2000**	**05/07/2000 (b)**	**12/07/2000**	**13/11/2000**
Total number of beneficiaries		**889**	**5**	**113**	**98**
Total number (a) of shares to be subscribed or purchased, from which to be subscribed or purchased by:		**7,926,121**	**813,515**	**289,532**	**306,981**
	Henri de Castries	315,434	297,631	-	-
	Alfred Bouckaert (d)	105,145	-	-	-
	Christopher Condron (e)	-	-	-	-
	Denis Duverne	126,173	-	-	-
	François Pierson	63,087	-	-	-
Executive Directors:	Wendy Cooper	2,103	-	-	-
The first 10 employees beneficiaries (c)		672,928	-	160,253	55,145
Start date of exercise		05/07/2002	05/07/2002	12/07/2002	13/11/2002
Expiry date of options		05/07/2010	05/07/2010	12/07/2010	13/11/2010
Subscription or purchase price of options (a)		**38.96**	**41.28**	**39.06**	**36.84**
Exercise schedule of options		33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	25% after 2 y 50% after 3 y 75% after 4 y 100% after 5 y	33% after 2 y 66% after 3 y 100% after 4 y
Number of options exercised at 31/12/10		0	0	0	0
Options cancelled at 31/12/10		7,926,121	813,515	289,532	306,981
Options outstanding at 31/12/10		**0**	**0**	**0**	**0**

(a) Number of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) Options that were initially granted by FINAXA that merged into AXA on December 16, 2005.
(c) "employees" non Directors at grant date.
(d) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(e) Mr. Christopher Condron decided to retire as from January 1st, 2011.

In the table above all dates that are indicated are in the format of day/month/year.

09/05/2001	26/05/1999 (b)	09/05/2001	09/05/2001	03/05/2002	30/05/2001 (b)
09/05/2001	**30/05/2001 (b)**	**27/02/2002**	**14/03/2003**	**14/03/2003**	**02/04/2003 (b)**
1,419	**1**	**1,655**	**1,721**	**229**	**3**
10,311,692	**892,889**	**10,321,827**	**8,405,543**	**2,975,030**	**1,825,459**
946,300	-	841,156	-	946,300	-
126,173	-	126,173	-	147,202	-
-	-	-	-	-	-
210,289	-	231,318	-	394,292	-
84,116	-	315,434	473,150	-	-
-	-	-	-	-	-
782,276	-	844,314	762,301	675,028	-
09/05/2003	30/05/2003	27/02/2004	14/03/2005	14/03/2005	02/04/2005
09/05/2011	30/05/2011	27/02/2012	14/03/2013	14/03/2013	02/04/2013
30.74	**32.57**	**19.96**	**10.47**	**10.47**	**11.82**
33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
94,631	0	2,670,294	4,460,382	1,993,063	560,964
2,955,739	0	1,508,496	876,825	132,692	0
7,261,322	**892,889**	**6,143,037**	**3,068,336**	**849,275**	**1,264,495**

Date of the Shareholders' meeting		03/05/2002	21/05/2002 [b]	03/05/2002	03/05/2002
Grant date (Board of Directors or Management Board)		26/03/2004	14/04/2004 [b]	29/03/2005	29/03/2005
Total number of beneficiaries		2,186	1	2,132	774
Total number [a] of shares to be subscribed or purchased, from which to be subscribed or purchased by:		10,725,180	496,049	8,855,437	3,697,059
	Henri de Castries	889,286	-	784,664	-
	Alfred Bouckaert [d]	142,285	-	117,699	-
	Christopher Condron [e]	-	-	-	497,211
	Denis Duverne	346,821	-	329,559	-
	François Pierson	400,178	-	353,099	-
Executive Directors:	Wendy Cooper	-	-	-	11,933
The first 10 employees beneficiaries [c]		968,927	-	812,127	646,371
Start date of exercise		26/03/2006	14/04/2006	29/03/2007	29/03/2007
Expiry date of options		26/03/2014	14/04/2014	29/03/2015	29/03/2015
Subscription or purchase price of options [a]		16.90	15.00	19.70	19.95
Exercise schedule of options		33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
Number of options exercised at 31/12/10		1,390,554	0	328,238	116,969
Options cancelled at 31/12/10		1,233,587	0	1,029,906	488,670
Options outstanding at 31/12/10		8,101,039	496,049	7,497,293	3,091,420

(a) Number of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) Options that were initially granted by FINAXA that merged into AXA on December 16, 2005.
(c) "employees" non Directors at grant date.
(d) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(e) Mr. Christopher Condron decided to retire as from January 1st, 2011.

In the table above all dates that are indicated are in the format of day/month/year.

03/05/2002	03/05/2002	03/05/2002	20/04/2005	20/04/2005	20/04/2005
06/06/2005	**27/06/2005**	**01/07/2005**	**21/09/2005**	**31/03/2006**	**31/03/2006**
5	**238**	**1**	**6**	**2,418**	**861**
16,981	**240,849**	**25,039**	**114,443**	**7,628,101**	**2,768,553**
-	-	-	-	585,882	-
-	-	-	-	150,655	-
-	-	-	-	-	607,190
-	-	-	-	326,420	-
-	-	-	-	326,420	-
-	-	-	-	-	6,640
-	39,049	-	-	830,960	656,518
06/06/2007	27/06/2007	01/07/2007	21/09/2007	31/03/2008	31/03/2008
06/06/2015	27/06/2015	01/07/2015	21/09/2015	31/03/2016	31/03/2016
19.02	**19.32**	**19.91**	**20.97**	**27.75**	**27.93**
33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
0	2,171	0	0	2,877	0
3,297	21,854	25,039	50,415	982,719	282,224
13,684	**216,824**	**0**	**64,028**	**6,642,505**	**2,486,329**

Date of the Shareholders' meeting		20/04/2005	20/04/2005	20/04/2005	20/04/2005
Grant date (Board of Directors or Management Board)		**31/03/2006**	**25/09/2006**	**25/09/2006**	**13/11/2006**
Total number of beneficiaries		**1,002**	**10**	**29**	**5**
Total number [(a)] of shares to be subscribed or purchased, from which to be subscribed or purchased by:		**1,223,253**	**53,733**	**22,805**	**7,409**
	Henri de Castries	-	-	-	-
	Alfred Bouckaert [(c)]	-	-	-	-
	Christopher Condron [(d)]	-	-	-	-
	Denis Duverne	-	-	-	-
	François Pierson	-	-	-	-
Executive Directors:	Wendy Cooper	-	-	-	-
The first 10 employees beneficiaries [(b)]		227,593	53,733	36,684	-
Start date of exercise		31/03/2010	25/09/2008	25/09/2010	13/11/2010
Expiry date of options		31/03/2016	25/09/2016	25/09/2016	13/11/2016
Subscription or purchase price of options [(a)]		**27.93**	**28.03**	**28.03**	**29.59**
Exercise schedule of options		100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	100% after 4 y
Number of options exercised at 31/12/10		0	0	0	0
Options cancelled at 31/12/10		130,081	22,299	985	0
Options outstanding at 31/12/10		**1,093,172**	**31,434**	**21,820**	**7,409**

(a) Number of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) "employees" non Directors at grant date.
(c) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(d) Mr. Christopher Condron decided to retire as from January 1st, 2011.

In the table above all dates that are indicated are in the format of day/month/year.

20/04/2005	20/04/2005	20/04/2005	20/04/2005	20/04/2005	20/04/2005
10/05/2007	**10/05/2007**	**10/05/2007**	**24/09/2007**	**24/09/2007**	**19/11/2007**
2,866	**876**	**1,163**	**4**	**16**	**2**
6,818,804	**1,815,676**	**1,312,233**	**10,681**	**12,587**	**4,689**
-	-	-	-	-	-
204,885	-	-	-	-	-
-	448,586	-	-	-	-
327,816	-	-	-	-	-
245,862	-	-	-	-	-
-	5,046	-	-	-	-
645,899	246,161	284,022	-	8,903	-
10/05/2009	10/05/2009	10/05/2011	24/09/2009	24/09/2011	19/11/2009
10/05/2017	10/05/2017	10/05/2017	24/09/2017	24/09/2017	19/11/2017
32.95	**33.78**	**33.78**	**29.72**	**29.72**	**28.53**
33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
0	0	0	0	0	0
752,190	240,051	192,195	8,594	1,842	0
6,066,614	**1,575,625**	**1,120,038**	**2,087**	**10,745**	**4,689**

Date of the Shareholders' meeting		20/04/2005	20/04/2005	20/04/2005	22/04/2008
Grant date (Board of Directors or Management Board)		**19/11/2007**	**01/04/2008**	**01/04/2008**	**19/05/2008**
Total number of beneficiaries		**6**	**4,339**	**1,027**	**2**
Total number [a] of shares to be subscribed or purchased, from which to be subscribed or purchased by:		**8,205**	**8,056,370**	**1,240,890**	**6,004**
	Henri de Castries	-	399,526	-	-
	Alfred Bouckaert [c]	-	233,057	-	-
	Christopher Condron [d]	-	501,998	-	-
	Denis Duverne	-	319,621	-	-
	François Pierson	-	286,327	-	-
Executive Directors:	Wendy Cooper	-	4,865	-	-
The first 10 employees beneficiaries [b]		-	592,194	265,967	-
Start date of exercise		19/11/2011	01/04/2010	01/04/2012	19/05/2010
Expiry date of options		19/11/2017	01/04/2018	01/04/2018	19/05/2018
Subscription or purchase price of options [a]		**28.53**	**21.00**	**21.00**	**23.42**
Exercise schedule of options		100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
Number of options exercised at 31/12/10		0	0	0	0
Options cancelled at 31/12/10		0	780,364	151,105	0
Options outstanding at 31/12/10		**8,205**	**7,276,006**	**1,089,785**	6,004

(a) Number of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) "employees" non Directors at grant date.
(c) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(d) Mr. Christopher Condron decided to retire as from January 1st, 2011.

In the table above all dates that are indicated are in the format of day/month/year.

22/04/2008	22/04/2008	22/04/2008	22/04/2008	22/04/2008	22/04/2008
19/05/2008	**22/09/2008**	**22/09/2008**	**24/11/2008**	**20/03/2009**	**20/03/2009**
10	**3**	**40**	**7**	**4,627**	**759**
12,360	**19,127**	**46,929**	**19,047**	**4,870,844**	**407,692**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	4,597	-
12,360	-	21,250	-	293,954	51,018
19/05/2012	22/09/2010	22/09/2012	24/11/2012	20/03/2011	20/03/2013
19/05/2018	22/09/2018	22/09/2018	24/11/2018	20/03/2019	20/03/2019
23.42	**21.19**	**21.19**	**13.89**	**9.76**	**9.76**
100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y
0	0	0	0	640	0
0	0	0	0	302,541	10,760
12,360	**19,127**	**46,929**	**19,047**	**4,567,663**	**396,932**

Date of the Shareholders' meeting		22/04/2008	22/04/2008	22/04/2008	22/04/2008
Grant date (Board of Directors or Management Board)		**02/04/2009**	**10/06/2009**	**10/06/2009**	**21/09/2009**
Total number of beneficiaries		**28**	**29**	**17**	**16**
Total number [(a)] of shares to be subscribed or purchased, from which to be subscribed or purchased by:		**114,324**	**22,291**	**2,137,462**	**53,237**
	Henri de Castries	-	-	271,473	-
	Alfred Bouckaert [(c)]	-	-	296,059	-
	Christopher Condron [(d)]	-	-	341,134	-
	Denis Duverne	-	-	226,398	-
	François Pierson	-	-	194,641	-
Executive Directors:	Wendy Cooper	-	-	-	
The first 10 employees beneficiaries [(b)]		84,309	20,317	615,165	47,753
Start date of exercise		02/04/2011	10/06/2013	10/06/2011	21/09/2013
Expiry date of options		02/04/2019	10/06/2019	10/06/2019	21/09/2019
Subscription or purchase price of options [(a)]		**9.76**	**13.03**	**15.47**	**15.88**
Exercise schedule of options		33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y
Number of options exercised at 31/12/10		0	0	0	0
Options cancelled at 31/12/10		1,536	0	206,619	0
Options outstanding at 31/12/10		**112,788**	**22,291**	**1,930,843**	53,237

(a) Number of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) "employees" non Directors at grant date.
(c) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(d) Mr. Christopher Condron decided to retire as from January 1st, 2011.

In the table above all dates that are indicated are in the format of day/month/year.

22/04/2008	22/04/2008	22/04/2008	22/04/2008	22/04/2008	22/04/2008
08/12/2009	**08/12/2009**	**19/03/2010**	**19/03/2010**	**18/08/2010**	**18/08/2010**
2	**13**	**5,062**	**476**	**3**	**5**
3,134	**20,890**	**7,671,540**	**278,986**	**22,846**	**10,619**
-	-	330,000	-	-	-
-	-	-	-	-	-
-	-	341,000	-	-	-
-	-	264,000	-	-	-
-	-	211,750	-	-	-
	-	7,025	-	-	-
-	18,280	742,217	75,035	-	-
08/12/2011	08/12/2013	19/03/2012	19/03/2012	18/08/2012	18/08/2014
08/12/2019	08/12/2019	19/03/2020	19/03/2020	18/08/2020	18/08/2020
16.60	**16.60**	**15.43**	**15.43**	**13.89**	**13.89**
33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y
0	0	0	0	0	0
0	0	148,089	0	0	1,291
3,134	**20,890**	**7,523,451**	**278,986**	**22,846**	**9,328**

Date of the Shareholders' meeting		22/04/2008	22/04/2008	22/04/2008
Grant date (Board of Directors or Management Board)		**13/10/2010**	**13/10/2010**	**22/12/2010**
Total number of beneficiaries		**1**	**17**	**8**
Total number [a] of shares to be subscribed or purchased, from which to be subscribed or purchased by:		**4,274**	**27,772**	**12,758**
	Henri de Castries	-	-	-
	Alfred Bouckaert [c]	-	-	-
	Christopher Condron [d]	-	-	-
	Denis Duverne	-	-	-
	François Pierson	-	-	-
Executive Directors:	Wendy Cooper	-	-	-
The first 10 employees beneficiaries [b]		-	21,364	-
Start date of exercise		13/10/2012	13/10/2014	22/12/2018
Expiry date of options		13/10/2020	13/10/2020	22/12/2020
Subscription or purchase price of options [a]		**13.01**	**13.01**	**12.22**
Exercise schedule of options		33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	100% after 4 y
Number of options exercised at 31/12/10		0	0	0
Options cancelled at 31/12/10		0	0	0
Options outstanding at 31/12/10		**4,274**	**27,772**	**12,758**

(a) Number of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) "employees" non Directors at grant date.
(c) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(d) Mr. Christopher Condron decided to retire as from January 1st, 2011.

In the table above all dates that are indicated are in the format of day/month/year.

STOCK OPTIONS GRANTED TO EXECUTIVE OFFICERS AND MANAGEMENT COMMITTEE MEMBERS DURING 2010

Members of the Management Committee (or previously the Management Board)		Plan date	Nature of options	Value of options (in Euro)	Number options granted during the year	% of capital	Exercise price (in Euro)	Exercise period	Performance conditions
Henri de Castries	Chairman & Chief Executive Officer	19/03/2010	subscription or purchase	554,400	330,000	0.014%	15.43	19/03/2012-19/03/2020	100% of options: EuroStoxx Insurance index
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	19/03/2010	subscription or purchase	443,520	264,000	0.011%	15.43	19/03/2012-19/03/2020	100% of options: EuroStoxx Insurance index
Alfred Bouckaert[(a)]	CEO for the Northern, Central & Eastern Europe business unit	-	-	-	-	-	-	-	-
Christopher Condron [(b)]	«President» & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	19/03/2010	subscription or purchase	572,880	341,000	0.015%	15.43	19/03/2012-19/03/2020	100% of options: EuroStoxx Insurance index
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-	-	-	-	-	-	-
Nicolas Moreau	CEO of AXA France	19/03/2010	subscription or purchase	244,934	110,000	0.005%	15.43	19/03/2012-19/03/2020	Last third of options: EuroStoxx Insurance index
François Pierson	Global Head of Property & Casualty	19/03/2010	subscription or purchase	355,740	211,750	0.009%	15.43	19/03/2012-19/03/2010	100% of options: EuroStoxx Insurance index
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	19/03/2010	subscription or purchase	183,700	82,500	0.004%	15.43	19/03/2012-19/03/2010	Last third of options: EuroStoxx Insurance index

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

In the tables above all dates that are indicated are in the format of day/month/year.

Member of the Board of directors		Plan date	Nature of options	Value of options (in Euro)	Number options granted during the year	% of capital	Exercise price (in Euro)	Exercise period	Performance conditions
Wendy Cooper	Representative of employees shareholders at the Board of Directors	19/03/10	subscription or purchase	15,643	7,025	0.000%	15.43	19/03/2012-19/03/2020	Last third of options : EuroStoxx Insurance index

The fair value of stock options is determined in accordance with IFRS standards. This is a historical value at the date of grant, calculated for accounting purposes as described in Note 26.3.1 to the 2010 consolidated financial statements included in Part 4 of this Annual Report. This value does not represent a current market value, a current valuation of these options or the actual proceeds if and when the options are exercised. On March 19, 2010, the fair value of one option was €2.50 for options without performance conditions, €1.68 for options with performance conditions.

Under the AXA Group Compliance and Ethics Guide, all employees (including all Executive Officers) are prohibited from engaging in any transaction designed to hedge the value of equity based compensation awards (including stock options, performance units, restricted shares, or similar awards) granted under any plan or arrangement maintained by AXA or any of its subsidiaries. This restriction applies from the date of grant until such time as the beneficiary receives the securities underlying the award upon, for example, the exercise of a stock option, the lapse of restrictions on performance units, restricted shares or similar events.

STOCK OPTIONS EXERCISED BY EXECUTIVE OFFICERS AND MANAGEMENT COMMITTEE MEMBERS DURING 2010

Members of the Management Committee (or previously the Management Board)		AXA options				ADS AXA options			
		Date of grant	Number options exercised during the year	Exercise price (in Euro)	Date of exercise	Date of grant	Number options exercised during the year	Exercise price (in USD)	Date of exercise
Henri de Castries	Chairman & Chief Executive Officer	-	-	-	-	-	-	-	-
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	-	-	-	-	-	-	-	-
Alfred Bouckaert [(a)]	CEO for the Northern, Central & Eastern Europe business unit	-	-	-	-	-	-	-	-
Christopher Condron [(b)]	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	-	-	-	-	-	-	-	-
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-	-	-	-	-	-	-
Nicolas Moreau	CEO of AXA France	-	-	-	-	-	-	-	-
François Pierson	Global Head of Property & Casualty	-	-	-	-	-	-	-	-
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	-	-	-	-	-	-	-	-

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

Member of the Board of Directors		AXA options				ADS AXA options			
		Date of grant	Number options exercised during the year	Exercise price (in Euro)	Date of exercise	Date of grant	Number options exercised during the year	Exercise price (in USD)	Date of exercise
Wendy Cooper	Representative of employee shareholders at the Board of Directors	-	-	-	-	-	-	-	-

In the tables above all dates that are indicated are in the format of day/month/year.

STOCK OPTIONS GRANTED AND/OR EXERCISED BY THE TOP 10 BENEFICIARIES (OUTSIDE THE EXECUTIVE OFFICERS) DURING 2010

Stock options granted or exercised by the top 10 beneficiaries (outside management bodies' members) during the year	Number of options granted or exercised	Weighted average price (in Euro)
Stock options granted during the year by AXA or any eligible AXA Group's subsidiaries, to the ten employees, outside management bodies' members of the Company or of eligible AXA Group's subsidiaries, who received the highest number of stock options (aggregate information)	742,217	15.43
Stock options on AXA or any eligible AXA Group's subsidiaries, exercised during the year by the ten employees, outside management bodies' members of the Company or of eligible AXA Group's subsidiaries, who exercised the highest number of stock options (aggregate information)	27,596	10.47

STOCK OPTIONS HELD BY EXECUTIVE OFFICERS (OPTIONS GRANTED BUT NOT EXERCISED AS AT DECEMBER 31, 2010)

Members of the Management Committee (or previously the Management Board)		Balance of options at 31/12/10	
		AXA	ADS AXA
Henri de Castries	Chairman & CEO	5,219,084	-
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	2,610,758	-
Alfred Bouckaert [(a)]	CEO for the Northern, Central & Eastern Europe business unit	1,544,188	-
Christopher Condron [(b)]	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	2,737,119	1,540,823
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-
Nicolas Moreau	CEO of AXA France	805,039	-
François Pierson	Global Head of Property & Casualty	2,609,260	-
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	82,500	-

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

Member of the Board of Directors		Balance of options at 31/12/10	
		AXA	ADS AXA
Wendy Cooper	Representative of employee shareholders at the Board of Directors	40,106	73,899

Performance shares and performance units

Since 2004, stock options have been partially replaced by Performance Units.

From 2005 onwards, as a result of the new French law related to the grant of free shares, Performance Units have been replaced in France by Performance Shares. Performance Shares are free shares whose final acquisition is subject to performance conditions.

Performance Units/Shares aim at:

- Rewarding and retaining the best talents by associating them to the intrinsic performance of the AXA Group and of their operational business unit as well as to the performance of the AXA share in the medium-term (3 to 4 years);
- Reducing shareholder dilution by granting less subscription options.

Grant criteria for Performance Units/Shares are similar to those used for stock options.

Performance Shares are usually granted to beneficiaries domiciled in France while Performance Units are granted to beneficiaries domiciled outside of France.

The principle of Performance Units/Shares is as follows:

- Each beneficiary receives an initial grant of Performance Units/Shares. This number will be used to calculate the actual number of units or shares that will definitely be granted at the end of a 2-year performance period;
- Each year during the performance period, half of the Performance Units/Shares initially granted is subject to collective performance conditions measuring both the performance of the AXA Group and the beneficiary's operational business unit performance, based on pre-determined targets;
- For beneficiaries in operating business units, their operational business unit performance carries a weighting of 2/3 while the AXA Group performance carries a weighting of 1/3. For beneficiaries in Group support functions, the performance is measured at AXA Group level only;
- In 2006 and 2007, the performance indicators were for both the AXA Group and the operational business units: underlying earnings, P&C revenues and new business value in Life & Savings;
- In 2008 and 2009, the performance indicators were:
  - for the operational business units performance: underlying earnings, P&C revenues and new business value in Life & Savings,
  - for the AXA Group performance: underlying earnings per share, P&C revenues and new business value in Life & Savings;
- For the Performance Units and Performance Shares granted in 2010, the cumulated performance in 2010 and 2011 will be measured over a two year period, based on the following performance indicators:
  - For the operational business units performance: underlying earnings and net income,
  - For the AXA Group performance: net income per share;
- The achievement of these performance targets determines the number of Units/Shares that will be acquired by the beneficiary at the end of the acquisition period, subject to the beneficiary being still employed by the AXA Group. The number of Units/Shares acquired may vary between 0% and 130% of the Performance Units/Shares initially granted.

As far as Performance Units are concerned:

- Since 2004, Units acquired at the end of the 2-year acquisition period are valued on the basis of the average closing price of the AXA share during the last 20 trading days of the acquisition period;
- For the grants prior to 2010, if the number of units acquired is less than 1,000, the amount corresponding to the value of these units is paid in cash to the beneficiary. If the number of units acquired is equal to or higher than 1,000, the beneficiary only receives 70% of the value in cash to allow her/him to pay social contributions and income taxes calculated on 100% of that value, and 30% of these units are reinvested into AXA shares which are restricted from sale during a 2-year period, in order to develop employees' share ownership and align employees and shareholders' interests;
- For the Performance Units granted in 2010, 50% of the units definitely granted at the end of the 2-year acquisition period will be subject to an additional 1-year acquisition period, and will be valued on the basis of the average closing price of the AXA share during the last 20 trading days of the acquisition period.

As far as Performance Shares are concerned:

- Shares acquired, under the condition that the beneficiary is still employed by the AXA Group, at the end of the 2-year performance period are restricted from sale during a 2-year period.

The amounts corresponding to Performance Units are charged to expenses each year under the variable accounting method, but do not create any dilution for shareholders since no new shares are issued.

Performance Shares, even if shares ultimately delivered to beneficiaries are newly issued shares (until now, AXA has always delivered existing shares), represent less shareholder dilution than stock options, due to the smaller volume of the grant.

Within the global cap authorized by the shareholders, the Board of Directors approves all Performance Shares programs prior to their implementation.

Each year, the Board of Directors, acting on the recommendation of its Compensation & Human Resources Committee approves a global Performance Shares pool to be granted. The annual grants of Performance Shares are generally made simultaneously with the granting of stock options.

The recommendations for individual grants of Performance Shares and Performance Units are made by the business units Chief Executive Officers and by the Group functional department heads. These recommendations are reviewed by the Executive Management to ensure coherence and fairness. Individual grants of Performance Shares and Performance Units are then decided by the Board of Directors, provided that individual grants grants to the Chairman & Chief Executive Officer, the Deputy Chief Executive Officer and other members of the Executive Committee are preceded by a proposal of the Compensation & Human Resources Committee of the Board of Directors.

Following the governance change in 2010, the Board of Directors, acting upon recommendation of its Compensation & Human Resources Committee, decided on December 22, 2010 that the total number of Performance Shares granted to the Executive Officers (Chairman & Chief Executive Officer and Deputy Chief Executive Officer) each year may not exceed 10% of the aggregate number of Performance Shares granted to all beneficiaries during the same year.

PERFORMANCE UNITS

The acquisition period of the Performance Unit plan launched on April 1, 2008 with 2,441,070 Performance Units initially granted to 2,752 beneficiaries outside France, ended on April 1, 2010. At that date, a total of 1,639,604 units had been acquired by 2,438 employees. The settlement of these units was made partly in cash (€21.8 million) and partly in AXA shares (276,786 shares) which are subject to a 2-year restriction period until April 1, 2012.

The acquisition period of the Performance Unit plan launched on March 20, 2009 with 2,957,911 Performance Units initially granted to 3,608 beneficiaries outside France will end on March 20, 2011.

The acquisition period of the Performance Unit plan launched on April 2, 2009 with 160,025 Performance Units initially granted to 216 beneficiaries in Japan will end on April 2, 2011.

The acquisition period of the Performance Unit plan launched on June 10, 2009 with 350,792 Performance Units initially granted to 28 beneficiaries outside France will end on June 10, 2011.

A new Performance Unit plan was launched on March 19, 2010 and 3,924,244 Performance Units were initially granted to 3,972 beneficiaries outside France.

PERFORMANCE SHARES

The acquisition period of the Performance Shares plan launched on April 1, 2008 with 1,401,587 Performance Shares granted to 1,566 beneficiaries in France, ended on April 1, 2010. At that date, a total of 1,087,393 shares had been acquired by 1,450 employees. These shares are subject to a 2-year restriction period until April 1, 2012.

The acquisition period of the Performance Shares plan launched on April 28, 2008 with 51,223 Performance Shares granted to 13 beneficiaries, ended on April 28, 2010 for 28,172 Performance Shares granted to 7 employees in France (the 23,634 acquired share being restricted for another 2-year period, *i.e.* until April 28, 2012), and will end on April 28, 2012 for 23,051 Performance Shares granted to 6 employees outside France (the acquired shares will not be subject to any restriction period).

The acquisition period of the Performance Shares plan launched on March 20, 2009 with a total of 1,528,418 Performance Shares granted to 1,740 beneficiaries in France will end on March 20, 2011 and the acquired shares will be subject to a 2-year restriction period until March 20, 2013.

The acquisition period of the Performance Shares plan launched on June 10, 2009 with a total of 433,231 Performance Shares granted to 8 beneficiaries in France will end on June 10, 2011. The shares acquired will be subject to a 2-year restriction period until June 10, 2013.

A new Performance Shares plan was launched on March 19, 2010 and 1,940,338 Performance Shares were initially granted to 1,777 beneficiaries in France. The 2-year acquisition period of this plan will end on March 19, 2012 and the acquired shares will be subject to a 2-year restriction period until March 19, 2014.

PERFORMANCE UNITS/SHARES SUMMARY

Performance Units

	Initial grant					Acquisition	
Grant date	Number of beneficiaries	Performance Units granted	Units cancelled	Units acquired at 31/12/10	Balance at 31/12/10	Acquisition date	Units acquired
26/03/2004	2,550	1,037,116	484,934	-	-	26/03/2007	645,604
29/03/2005	1,707	938,880	81,334	-	-	29/03/2007	960,520
31/03/2006	2,072	1,453,441	150,323	-	-	31/03/2008	1,365,787 (a)
10/05/2007	2,346	1,361,869	152,364	-	-	10/05/2009	902,288 (b)
01/04/2008	2,752	2,441,070	215,793	-	-	01/04/2010	1,639,604 (c)
20/03/2009	3,608	2,957,911	231,309	21,366 (d)	2,684,267	20/03/2011	-
02/04/2009	216	160,025	12,505	-	140,097	02/04/2011	-
10/06/2009	28	350,792	20,284	-	328,601	10/06/2011	-
19/03/2010	3,972	3,924,244	168,156	3,810 (e)	3,752,857	19/03/2012 (f)	-

(a) The 1,365,787 units acquired by 1,838 beneficiaries of the March 31, 2006 plan have been settled as €24.3 million and 238,019 shares restricted until March 31, 2010.

(b) The 902,288 units acquired by 2,046 beneficiaries of the May 10, 2007 plan have been settled as €9.3 million and 152,364 shares restricted until May 10, 2011.

(c) The 1,639,604 units acquired (from which 5,722 units acquired by anticipation related to deceased beneficiaries) by 2,438 beneficiaries of the April 1st, 2008 plan have been settled as €21.8 million and 276,786 shares restricted until April 1st, 2012.

(d) 21,366 units of the March 20, 2009 plan, acquired by anticipation related to deceased beneficiaries or related to the selling of a business.

(e) 3,810 units of the March 19, 2010, acquired by anticipation related to deceased beneficiaries.

(f) The settlement of 50% of the units actually granted will be deferred and subject to the beneficiary being an employee of the AXA Group.

In the table above all dates that are indicated are in the format of day/month/year.

The numbers of Performance Units indicated from the April 1st, 2008 plan onwards (excluding the March 19, 2010 plan) have been adjusted to take into account the impact of the share capital increase with preferential subscription rights of December 4, 2009.

Performance Shares

	Initial grant					Acquisition	
Grant date	Number of beneficiaries	Performance Shares granted	Shares cancelled	Shares acquired at 31/12/10	Balance at 31/12/10	Acquisition date	Shares acquired
21/04/2005	1,154	743,310	19,621	-	-	21/04/2007	793,139
21/04/2005	770	250,306 (a)	4,741	-	-	21/04/2005	268,965
21/04/2005	770	143,630 (b)	2,690	-	-	21/04/2005	140,882
31/03/2006	1,186	893,326	34,582	-	-	31/03/2008	885,312
10/05/2007	1,433	782,432	26,973	-	-	10/05/2009	608,757 (c)
01/04/2008	1,566	1,401,587	45,212	-	-	01/04/2010	1,087,393 (c)
28/04/2008	7	28,172	-	-	-	28/04/2010	23,634
28/04/2008	6	23,051	-	-	17,668	28/04/2012	-
20/03/2009	1,740	1,528,418	44,325	-	1,501,419	20/03/2011	-
10/06/2009	8	433,231	70,071	-	365,722	10/06/2011	-
19/03/2010	1,777	1,940,338	22,725	-	1,917,613	19/03/2012	-

(a) Performance Shares granted as replacement for 250,306 Performance Units 2004 cancelled.

(b) Restricted Shares granted as replacement for 143,630 Performance Units 2004 cancelled.

(c) from which 461 shares of the May 10, 2007 Plan and 506 shares of the April 1st, 2008 Plan acquired by anticipation related to deceased beneficiaries.

In the table above all dates that are indicated are in the format of day/month/year.

The numbers of Performance Shares indicated from the April 1st, 2008 plan onwards (excluding the March 19, 2010 plan) have been adjusted to take into account the impact of the share capital increase with preferential subscription rights of December 4, 2009.

PERFORMANCE SHARES GRANTED TO EXECUTIVE OFFICERS AND MANAGEMENT COMMITTEE MEMBERS DURING 2010

Members of the Management Committee (or previously the Management Board)		Plan date	Performance shares granted	% of capital	Value of Performance shares (in Euro)	Acquisition date	End of restriction	Performance conditions
Henri de Castries	Chairman & Chief Executive Officer	19/03/2010	108,000	0.005%	1,137,240	19/03/2012	19/03/2014	- net income - underlying earnings - net income per share
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	19/03/2010	86,400	0.004%	909,792	19/03/2012	19/03/2014	- net income - underlying earnings - net income per share
Alfred Bouckaert [(a)]	CEO for the Northern, Central & Eastern Europe business unit	-	-	-	-	-	-	-
Christopher Condron [(b)]	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	-	-	-	-	-	-	-
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-	-	-	-	-	-
Nicolas Moreau	CEO of AXA France	-	-	-	-	-	-	-
François Pierson	Global Head of Property & Casualty	19/03/2010	69,300	0.003%	729,729	19/03/2012	19/03/2014	- net income - underlying earnings - net income per share
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	-	-	-	-	-	-	-

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

Member of the Board of Directors		Plan date	Performance shares granted	% of capital	Value of Performance shares (in Euro)	Acquisition date	End of restriction	Performance conditions
Wendy Cooper	Representative of employee shareholders at the Board of Directors	-	-	-	-	-	-	-

In the tables above all dates that are indicated are in the format of day/month/year.

The fair value of Performance Shares is determined in accordance with IFRS standards. It corresponds to a historical value at the date of grant, calculated for accounting purposes as described in Note 26.3.1 to the 2010 consolidated financial statements included in Part 4 of this Annual Report. This value does not represent a current market value, a current valuation of these performance shares or the actual proceeds if and when the Performance Shares are acquired.

Under the AXA Group Compliance and Ethics Guide, all employees (including all Executive Officers) are prohibited from engaging in any transaction designed to hedge the value of equity based compensation awards (including stock options, performance units, restricted shares, or similar awards) granted under any plan or arrangement maintained by AXA or any of its subsidiaries. This restriction applies from the date of grant until such time as the beneficiary receives the securities underlying the award upon, for example, the exercise of a stock option, the lapse of restrictions on performance units, restricted shares or similar events.

PERFORMANCE SHARES ACQUIRED BY EXECUTIVE OFFICERS AND MANAGEMENT COMMITTEE MEMBERS DURING 2010

Members of the Management Committee (or previously the Management Board)		Plan date	Performance shares granted	Acquisition date	Shares acquired during the year	Performance score over the acquisition period	End of restriction period
Henri de Castries	Chairman & Chief Executive Officer	01/04/2008	86,052	01/04/2010	66,097	77%	01/04/2012
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	01/04/2008	68,841	01/04/2010	52,877	77%	01/04/2012
Alfred Bouckaert (a)	CEO for the Northern, Central & Eastern Europe business unit	-	-	-	-	-	-
Christopher Condron (b)	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	-	-	-	-	-	-
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-	-	-	-	-
Nicolas Moreau	CEO of AXA France	-	-	-	-	-	-
François Pierson	Global Head of Property & Casualty	01/04/2008	61,670	01/04/2010	53,815	87%	01/04/2012
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	-	-	-	-	-	-

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

Member of the Board of Directors		Plan date	Performance shares granted	Acquisition date	Shares acquired during the year	Performance score over the acquisition period	End of restriction period
Wendy Cooper	Representative of employee shareholders at the Board of Directors	-	-	-	-	-	-

In the tables above all dates that are indicated are in the format of day/month/year.

PERFORMANCE SHARES BECOMING UNRESTRICTED DURING 2010 FOR EACH EXECUTIVE OFFICER AND MANAGEMENT COMMITTEE MEMBERS

Members of the Management Committee (or previously the Management Board)		Plan date	Number shares becoming unrestricted during the year	Date of availability
Henri de Castries	Chairman & Chief Executive Officer	31/03/2006	59,075	31/03/2010
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	31/03/2006	32,915	31/03/2010
Alfred Bouckaert (a)	CEO for the Northern, Central & Eastern Europe business unit	-	-	-
Christopher Condron (b)	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	-	-	-
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-	-
Nicolas Moreau	CEO of AXA France	31/03/2006	9,156	31/03/2010
François Pierson	Global Head of Property & Casualty	31/03/2006	33,100	31/03/2010
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	-	-	-

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

Member of the Board of Directors		Plan date	Number shares becoming unrestricted during the year	Date of availability
Wendy Cooper	Representative of employee shareholders at the Board of Directors	-	-	-

In the tables above all dates that are indicated are in the format of day/month/year.

PERFORMANCE UNITS GRANTED TO EXECUTIVE OFFICERS AND MANAGEMENT COMMITTEE MEMBERS DURING 2010

Members of the Management Committee (or previously the Management Board)		Plan date	Performance units granted	Value of Performance units (in Euro)	Acquisition date	End of restriction of shares	Performance conditions
Henri de Castries	Chairman & Chief Executive Officer	-	-	-	-	-	-
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	-	-	-	-	-	-
Alfred Bouckaert [(a)]	CEO for the Northern, Central & Eastern Europe business unit	-	-	-	-	-	-
Christopher Condron [(b)]	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	19/03/2010	111,600	1,175,148	19/03/2012	19/03/2013	- net income - underlying earnings - net income per share
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-	-	-	-	-
Nicolas Moreau	CEO of AXA France	19/03/2010	36,000	379,080	19/03/2012	19/03/2013	- net income - underlying earnings - net income per share
François Pierson	Global Head of Property & Casualty	-	-	-	-	-	-
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	19/03/2010	27,000	284,310	19/03/2012	19/03/2013	- net income - underlying earnings - net income per share

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

Member of the Board of Directors		Plan date	Performance units granted	Value of Performance units (in Euro)	Acquisition date	End of restriction of shares	Performance conditions
Wendy Cooper	Representative of employee shareholders at the Board of Directors	19/03/2010	5,218	54,946	19/03/2012	19/03/2013	- net income - underlying earnings - net income per share

The settlement of 50% of the units actually granted will be deferred and subject to the beneficiary being an employee of the AXA Group.

In the tables above all dates that are indicated are in the format of day/month/year.

PERFORMANCE UNITS ACQUIRED BY EXECUTIVE OFFICERS AND MANAGEMENT COMMITTEE MEMBERS DURING 2010

Members of the Management Committee (or previously the Management Board)		Plan date	Performance units granted	Acquisition date	Performance units acquired	Performance score over the period	Cash settlement (in Euro)	Share settlement	End of restriction period
Henri de Castries	Chairman & Chief Executive Officer	-	-	-	-	-	-	-	-
Denis Duverne	Deputy CEO in charge of Finance, Strategy and Operations	-	-	-	-	-	-	-	-
Alfred Bouckaert (a)	CEO for the Northern, Central & Eastern Europe business unit	01/04/2008	50,197	01/04/2010	41,533	83%	465,749	12,460	01/04/2012
Christopher Condron (b)	"President" & CEO of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health	01/04/2008	108,122	01/04/2010	76,301	71%	855,644	22,890	01/04/2012
Peter Kraus	Chairman & CEO of AllianceBernstein (United States)	-	-	-	-	-	-	-	-
Nicolas Moreau	CEO of AXA France	01/04/2008	25,816	01/04/2010	13,172	51%	147,704	3,952	01/04/2012
François Pierson	Global Head of Property & Casualty	-	-	-	-	-	-	-	-
Jacques de Vaucleroy	CEO for the Northern, Central and Eastern Europe business unit	-	-	-	-	-	-	-	-

(a) Mr. Alfred Bouckaert decided to retire as from April 29, 2010.
(b) Mr. Christopher Condron decided to retire as from January 1st, 2011.

Member of the Board of Directors		Plan date	Performance units granted	Acquisition date	Performance units acquired	Performance score over the period	Cash settlement (in Euro)	Share settlement	End of restriction period
Wendy Cooper	Representative of employee shareholders at the Board of Directors	01/04/2008	3,614	01/04/2010	2,551	71%	28,612	765	01/04/2012

In the tables above all dates that are indicated are in the format of day/month/year.

Share ownership policy for executives of the Group

As proposed by the Management Board, the Supervisory Board had decided to implement, as from January 1, 2007, a shareholding policy applicable to all members of the Management Board and the Executive Committee. Following the governance change in 2010, the Board of Directors reviewed the shareholding requirements for the Chairman & Chief Executive Officer, the Deputy Chief Executive Officer, the members of the Management Committee and the members of the Executive Committee.

This policy requires each executive director to hold, during the entire duration of his/her functions, a minimum number of AXA shares (the "Minimum Shareholding Requirement") representing a multiple of the annual total cash compensation (fixed salary plus annual variable compensation) received for his/her functions within the Group:

- the Chairman & Chief Executive Officer is required to hold the equivalent of his total cash compensation multiplied by 3;
- the Deputy Chief Executive Officer is required to hold the equivalent of his total cash compensation multiplied by 2;
- Management Committee members are required to hold the equivalent of their total cash compensation multiplied by 1.5;
- Executive Committee members are required to hold the equivalent of their total cash compensation multiplied by 1.

AXA shares, ADSs or shares of listed Group subsidiaries, held directly or indirectly through Mutual funds or similar investment vehicles, are taken into account for purposes of this Minimum Shareholding Requirement.

Each executive director is required to meet this Minimum Shareholding Requirement within a period of 5 years as from January 1, 2007 or the date of his/her first appointment if after January 1, 2007.

Pursuant to Articles L.225-197-1 and L.225-185 of the French Commercial Code, the Supervisory Board and then the Board of Directors have decided that, as long as an Executive Officer (Chairman & Chief Executive Officer and Deputy Chief Executive Officer) has not met his/her Minimum Shareholding Requirement, all stock options and performance shares granted to him/her after January 1, 2007 will be subject to the following restrictions:

- Upon each exercise of these stock options granted after January 1, 2007, the Executive Officers must continue to hold in registered form a number of shares obtained upon exercise equal in value to at least 25% of the pre-tax capital gain realized upon exercise (i.e. in France this equals approximately 50% of the post-tax capital gain). These shares will have to be held during the whole term of office of the Executive Officer;
- For Performance Shares granted after January 1, 2007, the Executive Officers must, at every share acquisition date, hold in registered form at least 25% of the Performance Shares acquired during the whole term of office of the Executive Officer.

These restrictions do not apply if an Executive Officer is in compliance with his/her Minimum Shareholding Requirement.

EXECUTIVE OFFICERS

On December 31, 2010, based on the AXA share value (€12.45) and the AllianceBernstein share value (€17.46) at that date, the Company's Executive Officers already met their Minimum Shareholding Requirement such as described in the above Section "Share ownership policy for executives of the Group". The following table summarizes compensations granted to Execuitve Officers during the fiscal year 2010:

	Compensation paid in 2010			Shareholding requirement			Shareholding at 12/31/2010					
	Fixed salary	Variable	Total compensation	Number of years	Amount	Target date	Number of years	Amount	AXA shares	ADS AXA	AXA Shareplan units	Alliance Bernstein shares
Henri de Castries	€833,000	€2,475,676	€3,308,676	3	€9,926,028	01/01/2012	5.8	€19,232,770.20	1,535,778	0	6,218	2,000
Denis Duverne	€660,000	€1,484,395	€2,144,395	2	€4,288,790	01/01/2012	4.4	€9,337,024.65	703,963	18,734	24,460	2,000

Pursuant to the AXA Group Compliance and Ethics Guide, Executive Officers must refrain from any purchase or sale of AXA securities during specified time periods ("blackout periods") prior to the earnings releases. These blackout periods generally commence about 30 days before its annual and semi-annual earnings releases. Depending on the circumstances, these blackout periods may be declared at other times or may be changed in length.

Discretionary management agreements signed by Messrs. Henri de Castries and Denis Duverne

Messrs. Henri de Castries and Denis Duverne each signed on March 31, 2010 with Banque Degroof a discretionary mandate to manage a portion of the AXA securities they personally own.

As a matter of principle, the discretionary management agreement has been submitted for advice to the Ethics & Governance Committee and to the AXA Supervisory Board at the beginning of 2010. It has been considered that this type of agreement was likely to prevent insider trading offences or defaults and, therefore, protect the rightful interests of relevant executives of the Company.

The main features of this mandate are the following:

- The mandate is signed for an indefinite term;
- Each year, an annual instruction shall be agreed to between the executive and the bank. This instruction shall remain in force for one year and may not be terminated in anticipation by the executive (except in case of gross misconduct from the bank);
- The mandate and the annual instruction shall be signed when the executive is not in possession of any inside information and outside blackout periods. During a 3-month abstention period following the signing of each annual instruction, the bank shall be prohibited from engaging in any transaction on behalf of the executive;
- The executive may not intervene in management by the bank who exercises discretion in application of the annual instruction. The executive generally commits to proscribe all communications with the bank and not to exercise any influence on it.

The transactions on AXA's securities that will be engaged by Banque Degroof on behalf of the relevant executives in application of the annual instruction will be notified pursuant to the provisions of Article L.621-18-2 of the French Monetary and Financial Code (*Code monétaire et financier*). The notifications of such transactions will state that they have been engaged by an investment services provider, on behalf of the executives, in application of a discretionary management mandate.

MEMBERS OF THE BOARD OF DIRECTORS

To the best knowledge of the Company and based on information reported to it, each of the Board of Directors member held, as at December 31, 2010, the number of AXA shares or ADS indicated in the table below.

	Number of shares owned as of December 31, 2010	
	AXA Shares	ADS AXA
Henri de Castries – Chairman & Chief Executive Officer	1,535,778	-
Norbert Dentressangle – Vice-Chairman – Lead Independent Director	13,117 [a]	-
Denis Duverne – Deputy Chief Executive Officer	703,963	18,734
Jacques de Chateauvieux	17,270	-
Ms. Wendy Cooper	-	18,641
Jean-Martin Folz	8,084 [b]	-
Anthony Hamilton	4,813	35,275
Mrs. Isabelle Kocher	0	-
Mrs. Suet Fern Lee	4,000	-
François Martineau	5,067	-
Giuseppe Mussari	7,326	-
Ramon de Oliveira	-	8,100 [c]
Michel Pébereau	6,139	-
Mrs. Dominique Reiniche	4,820	-
Ezra Suleiman	684	5,525

(a) As of January 14, 2011.
(b) As of March 2, 2011.
(c) As of March 16, 2011.

Transactions involving Company securities completed in 2010 by Management Board and Supervisory Board members until April 29, 2010 and then by the members of the Board of Directors as from this date

TRANSACTIONS INVOLVING COMPANY SECURITIES COMPLETED IN 2010 BY THE MANAGEMENT BOARD MEMBERS

To the best of the Company's knowledge based on information reported to it, no transaction was made by members of the Management Board during the period January 1st, 2010 to April 29, 2010.

TRANSACTIONS INVOLVING COMPANY SECURITIES COMPLETED IN 2010 BY MEMBERS OF THE SUPERVISORY BOARD UNTIL APRIL 29, 2010 AND THEN BY MEMBERS OF THE BOARD OF DIRECTORS AS FROM THIS DATE

To the best of the Company's knowledge based on information reported to it, several members of the Supervisory Board until April 29, 2010 and members of the Board of Directors as from this date made the following disclosures in the course of 2010 concerning their transactions involving Company securities. Detailed information about all of these transactions, as well as individual disclosures filed in accordance with Articles 223-22 and 223-25 of the AMF (*Autorité des marchés financiers*) General Regulations, are published on the Company's website (www.axa.com) and on the AMF website (www.amf-france.org).

				Capital increase with shareholders' preferential subscription rights maintained	
Name	Sale of AXA Shares (Number)	Sale of AXA ADS (Number)	Purchase of AXA Shares (Number)	Sale of preferential subscription rights (Number)	Subscription to AXA Shares (Number)
Henri de Castries	-	-	-	-	-
Denis Duverne	-	-	-	-	-
Ms. Wendy Cooper	-	503 (a)	-	-	-
François Martineau	-	-	2,900	-	-
Giuseppe Mussari	-	-	2,300	-	-
Mrs. Dominique Reiniche	-	-	3,420	-	-
Ezra Sueiman	-		2,300	-	-

(a) US over-the-counter market sale (OTCQX).

Subscription options			Capital increase reserved for employees (Share Plan)	
Subscription to AXA Shares (Number)	Subscription to AXA ADS (Number)	Sale of units of AXA Group Mutual funds invested in AXA shares (Number)	Subscription to units of AXA Group Mutual funds invested in AXA shares (Number)	Subscription to AXA ADS (Number)
-	-	-	6,167	-
-	-	-	23,709	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

Commitments made to Executive Officers

PENSION

The Executive Officers of the Company (Messrs. Henri de Castries and Denis Duverne) participate, as all other executive employees (*directeurs*) of AXA Group entities in France, in a supplementary pension scheme with defined benefits.

This scheme, which has existed since January 1st, 1992, has been modified twice with effect from January 1st, 2005 and July 1st, 2009.

The current pension scheme rules were approved by the Supervisory Board on October 7, 2009, after having been presented for advice to all work councils and central work councils in France during the third quarter of 2009.

Under this scheme, a supplementary pension is paid to executives who retire immediately upon leaving the AXA Group, and who have a minimum length of service of 10 years, of which at least 5 years as an executive. May also benefit from the scheme, executives whose employment is terminated by the Company after the age of 55, under the condition that they do not resume any professional activity before retiring.

The amount of the supplementary pension is calculated at the time of retirement and is in addition to the total amount of retirement pensions paid under mandatory schemes (Social Security, ARRCO, AGIRC…) and under any other retirement scheme to which the beneficiary may have participated during his/her career, both within or outside the AXA Group.

The amount of the supplementary pension aims, for a minimum executive seniority of 20 years within the AXA Group, at achieving a global pension equivalent to:

- 40% of the average gross compensation of the past 5 years preceding the retirement date, if this average is superior to 12 annual Social Security ceilings [(1)];
- 50% of the average gross compensation of the past 5 years preceding the retirement date, if this average is inferior to 8 annual Social Security ceilings;
- 2.4 Social Security ceilings +20% of the average gross compensation of the past 5 years preceding the retirement date, if this average is between 8 and 12 annual Social Security ceilings.

Reduced rates shall apply for an executive seniority of less than 20 years. As an example, with 10 years of executive seniority, the supplementary pension allows to reach a global pension equivalent to 34% instead of 40%. This rate is reduced to 20% for an executive seniority of 5 years, and no supplementary pension is paid for an executive seniority of less than 5 years.

In case of departure from the AXA Group before retirement, no supplementary pension is paid.

The Company and its subsidiaries' global commitments as regard to pension or retirement to the aforementioned executives was €26,167,219 million as at December 31, 2010.

(1) For information, the annual Social Security ceiling for 2011 is equal to €35,352.

TERMINATION PROVISIONS

Executive officers	Employment contract		Supplementary pension scheme		Indemnities or advantages due or likely to be due upon termination of functions		Indemnities due for non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Henri de Castries Chairman & CEO Beginning of current mandate: 04/29/2010 Term of office: 2014	–	X	X	–	X	–	–	X
Denis Duverne Deputy CEO Beginning of current mandate: 04/29/2010 Term of office: 2014	–	X	X	–	X	–	–	X

In accordance with the AFEP/MEDEF recommendations Messrs. Henri de Castries and Denis Duverne have decided to renounce their respective employment contracts following AXA's Shareholders' Meeting on April 29, 2010.

In connection with this decision, the Supervisory Board undertook a review of the consequences of this renunciation including with respect to the continuity of the social benefits (health insurance, life insurance, disability insurance, retirement, etc.) to which Messrs. de Castries and Duverne were entitled as employees of AXA. In this context, the Supervisory Board (i) noted that Messrs. de Castries and Duverne have been long-standing employees of the AXA Group (for 20 years and 14 years, respectively) and had the same social benefits as all other director-level employees of AXA in France (with no special benefits or arrangement designed specifically for them), and (ii) was concerned that the decision of Messrs. de Castries and Duverne to renounce their employment contracts in accordance with the AFEP/MEDEF recommendations would not jeopardize the continuity of their accrued and future social benefits.

In this context, on February 17, 2010, the Supervisory Board took the following decisions:

- The Supervisory Board authorized that, following the termination of their employment contracts, Messrs. Henri de Castries and Denis Duverne will continue to have social benefits (health insurance, life insurance, disability insurance, retirement, etc.) on terms equivalent to those of all other director-level employees of the AXA Group in France;
- The Supervisory Board authorized a contractual severance benefit for Messrs. de Castries and Duverne designed to replicate the benefits to which they were entitled as AXA employees under the 1993 collective agreement covering director-level employees of the insurance sector, but with the addition of new performance conditions in accordance with the AFEP/MEDEF recommendations. A severance benefit would be applicable, except in the case of gross or wilful misconduct, solely in the event of dismissal, non-renewal or resignation within 12 months following a change in the Company's control or strategy that has not been initiated by the beneficiary. The payment of the severance benefit would also be subject to the three following performance conditions: (1) achievement, for at least 2 of the 3 preceding fiscal years, of the objectives set for the beneficiary's variable compensation and corresponding to the payment of at least 65% of his variable compensation target; (2) evolution of the AXA share price at least equal to the Dow Jones Eurostoxx Insurance index (in percentage) over a 3-year period preceding the termination of the term of office; (3) financial strength ratings of the AXA Group's principal insurance subsidiaries above or equal to the minimum ratings set by the Board with regard to the insurance industry and the ratings of AXA's principal competitors. The amount of severance benefit to be paid to the beneficiary would be adjusted in accordance with the level of achievement against these performance conditions: (1) 100% of the severance benefit will be paid if at least 2 of the 3 performance conditions are met; (2) 40% of the severance benefit will be paid if only 1 performance condition is met; and (3) no severance benefit shall be paid if none of the performance conditions are met. Notwithstanding the foregoing, if only 2 of the 3 performance conditions are met, the amount of severance benefit will be reduced by 50% if the performance condition (1) is not met or if AXA's consolidated net income for the preceding fiscal year was negative.

  No severance benefit will be paid if the beneficiary is entitled to an additional pension scheme within the 6 months following his termination.

  The initial amount of the severance benefit would be equal to 19 months of the average compensation (fixed and variable) paid during the 24-month period preceding termination for Mr. Henri de Castries, and equal to 12 months of this average for Mr. Denis Duverne. For each beneficiary, one month will be added to the initial amount of the severance benefit for each additional year of future service up to a maximum cap of 24 months.

These commitments took effect upon the effective renunciation by Messrs. Henri de Castries and Denis Duverne of their respective employment contracts and will continue so long as they remain executive officers of AXA (including under renewed mandates);

- Messrs. Henri de Castries and Denis Duverne also renounced the indemnities to which they were entitled, pursuant to the collective agreement dated 1993, as employees (i) at the time of their retirement (*indemnités de départ en retraite*) and (ii) in case of termination (six month prior notice).

Employee shareholders

SHAREPLAN

Since 1993, the AXA Group has promoted employee shareholding by offering each year to its employees an opportunity to become shareholders through a special share capital increase reserved exclusively to them ("SharePlan").

By virtue of the authorization granted by the Shareholders' Meeting of April 29, 2010, the Board of Directors increased the Company's share capital through the issue of shares reserved to the Group employees under the SharePlan 2010 program. The shareholders waived their preferential subscription rights so that this offering could be made to employees.

In countries that met the legal, regulatory and tax requirements for participation in SharePlan, two investment options were offered to the Group employees in 2010:

- The traditional plan, offered in 39 countries;
- The leveraged plan, offered in 38 countries.

The traditional plan allowed employees to subscribe through a personal investment to AXA shares (either through Mutual funds (FCPE) or through direct share ownership, depending on countries) with a 20% discount. The shares are held within the Group Company Savings Plan and are restricted from sale during a period of approximately 5 years (except specific early exit cases allowed by applicable laws). Employees are subject to the share price evolution, up or down, as compared to the subscription price.

At the end of the 5 year holding period, the employees can, depending on their residence country, do any one of the following: (1) receive the cash value of their assets; (2) receive the value of their assets in the form of AXA shares; or (3) transfer their assets invested in the leveraged plan into the traditional sub-fund.

The leveraged plan allowed employees to subscribe, on the basis of 10 times their personal investment, to AXA shares (either through Mutual funds (FCPE) or through direct share ownership, depending on countries) with a 16.71% discount in 2010. The shares are held within the Group Company Savings Plan and are restricted from sale during a period of approximately 5 years (except specific early exit cases allowed by applicable laws). Employees' personal investment is guaranteed by a bank, and employees also benefit from a portion of the share appreciation, as compared to the non-discounted reference price.

New Mutual funds (FCPE) with direct voting rights have been created since 2005 to allow beneficiaries, in most cases, to directly exercise their voting rights during the Company's Shareholder Meetings.

The SharePlan 2010 program was carried out through a capital increase that took place in December 2010 and was open to almost all Group employees through voluntary contributions:

- 26,480 employees took part in SharePlan 2010, representing 21.6% of eligible employees;
- The total amount invested was €330.4 million, as follows:
  - €20.8 million in the traditional plan, and
  - €309.6 million in the leveraged plan;
- A total of 30.1 million new shares were issued, each with a par value of €2.29. These shares began earning dividends on January 1st, 2010.

As at December 31, 2010, AXA employees and agents held 6.50% of the share capital and 7.56% of the voting rights. These shares are owned through Mutual funds or directly either in the form of ordinary shares or ADSs.

2.3 DESCRIPTION OF THE COMPANY'S SHARE REPURCHASE PROGRAM

Pursuant to Article 241-2 of the AMF General Regulations, this section constitutes the description of the Company's share repurchase program that will be submitted to the shareholders for approval at AXA's General Meeting on April 27, 2011.

DATE OF THE SHAREHOLDERS' MEETING CONVENED TO AUTHORIZE THE PROGRAM

April 27, 2011.

TREASURY SHARES (HELD DIRECTLY BY THE COMPANY OR OWNED BY COMPANY SUBSIDIARIES) AS OF JANUARY 31, 2011

The table below sets forth the number of AXA shares and the percentage of shares directly (treasury shares) or indirectly (treasury shares held by the subsidiaries) held by the Company.

	Number of shares	% of share capital [(a)]	Par value (in Euro)
Treasury shares held directly by the Company	7,223,723	0.31%	16,542,325.67
Treasury shares owned by Company subsidiaries	17,294,909	0.75%	39,605,341.61
TOTAL	**24,518,632**	**1.06%**	**56,147,667.28**

(a) Percentage calculated on the basis of the number of AXA's outstanding ordinary shares as of January 31, 2011 (Source: Euronext Notice of February 3, 2011).

ANALYSIS OF TREASURY SHARES AS OF JANUARY 31, 2011

	Liquidity contract	Hedging of free shares granted to employees	Cancellation
Number of treasury shares held directly by the Company	1,950,000	5,273,723	–

OBJECTIVES OF THE COMPANY'S SHARE REPURCHASE PROGRAM

Pursuant to the provisions of the European Commission Regulation n° 2273/2003 which came into force on December 22, 2003 and in accordance with market practices permitted by the AMF, the objectives of the Company's share repurchase program that will be submitted to the shareholders' approval on April 27, 2011 are the following:

a) optimizing the liquidity of AXA ordinary shares, and notably to foster regular and liquid trading through a liquidity contract that complies with the AMAFI (*Association Française des Marchés Financiers*) Code of conduct approved by the AMF, and agreed to with an investment service provider, in compliance with market practices accepted by the AMF;

b) (i) hedging stock options offered to some or all employees or corporate officers of the Company and/or affiliated entities or economic interest groups as defined in Article L.225-180 of the French Commercial Code, (ii) granting free shares (*actions gratuites*), in accordance with legal provisions, to some or all present or former employees, corporate officers and general insurance agents pursuant to the discount and/or contribution (*abondement*) within an employee savings plan sponsored by the Company or the AXA Group, (iii) granting free shares (*actions gratuites*) to some or all employees or corporate officers of the Company and/or its affiliated entities or economic interest groups in particular Pursuant to Article L.225-197-2 of the French Commercial Code, in connection with the provisions of Articles L.225-197-1 *et seq* of the French Commercial Code, and (iv) assigning shares to some or all present or former employees, corporate officers and general insurance agents of the Company or the AXA Group in connection with the implementation of any employee savings plan complying with the applicable laws and regulations, notably the Articles L.3332-1 *et seq* of the French Labor Code, or all other employee savings plans, as well as carrying out any hedging transaction related to the employee savings plans referred to in (iv);

c) holding shares for the purpose of subsequent payment or exchange in respect of potential external growth acquisitions, in compliance with the market practice accepted by the AMF;

d) delivering shares upon exercise of convertible, exchangeable or other securities giving a claim to the Company's share capital by way of repayment, conversion, exchange, presentation of a warrant or in any other manner;

e) cancelling some or all of the repurchased shares, provided that the Board of Directors is duly authorized by the shareholders, under an extraordinary resolution, to reduce the capital through the cancellation of the shares acquired pursuant to a share repurchase program; or

f) in general, performing all admissible operations, or to be subsequently admitted, by the applicable laws and regulations.

MAXIMUM PERCENTAGE OF SHARE CAPITAL, MAXIMUM NUMBER AND TYPES OF SECURITIES THAT MAY BE REPURCHASED BY THE COMPANY AND MAXIMUM PURCHASE PRICE

	Share repurchase program submitted to shareholders approval on April 27, 2011		
Type of securities	**Maximum % of share capital**	**Maximum number of shares [(a)]**	**Maximum purchase price (per share)**
Ordinary shares	10%	232,010,523	€35

(a) This number represents the theoretical maximum number of shares that may be purchased by the Company, calculated on the basis of the Company's registered share capital as of February 3, 2011, i.e. €5,313,040,992.73 divided into 2,320,105,237 shares. Based on the number of treasury shares already held directly by the Company on that date, AXA may purchase up to 224,786,800 of its own shares.

DURATION OF THE REPURCHASE PROGRAM

18 months, subject to the approval of the program by the Ordinary Shareholders' Meeting of April 27, 2011.

TRANSACTIONS COMPLETED IN 2010 BY AXA ON ITS OWN SHARES

In connection with its share repurchase programs, which were approved respectively by AXA's shareholders at their General Meeting held on April 30, 2009 (10th resolution) and at their General Meeting held on April 29, 2010 (11th resolution), AXA, in accordance with the provisions of Article L.225-209 of the French Commercial Code, has continued the liquidity contract dated May 16, 2005 that complies with the AMAFI Code of Conduct approved by AMF. This contract has an initial duration of one year, it is automatically renewed unless terminated by one of the parties and appoints Crédit Agricole Cheuvreux to execute transactions pursuant to the terms of the contract.

Between January 1, 2010 and December 31, 2010, 18,621,599 shares were purchased under this liquidity contract [(1)] for an average weighted gross unit price of €13.80 and 18,511,599 shares were sold for an average weighted gross unit price of €13.90. Related transaction fees incurred over the same period amounted to €275,000.

In addition, and in connection with the two share repurchase programs carried out pursuant to Article L.225-209 of the French Commercial Code (liquidity contracts being excluded), between January 1, 2010 and December 31, 2010, AXA repurchased (i) 820,492 of its own shares (settlement of a futures contracts) for an average weighted gross per share of €18.02, and (ii) 597 of its own shares (exercises of call options in consideration of securities' cancellation) for an average weighted gross unit price of €49.31.

As a result, on December 31, 2010 the number of treasury shares held under the liquidity contract was 3,000,000 and the number of treasury shares, allocated for hedging purposes, was 5,273,983, *i.e.* a total of 8,273,983 shares held directly by the Company, equal to 0.36% of AXA's share capital at the year-end closing date, acquired for an aggregate purchase price of €113,743,411.21 (with a par value of €2.29 per share).

(1) On February 18, 2011, AXA announces the termination of the liquidity contract initially entered into on May 16, 2005 with Crédit Agricole Cheuvreux.

2.4 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Capital Ownership

As of December 31, 2010, AXA's fully paid up and issued share capital amounted to €5,313,040,992.73 divided into 2,320,105,237 ordinary shares, each with a par value of €2.29 and eligible for dividends as of January 1st, 2010.

To the best of the Company's knowledge, the table below summarizes the ownership of its issued outstanding ordinary shares and related voting rights as of December 31, 2010:

	Number of shares	% of capital ownership	% of voting rights [(a)]
Mutuelles AXA [(b)]	323,355,484	13.94%	21.88%
Treasury shares held directly by the Company	8,273,983	0.36%	[0.29%] [(c)]
Treasury shares held by Company subsidiaries (directly or indirectly) [(d)]	17,372,038	0.75%	[1.08%] [(c)]
Employees and agents	150,840,244	6.50%	7.56%
BNP Paribas SA	120,821,662	5.21%	8.16%
General public	1,699,441,826	73.24%	61.03%
TOTAL	**2,320,105,237 [(e)]**	**100%**	**100%**

(a) *In this table, voting rights' percentages are calculated on the basis that all outstanding ordinary shares are entitled to voting rights, notwithstanding the fact that certain of these shares may be deprived of voting rights by law or otherwise (for example, treasury shares held by AXA or its subsidiaries are deprived of voting rights under French law).*

(b) *AXA Assurances IARD Mutuelle (10.93% of capital ownership and 17.16% of voting rights) and AXA Assurances Vie Mutuelle (3.01% of capital ownership and 4.72% of voting rights).*

(c) *These shares will be entitled to vote when they cease to be treasury shares (e.g. upon their sale or other transfer to an unaffiliated third party).*

(d) *Treasury shares as indicated in Note 13 to "consolidated financial statements" included in Part 4 of this Annual Report.*

(e) *Source: Euronext Notice of January 7, 2011.*

AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle (the "Mutuelles AXA") are parties to agreements pursuant to which they have stated their intention to collectively vote their shares in AXA. As part of these agreements, the Mutuelles AXA have also established a strategy committee (*comité de coordination stratégique*) composed of certain directors from their respective Boards. The strategy committee elects a chairman from among its members (who, at present, is Claude Bébéar) and is generally consulted on all significant matters relating to the Mutuelles AXA including their collective shareholding in and overall relationship with AXA.

To the best of the Company's knowledge, no shareholder held more than 5% of the Company's share capital or voting rights as of December 31, 2010 except as indicated in the table above.

Certain of the Company's shares are entitled to double voting rights as described in Part 5 – "Certain additional information" – "Voting rights" Section of this Annual Report. Of the Company's 2,320,105,237 outstanding ordinary shares as of December 31, 2010, 522,714,335 shares entitled their holders to double voting rights as of that date.

SIGNIFICANT CHANGES IN CAPITAL OWNERSHIP

Significant changes in ownership of the Company's share capital between December 31, 2008 and December 31, 2010 are set forth in the table below:

	As of December 31, 2010 [(a)]			
	Number of shares	Capital ownership (%)	Number of voting rights	Voting rights (%)
Mutuelles AXA [(b)]	323,355,484	13.94%	621,837,469	21.88%
Treasury shares held directly by the Company	8,273,983	0.36%	[8,273,983] [(c)]	[0.29%] [(c)]
Treasury shares held by Company subsidiaries (directly and indirectly) [(d)]	17,372,038	0.75%	[30,875,964] [(c)]	[1.08%] [(c)]
Employees and agents	150,840,244	6.50%	214,844,721	7.56%
General public [(e)]	1,820,263,488	78.45%	1,966,987,435	69.19%
TOTAL	**2,320,105,237 [(f)]**	**100%**	**2,842,819,572**	**100%**

(a) In this table, voting rights' percentages are calculated on the basis that all outstanding ordinary shares are entitled to voting rights, notwithstanding the fact that certain of these shares may be deprived of voting rights by law or otherwise (for example, treasury shares are deprived of voting rights under French law).
(b) AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle.
(c) These share will be entitled to vote when they cease to be treasury shares (e.g. upon their sale or other transfer to an unaffiliated third party).
(d) Treasury shares as indicated in Note 13 to "consolidated financial statements" included in Part 4 of this Annual Report.
(e) Including BNP Paribas SA.
(f) Source: Euronext Notice of January 7, 2011.

As of December 31, 2010, to the best of the Company's knowledge based on the information available to it, the Company had approximately 10,914 total registered holders of its ordinary shares (*i.e.* shareholders holding in nominative form).

FULLY DILUTED CAPITAL AS OF DECEMBER 31, 2010

The following table indicates the Company's fully diluted share capital, assuming that the maximum number of new shares is issued following the exercise of all outstanding stock options and warrants.

	Fully diluted capital
Ordinary shares issued on December 31, 2010 [(a)]	2,320,105,237
Stock options	81,486,814
Stock subscription warrants related to the SharePlan operation in Germany	4,370,360
Maximum total number of shares	2,405,962,411

(a) Source: Euronext Notice of January 7, 2011.

As of December 31, 2009 [a]				As of December 31, 2008 [a]			
Number of shares	Capital ownership (%)	Number of voting rights	Voting rights (%)	Number of shares	Capital ownership (%)	Number of voting rights	Voting rights (%)
323,355,484	14.12%	621,837,469	22.20%	298,481,985	14.29%	596,963,970	23.10%
8,616,128	0.38%	[8,616,128] [c]	[0.31%] [c]	4,719,507	0.23%	[4,719,507] [c]	[0.18%] [c]
17,766,863	0.78%	[31,246,043] [c]	[1.12%] [c]	17,584,586	0.84%	[17,584,586] [c]	[0.68%] [c]
135,653,412	5.92%	191,670,224	6.84%	122,348,395	5.86%	175,001,141	6.77%
1,804,573,237	78.80%	1,947,585,692	69.53%	1,646,023,696	78.78%	1,790,194,985	69.27%
2,289,965,124	**100%**	**2,800,955,556**	**100%**	**2,089,158,169**	**100%**	**2,584,464,189**	**100%**

AXA subordinated convertible bonds as of December 31, 2010 [(a)]

	Subordinated convertible bonds issued on February 17, 2000
Number of bonds initially issued	6,646,524
Issue price	€165.50
Total principal amount	€1,099,999,722
Closing date	February 17, 2000
Maturity date	January 1st, 2017
Coupon	3.75%
Conversion	Starting February 17, 2000: 4.41 [(b)] shares for 1 bond
Maturity of the bonds	Total redemption on January 1st, 2017 at €269.16 per bond, i.e. 162.63% of the nominal amount
Early redemption	– The Company may purchase the bonds on any Stock Exchange or otherwise in accordance with applicable law, including by way of tender for purchase or exchange; – At the option of the issuer, in cash, from January 1st, 2007 at a price with a gross 6% actuarial yield, if the Company's share average over 10 consecutive days is above 125% of the anticipated repayment price; – At any time, at the option of the issuer, at €269.16 if the number of bonds in circulation is below 10% of the number of bonds issued.
Number of bonds outstanding as of December 31, 2010	**6,613,129**

(a) AXA's 2017 convertible bonds can still be converted, but any dilutive impact created by the issuance of new shares resulting from the conversion of the bonds is neutralized by the automatic exercise of call options on the AXA shares that were put in place in January 2007.

(b) As a result of certain financing transactions (capital increases with preferential subscription rights, reserves distribution), the conversion conditions of AXA 2017 convertible bonds were adjusted on several occasions since their issue in 2000. The conversion ratio was increased to 4.41 AXA shares with a par value of €2.29 for one convertible bond (see Euronext notice n° PAR_20091109_05426 published on November 9, 2009 and Euronext notice n° PAR_20091209_05954 published on December 9, 2009).

Related party transactions, employee shareholders and cross-shareholding agreements

RELATED PARTY TRANSACTIONS

For information concerning related party transactions, please see Part 4 – "consolidated financial statements" – Note 28 "Related Party Transactions" of this Annual Report.

EMPLOYEE SHAREHOLDERS

SharePlan

Since 1993, the AXA Group has promoted employee shareholding by offering each year to its employees an opportunity to become shareholders through a special equity issue reserved exclusively for them ("SharePlan").

By virtue of the authorization granted by the shareholders at the Annual General Meeting of April 29, 2010 (12th resolution), the Board of Directors increased the Company's share capital in one offering, through the issue of shares to Group employees under the SharePlan 2010 program. The shareholders waived their preferential subscription rights to facilitate this offering to employees. In the countries that met the legal and tax requirements for participation in SharePlan, two investment options were offered in 2010:

- The traditional plan, offered in 39 countries;
- The leveraged plan, offered in 38 countries.

Approximately 26,500 employees in 40 countries took part in SharePlan 2010, and participating employees invested a total of more than €330 million, as follows:

- €20.8 million in the traditional plan; and
- €309.6 million in the leveraged plan.

On the closing of the 2010 SharePlan offering in December 2010, AXA issued a total of more than 30 million new ordinary shares each with a par value of €2.29, all of which were entitled to dividends for 2010.

As of December 31, 2010, AXA employees and agents held 6.50% of the Company's share capital and 7.56% of the voting rights. These shares are owned through Mutual funds or directly either in the form of ordinary shares or ADSs in the framework of the Group employee stock purchase plans.

AXA Miles

In order to reward its employees for the results obtained in 2005 and 2006 and to foster their engagement to the success of its "Ambition 2012" project, AXA has implemented a worldwide program of granting free shares to all its employees, called "AXA Miles".

By virtue of the authorization granted by the shareholders at the General Shareholders' Meeting on May 14, 2007, the Management Board granted on July 1st, 2007, 50 AXA shares to each employee of the AXA Group, with the exception of Management Board and Executive Committee members, who renounced it.

This broad-based grant to all employees having at least 3 months of service as of July 1st, 2007, regardless of their position or compensation level, was designed to underline the important role that all Group employees have in helping the Group to reach its long-term objectives.

The AXA Miles program resulted in a grant of 5,586,900 AXA shares to 111,738 employees in 54 countries. The vesting conditions and compulsory holding periods applicable to these shares (generally four years) vary depending on local regulations. These shares are not fully vested and available to employees before the fourth anniversary of the grant date.

CROSS-SHAREHOLDING AGREEMENTS

AXA has entered into cross-shareholding agreements with BNP Paribas and Schneider which are described hereafter.

Agreement with BNP Paribas Group

On August 5, 2010, and after authorization by the AXA Board of Directors on August 3, 2010, the AXA Group and the BNP Paribas Group entered into an agreement that replaces a prior agreement between them dated December 15, 2005.

The 2010 agreement maintains the option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of three years starting from August 5, 2010, this agreement is renewable automatically for successive periods of one year there after, unless one of the two parties decides to terminate the agreement earlier, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF on August 9, 2010.

Agreement with Schneider Group

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group, the Mutuelles AXA and the Schneider Group entered into an agreement that provides for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertakes to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertakes to hold at least 8,816,681 AXA ordinary shares. The number of shares held under this cross-shareholding agreement will be adjusted as needed to reflect the impact of certain capital transactions, including, but not limited to: free allotments of stock or of exchange of stocks of the same company (stock splits, stock grouping, etc.). In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of one year from the date of signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case the terminating party is required to give a three months notice prior to the next renewal date.

The agreement was made public by the AMF on May 31, 2006.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Special report of Statutory Auditors on regulated agreements and commitments

(For the year ended December 31, 2010)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA SA**
25, avenue Matignon
75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA SA we hereby submit our report on regulated agreements and commitments.

It does not fall within the scope of our assignment to ascertain the potential existence of other agreements and commitments but rather, on the basis of the information that was supplied to us, to inform you, the shareholders, of the main features of those agreements of which we have been informed. It is not our responsibility to express an opinion on the utility or merits of such agreements. Pursuant to Article R. 225-31 of the French Commercial Code, you are asked to form an opinion on the relevance of such agreements for the purpose of approving them.

Furthermore, we are required, if necessary, to provide information, in accordance with Article R.225-31 of the French Commercial Code, on agreements and commitments previously approved by the General Meeting which remained in force.

We performed our work in accordance with the standards of our profession applicable in France. These standards consisted in the verification of the consistency of the information we received with the basis documentation from which they are extracted.

Agreement to be approved by the General Meeting

Agreement authorized during the fiscal year 2010

In accordance with Article L.225-40 of the French Commercial Code, we were advised of the following agreement which was previously authorized by your Board of Directors.

With the BNP Paribas Group - concerned director: Mr. Michel Pébereau

Nature, purpose, terms and conditions:

On August 3, 2010, the AXA Board of Directors authorized the signing of an agreement between AXA and BNP Paribas.

- This agreement, entered into on August 5, 2010, came into force on the signing date and replaces the one in force since December 15, 2005.
- This agreement contains provisions in terms of information requirements in case of change in the cross-shareholdings between the two Groups.
- This agreement provides, specifically, a reciprocal repurchase option with BNP Paribas in the event of a hostile takeover by a third party of the share capital of AXA or BNP Paribas. In these circumstances, and pursuant to the agreement, AXA would be entitled to repurchase, partly or entirely, the outstanding shareholding of the BNP Paribas Group in AXA on the date it exercises its repurchase option. Reciprocally, BNP Paribas will enjoy the same repurchase option over the outstanding shareholding of the AXA Group in BNP Paribas.
- In force for a period of three years as from August 5, 2010, this agreement is renewable automatically for successive periods of one year, unless one of the two parties decides to terminate beforehand, in which case it is required to give three months notice prior to the next renewal date.
- The agreement was made public by the AMF (*Autorité des marchés financiers*) on August 9, 2010.

Agreements and commitments previously approved by the General Meeting

Agreements and commitments approved during prior fiscal years that remained in force in 2010

In accordance with Article L.225-30 of the French Commercial Code, we were advised of the following commitments and regulated agreements, approved during previous fiscal years, which remained in force in 2010.

With the BNP Paribas Group - agreement fixing the relationship with the BNP Paribas Group (authorized by the Supervisory Board of June 29, 2005)

The agreement signed on August 5, 2010 and previously described in section “Agreement authorized during the fiscal year 2010” replaces the agreement in force since December 15, 2005 authorized by the AXA Supervisory Board of June 29, 2005.

With Schneider Electric Group

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group (the AXA Mutuals, AXA and its subsidiaries) and the Schneider Group entered into an agreement that provided for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertook to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertook to hold at least 8,816,681 shares of AXA stock. The number of shares held under this cross-shareholding agreement would be adjusted as needed in order to reflect the impact of capital transactions, including but not limited to free allotments of stock or share tenders involving the same company (stock splits or regrouping, etc.). In addition, the parties had consented to a reciprocal repurchase option in the event of a hostile takeover on either AXA or Schneider.

In force for a period of one year as of the date of its signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case it is required to give three months notice prior to the next renewal date.

The agreement had been made public by the AMF (*Autorité des marchés financiers*) on May 31, 2006.

Agreements and commitments approved during the fiscal year 2010

We were also advised of the performance, during the fiscal year ended December 31, 2010, of the following agreements and commitments which were previously approved by the General Meeting on April 29, 2010 after review of the Statutory Auditors’ report dated March 16, 2010.

With the following Executive Officers: Messrs. Henri de Castries, Denis Duverne and François Pierson

Nature, purpose, terms and conditions:

On October 7, 2009, the AXA Supervisory Board confirmed that Messrs. Henri de Castries, Denis Duverne and François Pierson, then members of the Management Board, were entitled to the supplementary pension scheme in the same conditions that apply to director-level employees of the AXA Group in France.

This scheme, which has existed since January 1st, 1992, has been modified twice with effect from January 1st, 2005 and July 1st, 2009. The current pension scheme’s rules were approved by the Supervisory Board on October 7, 2009, after having been presented for advice to all work councils and central work councils in France during the third quarter of 2009.

Under this scheme, a supplementary pension is paid to Executives who retire immediately upon leaving the AXA Group, at age of 60 or older and who have a minimum length of service of 10 years, of which at least 5 years as Executive. May also benefit from the scheme, Executives whose employment is terminated by the Company after the age of 55, under the condition that they do not resume any professional activity before retiring.

The amount of the supplementary pension is calculated at the time of retirement and is in addition to the total amount of retirement pensions paid under mandatory schemes (Social Security, ARRCO, AGIRC…) and under any other retirement scheme to which the beneficiary may have participated during his/her career, both within or outside the AXA Group.

The amount of the supplementary pension aims, for a minimum executive seniority of 20 years, at achieving a global pension equivalent to:

- 40% of the average gross compensation of the past 5 years preceding the retirement date, if this average is superior to 12 annual Social Security ceilings;
- 50% of the average gross compensation of the past 5 years preceding the retirement date, if this average is inferior to 8 annual Social Security ceilings;
- 2.4 Social Security ceilings + 20% of the average gross compensation of the past 5 years preceding the retirement date, if this average is between 8 and 12 annual Social Security ceilings.

Reduced rates shall apply for an executive seniority of less than 20 years. As an example, with 10 years of executive seniority, the supplementary pension allows to reach a global pension equivalent to 34% instead of 40%. This rate is reduced to 20% for an executive seniority of 5 years, and no supplementary pension is paid for an executive seniority of less than 5 years.

In case of departure from the Group before retirement, no supplementary pension is paid.

During 2010, these commitments applied to Messrs. Henri de Castries, Denis Duverne and François Pierson (members of the Management Board until April 29, 2010) and then to Messrs. Henri de Castries and Denis Duverne (respectively Chairman & Chief Executive Officer and Deputy Chief Executive Officer as of April 29, 2010).

With Mr. Henri de Castries

Nature, purpose, terms and conditions:

On February 17, 2010, the Supervisory Board acknowledged the effective renunciation by Mr. Henri de Castries of his employment contract as of the General Meeting of April 29, 2010 during which the former dual structure consisting of a Management Board and a Supervisory Board was replaced by a unitary Board of Directors structure in which Mr. Henri de Castries holds the position of Chairman in addition to his functions as Chief Executive Officer.

The Supervisory Board was concerned that the decision of Mr. Henri de Castries to renounce his employment contract, in accordance with the AFEP/MEDEF recommendations, would not jeopardize the continuity of his accrued and future social benefits. Consequently, the Supervisory Board took the following decisions:

- the Supervisory Board authorized the Company to take all appropriate commitments to ensure that Mr. Henri de Castries will continue to have social benefits (health insurance, life insurance, disability insurance, retirement…) identical or on terms equivalent to those applicable to AXA Group's director-level employees in France, including by amending Group benefit plans in terms of health, life and disability insurance;
- the Supervisory Board authorized that Mr. Henri de Castries would be granted a contractual severance benefit upon termination of his term of office as executive officer. This severance benefit, subject to performance conditions in conformity with the AFEP/MEDEF recommendations and the applicable laws and regulations, would be equivalent to that provided for in the collective agreement relative to director-level employees of insurance companies dated 1993 and which was previously applicable to Mr. Henri de Castries as employee.

A severance benefit would be applicable, except in the case of gross or wilful misconduct, solely in the event of dismissal, non-renewal or resignation within 12 months following a change in the Company's control or strategy that has not been initiated by the beneficiary.

The payment of the severance benefit would also be subject to the three following performance conditions: (1) achievement, for at least 2 of the 3 preceding fiscal years, of the objectives set for the beneficiary's variable compensation and corresponding to the payment of at least 65% of his variable compensation target; (2) evolution of the AXA share price at least equal to the Dow Jones Eurostoxx Insurance index (in percentage) over a 3-year period preceding the termination of the term of office; (3) financial strength ratings of the AXA Group's principal insurance subsidiaries above or equal to the minimum ratings set by the Supervisory Board with regard to the insurance industry and the ratings of AXA's principal competitors.

The amount of the severance benefit to be paid to the beneficiary would be adjusted in accordance with the level of achievement against these performance conditions as follows: (1) 100% of the severance benefit would be paid if at least 2 of the 3 performance conditions are met; (2) 40% of the severance benefit would be paid if only 1 performance condition is met; and (3) no severance benefit would be paid if none of the performance conditions are met. Notwithstanding the foregoing, if only 2 of the 3 performance conditions are met, the amount of severance benefit will be reduced by 50% if the performance condition (1) is not met or if AXA's consolidated net income for the preceding fiscal year was negative.

No severance benefit will be paid if the beneficiary is entitled to an additional pension scheme within the 6 months following his termination.

The initial amount of the severance benefit would be equal to 19 months of average compensation (fixed and variable) paid during the 24-month period preceding termination for Mr. Henri de Castries. One month will be added to the initial amount of the severance benefit for each additional year of future service up to a maximum cap of 24 months.

These commitments are in force upon the effective renunciation by Mr. Henri de Castries of his employment contract i.e. on April 30, 2010 and will continue so long as he remains an executive officer of AXA (including under renewed mandates).

With Mr. Denis Duverne

Nature, purpose, terms and conditions:

On February 17, 2010, the Supervisory Board acknowledged the effective renunciation by Mr. Denis Duverne of his employment contract as of the General Meeting of April 29, 2010 during which the former dual structure consisting of a Management Board and a Supervisory Board was replaced by a unitary Board of Directors structure in which Mr. Denis Duverne holds the position Deputy Chief Executive Officer.

The Supervisory Board was concerned that the decision of Mr. Denis Duverne to renounce his employment contract, in accordance with the AFEP/MEDEF recommendations, would not jeopardize the continuity of his accrued and future social benefits. Consequently, the Supervisory Board took the following decisions:

- the Supervisory Board authorized the Company to take all appropriate commitments to ensure that Mr. Denis Duverne will continue to have social benefits (health insurance, life insurance, disability insurance, retirement…) identical or on terms equivalent to those applicable to AXA Group's director-level employees in France, including by amending Group benefit plans in terms of health, life and disability insurance;
- the Supervisory Board authorized that Mr. Denis Duverne would be granted a contractual severance benefit upon termination of his term of office as executive officer. This severance benefit, subject to performance conditions in conformity with the AFEP/MEDEF recommendations and the applicable laws and regulations, would be equivalent to that provided for in the collective agreement relative to director-level employees of insurance companies dated 1993 and which was previously applicable to Mr. Denis Duverne as employee.

The terms and conditions under which this severance benefit would be granted are the same as for Mr. Henri de Castries except for the initial amount of the benefit which would be equal to 12 months of average compensation (fixed and variable) paid during the 24-month period preceding termination.

These commitments are in force upon the effective renunciation by Mr. Denis Duverne of his employment contract i.e. on April 30, 2010 and will continue so long as he remains an executive officer of AXA (including under renewed mandates).

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Michel Laforce	Philippe Castagnac - Gilles Magnan

2.5 THE OFFER AND LISTING

Markets

The principal trading market for the Company's ordinary shares is the Compartment A of Euronext Paris. Since the delisting of ADS (*American Depositary Shares*, each representing one AXA ordinary share) from the New York Stock Exchange on March 26, 2010, the Company's ADSs are traded on the U.S. over-the-counter market and are listed on the OTC QX platform under the symbol AXAHY.

TRADING ON EURONEXT PARIS

Official trading of listed securities on Euronext Paris, including the Company's ordinary shares, is transacted through French stockbrokers (sociétés de bourse) and takes place continuously on each business day in Paris from 9:00 a.m. to 5:30 p.m. (Paris time), with a fixing of the closing price at 5:35 p.m.

In France, the Company's ordinary shares are included in the principal index published by Euronext Paris (the "CAC 40 Index"). The Company's ordinary shares are also included in Euronext 100, the index representing Euronext's blue chip companies based on market capitalization. The Company's ordinary shares are also included in the STOXX Europe 50 and EURO STOXX 50, blue chip indices comprised of the 50 most highly capitalized and most actively traded equities throughout Europe and within the Eurozone, respectively. In addition, the Company's ordinary shares are also included in the EURO STOXX Insurance, the insurance related index for companies within the Eurozone.

The table below sets forth, for the periods indicated, the reported high and low prices (intraday) in Euro for the Company's ordinary shares on Euronext Paris:

Calendar Period	Intraday High (€) [(a)]	Intraday Low (€) [(a)]
2009		
Third quarter	18.198	11.261
Fourth quarter	19.366	15.400

(a) Following the issue of new shares with preferential subscription rights closed by AXA in December 2009 (see Euronext notice n° PAR-20091109-05426-EUR published on November 9, 2009). Share prices prior to the listing of new shares were adjusted on the basis of the theoretical value of the right (see Euronext notice n°2009-252 published on November 9, 2009).

Calendar Period	Intraday High (€)	Intraday Low (€)
2010		
First quarter	17.485	13.965
Second quarter	17.600	11.510
Third quarter	15.240	11.950
Fourth quarter	14.095	10.880
Annual	17.600	10.880
2010 and 2011		
August 2010	15.240	11.950
September 2010	13.470	12.235
October 2010	14.095	12.350
November 2010	13.865	10.880
December 2010	13.020	11.170
January 2011	16.115	12.530
February 2011	16.160	14.455

(a) Following the issue of new shares with preferential subscription rights closed by AXA in December 2009 (see Euronext notice n° PAR-20091109-05426-EUR published on November 9, 2009). Share prices prior to the listing of newly issued shares were adjusted on the basis of the theoretical value of the right (see Euronext notice n° 2009-252 published on November 9, 2009).

3

RISK FACTORS

Certain disclosures about market risk and related matters

3.1 RISK FACTORS

You should carefully consider the following risks. These risks could materially affect our business, results of operations or financial condition, cause the trading price of our ordinary shares and/or ADSs to decline materially or cause our actual results to differ materially from those expected or those expressed in any forward looking statements made by or on behalf of the Company. The risks described below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, results of operations or cash flows.

Many of the risks described below are inherent to the nature of our business and the economic, competitive and regulatory environment in which we operate. Given the multiple contingencies and the inherent uncertainties involved with many of these risks, management is not able to quantify the impact of many of these risks with any level of precision, however, it has put in place numerous risk management processes, procedures and controls to monitor and manage these risks on an on-going basis. These risk management processes, procedures and controls are described in detail in Section 3.2 of this Annual Report and this Section 3.1 should be read in conjunction with Section 3.2. In those cases where the risks described in this Section 3.1 have given rise to quantifiable and material financial impacts and/or material contingent liabilities, those financial impacts and/or contingent liabilities are reflected in the Group's consolidated financial statements in accordance with applicable IFRS accounting standards. In presenting the risks set forth in this Section 3.1, management has prioritized the four categories of risks presented and the individual risks within each of these categories in a manner that corresponds to management's current view as to the potential impact (from higher to lower) of the risk for the AXA Group. While the management devotes very substantial resources to risk management on an on-going basis as described in Section 3.2 of this Annual Report, the Group's risk management activities, like all control systems, are subject to inherent limitations and cannot provide absolute assurance or render the Group immune in any respect from the risks described in this Section 3.1 or the losses that may be incurred in connection with these risks.

RISKS RELATING TO THE FINANCIAL MARKETS, OUR FINANCIAL STRENGTH RATINGS AND FINANCIAL CONDITION, THE VALUATION OF OUR ASSETS AND RELATED MATTERS

Continuing difficult conditions in the global financial markets and the economy as well as concerns over certain sovereign debt and the Euro may materially adversely affect our business and profitability, and these conditions may continue

Our results of operations are materially affected by conditions in the global financial markets and the economy generally. We have been affected by the financial crisis and its aftermath during each of our last three fiscal years. A wide variety of factors including concerns over sovereign debt issued, in particular, by certain European countries, the consequences on the Euro, the availability and cost of credit, the stability and solvency of financial institutions and other companies, future inflation, volatile energy costs, and geopolitical issues have contributed to increased volatility and diminished expectations for the economy in general and the markets going forward. These factors, combined with depressed real estate markets, volatile equity market values, declining business and consumer confidence and the risks of increased future inflation and unemployment, have precipitated a significant economic slowdown in many of the countries where we do business. While there are signs of a recovery in a number of countries, management believes we are in a period of slow growth in mature countries and it is not yet certain whether the recovery is sustainable.

The global fixed-income markets continue to experience both volatility and limited market liquidity conditions, which have affected a broad range of asset classes and sectors. In addition, concerns over the quality of certain sovereign debt and the sustainability of certain sovereign credit ratings have become more pronounced over the past months following the European Stability Fund financed bail-outs of Greece and Ireland. This has also raised questions about the continued viability of the Euro as a common currency and whether certain Eurozone countries may withdraw from the currency union. As a result of these and other factors, the market for fixed income instruments (including government bonds and other forms of sovereign debt) has continued to experience increased price volatility, credit downgrade events, and increased probability of default and global currency markets, particularly Euro foreign exchange rates against other major currencies, have become increasingly volatile. Global equity markets, while improved from 2008, continue to be volatile, with many major markets ending the year still down significantly from their peak.

These events and the continuing market volatility, have had and may continue to have an adverse effect on our revenues and results of operations in part because we have a large investment portfolio and are also dependent upon customer behavior and confidence. In our Life & Savings business, these conditions could affect the sales of our participating life insurance and pension products, Mutual funds, asset management services and products with financial risk borne by the policyholders (unit-linked), including Variable Annuity products and Variable Life products. In particular, protracted or steep declines in the stock or bond markets typically could reduce the popularity of unit-linked products. Also, the account value of these products could be affected by a downturn in financial markets and decreased account values will decrease the fees generated by these products. In our Asset Management business, these adverse market conditions may impact the flow of investment capital into or from assets under management or supervision and could negatively impact the way customers allocate capital among money market, equity, fixed income, or other investment alternatives.

Our ability to make a profit on insurance products and investment products, including fixed and guaranteed products, depends in part on the returns on investments supporting our obligations under these products, and the value of specific investments may fluctuate substantially depending on the foregoing conditions. Certain types of insurance and investment products that we offer expose us to risks associated with fluctuations in financial markets, including certain types of interest sensitive or variable products such as guaranteed annuities or variable annuities, which have crediting or other guaranteed rates or guaranteed minimum benefits not necessarily related to prevailing market interest rates or investment returns on underlying assets. Although we use hedging techniques to manage our exposure under certain of these guarantees, volatility in the financial markets, combined with unanticipated policyholder behavior, may increase the cost of these hedges and/or negatively affect our ability to hedge certain of these risks, which may adversely affect our profitability. For further risks related to our hedging techniques, see "Risks relating to the structure of our Group, the scope and nature of our business, and the products we offer – Our hedging programs may be inadequate to protect us against the full extent of the exposure or losses we seek to mitigate which may negatively impact our business, results of operations and financial condition."

Factors such as consumer spending, business investment, government spending, regulation, the volatility and strength of the capital markets, and inflation all affect the business and economic environment and, ultimately, the amount and profitability of our business. In an economic downturn characterized by higher unemployment, lower family income, lower corporate earnings, lower business investment and lower consumer spending, the demand for our financial and insurance products could be adversely affected. In addition, we may experience an elevated incidence of lapses or surrenders of policies, and our policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. These developments could have a material adverse effect on our business, results of operations and financial condition.

A sovereign debt default or restructuring by a Eurozone or other government (or government-backed) issuer could have potentially significant negative consequences both for holders of such debt and for the stability of the broader financial markets and sector. Any of these events, depending on its precise nature and magnitude, could have a potentially material adverse effect on the Group's results of operations or financial condition.

Adverse capital and credit market conditions may significantly affect our ability to meet liquidity needs, access to capital and cost of capital

The capital and credit markets have continued to experience volatility and disruption, significantly limiting the availability of additional liquidity in the markets and credit capacity for most issuers including AXA.

We need liquidity to pay our operating expenses (including claims and surrenders), interest on our debt, dividends on our capital stock and to refinance certain maturing debts and other liabilities. In addition, we need liquidity in connection with certain derivatives transactions to which we are party which require us to post cash collateral and/or subject us to margin calls in certain circumstances. A lack of sufficient liquidity and/or access to financing over a prolonged period may have a material adverse effect on our business, results of operations and consolidated financial position. The principal sources of our liquidity are insurance premiums, annuity considerations, deposit funds, asset management fees, cash flows from our investment assets and cash/cash-equivalents on our balance sheet. Sources of liquidity in normal markets also include a variety of short and long-term instruments, including repurchase agreements, commercial paper, medium and long-term debt, junior subordinated debt securities, capital securities and shareholders' equity.

In the event our current resources do not satisfy our needs, we may have to seek additional financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the volume of trading activities, the overall availability of credit to the financial services industry, our credit ratings and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of our long-term or short-term financial prospects if we incur large investment losses or if the level of our business activity decreased due to a market downturn. Similarly, our access to funds may be impaired if regulatory authorities or rating agencies take negative actions against us. While management has in place a liquidity risk management framework that includes active monitoring of the Group's liquidity position and contingency plans for accessing liquidity, if our internal sources of liquidity prove to be insufficient or if our liquidity requirements change so as to require additional funding, we may not be able to successfully obtain additional financing on favorable terms.

Our consolidated solvency margin and the regulatory capital requirements of our insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors, which could have a material adverse effect on our business, liquidity, credit ratings, results of operations and financial position

The Company's insurance subsidiaries are subject to the regulatory capital requirements in the jurisdictions where they do business, which are designed to monitor capital adequacy and to protect policyholders. While the specific regulatory capital requirements (including definition of admitted assets and methods of calculation) vary between jurisdictions, an insurer's required capital can be impacted by a wide variety of factors including, but not limited to, business mix, product design, sales volume, invested assets, liabilities, reserves and movements in the capital markets, including interest rates and equity markets. Regulatory capital requirements may increase, possibly significantly, during periods of declining equity markets and/or lower interest rates.

At the consolidated Group level, the Company is required to calculate, in accordance with applicable French "Solvency I" regulations, a consolidated solvency margin ratio which represents the Company's total available capital as compared to its required regulatory capital. Under applicable French regulations, 100% is the minimum required consolidated solvency margin for the Company. As at December 31, 2010 the Company's consolidated solvency margin was 182% (taking into account the proposed 2010 dividend payment of €0.69 per share) which represented a €19.3 billion capital surplus at that date: (i) €23.4 billion of required capital (1), versus (ii) €42.7 billion of available capital (2). The Company's year-end 2010 solvency margin is higher than its consolidated solvency margin at December 31, 2009 (171%) and at December 31, 2008 (127%). The Company's consolidated solvency margin ratio is sensitive to capital market conditions (including the level of interest rates, the level of equity markets and foreign exchange impacts) as well as a variety of other factors. Adverse financial market conditions would further negatively impact the Company's consolidated solvency margin. The 2010 solvency margin calculation will be reviewed by the ACP (*Autorité de Contrôle Prudentiel*).

Management monitors the Company's consolidated solvency margin and the regulatory capital requirements of its insurance subsidiaries on an on-going basis both for regulatory compliance purposes and to ensure that the Company and its subsidiaries are appropriately positioned from a competitive point of view. Insurance regulators have broad discretion in interpreting, applying and enforcing their rules and regulations with respect to solvency and regulatory capital requirements and, during periods of extreme financial market turmoil of the type we have experienced over the past three years, regulators may become more conservative in the interpretation, application and enforcement of these rules which may involve them, for example, imposing increased reserving requirements for certain types of risks, greater liquidity requirements, higher discounts/"haircuts" on certain assets or asset classes, more

(1) For this purpose, required capital is calculated based on formulas that take into account a variety of factors including (i) for Life & Savings business: specified percentages of mathematical reserves (4% of mathematical reserves for business where investment risk is borne by the insurer and 1% of mathematical reserves for business where investment risk is borne by policyholders) adjusted by an entity specific retention rate plus an amount of capital at risk; and (ii) for Property & Casualty business, the highest amount of the following two results: 23% of the average cost of claims or 16% of the gross premiums written or earned, in each case, subject to various adjustments.

(2) For this purpose, available capital represents (i) tangible net asset value, i.e. consolidated shareholders equity less intangible assets (including DAC), perpetual debt and certain other items, plus (ii) subordinated debt, unrealized capital gains, minority interests and certain other items.

conservative calculation methodologies or taking other similar measures which may significantly increase regulatory capital requirements. For example, in 2010, the Irish Central Bank notified the Company that it was considering potential regulatory action against AXA Life Europe (ALE), a wholly owned subsidiary of the Company based in Ireland, in connection with various issues including its solvency position, controls over its branch network across Europe, MIFID compliance, anti-money laundering controls and various other matters. The Company made a capital injection of €111 million into ALE and discussions with the Irish Central Bank are continuing on the other matters covered in their notice. In 2009, ACAM (*Autorité de Contrôle des Assurances et des Mutuelles*) undertook a review of Variable Annuity products sold in France as well as the Group's hedging platforms and processes used to hedge certain risks associated with its Variable Annuity business. ACAM's review raised various issues including with respect to certain aspects of AXA France's statutory reserving methodology for its Variable Annuity business. The control of the ACP (1) ended with a letter of consequences (*lettre de suites*) containing a certain number of recommendations which are under way of implementation. In the event of a failure by the Company and/or any of its insurance subsidiaries to meet minimum regulatory capital requirements, insurance regulators have broad authority to require or take various regulatory actions including limiting or prohibiting the issuance of new business, prohibiting payment of dividends, and/or, in extreme cases, putting a company into rehabilitation or insolvency proceedings. A failure of any of the Company's insurance subsidiaries to meet their regulatory capital requirements and/or a reduction in the level of their regulatory capital that may negatively impact their competitive position may also result in the Company having to inject significant amounts of new capital into its insurance subsidiaries which could adversely affect the Company's liquidity position, results of operations and financial position. For example, in 2008, the Company provided significant amounts to its subsidiaries through loans, capital contributions or other mechanisms including approximately €2.4 billion loaned to its US subsidiary AXA Financial Inc. that was used to enhance the capitalization of AXA Financial's insurance subsidiaries. The Company's ability to efficiently deploy its capital resources and to inject capital, as needed from time to time, in its operating insurance subsidiaries is critical to ensuring that these subsidiaries remain appropriately capitalized at all times. Regulatory restrictions that inhibit the Company's ability to freely move excess capital among its subsidiaries or which otherwise restrict fungibility of the Group's capital resources may, depending on the nature and extent of the restrictions, adversely affect the solvency position of the Company's operating insurance subsidiaries which may have a consequent negative impact on the Company's reputation and the perception of its financial strength.

Rating agencies also take into account the Company's consolidated solvency margin and the regulatory capital position of its insurance subsidiaries in assessing our financial strength and credit ratings. Rating agencies may make changes to their internal models from time to time that may increase or decrease the amount of capital we must hold in order to maintain our current ratings. For example, certain rating agencies are currently considering adjusting their criteria for recognizing certain subordinated debt as eligible capital which may negatively impact their opinion on the Company's capital position and consolidated solvency margin. To the extent our regulatory capital levels are deemed insufficient to meet rating agency criteria, our financial strength and credit ratings may be downgraded.

Management has developed various contingency plans designed to ensure that the Company's consolidated solvency margin and the regulatory capital levels of its insurance subsidiaries remain well in excess of regulatory minimum requirements and at levels that leave the Company and its subsidiaries well positioned from a competitive point of view. These plans may involve use of reinsurance, sales of investment portfolio and/or other assets, measures to reduce capital strain of new business, issuance of preference shares or other measures. There can be no assurance, however, that these plans will be effective to achieve their objectives and any failure by the Company and/or its insurance subsidiaries to meet minimum regulatory capital requirements and to maintain regulatory capital at competitive levels could have a material adverse affect on our business, liquidity, credit ratings, results of operations and financial position.

There are continuing uncertainties around the evolution and final implementation measures that will be adopted under the Solvency II regime which could have potentially adverse impacts on the Group

A key aspect of Solvency II is that the assessment of risks and capital requirements will be aligned more closely with economic capital methodologies. Under the Solvency II Regime, the Group may be permitted to make use of its internal economic capital models as a basis for calculation of its capital needs and solvency position if these models are approved by ACP. In 2007, the European Commission adopted a draft Directive (the Level I Framework Directive) setting forth various policy principles and guidelines that acted as a framework for the development of the Solvency II regime. The final text of the Level I Framework Directive regarding the "taking-up and pursuit of the business of insurance and reinsurance" was

(1) *As of March 9, 2010, the Autorité de contrôle des assurances et des mutuelles (ACAM) is replaced by the Autorité de contrôle prudentiel (ACP), a new authority resulting mainly from a merger of the Banking Commission (Commission bancaire) and the ACAM.*

adopted by the European Council in November 2009 and includes rules regarding, among other things, own funds, capital requirements and investments. Following adoption of this Level 1 Framework Directive, the European Commission has initiated the development of detailed rules following the Lamfalussy process. Under this process, Directives related to financial institutions must be developed on the basis of a four level approach intended to complement the principles of the Directive and referred to as 'implementing measures' (Level 2). In 2009 and 2010 the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS, now EIOPA since January 1st, 2011) published a number of consultation papers covering advice to the European Commission. The Commission is expected to publish the Level 2 implementing measures in the second quarter of 2011 (for an adoption by the end of 2011) and implementation of Solvency II by the EU Member States is planned by 1st, January 2013.

At this stage, significant uncertainties on some of the implementing measures remain. In particular, there is continuing risk that the effect of the final measures adopted could depart from the initial objective of the Directive (*i.e.* setting an economic framework) and end up being more focussed on prudence driven principles which could be adverse for the Group in many respects. In addition, the application of Solvency II to international groups is still unclear and there is a risk of inconsistent application throughout Europe, which may place AXA at a competitive disadvantage with regards to other European and non-European financial services groups.

While AXA is actively participating in the various consultation processes through its involvement in industry bodies and trade associations, there is continuing risk that the effect of the final measures adopted could depart from the initial objective of the Level I Framework Directive (i.e. setting an economic framework) and end up more focussed on prudence driven principles which could be adverse for the Group in many respects.

A downgrade in our claims paying ability and credit strength ratings could adversely impact our business, results of operations and financial condition

Claims paying and credit strength ratings have become increasingly important factors in establishing the competitive position of insurance companies. Rating agencies review their ratings and rating methodologies on a recurring basis and may change their ratings at any time. Consequently, our current ratings may not be maintained in the future. In March 2010, (i) Standard & Poor's lowered ratings on the core operating entities of the AXA Group to AA- stable outlook from AA negative outlook, and the counterparty credit ratings on the holding company AXA to A from A+; the stable outlook reflects Standard & Poor's opinion that the Group's business fundamentals, earnings, management, and strategy are likely to counterbalance the pressure on the ratings due to capital adequacy level; and (ii) Moodys' Investors Services reaffirmed the Aa3 counterparty credit and financial strength ratings on AXA's principal insurance subsidiaries and its A2 counterparty credit rating on the Company and maintained its stable outlook. In December 2010, Fitch Ratings affirmed the financial strength ratings of AXA's principal insurance subsidiaries at AA- and revised its outlook on these ratings from negative to stable. A downgrade or the potential for a downgrade of our ratings, particularly below the AA range, could have a variety of negative impacts on us including (i) damaging our competitive position, (ii) negatively impacting our ability to underwrite new insurance policies, (iii) increasing the levels of surrenders and termination rates of our in-force policies, (iv) increasing our cost of obtaining reinsurance, (v) negatively impacting our ability to obtain financing and/or increasing our cost of financing, (vi) triggering additional collateral requirements under certain agreements to which we are party, (vii) harming our relationships with creditors or trading counterparties and/or (viii) adversely affecting public confidence in us. Any of these developments could have a material adverse effect on our business, liquidity position, results of operations, revenues and financial condition.

Market conditions and other factors could adversely affect the carrying value of our goodwill, cause us to accelerate amortization of our DAC and VBI and/or to derecognize deferred tax assets and deferred policyholders participation assets which could have a material adverse effect on our consolidated results of operations and financial position

Our accounting principles and policies with respect to intangibles (including goodwill) are set forth in Note 1.6 "Intangible Assets" (including Note 1.6.1 "Goodwill and impairment of goodwill") and an analysis of the goodwill asset reflected on our consolidated balance sheet is set forth in Note 5 "Goodwill" to the 2010 Consolidated financial statements included in this Annual Report. Business and market conditions may impact the amount of goodwill we carry in our consolidated balance sheet as well as our pattern of DAC and VBI amortization and the value of our deferred tax assets and deferred participation assets. The value of certain of our businesses including, in particular, our US asset management and US unit-linked life insurance and Variable Annuity businesses, is significantly impacted by such factors as the state of the financial markets and ongoing operating performance. For the year ended December 31, 2010, management concluded that no impairment to the carrying value of our goodwill asset was required, however, to the extent that the operating performance of our businesses or market condition falls below expectation (including, in particular, our US life insurance business), we may be required to significantly impair our goodwill, accelerate our amortization of DAC and VBI and/or derecognise our deferred tax assets and deferred policyholders' participation assets which, individually or in the aggregate, could have a material adverse effect on our consolidated results of operations and financial condition.

Losses due to defaults by financial institution counterparties and other third parties including potential sovereign debt defaults or restructurings, impairment of our investment assets and unrealized losses could all negatively affect the value of our investments and reduce our profitability

Third parties that owe us money, securities or other assets may not perform under their obligations. These parties include private sector and government (or government backed) issuers whose securities we hold in our investment portfolios (including mortgage-backed, asset-backed, government bonds and other types of securities), borrowers under mortgages and other loans that we extend, reinsurers to which we have ceded insurance risks, customers, trading counterparties, counterparties under swap and other derivative contracts, other counterparties including brokers and dealers, commercial and investment banks, hedge funds, other investment funds, clearing agents, market exchanges, clearing houses and other financial institutions. Many of our transactions with these third parties expose us to credit risk in the event of default of our counterparty. In secured transactions, our credit risk may be exacerbated when the collateral held by us cannot be realized upon or is liquidated at prices not sufficient to cover the full amount of the loan, derivative or other secured obligation. We have also entered into contractual outsourcing arrangements with third party service providers for a wide variety of services required in connection with the day-to-day operation of our insurance and Asset Management businesses (including policy administration, claims related services, securities pricing and other services) which expose us to operational, financial and reputational risk in the event of a default of our counterparty service providers. In addition, defaults by parties with which we have no direct contractual relation, such as a default by a credit insurer that has insured bonds, structured finance products or other securities we may hold in our investment portfolios, may adversely impact the value of those securities and potentially adversely affect the financial markets more generally. These parties may default on their obligations due to bankruptcy, lack of liquidity, downturns in the economy or real estate market, operational failure or other reasons. Negative trends and investment climates in our major markets, such as those experienced in the course of the last three years and/or a sovereign debt default or restructuring (including the potential collateral consequences of such a default on the financial markets and on other financial institutions holding such sovereign debt) may result in an increase in impairments on our invested assets. There can be no assurance that any such losses or impairments of these assets would not materially and adversely affect our business and results of operations. For further risks relating to impairments taken on our investment assets, see "The determination of the amount of allowances and impairments taken on our investments requires use of significant management judgment in certain cases, particularly for debt instruments, and could materially impact our results of operations or financial position". The default of a major market participant could disrupt the securities markets or clearance and settlement systems in our major markets, which could in turn cause market declines or volatility. A failure of a major market participant could also cause some clearance and settlement systems to assess members of that system or could lead to a chain of defaults that could adversely affect us. Even in the absence of an actual default, a perceived lack of creditworthiness of a major market participant may result in market-wide illiquidity or other disruptions that may adversely impact us and the financial intermediaries (such as clearing agencies, clearing houses, banks, securities firms and exchanges) with whom we interact on a daily basis. For risks relating to defaults by reinsurers and retrocessionaires to which we have transferred part of our risks, see "Reinsurance may not be adequate to protect us against losses and we may incur losses due to the inability of our reinsurers to meet their obligations".

Reinsurance may not be adequate to protect us against losses and we may incur losses due to the inability of our reinsurers to meet their obligations

In the normal course of business, AXA seeks to reduce losses that may arise from catastrophes or other events that cause unfavorable underwriting results through reinsurance. Under the reinsurance arrangements, other insurers assume a portion of the losses and related expenses; however, we remain liable as the direct insurer on all risks reinsured. Consequently, ceded reinsurance arrangements do not eliminate our obligation to pay claims and we are subject to our reinsurers' credit risk with respect to our ability to recover amounts due from them. We evaluate periodically the financial condition of our reinsurers to minimize our exposure to significant losses from reinsurer insolvencies, our reinsurers may become financially unsound by the time their financial obligation becomes due. The reinsurance market has become increasingly concentrated following recent mergers and acquisitions, which have reduced the number of major reinsurance providers. The inability of any reinsurer to meet its financial obligations to us could negatively impact our results of operations. In addition, the availability, amount and cost of reinsurance depend on general market conditions and may fluctuate significantly. Reinsurance may not be available to us in the future at commercially reasonable rates and any decrease in the amount of our reinsurance will increase our risk of loss. In certain cases, the price of reinsurance for business already insured may also increase, adversely affecting our results of operations.

The determination of the amount of allowances and impairments taken on our investments requires use of significant management judgment in certain cases, particularly for debt instruments, and could materially impact our results of operations or financial position

Our accounting principles and policy with respect to the determination of allowances and impairments on our investments is set forth in Note 1.7.2 "Financial instruments classification" in the 2010 consolidated financial statements included in this Annual Report. The determination of the amount of allowances and impairments vary by investment type and is based upon our periodic evaluation and assessment of known and inherent risks associated with the respective asset class. Such evaluations and assessments are revised as conditions change and new information becomes available. In considering impairments, management considers a wide range of factors including those described in Note 1.7.2 and uses its best judgment in evaluating the cause of the decline in the estimated fair value of the security and the prospects for near-term recovery. For certain asset classes, particularly debt instruments, management's evaluation involves a variety of assumptions and estimates about the operations of the issuer and its future earnings potential. Management updates its evaluations regularly and reflects changes in allowances and impairments as such evaluations are revised. There can be no assurance, however, that management has accurately assessed the level of impairments taken and allowances reflected in our financial statements and additional impairments and/or allowances may have a material adverse effect on our consolidated results of operations and financial position.

Our valuation of certain investments may include methodologies, estimations and assumptions which are subject to differing interpretations and could result in changes to investment valuations that may materially adversely affect our results of operations and financial condition

Our accounting principles and policy with respect to valuation of our investments is set forth in Note 9.9 "Financial Assets Recognized at Fair Value" in the 2010 consolidated financial statements included in this Annual Report. The determination of fair values in the absence of quoted market prices is based on a variety of factors including those described in Note 9.9. Certain of our investment assets, for which there is no active trading market or other observable market data, are valued using models and methodologies that involve estimates, assumptions and significant management judgment. During periods of market disruption of the type we have experienced over the past three years, an increasing portion of our investment assets may be valued using these models and methodologies as a result of less frequent trading or less observable market data with respect to certain asset classes that were previously actively traded in liquid markets. There can be no assurance that our valuations on the basis of these models and methodologies represent the price for which a security may ultimately be sold or for which it could be sold at any specific point in time. Use of different models, methodologies and/or assumptions may have a material impact on the estimated fair value amounts and could have a material adverse effect on our results of operations and financial condition. In addition, rapidly changing and unprecedented credit and equity market conditions could materially impact the valuation of securities as reported in our consolidated financial statements. Decreases in value may have a material adverse effect on our results of operations and financial position.

Interest rate and credit spread volatility may adversely affect our profitability

Our exposure to interest rate risk relates primarily to the market price and cash flow variability associated with changes in interest rates.

During periods of declining interest rates, life insurance and annuity products may be relatively more attractive to consumers, resulting in increased premium payments on products with flexible premium features, and a higher percentage of insurance policies remaining in force from year-to-year, creating asset liability duration mismatches. During a low interest rate period, our investment earnings may be lower because the interest earnings on our fixed income investments will likely have declined. In addition, mortgages and fixed maturity securities in our investment portfolios will be more likely to be prepaid or redeemed as borrowers seek to borrow at lower interest rates. Consequently, we may be required to reinvest the proceeds in securities bearing lower interest rates. Accordingly, during periods of declining interest rates, our profitability may suffer as the result of a decrease in the spread between interest rates credited to policyholders and returns on our investment portfolios.

Conversely, in periods of increasing interest rates, surrenders of life insurance policies and fixed annuity contracts may increase as policyholders choose to forego insurance protection and seek higher investment returns. Obtaining cash to satisfy these obligations may require us to liquidate fixed maturity investments at a time when market prices for those assets are depressed because of increases in interest rates. This may result in realized investment losses. Regardless of whether we realize an investment loss, these cash payments would result in a decrease in total invested assets, and may decrease our net income. Accelerated withdrawals may also cause us to accelerate amortization of deferred policy acquisition costs, which would also reduce our net income.

Our mitigation efforts with respect to interest rate risk are primarily focused on maintaining an investment portfolio with diversified maturities that has a weighted average duration that is approximately equal to the duration of our estimated liability cash flow profile. However, our estimate of the liability cash flow profile may be inaccurate and we may be forced to liquidate investments prior to maturity at a loss in order to cover the liability. Although we take measures to manage the economic risks of investing in a changing interest rate environment, we may not be able to mitigate the interest rate risk of our assets relative to our liabilities.

Our exposure to credit spreads primarily relates to market price and cash flow variability associated with changes in credit spreads. A widening of credit spreads will generally reduce the value of fixed income securities we hold (including credit derivatives where we assume credit exposure) and increase our investment income associated with purchases of new fixed income securities in our investment portfolios. Conversely, credit spread tightening will generally increase the value of fixed income securities we hold and reduce our investment income associated with new purchases of fixed income securities in our investment portfolios.

Ongoing volatility in interest rates and credit spreads, individually or in tandem with other factors such as lack of pricing transparency, market illiquidity, declines in equity prices and the strengthening or weakening of foreign currencies against the Euro, could have a material adverse effect on our consolidated results of operations, financial position or cash flows through realized losses, impairments, and changes in unrealized gains and loss positions.

Fluctuations in currency exchange rates may affect notably our reported earnings

AXA publishes its consolidated financial statements in Euro. For the year ended December 31, 2010, a significant portion of AXA's insurance gross premiums and financial services revenues, as well as AXA's benefits, claims and other deductions were denominated in currencies other than the Euro, primarily US Dollars, Pounds Sterling, Japanese Yen, Swiss Francs and Australian Dollars. AXA's obligations are denominated either in Euro or other currencies, the value of which is subject to foreign currency exchange rate fluctuations.

While AXA seeks to manage its exposure to foreign currency fluctuations through hedging, fluctuations in the exchange rates may have a significant impact on AXA's results of operations and cash flows. For example, a strengthening of the Euro against the US Dollar and/or certain other currencies in 2011 and future periods may adversely affect AXA's results of operations and the price of its securities. In addition, the currency hedges used by AXA to manage foreign exchange rate risk may significantly impact the statutory results (parent only) of the Company, cash position and amounts available for distribution as dividends to its shareholders because unrealized exchange rate gains and losses under these derivatives are recognized in the Company's statutory and tax income statement (unlike in the Group's consolidated accounts where hedge accounting is applied to net investments in subsidiaries such that these exchange rate movements have no income statement impact at the consolidated Group level).

A sustained increase in the inflation rate in our principal markets would have multiple impacts on AXA and may negatively affect our business, solvency position and results of operations

In certain of our principal markets, inflation, as measured by consumer price indices or other means, is a continuing risk. A sustained increase in the inflation rate in our principal markets would have multiple impacts on AXA and may negatively affect our business, solvency position and results of operations. For example, a sustained increase in the inflation rate may result in an increase in market interest rates which may (i) decrease the value of certain fixed income securities we hold in our investment portfolios resulting in reduced levels of unrealized capital gains available to us which could negatively impact our solvency margin position and net income, (ii) result in increased surrenders of certain Life & Savings products, particularly, those with fixed rates below market rates, and (iii) require us, as an issuer of securities, to pay higher interest rates on debt securities we issue in the financial markets from time to time to finance our operations which would increase our interest expenses and reduce our results of operations. A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may (i) result in impairment charges to equity securities that we hold in our investment portfolios and reduced levels of unrealized capital gains available to us which would reduce our net income and negatively impact our solvency position, (ii) negatively impact performance, future sales and surrenders of our unit-linked products where underlying investments are often allocated to equity funds, and (iii) negatively impact the ability of our asset management subsidiaries to retain and attract assets under management, as well as the value of assets they do manage, which may negatively impact their results of operations. In addition, in the context of certain Property & Casualty risks underwritten by our insurance subsidiaries (particularly "long-tail" risks), a sustained increase in inflation with a resulting increase in market interest rates may result in (i) claims inflation (i.e. an increase in the amount ultimately paid to settle claims several years after the policy coverage period or event giving rise to the claim), coupled with (ii) an underestimation of corresponding claims reserves at the time of establishment due to a failure to fully anticipate increased inflation and its effect on the amounts ultimately payable to policyholders, and, consequently, (iii) actual claims payments significantly exceeding associated insurance reserves which would negatively impact our results of operations. In addition, a failure to accurately anticipate higher inflation and factor it into our product pricing assumptions may result in a systemic mispricing of our products resulting in underwriting losses which would negatively impact our results of operations. For additional information, please see Section 3.2 "Quantitative and qualitative disclosures about market risk and risk factors" in this Annual Report.

RISKS RELATING TO THE STRUCTURE OF OUR GROUP, THE SCOPE AND NATURE OF OUR BUSINESS, AND THE PRODUCTS WE OFFER

As a holding company, we are dependent on our subsidiaries to cover our operating expenses and dividend payments

Our insurance and financial services operations are generally conducted through direct and indirect subsidiaries. As a holding company, our principal sources of funds are dividends from subsidiaries and funds that may be raised from time to time through the issuance of debt or equity securities or through bank or other borrowings.

We expect that dividends received from subsidiaries and other sources of funding available to us will continue to cover our operating expenses, including (i) interest payments on our outstanding financing arrangements and (ii) dividend payments with respect to our outstanding ordinary shares. We expect that future acquisitions and strategic investments will be funded from available cash flow remaining after the payment of dividends and operating expenses (including interest expenses), cash on hand from previous securities offerings, proceeds of future offerings of securities, and proceeds from the sale of non-core assets. Certain of our significant subsidiaries, including AXA France Assurance, AXA Financial, AXA UK Holdings, AXA Japan Holding, AXA Asia-Pacific Holdings, and AXA Germany, are also holding companies and are dependent on dividends from their respective subsidiaries for funds to meet their obligations. Regulatory and other legal restrictions may limit our ability to transfer funds freely, either to or from all our subsidiaries. In particular, our principal insurance subsidiaries are subject to restrictions on the amount of dividends and debt repayments that can be paid to us and our affiliates. Moreover, should we be designated as "systemically significant" pursuant to the US Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") or by European regulators under similar European regulatory initiatives, it is possible that the Board of Governors of the Federal Reserve System (the "Federal Reserve") and/or European authorities could impose similar or other restrictions on the transfer of funds. In 2011, certain of our principal subsidiaries may pay reduced (or no) dividends and we expect that some of our subsidiaries may continue to be dependent on the Company for capital resources and funding which may require us to provide significant amounts to our subsidiaries through loans, capital injections or other mechanisms. In addition, as noted above, currency hedges used by AXA to manage foreign exchange rate risk may significantly impact the statutory results (parent only) of the Company and the amounts available for distribution as dividends to its shareholders because unrealized exchange rate gains and losses under these derivatives are recognized in the Company's income statement. These factors may adversely impact the Company's liquidity position and capacity to pay dividends on its ordinary shares. For further details, see the Section "Liquidity and capital resources" included in Part 1 and the Part 4 – Note 29.3 "Other items: Restrictions on Dividend Payments to Shareholders" of this Annual Report. See also "Risks relating to the financial markets, our financial strength ratings and financial condition, the valuation of our assets and related matters – Our consolidated solvency margin and the regulatory capital requirements of our insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors, which could have a material adverse effect on our business, liquidity, credit ratings, results of operations and financial position".

Our hedging programs may be inadequate to protect us against the full extent of the exposure or losses we seek to mitigate which may negatively impact our business, results of operations and financial condition

We use derivatives, including, among others, exchange traded equity futures contracts, treasury futures contracts, to hedge certain risks under guarantees provided to our clients, including Guaranteed Minimum Death Benefits ("GMDB"), Guaranteed Minimum Income Benefits ("GMIB") and/or Withdrawal for Life Benefits ("GMWB"), available under our Accumulator series of Variable Annuity products (the "accumulator guarantees"). These hedging techniques are designed to reduce the economic impact of unfavorable changes to our exposures under the accumulator guarantees due to movements in the equity and fixed income markets and other factors. In certain cases, however, we may not be able to apply these techniques to effectively hedge our risks because the derivative market(s) in question may not be of sufficient size or liquidity. The operation of our hedging program is based on models involving numerous estimates and management judgments, including among others, mortality, lapse rates, election rates, volatility and interest rates and correlation among various market movements. There can be no assurance that ultimate actual experience will not differ materially from our assumptions, which could adversely impact results of operations and financial condition. In 2008, for example, we incurred substantial losses under the Accumulator guarantees principally because (i) the assumptions underlying our hedging models did not adequately anticipate the extreme levels of market volatility and the rapid decline of interest rates experienced in 2008 and early 2009; and (ii) indices used in our hedging program did not adequately reflect the underlying separate account investment options available under these annuity contracts (basis risk).

The profitability of AXA's Accumulator series of Variable Annuity products depends, among other factors, on AXA's ability to effectively hedge the Accumulator guarantees. The Company has implemented and continues to pursue a number of initiatives, including re-design and re-pricing of certain product features, designed to improve the profitability of these products and avoid future hedging losses on the Accumulator guarantees of the type experienced in 2008. There can be no assurance, however, that these initiatives will succeed in meeting their objective or that the re-designed and re-priced products will continue to be attractive to their target markets which, in either case, could have an adverse impact on AXA's business, competitive position, results of operations and financial condition.

We use numerous assumptions to determine the appropriate level of insurance reserves and deferred acquisition costs (DAC) and to calculate certain widely used industry measures of value such as Life & Savings New Business Value (NBV) and European Embedded Value (EEV), which involve a significant degree of management judgment and predictions about the future that are inherently uncertain; if these assumptions are not correct, it may have adverse impact on our results of operations and/or performance indicators, such as NBV, that may adversely affect the price of our securities

The establishment of insurance reserves, including the impact of minimum guarantees which are contained within certain of our Variable Annuity products, the adequacy test performed on the reserves for life policies (which encompasses the recoverability of DAC, Value of Business Inforce and deferred participations assets) and the establishment of DAC, NBV and EEV are inherently uncertain processes involving assumptions about factors such as policyholder behavior (e.g. lapses, persistency, etc.), court decisions, changes in laws and regulations, social, economic and demographic trends, inflation, investment returns and other factors, and, in the life insurance business, assumptions concerning mortality and morbidity trends. The use of different assumptions about these factors could have a material effect on insurance reserves and underwriting expenses as well as on our DAC, NBV and EEV. In addition, insurance reserves for minimum guarantees contained within certain of our Variable Annuity products, DAC balances, EEV and NBV may be significantly impacted by the state of the financial markets and significant declines could have a material adverse effect on our consolidated results of operations and financial position. Furthermore, certain of these assumptions can be volatile. While AXA's NBV and EEV calculations are done on a market consistent basis which is more conservative in many respects than traditional NBV and EEV calculations, changes in assumptions used in calculating these measures may have a material adverse effect on the level of our NBV and/or EEV. For example, our NBV is sensitive to interest rate movements and, consequently, incorrect assumptions about future interest rates may have a significant impact on our NBV and a corresponding impact on the trading price of our securities.

If our established loss reserves for our Property & Casualty and International Insurance businesses are insufficient, our earnings will be adversely affected

In accordance with industry practices and accounting and regulatory requirements, we establish reserves for claims and claims expenses related to our Property & Casualty and International Insurance businesses. With the exception of disability annuities and workers compensation liabilities that are deemed structured settlements, the claims reserves are not discounted. Reserves do not represent an exact calculation of liability, but instead represent estimates, generally using actuarial projection techniques at a given accounting date. These reserve estimates are expectations of what the ultimate settlement and administration of claims will cost based on our assessment of facts and circumstances then known, review of historical settlement patterns, estimates of trends in claims severity, frequency, legal theories of liability and other factors. The process of estimating the insurance claims reserves is based on the most current information available at the time the reserves are originally established. However, claims reserves are subject to change due to the number of variables which affect the ultimate cost of claims, such as:

- Development in claims (frequency, severity and pattern of claims) between the amount estimated and actual experience;
- Changes arising due to the time lag between the occurrence of the insured event, notification of the claim (from the insured party, a third party or a ceding company) and the final settlement (payment) of the claim, primarily attributable to long-tail casualty claims that may take several years to settle due to the size and nature of the claim, and the occurrence of large natural catastrophes late in the financial year for which limited information may be available at year-end;
- Judicial trends;
- Expenses incurred in resolving claims;
- Regulatory and legislative changes;
- Changes in economic conditions, including inflation and foreign currency fluctuations; and
- Changes in costs of repairs and medical costs.

Many of these items are not directly quantifiable, particularly on a prospective basis. As a result, actual losses may significantly differ from the original gross reserves established. Consequently, the reserves may need to be re-estimated reflecting those changes resulting in loss reserve redundancies (in cases where the original gross claims reserve was overstated) or deficiencies (in cases where the original gross claims reserve was understated). Adjustments to reserves are reflected in current results of operations.

We continually review the adequacy of the established claims reserves, including emerging claims development, and actual claims compared to the original assumptions used to estimate gross claims reserves. Based on current information available, we believe that our claims reserves are sufficient; however, because the establishment of claims reserves is an inherently uncertain process involving numerous estimates, there can be no assurance that ultimate losses will not materially exceed our claims reserves and have a material adverse effect on our results of operations. For example, there is a high degree of uncertainty with respect to future exposure from asbestos claims because of significant issues surrounding the liabilities of insurers, diverging legal interpretations and judgments in different jurisdictions and aggressive asbestos related litigation, particularly in the US and increasingly in the UK and other European countries. These uncertainties include the extent of coverage under insurance policies, whether or not particular claims are subject to an aggregate limit, the number of occurrences involved in particular claims and new theories of insured and insurer liability. We have established reserves for insurance and reinsurance contracts related to environmental pollution and asbestos at December 31, 2010, which represent our best estimate of ultimate claims exposure at December 31, 2010, based on our current knowledge of facts and law. However, given uncertainties surrounding the related claims, there can be no assurance that ultimate losses will not materially exceed our claims reserves and have a material adverse effect on our earnings. For additional information, see "Environmental Pollution and Asbestos" in Note 14 to AXA's consolidated financial statements included in Part 4 of this Annual Report.

The claims experience in our Life & Savings businesses could be inconsistent with the assumptions we use to price our products and establish our reserves and adversely affect our earnings

In our Life & Savings businesses, our earnings depend significantly upon the extent to which our actual claims experience is consistent with the assumptions we use in setting the prices for our products and establishing the liabilities for obligations for technical provisions and claims. AXA uses both its own experience and industry data to develop estimates of future policy benefits, including information used in pricing the insurance products and establishing the related actuarial liabilities. However, there can be no assurance that actual experience will match these estimates. To the extent that our actual benefits paid to policyholders are less favorable than the underlying assumptions used in initially establishing the future policy benefit reserves, or events or trends cause us to change the underlying assumptions, we may be required to increase our liabilities, which may reduce our net income. For example, certain Variable Annuity products issued or reinsured by certain of our subsidiaries contain various types of minimum guaranteed benefits such as GMDB, GMIB and/or GMWB. The determination of GMDB, GMIB and GMWB liabilities is based on models that involve numerous estimates and management judgments, including those regarding expected market rates of return and volatility, GMIB election rates, contract surrender rates and mortality experience. Determination of liabilities for our other lines of Life & Savings business, such as our annuity business also involve numerous assumptions and subjective judgments as to mortality and morbidity experience, investment returns, expenses, policy surrender rates, policy lapse rates, and other matters. There can be no assurance that the actual experience on these products will not differ, upwards or downwards, from management's estimates. In addition, certain acquisition costs related to the sale of new policies and the purchase of policies already in force have been recorded as assets on our balance sheet and are being amortized into income over time. If the assumptions relating to various factors, including the future profitability of these policies (such as future claims, investment income and expenses) and policy lapses and surrenders are not realized, the amortization of these costs could be accelerated and may even require write-offs due to unrecoverability. These factors could have a material adverse effect on our business, results of operations and financial condition.

Our operating results may be materially adversely affected by the occurrence of natural or man-made disasters and by the consequences of emerging risks such as pandemic diseases and global warming that are unpredictable by nature

Unpredictable events, such as hurricanes, windstorms, hailstorms, earthquakes, fires, explosions, freezesand floods, as well as other natural or man-made disasters, including acts of terrorism, have the potential to adversely affect our operating results. Over the past several years, changing weather patterns and climatic conditions, including global warming, have added to the unpredictability and frequency of natural disasters in certain parts of the world and created additional uncertainty as to future trends and exposures. While experts may disagree on its magnitude and projections, global warming is now proven beyond doubt and has broad potential implications for AXA and the insurance sector generally. In addition to the immediate destruction caused by flooding (and to a lesser extent by drought), global warming will likely have major implications for many human activities (particularly agriculture, timber production, healthcare and water activities) and for the insurers that cover these risks (i.e. property, agricultural, business interruption, civil liability, marine & aviation, life, health, etc.). The evolution of these risks poses major challenges for the insurance sector over the coming years and could adversely affect our business and operating results due to potential increases in claims, the emergence of new types of liability and growing uncertainties about the size of maximum potential losses, which have become harder to assess and to predict on the basis of past events.

Other risks, such as an outbreak of a pandemic disease, like the Avian Influenza A Virus (H5N1), or the A Flu (H1N1), could also adversely affect our business and operating results. While outbreaks of the Avian Flu have occurred among poultry or wild birds in a number of countries in Asia, parts of Europe, and in Africa, transmission to humans has been rare. If the virus mutates to a form that can be transmitted from human to human, it has the potential to spread rapidly worldwide and result in mortality and morbidity rates that far exceed the assumptions that we have used in pricing certain of our products. Both the contagion and mortality rates regarding any mutated H5N1 virus that can be transmitted from human to human are highly speculative at this point in time and we continue to monitor this situation. A significant global outbreak could have a material adverse effect on our life insurance business, operating results and liquidity due to increased mortality and morbidity rates.

We follow the evolution of these risks closely and generally seek to manage our exposure to them through individual risk selection, monitoring risk accumulation, purchase of reinsurance and use of available data in estimating potential catastrophic risks. However, we have experienced in the past and could experience in the future material losses from the types of risks discussed above and these losses could have a material adverse effect on our financial position and results of operations. For additional information, please see Section 3.2 of this Annual Report "Quantitative and qualitative disclosures about market risk and risk factors".

The Property & Casualty insurance business is cyclical, which may impact our results

The Property & Casualty insurance business is cyclical. Although no two cycles are identical, these cycles have typically lasted for periods ranging from two to six years. Periods of intense price competition due to excessive underwriting capacity, periods of shortages of underwriting capacity permitting more favorable rates, consequent fluctuations in underwriting results and the occurrence of other losses characterize the conditions in these cycles. Historically, Property & Casualty insurers have experienced significant fluctuations in operating results due to volatile and sometimes unpredictable developments, many of which are beyond the direct control of the insurer, including competition, frequency or severity of catastrophic events, levels of capacity, general economic conditions and other factors. This may cause a decline in revenues during certain cycles if we choose not to reduce our Property & Casualty product prices in order to maintain our profitability. We may therefore experience the effects of such cyclicality, changes in customer expectations of appropriate premium levels, the frequency or severity of claims or other loss events, or other factors affecting the Property & Casualty insurance business, which could have an adverse effect on our results of operations and financial condition.

We may not be able to sustain the growth of our Insurance and Asset Management businesses

The strong growth of our insurance and Asset Management businesses in the years preceding the 2008 financial crisis may not be sustainable in future years. Continued volatility in the financial markets and reduced availability of credit coupled with recession and continued negative consumer sentiment in many of our major markets pose significant risks to our ability to achieve continued growth at rates consistent with the recent past and our ability to continue growing through acquisitions. In addition, our ability to sustain growth consistent with rates we have achieved in the recent past may be adversely affected by regulatory changes, including changes in the tax laws applicable to our Life & Savings products and operations. The Group has implemented global product "reuse" and distribution initiatives designed to drive product innovation and reuse of successful products across major markets where we operate around the world. Our Life & Savings products, often involve complex features and guarantees that are not easily translated and transposed into the legal, regulatory and tax regimes across multiple jurisdictions. Our inability to successfully execute these product reuse initiatives and/or to develop new distribution channels and partnerships for these products in a timely manner could adversely affect the growth of our Life & Savings business. See also "Risks relating to the financial markets, our financial strength ratings and financial condition, the valuation of our assets and related matters – Continuing difficult conditions in the global financial markets and the economy may materially adversely affect our business and profitability, and these conditions may continue".

Inadequate or failed processes or systems, human factors or external events may adversely affect our profitability, reputation or operational effectiveness

Operational risk is inherent in our business and can manifest itself in various ways, including business interruption, poor vendor performance or default (including under significant outsourcing arrangements), information systems malfunctions or failures, regulatory breaches, human errors, employee misconduct, and external fraud. We also face the risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses or other financial intermediaries we use to facilitate our securities transactions.

These events can potentially result in financial loss, an impairment to our liquidity, a disruption of our businesses, regulatory sanctions or damage to our reputation. Management attempts to control these risks and keep operational risk at low levels by maintaining a sound and well controlled environment in light of the characteristics of our business, markets and regulatory environment in which we operate. Notwithstanding these measures, operational risk is part of the business environment in which we operate and we may incur losses from time to time due to these types of risks.

We may have contingent liabilities from discontinued, divested and run-off businesses and may incur other off-balance sheet liabilities that may result in charges to the income statement

We may, from time to time, retain insurance or reinsurance obligations and other contingent liabilities in connection with our divestiture, liquidation or run-off of various businesses. For example, on December 21, 2006, we completed the disposition of AXA RE's (now called "Colisée RE") business, our reinsurance subsidiary, but retained the risk related to adverse deviation of claims reserves for all accident years prior to January 1, 2006.

Our reserves for these types of obligations and liabilities may be inadequate which could cause us to take additional charges that could be material to our results of operations. We may also, from time to time and in the course of our business provide guarantees and enter into derivative and other types of off-balance sheet transactions that could result in income statement charges. For additional information, see Part 4 – Note 29 "Contingent assets and liabilities and unrecognized contractual commitments" and also Note 20 "Derivative instruments" of this Annual Report.

The failure to maintain and modernize our information systems could adversely affect our business

Our business depends significantly on effective information systems, and we have many different information systems for our various businesses. We must commit significant resources to maintain and enhance our existing information systems, and develop new ones in order to keep pace with the evolving information technology, industry and regulatory standards and customer preferences. If we do not maintain adequate information systems, we may not be able to gather and rely on adequate information to base our pricing, underwriting and reserving decisions. We may also have difficulties in attracting new customers and preserving our existing customer base. In addition, underperforming information systems could cause us to become subject to a higher number of customer, provider and agent disputes which may increase our litigation and regulatory exposure and make us incur higher administrative expenses, including remediation costs.

RISKS RELATING TO THE EVOLVING REGULATORY AND COMPETITIVE ENVIRONMENT IN WHICH WE OPERATE

We face strong competition in all of our business segments and competition may intensify as a result of current global market conditions which could adversely impact our results of operations and financial condition

We face strong and increasing competition in all our business lines. Our competitors include Mutual fund companies, asset management firms, private equity firms, hedge funds, commercial and investment banks and other insurance companies, many of which are regulated differently than we are and offer alternative products or more competitive pricing than we do. In addition, development of alternative distribution channels for certain types of insurance and securities products, including through the internet, may result in increasing competition as well as pressure on margins for certain types of products. These competitive pressures could result in increased pricing pressures on a number of our products and services, particularly as competitors seek to win market share, and may harm our ability to maintain or increase our profitability. The financial crisis resulted in a number of AXA's direct competitors receiving substantial capital injections from government authorities. While many of these institutions continue to be controlled by government authorities or to benefit from direct or indirect government support, others have been recapitalized by their governments and subsequently sold to our competitors or re-privatized through initial public offerings or similar mechanisms. This unprecedented situation may negatively impact the competitive position of AXA in certain markets and adversely affect its results of operations and financial condition.

Financial crisis related legislative and regulatory initiatives designed to reform the regulation of financial institutions, such as the Dodd-Frank Act and recent reforms in France and the European Union, may adversely impact AXA's business, results of operations and financial condition

The financial crisis of 2008-2009 gave rise to numerous legislative and regulatory initiatives across many of the principal jurisdictions where the Group does business. Please see Section 1.2 "Information on the Company – Additional factors which may affect AXA's business" for a description of these initiatives. While many of these initiatives revolve around common themes and attempts are being made to coordinate and harmonize these reforms internationally, management believes that the multitude of reform initiatives under consideration may ultimately result in the enactment of a series of technically incoherent and inconsistent measures across the various jurisdictions where the Group does business, with broad potential implications for the Group and its business. While management cannot predict with certainty at this time whether or when these future legislative or regulatory proposals may ultimately be enacted and the final form they will take, certain of these proposals, if enacted, could have a material adverse impact on our business activities, results of operations and financial condition.

In the United States, for example, the Dodd-Frank Act has imposed comprehensive changes to the regulation of financial services in the United States and has implications for non-US financial institutions with a US presence. Dodd-Frank directs existing and newly-created government agencies and bodies to promulgate regulations implementing the law, a process anticipated to occur over the next few years. Management cannot predict with any certainty the requirements of the regulations ultimately adopted or how Dodd-Frank and such regulations will affect the financial markets generally, impact the Group's business, credit or financial strength ratings, results of operations, cash flows or financial condition or advise or require the Group to raise additional capital. Key risks associated with the Dodd-Frank Act that may have an impact on the Group include the following:

- The newly created risk regulator – the Financial Stability Oversight Council (the "FSOC") – may designate the Group "systemically important" i.e., as a company whose material financial distress, or whose nature, scope, size, scale, concentration, interconnectedness or mix of activities, could pose a threat to the financial stability of the United States. In such an instance, the Group would become subject to the oversight of the Federal Reserve. If the Group becomes subject to the examination, enforcement and supervisory authority of the Federal Reserve, the Federal Reserve would have authority to impose capital requirements on the Group and its subsidiaries. Management cannot predict what capital regulations the Federal Reserve will promulgate under these authorizations, either generally or as applicable to insurance–based organizations, nor can management predict how the Federal Reserve will exercise potential general supervisory authority over the Group as to its business practices or those of its subsidiaries. If designated as systemically important by the FSOC, the Group would become subject to unspecified stricter prudential standards, including stricter requirements and limitations relating to risk– based capital, leverage, liquidity and credit exposure, as well as overall risk management requirements, management interlock prohibitions and a requirement to maintain a plan for rapid and orderly dissolution in the event of severe financial distress. The Group may become subject to stress tests to be promulgated by the Federal Reserve in consultation with the newly created Federal Insurance Office (discussed below) to determine whether, on a consolidated basis, the Group has the capital necessary to absorb losses as a result of adverse economic conditions. Management cannot predict how the stress tests will be designed or conducted or whether the results thereof will cause the Group to alter its business practices or affect the perceptions of regulators, rating agencies, customers, counterparties or investors about the Group's financial strength. The FSOC may also recommend that state insurance regulators or other regulators apply new or heightened standards and safeguards for activities or practices that the Group and other insurers or other financial services companies engage in.
- Title II of Dodd-Frank provides that a financial company may be subject to a special orderly liquidation process outside the federal bankruptcy code, administered by the Federal Deposit Insurance Corporation as receiver, upon a determination that the company is in default or in danger of default and presents a systemic risk to US financial stability.
- Dodd-Frank creates a new framework for regulation of the over-the-counter (OTC) derivatives markets and certain market participants which could affect various activities of the Group and its subsidiaries.
- Dodd-Frank establishes a Federal Insurance Office ("FIO") within the Department of the Treasury to be headed by a director appointed by the Secretary of the Treasury. While not having a general supervisory or regulatory authority over the business of insurance, the director of this office would perform various functions with respect to insurance (other than health insurance), including participating in the FSOC's decisions regarding insurers (potentially including the Group and its subsidiaries), to be designated for stricter regulation. The FIO may recommend enhanced regulations to the states.
- Dodd-Frank establishes the Bureau of Consumer Financial Protection ("BCFP") as an independent agency within the Federal Reserve to regulate consumer financial products and services offered primarily for personal, family or household purposes. The BCFP will have significant authority to implement and enforce Federal consumer financial laws, including the new protections established under Dodd-Frank, as well as the authority to identify and prohibit unfair and deceptive acts and practices. In addition, the BCFP will have broad supervisory, examination and enforcement authority over certain consumer products, such as mortgage lending. Insurance products and services are not within the BCFP's general jurisdiction, and broker-dealers and investment advisers are not subject to the BCFP's jurisdiction when acting in their registered capacity.
- Dodd-Frank seeks to increase efficiency, reduce transaction costs and improve consumer access in the non admitted property and casualty insurance market (excess and surplus lines) and to reform the regulation of the reinsurance markets.
- Dodd-Frank also includes various securities law reforms that may affect the Group's business practices and the liabilities and/or exposures associated therewith, including a provision intended to authorize the SEC to impose on broker-dealers fiduciary duties to their customers, as applies to investment advisers under existing law, which new standard could potentially expose certain of AXA's US broker-dealers to increased risk of SEC enforcement actions and liability.

The Group's activities, results of operation and financial condition may also be affected by regulatory developments in France and the European Union. For example, significant efforts towards establishing a more cohesive and streamlined European supervisory framework, including establishing a European Systemic Risk Board and a European Insurance and Occupational Pensions Authority, may affect the Group's operations. In addition, the enactment of additional prudential requirements on financial institutions with respect to capital, liquidity, leverage and business activities could each impact the Group in ways that management cannot predict with certainty at this time.

In addition to the adoption of these measures, regulators and lawmakers around the world are actively reviewing the causes of the financial crisis and exploring steps to avoid similar problems in the future. In many respects, this work is being led by the Financial Stability Board ("FSB"), consisting of representatives of national financial authorities of the G20 nations. The G20 and the FSB have issued a series of papers and recommendations intended to produce significant changes in how financial companies, particularly companies that are members of large and complex financial groups, should be regulated. These proposals address such issues as financial group supervision, capital and solvency standards, systemic economic risk, corporate governance including executive compensation, and a host of related issues associated with responses to the financial crisis. The lawmakers and regulatory authorities in a number of jurisdictions in which the Group's subsidiaries conduct business have already begun introducing legislative and regulatory changes consistent with G20 and FSB recommendations, including proposals governing consolidated regulation of insurance holdings companies by the Financial Services Agency (FSA) in Japan, proposals governing executive compensation by the financial regulators in Germany (BaFIN) and the United Kingdom (FSA).

Our business is subject to extensive laws and regulations and to significant litigation risks in the various countries where we operate; changes in existing or new laws and government regulations in these countries and/or an adverse outcome in any significant pending or future litigation or regulatory investigation may have an adverse effect on our business, financial condition, results of operations, reputation or image in the market place

We are subject to detailed and comprehensive regulation and supervision in all the jurisdictions in which we operate. Our insurance operations are subject to insurance laws and regulations, which are generally intended to protect policyholders, not our shareholders or creditors. Changes in existing insurance laws and regulations may materially affect the way in which we conduct our business and the products we offer. In addition, changes in pension and employee benefit regulation, social security regulation, financial services regulation, taxation and the regulation of securities products and transactions may also adversely affect our ability to sell new policies or our claims exposure on existing policies. Our asset management operations are also subject to extensive regulation in their respective jurisdictions. These regulations are primarily intended to protect investors in the securities markets or investment advisory clients and generally grant supervisory authorities broad regulatory powers. Changes to these laws and regulations may adversely affect our asset management operations. We are also subject to increasing regulation under various laws and regulations governing the solvency of insurers and other financial institutions including with respect to such matters as capital adequacy, intra-group transactions, "double-gearing" of capital at multiple levels within a consolidated group (e.g. at the consolidated Group, holding company and operating company levels). As a large, multinational financial services provider we are also increasingly subject to detailed and comprehensive regulations governing such matters as money laundering, "know your customer," prohibited transactions with countries or counterparties subject to sanctions, and bribery and other anti-corruption measures.

We are faced with significant compliance challenges due to the fact that our regulatory environment is evolving rapidly and supervisory authorities around the world are assuming an increasingly active and aggressive role in interpreting and enforcing regulations in the jurisdictions where we do business. We have been and may become in the future subject to regulatory investigations which, together with the civil actions often following these investigations, may affect our image, brand, relations with regulators and/or results of operations. We cannot predict with any certainty the potential effects that any change in applicable laws or regulations, their interpretation or enforcement, or that any enactment of new regulation or legislation in the future may have on the business, financial condition or results of operations of our various businesses.

We have been named as defendants in numerous lawsuits (both class actions and individual lawsuits) and involved in various regulatory investigations and examinations and may be involved in more in the future. These actions arise in various contexts including in connection with our activities as an insurer, securities issuer, employer, investment advisor, investor and taxpayer. Any one or a combination of these lawsuits or regulatory investigations could have a material adverse effect on our financial condition or results of operations or cause us significant reputational harm, which could seriously harm our business. Certain of these lawsuits and investigations seek significant or unspecified amounts of damages, including punitive damages, and certain of the regulatory authorities involved in these proceedings have substantial powers over the conduct and operations of our business. Due to the nature of certain of these lawsuits and investigations, we cannot estimate the potential loss or predict with any certainty the potential impact of these suits or investigations on our business, financial condition or results of operations.

Please see Part 4 – Note 31 "Litigation" and the "Additional Factors which may affect AXA's business" included in Part 1, Section 1.2 of this Annual Report for additional information on these matters.

Changes in tax laws and regulations, including elimination of tax benefits for our products, may adversely affect sales of our insurance and investment advisory products, and also impact our deferred tax assets and liabilities

Changes to tax laws may affect the attractiveness of certain of our products, which currently have favorable tax treatment. From time to time, governments in the jurisdictions in which we operate, have considered or implemented proposals for changes in tax law that could adversely affect our products. These projects have included proposals to levy tax on the undistributed increase in value of life insurance policies or annuities or similar proposals that affect the tax-favored status of life insurance products and annuities in certain jurisdictions as well as other changes that could adversely affect the attractiveness of the insurance, asset management and other products we offer. For example legislation enacted in the United States in December 2010 reinstated the estate tax in the United States on estates over $5 million ($10 million for married couples), at a rate of 35%. This rate and exemption amount will apply through December 31, 2012, at which time the estate tax is scheduled to increase to a 55% maximum rate with a $1 million exemption amount. However, future changes to estate tax legislation could reduce the impact of estate taxes, and therefore could have a negative impact on the sales of estate planning products by US life insurance companies, including our US subsidiaries since a significant portion of life insurance sales in the US are made in conjunction with estate planning. The enactment of these or other similar types of legislation in the various countries where we operate, including proposals in the US to create or favor alternative tax-favored long-term savings vehicles, could result in a significant decrease in sales of our currently tax-favored products. In addition, sales of certain of our asset management products may be negatively impacted to the extent that future legislative or regulatory proposals create tax incentives or disincentives to investing in certain asset classes or product types or affect investor sentiment towards or risk-appetite for certain asset classes or products generally.

In addition, changes in tax laws or regulations or an operating performance below currently anticipated levels may lead to a significant impairment of deferred tax assets, in which case we could be obligated to write off certain tax assets. Tax assets may also need to be written down if certain assumptions of profitability prove to be incorrect, as losses incurred for longer than expected will make it more unlikely that we would be able to use our tax assets. Any such development may have a material adverse impact on our results of operations and financial condition.

Recent changes in United States federal withholding tax and information reporting requirements may adversely affect sales of our insurance and investment advisory products and may increase our compliance costs

Under U.S. federal tax legislation passed in 2010, a 30% withholding tax will be imposed on "withholdable payments" made after December 31, 2012 (or such later date as may be permitted under IRS guidance) to non-U.S. financial institutions (including non-U.S. investment funds and certain other non-U.S. financial entities) that fail to provide certain information regarding their U.S. accountholders and/or certain U.S. investors to the U.S. Internal Revenue Service (the "IRS"). In general, non-publicly traded debt and equity interests in investment vehicles would be treated as accounts and subject to the reporting requirements. In addition, the IRS has stated that certain insurance policies and annuities will be considered accounts for these purposes, and therefore information would be required to be reported in respect of certain U.S. policyholders and annuitants. For non-U.S. financial institutions that fail to comply, withholding would apply without regard to whether the beneficial owner of a withholdable payment is a U.S. person or would otherwise be entitled to an exemption from withholding tax under either an applicable tax treaty or federal tax law. "Withholdable payments" generally include, among other items, payments of U.S.-source interest and dividends and the gross proceeds from the sale or other disposition of property that may produce U.S.-source interest and dividends.

The Group intends to enter into such agreements as the IRS may require (and to satisfy any requirements pursuant to such agreements and any related Treasury regulations or other guidance that has been or may be promulgated) to the extent necessary to avoid the imposition of a withholding tax on payments made to it. However, if the Group cannot enter into such agreements or satisfy the requirements thereunder (including as a result of local laws prohibiting information sharing with the IRS, as a result of contracts or local laws prohibiting withholding on certain payments to accountholders, policyholders, annuitants or other investors or as a result of the failure of accountholders, policyholders, annuitants or other investors to provide requested information), certain payments to the Group including dividends from its US subsidiaries may be subject to U.S. withholding tax under the legislation. The possibility of such withholding tax and the need for accountholders, policyholders, annuitants and investors to provide certain information may adversely affect the sales of certain of the Group's products. In addition, entering into agreements with the IRS and compliance with the terms of such agreements and with the legislation and any regulations or other guidance promulgated there under may substantially increase the Group's compliance costs. Because most of the regulatory guidance remains to be written, it is difficult to accurately estimate the impact of this law on the Group.

Potential changes to International Financial Reporting Standards as adopted by the European Union may adversely affect our consolidated results of operations and financial condition

The Company publishes its accounts in accordance with International Financial Reporting Standards and IFRIC interpretations that were definitive and effective as of December 31, 2010 as adopted by the European Union (the "Standards"). The Company does not use the "carve out" option to avoid applying all the hedge accounting principles required by IAS 39. In addition, the adoption of IFRS 9 published by the IASB in November 2009 has not been yet formally submitted to the European Union. However, the Group would not have used the earlier adoption option of the standard neither in 2009 nor 2010. As a consequence, AXA Group's consolidated financial statements also comply with IFRS as issued by the International Accounting Standards Board (IASB). Note 1.2 to the consolidated financial statements for the year ended December 31, 2010 included in Part 4 of this Annual Report summarizes the significant amendments and interpretations of the Standards effective in 2010. There are continuing discussions at the IASB concerning possible modifications to the Standards and certain of these modifications may have potentially significant impacts on insurers and other financial institutions, including AXA, that prepare their consolidated accounts in accordance with the Standards. These modifications include, among others, the following:

- Financial assets and liabilities held by the AXA Group are recognised and measured under IAS 39 which is currently the subject of major potential amendments. Mandatory adoption dates range from 2013 to 2015. Optional adoption by issuers may be applicable in 2011 (depending on endorsement by the European Union). These amendments, which relate primarily to classification of financial assets and liabilities, impairment and hedge accounting principles, may have potentially significant impacts on the Company's future financial statement presentation, shareholders equity and earnings and may also affect prior year comparatives depending on the adoption date;
- Policyholders liabilities and related assets are currently accounted for according to IFRS 4 – Phase I which generally allows the continuation of accounting policies applied prior to the conversion to IFRS. The IASB issued a Discussion Paper in May 2007 and an Exposure Draft in July 2010 in order to define principles to be applied for IFRS 4 Phase II. This amendment, which is scheduled to be finalized in 2011, may significantly affect policyholders' liabilities and related assets such as Deferred Acquisition Costs negatively, by potentially increasing the portion of origination costs flowing through P&L at underwriting date, when implementing the new standard by 2014 or 2015;
- Consolidation, derecognition and lease are other areas of potential significant amendments which may impact the Group as well.

Management cannot predict with any certainty at this time the potential impact of these proposed changes (or of other potential future modifications to the Standards) given the on-going nature of the discussions at the IASB; however, any significant modifications to the Standards may adversely impact the Company's results of operations and financial condition.

Increased geopolitical risks and any future terrorist attacks may have a continuing negative impact on certain of our businesses

We cannot assess with any degree of certainty the future effects on our businesses of terrorist attacks that have occurred and may occur in the future throughout the world, and other responsive actions, including war.

The terrorist attacks and responsive actions in recent years have significantly adversely affected general economic, financial and political conditions, increasing many of the risks in our businesses. Such attacks and actions may have a continuing negative effect on our businesses and results of operations over time. Our general account investment portfolios include investments in industries that we believe may be adversely affected by the terrorist attacks and responsive actions, including airlines, lodging and entertainment companies and non-life insurance companies. The effect of these events on the valuation of these investments is uncertain and could lead to impairments due to lasting declines in the value of investments. The cost, and possibly, the availability, in the future, of reinsurance coverage against terrorist attacks for our various insurance operations is uncertain. In addition, the rating agencies could reexamine the ratings affecting the insurance industry generally, including our companies.

As a global business, we are exposed to various local political, regulatory and economic conditions, business risks and challenges which may affect the demand for our products and services, the value of our investment portfolios and the credit quality of local counterparties

We offer our products and services in Europe, North America, the Asia/Pacific Region, the Middle East and Africa through wholly-owned and majority-owned subsidiaries, joint ventures, companies in which we hold non-controlling equity stakes, agents and independent contractors. Our international operations expose us to different local political and regulatory, business, and financial risks and challenges which may affect the demand for our products and services, the value of our investment portfolios, the required levels of capital and surplus, and the credit quality of local counterparties. These risks include, for example, political, social or economic instability in countries in which we operate or we transfer part of our business processes, including the risk of nationalization, expropriation, price controls, capital controls, fluctuations in foreign currency exchange rates, credit risks of our local borrowers and counterparties, lack of local business experience in certain markets, risks associated with exposure to insurance industry insolvencies through policyholder guarantee funds or similar mechanisms set up in foreign markets and, in certain cases, risks associated with the potential incompatibility with foreign partners, especially in countries in which we are conducting business through entities we do not control. Our expansion in emerging markets requires us to respond to rapid changes in market conditions in these countries. Our overall success as a global business depends, in part, upon our ability to succeed in different economic, social and political conditions. We may not continue to succeed in developing and implementing policies and strategies that are effective in certain locations where we do business.

Finally, our results of operations and financial condition may be materially affected by the general economic conditions such as the levels of employment, consumer lending or inflation, in the countries in which we operate.

We increasingly operate in markets with less developed judiciary and dispute resolution systems; in the event of disputes in these markets, the quality and the effectiveness of such systems could have an adverse effect on our operations and results of operations

In the less developed markets in which we operate, judiciary and dispute resolution systems may be less developed. As a result in case of a breach of contract, regulatory enforcement action or other dispute, we may have difficulties in making and enforcing claims against contractual counterparties and, if claims are made against us, we might encounter difficulties in defending such claims. If we become party to legal or regulatory proceedings in a market with an insufficiently developed judiciary system, it could have an adverse effect on our operations and results of operations.

RISKS RELATED TO OWNERSHIP OF AXA ADSs (1) OR ORDINARY SHARES

We may, in the future, offer rights, warrants or similar securities at prices below the then-current market price which may adversely affect the market price of our ordinary shares, and our ADSs, and dilute the positions of existing shareholders.

Difficult market conditions may require us to offer rights, warrants or similar securities at prices much below the then-current market price in order to help fund acquisitions and other expansion plans, as well as improvements to our existing infrastructure and other business activities. This may adversely affect the market price of our ordinary shares and our ADSs on the over-the-counter markets and have a dilutive effect on the ownership and voting percentages of existing shareholders.

(1) *Since the delisting of AXA's American Depositary Shares ("ADS") from the New York Stock Exchange ("NYSE") on March 26, 2010, AXA's ADSs are traded on the U.S. over-the counter market and are quoted on the OTC QX platform. Quotes are available on www.otcqx.com under the symbol AXAHY.*

Significant shareholders of AXA may have interests conflicting with your interests

The Mutuelles AXA, two French mutual insurance companies, acting as a group, owned at December 31, 2010, approximately 13.94% of the issued ordinary shares of AXA representing approximately 21.87% of the voting power of AXA's shares. Many of the shares owned by the Mutuelles AXA have double voting rights pursuant to the provisions of AXA's charter (*statuts*), see Section "Voting rights" included in Part 5 of this Annual Report. The Mutuelles AXA have stated their intention to collectively vote their shares in AXA. We cannot assure you that the interests of the Mutuelles AXA will not, from time to time, conflict with your interests as a shareholder. For example, even though the Mutuelles AXA do not hold a majority of the total voting power in AXA, efforts by the Mutuelles AXA to decline or deter a future offer to acquire control of AXA, which other shareholders may find attractive, may prevent other shareholders from realizing a premium for their AXA ordinary shares or ADRs. The Mutuelles AXA may decide to increase their interest in AXA or to sell all or a portion of the ordinary shares they own at some future date.

The trading price of AXA ADSs and dividends paid on AXA ADSs may be materially adversely affected by fluctuations in the exchange rate for converting Euro into US dollars

Fluctuations in the exchange rate for converting Euro into US dollars may affect the value of AXA ADSs. Specifically, as the relative value of the Euro against the US dollar declines, each of the following values will also decline:

- The US dollar equivalent of the Euro trading price of AXA ordinary shares on Euronext Paris which may consequently cause the trading price of AXA ADSs on the over-the-counter markets in the United States to also decline;
- The US dollar equivalent of the proceeds that a holder of AXA ADSs would receive upon the sale in France of any AXA ordinary shares withdrawn from the depositary; and
- The US dollar equivalent of cash dividends paid in Euro on the AXA ordinary shares represented by the AXA ADSs.

AXA has delisted the AXA ADSs from the New York Stock Exchange, potentially reducing liquidity in the AXA ADSs

On March 26, 2010, trading in AXA ADSs on the New York Stock Exchange was voluntarily terminated and AXA deregistered with the SEC in June 2010. Since then, the AXA ADSs have traded on the over-the-counter market. While US OTC markets have become more sophisticated and liquid in recent years, no assurance can be given as to the liquidity of the OTC market for AXA ADSs or that persons wanting to buy or sell AXA ADSs will at all times be able to find a willing seller or buyer at an acceptable price and volume. Illiquidity in the over-the-counter market for the AXA ADSs could adversely affect the price of the AXA ADSs relative to that of AXA ordinary shares on Euronext Paris, and could compel holders wanting to sell AXA ADSs to cancel them in exchange for ordinary shares that are tradeable on Euronext Paris.

As a result of its deregistration from the SEC and delisting from the NYSE, AXA is no longer subject to the reporting and corporate governance requirements of the SEC and NYSE

Since the delisting of the AXA ADSs from the NYSE on March 26, 2010 and the deregistration with the SEC in June 2010, AXA has no longer been required to comply with the reporting and corporate governance requirements of the SEC and NYSE and AXA's financial reporting is no longer subject to SEC oversight. AXA continues to comply with the corporate governance standards and reporting requirements applicable to listed companies in France and is subject to the oversight of the French securities regulator, the AMF. While French and US governance and reporting standards are similar in many respects, there are a variety of significant differences. AXA remains committed to maintaining high levels of governance and transparency consistent with international best practices and intends to continue to publish periodic financial and corporate information in the English language on its website but these practices may not be consistent in all respects with the NYSE and SEC standards to which AXA was previously subject.

The holders of AXA ADSs may not be able to exercise their voting rights due to delays in notification to and by the depositary

The depositary for the AXA ADSs may not receive voting materials for AXA ordinary shares represented by AXA ADSs in time to ensure that holders of AXA ADSs can instruct the depositary to vote their shares. In addition, the depositary's liability to holders of AXA ADSs for failing to carry out voting instructions or for the manner of carrying out voting instructions is limited by the Deposit Agreement governing the AXA ADRs facility. As a result, holders of AXA ADSs may not be able to exercise their right to vote and have limited recourse against the depositary or AXA if their shares are not voted according to their request.

Holders of AXA ADSs will have limited recourse if AXA or the depositary fails to meet its obligations under the Deposit Agreement and they wish to involve AXA or the depositary in a legal proceeding

The Deposit Agreement expressly limits the obligations and liability of AXA and the depositary. Neither AXA nor the depositary will be liable if they:

- Are prevented from or delayed in performing any obligation by circumstances beyond their control;
- Exercise or fail to exercise discretion under the Deposit Agreement; or
- Take any action based upon the advice of, or information from, legal counsels, accountants, any person presenting ordinary shares for deposit, any holder or owner of an AXA ADR or any other person believed by AXA or the depositary in good faith to be competent to give such advice or information. In addition, the depositary and AXA have the obligation to participate in any action, suit or other proceeding with respect to the AXA ADSs which may involve them in expense or liability only if they are indemnified.

These provisions of the Deposit Agreement will limit the ability of holders of AXA ADSs to obtain recourse if AXA or the depositary fails to meet their obligations under the Deposit Agreement or if they wish to involve AXA or the depositary in a legal proceeding.

The holders of AXA ADSs in the United States may not be able to participate in offerings of rights, warrants or similar securities to holders of our ordinary shares on the same terms and conditions as holders of our ordinary shares

In the event that we offer rights, warrants or similar securities to the holders of our ordinary shares or distribute dividends payable, in whole or in part, in securities, the Deposit Agreement provides that the depositary (after consultation with AXA) shall have discretion as to the procedure to be followed in making such rights or other securities available to ADR holders including disposing of such rights or other securities and distributing the net proceeds in US dollars to ADR holders. Given the significant number of AXA ADR holders in the US, AXA generally would be required to register with the SEC any public offering of rights, warrants or other securities made to its ADR holders unless an exemption from the registration requirements of the US securities laws is available. Registering such an offering with the SEC can be a lengthy process which may be inconsistent with the timetable for a global capital raising operation. Consequently, we have in the past elected and may in the future elect not to make such an offer in the US, including to our ADR holders and rather only conduct such an offering in an “offshore” transaction in accordance with “Regulation S” under the US Securities Act of 1933, as amended (the “Securities Act”), or in the US in transactions exempt from the registration requirements of the Securities Act. Therefore, there can be no assurance that our ADR holders and ordinary shareholders in the US will be able to participate in such an offering, and our deregistration increases the likelihood that any such offering in the future will not be extended to the US holders of our securities, other than in transactions exempt from the registration requirements of the Securities Act.

Our ADSs and ordinary share price could be volatile and could drop unexpectedly and you may not be able to sell your ADRs or ordinary shares at or above the price you paid

The price at which our ADSs and ordinary shares will trade may be affected by a large number of factors, some of which will be specific to us and our operations and some of which will be related to the insurance industry and equity markets generally. As a result of these factors, you may not be able to resell your ADSs or ordinary shares at or above the price which you paid for them. In particular, the following factors, in addition to other risk factors described in this Section, may have a significant impact on the market price of our ADSs or ordinary shares:

- Investor perception of our Company, including actual or anticipated variations in our revenues, earnings or other operating results;
- Announcement of intended acquisitions, disposals or financings or speculations of such acquisitions, disposals or financings;
- Changes in our dividend policy, which could result from changes in our cash flow and capital position;
- Sales of blocks of our shares by significant shareholders;
- Hedging activities on our shares;
- A downgrade of our credit or financial strength ratings, including placement on credit watch, or rumors of such downgrades;
- Actual or potential litigation involving us or the insurance or asset management industries generally;
- Changes in financial estimates and recommendations by securities research analysts;
- Fluctuations in foreign exchange rates and interest rates;
- The performance of other companies in the financial services' sector;
- Regulatory developments in the principal markets in which we operate;
- International or local political, economic and market conditions; and
- Unforeseen events such as natural disasters or terrorist attacks and other developments stemming from such events and the uncertainty related to these developments.

Judgments of United States courts may not be enforceable against us

Judgments of United States courts, including those predicated on the civil liability provisions of the Federal securities laws of the United States, may not be enforceable in French courts. As a result, our shareholders who obtain a judgment against us in the United States may not be able to require us to pay the amount of the judgment.

3.2 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK AND RISK FACTORS

The Risk Management organization

Information in this Section should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

As an integrated part of all of business processes, Risk Managements responsible for:

- Ensuring that the "second line of defense" is effective on all significant risks;
- Identifying, measuring and managing financial, insurance and operational risks;
- Defining and monitoring risk appetite on these risks – which strengthens risk reporting, limits and decision processes across four dimensions: earnings, value, capital, liquidity;
- Implementing an internal capital model and leading the approval process with supervisors for future Solvency II;
- Building a favorable environment – in terms of models/metrics/standards but also culture - for business lines to write risks within a risk appetite validated locally and by the Group.

Within the AXA Group, Risk Management is the main responsibility of the Group Risk Management Department and supported by other central departments (DCFG, PBRC and GIA). It is coordinated by the central team, supported by local Risk Management teams within each operational entity.

RISK GOVERNANCE WITHIN AXA

In order to manage efficiently local and global risks, the decision process within the risk governance structure is divided into 4 levels:

- The Management Committee defines business objectives and capital allocation with respect to investment return and risk. It also defines the Group appetite for risks in terms of impact on key financial indicators;
- Group Risk Committees integrate five Committees: the Asset-Liability Management Supervisory Committee and the Group Investment Committee both chaired by the Deputy CEO for financial risks; Global Business Lines dedicated Board chaired by the CEO of each business Line for Life insurance risks and for P&C insurance risks; Risk & Compliance Committee chaired by the Group Chief Financial Officer for Operational and Reputation risks. Based on risk reports presented by the Group Risk Management together with other central teams, including AXA Global P&C and AXA Global Life for insurance risks, they recommend actions to manage risks;
- Group Chief Risk Officer heads the Group Risk Management Department (GRM) and reports to the Deputy CEO. GRM develops the risk framework in terms of limits/thresholds (financial, insurance and operational risks), standards, minimum requirements or processes, and oversees the operating entities' adherence to the framework, supported by the local risk management teams;
- Local Chief Risk Officers head the local Risk Management teams within each operational entity and report both to a member of their Executive Committee (CEO/CFO) and to the Group CRO. These teams are responsible for controlling and managing risks within Group policies and limits, validating investment or underwriting decisions through Local Risk Committees.
- The risk governance structure is further enhanced by Group Audit, which performs, on a periodic basis, as part of its role, an assessment of Group's risk and governance processes.

RISK MANAGEMENT MISSIONS AND STRUCTURE AT GROUP LEVEL

Risk Management is the main responsibility of the Group Risk Management Department and supported by other central departments (DCFG, PBRC and GIA). The missions of Risk Management Department are:

- Steer the Risk Management family and develop a risk culture throughout the Group;
- Conduct, at local level, regular reviews of the technical reserves and of the model established by the operating units and regular reviews of models implemented throughout the Group in order to ensure the consistency between actuarial and financial standards;

- Define and propose to the Management Committee, with the support of AXA Global P&C and AXA Global Life, the main features of the Group's reinsurance coverage program;
- Monitor the Group asset allocation: (i) monitor risk concentration in assets, (ii) perform regular studies and reporting on exposure and performance, and (iii) define standards in terms of Asset Liability Management (see Section "Market Risks");
- Define and coordinate a decentralized review of risk-adjusted pricing and profitability for new products prior to launch (the Product Approval Process) in Life & Savings and Property & Casualty. For Variable Annuity products with guarantees, the review is centralized, and submitted to the Management Committee;
- Define and run the Group risk appetite process (framework, limits) and monitor the consistency between group and local frameworks;
- Implement Economic Capital measures and co-lead the validation of the Group's internal model for Solvency II;
- Develop and deploy models/metrics to measure risks and monitor the profitability of the business lines (please see the Section "Insurance risk").

The Group's risk management structure is also reinforced by AXA Global P&C and AXA Global Life, which advise and support local entities in their reinsurance strategy (Property & Casualty; Life & Savings), centralize the Group's purchasing of reinsurance. Please refer to the Section "controlling exposure and insurance risk" for further details on reinsurance strategy.

LOCAL RISK MANAGEMENT TEAMS

Risk management is a local responsibility, subject to Group standards, guidelines and monitoring of the risk exposure, and within a clearly defined local Risk Appetite consistent with the Group's Risk Appetite.

The Risk Management Departments of operational entities are managed by local Chief Risk Officers, who report directly to a member of their Executive Committee (CEO/CFO) and to the Group CRO. The roles and responsibilities of local Risk Management Departments are approved jointly by the Executive Committees of local entities and the Group Chief Risk Officer to ensure a better alignment of Group and local interests. The missions of local Risk Management are set in accordance with the responsibilities stated above. The minimum missions required for all Risk Management teams are:

- Performing a second opinion on P&C reserves, ALM studies & asset allocation and reinsurance strategy;
- Coordinating pre-launch product approval procedures and regular pricing reviews after launch;
- Coordinating operational risk framework;
- Implementing risk appetite on all risks, with strengthened reporting, risk limits and decision processes;
- Performing the calculation of an internal capital model;
- Carrying out the risk reporting.

Market risks

Information in this Section should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

AXA is exposed to financial market risks through its core business of financial protection (i.e. insurance and asset management) and through the financing of its activities as part of its equity and debt management.

MARKET RISK AND ASSET LIABILITY MANAGEMENT OF INSURANCE PORTFOLIOS

Local operating units have the primary responsibility for managing their financial risks (market risk, credit risk, liquidity risk), while abiding by the risk framework defined at Group level in terms of limits/thresholds and standards. This approach allows operating units to react swiftly in an accurate and targeted manner to changes in financial markets, political and economic environment in which they operate.

A wide variety of risk management techniques are used to control and mitigate the market risks to which the AXA Group's operating units and the Group itself are exposed. These techniques include:

- A regular monitoring of the financial risks on the solvency, and economic position of the Company;
- Asset Liability Management (ALM), *i.e.* the definition of optimal strategic asset allocations with respect to the liabilities they are supporting, to reduce the risk to a desired level. Please refer to next paragraphs for further details on ALM;
- Hedging of financial risks when they exceed the tolerance levels set by the Group. Operational management of derivatives has stringent rules and is mainly performed by the Group's specialist asset management teams (AXA Investment Managers and AllianceBernstein) as well as AXA Bank Europe and AXA Equitable for the hedging program of Variable Annuities' guarantees;
- Reinsurance also offers solutions to mitigate certain risks; it is for instance used to de-risk part of the in-force GMIB products.

AXA's exposure to market risk is strictly monitored. It is mitigated by:

- Its broad range of operations and geographical positions, which provides good diversification; and
- Natural hedging between different products and jurisdictions.

Furthermore, a large portion of AXA's Life & Savings portfolios is made of unit-linked products, in which most of the financial risks are borne directly by policyholders (the shareholder's value is however still sensitive to financial market evolution and volatility).

Description of Life & Savings insurance reserves

The market risks to which Life & Savings operating units are exposed arise from a variety of factors including:

- A decline in returns on assets (linked to a sustained fall in yields on fixed income investments or to lower equity markets) could reduce investment margins or fees on unit-linked;
- A rise in yields on fixed-income investments (linked to interest rates or in spreads) reduces the market value of fixed-income investments and could impact adversely the solvency margin, and increase the number of surrenders on some policies with competitive pressures;
- A decline in asset market value (equity, real estate, alternatives, etc.) could impact adversely the solvency margin, as well as available surplus;
- A rise in financial market volatility may increase the cost of hedging the guarantees associated with some Variable Annuity products and decrease the Embedded Value;
- A change on the foreign-exchange rates would have limited impact for the operating units since foreign-currency commitments are matched to a large extent by assets in the same currencies, but it could affect the earnings contribution in euros.

The Group policies put in place to manage these risks are tailored to each product type and the risks relating to it.

The breakdown of life insurance reserves by product type is as follows:

- 20% at the end of 2010 (25% at the end of 2009) of the Group's Life & Savings technical reserves cover separate-account (unit-linked) products that do not materially affect AXA's risk exposure. This category includes products that provide a guarantee on invested capital in the event of death. On these products, the underlying financial market performance is mostly passed on to the policyholders. Overall, therefore, they present only a limited market risk for the Group through reduction of shareholders' value;
- 10% at the end of 2010 (9% at the end of 2009) of the Group's Life & Savings technical reserves cover separate-account products with related interest-rate or equity guarantees provided by the insurance companies, called Variable Annuities. Suitable risk management policies have been put in place with respect to these products:
  - derivatives are used as part of the dynamic management of risks related to guaranteed benefits, in order to cover market risks linked to Guaranteed Minimum Death Benefits, Guaranteed Minimum Income Benefits, Guaranteed Minimum Accumulation Benefits and Guaranteed Minimum Withdrawal Benefits. Derivatives are used to help reduce the economic impact of, among other things, unfavorable changes in GMDB, GMIB, GMAB and GMWB exposures due to movements in the equity, fixed income and foreign exchange markets. Two hedging platforms located in AXA Equitable for the US business and AXA Bank Europe for the European and Asian business manage the market risks on these products,
  - policyholders' behaviour on these products, notably lapses, longevity/mortality and election rates, are closely monitored and the risk of deviations of these items from the underlying assumptions is limited through updating the dynamic management programs that are in place;

- 13% at the end of 2010 (16% at the end of 2009) of the Group's Life & Savings technical reserves cover products without guaranteed cash values upon surrender:
  - annuities in the payout phase are usually backed by fixed-income assets with maturities that match the underlying payout schedules, thereby avoiding reinvestment and liquidity risks;
- 20% at the end of 2010 (17% at the end of 2009) of the Group's Life & Savings technical reserves are related to products offering one-year guaranteed rates that are updated every year. The risks arising from a sustained fall in interest rates in the financial markets are limited for these types of products, as most concern policies in France and group annuity policies in Japan. Hedging programs have been implemented to cover long-term fixed maturities from the risk of an increase in interest rates;
- 37% at the end of 2010 (33% at the end of 2009) of the Group's Life & Savings technical reserves cover other products. These reserves cover surrender guarantees and, in some cases, a guaranteed long-term rate. Related risks are managed in the following ways:
  - products that are not surrender-sensitive are usually backed by fixed-income investments with maturities and interest rates generally sufficient to cover guaranteed benefits, so as to reduce as much as possible the reinvestment risk,
  - other products are managed with the surplus required to cover guarantees,
  - hedging programs that make use of derivatives may be set up to hedge the risk of a fall (floor) or a rise (cap) in interest rates.

Description of Property & Casualty and International Insurance reserves

Property & Casualty and International Insurance technical reserves break down as follows:

	Technical liabilities	
(in Euro million)	December 31, 2010 [(a)]	December 31, 2009 [(a)]
Personal lines – Motor	16,450	15,745
Personal lines – Property damage	3,754	3,552
Personal lines – Health	1,222	1,108
Personal lines – Other	4,462	4,993
Sub-total Personal lines	**25,888**	**25,398**
Commercial lines – Motor	3,297	2,939
Commercial lines – Property damage	2,873	2,922
Commercial lines – Professional liability	6,752	6,130
Commercial lines – Health	3,729	3,237
Commercial lines – Other	6,931	6,592
Sub-total Commercial lines	**23,582**	**21,821**
Other	791	739
TOTAL – PROPERTY & CASUALTY INSURANCE EXCLUDING INTERNATIONAL INSURANCE	**50,261**	**47,957**
International Insurance – Property damage	1,352	1,449
International Insurance – Motor, Marine, Aviation	2,747	2,787
International Insurance – Professional liability	3,759	3,578
International Insurance – Other	2,282	2,338
TOTAL – INTERNATIONAL INSURANCE	**10,140**	**10,152**
TOTAL – PROPERTY & CASUALTY INSURANCE INCLUDING INTERNATIONAL INSURANCE	**60,401**	**58,109**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

For Property & Casualty insurance business, the financial risk is borne directly by the shareholders. Long-tail activities, such as certain Third Party Liability lines, are sensitive to movements in financial markets.

The market risks to which Property & Casualty operating units are exposed to arise from the following factors:

- Inflation may increase the compensation payable to policyholders, so that the actual payments may exceed the associated reserves set aside. This risk can be significant for long-tail businesses but is managed through regular pricing adjustments or specific protections against peaks of inflation;
- A sustained fall in yields on fixed-income investments would generally not present a material risk. The exceptions would be policies implicitly providing a guaranteed rate (disability income, workers' compensation) – but the risk is mitigated by duration management;

- A rise in yields on fixed-income investments (linked to interest rates or spreads) reduces the market value of fixed-income investments and could impact adversely the solvency margin;
- A decline in asset market values (equity, real estate, alternatives, etc.) could impact adversely the Group's solvency margin, as well as available surplus;
- A change on the foreign-exchange rates would have limited impact for the operating units since foreign-currency commitments are matched to a large extent by assets in the same currencies, but it could affect the earnings contribution in euros.

The investments of Property & Casualty insurance companies are managed so as to optimize the return on assets while considering all of the aforementioned risks and the requirements in terms of regulatory solvency. A large portion of investments is made in liquid fixed maturities to secure the capacity to pay unexpected exceptional benefits and claims. The capacity to have diversified investments (real estate or equity securities) also offers a partial natural hedge against inflation.

Processes in place and related Governance for Asset & Liability management

AXA manages its financial risks through a disciplined investment and reporting process within a dedicated governance structure.

As stated previously, local insurance operating units are responsible for identifying, measuring, managing and monitoring their risk positions. Strategic asset allocations are based on thorough analyses and are implemented by asset management companies through investment mandates.

At Group level, the ALM Supervisory Committee, chaired by the Deputy CEO, determines the Group asset liability management policies, ensures that the Group exposures are within the Group risks limits; the Group Investment Committee, chaired by the Deputy CEO discuss implementation of investment strategy, steers tactical asset allocation, evaluates new investment opportunities and monitors Group investment performance.

Group CIO function has been created in 2009 to improve AXA's risk-adjusted investment performance (centralized credit team, relationship with the asset managers) and strengthen checks and balances in the investment & ALM function through the clarification of the roles of CIOs and CROs.

REPORTING: MONTHLY CONCENTRATION RISK REPORTING

Operating units produce an asset allocation statement every month. This allows regular monitoring of certain key risk indicators such as the duration and convexity of fixed income portfolios, and the credit concentration in any issuer.

This work is carried out by local teams and then consolidated by Group Risk Management to give an overview for the whole Group and to allow any required action to be taken.

ALM AND INVESTMENT PROCESS

The ALM and investment processes of a local insurance operating unit can be defined as a sequence of seven steps:

- A detailed analysis of the liability structure;
- The proposal of a strategic asset allocation by the Chief Investment Officer that factors in long-term outlook as well as short-term constraints (the ALM studies: see below);
- The validation of this allocation by the unit's ALM Committee, subject to risk management opinion and respecting predefined Risk Appetite limits;
- The implementation of the allocation through the set-up of a mandate with asset management companies with clear and pre-defined leeways;
- A tactical allocation under each Chief Investment Officer responsibility with support from asset management companies;
- Stock selection made by asset managers with the given mandates and related leeways;
- A performance reporting and analysis.

ALM STUDIES

ALM studies are based on the modelling of commitments resulting from insurance policies, and aim to define asset allocation so that these commitments can be met with a high degree of confidence while maximizing the expected investment return. This work is carried out by local ALM Departments and takes the form of detailed analyses that use consistent methods based on deterministic and stochastic scenarios. The aim of these analyses is to maximize the expected investment return, net of the cost of the economic capital required to support the strategy, while complying with a series of constraints: stability of earnings, protection of the solvency margin, and preservation of the liquidity. Due care is given to monitoring and analysing local and consolidated capital adequacy and solvency margin requirements. It is intended to ensure that AXA complies with its regulatory commitments and makes optimum use of capital resources at all times.

These studies are carried out by all significant insurance operating units.

In addition, AXA's insurance operation units are subject to local regulatory requirements in all jurisdictions in which AXA operates. These local regulations may prescribe:

- The required category, nature and diversification (by type of issuer, geographical zone and type) of investments;
- The minimum proportion of assets invested in the local currency, considering commitments denominated in this currency (congruence rule).

As part of an on-going capital allocation process, local insurance operating units perform at least twice-yearly simulations of the impact, on the various regulatory constraints, of severe scenarios for assets (in terms of both the market value of equity securities and interest rate trends). The Group Central Finance Department consolidates these results, enabling it to assess operating units' financial flexibility. The results are presented to the Finance Committee of AXA's Board of Directors on a regular basis.

ALM constraints are also taken into account when new products are being designed as part of the product approval process (see Section "Insurance risk – Product approval").

IMPLEMENTING ASSET ALLOCATION AND STOCKS SELECTION

Asset management specialists, primarily AXA subsidiaries (mainly AXA Investment Managers and AllianceBernstein) are responsible for the day-to-day management of investments. Processes have been put in place in these companies to manage investments without exceeding agreed risk tolerance thresholds imposed by their client insurance companies in the investment management agreements. This organization makes the skills required in these activities available for the benefit of all Group insurance companies.

Products that involve hedging programs using derivative instruments are designed with the help of dedicated teams at AXA Bank Europe, AXA Investment Managers and AllianceBernstein. This organization means that all entities benefit from the best possible expertise and a high level of legal and operational security in these transactions, which are sometimes complex.

FOCUS ON THE MAIN FINANCIAL RISKS

The main financial risks for the AXA Group are as follows:

- Interest-rate and equity risk related to the operating activities of Group subsidiaries;
- Credit risk. Please read the next part "Credit risk" included in the Part 3 – Section 3.2 – "Quantitative and Qualitative Disclosures about Market Risk and Risk Factors";
- Exchange-rate risk related to the operating activities of Group subsidiaries;
- Risks relating to the management of holding companies' foreign exchange exposure and debt;
- Liquidity risk. Please read "Liquidity position and risk management framework" included in Part 1 – Section 1.4 – "Liquidity and capital resources".

INTEREST RATES & EQUITY RISK RELATED TO THE OPERATING ACTIVITIES OF GROUP SUBSIDIARIES

AXA performs sensitivity analyses to estimate Group exposure to movements in interest rates and equity markets. These analyses quantify the potential impact on the Group of positive and adverse changes in financial markets.

The AXA Group analyzes sensitivity to movements in interest rates and equity markets looking at two different measures:

- Sensitivities of European Embedded Value (EEV) in the Life & Savings business, as described below;
- Sensitivities of the Tangible Net Asset Value (TNAV) for other-than-life businesses.

These analyses cover AXA SA, which carries most of the Group's debt, along with the largest subsidiaries in France, the United States, the United Kingdom, Belgium, Switzerland, Germany, Central and Eastern Europe (Poland, Hungary and Czech Republic), the Mediterranean and Latin American Region (Spain, Portugal, Italy, Mexico, Morocco, Turkey, the Gulf Region and Greece), Australia, Hong Kong and Japan. At December 31, 2010, these subsidiaries represented 97% of AXA's consolidated invested assets within its insurance operations.

"Embedded Value" (EV) is a valuation methodology often used for long term insurance business. It attempts to measure the present value of cash available to shareholders now and in the future and accordingly is presented net of taxes and minority interests. "European Embedded Value" (EEV) is a refinement of this methodology based on Principles issued by the CFO Forum of European insurers, which AXA adopted during 2005. AXA publishes EEV only for its Life & Savings business.

In addition to Life & Savings EEV, AXA calculates a "Group EV" which adds to the Life & Savings EEV the Tangible Net Asset Value (TNAV) other-than-life businesses.

Group EV

The Group EV is not an estimate of AXA's "fair value". It does not include the value of business to be sold in the future, nor does it include any value for future profits from existing business of other-than-life businesses (Property & Casualty, International Insurance, Asset Management, Banking and Holdings and other companies). However, the Life & Savings EEV is a key management metric measuring the risk-adjusted value of the business and tracking its evolution over time, and the Group EV provides a crucial link to processes that impact total Group value but cannot be seen within the Life & Savings segment, such as hedging strategies executed at the Group level and also the impact of leverage on the Group.

	2010			2009		
(in Euro million)	Life & Savings	Other businesses	Total	Life & Savings	Other businesses	Total
IFRS shareholders' equity at December 31	41,502	8,196	49,698	38,018	8,211	46,229
Net unrealized capital gains/losses, not included in IFRS shareholders' equity	936	1,920	2,855	906	1,656	2,561
Excluded TSS/TSDI		(7,683)	(7,683)		(7,383)	(7,383)
Mark to Market debt		870	870		1,389	1,389
Excluded Intangibles	(19,113)	(9,622)	(28,736)	(18,946)	(9,196)	(28,142)
unrealized capital gains projected in VIF & other stat-GAAP adjustments	(2,935)	(5)	(2,940)	(2,687)		(2,687)
Life & Savings Adjusted Net asset Value (ANAV) and Other Businesses TNAV	20,389	(6,324)	14,065	17,290	(5,323)	11,967
Life & Savings Value of Inforce (VIF)	20,087		20,087	18,456		18,456
Group EV = AXA Life & Savings EEV + Other Businesses IFRS SHE at December 31	**40,476**	**(6,324)**	**34,152**	**35,745**	**(5,323)**	**30,422**

The table above shows the reconciliation of IFRS shareholders' equity to the Group EV.

The Life & Savings "Adjusted Net Asset Value" (ANAV) is derived by aggregating the local regulatory (statutory) balance sheets and reconciling with the Life & Savings IFRS shareholders' equity on the following main adjustments:

- Addition of unrealized capital gains/losses not included in IFRS shareholders' equity;
- Elimination of the value of all intangible assets;
- Elimination of unrealized capital gains/losses included in the projection of future cash-flows (VIF);
- Adjustment for the differences between AXA's consolidated accounting basis and local regulatory bases.

Adding the Life & Savings "Value of Inforce" (VIF) to the Life & Savings ANAV completes the Life & Savings EEV.

The Group EV equals the Life & Savings EEV plus the other businesses TNAV (Tangible Net Asset Value). The TNAV for other-than-life businesses is reflecting the consolidated IFRS shareholders' equity adjusted for:

- The elimination of all intangible assets;
- The reclassification in the liabilities of all undated debt (TSS/TSDI) that is treated as equity in IFRS;
- The addition of unrealized capital gains or losses not already included in equity;
- The mark-to-market of debt.

The Life & Savings VIF calculation by nature involves many assumptions about the future. For Life & Savings EEV, AXA has adopted a "market-consistent" approach to setting asset return assumptions. Each cash flow is discounted at an appropriate discount factor, so that starting with Euro 1 of bond or of equity, projecting expected cash flows and discounting, will simply give Euro 1 of value. Mechanically, this can be described as assuming that, in the future, all assets will earn the risk-free rate (referred to as the "reference rate" in the Embedded Value methodology) defined by the current market. However, cash flows are projected not only in a single scenario, but rather a stochastic set of scenarios is created, with the set maintaining the market-consistent condition that Euro 1 of any asset projected into the future gives a present value of Euro 1. Future earnings available to shareholders are assessed across this range of stochastic scenarios, with the present value being the Life & Savings VIF. Our major assumptions include:

- Actuarial assumptions reflect best estimates based on recent experience;
- No productivity gains in the future are assumed, while a 2.0% average inflation rate was assumed in 2010 (2.1% in 2009);
- Expenses are adjusted for non-recurring expenses and one-time strategic spending;

- Some benefit from future mortality improvement on Life business is included, while annuity business does have an allowance for the costs of longevity increasing in all markets;
- Non-financial risks are provided for through the cost of holding capital consistent with the necessary amount to obtain a AA rating at each entity level;
- A weighted average tax rate of 31.6% was assumed in 2010 (31.8% in 2009);
- Consistent with previous years, AXA used, at the end of 2010, reference rates which included, where applicable, liquidity premia over the swap curves for some of its entities. In line with industry's converging practices, AXA has adjusted the approach introduced in 2008 in its market-consistent methodology in terms of liquidity premium (calibration and allowance by products) and yield curve extrapolation for long term maturities where no sufficient liquid data is available on the markets.

As described above, the Life & Savings VIF valuation under AXA's market-consistent framework does not depend on assumed future asset returns, but rather on the reference rate described above. The Life & Savings VIF valuation depends on stochastic projections of multiple scenarios, rather than a single scenario.

The sensitivities of the Group EV to changes in major economic assumptions were calculated as follows for the 2009 and 2010 values:

- **Upward parallel shift of 100 basis points (bps) in reference interest rates** simulates a sudden shock to the initial conditions. This means changes to: 1) the current market values of fixed-interest assets, with related possible changes to projected capital gains/losses and/or fee revenues, 2) future reinvestment rates for all asset classes, and 3) risk-discount rates. Inflation rates are not changed. Policyholder and management behaviors are adjusted following normal behavioural modeling. As noted in the definitions, these calculations reflect discount rate changes in Life & Savings and for other-than-life discounted reserves, as well as changes to the value of fixed-income assets, but no changes in value for asset classes such as equities or real estate are assumed to accompany the reference interest rate movements (although for Life & Savings future returns are impacted as these equal the risk-free rate on average across scenarios in the market consistent valuation). In reality, changes in value of other asset classes would probably lead to different results than shown here. It is also possible that a gradual movement in interest rates would produce different results than a sudden shock, especially for dynamically hedged variable annuities business where a sudden shock tends to overestimate the sensitivities (as in real life the rebalancing of hedging assets would at least partly offset the impact of the shock).
- **Downward parallel shift of 100 basis points in reference interest rates** is the same as above but with a shift downward. Where the shift of 100 basis points would drop rates below 0%, they are floored at zero.
- **10% higher value of equity markets at the start of the projection** simulates a shock to the initial conditions just for equities. This means changes to current market values of equities, with related possible changes to projected capital gains/losses and/or fee revenues. Policyholder and management behaviors are adjusted to be consistent with these conditions. As noted in the definitions, these calculations reflect a shock to the initial conditions for equities, but no changes in value for asset classes such as fixed maturities or real estate are assumed to accompany the equity change. In reality, changes in value of other asset classes would probably lead to different results than shown here. It is also possible that a gradual movement in equity would produce different results than a sudden shock.
- **10% lower value of equity markets at the start of the projection** same as above but a decrease.

	2010						2009					
	Life & Savings		Other businesses		Group		Life & Savings		Other businesses		Group	
	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV
Upward parallel shift of 100 bps in risk-free rates	781	2%	(1,667)	-5%	(886)	-3%	831	3%	(1,321)	-4%	(490)	-2%
Downard parallel shift of 100 bps in risk-free rates	(2,440)	-7%	1,718	5%	(722)	-2%	(2,253)	-7%	1,273	4%	(980)	-3%
10% higher value of equity markets at start of projection	1,401	4%	780	2%	2,181	6%	1,118	4%	575	2%	1,693	6%
10% lower value of equity markets at start of projection	(1,536)	-4%	(727)	-2%	(2,263)	-7%	(1,140)	-4%	(567)	-2%	(1,707)	-6%

All sensitivities are presented net of tax and minority interests, and where applicable, net of policyholders' participation.

2010 interest rate sensitivities (% of Group EV) for Life & Savings business of 2% to upward 100 bps and -7% to downward 100 bps (2009: 3% and -7%) show an asymmetry predominantly driven by guaranteed interest rates having higher value when interest rates decrease, while higher reinvestment rates would need to be shared with policyholders limiting shareholders' gains in a higher rate environment. However this classical pattern is not followed in some entities (e.g., the UK, the Mediterranean and Latin American Region, Australia/New Zealand and Hong Kong), where the business has significantly less interest rate guarantees and the EEV behaves more like a portfolio of fixed-income assets. In addition, higher interest rates affect the value both positively through higher investment rate and negatively through lower starting value of fixed income assets and higher discount rates for future profits. For different product types these interactions produce different results.

2010 interest rate sensitivities (% of Group EV) for other-than-life businesses of -5% to upward 100 bps and 5% to downward 100 bps (2009: -4% and 4%) reflect mainly the impacts on fixed-income assets, partly offset by derivatives and sensitivities to changes in debt value, should interest rates curve move, with all debt classified as liabilities and remeasured at market value. The majority of other-than-life reserves in the financial statements and therefore in TNAV is generally not sensitive to interest rate changes as not discounted in most cases.

2010 equity market sensitivities (% of Group EV) for Life & Savings business of 4% to upward 10% or -4% to downward 10% (2009: 4% and -4%) are more nearly symmetrical, with no complicating effects from changes of discount rates. The limited asymmetries reflect the impact of guarantees and profit-sharing rules, along with some hedging programs to limit potential losses. The impacts of equity market value changes can come through general account exposures or through changing asset balances impacting future fee revenue on separate account business.

2010 equity market sensitivities (% of Group EV) for other-than-life businesses of 2% to upward 10% or -2% to downward 10% (2009: 2% and -2%) reflect the impacts on equities including derivatives on equities.

EXCHANGE RATE RISK RELATED TO THE OPERATING ACTIVITIES OF GROUP SUBSIDIARIES

In the insurance companies, which accounted for 89% of Group assets at December 31, 2010 (90% in 2009), assets and liabilities with foreign currency exposure were generally matched or hedged.

- **Life & Savings business**: 77% of Group assets at the end of 2010 (78% in 2009):

In France, AXA is exposed to exchange-rate risk through the units it owns in certain investment funds partly invested in foreign currencies (particularly US Dollar: €2,184 million vs. €1,323 million in 2009, Pound Sterling: €163 million vs. €148 million in 2009, and Japanese Yen: €113 million vs. €104 million in 2009). AXA France owns these invested funds in order to diversify its investments and enable policyholders to benefit from the performance of international financial markets. AXA France controls and limits its exposure to exchange-rate risk by using foreign exchange forwards and other derivatives (notional of €2,626 million vs. €1,759 million in 2009).

AXA Japan's investment strategy is to invest when relevant outside the Japanese market in order to diversify investments. At the end of 2010, the total assets denominated in foreign currencies (mainly US Dollars) represented an amount of €17,216 million (€7,942 million in 2009). Excluding assets backing unit-linked contracts, the corresponding exchange rate risk was fully hedged through the use of derivatives.

AXA Germany hold investments denominated in foreign currencies €3,671 million (€3,642 million in 2009), both directly and indirectly through investment funds, with the aim of diversifying their investments and taking advantage of foreign markets' performance. These investments are mainly in US Dollars €3,494 million (€3,200 million in 2009). Exchange-rate risk exposure is hedged using forwards for a notional amount of €3,308 million (notional €3,071 million in 2009) and currency swaps for a notional amount of €380 million (notional of €681 million in 2009).

Swiss entities are exposed to exchange rate risk through their investments in foreign currencies (mainly Euro and US Dollar) due to limited investment possibilities in Switzerland and to the traditionally low interest rate environment in Switzerland. As a result they hold foreign exchange exposure on equity securities as well as on fixed maturities denominated in currencies other than Swiss Francs. However, the main part of the exposure is hedged back into Swiss Francs with foreign exchange swaps, options and forwards.

Switzerland Life & Savings foreign exchange exposure amounted to €19,119 million (circa 32% of assets) at the end of 2010, of which €17,418 million were hedged.

In Belgium, in the United States, in the United Kingdom and in the Mediterranean and Latin American Region, the Group's Life & Savings companies do not have any significant exposure to exchange-rate risk.

These countries accounted for 95% at the end of 2010 (96% at the end of 2009) of the Group's Life & Savings companies' assets.

- **Property & Casualty business**: 10% of Group assets at the end of 2010 (9% at the end of 2009):

In France, AXA is exposed to exchange-rate risk through the units it owns in certain investment funds partly invested in foreign currencies mainly US Dollar (€390 million vs. €207 million in 2009) and to a much lesser extent Pound Sterling and Japanese Yen in order to diversify its investments. France controls and limits its exposure to exchange-rate risk by using forwards in all these currencies (notional of €487 million vs. €210 million in 2009).

In Belgium, parts of AXA Belgium's reinsurance portfolio liabilities are denominated in US Dollar. The foreign exchange risk associated to these liabilities is fully hedged through investments in US Dollar. The US Dollar exposure was €127.5 million at the end of 2010 (€100 million in 2009).

Germany P&C is exposed to US Dollar exchange rate risk on certain investment funds for €1,096 million (€1,143 million in 2009). Germany controls and limits its exchange rate risk by using forwards for a notional amount of €967 million (notional €688 million in 2009), currency swaps for a notional amount of €143 million (notional €175 million in 2009) and congruent coverage €57 million (€72 million in 2009).

In the United Kingdom and Ireland, AXA is exposed to exchange-rate risk through its AXA Insurance and AXA PPP Healthcare subsidiaries, which operate in Pound Sterling, and AXA Ireland but have diversified their investment portfolios in line with asset liability management objectives as follows:

i. directly owned foreign-currency investments and cash of €511 million (€465 (1) million in 2009), of which €131 million of intercompany Mortgage loan which foreign exchange risk has been hedged;

ii. investments totalling €139 million (€103 million in 2009) of CDO equity funds and investment funds which predominately invest in foreign-currency investments;

iii. Euro denominated Credit Default Swaps are in place with a nominal value of €143 million (€143 million in 2009) and there are foreign exchange forward contracts with a nominal value of €305 million (€212 million in 2009).

AXA Ireland also operates in Northern Ireland, and so manages a portfolio of Pound Sterling policies for an amount of €203 million (€167 million in 2009), hedged with investments in the same currency of €185 million (€139 million in 2009).

In Switzerland, foreign exchange exposure amounted to €3,966 million (circa 27% of total assets) at the end of 2010, of which €3,727 million were hedged with foreign exchange futures and forwards.

In the Mediterranean and Latin American Region, the Group's Property & Casualty companies do not have any significant exposure to exchange-rate risk.

(1) Amount disclosed in 2009 was €389 million, difference relates to currency element of the loan swap being deducted from the underlying asset values.

These countries accounted for 93% at the end of 2010 (95% in 2009) of the Group's Property & Casualty companies' assets.

- **International Insurance business** (2% of Group assets at the end of 2010 vs. 2% in 2009): In the course of its business, AXA Corporate Solutions Assurance carries some insurance liabilities, denominated in foreign currencies, particularly in US Dollar (€1,270 million at the end of 2010 vs. €1,343 million in 2009) and, to a lesser extent, Pound Sterling (€445 million at the end of 2010 vs. €539 million in 2009). The Company carries assets denominated in foreign currencies to ensure balance sheet congruence. The congruence between the Company's foreign-currency assets and liabilities is regularly adjusted, but is subject to unpredictable loss occurrence and the corresponding liabilities movements.
- **As regards holding companies** (6% of Group assets at the end of 2010, same as 2009), AXA SA has, since 2001, adopted a hedging policy on net investments denominated in foreign currencies, which aims at protecting the Group's consolidated shareholders' equity against currency fluctuations, using derivatives instruments and foreign-currency debt.

At December 31, 2010, the main hedging positions were as follows:

	Amount in currency (in billion)		Amount in Euro (in billion)		
Foreign currency hedging	**2010**	**2009**	**2010**	**2009**	**Comments**
US Dollar	7.0	13.5	5.2	9.4	In respect of the US activities, mainly in the form of debt
Japanese Yen	956.3	956.3	8.8	7.1	In respect of the Japan activities, mainly in the form of derivatives
Pound Sterling	2.2	1.9	2.5	2.1	In respect of the UK business, mainly in the form of debt
Canadian Dollar	1.7	1.7	1.2	1.1	In respect of the Canadian business in the form of derivatives
Swiss Franc	10.4	8.8	8.3	5.9	In respect of the Swiss business, in the form of derivatives
Australian Dollar	0.8	1.3	0.6	0.8	Mainly in the form of debt

AXA SA's assets accounted for most of the assets of Group holding companies at the end of 2010.

RISKS RELATING TO THE MANAGEMENT OF HOLDING COMPANIES' FOREIGN EXCHANGE EXPOSURE AND DEBT

For the purpose of optimizing the financial management and control of financial risks linked to holding companies, the Group Central Finance Department has defined and implemented formal management standards, as well as guidelines for monitoring and assessing financial risks. These standards, which have been approved by the Management Committee, are designed to permit a consistent measurement of the positions of each affiliate.

The Group Central Finance Department is in charge of producing reporting data that consolidate interest rate, foreign exchange and liquidity risk exposures, as well as the interest expenses of the Company. This reporting also includes medium-term forecasts.

These reports, together with information about hedging strategies, are sent to and reviewed by the Finance Committee of AXA's Board of Directors on a quarterly basis.

In addition, the Group Central Finance Department closely monitors risks resulting from regulatory or other restrictions on dividend payments from the Group's operating subsidiaries or limitations on AXA's ability to reduce these subsidiaries' shareholders' equity. The Group's operating subsidiaries must comply with local regulations in the various countries where they operate, including minimum solvency requirements and restrictions on related party transactions. These regulations impose a variety of restrictions and may limit the ability of the Company's operating subsidiaries to pay dividends to the Company or other Group companies, reduce their shareholders' equity, incur debt, engage in certain types of transactions with affiliates (including loans, sales of assets and other financial transactions) or take certain other actions. As a result, internal cash flow projections (including dividend pay-outs) must take into account these constraints and possible future regulatory changes.

Interest-rate risk

DEFINITION: interest-rate risk may result from:

- A mismatch between types of interest rates (fixed versus floating);
- A mismatch between floating rate benchmarks;
- A mismatch between floating rate renewal dates.

POLICY: the policy is defined in order to monitor and limit the potential medium-term variation in interest expenses and consequently to partially protect future levels of interest expenses against movements in interest rates.

ASSESSMENT:

- Variability analyses assess the change in interest expenses over a medium term horizon resulting from a 100bp rise in interest rates;

- Interest rate sensitivity analyses assess changes in the value of interest rate positions by currency and by maturity following a 100bp upward shift in the yield curves.

Exchange-rate risk

DEFINITION: exchange-rate risk results from a mismatch between the currency of an asset (particularly net foreign currency investments in subsidiaries) and the currency in which it is financed.

POLICY: the objective is to limit variations in net foreign currency-denominated assets resulting from movements in exchange rates. The purpose of the policy is therefore to protect partially or in full the value of AXA's net foreign-currency investments in its subsidiaries and thus reduce the variability of Group consolidated shareholders' equity against currency fluctuations, but also of other key indicators such as liquidity, gearing and solvency ratios. AXA regularly monitors its exchange rate hedging strategy and will continue to review its effectiveness and the potential need to adapt it taking into account impacts on earnings, value, solvency, gearing ratio and liquidity.

ASSESSMENT: exchange rate sensitivity analyses measure the annual change in interest expenses resulting from a variation in the Euro against all other currencies together with the impact on the Group's shareholders' equity, liquidity, gearing ratio and European solvency margin.

Credit risks

Information in this Section (except the Credit Derivatives pie chart) should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

Counterparty credit risk is defined as the risk that a third party in a transaction will default on its commitments. Given the nature of its core business activities, AXA monitors two major types of counterparties, using methods suitable to each type:

- Investment portfolios held by the Group's insurance operations (excluding assets backing separate-account products where the financial risk is borne by policyholders) as well as by banks and holding companies. These portfolios give rise to counterparty risk through the debt securities and derivative products held within them;
- Receivables from reinsurers resulting from reinsurance ceded by AXA.

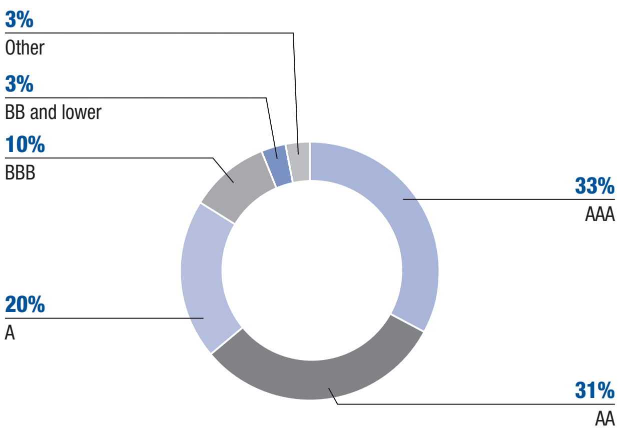
INVESTED ASSETS

AXA has a database consolidating the Group's assets and analyzing them by issuer, credit rating, sector and geographic region, in order to assess the risk of concentration in its equity and debt security portfolios at group level, in addition to local procedures. This database allows AXA to monitor, on a monthly basis, exposure to the default risk of a given issuer, particularly through holding of its debt securities. It also allows the monitoring of equity exposure.

As regards debt securities issues, total issuer-specific exposure limits are set at Group level and at the level of each subsidiary. These limits depend on the issuer's risk, based on the computation of the weighted average credit rating of all the bonds pertaining to this issuer (corporate, government, state-owned companies and agencies). Note 9.4 of Part 4 – "consolidated financial statements" sets out the debt securities portfolio by issuer type.

These tools allow Group Risk Management to ensure compliance with limits defined by the Group, among which asset allocation, credit risk concentration or counterparty risk for derivatives, in addition to local existing processes. The Group Credit Risk Committee handles credits breaching the Group's limit tolerances and determines coordinated actions for excessive credit concentrations. It is chaired by the Group CRO and meets on a monthly basis. In addition, a Group Credit Team, providing credit analysis independently from Group Asset Managers, was established in 2010, in addition to local CIO teams. The ALM Supervisory Committee is regularly kept informed of the work performed.

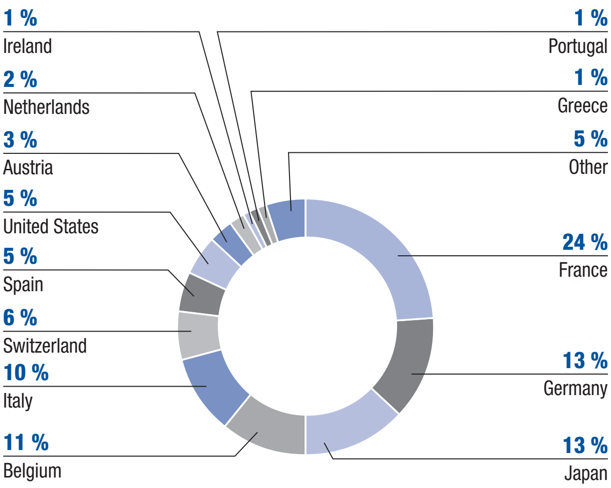
At December 31, 2010, the breakdown of the debt security portfolio (€349.4 billion) by credit rating category was as follows:



At December 31, 2009, the breakdown of the debt security portfolio (€325.3 billion, including €9.6 billion held through with-profits funds) by rating was: 33% in AAA, 31% in AA, 20% in A, 11% in BBB, 3% in BB and lower, and 2% in other.

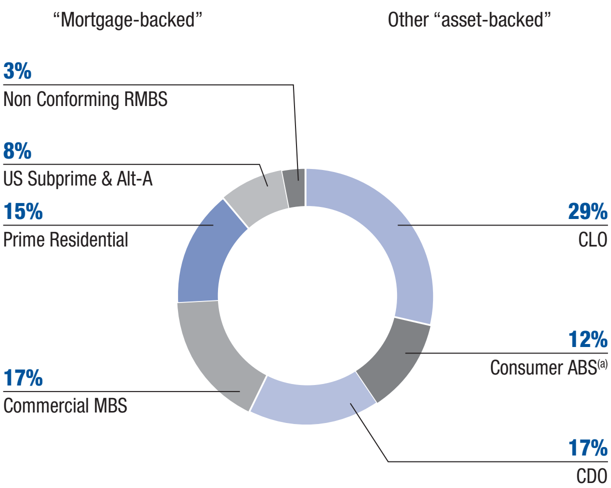
Credit risk diversification and analysis policies, particularly using credit ratings, are implemented by investment departments and monitored by Risk Management teams.

At December 31, 2010, the breakdown of government bonds fair values (€191bn) by country was as follows:



ASSET BACKED SECURITIES BY UNDERLYING TYPE OF ASSET (EXCLUDING COLLATERALIZED MORTGAGE OBLIGATIONS (CMOs))

At December 31, 2010, the economic breakdown of the total value of ABS (€10.3 billion excluding assets held for sale as well as CMOs and agency pool ABS) was:

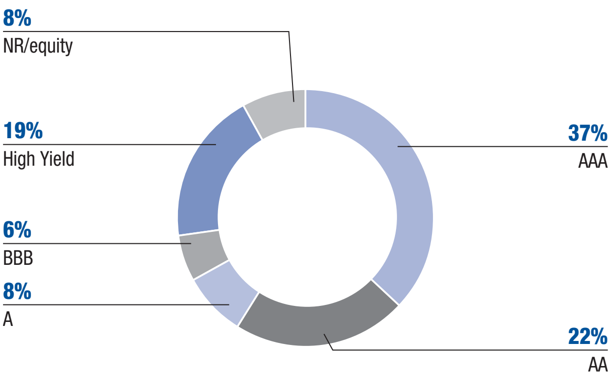


(a) Mainly consumer loan ABS (plus some leases and operating ABS assets).

At December 31, 2010, AXA's invested assets included a net exposure to US subprime residential and Alt-A mortgage loans of approximately €0.8 billion. (17% equalling or above AA rating).

At December 31, 2009, the economic breakdown of the total value of ABS (€10.4 billion excluding asset sheld for sale, as well as CMOs) was: 22% in CLO, 14% in Consumer ABS, 17% in CDO, 20% in Commercial MBS, 19% in Prime Residential, 6% in US Subprime & Alt-A, and 2% in Non conforming RMBS. At December 31, 2009, AXA's invested assets included a net exposure to US subprime residential and Alt-A mortgage loans of approximately €0.7 billion (30% equaling or above AA rating).

At December 31, 2010, the analysis by rating of the ABS portfolio was as follows and showed that 59% were AAA & AA.



At December 31, 2009, the breakdown of the ABS portfolio by rating was: 45% in AAA, 19% in AA, 10% in A, 8% in BBB, 14% in high yield, and 4% in NR/equity.

The positive gross fair value evolution of the ABS assets over the year 2010 was evaluated at €0.7 billion, of which €0.3 billion was recognized in net income and €0.4 billion was recognized in shareholders' equity (versus €0.5 billion in 2009, of which €0.4 billion in net income and €0.1 billion in shareholders' equity).

Net of policyholders' participation, tax and VBI/DAC reactivity, the positive fair value evolution of the ABS assets over the year 2010 was evaluated at €0.3 billion, of which €0.1 billion was recognized in net income and €0.2 billion was recognized in shareholders' equity (versus €0.1 billion in 2009, of which €0.1 billion in net income and €0 billion in the shareholders' equity).

CREDIT DERIVATIVES

The AXA Group, as part of its investment and credit risk management activities, uses strategies that involve credit derivatives (mostly Credit Default Swaps or CDS), which are mainly used as an alternative to debt security portfolios, when coupled with government debt securities, but also as a protection on single corporate names or specific portfolios.

At December 31, 2010, the nominal amount of positions taken through credit derivatives was €25.0 billion [(1)] (cumulated notional amounts of protections bought and protections sold), of which €23.4 billion of CDS, which can be broken down as follows:

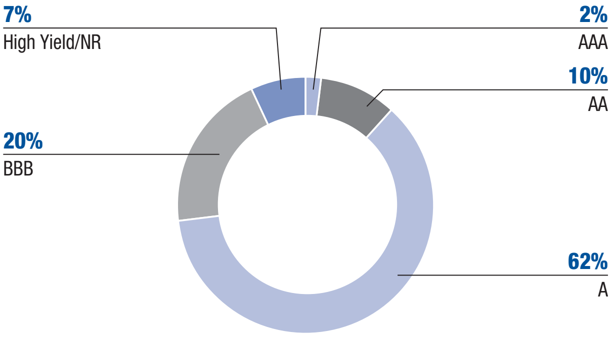
i. €0.3 billion held through consolidated CDOs;

ii. €6.1 billion of CDS protections bought to hedge credit risk with regard to certain investments in corporate bonds mainly in Japan (€3.9 billion) and Switzerland (€1.7 billion);

iii. €17.1 billion of CDS protections sold and bought to manage our credit exposure, which corresponds to a €10.1 billion [(2)] net credit investment, of which €7bn representing our corporate credit risk overlay.

For these €10.1 billion CDS, the credit risk taken by the AXA Group through these instruments is included in analyses of debt security portfolios as described in the previous Section "Invested assets". Limits applied to issuers take into account these credit derivative positions.

The breakdown of these net CDS's underlying debt securities by rating is as follows:



Credit risk relating to CDOs is monitored separately, depending on the tranches held, and regardless of the type of assets held (debt securities or credit derivatives). Note that the CDOs are consolidated in AXA's balance sheet, in line with IFRS rules, even though AXA's investments in these CDOs assets are limited.

Counterparty Risk arising from Over-The-Counter (OTC) Derivatives

AXA actively manages counterparty risk generated by OTC derivatives through a specific Group-wide policy. This policy includes a limit framework and an exposure monitoring process. Limits are set specifically for each authorized counterparty, based on an internal scoring system. This policy also includes daily to weekly collateralization for the majority of the Group's exposure.

Monolines

At December 31, 2010, the direct general account exposure (excluding held for sale assets and businesses) to monoline credit insurers ("Monolines") was insignificant and the indirect exposure (debt securities enhanced by Monoline reinsurers) in the general account was €169 million, of which €62 million to Ambac and €55 million to MBIA (versus €454 million indirect exposure at the end of 2009, of which €149 million to Ambac and €151 million to MBIA).

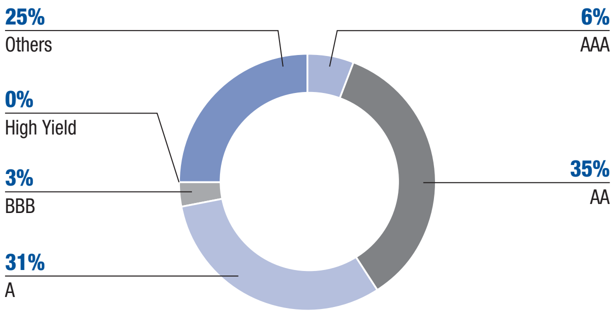
RECEIVABLES FROM REINSURERS: RATING PROCESSES AND FACTORS

To manage the risk of reinsurers' insolvency, a Security Committee is in charge of assessing reinsurers' quality and acceptable commitments. The Committee is under co-joined authority of Group Risk Management and AXA Global P&C. This risk is monitored to avoid any excessive exposure to any specific reinsurer. The Security Committee meets monthly – and more frequently during renewal periods – and decides on any action to be taken with the aim of limiting AXA's exposure to the risk of default by any of its reinsurers.

In addition, AXA summarizes and analyzes its exposure to all reinsurers by factoring in all positions with reinsurers (claims, premiums, reserves, deposits, pledges and security deposits).

The Group's top 50 reinsurers accounted for 75% of reinsurers' share of insurance and investment contract liabilities in 2010 (versus 77% in 2009).

The breakdown of all reserves ceded to reinsurers by reinsurer rating as of December 31, 2010 (€11.1 billion) was as follows:



The "others" caption relates to reserves ceded to reinsurance pools, reserves ceded to reinsurers with which the AXA Group does limited business (not in the top 50) and reinsurers not rated by the main rating agencies.

(1) *This figure represents an accounting view i.e.100% of assets held directly and in consolidated "core block" and "satellite" funds.*

(2) *This figure represents an economic view i.e. 100% of assets held in consolidated "core block" and "satellite" funds and assets held by non consolidated funds.*

At December 31, 2009, the breakdown of reserves ceded to reinsurers (€11.3 billion) by reinsurer rating was: 7% in AAA, 36% in AA, 31% in A, 3% in BBB/BB/B, and 23% in others.

BANK CREDIT ACTIVITIES

At year end 2010, total invested assets of the banking segment (Belgium, France, Germany, Hungary, Switzerland, Czech Republic and Slovakia) was at €26 billion (€24 billion in 2009).

AXA banking operations are mostly limited to retail banking activities, distributing simple investment and credit products.

As such, AXA banks risk management policies are based on their stated Risk Appetite, with the following key principles:

- Dedicated counterparty and credit risk functions with Internal Rating Based model and appropriate committees;
- Regularly monitored earnings at risk and Risk-Adjusted Return on Capital (RAROC) approach;
- Quality sovereign, international institutions and bank counterparties portfolio closely monitored;
- Adequacy to Group operational risk standards;
- Tightly managed market, asset & liability, foreign exchange and interest rate risks including a strict collateral policy.

Credit risks in the banks may be split between:

- Retail credit risk, resulting from the commercial activity - sales of mortgages and other type of loans to retail clients and small enterprises. Credit risk management is done through careful risk selection ('Internal Rating Based' scoring models regularly monitored to ensure a risk selection consistent with each bank's risk appetite, 'Retail Credit Committees' that meet every month) and a regular monitoring of portfolios by product management teams and risk management teams;
- Other than retail credit risk, resulting from investment activity. This activity is limited with strong control processes in place: a limit framework (by country, currency, ratings, and individual issuer – based on internal rating system), one dedicated Risk Committee meets every two weeks to validate new credit investments, to review portfolio of investments, and analyze adequacy to the risk limits. This portfolio of investments is essentially composed of papers eligible to the European Central Bank's refinancing operations due to its primary purpose to serve as a buffer of liquid assets for the commercial activities of the Bank.

Credit risks are regularly reviewed by the Management Board of each bank, and are subject to regulation. AXA Bank Europe's internal capital adequacy assessment and strategic planning processes take into account capital required to mitigate all material risks, capital required for expected business growth, intra-risk diversification benefits, liquidity requirements and stress testing results. Its capital allocation processes also incorporate Risk-Adjusted Return on Capital (RAROC) analysis.

The bank aims to meet all regulatory capital obligations and to remain sufficiently capitalized in the light of AXA internal capital model. As at December end 2010, AXA Bank Europe's core tier 1 ratio was 19.5%.

Insurance risks

Information in this Section should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

The Group's insurance subsidiaries have the primary responsibility to manage their insurance risks linked to underwriting, pricing and reserving, using a set of actuarial tools. They are also responsible for managing appropriately in response to changes in insurance cycles and to the political and economic environments in which they operate.

Insurance risks for both Life & Savings and Property & Casualty businesses are covered through 5 major processes, defined at Group level but performed jointly by central and local teams:

- Profitability analysis mainly through procedures governing pre-launch product approval (new product risk control) that complement strong and basic underwriting rules;
- Regular exposure analysis to ensure that the Group's current exposure is within our risk appetite at Group level;
- Optimization of reinsurance strategies to mitigate the risks in order to cap the Group's peak exposures to protect our Solvency and reduce volatility of key financial indicators;
- Reviews of technical reserves;
- Emerging risks initiative to share expertise within the underwriting and risk communities.

PRODUCT APPROVAL

In its Life & Savings activities, the AXA Group has set up product approval procedures in each subsidiary, to ensure that new risks underwritten by the Group undergo a rigorous approval process before the products are offered to customers. This harmonized approach also facilitates the sharing of product innovation within the Group, which has been further developed by AXA Global Life.

These procedures are defined and implemented locally, and are structured and harmonized using the minimum requirements defined by GRM. The main characteristics of these procedures are as follows:

- Although the decision to launch a new product is taken locally, it must be the result of a documented approval process that complies with local governance practices and AXA Group standards in terms of product features, pricing, hedging and aspects related to legal, compliance, regulatory and accounting. For Variable Annuity products with guarantees, as well as Long Term Care products, the local governance is supplemented by a centralized review, and submitted to the Management Committee;
- All significant Life & Savings products must go through this process;
- Guarantees and options embedded in the product must be quantified using stochastic methods defined by GRM in order to ensure that they are correctly reflected in pricing. This work, along with an analysis of the return on capital across multiple scenarios, also gives a better understanding of any asset-liability mismatch risk and the actual economic capital requirement at the product design stage. Where significant financial risks exist, an ALM study must be performed to confirm the hedging strategy for the product;
- Stress tests are required on key assumptions to ensure that appropriate ‘what if’ scenarios are considered in the development process;
- Pricing reports are sent to GRM prior to launch.

This profitability analysis framework is also used in Property & Casualty as a regular technical & risk audit with methods adapted to the underwriting of risks, while maintaining the principle of local decision-making based on a documented approval procedure. The aim is threefold:

- For pre-launch business, to ensure that new risks underwritten by the Group have undergone a rigorous process before the products are offered to customers and show adequate profitability adjusted for the cost of capital;
- For post-launch business, to ensure the appropriate profitability and risks control of the in-force P&C underwritings;
- This profitability framework complements strong and basic underwriting rules to ensure that no risks are taken outside the Group tolerances and that value is created by adequately pricing the risk.

EXPOSURE ANALYSIS

In order to ensure a consolidated view of insurance risks, GRM has developed and deployed common models/metrics to measure risks consistently throughout the Group. This is designed to check that the Group’s current exposure is within the Group’s consolidated risk appetite limits.

This framework includes pricing control systems used by insurance operations as part of their product development process, such as those described in the previous section. This type of analysis quantifies and demonstrates the benefits of the diversification created by AXA’s wide range of businesses and regional operations.

In the Life & Savings business, these tools allow mortality/longevity risks to be analyzed on a multi-country basis. The AXA Group regularly monitors its exposure to these risks (mortality, longevity, long-term care, etc.) and uses the results of this work to enhance the structure of its product ranges and its reinsurance coverage. These exposure analyses are completed by risk models in Life & Savings (mortality, longevity, dependence…).

In addition, in the Property & Casualty business, the above mentioned tools permit analysis on a worldwide basis of market cycle, price elasticity, reinsurers’ counterparty risk, claims frequency deviation, reserves adverse development and natural catastrophes. The results of this exercise are mainly used to optimize the Group’s protection (through reinsurance or securitization) and business-mix.

REINSURANCE

Definition of reinsurance requirements

Reinsurance purchasing is an important part of the Group’s insurance activities and risk management.

For the Property & Casualty and Life & Savings operations, reinsurance programs are set up as follows:

- Reinsurance placement is mainly handled centrally by AXA Global P&C and AXA Global Life;
- Prior to ceding risks, in-depth actuarial analyses and modeling are conducted on each portfolio by AXA Global P&C, AXA Global Life and GRM to optimize the quality and cost of reinsurance cover. These analyses are performed in collaboration with the technical and reinsurance departments of Group operational entities. They measure frequency risks as well as specific severity risks (natural catastrophes, storms, floods, earthquakes). They provide guidance for determining the most appropriate reinsurance cover (retention levels and scope of cover) for each portfolio and for each type of risk, in accordance with objectives and capital allocation constraints;
- Estimates of catastrophic risks are carried out on the basis of several pieces of modeling software available in the market. Although these software products are key to allow objective discussions with reinsurers, they are regularly assessed within GRM and adjusted to the specific features of AXA's portfolio. Experience shows that these software products give imperfect estimates of real exposure, and can underestimate some important factors such as inflation following a major catastrophe or the effects of climate change. In addition, they do not factor in risks relating to legal developments requiring an insurer retrospectively to cover a risk that, it believed, was excluded from its policies.

This work of centralization and harmonization of reinsurance purchase for the Life & Savings business is based on the same procedures as in the Property & Casualty business. Certain Group companies arrange reinsurance through AXA Global Life, which has set up a retention pool protected by Group covers placed on the Reinsurance Market.

Implementation of the reinsurance strategy: role of AXA Global P&C

In order to build adjusted and optimized protection, the Group's various operating entities place 100% of their reinsurance treaties with AXA Global P&C. Only a small part (10-20%) of most local treaties is placed directly on the reinsurance market through AXA Global P&C with the remainder is retained and combined at AXA Global P&C level to build internal Group reinsurance pools by line of business.

The retention rate and the level of these pools are designed to effectively protect the Group within the risk appetite framework. Coverage is arranged through the reinsurance market or potentially in the financial market through securitization (cat or mortality bonds).

In 2010, four pools were managed by AXA Global P&C:

- Property (Catastrophe and per risk + Personal Accident);
- General Liability;
- Marine;
- Technological innovation.

For the motor liability segment, AXA Global P&C has arranged Group protection for all entities.

All local Group companies ceding reinsurance are collectively protected by this Group coverage. The net financial results of this Group protection are then retroceded to these entities.

Finally, in addition to the analyses described above, AXA regularly monitors its exposure to its main reinsurers, to ensure that consolidated limits remain within Group risk tolerance (please see the Section "Credit Risk – Receivables from reinsurers")

TECHNICAL RESERVES

In addition to controlling upstream risks through prior product approval and analyzing the reinsurance strategy, operational entities specifically monitor reserve risks, both in Life & Savings and Property & Casualty businesses. Reserves have to be booked for claims as they are incurred or reported. These reserves are measured individually for each file by the claims departments. Additional reserves for incurred but not reported (IBNR) claims, along with reserves for incurred but not enough reported (IBNER) claims are also booked. Various statistical and actuarial methods are used in these calculations. Calculations are initially carried out locally by the technical departments in charge, and are then reviewed for a second opinion by local risk management teams or external technical experts.

For Property & Casualty business, the Group Risk Management, together with Group P&C Insurance Operations, Group Claims Department and other entity specialists, performs in-depth reviews on specific portfolios to re-assess all underlying assumptions, methods and processes driving the exercise (claims management, actuarial, underwriting, etc.) and to check the compliance with the Group standard on reserving, which covers, among other matters, the independency of opinions, the documentation of the escalation process (meant to solve significant differences of opinion between first and second assessments) and the reconciliation process.

The Group's methods for Property & Casualty reserves are based on applicable accounting and actuarial standards as well as internal and industry best practice.

Actuaries in charge of assessing reserves for claims payable do not use a single method but a selection of approaches such as:

- Methods based on the development of claims (paid or incurred) using triangulation methods (e.g. chain ladder and link ratio) for which past experience is applied to each loss occurrence or underwriting year, in order to make reserves projections until their estimated final development;
- Methods based on claims ratios (such as the ultimate claims ratio);
- Hybrid methods (such as Bornhuetter-Ferguson and Cape Cod);
- Methods based on frequency and severity estimates.

The analysis is segmented differently depending on product type, geographical location, distribution channel, local regulation and other factors, in order to obtain a homogeneous claims base and ensure an appropriate analysis of reserves.

Assumptions depend on available data relating to reported losses at the time of the estimates, as well as local regulations, claims management procedures, pricing, underwriting information and the type of activities and claims (coverage type, attritional or major claims, recent or old occurrence). They also depend on economic, social and environmental factors, as well as on the legislative and political context, which are important variables in terms of reserves. Assumptions are made following discussions with claims managers, pricing actuaries, underwriters and other specialized departments. These discussions lead to the definition of reasonable estimate ranges.

However, it must be kept in mind that estimates are based mainly on assumptions that may prove different from subsequent experience, particularly in the event of changes in the economic environment (e.g. a rise in inflation), in the legal environment (case law) and in the social environment (class action suits), and especially if they affect the Group's main portfolios simultaneously.

EMERGING RISKS

Through its Emerging Risks initiative, AXA has established processes to qualify and quantify emerging risks which could develop over-time and become significant. These processes are designed to ensure that the Group's exposure is within its risk tolerance. This initiative also allows expertise to be shared within the underwriting and risk communities and adequate underwriting policies to be defined.

Natural risks: climate change

The changing and growing risks caused by climate change and, more specifically, by global warming, represent a major challenge for all human activities and particularly insurance operations.

Global warming is now proven beyond doubt, although experts may disagree on its magnitude and projection. Even if it remains very difficult to estimate the local effect of climate change due to the large number of local geographical factors to be taken into account (sea currents, topography, etc.), some results are now available at regional level and used in our catastrophe risk estimations. However, it is still very difficult to estimate the consequences of extreme events (heat waves, droughts and floods, high winds and intense precipitation caused by cyclones), which are of particular concern to insurance companies. This led the Group to launch in 2007 the AXA Research Fund, which supports academic research projects on Climate.

Aside from the immediate destruction caused mainly by flooding, and to a lesser extent by drought, climate change will have major implications for most human activities, particularly agriculture, timber production, healthcare and water activities, and therefore for the insurance used to protect them (property, agricultural, business interruption, civil liability, marine and aviation, life, health, etc.). The insurance sector thus faces major challenges in the coming years in the form of potential increases in Property & Casualty claims, the emergence of new liability claims and growing uncertainties about the size of maximum possible losses, which have become harder to assess and to predict on the basis of past events. Furthermore, certain key economic sectors, which work together with the insurance sector, are set to undergo radical changes, due in particular to greenhouse gas emission constraints, following the Copenhagen Climate conference in December 2009.

Gradual premium rate adjustments will be required to widely reflect these risk factors, but may not be sufficient to cover risks underwritten in the most exposed areas to flood or cyclone. By seeking to develop new solutions and actively contributing to the overall debate about the issues involved – particularly as part of the Carbon Disclosure Project – AXA, along with other major market players, intends to promote a better understanding and better forecasting of the risks resulting from global warming.

Pandemic / extreme mortality risk

In past years developments relating to bird flu attracted increasing attention across governments and industry to the risks associated with pandemics. After a lowering of the level of public attention in 2008, 2009 saw the emergence of a new influenza virus strain which spread very quickly but fortunately has so far been relatively mild compared to other major influenzas. Although assessing pandemic risks involves a significant amount of various assumptions, it requires the development and implementation of an appropriate risk management strategy.

As part of its mortality risk management, AXA issued in 2006 a "mortality" bond which provided the Group with some protection against mortality shocks. The redemption amount of this bond depended on general mortality thresholds. This instrument was transformed, where needed, by AXA Global Life into reinsurance capacity for AXA Group subsidiaries. This bond matured in January 2010, and AXA continues to monitor conditions while considering whether to issue another bond.

Operational risks

AXA has defined a framework to identify and measure its operational risks that may arise from a failure in its organization, systems and resources or from external events. Ensuring an adequate mitigation of these risks across the Group is a key pillar of the risk management functions.

GENERAL PRINCIPLES

Guided by the principles set forth by the Basel Committee on banking supervision, AXA defines operational risk as the risk of loss resulting from inadequate or failed processes, people or systems. This inadequacy or failure may come from internal or external causes. It includes legal risk and considers reputation risk as an impact, and excludes risk arising from strategic decisions.

Responsibility for managing day-to-day operational risks lies mainly within operating subsidiaries, which are best positioned to take the appropriate measures to mitigate the risks faced by their organizations. However, AXA has defined a single Group framework for identifying, quantifying and monitoring the main operational risks, involving the deployment of a common system, and dedicated operational risk teams are in place in all the major entities of the Group.

AXA has developed a common operational risk typology listing around a hundred risks classified in the following seven risk categories:

- Internal fraud;
- External fraud;
- Employment practices and workplace safety;
- Clients, products and business practices;
- Damages to physical assets;
- Business disruption and system failures;
- Execution, delivery and process management.

At Group level, both quantitative and qualitative requirements have been defined.

- Across the Group, the most critical operational risks of each entity and a set of transversal Group stress scenarios are identified and assessed following a forward-looking and expert opinion approach. These risks are then aggregated using actuarial methods to estimate the capital allocation needed to cover operational risks based on advanced models inspired by those proposed by the Basel Committee for banking supervision. Moreover, Operational Risk profile is embedded into local governance through senior management validation to ensure adequate corrective and pre-emptive action of the main risks.
- In addition, a loss data collection process is in place in most companies of the Group in order to track and mitigate appropriately actual operational losses. This process is also used as a valuable source of information to back-test the assumptions taken in local risk assessments.

MANAGING POTENTIAL RISK ON REPUTATION

In the light of the 2008-2009 global financial crisis, AXA reinforced measures in place to protect its reputation, and communicated to shareholders, customers, staff, and more broadly the financial community, on its strength and financial soundness through:

- A tailored and daily basis communication at both internal and external levels (AXA's intranet and specific hotline to answer questions of shareholders and staff, letters sent to customers and articles posted on AXA's Web site);
- A continuous monitoring of our online reputation (web and media monitoring system);
- An extensive communication of our management team to international media.

PROFESSIONAL ETHICS

AXA adopted the AXA Group Compliance and Ethics Guide ("the Guide") in February 2004. The Guide, which was updated in 2006, covers all of the Group's worldwide employees. It defines rules for day-to-day professional conduct and covers a variety of matters including specific rules concerning conflicts of interest, transactions involving AXA securities and those of its listed subsidiaries, anti-money laundering, confidentiality and control of sensitive information.

MONEY LAUNDERING AND TERRORIST FINANCING RISK

AXA is firmly committed to combating money laundering and terrorist financing. This commitment is embodied in a specific Anti-Money Laundering charter that was initially adopted in 2002. In line with this charter, each AXA Group company is required to maintain procedures based on Group standards and principles, in addition to those required by applicable local regulations, and to appoint an anti-money laundering officer. The "know your customer" principle is crucial in this respect, and is fundamental to all transactions. The Group Charter is reviewed and updated on a regular basis by taking into account international legal and regulatory developments.

REGULATORY RISKS

AXA is engaged in regulated business activities on a global basis through numerous operating subsidiaries and the Group's principal business activities of insurance and asset management are subject to comprehensive regulation and supervision in each of the various jurisdictions where the Group operates. AXA SA, the ultimate parent holding company of the AXA Group, is also subject to extensive regulation as a result of its listing on Euronext Paris and its interest in numerous regulated insurance and asset management subsidiaries. Given that the AXA Group is headquartered in Paris, France, this supervision is based to a significant extent on European Union ("EU") directives and on the French regulatory system. The AXA Group's principal regulators in France are the *Autorité des marchés financiers* ("AMF"), which is the French financial market regulator, and the *Autorité de Contrôle Prudentiel* ("ACP") [1], which is the principal French insurance regulator.

For further information on the regulatory environment in which AXA operates including regulatory risks, please see Section 1.2 "Additional factors which may affect AXA's business" of this Annual Report.

LEGAL AND ARBITRATION PROCEEDINGS

AXA SA and/or some of its subsidiaries are involved in lawsuits (both class actions and individual litigations), investigations, and other actions arising in the various jurisdictions where they do business. For further information, please see Part 4 "consolidated financial statements" – Note 31 "Litigation" of this Annual Report.

SOCIAL AND ENVIRONMENTAL RISKS

With respect to its employment practices, AXA's key challenge is to retain employees and position itself as an employer that is able to attract top talent.

Environmental risks are limited because AXA's core business activities are generally non-polluting.

INSURANCE COVER FOR THE GROUP'S PROPRIETARY RISK

The purchase of insurance on the Group's proprietary assets and risks is largely decentralized with Group subsidiaries responsible for identifying risks and purchasing their own insurance, such as property damage and public liability insurance, according to their local exposures and market conditions. As part of the general governance principles, subsidiaries may arrange protection with external insurers or with an internal AXA Group insurer.

(1) As of March 9, 2010, the Autorité de contrôle des assurances et des mutuelles (ACAM) is replaced by the Autorité de contrôle prudentiel (ACP), a new authority resulting mainly from a merger of the Banking Commission (Commission bancaire) and the ACAM.

AXA Global P&C, however, is mandated to buy certain types of Group-wide insurance programs for risks shared by all AXA Group companies. These policies cover directors and officers' liability, professional liability and fraud and are:

- Group-wide insurance programs covering all AXA Group entities with the exception of AXA Asia Pacific Holdings and AXA Financial and their subsidiaries, which traditionally arrange cover within their local market;
- Reviewed and approved annually by the Management Committee to ensure that AXA has achieved competitive terms and conditions. The insurers used by the Group are acknowledged international leaders and financially sound.

3.3 CERTAIN FINANCIAL INFORMATION

Please see Part 4 – “Consolidated financial statements” of this Annual Report.

LEGAL PROCEEDINGS

Please see Part 4 – “Consolidated financial statements” – Note 31 “Litigation” of this Annual Report.

DIVIDEND POLICY

The Company has paid dividends on its shares for the past five years. The Company pays dividends in Euro. Future dividends will depend on AXA’s earnings, financial condition and various other factors. Proposals for dividend payments are made at the discretion of the Board of Directors, after examination and opinion of its Finance Committee, and are submitted for final approval to the Shareholders’ Meeting.

AXA determines its dividend policy on the basis of its adjusted earnings minus interest charges on undated debt, and, in each of the past several years, with the exception of 2009, AXA has paid aggregate dividends in a general range of 40% to 50% of this amount. While management currently intends to maintain this dividend policy over the long-term, the dividend proposed by management in any particular year depends on a variety of factors (including the Company’s performance, prevailing financial market conditions and the general economic environment) and, consequently, may fall outside the target 40%-50% range in certain years. In assessing the dividend to be paid in any given year, management tries to strike the appropriate balance between (i) prudent capital management, (ii) reinvestment of previous results to support business development and (iii) an attractive dividend for shareholders.

For further information on the dividends declared and paid in the most recent five years and on the Company’s dividend policy, see Part 1 – “The AXA Group: Our global business operations, recent financial performance and financial condition”, Section 1.1 “Dividends” and Part 5 – “Certain additional information – Description of AXA’s Share Capital”, Section “Dividends” of this Annual Report.

SIGNIFICANT CHANGES

For a description of certain developments since the date of the annual financial statements included in this Annual Report, please see Part 4 – “Consolidated financial statements” – Note 32 “Subsequent events” of this Annual Report.

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4 CONSOLIDATED FINANCIAL STATEMENTS

4.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Notes	(in Euro million)	December 31, 2010 [a]	December 31, 2009
5	Goodwill	16,741	16,469
6	Value of purchased business in force [b]	3,105	3,617
7	Deferred acquisition costs and equivalent	19,642	18,789
8	Other intangible assets	3,647	3,143
	Intangible assets	**43,135**	**42,019**
	Investments in real estate properties	15,709	15,603
	Financial investments	382,209	363,768
	Loans	27,223	25,199
	Assets backing contracts where the financial risk is borne by policyholders [c]	137,739	155,457
9	**Investments from insurance activities**	**562,880**	**560,027**
9	**Investments from banking and other activities [d]**	**31,642**	**30,018**
10	**Investments in associates – Equity method**	**1,168**	**1,044**
	Reinsurers' share in insurance and investment contracts liabilities	**11,096**	**11,320**
	Tangible assets	1,517	1,458
	Other long-term assets	193	386
14	Deferred policyholders' participation assets	636	678
19	Deferred tax assets	4,097	3,709
	Other assets	**6,443**	**6,231**
	Receivables arising from direct insurance and inward reinsurance operations	13,378	12,687
	Receivables arising from outward reinsurance operations	1,026	1,116
	Receivables – current tax	1,851	1,789
	Other receivables	14,120	10,877
11	**Receivables**	**30,376**	**26,468**
	Assets held for sale including discontinued operations [e]	**22,848**	**11,559**
12	**Cash and cash equivalents**	**22,065**	**19,565**
	TOTAL ASSETS	**731,653**	**708,252**

All invested assets are shown net of related derivative instruments impact.

(a) AXA Japan closes its full year accounts at September 30, however balance sheet items have been translated using December 31, 2010 exchange rate, given significant movement in foreign exchange rates since end of September 2010.

(b) Amounts gross of tax.

(c) Includes assets backing contracts where the financial risk is borne by policyholders with Guaranteed Minimum features.

(d) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).

(e) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

Notes *(in Euro million)*		**December 31, 2010** [a]	**December 31, 2009**
	Share capital and capital in excess of nominal value	24,723	24,339
	Reserves and translation reserve	22,226	18,285
	Net consolidated income – Group share [b]	2,749	3,606
	Shareholders' equity – Group share	**49,698**	**46,229**
	Minority interests	**4,170**	**3,693**
13	**TOTAL SHAREHOLDERS'S EQUITY**	**53,868**	**49,922**
	Subordinated debt	7,066	6,352
	Financing debt instruments issued	2,500	2,937
	Financing debt owed to credit institutions	887	921
17	**Financing debt**	**10,454**	**10,210**
	Liabilities arising from insurance contracts	342,559	330,016
	Liabilities arising from insurance contracts where the financial risk is borne by policyholders [c]	108,587	103,281
	Total liabilities arising from insurance contracts	**451,146**	**433,297**
	Liabilities arising from investment contracts with discretionary participating features	37,233	39,650
	Liabilities arising from investment contracts with no discretionary participating features	720	917
	Liabilities arising from investment contracts with discretionary participating features and where the financial risk is borne by policyholders	4,700	5,767
	Liabilities arising from investment contracts with no discretionary participating features and where the financial risk is borne by policyholders	25,006	46,750
	Total liabilities arising from investment contracts	**67,659**	**93,083**
	Unearned revenue and unearned fee reserves	2,757	2,610
	Liabilities arising from policyholders' participation	15,897	16,648
	Derivative instruments relating to insurance and investment contracts	(722)	(321)
14	**LIABILITIES ARISING FROM INSURANCE AND INVESTMENT CONTRACTS**	**536,737**	**545,317**
15	**Liabilities arising from banking activities** [d]	**27,209**	**23,810**
16	**Provisions for risks and charges**	**10,495**	**9,538**
19	**Deferred tax liabilities**	**4,098**	**4,934**
	Minority interests of controlled investment funds and puttable instruments held by minority interest holders	4,855	6,516
	Other debts instruments issued, notes and bank overdrafts [e]	6,905	4,474
	Payables arising from direct insurance and inward reinsurance operations	7,387	6,761
	Payables arising from outward reinsurance operations	5,598	5,571
	Payables – current tax	1,348	1,314
	Derivative instruments relating to other financial liabilities	31	108
	Collateral debts relating to investments under a lending agreement or equivalent	23,399	18,436
	Other payables [c]	19,101	11,742
18	**Payables**	**68,624**	**54,921**
	Liabilities held for sale including discontinued operations [f]	**20,168**	**9,599**
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**731,653**	**708,252**

(a) AXA Japan closes its full year accounts at September 30, however balance sheet items have been translated using December 31, 2010 exchange rate, given significant movement in foreign exchange rates since end of September 2010.

(b) AXA Japan's 2008 accounts closed at September 30 were adjusted for consolidation purpose by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009. No adjusment was required in 2010 accounts.

(c) Also includes liabilities arising from contracts where the financial risk is borne by policyholders with Guaranteed Minimum features.

(d) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).

(e) Amounts are shown net of related derivative instruments impact.

(f) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(in Euro million)	December 31, 2010 [(a)]	December 31, 2009 [(a)]
Liabilities arising from insurance contracts where the financial risk is borne by policyholders	108,587	103,281
Liabilities arising from investment contracts with discretionary participating features and where the financial risk is borne by policyholders	4,700	5,767
Liabilities arising from investment contracts with no discretionary participating features and where the financial risk is borne by policyholders	25,006	46,750
Total Liabilities arising from contracts where the financial risk is borne by policyholders	**138,293**	**155,797**
Liabilities arising from insurance contracts	342,559	330,016
Liabilities arising from investment contracts with discretionary participating features	37,233	39,650
Liabilities arising from investment contracts with no discretionary participating features	720	917
Total Liabilities arising from other insurance and investment contracts	**380,512**	**370,583**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

4.2 CONSOLIDATED STATEMENT OF INCOME

Notes *(In Euro million, except EPS in Euro)*		December 31, 2010	December 31, 2009 [j]
	Gross written premiums	84,946	84,646
	Fees and charges relating to investment contracts with no participating features	518	547
	Revenues from insurance activities	**85,464**	**85,193**
	Net revenues from banking activities	452	388
	Revenues from other activities	5,055	4,544
21	**Revenues [a]**	**90,972**	**90,124**
	Change in unearned premiums net of unearned revenues and fees	**(511)**	**(192)**
	Net investment income [b]	15,602	11,562
	Net realized gains and losses relating to investments at cost and at fair value through shareholders' equity [c]	1,921	1,634
	Net realized gains and losses and change in fair value of investments at fair value through profit and loss [d]	15,446	25,165
	of which change in fair value of assets with financial risk borne by policyholders (e)	*13,788*	*23,861*
	Change in investments impairment [f]	(937)	(2,205)
22	**Net investment result excluding financing expenses**	**32,031**	**36,157**
	Technical charges relating to insurance activities [e]	(95,390)	(98,672)
23	Net result from outward reinsurance	(820)	(919)
	Bank operating expenses	(96)	(89)
25	Acquisition costs	(8,754)	(9,144)
	Amortization of the value of purchased business in force	(256)	(394)
25	Administrative expenses	(10,929)	(10,135)
	Change in tangible assets impairment	(13)	(2)
	Change in goodwill impairment and other intangible assets impairment	(117)	(113)
	Other income and expenses	(22)	(496)
5	Charges related to the partial disposal of UK Life & Savings operations	(1,642)	-
	Other operating income and expenses	**(118,038)**	**(119,964)**
	Income from operating activities before tax	**4,453**	**6,124**
10	Income arising from investments in associates – Equity method	85	8
24	Financing debts expenses [g]	(488)	(569)
	Net income from operating activities before tax	**4,051**	**5,564**
19	Income tax	(960)	(1,530)
	Net operating income	**3,091**	**4,033**
	Result from discontinued operations net of tax	-	-
	Net consolidated income after tax	**3,091**	**4,033**
	Split between:		
	Net consolidated income – Group share	2,749	3,606
	Net consolidated income – Minority interests	342	428
27	**Earnings per share [h] [i]**	**1.08**	**1.56**
	Fully diluted earnings per share [h] [i]	**1.08**	**1.56**

(a) Gross of reinsurance.
(b) Net of investment management costs.
(c) Includes impairment releases on investments sold.
(d) Includes realized and unrealized forex gains and losses relating to investments at cost and at fair value through shareholders' equity
(e) Offset by a balancing entry in technical charges relating to insurance activities.
(f) Excludes impairment releases on investments sold.
(g) Includes net balance of income and expenses related to derivatives on financing debt (however excludes change in fair value of these derivatives).
(h) Following AXA's rights issue in 4Q09, the average number of shares has been adjusted to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009. As of December 31, 2009, total net outstanding number of shares was 2,264 million and average fully diluted number of shares was 2,133 million.
(i) Revised net income EPS takes into account interest payments related to undated subordinated debts classified in equity, excluding forex impacts. Previously disclosed EPS included forex adjustments and, as of December 31, 2009, basic net income EPS amounted to €1.51 and fully diluted net income EPS to €1.51. Excluding forex reflects implemented hedges which would qualify as net investment hedges with related changes in fair value recognised through translation reserves.
(j) AXA Japan's 2008 accounts (closed at September 30) were adjusted for consolidation purpose by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009. No adjusment was required in 2010 accounts.

4.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in Euro million)	December 31, 2010 [(a)]	December 31, 2009 [(b)]
Reserves relating to changes in fair value through shareholders' equity	1,588	5,116
Translation reserves	1,262	1
Employee benefits actuarial gains and losses	(456)	(1,021)
Net gains and losses recognized directly through shareholders' equity	**2,395**	**4,096**
Net consolidated income	3,091	4,033
TOTAL COMPREHENSIVE INCOME (CI)	**5,485**	**8,129**
Split between:		
CI – Group share	4,762	7,548
CI – Minority interests	723	581

(a) AXA Japan closes its full year accounts at September 30, however balance sheet items have been translated using December 31, 2010 exchange rate, given significant movement in foreign exchange rates since end of September 2010.

(b) AXA Japan's 2008 accounts closed at September 30 were adjusted for consolidation purpose by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009. No adjusment was required in 2010 accounts.

Amounts are presented net of tax, policyholders' participation and other shadow accounting related movements. Tax, policyholders' participation and related effects are detailed further in the notes to the financial statements.

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4.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In Euro million, except for number of shares and nominal value)	Share Capital				
	Number of shares (in thousands)	Nominal value (in Euros)	Share Capital	Capital in excess of nominal value	Treasury shares
Shareholders' equity opening January 1, 2010	**2,289,965**	**2.29**	**5,244**	**19,886**	**(505)**
Capital	30,140	2.29	69	-	-
Capital in excess of nominal value	-	-	-	247	-
Equity – share based compensation	-	-	-	59	-
Treasury shares	-	-	-	-	10
Equity component of compound financial instruments	-	-	-	-	-
Undated subordinated debt	-	-	-	-	-
Financial expenses – Undated subordinated debt	-	-	-	-	
Others (including impact on change in scope) (b)	-	-	-	-	-
Dividends paid	-	-	-	-	-
Impact of transactions with shareholders	**30,140**	**2.29**	**69**	**306**	**10**
Reserves relating to changes in fair value through shareholders' equity	-	-	-	-	-
Translation reserves	-	-	-	-	-
Employee benefits actuarial gains and losses (c)	-	-	-	-	-
Net consolidated income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME (CI)	**-**	**-**	**-**	**-**	**-**
Shareholders' equity closing December 31, 2010	**2,320,105**	**2.29**	**5,313**	**20,192**	**(495)**

NB: amounts are presented net of impacts of shadow accounting and its effects on policyholders' participation, deferred acquisition costs, and value of business in force.

(a) Undated subordinated debts (TSS, TSDI), and equity components of compounded financial instruments (e.g. convertible bonds) (see Note 13.1.1.c).

(b) Including changes in ownership interest in consolidated subsidiaries without losing control.
Notably dilution impact from AllianceBernstein deferred compensation (€-42 million group share, offset in minority interests) and €-171 million from open-market purchase of AllianceBernstein holding units (€-106 million group share and €-64 million minority interests).

(c) Actuarial gains and losses accrued since opening January 1, 2010.

Attributable to shareholders							
Other reserves							
Reserves relating to the change in fair value of financial instruments available for sale	Reserves relating to the change in fair value of hedge accounting derivatives (cash flow hedge)	Reserves relating to revaluation of tangible assets	Other [(a)]	Translation reserves	Undistributed profits and other reserves	Shareholders' Equity Group share	Minority interests
4,691	**61**	**4**	**6,208**	**(2,742)**	**13,383**	**46,229**	**3,693**
-	-	-	-	-	-	69	-
-	-	-	-	-	-	247	-
-	-	-	-	-	-	59	-
-	-	-	-	-	-	10	-
-	-	-	-	-	-	-	-
-	-	-	(33)	-	-	(33)	-
-	-	-	(300)	-	-	(300)	-
-	-	-	-	-	(85)	(85)	(246)
-	-	-	-	-	(1,259)	(1,259)	-
-	**-**	**-**	**(333)**	**-**	**(1,345)**	**(1,293)**	**(246)**
1,495	(32)	-	-	-	-	1,463	125
-	-	-	332	668	-	1,000	262
-	-	-	-	-	(450)	(450)	(6)
-	-	-	-	-	2,749	2,749	342
1,495	**(32)**	**-**	**332**	**668**	**2,299**	**4,762**	**723**
6,186	**29**	**4**	**6,208**	**(2,075)**	**14,337**	**49,698**	**4,170**

	Share Capital				
(In Euro million, except for number of shares and nominal value)	Number of shares (in thousands)	Nominal value (in Euros)	Share Capital	Capital in excess of nominal value	Treasury shares
Shareholders' equity opening January 1, 2009	**2,089,157**	**2.29**	**4,784**	**17,840**	**(547)**
Capital	200,807	2.29	460	-	-
Capital in excess of nominal value	-	-	-	1,971	-
Equity – share based compensation	-	-	-	74	-
Treasury shares	-	-	-	-	42
Equity component of compound financial instruments	-	-	-	-	-
Undated subordinated debt	-	-	-	-	-
Financial expenses – Undated subordinated debt	-	-	-	-	-
Others (including impact on change in scope) (b)	-	-	-	-	-
Dividends paid	-	-	-	-	-
Impact of transactions with shareholders	**200,807**	**2.29**	**460**	**2,046**	**42**
Reserves relating to changes in fair value through shareholders' equity	-	-	-	-	-
Translation reserves	-	-	-	-	-
Employee benefits actuarial gains and losses (c)	-	-	-	-	-
Net consolidated income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME (CI)	**-**	**-**	**-**	**-**	**-**
Shareholders' equity closing December 31, 2009	**2,289,965**	**2.29**	**5,244**	**19,886**	**(505)**

NB: amounts are presented net of impacts of shadow accounting and of its effects on policyholders' participation, deferred acquisition costs, and value of business in force.

(a) Undated subordinated debts (TSS, TSDI), and equity components of compounded financial instruments (e.g. convertible bonds) (see Note 13.1.1.c).

(b) Including changes in ownership interest in consolidated subsidiaries without losing control.
Notably relution impact of AllianceBernstein units internal sales transactions (€+62 million group share, offset in minority interests) and the dilution impact on 2010 AllianceBernstein deferred compensation plans (€-186 million group share, offset in minority interests).

(c) Actuarial gains and losses acrrued since opening January 1, 2009.

Attributable to shareholders							
Other reserves							
Reserves relating to the change in fair value of financial instruments available for sale	Reserves relating to the change in fair value of hedge accounting derivatives (cash flow hedge)	Reserves relating to revaluation of tangible assets	Other [a]	Translation reserves	Undistributed profits and other reserves	Shareholders' Equity Group share	Minority interests
(353)	**100**	**4**	**6,500**	**(2,712)**	**11,824**	**37,440**	**3,058**
-	-	-	-	-	-	460	-
-	-	-	-	-	-	1,971	-
-	-	-	-	-	-	74	-
-	-	-	-	-	-	42	-
-	-	-	-	-	-	-	-
-	-	-	(4)	-	-	(4)	-
-	-	-	(288)	-	-	(288)	-
-	-	-	-	-	(179)	(179)	54
-	-	-	-	-	(836)	(836)	-
-	**-**	**-**	**(291)**	**-**	**(1,014)**	**1,242**	**54**
5,044	(40)	-	-	-	-	5,004	112
-	-	-	-	(30)	-	(30)	31
-	-	-	-	-	(1,032)	(1,032)	11
-	-	-	-	-	3,606	3,606	428
5,044	**(40)**	**-**	**-**	**(30)**	**2,574**	**7,548**	**581**
4,691	**61**	**4**	**6,208**	**(2,742)**	**13,383**	**46,229**	**3,693**

4.5 CONSOLIDATED STATEMENT OF CASH FLOWS

(in Euro million)	December 31, 2010	December 31, 2009[m]
Operating income before tax	**4,051**	**5,564**
Net amortization expense [a]	548	780
Change in goodwill impairment and other intangible assets impairment [c]	117	113
Charges related to the partial disposal of UK Life & Savings operations	1,642	-
Net change in deferred acquisition costs and equivalent	(1,434)	(884)
Net increase/(write back) in impairment on investments, tangible and other intangible assets	954	2,210
Change in fair value of investments at fair value through profit or loss [k]	(18,810)	(27,451)
Net change in liabilities arising from insurance and investment contracts [b]	27,360	31,467
Net increase/(write back) in other provisions [d]	428	23
Income arising from investments in associates – Equity method	(85)	(8)
Adjustment of non cash balances included in the operating income before tax	**10,719**	**6,251**
Net realized investment gains and losses	(1,759)	1,144
Financing debt expenses	488	569
Adjustment for reclassification to investing or financing activities	**(1,271)**	**1,714**
Dividends recorded in profit or loss during the period	(1,181)	(1,022)
Investment income & expense recorded in profit or loss during the period	(15,393)	(11,704)
Adjustment of transactions from accrued to cash basis	**(16,573)**	**(12,726)**
Net cash impact of deposit accounting	7	(776)
Dividends and interim dividends collected	2,070	1,640
Investment income	17,395	18,563
Investment expense (excluding interests on financing and undated subordinated debts, margin calls and others)	(1,455)	(6,409)
Change in operating receivables and payables [e]	653	199
Net cash provided by other assets and liabilities [g]	2,788	953
Tax expenses paid	(643)	229
Other operating cash impact and non cash adjustment	1,361	1,273
Net cash impact of transactions with cash impact not included in the operating income before tax	**22,176**	**15,672**
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	**19,103**	**16,474**
Purchase of subsidiaries and affiliated companies, net of cash acquired	(159)	(443)
Disposal of subsidiaries and affiliated companies, net of cash ceded	2,257	8
Net cash related to changes in scope of consolidation	**2,098**	**(434)**
Sales of debt instruments [g]	76,473	65,348
Sales of equity instruments and non controlled investment funds [f] [g]	16,653	14,385
Sales of investment properties held directly or not [g]	786	1,112
Sales and/or repayment of loans and other assets [g] [h]	38,445	39,768
Net cash related to sales and repayments of investments [f] [g] [h]	**132,357**	**120,613**
Purchases of debt instruments [g]	(94,141)	(83,396)
Purchases of equity instruments and non controlled investment funds [f] [g]	(17,270)	(13,229)

(in Euro million)	December 31, 2010	December 31, 2009[(m)]
Purchases of investment properties held direct or not [(g)]	(624)	(1,815)
Purchases and/or issues of loans and other assets [(g) (h)]	(39,260)	(40,303)
Net cash related to purchases and issuance of investments [(f) (g) (h)]	**(151,295)**	**(138,744)**
Sales of tangible and intangible assets	16	43
Purchases of tangible and intangible assets	(397)	(355)
Net cash related to sales and purchases of tangible and intangible assets	**(381)**	**(311)**
Increase in collateral payable/Decrease in collateral receivable	31,604	8,656
Decrease in collateral payable/Increase in collateral receivable	(31,832)	(13,633)
Net cash impact of assets lending/borrowing collateral receivables and payables	**(228)**	**(4,977)**
Other investing cash impact and non cash adjustment	**186**	**(669)**
NET CASH PROVIDED/(USED) BY INVESTING ACTIVITIES	**(17,263)**	**(24,523)**
Issuance of equity instruments	224	2,698
Repayments of equity instruments	(32)	(194)
Transactions on treasury shares	(28)	(98)
Dividends payout	(1,573)	(1,090)
Interests on undated subordinated debts paid	(452)	(443)
Net cash related to transactions with shareholders	**(1,863)**	**874**
Cash provided by financial debts issuance	1,386	1,832
Cash used for financial debts repayments	(1,935)	(5,758)
Interests on financing debt paid [(i)]	(650)	(425)
Net cash related to Group financing	**(1,199)**	**(4,350)**
Other financing cash impact and non cash adjustment	**5**	**(53)**
NET CASH PROVIDED/(USED) BY FINANCING ACTIVITIES	**(3,057)**	**(3,529)**
NET CASH PROVIDED BY DISCONTINUED OPERATIONS	**-**	**-**
CASH AND CASH EQUIVALENT AS OF JANUARY 1 [(J)]	**18,210**	**30,811**
Net cash provided by operating activities	19,103	16,474
Net cash provided by investing activities	(17,263)	(24,523)
Net cash provided by financing activities	(3,057)	(3,529)
Net cash provided by discontinued operations	-	-
Impact of change in consolidation method and of reclassifications as held for sale [(l)]	335	361
Net impact of foreign exchange fluctuations and reclassification on cash and cash equivalents	3,658	(1,384)
CASH AND CASH EQUIVALENT AS OF DECEMBER 31 [(J)]	**20,986**	**18,210**

(a) Includes premiums/discounts capitalization and relating amortization, amortization of investment and owner occupied properties (held directly).
(b) Includes impact of reinsurance and change in liabilities arising from contracts where the financial risk is borne by policyholders.
(c) Includes impairment and amortization of intangible assets booked during business combinations.
(d) Mainly includes change in provisions for risks & charges, for bad debts/doubtful receivables and change in impairment of assets held for sale.
(e) Includes impact of asset lending/borrowing and equivalent relating to banking activities.
(f) Includes equity instruments held directly or by controlled investment funds as well as non controlled investment funds.
(g) Includes related derivatives.
(h) Includes sales/purchases of assets backing insurance & investment contracts where the financial risk is borne by policyholders.
(i) Includes net cash impact of interest margin relating to hedging derivatives on financing debt.
(j) Net of bank overdrafts.
(k) AXA Japan closes its full year accounts as of September 30. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognized with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008 . This adjustment was reversed in 2009. No adjustment was required in 2010 accounts.
(l) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).
(m) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).

Cash and cash equivalents are presented in Note 12.

4.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Accounting principles

1.1. GENERAL INFORMATION

AXA SA, a French "*société anonyme*" (the "Company" and, together with its consolidated subsidiaries, "AXA" or the "Group"), is the holding (parent) company for an international financial services group focused on financial protection. AXA operates principally in Europe, North America and Asia-Pacific. The list of the main entities included in the scope of the AXA's consolidated financial statements is provided in Note 2 of the notes to the consolidated financial statements.

AXA operates in the following primary business segments:

- Life & Savings;
- Property & Casualty;
- International Insurance;
- Asset Management;
- Banking.

AXA is listed on Euronext Paris Compartiment A and had been listed since June 25, 1996 on the New York Stock Exchange (NYSE). On January 25, 2010, AXA announced its intention to voluntarily delist its American Depositary Shares (ADS) from the NYSE and to voluntarily deregister with the U.S. Securities and Exchange Commission (SEC). AXA's delisting from the NYSE became effective on March 26, 2010. AXA filed its Form 15F to deregister with the SEC on March 26, 2010 and its deregistration with the SEC became effective 90 days thereafter on June 25, 2010.

On April 29, 2010, the Shareholders' meeting approved the replacement of AXA's dual board structure (Supervisory Board and Management Board) with an unitary board structure in the form of a Board of Directors.

These consolidated financial statements including all notes were finalized by the Board of Directors on March 9, 2011.

1.2. GENERAL ACCOUNTING PRINCIPLES

1.2.1 Basis for preparation

AXA's consolidated financial statements are prepared as of December 31. However, certain entities within AXA have a different reporting year end, in particular AXA Life Japan, which has a September 30 financial year end.

The consolidated financial statements are prepared in compliance with IFRS standards and IFRIC interpretations that are definitive and effective as of December 31, 2010, as adopted by the European Union before the balance sheet date. However, the Group does not use the "carve out" option allowing not to apply all hedge accounting principles required by IAS 39. In addition, the adoption of the new IFRS 9 standard published by the IASB in November 2009 and amended in October 2010 has not been yet formally submitted to the European Union. However, the Group would not have used the earlier adoption option as of today. As a consequence, the consolidated financial statements also comply with IFRSs as issued by the International Accounting Standards Board (IASB).

AMENDMENTS TO STANDARDS AND INTERPRETATIONS PUBLISHED AND ADOPTED ON JANUARY 1, 2010

The application of the following standards, amendments to standards and interpretations as of January 1, 2010, had no material impact on the Group's consolidated financial statements:

- Eligible Hedged Items (an amendment to IAS 39 Financial Instruments: Recognition and Measurement), published on July 31, 2008, clarifies how the existing principles underlying hedge accounting should be applied. Additional guidance is given to illustrate how hedge accounting should be applied in (a) a one-sided risk in a hedge item, and (b) inflation in a financial hedged item ;
- IFRIC 17 – Distribution of Non-cash Assets to Owners, published on November 27, 2008, provides guidance on how an entity should measure distribution of assets other than cash when it pays dividends to its owners. The interpretation also requires an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation. The guidance is applied prospectively to distributions after the adoption date ;

- the Improvements to IFRSs, published on April 16, 2009, include amendments that are not part of a major project. They are presented in a single document rather than as a series of piecemeal changes. They involve accounting changes for presentation, recognition or measurement purposes and terminology or editorial changes with minimal effect on accounting.

STANDARDS AND AMENDMENTS EARLY ADOPTED IN THE 2009 ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

Revised IFRS 3 – Business Combinations and amendments to IAS 27 – Consolidated and Separate Financial Statements, published on January 10, 2008 and effective for financial years beginning on or after July 1, 2009 with earlier adoption permitted, represent the second phase of the IASB business combination project. In the context of its 2009 annual consolidated financial statements, the Group decided to early adopt it from January 1, 2009. Revised IFRS 3 introduces a number of changes in the accounting of business combinations that can impact the amount of goodwill to be recognized, the net income of the period of the acquisition and future results. The amendments to IAS 27 require that a change in the ownership interest of a subsidiary be accounted for as an equity transaction, with no impact on goodwill or net income. In addition, they introduce changes in the accounting for losses incurred by subsidiaries and the loss of control of an entity. These principles are detailed in section 1.3.2. From 2009 annual consolidated financial statements, the changes apply prospectively for combinations (including step acquisition transactions) on or after January 1, 2009. Additionally, from 2009 annual consolidated financial statements, the new rules regarding the accounting for additional purchases and sales of minority interests in a controlled subsidiary and the treatment of realizable deferred taxes subsequent to acquisition date are effective for transactions occurring after January 1, 2009 (even if the related original business combination was prior to that date).

STANDARDS AND INTERPRETATIONS PUBLISHED BUT NOT YET EFFECTIVE

Revised IAS 24 – Related party disclosures, published on November 4, 2009 and effective for annual periods beginning on or after January 1, 2011, with earlier application permitted, simplifies the disclosure requirements for government-related entities and clarifies the definition of a related party. These changes are not expected to have a material impact on the Group's consolidated financial statements.

IFRIC 19 – Extinguishing financial liabilities with equity instruments, published on November 26, 2009 and effective for financial years beginning on or after July 1, 2010, with earlier application permitted, clarifies the requirements when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. This interpretation is not expected to have a material impact on the Group's consolidated financial statements.

IFRS 9 – Financial instruments, published on November 12, 2009, amended on October 28, 2010 and applicable to the Group from January 1, 2013 with earlier application permitted, represents the completion of the first part of a three-part project to replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value. A financial asset is measured at amortized cost if both a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an entity can use the option to designate a financial asset at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch. For equity instruments that are not held for trading, an entity can also make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the instruments (including realized gains and losses), dividends being recognized in profit or loss. Additionally, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The adoption date of IFRS 9 including its different phases (the second and third phases respectively relate to the impairment methodology and the hedge accounting), its method of enforcement and its impact are currently being examined within the Group.

The Improvements to IFRSs, published on May 6, 2010, include amendments that will not be part of another major project. They are presented in a single document rather than as a series of piecemeal changes. They are generally applicable from January 1, 2011 unless otherwise specified. These amendments are not expected to have a material impact on the Group's consolidated financial statements.

The amendment to IFRS 7 – Disclosures – Transfers of Financial Assets, published on October 7, 2010, increases the disclosure requirements for transactions involving transfers of financial assets. The amendment is intended to provide additional information regarding risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure to the asset. The amendment also requires disclosure where transfers of financial assets are not evenly distributed throughout the period. The disclosure amendment is effective for annual periods beginning on or after July 1, 2011. It is not expected to have a material impact on the Group's consolidated financial statements.

The amendment to IAS 12 – Income Taxes, published on 20 December 2010 addresses the measurement of deferred tax liabilities and deferred tax assets, which depends on whether an entity expects to recover an asset by using the asset or by selling the asset. In some cases, it is difficult and subjective to assess whether recovery will be through use or through sale. The amendment provides a practical approach in such cases, by introducing a presumption that an asset is recovered entirely through sale unless the entity has clear evidence that recovery will occur in another manner. The presumption would apply when investment properties, property, plant and equipment or intangible assets are remeasured at fair value or revalued at fair value. The amendment is effective for annual periods beginning on or after January 1, 2012 and is not expected to have a material impact on the Group's consolidated financial statements.

PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions. It requires a degree of judgment in the application of Group accounting principles described below. The main balance sheet captions concerned are goodwill (in particular impairment tests described in Section 1.6.1), intangible assets acquired in a business combination, the value of acquired business in force, deferred acquisition costs and equivalent, certain assets accounted for at fair value, liabilities related to the insurance business, pension benefit obligations and balances related to share-based compensation. The principles set out below specify the measurement methods used for these items. These methods, along with key assumptions where required, are discussed in greater depth in the notes relating to the asset and liability items concerned where meaningful and useful.

As recommended by IAS 1, assets and liabilities are generally classified globally on the statement of financial position in increasing order of liquidity, which is more relevant for financial institutions than a classification between current and non-current items. As for most insurance companies, expenses are classified by destination in the income statement.

All amounts in the consolidated statement of financial position, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and in the notes are expressed in Euro million, and rounded up to the nearest whole unit, unless otherwise stated.

1.2.2 First time adoption of IFRS

The AXA Group's transition date is January 1, 2004. The Group prepared its opening IFRS balance sheet at that date. The Group's IFRS adoption date is January 1, 2005.

The major options elected in accordance with IFRS 1 were the following:

PURCHASE ACCOUNTING, GOODWILL AND OTHER INTANGIBLES RELATED TO PAST BUSINESS COMBINATIONS PERFORMED PRIOR TO JANUARY 1, 2004

AXA chose not to restate past business combinations based on the option available in IFRS 1. As a result, past business combinations prior to January 1, 2004 are accounted for on a previous GAAP basis in the IFRS financial statements, except:

- goodwill has been denominated in the functional currency of the acquired entity under IFRS since January 1, 2004 (transition to IFRS); and
- any item recognized under previous GAAP that did not qualify for recognition as an asset or liability under IFRS was reclassified into goodwill.

As a result, the goodwill gross value disclosed in Note 5 represents the gross value of the goodwill net of cumulated amortization recognized in French GAAP as of December 31, 2003.

CURRENCY TRANSLATION DIFFERENCES

AXA elected the option to reset to zero all past cumulative currency translation differences for all foreign operations as of January 1, 2004.

PENSION ACCOUNTING

All cumulative past actuarial gains and losses on all employee benefit plans were recognized in retained earnings as of January 1, 2004.

Unless otherwise stated, the AXA's accounting policies have been consistently applied to all the periods presented in its financial statements, including policies relating to the classification and measurement of insurance contracts, investment contracts and other financial investments and liabilities including derivatives.

1.3. CONSOLIDATION

1.3.1. Scope and basis of consolidation

Companies in which AXA exercises control are known as subsidiaries. Under the current definition of IAS 27, control is the power to govern the financial and operating policies of a company so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control according to the IAS 27/SIC 12 current model is transferred to AXA. Control is presumed to exist when AXA directly or indirectly holds more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are also considered when assessing whether AXA controls another entity.

Entities that are controlled in substance because of a specific statute or an agreement, even without any ownership interest, are also consolidated. In particular this relates to special purpose entities, such as securitization vehicles.

Companies over which AXA exercises a joint controlling influence alongside one or more third parties are consolidated proportionately.

Companies in which AXA exercises significant influence are accounted for under the equity method. Significant influence is presumed when AXA directly or indirectly holds 20% or more of the voting rights or, for example, when significant influence is exercised through an agreement with other shareholders. AXA's share of equity associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is stated under "Other reserves".

Investment funds and real estate companies are either fully consolidated or proportionately consolidated or accounted for using the equity method, depending on which conditions of IAS 27/12 listed above they satisfy. For fully consolidated investment funds, minority interests are recognized at fair value and shown as liabilities in the statement of financial position if the companies' instruments can be redeemed at any time by the holder at fair value. Investment funds accounted for using the equity method are shown under the statement of financial position caption "Financial investments".

1.3.2. Business combinations and subsequent changes in the Group ownership interest

In accordance with the option made available by IFRS 1 – First-time adoption of IFRS, business combinations prior to 2004 were not restated with respect to French accounting principles in force at the time.

As the Group decided to early adopt Revised IFRS 3 – Business Combinations and amendments to IAS 27 – Consolidated and Separate Financial Statements from January 1, 2009, the principles described below are those that apply from that date.

VALUATION OF ASSETS ACQUIRED AND LIABILITIES ASSUMED OF NEWLY ACQUIRED SUBSIDIARIES AND CONTINGENT LIABILITIES

Upon first consolidation, all assets, liabilities and contingent liabilities (unless they are not present obligations) of the acquired company are estimated at their fair value. However, in compliance with an exemption permitted by IFRS 4, liabilities related to life insurance contracts or investment contracts with discretionary participating features are maintained at the carrying value prior to the acquisition date to the extent that this measurement basis is consistent with AXA's accounting principles. The fair value of acquired business in force relating to life insurance contracts and investment contracts with discretionary participating features is recognized as an asset corresponding to the present value of estimated future profits emerging on acquired business in force at the date of acquisition (also referred to as value of acquired business in force or VBI). The present value of future profits takes into consideration the cost of capital and is estimated using actuarial assumptions based on projections made at purchase date but also using a discount rate that includes a risk premium.

Investment contracts with no discretionary participating features do not benefit from the exemption permitted by IFRS 4 in phase I of the IASB's insurance project such as described above, i.e. the fair value of acquired liabilities is booked through the recognition of an asset corresponding to the value of acquired business in force. Liabilities relating to investment contracts with no discretionary participating features are measured directly at fair value. In accordance with IAS 39, the fair value of these contracts cannot be less than surrender value when they contain a demand feature.

Other identifiable intangible assets such as the value of customer relationships should be recognized. The value of customer relationships intangible represents the value of future cash flows expected from renewals and the cross-selling of new products to customers known and identified at the time of the acquisition. These projections include assumptions regarding claims, expenses and financial revenues, or they can be estimated on the basis of the new business value. In line with accounting practices in force before the adoption of IFRS, which may continue to be applied under IFRS 4, future premiums relating to acquired business may be recognized in the "Value of acquired business in force" item.

To the extent that these other intangible assets can be estimated separately, they can also be measured by looking at the purchased marketing resources that will allow to generate these future cash flows.

The nature of the intangible assets recognized is consistent with the valuation methods used when purchasing the acquired entity.

In the context of a business combination, only restructuring costs that can be measured reliably and which correspond to an existing liability of the acquired company prior to the acquisition date are included in restructuring provisions recognized in the acquired company's statement of financial position at acquisition date.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, the liabilities incurred by the Group to former owners of the acquiree and the equity interests issued by the Group.

Purchase consideration includes any contingent element (adjustment in the acquisition price conditional upon on one or more events). In the estimate of the contingent element, attention is paid to use assumptions that are consistent with the assumptions used for the valuation of intangible assets such as VBI. For business combinations that occurred before January 1, 2009, any contingent element was included in the cost of the combination to the extent that the adjustment was probable and could be measured reliably. If the future events do not occur or the estimate needs to be revised, the cost of the business combination continues to be adjusted accordingly, taking into account the impact in terms of additional goodwill and/or adjustments of the valuation of acquired assets and liabilities. For business combinations on or after January 1, 2009, any change to the estimate of the contingent element between the acquisition date and the amount actually subsequently paid is recognized in the income statement.

Direct transaction costs related to a business combination are charged in the income statement when incurred.

In step acquisitions, any previously minority interest held by the Group is measured at fair value and the resulting adjustment is recognized through the net income. Similarly, when an additional purchase changes the control from significant influence or joint control to control, any investment pre-existing in a former associate/joint venture is re-measured to its fair value with the gain or loss through net income (consequently also resulting in a change in the previous recognized amount of goodwill).

According to a decision taken for each acquisition, any minority interest may be measured at fair value or at its proportionate interest in the acquiree's identifiable net assets.

If the transaction is denominated in a foreign currency, the exchange rate used is that in force on the date of the transaction or on the starting date of the transaction (if it occurs over a period).

GOODWILL

Goodwill is measured as the excess of (a) the aggregate of the consideration transferred, the amount of any minority interest in the acquiree and in a business combination achieved in stages, the acquisition-date fair value of the Group's previously held equity interest in the acquiree over (b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill arising from the acquisition of a foreign entity is recorded in the local currency of the acquired entity and is translated into Euro at the closing date.

If the cost of acquisition is less than the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed, the difference is directly recorded in the consolidated statement of income.

Adjustments can be made to goodwill within twelve months of the acquisition date, if new information becomes available to complete the initial accounting. In this case, comparative information is presented as if the initial accounting had been completed from the acquisition date.

If, after the period of twelve months, a deferred tax asset, initially considered as not recoverable, finally meets the recognition criteria, the corresponding tax benefit is recorded in the consolidated statement of income without a corresponding adjustment in goodwill.

Goodwill is allocated across operating segments (Life & Savings, Property & Casualty, International Insurance, Asset Management and Banking) to cash generating units corresponding (i) to the companies acquired or portfolios of business acquired according to their expected profitability, and (ii) to the entities already within the AXA Group that will benefit from the synergies of the combination with the activities acquired. This allocation of goodwill is used both for segment reporting and for impairment testing.

PURCHASE AND SALE OF MINORITY INTERESTS IN A CONTROLLED SUBSIDIARY

Purchase and sale transactions of minority interests in a controlled subsidiary that do not change the conclusion of control are recorded through shareholders' equity (including direct acquisition costs).

If control in a subsidiary is lost, any gain or loss is recognized in net income. Furthermore, if an investment in the entity is retained by the Group, it is re-measured to its fair value and any gain or loss is also recognized in net income.

PUT OVER MINORITY INTERESTS

When control over a subsidiary is acquired, a put option may be granted to minority shareholders. However, the recognition of the puttable instruments as a liability depends on the contractual obligations.

When the contract involves an unconditional commitment exercisable by the option holder, it is recognized as a liability. Since the balancing entry to this liability is not specified by current IFRS, the Group's method is (i) to reclassify minority interests from equity to liability, (ii) to re-measure this liability at the present value of the option price and (iii) to recognize the difference either as an increase in goodwill for puts existing before January 1, 2009 or as a decrease in equity (Group share) for a put granted after January 1, 2009, to the extent that there is no immediate transfer of risks and rewards. Similarly, subsequent changes in the liability are recorded against goodwill for puts existing before January 1, 2009 and against equity (Group share) for puts granted after that date.

INTRA-GROUP TRANSACTIONS

Intra-group transactions, including internal dividends, payables/receivables and related gains/losses are eliminated:

- in full for controlled subsidiaries; and
- to the extent of AXA's interest for entities consolidated by equity method or proportionate consolidation.

The effect on net income of transactions between consolidated entities is always eliminated, except for permanent losses, which are maintained.

In the event of an internal sale of an asset that is not intended to be held on the long term by the Group, deferred tax is recognized corresponding to the elimination of the current tax calculated on the realized gain or loss. The income statement impact of the potential policyholders' participation resulting from this transaction is also eliminated, and a deferred policyholders' participation asset or liability is posted to the statement of financial position.

In addition, the transfer of consolidated shares, between two consolidated subsidiaries but held with different ownership percentages, should not impact the Group net income. The only exception would be any related tax and policyholders' participation recorded in connection to the transaction, which are maintained in the consolidated financial statements. These transfers also have an impact on Group shareholders' equity (with a balancing entry recorded in minority interests). This impact is identified in the "other" changes of the consolidated statement of shareholders' equity.

1.4. FOREIGN CURRENCY TRANSLATION OF FINANCIAL STATEMENTS AND TRANSACTIONS

The consolidated financial statements are presented in Euro million, the Euro being the Group's presentational currency.

The results and financial position of all Group entities that have a functional currency (i.e. the currency of the primary economic environment in which the entity operates) different from the Group presentational currency are translated as follows:

- assets and liabilities of entities in a functional currency different from Euro are translated at the closing rate;
- revenues and expenses are translated at the average exchange rates over the period;
- all resulting foreign exchange differences are recognized as a separate component of equity (translation differences).

At the local entity level, foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at closing rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except where hedge accounting is applied as explained in Section 1.9.

As mentioned in Section 1.3.2, goodwill arising on the acquisition of a foreign entity is recorded in the local currency of the acquired entity and is translated into Euro at the closing date.

Foreign exchange differences arising from the translation of a net investment in a foreign subsidiary, borrowings and other currency instruments qualifying for hedge accounting of such investment are recorded in shareholders' equity under translation differences and are recycled in the income statement as part of the realized gain or loss on disposal of the hedge net investment.

Foreign exchange differences arising from monetary financial investments available for sale are recognized as income or expense for the period in respect of the portion corresponding to amortized cost. The residual translation differences relating to fair value changes are recorded in shareholders' equity.

Regarding the cumulative amount of the exchange differences related to disposed business, the Group applies the step-by-step consolidation method (IFRIC 16).

1.5. SEGMENT REPORTING

The segmental analysis provided in AXA's Annual Report and Financial Statements reflects operating business segments; it is based on five business lines: Life & Savings, Property & Casualty, International Insurance, Asset Management and Banking. An additional "Holdings" segment includes all non-operational activities.

1.6. INTANGIBLE ASSETS

1.6.1. Goodwill and impairment of goodwill

Goodwill is considered to have an indefinite useful life and is therefore not amortized. Impairment tests are performed at least annually. Impairment of goodwill is not reversible.

AXA performs an impairment test of goodwill at least annually based on cash generating units, using a multi-criterion analysis with parameters such as the value of assets, future operating profits and market share, in order to determine any significant adverse changes. It also considers the interdependence of transactions within sub-groups. Within each cash generating unit, a comparison is made between net book value and the recoverable value (equal to the higher of fair value less costs to sell and value in use). Value in use consists of the net assets and expected future earnings from existing and new business, taking into account the cash generating units' future cash flows. The value of future expected earnings is estimated on the basis of the life insurance and investment contracts embedded value figures published by AXA or similar calculations for other activities. Fair values less costs to sell are based on various valuation multiples.

1.6.2. Value of purchased life insurance business in force (VBI)

The value of purchased insurance contracts and investment contracts with discretionary participating features recognized in a business combination (see Section 1.3.2) is amortized as profits emerge over the life of the contracts' portfolio. In conjunction with the liability adequacy test (see Section 1.13.2), VBI is subject to annual recoverability testing based on actual experience and expected changes in the main assumptions.

1.6.3. Other intangible assets

Other intangible assets include softwares developed for internal use for which direct costs are capitalized and amortized on a straight-line basis over the assets' estimated useful lives.

They also include customer relationships intangibles as well as distribution agreements recognized as a result of business combinations. If these assets have a finite useful life, they are amortized over their estimated life. In all cases, they are subject to impairment tests, at each closing for assets with a finite useful life and at least annually for other assets. In the event of a significant decline in value, an impairment is booked corresponding to the difference between the value on the balance sheet and the higher of value in use and fair value less costs to sell.

1.6.4. Deferred acquisition costs (DAC) relating to insurance contracts and investment contracts with discretionary participating features – Rights to future management fees, also known as Deferred origination costs (DOC) relating to investment contracts with no discretionary participating features

The variable costs of writing insurance contracts and investment contracts with discretionary participating features, primarily related to the underwriting of new business, are deferred by recognizing an asset. This asset is amortized based on the estimated gross profits emerging over the life of the contracts. In conjunction to the liability adequacy test (see Section 1.13.2) this asset is tested for recoverability: any amount above future estimated gross profits is not deemed recoverable and expensed.

For investment contracts with no discretionary participating features, a similar asset is recognized, i.e. Rights to future management fees, also known as Deferred origination costs DOC (see Note 7), but limited to costs directly attributable to the provision of investment management services. This asset is amortized by taking into account projections of fees collected over the life of the contracts. The amortization of DOC is reviewed at each closing date to reflect changes in assumptions and experience. This asset is also tested for recoverability.

DAC and DOC are reported gross of unearned revenues and fees reserves.

These unearned revenues and fees reserves are separately recognized as liabilities and are amortized over the contract term using the same amortization approach used for DAC and DOC.

1.7. INVESTMENTS FROM INSURANCE, BANKING AND OTHER ACTIVITIES

Investments include investment in real estate properties and financial instruments including equity instruments, debt instruments and loans.

1.7.1. Investment in real estate properties

Investment in real estate properties (excluding investment in real estate properties totally or partially backing liabilities arising from contracts where the financial risk is borne by policyholders and from "with-profit" contracts) is recognized at cost. The properties components are depreciated over their estimated useful lives, also considering their residual value if it may be reliably estimated.

In case of unrealized loss over 15%, an impairment is recognized for the difference between the net book value of the investment property and the fair value of the asset based on an independent valuation. Furthermore, at the level of each reporting entity, if the cumulated amount of unrealized losses under 15% (without offsetting with unrealized gains) represents more than 10% of the cumulated net cost of real estate assets, additional impairment are booked on a line-by-line approach until the 10% threshold is reached.

If, in subsequent periods, the appraisal value rises to at least 15% more than the net carrying value, previously recorded impairment is reversed to the extent of the difference between a) the net carrying value and b) the lower of the appraisal value and the depreciated cost (before impairment).

Investment in real estate properties that totally or partially back liabilities arising from contracts where the financial risk is borne by policyholders is recognized at fair value with changes in fair value through profit or loss. Until the sale operation on the UK Life and Savings business, fair value was also applied to real estate assets that were used as the dividend basis of "with-profit" contracts.

1.7.2. Financial instruments classification

Depending on the intention and ability to hold the invested assets, financial instruments are classified in the following categories:

- assets held to maturity, accounted for at amortized cost;
- loans and receivables (including unquoted debt instruments) accounted for at amortized cost;
- assets held for trading and assets designated as at fair value with change in fair value through profit or loss;
- available-for-sale assets accounted for at fair value with changes in fair value recognized through shareholders' equity.

At inception, the option to designate financial investments and liabilities at fair value with change in fair value recognized through income statement is mainly used by the Group in the following circumstances:

- financial investments when electing the fair value option allows the Group to solve accounting mismatch, and in particular:
  - assets backing liabilities arising from contracts where the financial risk is borne by policyholders,
  - assets included in hedging strategies set out by the Group for economical reasons but not eligible for hedge accounting as defined by IAS 39,
  - debts held by structured bond funds controlled and consolidated by the Group and made up of CDOs (Collateralized Debt Obligations);
- portfolios of managed financial investments whose profitability is valued on a fair value basis: mainly securities held by consolidated investment funds, managed according to the Group risk management policy ("Satellite Investment Portfolio", see definition below).

In practice, assets held through consolidated investment funds are classified:

- either as assets of the "Core Investment Portfolios" which include assets backing liabilities arising from insurance and investment contracts, managed according to AXA's ALM strategy; or
- as assets of the "Satellite Investment Portfolios", reflecting the strategic asset allocation based on a dynamic asset management aimed at maximizing returns.

Underlying financial instruments held in the "Core Investment Portfolios" are classified as available-for-sale unless involved in a qualifying hedge relationship or more broadly when electing the fair value option reduces accounting mismatch. As specified above, the financial instruments held in the "Satellite Investment Portfolios" are accounted for at fair value with changes in fair value recognized through income statement.

Assets designated as available-for-sale, trading assets, investments designated as at fair value through P&L and all derivatives are measured at fair value, i.e. the amount for which an asset could be exchanged, between knowledgeable, willing parties in an arm's length transaction. The Group applies the IAS 39 fair value hierarchy as detailed in Note 9.9.

Loans which are not designated under the fair value option are accounted for at amortized cost using the effective interest rate method.

IMPAIRMENT OF FINANCIAL INSTRUMENTS

AXA assesses at each balance sheet date whether a financial asset or a group of financial investments at (amortized) cost or designated as "available for sale" is impaired. A financial asset or group of financial investments is impaired when there is objective evidence of impairment as a result of one or more events and this event has an impact on the estimated future cash flows of the asset(s) that can be reliably estimated.

For debt instruments classified as "held to maturity" or "available for sale", an impairment based respectively on future cash flows discounted using the initial effective interest rate or on fair value is recorded through the income statement if future cash flows may not be fully recoverable due to a credit event relating to the instrument issuer. A downgrade of an entity's credit rating is not, of itself, evidence of impairment. If the credit risk is eliminated or improves, the impairment may be released. The amount of the reversal is also recognized in the income statement.

For equity instruments classified as available for sale, a significant or prolonged decline in the fair value below its carrying value is considered as indication for potential impairment, such as equity instruments showing unrealized losses over a 6 months period or more (prior to the closing date), or unrealized losses in excess of 20% of the net carrying value at the closing date. If such evidence exists for an available for sale financial asset, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment on that financial asset already booked in the income statement – is removed from shareholders' equity and an impairment is recognized through the income statement. Equity instruments impairment recognized in the income statement cannot be reversed through the income statement until the asset is sold or derecognized.

Impairments of loans available for sale are based on the present value of expected future cash flows, discounted at the loan's effective interest rate (down to the loan's observable market price), or on the fair value of the collateral.

For financial investments accounted for at amortized cost, including loans and assets classified as “held to maturity” or assets designated as “Loans and receivables”, the impairment test is first performed at the asset level. A more global test is then performed on groups of assets with similar risk profile.

Methods for calculating the net book value of assets sold (average cost, first-in first-out, etc.) depend on local Assets and Liabilities Management (ALM) strategies as these strategies have been set up to take into account specific commitments to policyholders. These methods may differ within the Group provided that they are used consistently at each entity level.

1.8. ASSETS BACKING LIABILITIES ARISING FROM CONTRACTS WHERE THE FINANCIAL RISK IS BORNE BY POLICYHOLDERS

Assets backing liabilities arising from insurance or investment contracts where the financial risk is borne by policyholders are presented in a separate aggregate of the balance sheet so that they are shown in a symmetrical manner to the corresponding liabilities. This presentation is considered more relevant for the users and consistent with the liquidity order recommended by IAS 1 for financial institutions, since the risks are borne by policyholders, whatever the type of assets backing liabilities (investment in real estate properties, debt instruments or equity instruments, etc.). Details of these assets are provided in the notes.

1.9. DERIVATIVE INSTRUMENTS

Derivatives are initially recognized at fair value at purchase date and are subsequently re-measured at their fair value. Unrealized gains and losses are recognized in the statement of income unless they relate to a qualifying hedge relationship as described below. The Group designates certain derivatives as either: (i) hedging of the fair value of recognized assets or liabilities or of a firm commitment (fair value hedge); or (ii) hedging of highly probable expected future transactions (cash flow hedge); or (iii) hedging of net investments in foreign operations.

The Group documents, at inception, the hedge relationship, as well as its risk management hedging objectives and strategy. The Group also documents the hedge effectiveness, both at inception and on an ongoing basis, indicating the actual or expected efficiency level of the derivatives used in hedging transactions in offsetting changes in the fair values or cash flows of hedged underlying items.

FAIR VALUE HEDGE

Changes in the fair value of derivatives designated and qualifying as fair value hedge are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability.

CASH FLOW HEDGE

The effective portion of changes in the fair value of derivatives designated and qualifying as cash flow hedge is recognized in shareholders’ equity. The gain or loss relating to any ineffective portion is recognized in the income statement. Cumulative gain or loss in shareholders’ equity is recycled in the income statement when the hedged underlying item impacts the profit or loss for the period (for example when the hedged future transaction is recognized). When a hedging instrument reaches its maturity date or is sold, or when a hedge no longer qualifies for hedge accounting, the cumulative gains or losses in shareholders’ equity are held until the initially hedged future transaction ultimately impacts the income statement.

NET INVESTMENT HEDGE

The accounting of net investments in foreign operations hedge is similar to the accounting of cash flow hedge. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in shareholders’ equity; the gain or loss relating to the ineffective portion is recognized in the income statement. Cumulative gains and losses in shareholders’ equity impact the income statement only on disposal of the foreign operations.

DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING

Changes in the fair value of all other derivative instruments that do not qualify for hedge accounting are recognized in the income statement.

The Group holds financial investments that include embedded derivatives. Such embedded derivatives are separately recorded and measured at fair value through profit or loss if the impact is deemed material.

For the statement of financial position presentation, derivatives are presented alongside with the underlying assets or liabilities for which they are used, regardless of whether these derivatives meet the criteria for hedge accounting.

The purpose and condition of the use of derivatives within the Group are detailed in Note 20.

1.10. ASSETS/LIABILITIES HELD FOR SALE INCLUDING THOSE RELATED TO DISCONTINUED OPERATIONS

These comprise assets, particularly buildings or operations intended to be sold or discontinued within twelve months. Subsidiaries held for sale remain within the scope of consolidation until the date on which the Group loses effective control. The assets and activities (assets and liabilities) concerned are measured at the lower of net carrying value and fair value net of selling costs. They are presented in separate asset and liability items on the statement of financial position. The liabilities of subsidiaries (excluding shareholders' equity) held for sale are entered separately on the liability side of the consolidated statement of financial position, with no netting against assets.

In the event of a discontinuation of operations representing either a business line, a main and distinct geographical region or a subsidiary acquired solely with a view to reselling, their after-tax contribution is stated on a separate line of the income statement. For comparison purposes, the same applies to the presentation of income statements relating to previous periods that are included in the financial statements. This separate line also includes the post-tax gain/loss recognized on the disposal of the discontinued operation at the date of loss of control.

Details on information presented in the statement of financial position and income statement are provided in the notes to the consolidated financial statements.

1.11. CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits while cash equivalents are short-term, liquid investments that are readily convertible to cash and which are subject to low volatility.

1.12. SHARE CAPITAL AND SHAREHOLDERS' EQUITY

1.12.1. Share capital

Ordinary shares are classified in shareholders' equity when there is no obligation to transfer cash or other assets to the holders.

Additional costs (net of tax) directly attributable to the issue of equity instruments are shown in shareholders' equity as a deduction to the proceeds.

1.12.2. Undated subordinated debts

Undated subordinated debts and any related interest charges are classified either in shareholders' equity (in the "other reserves" aggregate) or as liabilities depending on contract clauses without taking into consideration the prospect of redemption under economic constraints (e.g. step up clauses or pressure from shareholders to pay a dividend).

1.12.3. Compound financial instruments

Any financial instrument issued by the Group with an equity component (for example an option granted to convert the debt instrument into an equity instrument of the Company) and a liability component (a contractual obligation to deliver cash) is classified separately on the liability side of the balance sheet with the equity component reported in Group shareholders' equity (in the "other reserves" aggregate). Gains and losses relating to redemptions or refinancing of the equity component are recognized as changes to shareholders' equity.

1.12.4. Treasury shares

Treasury shares and any directly related costs are recorded as a deduction to consolidated shareholders' equity. Where treasury shares are subsequently sold or reissued, any consideration received is included in consolidated shareholders' equity, net of any directly related costs and tax effects.

However, treasury shares held by controlled investment funds backing contracts where the financial risk is borne by policyholders are not deducted as all risks and income resulting from holding these shares are attributable to policyholders.

1.13. LIABILITIES ARISING FROM INSURANCE AND INVESTMENT CONTRACTS

1.13.1. Contracts classification

The Group issues contracts that transfer an insurance risk or a financial risk or both.

Insurance contracts, including assumed reinsurance contracts, are contracts that carry significant insurance risks. Such contracts may also transfer financial risk from the policyholders to the insurer. Investment contracts are contracts that carry financial risk with no significant insurance risk.

A number of insurance and investment contracts contain discretionary participating features. These features entitle the contract holder to receive additional benefits or bonuses on top of these standard benefits:

- they are likely to represent a significant portion of the overall contractual benefits;
- their amount or timing is contractually at the discretion of the Group; and
- they are contractually based on the performance of a group of contracts, the investment returns of a financial asset portfolio or the Company profits, a fund or another entity that issues the contract.

In some insurance or investment contracts, the financial risk is borne by policyholders. Such contracts are usually unit-linked contracts.

The Group classifies its insurance and investment contracts into six categories:

- liabilities arising from insurance contracts;
- liabilities arising from insurance contracts where the financial risk is borne by policyholders;
- liabilities arising from investment contracts with discretionary participating features;
- liabilities arising from investment contracts with no discretionary participating features;
- liabilities arising from investment contracts with discretionary participating features where the financial risk is borne by policyholders; these relate to unit-linked contracts or multi-funds contracts containing a non-unit-linked fund with discretionary participating features;
- liabilities arising from investment contracts with no discretionary participating features where the financial risk is borne by policyholders.

1.13.2. Insurance contracts and investment contracts with discretionary participating features

According to IFRS 4, recognition and derecognition are based on the AXA accounting policies existing prior to IFRS and are described below, except for the elimination of equalization provisions, selective changes as permitted by IFRS 4 (see below), the extension of shadow accounting and except where IAS 39 applies.

The main characteristics of the accounting principles applied prior to IFRS and retained after the conversion to IFRS are as follows:

- reserves must be sufficient;
- life reserves cannot be discounted using a discount rate higher than prudently estimated expected assets yield;
- acquisition costs are deferred to the extent recoverable and amortized based on the estimated gross profits emerging over the life of the contracts;
- claims reserves represent estimated ultimate costs. Post claims reserves are generally not discounted, except in limited cases (a detail of discounted reserves is shown in Note 14.9).

PRE-CLAIMS RESERVES

Unearned premiums reserves represent the prorated portion of written premiums that relates to unexpired risks at the closing date.

For traditional life insurance contracts (that is, contracts with significant mortality or morbidity risk), the future policy benefits reserves are calculated on a prospective basis according to each country regulation provided methods used are consistent with the Group's policies and using assumptions on investment yields, morbidity/mortality and expenses.

Additional reserves are booked if there are any adverse impacts on reserves level caused by a change in the mortality table.

Future policy benefits reserves relating to investment contracts with discretionary participation features (previously called "savings contracts" in AXA's accounting principles) that carry low mortality and morbidity risk are calculated using a prospective approach based on discount rates set at inception (similar to the retrospective approach, i.e. "account balance" methodology).

The discount rates used by AXA are less or equal to the expected future investment yields (assessed on prudent basis).

Part of the policyholders participation reserve is included in future policy benefits reserves, according to contractual clauses.

Until the sale operation on the UK Life and Savings business:

- the "Fund for Future Appropriation" (FFA) relating to UK with-profit contracts principally covered future terminal bonuses according to the terms of these contracts. The combination of provisions on with-profit contracts and the FFA varied in line with the market value of the assets supporting the participating with-profit funds. Technical reserves were measured on a "realistic" basis in accordance with UK accounting standard FRS 27 and in line with the practice used by UK insurance companies with respect to these contracts;
- liabilities within the UK with-profit funds were supported by assets designated as investments at fair value through profit or loss. When liabilities were transferred out of the UK with-profit fund along with the supporting assets, the group was not permitted to reclassify the assets as available for sale assets, which would had represented the relevant category to match the traditional valuation of non profits UK liabilities. These assets instead retained their previous designation of fair value through profit and loss. In order to minimize the accounting mismatch between liabilities and supporting assets, the Group had elected to use the option allowed under IFRS 4.24 to re-measure its provision. This revaluation was carried out at each reporting date based on guarantee benefit projections and took into account interest rates and other market assumptions.

For insurance and investment contracts with discretionary participating features, if the contracts include a minimum guaranteed rate, any potential reserve deficiency caused by insufficient future investment return is immediately booked.

Except when these guarantees are covered by a risk management program using derivative instruments (see next paragraph), guaranteed minimum benefits reserves relating to contracts where the financial risk is borne by policyholders (insurance contracts because they include such guarantees or investment contracts with discretionary participating features), are build over the life of the contract based on a prospective approach: the present value of future benefit obligations to be paid to policyholders in relation to these guarantees is estimated on the basis of reasonable scenarios. These scenarios are based on assumptions including investment returns, volatility, surrender and mortality rates. This present value of future benefit obligations is reserved as fees are collected over the life of the contracts.

Some guaranteed benefits such as Guaranteed Minimum Death or Income Benefits (GMDB or GMIB), or certain guarantees on return proposed by reinsurance treaties, are covered by a risk management program using derivative instruments. In order to minimize the accounting mismatch between liabilities and hedging derivatives, AXA has chosen to use the option allowed under IFRS 4.24 to re-measure its provisions: this revaluation is carried out at each accounts closing based on guarantee level projections and takes into account interest rates and other market assumptions. The liabilities revaluation impact in the current period is recognized through income, symmetrically with the impact of the change in value of hedging derivatives. This change in accounting principles was adopted on the first time application of IFRS on January 1, 2004 for contracts portfolios covered by the risk management program at that date. Any additional contracts portfolios covered by the risk management program after this date are valued on the same terms as those that applied on the date the program was first applied.

POST CLAIMS RESERVES

Claims reserves (life and non life contracts)

The purpose of claims reserves is to cover the ultimate cost of settling an insurance claim. Claims reserves are not discounted, except when relating to disability annuities.

Claims reserves include the claims incurred and reported, claims incurred but not reported (IBNR) as well as claim handling costs. Claims reserves are based on historical claim data, current trends, actual payment patterns for all insurance business lines as well as expected changes in inflation, regulatory environment or anything else that could impact amounts to be paid.

Unearned revenues reserves

Revenues received at contract inception to cover future services are deferred and recognized in the income statement using the same amortization pattern as the one used for deferred acquisition costs (see Section 1.6.4).

Shadow accounting and Deferred policyholders Participation Asset (DPA) or Liability (DPL)

In compliance with IFRS 4 option, shadow accounting is applied to insurance and investment contracts with discretionary participating features. Shadow accounting is applied to technical liabilities, acquisition costs and value of business in force to take into account unrealized gains or losses on insurance liabilities or assets in the same way as it is done for a realized gain or loss of invested assets. When unrealized gains or losses are recognized, a deferred participating liability (DPL) or asset (DPA) is recorded. The DPL or DPA corresponds to the discretionary participation available to the policyholders and is generally determined on the basis of estimated participation of policyholders in unrealized gains and losses and any other valuation difference with the local contractual basis. Jurisdictions where participating business is significant are Switzerland (for example "legal quote" for group insurance policies), Germany and France where minimum are set to respectively 90%, 90% and 85% of a basis which may include not only financial income but also other components such as in Germany or Switzerland. Participating business is less developed in the United States or in Japan.

The estimated discretionary participating feature of such contracts is fully recognized in the liabilities. As a consequence, there is no component recognized as an equity component and AXA does not need to ensure that the liability recognized for the whole contract is not less than the amount that would result from applying IAS 39 to the guaranteed element.

When a net unrealized loss (unrealized change in fair value, impairment, expense related…) is accounted for, a deferred participating asset (DPA) may be recognized only to the extent that it is highly probable that it can be charged to policyholders, by entity, in the future. This could be the case if the DPA can be offset against future participation either directly through deduction of the DPL from future capital gains or the DPL netted against value of businesses in force or indirectly through deduction of future fees on premiums or margins.

Unrealized gains and losses on assets classified as trading or designated at fair value through profit and loss, along with any other entry impacting the income statement and generating a timing difference, are accounted for in the statement of income with a corresponding shadow entry adjustment in the statement of income. The shadow accounting adjustments relating to unrealized gains and losses on available-for-sale assets (for which change in fair value is taken to shareholders' equity) are booked through shareholders' equity.

Recoverability tests and liability adequacy test (LAT)

Deferred participation

When net deferred participation asset is recognized, the Group uses liquidity analyses performed by the entities to assess the capacity to hold assets showing unrealized loss position, if any, generating such debits. The Group then performs projections to compare the value of assets backing policyholders' contracts with expected payments to be made to policyholders.

Liability Adequacy Test

In addition, at each balance sheet date, liability adequacy tests are performed in each consolidated entity in order to ensure the adequacy of the contract liabilities net of related DAC and VBI assets and deferred policyholders' participation liability or asset. To perform these tests, entities group contracts together according to how they have been acquired, are serviced and have their profitability measured. Entities use current best estimates of all future contractual cash flows as well as claims handling and administration expenses, and take into account guarantees and investment yields relating to assets backing these contracts.

- such tests are based on the intention and capacity of entities to hold financial assets according to various sets of scenarios, excluding the value of new business;
- they include projections of future investments sales according to estimated surrender patterns; and
- and the extent to which resulting gains/losses may be allocated/charged to policyholders, i.e. profit sharing between policyholders and shareholders.

These tests therefore include the capacity to charge estimated future losses to policyholders on the basis of the assessment of the holding horizon and potential realization of losses among unrealized losses existing at closing date.

Contract specific risks (insurance risk, asset return risk, inflation risk, persistency, adverse selection, etc.) directly related to the contracts that might make the net liabilities inadequate, are also considered.

Depending on the type of business, the future investment cash flows and discounting may be based on a best estimate and risk free rates, with corresponding participation, or in the case of Guaranteed Minimum Benefits, stochastic scenarios. Testing is performed either by a comparison of the reserves booked net of related assets (DAC, VBI) to a reserve calculated directly by discounting the cash flows, or by ensuring that the discounted profit net of participation arising from the release of the technical provisions exceeds net related assets.

Any identified deficiency is charged to the income statement, initially by respectively writing off DPA, DAC or VBI, and subsequently by establishing a LAT provision for losses arising from the liability adequacy test for any amount in excess of DAC and VBI. For non-life insurance contracts, an unexpired risk provision is accounted for contracts on which the premiums are expected to be insufficient to cover expected future claims and claims expenses.

Sensitivities of:

- financial assets and liabilities;
- insurance and investment contracts related assets and liabilities including the value of Life & Savings business inforce;

to interest rate risk and equity risk are disclosed in Note 4.2.

EMBEDDED DERIVATIVES IN INSURANCE AND INVESTMENT CONTRACTS WITH DISCRETIONARY PARTICIPATING FEATURES

Embedded derivatives that meet the definition of an insurance contract or correspond to options to surrender insurance contracts for a set amount (or based on a fixed amount and an interest rate) are not separately measured. All other embedded derivatives are bifurcated and booked at fair value when material (with change in fair value recognized through income statement) if they are not considered as closely related to the host insurance contract and/or do not meet the definition of an insurance contract.

1.13.3. Investment contracts with no discretionary participating features

In accordance with IAS 39, these contracts are accounted for using "deposit accounting", which mainly results in not recognizing the cash flows corresponding to premiums, benefits and claims in the statement of income (see "Revenue recognition" section below). These cash flows shall rather be recognized as deposits and withdrawals.

This category includes mainly unit-linked contracts that do not meet the definition of insurance or investment contracts with discretionary participating features. For these unit-linked contracts, the liabilities are valued at current unit value, i.e. on the basis of the fair value of the financial investments backing those contracts at the closing date together with Rights to future managements fees, also known as Deferred origination costs (DOC, described in Section 1.6.4).

UNEARNED FEES RESERVES

Fees received at inception of an investment contract with no discretionary participating features to cover future services are recognized as liabilities and accounted for in the statement of income based on the same amortization pattern as the one used for deferred origination costs.

1.14 REINSURANCE

Transactions relating to reinsurance assumed and ceded are accounted for in the balance sheet and income statement in a similar way to direct business transactions provided that these contracts meet the insurance contracts classification requirements and in agreement with contractual clauses.

1.15. FINANCING DEBTS

Financing debts issued to finance the solvency requirements of an operational entity or to acquire a portfolio of contracts are isolated in a specific aggregate of the statement of financial position.

1.16. OTHER LIABILITIES

1.16.1. Income taxes

The current income tax expense (benefit) is recorded in the income statement on the basis of net amounts estimated to be payable (or recoverable) in relation to taxable operations recorded during the year and based on the local tax regulation.

Deferred tax assets and liabilities emerge from temporary differences between the accounting and fiscal values of assets and liabilities, and when applicable from tax loss carry forwards. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to offset the temporary differences.

In particular, a deferred tax liability is recognized for any taxable temporary difference relating to the value of shares in a consolidated company held, unless the Group controls at what date the temporary difference will reverse and it is probable that the temporary difference will not reverse in the foreseeable future. If a group company decides to sell its stake in another consolidated entity, the difference between the carrying value and the tax value of these shares for the company that holds them leads to the recognition of a deferred tax (including as part of a business combination when the Group as the buyer intends to sell or carry out internal restructuring of the shares following the acquisition). The same approach applies to dividend payments that have been voted or deemed likely, to the extent that a tax on dividends will be due.

Deferred taxes for taxable temporary differences relating to tax deductible goodwill are recognized to the extent they do not arise from the initial recognition of goodwill. These deferred taxes are only released if the goodwill is impaired or if the corresponding consolidated shares are sold.

The measurement of deferred tax liabilities and deferred tax assets reflects the expected tax impact, at the balance sheet date. That would follow the way the Group expects to recover or settle the carrying amount of its assets and liabilities. When income taxes are calculated at a different rate if dividends are paid, deferred taxes are measured at the tax rate applicable to undistributed profits. The income tax consequences of dividends are only accounted for when a liability to pay the dividend is recognized.

1.16.2. Pensions and other post-retirement benefits

Pensions and other post-retirement benefits include the benefits payable to AXA Group employees after they retire (retirement compensation, additional pension benefit, health insurance). In order to meet those obligations, some regulatory framework have allowed or enforced the set up of dedicated funds (plan assets).

Defined contribution plans: payments are made by the employer to a third party (e.g. pension trusts). These payments free the employer of any further commitment, and the obligation to pay acquired benefits to the employees is transferred. The contributions paid by the employer are recorded as an expense in the income statement and no liability needs to be recorded once contributions are made.

Defined benefit plans: an actuarial assessment of the commitments based on each plan's internal rules is performed. The present value of the future benefits paid by the employer, known as the DBO (Defined Benefit Obligation), is calculated annually on the basis of long-term projections of rate of salary increase, inflation rate, mortality, staff turnover, pension indexation and remaining service lifetime. The amount recorded in the statement of financial position for employee benefits is the difference between the Defined Benefit Obligation and the market value at the closing date of the corresponding invested plan assets after adjustment at fair value. If the net result is negative, a provision is recorded iunder the provision for risks and charges heading. If the net result is positive, a prepaid asset is recorded. **Actuarial gains and losses** arising from experience adjustments and changes in actuarial assumptions are recognized in shareholders' equity (in the Statement of Comprehensive Income) in full in the period in which they occur. Similarly, any adjustment arising from the asset ceiling is recognized in shareholders' equity. Unrecognized past service cost represents non-vested benefits on the date of a change in the amount of benefits following an amendment to the plan. It is amortized on a straight-line basis over the average vesting period. The impact in the income statement mainly relates to the service cost (annually accruing employee benefit) and the interest cost (unwinding of discount applied to the liability), reduced by the expected return on assets dedicated to the plan. Past service costs, settlements and curtailments also have an impact in the income statement.

1.16.3. Share-based compensation plans

Group's share-based compensation plans are predominantly equity-settled plans.

All equity-settled share-based compensation plans granted after November 7, 2002 and not fully vested as of January 1, 2004 are accounted for at fair value at the date they were granted and the fair value is expensed over the vesting period.

Cash-settled share-based compensation plans are recognized at fair value, which is remeasured at each balance sheet date with any change in fair value recognized in the statement of income.

The AXA Shareplan issued under specific French regulatory framework includes two options: traditional and leveraged option.

The cost of the traditional option Shareplan is valued according to the specific guidance issued in France by the ANC (*Autorité des Normes Comptables*). The cost of the leveraged option plan is valued by taking into account the five-year lock-up period for the employees (as in the traditional plan) but adding the value of the advantage granted to the employees by enabling them to benefit from an institutional derivatives-based pricing instead of a retail pricing.

1.17. PROVISIONS FOR RISKS, CHARGES AND CONTINGENT LIABILITIES

1.17.1. Restructuring costs

Restructuring provisions other than those that may be recognized on the statement of financial position of an acquired company on the acquisition date are recorded when the Group has a present obligation evidenced by a binding sale agreement or a detailed formal plan whose main features are announced to those affected or to their representatives.

1.17.2. Other provisions and contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when the provision can be reliably estimated. Provisions are not recognized for future operating losses. The same applies to contingent liabilities, except if identified at the time of a business combination (see Section 1.3.2).

Provisions are measured at management's best estimate, at the closing date, of the expenditure required to settle the obligation, discounted at the market risk-free rate of return for long term provisions.

1.18. REVENUE RECOGNITION

1.18.1. Gross written premiums

Gross written premiums correspond to the amount of **premiums written** by insurance and reinsurance companies on business incepted in the year with respect to both insurance contracts and investment contracts with discretionary participating features, net of cancellations and gross of reinsurance ceded. For reinsurance, premiums are recorded on the basis of declarations made by the ceding company, and may include estimates of gross written premiums.

1.18.2. Fees and revenues from investment contracts with no discretionary participating features

Amounts collected as premiums from investment contracts with no discretionary participating features are reported as deposits net of any loadings and policy fees. Revenues from these contracts consist of loadings and policy fees relating to underwriting, investment management, administration and surrender of the contracts during the period. Front-end fees collected corresponding to fees for future services are recognized over the estimated life of the contract (see "Unearned fees reserves" Section 1.13.3).

1.18.3. Deposit accounting

Investment contracts with no discretionary participating features fall within the scope of IAS 39. Deposit accounting applies to these contracts, which involves the following:

- the Group directly recognizes the consideration received as a deposit financial liability rather than as revenues;
- claims paid are recognized as withdrawals with no posting in the income statement apart from potential fees.

1.18.4. Unbundling

The Group unbundles the deposit component of contracts when required by IFRS 4, i.e. when both the following conditions are met:

- the Group can measure separately the "deposit" component (including any embedded surrender option, i.e. without taking into account the "insurance" component);

- the Group accounting methods do not otherwise require to recognize all obligations and rights arising from the "deposit" component.

No such situation currently exists within the Group. In accordance with IFRS 4, the Group continues to use the accounting principles previously applied by AXA to insurance contracts and investment contracts with discretionary participating features. According to these principles, there are no situations in which all rights and obligations related to contracts are not recognized.

1.18.5. Change in unearned premiums reserves net of unearned revenues and fees

Changes in unearned premiums reserves net of unearned revenues and fees include both the change in the unearned premiums reserve reported as a liability (see "Unearned premiums reserves" in Section 1.13.2) and the change in unearned revenues and fees. Unearned revenues and fees correspond to upfront charges for future services recognized over the estimated life of insurance and investment contracts with discretionary participating features (see "Unearned revenues reserves" in Section 1.13.2) and investment contracts with no discretionary participating features (see Section 1.13.3 "Unearned fees reserves").

1.18.6. Net revenues from banking activities

Net revenues from banking activities include all revenues and expenses from banking operating activities, including interests and banking fees.

They exclude bank operating expenses and change in bad debts provisions, doubtful receivables or loans, which are recorded in the item "Bank operating expenses".

1.18.7. Revenues from other activities

Revenues from other activities mainly include:

- insurance companies revenues from non insurance activities, notably commissions received on sales or distribution of financial products;
- commissions received and fees for services relating to asset management activities; and
- rental income received by real estate management companies.

1.18.8. Net investment result excluding financing expenses

The net investment result includes:

- investment income from investments from non banking activities, net of depreciation expense on real estate investments (depreciation expense relating to owner occupied properties is included in the "administrative expenses" aggregate); this item includes interest received calculated using the effective interest method for debt instruments and dividends received on equity instruments;
- investment management expenses (excludes financing debt expenses);
- realized investment gains and losses net of releases of impairment following sales;
- the change in unrealized gains and losses on invested assets measured at fair value through profit or loss;
- the change in impairment of investments (excluding releases of impairment following sales).

In respect of banking activities, interest income and expenses are included in the "Net revenue from banking activities" item (see Section 1.18.6).

1.19. SUBSEQUENT EVENTS

Subsequent events relate to events that occur between the closing date and the date when the financial statements are authorized for issue:

- such events lead to an adjustment of the consolidated financial statements if they provide evidence of conditions that existed at the balance sheet date;
- such events result in additional disclosures if indicative of conditions that arose after the closing date, and if relevant and material.

1.20. PRESENTATION OF THE FINANCIAL STATEMENTS

From 2010 on, the statement of financial position presentation of the Group banking activities has been harmonized with other segments. Balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates. A new disclosure (Note 15) has been created in relation with this new aggregate.

This change has been applied retrospectively to all 2009 disclosed information, i.e. including relevant notes when impacted.

Note 2 Scope of consolidation

2.1. CONSOLIDATED COMPANIES

2.1.1. Main fully consolidated companies

		December 31, 2010		December 31, 2009	
Parent and Holding Companies	**Change in scope**	**Voting rights percentage**	**Group share of interests**	**Voting rights percentage**	**Group share of interests**
France					
AXA		Parent company		Parent company	
AXA China		100.00	77.47	100.00	77.50
AXA France Assurance		100.00	100.00	100.00	100.00
Colisée Excellence		100.00	100.00	100.00	100.00
AXA Participations II		100.00	100.00	100.00	100.00
Oudinot Participation		100.00	100.00	100.00	100.00
Société Beaujon		100.00	100.00	100.00	100.00
AXA Technology Services		100.00	99.99	100.00	99.99
United States					
AXA Financial, Inc.		100.00	100.00	100.00	100.00
AXA America Holding Inc.		100.00	100.00	100.00	100.00
United Kingdom					
Guardian Royal Exchange Plc		100.00	99.98	100.00	99.99
AXA UK Plc		100.00	99.98	100.00	99.99
AXA Equity & Law Plc		99.96	99.96	99.96	99.96
Asia/Pacific (excluding Japan)					
National Mutual International Pty Ltd (a)		100.00	54.03	100.00	54.07
AXA Financial Services (Singapore) (a)		100.00	54.03	100.00	54.07
AXA Asia Pacific Holdings Ltd (b)		54.03	54.03	54.08	54.07
AXA India Holding		100.00	77.01	100.00	77.04
Japan					
AXA Japan Holding		98.72	98.72	98.40	98.40
Germany					
Kölnische Verwaltungs AG für Versicherungswerte		100.00	100.00	100.00	100.00
AXA Konzern AG		100.00	100.00	100.00	100.00
DBV Holding AG	Merged with WinCom Versicherungs-Holding	-	-	100.00	100.00
WinCom Versicherungs-Holding AG		100.00	100.00	100.00	100.00
AXA Beteiligungsgesellschaft mbH		100.00	100.00	100.00	100.00
Belgium					
AXA Holdings Belgium		100.00	100.00	100.00	100.00
Luxembourg					
AXA Luxembourg SA		100.00	100.00	100.00	100.00
Finance Solutions SARL		100.00	100.00	100.00	100.00

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) AXA interest in AXA Asia Pacific Holdings Limited is 54.03% broken down into 53.93% direct interest holding and an additional 0.10% owned by the AAPH executive plan trust.
(c) "MedLA" refers to Mediterranean and Latin American Region.

Parent and Holding Companies	Change in scope	December 31, 2010		December 31, 2009	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
The Netherlands					
Vinci BV		100.00	100.00	100.00	100.00
Spain (MedLA) (c)					
AXA Mediterranean Holding SA		100.00	100.00	100.00	100.00
Italy (MedLA) (c)					
AXA Italia SpA		100.00	100.00	100.00	100.00
Morocco (MedLA) (c)					
AXA Holding Maroc S.A.		100.00	100.00	100.00	100.00
Turkey (MedLA) (c)					
AXA Turkey Holding A.S.		100.00	100.00	100.00	100.00

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(b) AXA interest in AXA Asia Pacific Holdings Limited is 54.03% broken down into 53.93% direct interest holding and an additional 0.10% owned by the AAPH executive plan trust.
(c) "MedLA" refers to Mediterranean and Latin American Region.

Life & Savings and Property & Casualty	Change in scope	December 31, 2010		December 31, 2009	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
AXA France IARD		99.92	99.92	99.92	99.92
Avanssur		100.00	100.00	100.00	100.00
AXA France Vie		99.77	99.77	99.77	99.77
AXA Protection Juridique		98.51	98.51	98.51	98.51
United States					
AXA Equitable Life Insurance Company		100.00	100.00	100.00	100.00
Mony Life Insurance Company		100.00	100.00	100.00	100.00
AXA Financial (Bermuda) Ltd		100.00	100.00	100.00	100.00
Canada					
AXA Canada Inc.		100.00	100.00	100.00	100.00
United Kingdom					
AXA Insurance Plc		100.00	99.98	100.00	99.99
AXA Sun Life Plc	Partial disposal of UK Life & Savings operations	-	-	100.00	99.99
AXA PPP Healthcare Limited		100.00	99.98	100.00	99.99
Bluefin Advisory Services Limited		100.00	99.98	100.00	99.99
AXA Sun Life Direct Limited		100.00	99.98	100.00	99.99
AXA Isle of Man Administration Limited		100.00	99.98	100.00	99.99
Winterthur Pension Funds UK Limited		100.00	99.98	100.00	99.99
Architas Multi-Manager Limited		100.00	99.98	100.00	99.99
Winterthur Life UK Limited		100.00	99.98	100.00	99.99
Ireland					
AXA Insurance Limited		100.00	99.98	100.00	99.99
AXA Life Europe Limited		100.00	100.00	100.00	100.00

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) No change of the consolidation method since AXA Group still have a full control after dilution given the shareholders' agreements.
(c) "MedLA" refers to Mediterranean and Latin American Region.

Life & Savings and Property & Casualty	Change in scope	December 31, 2010 Voting rights percentage	December 31, 2010 Group share of interests	December 31, 2009 Voting rights percentage	December 31, 2009 Group share of interests
Asia/Pacific (excluding Japan)					
AXA Life Insurance Singapore [(a)]		100.00	54.03	100.00	54.07
AXA Australia New Zealand [(a)]		100.00	54.03	100.00	54.07
AXA China Region Limited [(a)]		100.00	54.03	100.00	54.07
AXA General Insurance Hong Kong Ltd.		100.00	100.00	100.00	100.00
AXA Insurance Singapore		100.00	100.00	100.00	100.00
PT AXA Life Indonesia		100.00	54.03	100.00	54.08
MLC Indonesia		100.00	54.03	100.00	54.07
Kyobo AXA General Insurance Co. Ltd.		92.82	92.82	92.73	92.73
AXA Affin General Insurance Berhad [(b)]	Dilution following a capital increase	42.41	42.41	50.48	50.48
Japan					
AXA Life Insurance		100.00	98.72	100.00	98.40
AXA Non Life Insurance Co. Ltd.		100.00	98.72	100.00	98.40
AXA Financial Life Insurance Co. Ltd.	Merged with AXA Life Japan	-	-	100.00	98.40
Germany					
AXA Versicherung AG		100.00	100.00	100.00	100.00
AXA Art		100.00	100.00	100.00	100.00
AXA Lebenversicherung AG		100.00	100.00	100.00	100.00
Pro Bav Pensionskasse		100.00	100.00	100.00	100.00
Deutsche Aerzteversicherung		100.00	100.00	100.00	100.00
AXA Krankenversicherung AG		100.00	100.00	100.00	100.00
DBV-Winterthur Lebensversicherung AG		100.00	99.74	100.00	99.74
Winsecura Pensionskasse AG		100.00	99.74	100.00	99.74
Rheinisch-Westfälische Sterbekasse Lebensversicherung AG		100.00	100.00	100.00	100.00
DBV Deutsche Beamten-Versicherung AG		100.00	100.00	100.00	100.00
Belgium					
Ardenne Prévoyante		100.00	100.00	100.00	100.00
AXA Belgium SA		100.00	100.00	100.00	100.00
Servis		100.00	100.00	100.00	100.00
Assurances de la Poste Vie		100.00	100.00	100.00	100.00
Les Assurés Réunis		99.93	99.93	99.93	99.93
Touring Assurances SA		100.00	100.00	100.00	100.00
Luxembourg					
AXA Assurances Luxembourg		100.00	100.00	100.00	100.00
AXA Assurances Vie Luxembourg		100.00	100.00	100.00	100.00
Spain (MedLA) [(c)]					
Hilo Direct SA de Seguros y Reaseguros		100.00	100.00	100.00	100.00
AXA Vida, S. A. de seguros		99.82	99.82	99.81	99.81
AXA Seguros Generales, S. A.		99.89	99.89	99.89	99.89
AXA Salud, S. A.		100.00	100.00	100.00	100.00
Italy (MedLA) [(c)]					
AXA Interlife		100.00	99.99	100.00	99.99
AXA Assicurazioni e Investimenti		100.00	99.99	100.00	99.99

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) No change of the consolidation method since AXA Group still have a full control after dilution given the shareholders' agreements.
(c) "MedLA" refers to Mediterranean and Latin American Region.

Life & Savings and Property & Casualty	Change in scope	December 31, 2010 Voting rights percentage	December 31, 2010 Group share of interests	December 31, 2009 Voting rights percentage	December 31, 2009 Group share of interests
AXA-MPS Vita		50,00 + 1 voting right	50.00	50,00 + 1 voting right	50.00
AXA-MPS Danni		50,00 + 1 voting right	50.00	50,00 + 1 voting right	50.00
Quadrifoglio	Merged with AXA-MPS Vita	-	-	50,00 + 1 voting right	50.00
Portugal (MedLA) [(c)]					
AXA Portugal Companhia de Seguros SA		99.73	99.49	99.73	99.49
AXA Portugal Companhia de Seguros de Vida SA		95.09	94.89	95.09	94.89
Seguro Directo		100.00	100.00	100.00	100.00
Morocco (MedLA) [(c)]					
AXA Assurance Maroc		100.00	100.00	100.00	100.00
Turkey (MedLA) [(c)]					
AXA Hayat VE Emeklilik A.S. (Life)		100.00	100.00	100.00	100.00
AXA Sigorta AS (P&C)		72.59	72.59	72.55	72.55
Gulf Region (MedLA) [(c)]					
AXA Cooperative Insurance Company (Saudi Arabia)		50.00	34.00	50.00	34.00
AXA Insurance (Gulf) B.S.C.c.		50.00	50.00	50.00	50.00
Greece (MedLA) [(c)]					
AXA Insurance A.E. Life		99.89	99.89	99.89	99.89
AXA Insurance A.E. P&C		99.89	99.89	99.89	99.89
Mexico (MedLA) [(c)]					
AXA Seguros S.A.C.V.		99.94	99.94	99.94	99.94
Switzerland					
AXA Life (previously Winterthur Life)		100.00	100.00	100.00	100.00
AXA-ARAG Legal Assistance		66.67	66.67	66.67	66.67
AXA Insurance (previously Winterthur Swiss Insurance P&C)		100.00	100.00	100.00	100.00
Central and Eastern Europe					
AXA Czech Republic Pension Funds	Minority interests buyout	99.99	99.99	92.85	92.85
AXA Czech Republic Insurance	Minority interests buyout	100.00	100.00	79.49	79.49
AXA Hungary	Minority interests buyout	100.00	100.00	67.40	67.40
AXA Poland	Partial minority interests buyout	94.92	94.92	79.43	79.43
AXA Poland Pension Funds	Minority interests buyout	100.00	100.00	70.00	70.00
AXA Slovakia		100.00	100.00	100.00	100.00
AXA Ukraine	Newly consolidated	50.00	50.00	-	-

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) No change of the consolidation method since AXA Group still have a full control after dilution given the shareholders' agreements.
(c) "MedLA" refers to Mediterranean and Latin American Region.

The operations from Australia, New Zealand and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for the Australian and New Zealand operations as of December 31, 2009. Additional information is provided in Note 5.3.

International Insurance (entities having worldwide activities)	Change in scope	December 31, 2010		December 31, 2009	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
AXA Corporate Solutions Assurance (Sub-group)		98.75	98.75	98.75	98.75
AXA Global P&C (previously AXA Cessions)		100.00	100.00	100.00	100.00
AXA Global Life (previously Saint-Georges Ré)		100.00	100.00	100.00	100.00
AXA Assistance SA (sub group)		100.00	100.00	100.00	100.00
Portman Insurance Ltd. (previously AXA Global Risks UK)		100.00	100.00	100.00	100.00
Colisée RE (previously AXA RE)		100.00	100.00	100.00	100.00
AXA Corporate Solutions Life Reinsurance Company		100.00	100.00	100.00	100.00

Asset Management (entities having worldwide activities)	Change in scope	December 31, 2010		December 31, 2009	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
AXA Investment Managers (sub group)		95.29	95.27	95.29	95.27
AllianceBernstein (sub group)		61.43	61.43	62.15	62.15

Banking	Change in scope	December 31, 2010		December 31, 2009	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
AXA Banque		100.00	99.89	100.00	99.89
AXA Banque Financement		65.00	64.93	65.00	64.93
Germany					
AXA Bank AG		100.00	100.00	100.00	100.00
Belgium					
AXA Bank Europe (sub group)		100.00	100.00	100.00	100.00

Other	Change in scope	December 31, 2010		December 31, 2009	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Compagnie Financière de Paris		100.00	100.00	100.00	100.00

CONSOLIDATED INVESTMENTS AND INVESTMENT FUNDS

As of December 31, 2010, consolidated investment funds represented total invested assets of €95,045 million (€104,097 million at the end of 2009), corresponding to 245 investment funds mainly in France and Japan and in majority relating to the Life & Savings segment.

As of December 31, 2010, the 43 consolidated real estate companies corresponded to total invested assets of €8,058 million (€7,145 million at the end of 2009), mainly in France and Germany.

As of December 31, 2010, the 5 consolidated CDOs represented total investments of €202 million (€393 million at the end of 2009). These CDOs are consolidated in AXA's statement of financial position in line with IFRS rules even though AXA's investments in these CDO's assets represented €12 million out of €202 million.

In most investment funds (particularly open-ended investment funds), minority interests do not meet the definition of shareholders' equity. They are therefore presented as liabilities under "Minority interests of controlled investment funds and puttable instruments held by minority interest holders". As of December 31, 2010, minority interests in controlled investment funds amounted to €4,847 million (€6,370 million as of December 31, 2009).

2.1.2. Proportionately consolidated companies

		December 31, 2010		December 31, 2009	
Life & Savings and Property & Casualty	Change in scope	Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Natio Assurances		50.00	49.96	50.00	49.96
Fonds Immobiliers Paris Office Funds	Deconsolidated	-	-	50.00	49.91

2.1.3. Main investments in companies accounted for using the equity method

Companies accounted for using the equity method listed below exclude investment funds and real estate entities:

		December 31, 2010		December 31, 2009	
	Change in scope	Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Argovie		100.00	99.77	100.00	99.77
Neuflize Vie (previously NSM Vie)		39.98	39.98	40.00	39.98
Asia/Pacific					
Philippines AXA Life Insurance Corporation		45.00	24.31	45.00	24.34
Krungthai AXA Life Insurance Company Ltd		50.00	27.01	50.00	27.04
AXA Minmetals Assurance Co Ltd (a)		51.00	39.51	51.00	39.52
PT AXA Mandiri Financial Services (a)		49.00	26.47	51.00	27.58
Bharti AXA Life		22.22	17.11	22.22	17.12
Russia					
Reso Garantia (RGI Holdings B.V.) (b)		39.34	39.34	39.34	39.34
Asset Management					
AXA IM Asia Holding Private Ltd		50.00	47.64	50.00	47.63
Kyobo AXA Investment Managers Company Limited		50.00	47.64	50.00	47.63

(a) "AXA Minmetals Assurance Co Ltd" and "PT AXA Mandiri Financial Services" are accounted for using the equity method as their shareholders' agreements don't provide the Group with sufficient controlling power.

(b) AXA's Group share of interest in operating unit of Reso Garantia is 36.68%.

INVESTMENT FUNDS AND REAL ESTATE ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD.

As of December 31, 2010, real estate companies accounted for using the equity method represented total assets of €392 million (€371 million at the end of 2009) and investment funds accounted for using the equity method represented total assets of €3,559 million (€3,824 million at the end of 2009), mainly in the United States, the United Kingdom, Germany and Belgium.

2.2. CONSOLIDATED ENTITIES RELATING TO SPECIFIC OPERATIONS

ACACIA

The Acacia SPV is consolidated within the operations of AXA France Life & Savings. This structure was put in order to improve AXA France Life & Savings assets/liabilities adequacy ratio by ceding receivables resulting from eligible insurance operations against cash. The main impact is a €193 million increase in the AXA Group's other liabilities, and a parallel increase in receivables as of December 31, 2010.

SECURITIZATION OF MOTOR INSURANCE PORTFOLIOS

On July 6, 2007, AXA announced the closing of the €450 million securitization of its pan-European Motor insurance portfolio (diversified portfolio spread across 4 countries: Belgium, Germany, Italy and Spain). AXA consolidated its €225 million stake as of December 31, 2010 in the vehicle carrying the junior tranches.

Through securitization, AXA transferred to the financial markets the potential deviation of the cost of claims on the securitized insurance portfolios above certain thresholds.

ARCHE FINANCE

In 2008, AXA France invested in Arche Finance, an investment vehicle dedicated to credit investment, which entered the scope of consolidation in June 2008 with a loan of €200 million. Held assets amounted at €1,202 million as of December 31, 2010.

HORDLE

In 2009, AXA set up a new Group financing and cash management company which benefited from a loan of £673 million.

Note 3 Segment information

Given the activities of AXA, the operating results are presented on the basis of five operating business segments: Life & Savings, Property & Casualty, International Insurance, Asset Management and Banking. An additional "Holding companies" segment includes all non-operational activities. The Group governance, including the process of reviewing the Group's consolidated financial information, has been modified. On April 29, 2010, AXA's shareholders approved the replacement of AXA's dual board structure (Supervisory Board and Management Board) with a unitary board structure in the form of a Board of Directors. AXA's Chief Executive Officer and Deputy Chief Executive Officer, both of whom are members of the Board, are assisted by a Management Committee in the day-to-day operational management of the Group and by an Executive Committee to consider Group strategy. The financial information relating to AXA's business segments and holding company activities reported to the Board of Directors twice a year is consistent with the presentation provided in the consolidated financial statements.

Life & Savings: AXA offers a broad range of Life & Savings products including individual and Group savings retirement products, life and Health products. They comprise traditional term and Whole life insurance, immediate annuities and investment products (including endowments, savings-related products, such as variable life and Variable Annuity products). The Life & Savings segment aggregates nine geographical operating components: France, the United States, the United Kingdom, Japan, Germany, Switzerland, Belgium, the Mediterranean and Latin American Region, and Other countries.

Property & Casualty: This segment includes a broad range of products including mainly motor, household, property and general liability insurance for both personal and commercial customers (commercial customers being mainly small to medium-sized companies). In some countries, this segment includes Health products. The Property & Casualty segment aggregates seven geographical operating components: France, Germany, the United Kingdom, Ireland, Switzerland, Belgium, the Mediterranean and Latin American Region, and Other countries.

International Insurance: This segment's operations include insurance products that specifically relate to AXA Corporate Solutions Assurance. These products provide coverage to large national and international corporations. This segment also includes assistance activities, life reinsurance activities in run-off primarily AXA Corporate Solutions Life Reinsurance Company, and the Group's run-off managed by AXA Liabilities Managers, including risks underwritten by Colisée RE (ex AXA RE) relating to 2005 and prior accident years. Years after 2005 are covered by a treaty ceding 100% of the reinsurance business to Partner Re (ex Paris Ré). It also includes reinsurance activity managed by AXA Global Life and AXA Global P&C (ex AXA Cessions), which write reinsurance treaties of AXA entities after a selection of reinsurers. AXA Global P&C activity is mainly driven by its Property pool which provides AXA entities with cover on natural catastrophes. Activity from both global lines of business are reported in international insurance.

The **Asset Management** segment includes diversified asset management (including investment fund management) and related services offered by AXA Investment Managers and AllianceBernstein entities, which are provided to a variety of institutional investors and individuals, including AXA's insurance companies.

The **Banking** segment includes banking activities (mainly retail banking, mortgages loans, savings) conducted primarily in France, Belgium, Switzerland, Germany and Central and Eastern Europe (Hungary, Slovakia and the Czech Republic).

The **Holding companies** segment (that includes all non-operational activities), also includes some investment vehicles including certain Special-Purpose Entities (SPE) such as consolidated CDOs.

The inter-segment eliminations include only operations between entities from different segments. They mainly relate to reinsurance treaties, assistance guarantees recharging, asset management fees and interests on loans within the Group.

In this document, "Insurance" covers the three insurance segments: Life & Savings, Property & Casualty and International Insurance. The term "Financial Services" includes both the Asset Management segment and the Banking segment.

3.1. SEGMENTAL CONSOLIDATED STATEMENT OF INCOME

	December 31, 2010							
(In Euro million)	Life & savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [(a)]	Inter-segment eliminations	Total
Gross written premiums	55,023	27,578	2,736	-	-	-	(391)	84,946
Fees and charges relating to investment contracts with no participating features	518	-	-	-	-	-	-	518
Revenues from insurance activities	**55,541**	**27,578**	**2,736**	**-**	**-**	**-**	**(391)**	**85,464**
Net revenues from banking activities	-	-	-	-	496	1	(45)	452
Revenues from other activities	1,447	78	289	3,685	7	-	(451)	5,055
Revenues	**56,988**	**27,656**	**3,025**	**3,685**	**504**	**1**	**(886)**	**90,972**
Change in unearned premiums net of unearned revenues and fees	**(333)**	**(209)**	**30**	**-**	**-**	**-**	**-**	**(511)**
Net investment income	13,213	2,121	248	53	(1)	665	(697)	15,602
Net realized gains and losses relating to investments at cost and at fair value through shareholders'equity	1,547	299	17	16	-	41	-	1,921
Net realized gains and losses and change in fair value of other investments at fair value through profit or loss [(b)]	16,053	(32)	37	24	-	(610)	(26)	15,446
of which change in fair value of assets with financial risk borne by policyholders	*13,798*	-	-	-	-	-	*(10)*	*13,788*
Change in investments impairment	(738)	(120)	(12)	(2)	-	(65)	-	(937)
Net investment result excluding financing expenses	**30,075**	**2,269**	**290**	**91**	**(1)**	**31**	**(723)**	**32,031**
Technical charges relating to insurance activities	(75,027)	(18,634)	(2,021)	-	-	-	292	(95,390)
Net result from outward reinsurance	197	(885)	(282)	-	-	-	150	(820)
Bank operating expenses	-	-	-	-	(97)	1	-	(96)
Acquisition costs	(3,443)	(4,986)	(348)	-	-	-	22	(8,754)
Amortization of the value of purchased business in force	(256)	-	-	-	-	-	-	(256)
Administrative expenses	(4,008)	(2,720)	(228)	(3,068)	(422)	(822)	338	(10,929)

(a) Includes SPEs and CDOs.
(b) Includes realized and unrealized forex gains and losses relating to investments at cost and at fair value through shareholders'equity.

	December 31, 2010							
(In Euro million)	Life & savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [(a)]	Inter-segment eliminations	Total
Change in tangible assets impairment	-	(12)	-	-	-	-	-	(13)
Change in goodwill impairment and other intangible assets impairment	(30)	(84)	-	-	(3)	-	-	(117)
Other income and expenses	(70)	8	14	(215)	17	263	(38)	(22)
Charges related to the partial disposal of UK Life & Savings operations	(1,642)	-	-	-	-	-	-	(1,642)
Other operating income and expenses	**(84,277)**	**(27,314)**	**(2,865)**	**(3,284)**	**(505)**	**(558)**	**765**	**(118,038)**
Income from operating activities before tax	**2,453**	**2,401**	**481**	**492**	**(2)**	**(527)**	**(844)**	**4,453**
Income arising from investments in associates – Equity method	54	33	-	(2)	-	-	-	85
Financing debts expenses	(92)	(6)	(3)	(31)	(20)	(1,175)	840	(488)
Net income from operating activities before tax	**2,414**	**2,428**	**477**	**459**	**(22)**	**(1,701)**	**(5)**	**4,051**
Income tax	(772)	(639)	(96)	(125)	33	635	5	(960)
Net operating income	**1,642**	**1,789**	**381**	**333**	**11**	**(1,066)**	**-**	**3,091**
Result from discontinued operations net of tax	-	-	-	-	-	-	-	-
Net consolidated income after tax	**1,642**	**1,789**	**381**	**333**	**11**	**(1,066)**	**-**	**3,091**
Split between:								
Net consolidated income – Group share	1,396	1,750	378	255	9	(1,040)	-	2,749
Net consolidated income – Minority interests	246	39	3	79	2	(27)	-	342

(a) Includes SPEs and CDOs.

(b) Includes realized and unrealized forex gains and losses relating to investments at cost and at fair value through shareholders' equity.

(In Euro million)	December 31, 2009 Life & savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [a]	Inter-segment eliminations	TOTAL [b]
Gross written premiums	55,954	26,291	2,724	-	-	-	(323)	84,646
Fees and charges relating to investment contracts with no participating features	547	-	-	-	-	-	-	547
Revenues from insurance activities	**56,501**	**26,291**	**2,724**	**-**	**-**	**-**	**(323)**	**85,193**
Net revenues from banking activities	-	-	-	-	472	1	(86)	388
Revenues from other activities	1,176	77	272	3,419	8	-	(408)	4,544
Revenues	**57,677**	**26,368**	**2,996**	**3,419**	**480**	**1**	**(817)**	**90,124**
Change in unearned premiums net of unearned revenues and fees	**(117)**	**(103)**	**19**	**-**	**-**	**-**	**8**	**(192)**
Net investment income	9,554	2,068	136	41	(2)	495	(729)	11,562
Net realized gains and losses relating to investments at cost and at fair value through shareholders' equity	1,337	205	53	25	-	15	-	1,634
Net realized gains and losses and change in fair value of investments at fair value through profit and loss [b] & [c]	23,989	252	21	111	-	791	1	25,165
of which change in fair value of assets with financial risk borne by policyholders	*23,870*	-	-	-	-	-	*(9)*	*23,861*
Change in investments impairment	(1,620)	(470)	(13)	-	-	(102)	-	(2,205)
Net investment result excluding financing expenses	**33,260**	**2,054**	**197**	**176**	**(2)**	**1,200**	**(728)**	**36,157**
Technical charges relating to insurance activities	(79,201)	(17,913)	(1,939)	-	-	-	381	(98,672)
Net result from outward reinsurance	(74)	(710)	(84)	-	-	-	(50)	(919)
Bank operating expenses	-	-	-	-	(102)	13	-	(89)
Acquisition costs	(3,975)	(4,874)	(315)	-	-	-	20	(9,144)
Amortization of the value of purchased business in force	(394)	-	-	-	-	-	-	(394)
Administrative expenses	(3,734)	(2,561)	(420)	(2,618)	(390)	(685)	273	(10,135)

(a) Includes SPEs and CDOs.

(b) Includes realized and unrealized forex gains and losses relating to investments at cost and at fair value through shareholders' equity.

(c) AXA Japan's 2008 accounts (closed at September 30) were adjusted for consolidation purpose by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009.

	December 31, 2009							
(In Euro million)	Life & savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [(a)]	Inter-segment eliminations	TOTAL [(b)]
Change in tangible assets impairment	(1)	(1)	-	-	-	-	-	(2)
Change in goodwill impairment and other intangible assets impairment	(25)	(84)	(1)	-	(3)	-	-	(113)
Other income and expenses	(175)	30	25	(200)	14	(176)	(15)	(496)
Other operating income and expenses	**(87,579)**	**(26,114)**	**(2,734)**	**(2,818)**	**(480)**	**(848)**	**610**	**(119,964)**
Income from operating activities before tax	**3,241**	**2,206**	**477**	**777**	**(3)**	**354**	**(927)**	**6,124**
Income arising from investments in associates – Equity method	(8)	18	-	(2)	-	-	-	8
Financing debts expenses	(105)	(5)	(4)	(32)	(21)	(1,329)	927	(569)
Net income from operating activities before tax	**3,127**	**2,219**	**473**	**744**	**(24)**	**(976)**	**-**	**5,564**
Income tax	(855)	(664)	(144)	(158)	8	282	-	(1,530)
Net income from operating activities after tax	**2,272**	**1,555**	**329**	**587**	**(16)**	**(693)**	**-**	**4,033**
Result from discontinued operations net of tax	-	-	-	-	-	-	-	-
Net consolidated income after tax	**2,272**	**1,555**	**329**	**587**	**(16)**	**(693)**	**-**	**4,033**
Split between:								
Net consolidated income – Group share	2,075	1,516	326	409	(17)	(703)	-	3,606
Net consolidated income – Minority interests	197	39	3	177	2	10	-	428

(a) Includes SPEs and CDOs.
(b) Includes realized and unrealized forex gains and losses relating to investments at cost and at fair value through shareholders' equity.
(c) AXA Japan's 2008 accounts (closed at September 30) were adjusted for consolidation purpose by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009.

Note 4 Financial and insurance risk management

All of the following paragraphs form an integral part of the Group financial statements. They appear in Section 3.2 “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” and Section 1.4 “Liquidity and capital resources” sections of this Annual Report:

4.1. RISK MANAGEMENT ORGANIZATION

Please refer to pages 214 to 215 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section.

4.2. MARKET RISKS (INCLUDING SENSITIVITY ANALYSES)

Please refer to pages 215 to 225 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section.

4.3. CREDIT RISK

Please refer to pages 225 to 228 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section, except for the breakdown of CDS by underlying debt instruments’ rating on page 227.

4.4. INSURANCE RISK

Please refer to pages 228 to 232 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section.

4.5. LIQUIDITY AND CAPITAL RESOURCES

Please refer to pages 104 to 109, “Liquidity and capital resources” section.

Note 5 Goodwill

5.1. GOODWILL

An analysis of goodwill is presented in the table below:

(In Euro million)	Transaction year	Gross value December 31, 2010 [a]	Accumulated impairment December 31, 2010	Net value December 31, 2010 [a]	Gross value December 31, 2009 [a]	Accumulated impairment December 31, 2009	Net value December 31, 2009 [a]
AXA Turkey (Oyak)	2008	257	-	257	248	-	248
AXA Mexico (Seguros ING)	2008	591	-	591	512	-	512
AXA MPS (Montepaschi)	2007 & 2008	724	-	724	724	-	724
AXA Greece (Alpha Insurance)	2007	123	-	123	123	-	123
AXA Bank Hungary (ELLA Bank)	2007	59	-	59	59	-	59
Swiftcover	2007	244	-	244	235	-	235
UK Life & Savings [b]		584	-	584	-	-	-
Bluefin Advisory Services Limited [b]	2006 & 2008	-	-	-	130	-	130
Winterthur [b]	2006	2,561	-	2,561	2,636	-	2,636
MLC	2006	114	-	114	107	-	107
Seguro Directo	2005	31	-	31	31	-	31
MONY	2004	200	-	200	187	-	187
AXA Equity & Law [b]	2001	-	-	-	287	-	287
AXA Financial, Inc.	2000	2,820	-	2,820	2,640	-	2,640
Sanford C. Bernstein [c]	2000	3,187	-	3,187	2,983	-	2,983
AXA UK Holdings (SLPH) [b]	2000	641	-	641	1,180	-	1,180
AXA Japan (Nippon Dantaï) [d]	2000	1,697	88	1,609	1,406	73	1,333
AXA China Region	2000	243	-	243	228	-	228
AXA Aurora	2000	120	-	120	120	-	120
Rosenberg and other AXA IM transactions	1999 & 2005	178	-	178	169	-	169
Guardian Royal Exchange [b]	1999	638	-	638	641	-	641
AXA Belgium (Royale Belge)	1998	452	-	452	452	-	452
UAP [b]	1997	457	-	457	661	-	661
Others [b]		911	1	910	783	1	782
Total		**16,831**	**90**	**16,741**	**16,543**	**74**	**16,469**
of which:							
Life & Savings		7,645	88	7,557	7,872	73	7,799
Property & Casualty		4,746	1	4,745	4,525	1	4,524
International Insurance		34	1	33	32	1	31
Asset Management		4,279	-	4,279	3,987	-	3,987
Others		127	-	127	127	-	127

In this table, goodwill excludes goodwill related to entities accounted for using the equity method (see Note 10).

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) All the different goodwill of UK Life & Savings has been allocated to one single line "UK Life & Savings" in the context of the partial disposal of its business.

(c) €19 million were transfered to minority interest following dilution of Group share of interest.

(d) Following a revaluation of deferred tax assets booked at the time of the Nippon Dantaï acquisition, goodwill was reduced by an equivalent amount (€70 million in 2005, equivalent to €88 million as of December 31, 2010 due to change in foreign exchange).

As of December 31, 2010, the main contributors in terms of cash generating units to the:

- Life & Savings net goodwill of €7,557 million were the United States (€2,614 million), Japan (€2,106 million), Mediterranean and Latin America Region (€912 million) and the United Kingdom (€584 million);
- Property & Casualty net goodwill (€4,745 million) were Mediterranean and Latin America Region (€1,565 million), the United Kingdom (€1,113 million), Germany (€902 million) and Belgium (€563 million);
- Asset Management net goodwill (€4,279 million) was AllianceBernstein (€3,905 million).

The total goodwill Group share amounted to €15,511 million as of December 31, 2010 and €15,299 million as of December 31, 2009.

5.2. CHANGE IN GOODWILL

5.2.1. Goodwill – Change in gross value

(in Euro million)	Gross value January 1, 2010 [a]	UK Life & Savings [b]	Acquisitions during the period	Disposals during the period	Goodwill adjustments	Currency translation adjustment	Other changes [c]	Gross value December 31, 2010 [a]
AXA Turkey (Oyak)	248	-	-	-	-	9	-	257
AXA Mexico (Seguros ING)	512	-	-	-	-	79	-	591
AXA MPS (Montepaschi)	724	-	-	-	-	-	-	724
AXA Greece (Alpha Insurance)	123	-	-	-	-	-	-	123
AXA Bank Hungary (ELLA Bank)	59	-	-	-	-	-	-	59
Swiftcover	235	-	-	-	-	8	-	244
UK Life & Savings	-	1,436	-	(784)	-	38	(106)	584
Bluefin Advisory Services Limited	130	(130)	-	-	-	-	-	-
Winterthur	2,636	(224)	-	-	-	147	3	2,561
MLC	107	-	-	-	-	7	-	114
Seguro Directo	31	-	-	-	-	-	-	31
MONY	187	-	-	-	-	13	-	200
IPAC (Australia & New Zealand) [d]	-	-	-	-	-	48	(48)	-
AXA Equity & Law	287	(287)	-	-	-	-	-	-
Sterling Grace (Australia & New Zealand) [d]	-	-	-	-	-	28	(28)	-
AXA Financial, Inc.	2,640	-	-	-	-	180	-	2,820
Sanford C. Bernstein	2,983	-	-	-	-	203	-	3,187
AXA UK Holdings (SLPH)	1,180	(560)	-	-	-	21	-	641
AXA Japan (Nippon Dantaï)	1,406	-	-	-	-	291	-	1,697
AXA China Region	228	-	-	-	-	15	-	243
AXA Aurora	120	-	-	-	-	-	-	120
Rosenberg and other AXA IM transactions	169	-	-	-	-	9	-	178
Guardian Royal Exchange	641	(10)	-	-	-	6	-	638
AXA Belgium (Royale Belge)	452	-	-	-	-	-	-	452
UAP	661	(204)	-	-	-	-	-	457
Others [d]	783	(21)	99	-	(1)	86	(36)	911
Total	**16,543**	**-**	**99**	**(784)**	**(1)**	**1,189**	**(215)**	**16,831**
Of which:								
Life & Savings	7,872	-	-	(784)	(1)	779	(221)	7,645
Property & Casualty	4,525	-	62	-	-	152	6	4,746
International Insurance	32	-	2	-	-	-	-	34
Asset Management	3,987	-	34	-	-	257	-	4,279
Others	127	-	-	-	-	-	-	127

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009. (see Note 5.3).

(b) All the different goodwill of UK Life & Savings lines has been allocated to one single line "UK Life & Savings" in the context of the partial disposal of its business. (see Note 5.3).

(c) Includes the impact of exercises and revaluations of minority interest buyout commitments. The €106 million on the UK Life & Savings line corresponds to the reclassification as held for sale of the some portfolios for which the disposal process is not finalized as of December 31, 2010.

(d) IPAC, Sterling Grace and a part of the line Other are related to Australian and New Zealand. The movements are due to forex which are reclassified as held for sale.

(in Euro million)	Gross value January 1, 2009 Revised [(a)]	Acquisitions during the period	Disposals during the period	Goodwill adjustments	Currency translation adjustment	Other changes [(b)]	Gross value December 31, 2009 [(c)]
AXA Turkey (Oyak)	247	-	-	-	1	-	248
AXA Mexico (Seguros ING)	512	-	-	-	-	-	512
AXA MPS (Montepaschi)	555	169	-	-	-	-	724
AXA Greece (Alpha Insurance)	123	-	-	-	-	-	123
AXA Bank Hungary (ELLA Bank)	59	-	-	-	-	-	59
Bluefin Insurance Group Ltd [(d)]	241	-	-	-	-	(241)	-
Swiftcover	218	-	-	-	17	1	235
Bluefin Advisory Services Limited	122	-	(2)	-	10	-	130
Winterthur	2,649	-	-	-	2	(15)	2,636
MLC	110	-	-	-	(3)	-	107
Seguro Directo	31	-	-	-	-	-	31
MONY	192	-	-	-	(5)	-	187
IPAC (Australia & New Zealand)	174	-	-	-	43	(218)	-
AXA Equity & Law	266	-	-	-	21	-	287
Sterling Grace (Australia & New Zealand)	103	-	-	-	28	(131)	-
AXA Financial, Inc.	2,712	-	-	-	(72)	-	2,640
Sanford C. Bernstein	3,055	-	-	-	(81)	9	2,983
AXA UK Holdings (SLPH)	1,109	-	-	-	71	-	1,180
AXA Japan (Nippon Dantaï)	1,456	-	-	-	(50)	-	1,406
AXA China Region	234	-	-	-	(6)	-	228
AXA Aurora	120	-	-	-	-	-	120
Rosenberg and other AXA IM transactions	167	-	-	-	2	-	169
Guardian Royal Exchange	629	-	-	-	12	-	641
AXA Belgium (Royale Belge)	452	-	-	-	-	-	452
UAP	646	-	-	-	15	-	661
Others	893	16	-	(2)	50	(174)	783
Total 2009	**17,075**	**185**	**(2)**	**(1)**	**56**	**(768)**	**16,543**
Of which:							
Life & Savings	8,242	109	(2)	(1)	69	(544)	7,872
Property & Casualty	4,644	36	-	-	81	(236)	4,525
International Insurance	14	15	-	-	-	3	32
Asset Management	4,047	25	-	-	(94)	9	3,987
Others	128	-	-	-	(1)	-	127

(a) In accordance with IFRS 3, i.e. within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of Seguros ING (Mexico) purchase price, resulting in €512 million goodwill. Most of this increase in goodwill was due to adjustments to provisions for liabilities and claims reserves.

(b) Includes the impact of exercises and revaluations of minority interest buyout commitments.

(c) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

(d) The Bluefin Insurance Group was deconsolidated from the Property & Casualty segment of AXA UK.

5.2.2. Goodwill – Change in impairment

(in Euro million)	Cumulative impairment January 1, 2010	Increase in impairment during the period	Increase in impairment relating to goodwill created on acquisitions during the period	Write back of impairment of goodwill sold during the period	Accumulated impairment losses transferred out relating to goodwill transferred in the "held for sale" category	Currency translation adjustment	Other changes	Cumulative impairment December 31, 2010
UK Life & Savings [(a)]	-	784	-	(784)	-	-	-	-
Axa Japan (Nippon Dantaï)	73	-	-	-	-	15	-	88
Others	1	-	-	-	-	-	-	1
Total	**74**	**784**	**-**	**(784)**	**-**	**15**	**-**	**90**
Of which:								
Life & Savings	73	784	-	(784)	-	15	-	88
Property & Casualty	1	-	-	-	-	-	-	1
International Insurance	1	-	-	-	-	-	-	1
Asset Management	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-

(a) Please refer to the Note 5.3 for more details on partial disposal of UK Life & Savings opertions.

(in Euro million)	Cumulative impairement January 1, 2009	Increase in impairment during the period	Increase in impairment relating to goodwill created on acquisitions during the period	Write back of impairment of goodwill sold during the period	Accumulated impairment losses transferred out relating to goodwill transferred in the "held for sale" category	Currency translation adjustment	Other changes	Cumulative impairement December 31, 2009
AXA Japan (Nippon Dantaï)	76	-	-	-	-	(3)	-	73
Others	1	1	-	-	-	-	-	1
Total 2009	**76**	**1**	**-**	**-**	**-**	**(3)**	**-**	**74**
Of which:								
Life & Savings	76	-	-	-	-	(3)	-	73
Property & Casualty	1	-	-	-	-	-	-	1
International Insurance	-	1	-	-	-	-	-	1
Asset Management	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-

An impairment loss is recognized for a cash-generating unit if, and only if, the recoverable amount of the unit or group of units is less than the carrying amount of the unit or group of units. The recoverable amount of each cash generating unit or group of units is the higher of (i) the cash generating unit or group of units' fair value less costs to sell and (ii) its value in use.

Fair value includes quotations when available and/or relevant or valuation techniques incorporating observable market data, adjusted when necessary to take into account control premia. Value in use calculations are also based on valuation techniques.

LIFE & SAVINGS

For Life & Savings businesses, such valuation techniques include discounted cash flows taking into account:

- the current shareholders' net asset value plus future profitability on business in force.

  Such techniques (embedded value types of methodologies) are industry specific valuation methods which are consistent with the principles of discounted earnings approaches as the value of business in force results from the projection of distributable earnings. The current shareholders' net asset value is adjusted to take into account any difference between the basis of cash flows projections used in the value of business in force calculations and IFRS;

- And profitability on future new business.

  The value of new business is computed either on the basis of multiples of a standardized year of new business contribution (present value of projected future distributable profits generated from business written in a year) or on a projection of each of the expected annual future earnings when multiples are not appropriate because of future growth specific patterns.

  Key assumptions include expected growth, expenses, cost of capital, future investment margins, financial market volatility, first assessed on a risk free basis (basic test) and then on the basis of illustrative investment assumptions suitable for a traditional embedded value approach if the previous recoverable value is lower than the carrying amount.

PROPERTY & CASUALTY AND ASSET MANAGEMENT

For each group of units of the Property & Casualty and Asset Management businesses, the calculation uses cash flow projections based on business plans approved by management covering a three to five year period and a risk adjusted discount rate. Cash flows beyond that period have been extrapolated using a steady growth rate and terminal value.

In these tests, for all segments, discount rates used range from 8% to 11% and growth rates where applicable from 2% to 4% beyond the strategic plan horizon.

The results of these projections exceed the carried amount of each of the cash generating unit or group of units. The estimated amount of excess in United States Life & Savings markets (goodwill noted above) using a value in use approach has improved moderately during 2010; however, it remains lower than before the global financial crisis. To the extent that securities valuations remain depressed for prolonged periods of time and market conditions stagnate or worsen, new business volumes and profitability, financial market volatility, assets under management and inforce portfolio value would likely be affected. In addition, the future cash flow expectations from both inforce and new business and other assumptions underlying management's current business plans could be negatively impacted by other risks to which the Group's business is subject. As a result, subsequent impairment tests may be based upon different assumptions and future cash flow projections, which may result in an impairment of these assets in the foreseeable future.

5.3. OTHER INFORMATION RELATING TO GOODWILL

5.3.1. Australia and New Zealand

Following the Australian Competition and Consumer Commission's ("ACCC") rejection of a proposed transaction with NAB and reopening of discussion with AMP, AXA announced, on November 15, 2010, a joint proposal ("Proposal") with AMP to AXA APH whereby AXA would dispose of its 54% stake in AXA APH to AMP and would acquire AXA APH Asian operations.

This joint offer would result in AMP acquiring AXA APH's outstanding shares for AU$13.3 billion (or €10.1 billion [(1)]), of which AXA's shares in AXA APH would be paid AU$7.2 billion (or €5.5 billion [(1)]) in cash, while AXA would acquire from AMP 100% of AXA APH's Asian operations for AU$9.8 billion (or €7.5 billion [(1)]) in cash. AXA APH's Australia and New Zealand businesses price would be AU$3.5 billion (or €2.7 billion [(1)]).

Under the Proposal, AXA APH shareholders will receive the equivalent of AU$6.43 per share, consisting of cash and AMP shares, as well as AXA APH's 2010 final dividend of up to 9.25 cents per share.

The proposal (excluding the above dividend) comprises 0.73 AMP shares (worth AU$3.88 per share) and AU$2.55 cash per AXA APH share. AXA APH minority shareholders will receive full protection for a decline of AMP Post Scheme VWAP down to AU$4.50 with additional cash to be provided to maintain the offer price equivalent of AU$6.43. AXA APH minority shareholders will also participate in 50% of any increase in the AMP Post Scheme VWAP above AU$5.60. The offer is designed to give AXA APH shareholders price protection against movements in AMP share price, and will vary depending upon AMP's Post Scheme VWAP measured over a 10-day period (on an ex-dividend basis) immediately after completion of the scheme.

On November 29, 2010, AXA announced that the transaction is expected to complete shortly after the AXA APH shareholders' vote at the end of March 2011. This transaction is subject to court approvals and regulatory approvals from the Australian Federal Treasurer & the New Zealand Overseas Investments Office as well as other regulators notably in Asia. AMP has already received approval for the acquisition from both the ACCC and the New Zealand Commerce Commission.

The assets (including goodwill) and liabilities of the Australian and New Zealand operations are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2010. This classification already applied as of December 31, 2009. AXA SA also booked €49 million deferred tax liability, of which €141 million booked as of December 31, 2009 but partially released (€92 million as of December 31, 2010), reflecting a taxation at long term rate from 2010 of temporary difference between the consolidated value and the tax base of the shares that it holds.

(1) Translated from Australian Dollar to Euro using exchange rate as of December 31, 2010.

The major classes of assets and liabilities of the Australian and New Zealand operations that are classified as held for sale include the following (amounts are presented net of inter-company balances with other AXA entities):

(in Euro million)	December 31, 2010	December 31, 2009
Goodwill	660	536
Other intangible assets	697	571
Investments	9,765	7,957
Other assets	2,260	2,131
TOTAL ASSETS HELD FOR SALE	**13,383**	**11,195**

(in Euro million)	December 31, 2010	December 31, 2009
Liabilities arising from insurance and investment contracts	10,339	8,694
Provisions for risks and charges	154	151
Other liabilities	953	754
TOTAL LIABILITIES HELD FOR SALE	**11,446**	**9,599**

As of December 31, 2010, comprehensive income amounted to €272 million, and €332 million as of December 31, 2009.

5.3.2. United Kingdom

On June 24, 2010, AXA announced that it had agreed to sell to Resolution Ltd its UK-based traditional life and pensions businesses, its IFA protection and corporate pension businesses, and its annuity businesses for a consideration of €3.3 billion.

The deal closed on September 15, 2010. However, certain portfolios will be transferred in 2011 and are classified as "Held for sale" as of December 31, 2010.

The consideration of €3.3 billion (or £2.75 billion [(1)]) consists in €2.7 billion (or £2.25 billion [(1)]) of cash and €0.6 billion (or £0.5 billion [(1)]) of Resolution Ltd senior Deferred Consideration Notes, which bear an effective interest rate of 6.5% per annum and are repayable in instalments over an 8 year period (4 years duration).

The transaction led to the recognition of a realized loss net of tax of €-1.6 billion, coming mainly from intangible assets impairments, of which goodwill €-0.8 billion, other intangibles €-0.7 billion as well as €-0.1 billion costs associated with the sale.

The major classes of assets and liabilities of the United Kingdom operations not yet transferred that are classified as held for sale include the following:

(in Euro million)	December 31, 2010
Goodwill	106
Other intangible assets	51
Investments	8,286
Other assets	606
TOTAL ASSETS HELD FOR SALE	**9,049**

(in Euro million)	December 31, 2010
Liabilities arising from insurance and investment contracts	8,662
Other liabilities	60
TOTAL LIABILITIES HELD FOR SALE	**8,722**

As of December 31, 2010, other comprehensive income amounted to €2 million.

(1) Amounts in Euro as published in press release on June 24, 2010.

5.3.3. Main 2009 transactions

(A) ACQUISITION OF BANCA ANTONVENETA BY BMPS

On February 10, 2010, AXA and Banca Monte dei Paschi di Siena (BMPS) announced the extension of their bancassurance agreement in Italy to the 1,000 branches of former Banca Antonveneta following its acquisition by BMPS. This gave rise to an adjustment of the acquisition price of AXA MPS that has been controlled by the Group since 2007. This adjustment was recognised as of December 31, 2009 as it was probable and reliably measurable, resulting in an additional goodwill of €169 million, of which €144 million in AXA MPS and €25 million in AXA IM.

As of December 31, 2010, the total goodwill of AXA MPS had a net value of €724 million.

(B) BLUEFIN INSURANCE GROUP LTD (PREVIOUSLY VENTURE PREFERENCE LIMITED)

As of December 31, 2009, the Bluefin Insurance Group, AXA's network of insurance brokers in the United Kingdom, was deconsolidated from the Property & Casualty segment of AXA UK. This led to a decrease in goodwill of €241 million.

Note 6 Value of purchased life business in-force

The change in Value of Business In-force ("VBI") in the Life & Savings segment was as follows:

(in Euro million)	2010 [(a)]	2009 [(a)]
Gross carrying value as of January 1	7,250	7,843
Accumulated amortization and impairment	(3,264)	(3,292)
Shadow accounting on VBI	(369)	(146)
Net carrying value as of January 1	**3,617**	**4,405**
VBI capitalization	-	-
Capitalized interests	125	130
Amortization and impairment for the period	(572)	(524)
Changes in VBI amortization, capitalization and impairment	**(447)**	**(394)**
Change in shadow accounting on VBI	(178)	(231)
Currency translation	358	25
Acquisitions and disposals of subsidiaries and portfolios	(245)	(188)
Net carrying value as of December 31	**3,105**	**3,617**
Gross carrying value as of December 31	7,067	7,250
Accumulated amortization and impairment	(3,334)	(3,264)
Shadow accounting on VBI	(629)	(369)

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

The partial disposal of UK Life & Savings operations and the classification as held for sale of some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 led to a decrease of the value of purchased life business in-force, gross of tax, in 2010 of €420 million, of which:

- €194 million impairments [(1)];
- €226 million related to remaining balances on businesses disposed of in the United Kingdom.

The impact of acquisitions and disposals of subsidiaries and portfolios amounted to €-188 million in 2009, due to the classification of the Australian and New Zealand operations as held for sale.

(1) Impairments net of tax amounted to €128 million (see Note 5.3 for more information).

Note 7 Deferred acquisition costs and equivalent

7.1. BREAKDOWN OF DEFERRED ACQUISITION COSTS (DAC) AND EQUIVALENT

(in Euro million)	December 31, 2010 [a]	December 31, 2009 [a]
Net deferred acquisition costs relating to Life & Savings [b]	17,752	16,202
Net rights to future managements fees [c]	723	1,225
Shadow accounting on DAC	(628)	(377)
Deferred acquisition costs and equivalent relating to Life & Savings	**17,846**	**17,050**
Deferred acquisition costs and equivalent relating to Property & Casualty and International Insurance	**1,796**	**1,739**
Net deferred acquisition costs and equivalent	**19,642**	**18,789**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Applicable to Life & Savings insurance contracts and investment contracts with discretionary participation features according to IFRS 4. Amounts are net of accumulated amortization.

(c) Applicable to investment contracts with no discretionary participation features (IAS 39).

7.2. ROLLFORWARD OF DEFERRED ACQUISITION COSTS AND EQUIVALENT – LIFE & SAVINGS

Changes in deferred acquisition costs and equivalent for Life & Savings were as follows:

(in Euro million)	December 31, 2010 [a]		December 31, 2009 [a]	
	Life & Savings Deferred Acquisition Costs [b]	Rights to future management fees [c]	Life & Savings Deferred Acquisition Costs [b]	Rights to future management fees [c]
Life & Savings deferred acquisition costs and equivalent net carrying value as of January 1	**15,825**	**1,225**	**15,952**	**1,074**
Amortization and impairment for the period	(2,121)	(444)	(2,248)	(84)
Capitalized interests for the period	755	4	684	1
DAC and similar costs capitalization for the period	2,365	197	2,392	184
Changes in amortization, capitalization and impairment	**999**	**(242)**	**828**	**100**
Shadow accounting on DAC	(224)	-	(465)	-
Currency translation	950	48	(149)	83
Acquisitions and disposals of subsidiaries and portfolios	(426)	(309)	(340)	(33)
Life & Savings deferred acquisition costs and equivalent net carrying value as of December 31	**17,124**	**723**	**15,825**	**1,225**
TOTAL	**17,846**		**17,050**	

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Relating to contracts subject to IFRS 4, i.e. insurance contracts and investment contracts with discretionary participating features.

(c) Applicable to investment contracts with no discretionary participation features (IAS 39).

The partial disposal of UK Life & Savings operations and the classification as held for sale of some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 led to a decrease of the total deferred acquisition cost, gross of tax, in 2010 of €1,363 million, of which:

- €703 million impairments [(1)];
- €660 million related to remaining balances on businesses disposed of in the United Kingdom.

7.3. DEFERRED ACQUISITION COSTS AND EQUIVALENT, NET OF AMORTIZATION, UNEARNED REVENUE RESERVES AND UNEARNED FEE RESERVES – LIFE & SAVINGS

The value of Life & Savings deferred acquisition costs and equivalent, net of amortization, unearned revenue reserves and unearned fee reserves, was as follows:

	December 31, 2010 [(a)]		December 31, 2009 [(a)]	
(in Euro million)	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]
DAC and equivalent	**17,124**	**723**	**15,825**	**1,225**
of which shadow DAC	*(628)*	-	*(377)*	-
Unearned revenues and unearned fees reserves	**2,324**	**433**	**2,109**	**501**
of which shadow unearned revenues reserves	*(150)*	-	*(151)*	-
DAC net of unearned revenues and unearned fees reserves	14,800	290	13,716	725
TOTAL FOR ALL TYPES OF CONTRACTS	**15,090**		**14,440**	

DAC = Deferred Acquisition Costs.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Relating to contracts subject to IFRS 4, i.e. insurance contracts and investment contracts with discretionary participating features.

(c) Applicable to investment contracts with no discretionary participation features (IAS 39).

(1) Impairments net of tax amounted to €549 million (see Note 5.3 for more information).

Note 8 Other intangible assets

8.1. BREAKDOWN OF OTHER INTANGIBLE ASSETS

Other intangible assets represented €3,647 million net value as of December 31, 2010 and mainly included:

(in Euro million)	Gross value [(a)]	Accumulated amortization	Impairment	Net Value December 31, 2010 [(a)]	Net Value December 31, 2009 [(a)]
Software capitalized	2,273	1,647	14	612	505
Intangible assets recognized in business combinations	3,097	498	-	2,599	2,598
Other intangible assets	501	64	1	436	40
TOTAL INTANGIBLE ASSETS	**5,871**	**2,209**	**15**	**3,647**	**3,143**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

The revised 2010 pension law in France led to an increase of policyholders reserves (€480 million). Insurers have the right to increases prices and, in case of cancellation, collect penalties as granted by the new law. As a consequence, a corresponding €379 million amount was recognised as of December 31, 2010 in other intangibles reflecting such rights with a finite useful life ending in 2015 the latest. The net impact on the consolidated statement of income (€-101 million gross of tax) is similar to the impact which would have been reported had the ANC (French accounting standard setter) recommendation been implemented in Group IFRS accounts.

8.2. BREAKDOWN OF INTANGIBLE ASSETS RECOGNIZED IN BUSINESS COMBINATIONS

	December 31, 2010 [(a)]			
(in Euro million)	Gross value	Accumulated amortization	Impairment	Net value
AXA MPS (Montepaschi)	939	-	-	939
AXA Greece (Alpha insurance)	97	(14)	-	83
AXA Bank Hungary (ELLA Bank)	39	(9)	-	30
Swiftcover	29	(16)	-	13
Bluefin Advisory Services Limited	92	(40)	-	52
Winterthur	1,238	(353)	-	885
Framlington	208	(6)	-	202
AXA Canada (Citadel)	23	(11)	-	11
MONY	19	(11)	-	8
Other	412	(38)	-	374
TOTAL	**3,097**	**(498)**	**-**	**2,599**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

	December 31, 2009 [(a)]			
(in Euro million)	Gross value	Accumulated amortization	Impairment	Net value
AXA MPS (Montepaschi)	939	-	-	939
AXA Greece (Alpha insurance)	97	(10)	-	87
AXA Bank Hungary (ELLA Bank)	41	(7)	-	34
Swiftcover	28	(12)	-	16
Bluefin Advisory Services Limited	64	(21)	-	43
Winterthur	1,135	(246)	-	890
Framlington	201	(6)	-	195
AXA Canada (Citadel)	20	(8)	-	12
MONY	18	(9)	-	9
Other	399	(26)	-	373
TOTAL	**2,942**	**(344)**	**-**	**2,598**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately form other assets and liabilities in the consolidated statement of financial position as of December 31, 2009. (see Note 5.3).

8.3. CHANGE IN INTANGIBLE ASSETS RECOGNIZED IN BUSINESS COMBINATIONS

(in Euro million)	Net value at January 1, 2010 [(a)]	Acquisition during the period	Purchase increases following adjustments
AXA MPS (Montepaschi)	939	-	-
AXA Greece (Alpha insurance)	87	-	-
AXA Bank Hungary (ELLA Bank)	34	-	-
Swiftcover	16	-	-
Bluefin Advisory Services Limited	43	-	-
Winterthur	890	-	-
Framlington	195	-	-
AXA Canada (Citadel)	12	-	-
MONY	9	-	-
Other	373	4	1
TOTAL	**2,598**	**4**	**1**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(in Euro million)	Net value at January 1, 2009	Acquisition during the period	Purchase increases following adjustments
AXA MPS (Montepaschi)	785	154	-
AXA Greece (Alpha insurance)	91	-	-
AXA Bank Hungary (ELLA Bank)	37	-	-
Swiftcover	19	-	-
Bluefin Insurance Group Ltd (previously Venture Preference limited)	72	-	-
Bluefin Advisory Services Limited	47	-	-
Winterthur	965	-	-
Framlington	181	-	-
AXA Canada (Citadel)	13	-	-
MONY	11	-	-
Other	352	25	-
TOTAL	**2,572**	**179**	**-**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately form other assets and liabilities in the consolidated statement of financial position as of December 31, 2009. (see Note 5.3).

Amortization and impairment allowance	Disposal during the period	Purchase decreases following adjustments	Amortization and impairment write back following disposal	Currency impact	Other Changes	Net value as of December 31, 2010 [(a)]
-	-	-	-	-	-	939
(4)	-	-	-	-	-	83
(3)	-	-	-	(1)	-	30
(3)	-	-	-	1	-	13
(10)	-	-	-	2	17	52
(86)	-	-	-	88	(7)	885
-	-	-	-	7	-	202
(2)	-	-	-	1	-	11
(2)	-	-	-	1	-	8
(9)	-	-	-	6	-	374
(118)	**-**	**-**	**-**	**104**	**10**	**2,599**

Amortization and impairment allowance	Disposal during the period	Purchase decreases following adjustments	Amortization and impairment write back following disposal	Currency impact	Other Changes	Net value as of December 31, 2009 [(a)]
-	-	-	-	-	-	939
(4)	-	-	-	-	-	87
(3)	-	-	-	(1)	-	34
(4)	-	-	-	1	-	16
-	-	-	-	6	(78)	-
(7)	-	-	-	4	-	43
(83)	-	-	-	7	-	890
-	-	-	-	14	-	195
(2)	-	-	-	2	-	12
(2)	-	-	-	(0)	-	9
(9)	-	-	-	5	-	373
(113)	**-**	**-**	**-**	**38**	**(78)**	**2,598**

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Note 9 Investments

Certain investment properties (see Note 1), available-for-sale investments, trading assets, instruments designated as at fair value through P&L and all derivatives are measured at fair value in the financial statements. In addition, this note also discloses the fair value of investment properties and financial assets held at cost. Principles applied in measuring fair value generally described in Note 1 are further detailed in Note 9.2 (investment in real estate properties) and 9.9 (financial assets recognized at fair value).

	Insurance		
(in Euro million)	Fair value	Carrying value	% (value balance sheet)
Investment in real estate properties at amortized cost	18,464	14,586	2.59%
Investment in real estate properties designated as at fair value through profit or loss (b)	1,122	1,122	0.20%
Macro hedge and other derivatives	-	-	-
Investment in real estate properties	**19,586**	**15,709**	**2.79%**
Debt instruments held to maturity	-	-	-
Debt instruments available for sale	307,205	307,205	54.58%
Debt instruments designated as at fair value through *profit* or loss (b)	29,098	29,098	5.17%
Debt instruments held for trading	607	607	0.11%
Debt instruments (at cost) that are not quoted in an active market (c)	5,317	5,346	0.95%
Debt instruments	**342,227**	**342,256**	**60.80%**
Equity instruments available for sale	16,925	16,925	3.01%
Equity instruments designated as at fair value through profit or loss (b)	3,908	3,908	0.69%
Equity instruments held for trading	32	32	0.01%
Equity instruments	**20,865**	**20,864**	**3.71%**
Non controlled investment funds held for sale	6,982	6,982	1.24%
Non controlled investment funds designated as at fair value through profit or loss (b)	4,267	4,267	0.76%
Non controlled investment funds held for trading	4	4	-
Non controlled investment funds	**11,253**	**11,253**	**2.00%**
Other assets designated as at fair value through profit or loss, held by controlled investment funds	**7,795**	**7,795**	**1.38%**
Macro hedge and other derivatives	**40**	**40**	**0.01%**
Financial investments	**382,180**	**382,209**	**67.90%**
Loans held to maturity	-	-	-
Loans available for sale	755	755	0.13%
Loans designated as at fair value through profit or loss (b)	-	-	-
Loans held for trading	-	-	-
Mortgage loans	16,421	15,785	2.80%
Other loans (d)	10,789	10,682	1.90%
Macro hedge and other derivatives	-	-	-
Loans	**27,966**	**27,223**	**4.84%**
Assets backing contracts where the financial risk is borne by policyholders	**137,739**	**137,739**	**24.47%**
Investments	**567,471**	**562,880**	**100.00%**
Investments (excluding those backing contracts where the financial risk is borne by policyholders)	**429,732**	**425,141**	**75.53%**
Life & Savings	364,518	360,570	64.06%
Property & Casualty	56,647	56,002	9.95%
International Insurance	8,566	8,569	1.52%

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

9.1. BREAKDOWN OF INVESTMENTS

Each investment item is presented net of the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges) except derivatives related to macro hedges shown separately. Details of the effect of derivatives are provided in Note 20.3.

December 31, 2010 [(a)]					
Other activities			Total		
Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)
3,003	2,435	7.69%	21,467	17,021	2.86%
-	-	-	1,122	1,122	0.19%
-	-	-	-	-	-
3,003	**2,435**	**7.69%**	**22,589**	**18,143**	**3.05%**
-	-	-	-	-	-
6,070	6,070	19.18%	313,275	313,275	52.69%
448	448	1.42%	29,546	29,546	4.97%
227	227	0.72%	834	834	0.14%
2,232	2,232	7.05%	7,549	7,578	1.27%
8,978	**8,978**	**28.37%**	**351,204**	**351,234**	**59.08%**
2,537	2,537	8.02%	19,462	19,461	3.27%
353	353	1.11%	4,261	4,261	0.72%
-	-	-	32	32	0.01%
2,889	**2,889**	**9.13%**	**23,754**	**23,754**	**4.00%**
186	186	0.59%	7,168	7,168	1.21%
106	106	0.34%	4,373	4,373	0.74%
347	347	1.10%	351	351	0.06%
640	**640**	**2.02%**	**11,893**	**11,893**	**2.00%**
1	**1**	**-**	**7,796**	**7,796**	**1.31%**
(2,217)	**(2,217)**	**-7.01%**	**(2,177)**	**(2,177)**	**-0.37%**
10,290	**10,290**	**32.52%**	**392,470**	**392,499**	**66.02%**
-	-	-	-	-	-
-	-	-	755	755	0.13%
-	-	-	-	-	-
4	4	0.01%	4	4	-
14,347	13,442	42.48%	30,768	29,227	4.92%
5,585	5,442	17.20%	16,374	16,124	2.71%
29	29	0.09%	29	29	-
19,965	**18,917**	**59.79%**	**47,931**	**46,140**	**7.76%**
			137,739	**137,739**	**23.17%**
33,258	**31,642**	**100.00%**	**600,729**	**594,522**	**100.00%**

(b) Use of fair value option.
(c) Eligible to the IAS 39 Loans and Receivables measurement category.
(d) Mainly relates to policy loans.

(in Euro million)	Insurance		
	Fair value	Carrying value	% (value balance sheet)
Investment in real estate properties at amortized cost	16,919	13,406	2.39%
Investment in real estate properties designated as at fair value through profit or loss [(c)]	2,197	2,197	0.39%
Macro hedge and other derivatives	-	-	-
Investment in real estate properties	**19,116**	**15,603**	**2.79%**
Debt instruments held to maturity	-	-	-
Debt instruments available for sale	275,487	275,487	49.19%
Debt instruments designated as at fair value through profit or loss [(c)]	43,606	43,606	7.79%
Debt instruments held for trading	490	490	0.09%
Debt instruments (at cost) that are not quoted in an active market [(d)]	1,758	1,804	0.32%
Debt instruments	**321,341**	**321,387**	**57.39%**
Equity instruments available for sale	15,212	15,212	2.72%
Equity instruments designated as at fair value through profit or loss [(c)]	10,329	10,329	1.84%
Equity instruments held for trading	27	27	-
Equity instruments	**25,569**	**25,569**	**4.57%**
Non controlled investment funds held for sale	5,588	5,588	1.00%
Non controlled investment funds designated as at fair value through profit or loss [(c)]	2,096	2,096	0.37%
Non controlled investment funds held for trading	71	71	0.01%
Non controlled investment funds	**7,755**	**7,755**	**1.38%**
Other assets designated as at fair value through profit or loss, held by controlled investment funds	**9,350**	**9,350**	**1.67%**
Macro hedge and other derivatives	**(294)**	**(294)**	**-0.05%**
Financial investments	**363,722**	**363,768**	**64.96%**
Loans held to maturity	-	-	-
Loans available for sale	749	749	0.13%
Loans designated as at fair value through profit or loss [(c)]	-	-	-
Loans held for trading	-	-	-
Mortgage loans	14,600	14,186	2.53%
Other loans [(e)]	10,366	10,264	1.83%
Macro hedge and other derivatives	-	-	-
Loans	**25,715**	**25,199**	**4.50%**
Assets backing contracts where the financial risk is borne by policyholders	**155,457**	**155,457**	**27.76%**
Investments	**564,010**	**560,027**	**100.00%**
Investments (excluding those backing contracts where the financial risk is borne by policyholders)	**408,553**	**404,570**	**72.24%**
Life & Savings	347,023	343,644	61.36%
Property & Casualty	53,291	52,680	9.41%
International Insurance	8,240	8,246	1.47%

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

(b) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).

(c) Use of fair value option.

(d) Eligible to the IAS 39 Loans and Receivables measurement category.

(e) Mainly relates to policy loans.

Decemcer 31, 2009 [(a)]

Other activities [(b)]			Total [(b)]		
Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)
2,896	2,456	8.18%	19,815	15,863	2.69%
-	-	-	2,197	2,197	0.37%
-	-	-	-	-	-
2,896	**2,456**	**8.18%**	**22,011**	**18,059**	**3.06%**
-	-	-	-	-	-
4,352	4,352	14.50%	279,839	279,839	47.43%
84	84	0.28%	43,690	43,690	7.40%
450	450	1.50%	940	940	0.16%
1,544	1,544	5.14%	3,302	3,348	0.57%
6,431	**6,430**	**21.42%**	**327,772**	**327,818**	**55.56%**
2,730	2,730	9.10%	17,943	17,943	3.04%
216	216	0.72%	10,546	10,546	1.79%
251	251	0.83%	278	278	0.05%
3,197	**3,197**	**10.65%**	**28,766**	**28,766**	**4.88%**
153	153	0.51%	5,741	5,741	0.97%
84	84	0.28%	2,181	2,181	0.37%
-	-	-	71	71	0.01%
237	**237**	**0.79%**	**7,993**	**7,993**	**1.35%**
7	**7**	**0.02%**	**9,357**	**9,357**	**1.59%**
634	**634**	**2.11%**	**340**	**340**	**0.06%**
10,506	**10,506**	**35.00%**	**374,228**	**374,274**	**63.43%**
-	-	-	-	-	-
-	-	-	749	749	0.13%
-	-	-	-	-	-
8	8	0.03%	8	8	-
13,070	12,217	40.70%	27,670	26,402	4.47%
4,987	4,801	15.99%	15,354	15,065	2.55%
31	31	0.10%	31	31	0.01%
18,096	**17,056**	**56.82%**	**43,811**	**42,255**	**7.16%**
		-	**155,457**	**155,457**	**26.35%**
31,498	**30,018**	**100.00%**	**595,508**	**590,045**	**100.00%**
		-			**-**

9.2. INVESTMENT IN REAL ESTATE PROPERTIES

Investment in real estate properties include buildings owned directly and through real estate subsidiaries.

Breakdown of the carrying value and fair value of investments in real estate properties at amortized cost, excluding the impact of all derivatives:

	December 31, 2010 [(a)]					December 31, 2009 [(a)]				
(in Euro million)	Gross value	Amortization	Impairment	Carrying value	Fair value	Gross value	Amortization	Impairment	Carrying value	Fair value
Investment in real estate properties at amortized cost										
Insurance	16,606	(1,569)	(451)	14,586	18,464	15,199	(1,396)	(430)	13,373	16,886
Banking and other activities	2,833	(169)	(230)	2,435	3,003	2,883	(200)	(227)	2,456	2,896
All activities	19,440	(1,737)	(681)	17,021	21,467	18,082	(1,596)	(657)	15,829	19,781

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

Fair value is generally based on valuations performed by qualified property appraisers. They are based on a multi-criteria approach and their frequency and terms are often based on local regulations.

Change in impairment and amortization of investments in real estate properties at amortized cost (all activities):

	Impairment – Investment in real estate properties		Amortization – Investment in real estate properties	
(in Euro million)	December 31, 2010 [(a)]	December 31, 2009 [(a)]	December 31, 2010 [(a)]	December 31, 2009 [(a)]
Opening value	**657**	**250**	**1,596**	**1,484**
Increase for the period	49	483	248	255
Write back following sale	(11)	(3)	(53)	(117)
Write back following recovery in value	(31)	(48)		
Others [(b)]	17	(25)	(54)	(26)
CLOSING VALUE	**681**	**657**	**1,737**	**1,596**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Mainly includes change in scope and the effect of changes in exchange rates.

In 2009, the impairment increase for the period amounted to €483 million, of which €227 million without impact on AXA net income Group Share, as related to some real estate funds operated by AXA Investments Managers in which AXA has no material investment but exercises control under IFRS principles.

9.3. UNREALIZED GAINS AND LOSSES ON FINANCIAL INVESTMENTS

Excluding the effect of derivatives, unrealized capital gains and losses on financial investments, when not already reflected in the income statement, are allocated as follows:

Insurance

	December 31, 2010 [(a)]					December 31, 2009 [(a)]				
(in Euro million)	Amortized cost [(b)]	Fair value	Carrying value [(c)]	Unrealized gains	Unrealized losses	Amortized cost [(b)]	Fair value	Carrying value [(c)]	Unrealized gains	Unrealized losses
Debt instruments available for sale	295,599	305,603	305,603	15,934	5,930	266,931	274,530	274,530	12,169	4,569
Debt instruments (at cost) that are not quoted in an active market	5,346	5,317	5,346	14	44	1,804	1,758	1,804	12	58
Equity instruments available for sale	11,367	15,944	15,944	4,640	63	10,539	14,789	15,250	4,390	140
Non controlled investment funds held for sale	5,637	6,577	6,577	990	50	5,005	5,595	5,595	899	310

Banking and other activities

	December 31, 2010 [(a)]					December 31, 2009 [(a)]				
(in Euro million)	Amortized cost [(b)]	Fair value	Carrying value [(c)]	Unrealized gains	Unrealized losses	Amortized cost [(b)]	Fair value	Carrying value [(c)]	Unrealized gains	Unrealized losses
Debt instruments available for sale	6,329	6,101	6,101	26	254	4,567	4,344	4,344	16	239
Debt instruments (at cost) that are not quoted in an active market	2,232	2,232	2,232	-	-	1,544	1,544	1,544	-	-
Equity instruments available for sale	2,672	2,911	2,911	239	1	2,938	3,125	2,664	188	1
Non controlled investment funds held for sale	189	186	186	-	3	153	153	153	1	-

Total

	December 31, 2010 [(a)]					December 31, 2009 [(a)]				
(in Euro million)	Amortized cost [(b)]	Fair value	Carrying value [(c)]	Unrealized gains	Unrealized losses	Amortized cost [(b)]	Fair value	Carrying value [(c)]	Unrealized gains	Unrealized losses
Debt instruments available for sale	301,927	311,704	311,704	15,961	6,184	271,498	278,875	278,875	12,184	4,807
Debt instruments (at cost) that are not quoted in an active market	7,578	7,549	7,578	14	44	3,348	3,302	3,348	12	58
Equity instruments available for sale	14,040	18,855	18,855	4,879	63	13,477	17,915	17,915	4,578	141
Non controlled investment funds held for sale	5,827	6,763	6,763	990	53	5,158	5,748	5,748	900	310

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Net of impairment – including premiums/discounts and related accumulated amortization.

(c) Net of impairment (details in Note 9.8).

See also table 9.8.1 Breakdown of financial assets subject to impairment.

9.4. DEBT INSTRUMENTS AND LOANS

9.4.1. Debt instruments by type of issuer

The table below sets out the debt instruments portfolio by issuer type, excluding macro hedging derivatives and other derivatives but including the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges). Details of the effect of derivatives are provided in Note 20.3.

	December 31, 2010 [(a)]	December 31, 2009 [(a)] [(b)]
(in Euro million)	Carrying value	Carrying value
Government Debt instruments	148,386	132,436
Government-related debt instruments	36,387	33,856
Corporate Debt instruments [(c)]	149,803	151,732
Debt instruments guaranteed by a mortgage	5,462	5,907
Debt instruments issued by other issuers [(d)]	9,389	2,929
Hedging derivatives and other derivatives	1,805	958
DEBT INSTRUMENTS	**351,234**	**327,818**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).

(c) Includes debt instruments issued by companies in which a State now holds interests following the 2008 financial crisis.

(d) Includes fixed maturity investment funds and debt securities related to reverse repo.

Additional information on the credit risk associated with debt instruments is provided in Note 4 "Financial and insurance risks management".

9.4.2. Focus on banking loans

	December 31, 2010		December 31, 2009 [(a)]	
(in Euro million)	Fair value	Carrying value	Fair value	Carrying value
Mortgage loans valued at cost	14,345	13,441	13,068	12,214
Other Loans	4,300	4,164	4,117	3,933
TOTAL	**18,645**	**17,605**	**17,185**	**16,147**

(a) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).

9.5. CONTRACTUAL MATURITIES AND EXPOSURE TO INTEREST RATE RISK

The tables below set out the contractual maturities of debt instruments held by the Group. Effective maturities may differ from those presented, mainly because some assets include clauses allowing early redemption, with or without penalty or duration extension features.

Debt instruments (at cost) that are not quoted in an active market, the effect of derivatives (detailed in Note 20.3), loans and debt instruments backing contracts where the financial risk is borne by policyholders are excluded from the tables below. The effect of derivatives modifies in certain cases the profile of the assets below. Most of the debt instruments and loans held by the Group are fixed-rate debt instruments (i.e. exposed to fair value interest rate risk).

	December 31, 2010 [(a)] Net carrying amount by maturity			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total net carrying value
Debt instruments available for sale	18,649	79,505	201,593	299,748
Debt instruments designated as at fair value through profit or loss [(b)]	4,533	7,558	11,815	23,907
Sub-total Debt instruments	**23,182**	**87,063**	**213,409**	**323,654**
Loans at amortized cost	5,052	9,798	27,195	42,045
Loans available for sale	-	-	-	-
Loans designated as at fair value through profit or loss [(b)]	-	4	-	4
Sub-total Loans	**5,052**	**9,802**	**27,195**	**42,049**
TOTAL – FINANCIAL INVESTMENTS EXPOSED TO FAIR VALUE INTEREST RATE RISK	**28,234**	**96,865**	**240,604**	**365,703**
Debt instruments available for sale	625	2,146	9,185	11,956
Debt instruments designated as at fair value through profit or loss[(b)]	898	892	4,450	6,240
Sub-total Debt instruments	**1,523**	**3,039**	**13,635**	**18,197**
Loans at amortized cost	230	1,187	1,513	2,930
Loans available for sale	-	546	209	755
Loans designated as at fair value through profit or loss [(b)]	-	-	-	-
Sub-total Loans	**230**	**1,734**	**1,722**	**3,686**
TOTAL – FINANCIAL INVESTMENTS EXPOSED TO CASH FLOW INTEREST RATE RISK	**1,753**	**4,772**	**15,357**	**21,882**
TOTAL FINANCIAL INVESTMENTS EXPOSED TO INTEREST RATE RISK	**29,987**	**101,638**	**255,961**	**387,585**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Corresponds to financial assets held for trading purposes and financial assets recognized designated as at fair value through profit or loss.

(in Euro million)	December 31, 2009 [(a)] Net carrying amount by maturity 12 months or less	More than 1 year up to 5 years	More than 5 years	Total net carrying value
Debt instruments available for sale	12,425	71,914	184,152	268,491
Debt instruments designated as at fair value through profit or loss [(b)]	3,890	12,390	19,870	36,150
Sub-total Debt instruments	**16,315**	**84,304**	**204,022**	**304,641**
Loans at amortized cost	4,044	8,954	24,942	37,939
Loans available for sale	11	1	-	12
Loans designated as at fair value through profit or loss [(b)]	-	8	-	8
Sub-total Loans	**4,055**	**8,963**	**24,942**	**37,959**
TOTAL – INVESTED FINANCIAL ASSETS EXPOSED TO FAIR VALUE INTEREST RATE RISK	**20,370**	**93,267**	**228,963**	**342,600**
Debt instruments available for sale	749	1,653	7,981	10,384
Debt instruments designated as at fair value through profit or loss [(b)]	1,683	1,750	5,053	8,487
Sub-total Debt instruments	**2,433**	**3,403**	**13,035**	**18,871**
Loans at amortized cost	344	1,131	1,396	2,871
Loans available for sale	-	393	344	737
Loans designated as at fair value through profit or loss [(b)]	-	-	-	-
Sub-total Loans	**344**	**1,523**	**1,740**	**3,608**
TOTAL – FINANCIAL INVESTMENTS EXPOSED TO CASH FLOW INTEREST RATE RISK	**2,777**	**4,927**	**14,775**	**22,479**
TOTAL FINANCIAL INVESTMENTS EXPOSED TO INTEREST RATE RISK	**23,147**	**98,194**	**243,738**	**365,079**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

(b) Corresponds to financial assets held for trading purposes and financial assets recognized designated as at fair value through profit or loss.

9.6. EXPOSURE TO PRICE RISK

Excluding the effect of derivatives (detailed in Note 20.3) and equity instruments of real estate companies, the breakdown by industry of equity instruments (including Private Equity instruments) owned across the Group is as follows:

December 31, 2010 [(a)] *(in Euro million)*	Finance	Consumer goods	Energy	Communi-cations	Industrial	Services	Raw material	Technology	Other	Total
Equity instruments available for sale	7,249	2,122	1,616	968	2,504	864	1,263	1,283	985	18,854
Equity instruments designated as at fair value through profit or loss	224	18	7	2	13	3	1	14	158	440
Sub-total: Equity instruments held directly	**7,473**	**2,140**	**1,623**	**970**	**2,517**	**867**	**1,264**	**1,298**	**1,143**	**19,294**
Equity instruments held by controlled investment funds [(b)]	1,009	1,036	309	299	446	165	197	186	205	3,852
TOTAL EQUITY INSTRUMENTS AS OF DECEMBER 31, 2010	**8,482**	**3,176**	**1,932**	**1,269**	**2,962**	**1,032**	**1,462**	**1,483**	**1,349**	**23,146**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Designated as at fair value through profit or loss.

December 31, 2009 [(a)] *(in Euro million)*	Finance	Consumer goods	Energy	Communi-cations	Industrial	Services	Raw material	Technology	Other	Total
Equity instruments available for sale	7,881	1,801	1,480	948	2,051	820	804	1,171	959	17,915
Equity instruments designated as at fair value through profit or loss	1,167	1,515	608	439	427	197	563	154	424	5,494
Sub-total: Equity instruments held directly	**9,048**	**3,316**	**2,088**	**1,387**	**2,477**	**1,017**	**1,368**	**1,325**	**1,383**	**23,408**
Equity instruments held by controlled investment funds [(b)]	1,775	833	269	247	328	161	124	221	1,313	5,271
TOTAL EQUITY INSTRUMENTS AS OF DECEMBER 31, 2009	**10,823**	**4,149**	**2,357**	**1,633**	**2,806**	**1,178**	**1,492**	**1,545**	**2,695**	**28,679**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

(b) Designated as at fair value through profit or loss.

9.7. NON CONTROLLED INVESTMENT FUNDS

Non-controlled investment funds break down as follows:

	December 31, 2010 [(a)]			
	Insurance		Other activities	
(in Euro million)	Fair value [(b)]	Amortized Cost	Fair value [(b)]	Amortized Cost
Non controlled investment funds available for sale mainly holding equity instruments	1,582	1,271	26	26
Non controlled investment funds designated as at fair value through profit or loss mainly holding equity instruments	734	-	12	-
Non controlled investment funds trading mainly holding equity instruments	4	-	232	-
Non controlled investment funds mainly holding equity instruments	**2,320**	**-**	**270**	**-**
Non controlled investment funds available for sale mainly holding debt instruments	1,530	1,367	-	-
Non controlled investment funds mainly designated as at fair value through profit or loss mainly holding debt instruments	192	-	-	-
Non controlled investment funds trading mainly holding debt instruments	-	-	116	-
Non controlled investment funds mainly holding debt instruments	**1,722**	**-**	**116**	**-**
Other non controlled investment funds available for sale	3,465	2,999	161	164
Other non controlled investment funds designated as at fair value through profit or loss	726	-	-	-
Other non controlled investment funds held for trading	-	-	-	-
Other non controlled investment funds	**4,191**	**-**	**161**	**-**
Non controlled investment funds – Equity method [(c) (d)]	**2,536**	**-**	**94**	**-**
Derivatives (hedge accounting) and other derivatives	**484**	**3**	**-**	**-**
TOTAL	**11,253**		**640**	

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Amounts are presented excluding macro hedging and other derivatives but including the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges).

(c) The carrying value of non controlled investment funds – Equity method is disclosed in the fair value column.

(d) As of December 31, 2010, in Germany, Belgium, Switzerland and France, a high yield fund was classified as "Non controlled investment funds – Equity method" since the Group's control was diluted, whereas it was classified as "Debt instruments designated as at fair value through profit or loss" as of December 31, 2009.

		December 31, 2009 [a]					
Total		Insurance		Other activities		Total	
Fair value [b]	Amortized Cost	Fair value [b]	Amortized Cost	Fair value [b]	Amortized Cost	Fair value [b]	Amortized Cost
1,607	1,296	1,405	1,187	-	-	1,405	1,187
746	-	643	-	13	-	656	-
236	-	10	-	-	-	10	-
2,590	**-**	**2,058**	**-**	**13**	**-**	**2,071**	**-**
1,530	1,367	1,218	1,080	-	-	1,218	1,080
192	-	136	-	-	-	136	-
116	-	-	-	-	-	-	-
1,838	**-**	**1,354**	**-**	**-**	**-**	**1,354**	**-**
3,626	3,163	2,972	2,739	153	152	3,125	2,891
726	-	149	-	-	-	149	-
-	-	61	-	-	-	61	-
4,352	**-**	**3,182**	**-**	**153**	**-**	**3,335**	**-**
2,630	**-**	**1,160**	**-**	**72**	**-**	**1,231**	**-**
484	**3**	**2**	**(6)**	**-**	**-**	**2**	**(6)**
11,893		**7,755**		**237**		**7,993**	

9.8. FINANCIAL ASSETS SUBJECT TO IMPAIRMENT

9.8.1. Breakdown of financial assets subject to impairment (excluding investment in real estate properties)

Each investment item is presented net of the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges) except derivatives related to macro hedges shown separately. Details of the effect of derivatives are provided in Note 20.3.

	December 31, 2010 [(a)]		
(in Euro million)	Cost before impairment and revaluation to fair value [(c)]	Impairment	Cost after impairment but before revaluation to fair value [(d)]
Debt instruments available for sale	303,357	(1,535)	301,822
Debt instruments (at cost) that are not quoted in an active market	7,578	-	7,578
Debt instruments	**310,935**	**(1,535)**	**309,400**
Equity instruments available for sale	**17,053**	**(2,936)**	**14,118**
Non controlled investment funds available for sale	**6,838**	**(1,009)**	**5,829**
Loans held to maturity	-	-	-
Loans available for sale	810	(30)	780
Mortgage loans	29,383	(144)	29,239
Other loans [(e)]	16,492	(379)	16,113
Loans	**46,685**	**(553)**	**46,131**
TOTAL	**381,511**	**(6,033)**	**375,478**

(a) *Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).*

(b) *In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).*

(c) *Asset value including impact of discounts/premiums and accrued interests, but before impairment and revaluation to fair value of assets available for sale.*

(d) *Asset value including impairment, discounts/premiums and accrued interests, but before revaluation to fair value of assets available for sale.*

(e) *Including policy loans.*

		December 31, 2009 (a) (b)				
Revaluation to fair value	Carrying value	Cost before impairment and revaluation to fair value (c)	Impairment	Cost after impairment but before revaluation to fair value (d)	Revaluation to fair value	Carrying value
11,454	313,275	274,000	(1,551)	272,449	7,390	279,839
-	7,578	3,348	-	3,348	-	3,348
11,454	**320,853**	**277,349**	**(1,551)**	**275,797**	**7,390**	**283,188**
5,344	**19,462**	**17,137**	**(3,659)**	**13,478**	**4,464**	**17,943**
1,339	**7,168**	**6,229**	**(1,077)**	**5,152**	**589**	**5,741**
-	-	-	-	-	-	-
(24)	755	818	(17)	801	(53)	749
(12)	29,227	26,474	(67)	26,407	(5)	26,402
11	16,124	15,432	(416)	15,016	49	15,065
(24)	**46,107**	**42,725**	**(500)**	**42,225**	**(9)**	**42,216**
18,112	**393,591**	**343,440**	**(6,787)**	**336,653**	**12,435**	**349,088**

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9.8.2. Change in impairment on invested assets (excluding investment in real estate properties)

(in Euro million)	January 1, 2010	Increase for the period	Write back following sale or reimbursement	Write back following recovery in value	Other [(a)]	December 31, 2010 [(b)]
Impairment – Debt instruments	1,551	396	(301)	(91)	(19)	1,535
Impairment – Equity instruments	3,659	485	(1,383)	-	175	2,936
Impairment – Non controlled investment funds	1,077	86	(252)	-	99	1,009
Impairment – Loans	500	143	(17)	(55)	(18)	553
TOTAL	**6,787**	**1,109**	**(1,954)**	**(146)**	**237**	**6,033**

(a) Changes in the scope of consolidation and impact of changes in exchange rates.
(b) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(in Euro million)	January 1, 2009	Increase for the period	Write back following sale or reimbursement	Write back following recovery in value	Other [(a) (c)]	December 31, 2009 [(b) (c)]
Impairment – Debt instruments	1,389	746	(549)	(28)	(6)	1,551
Impairment – Equity instruments	5,019	856	(2,079)	-	(136)	3,659
Impairment – Non controlled investment funds	834	386	(156)	-	13	1,077
Impairment – Loans [(c)]	66	110	(10)	(40)	373	500
TOTAL	**7,307**	**2,097**	**(2,794)**	**(68)**	**244**	**6,787**

(a) Changes in the scope of consolidation and impact of changes in exchange rates.
(b) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).
(c) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking operations" aggregates (see Note 1.20).

9.9. FINANCIAL ASSETS RECOGNIZED AT FAIR VALUE

9.9.1. Fair value measurement

(A) ACTIVE MARKET: QUOTED PRICE

The Group applies the IAS 39 fair value hierarchy as described below for both assets measured at fair value (and assets at cost for which fair value is disclosed in the previous notes).

Fair values of financial assets traded on active markets are determined using quoted market prices when available. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis between a willing seller and a willing buyer. For assets traded in active markets, quotes received from external pricing services represent consensus prices, i.e. using similar models and inputs resulting in a very limited dispersion.

The amount of assets for which fair value is determined in whole directly by reference to an active market is disclosed in Level 1 of the table shown below in Section 9.9.2.

(B) ACTIVE VERSUS INACTIVE MARKETS

Equity instruments quoted on exchange traded markets and bonds actively traded on liquid markets for which prices are regularly provided by external pricing services that represent consensus with limited dispersion and for which quotes are readily available are generally considered as being quoted in an active market. Liquidity may be defined as the possibility to sell or dispose of the asset in the ordinary course of business within a certain limited time period at approximately the price at which the investment is valued. Liquidity for debt instruments is assessed using a multi criteria approach including the number of quotes available, the place of issuance and the evolution of the widening of bid ask spreads.

A financial instrument is regarded as not quoted in an active market if there is little observation of transaction prices as an inherent characteristic of the instrument, when there is a significant decline in the volume and level of trading activity, in case of significant illiquidity or if observable prices cannot be considered as representing fair value because of dislocated market conditions. Characteristics of inactive markets can therefore be very different in nature, inherent to the instrument or indicative of a change in the conditions prevailing in certain markets.

(C) ASSETS NOT QUOTED IN AN ACTIVE MARKET

The fair values of financial instruments that are not traded in an active market are estimated:

- using external and independent pricing services; or
- using valuation techniques.

The amount of assets which are not traded in an active market is disclosed in Level 2 and 3 of the table shown below in Section 9.9.2.

No active market: use of external pricing services

External pricing services may be fund asset managers in the case of non consolidated investments in funds or brokers. To the extent possible, the Group collects quotes from external pricing providers as inputs to measure the fair value of assets held. Prices received may form tight clusters or dispersed quotes which may then lead to the use of valuation techniques. The dispersion of quotes received may be an indication of the large range of assumptions used by external pricing providers given the limited number of transactions to be observed or reflect the existence of distress transactions. In addition, given current market conditions since the financial crisis and the persistency of complete inactivity of some markets since then, many financial institutions closed their desks dedicated to structured assets deals and are no longer in a position of delivering meaningful quotes.

No active market: use of valuation techniques

Valuation techniques are subjective in nature and significant judgment is involved in establishing fair values for financial assets. They include recent arm's length transactions between knowledgeable willing parties on similar assets if available and representative of fair value and involve various assumptions regarding the underlying price, yield curve, correlations, volatility, default rates and other factors. Unlisted equity instruments are based on cross checks using different methodologies such as discounted cash flows techniques, price earning ratios multiples, adjusted net asset values, taking into account recent transactions on instruments which are substantially the same if concluded at arm's length between knowledgeable willing parties, if any. The use of valuation techniques and assumptions could produce different estimates of fair value. However, valuations are determined using generally accepted models (discounted cash flows, Black&Scholes models, etc.) based on quoted market prices for similar instruments or underlyings (index, credit spread, etc.) whenever such directly observable data are available and valuations are adjusted for liquidity and credit risk.

Valuation techniques may be used when there is little observation of transaction prices as an inherent characteristic of the market, when quotes made available by external pricing providers are too dispersed or when market conditions are so dislocated that observed data can not be used or need significant adjustments. Internal mark to model valuations are therefore normal market practices for certain assets inherently scarcely traded or exceptional processes implemented due to specific market conditions.

Use of valuation techniques in dislocated markets

The dislocation of certain markets may be evidenced by various factors, such as very large widening of bid ask spreads which maybe helpful indicators in understanding whether market participants are willing to transact, wide dispersion in the prices of the small number of current transactions, varying prices over time or among market participants, inexistence of secondary markets, disappearance of primary markets, closing down of dedicated desks in financial institutions, distress and forced transactions motivated by strong needs of liquidity or other difficult financial conditions implying the necessity to dispose of assets immediately with insufficient time to market the assets to be sold, and large bulk sales to exit such markets at all costs that may involve side arrangements (such as sellers providing finance for a sale to a buyer). Primary transactions' prices in markets supported by government through specific measures following the financial crisis do not represent fair value.

In such cases, the Group uses valuation techniques including observable data whenever possible and relevant, adjusted if needed to develop the best estimate of fair value, including adequate risk premiums or develops a valuation model based on unobservable data representing estimates of assumptions that willing market participants would use when prices are not current, relevant or available without undue costs and efforts: in inactive markets, transactions may be inputs when measuring fair value, but would likely not be determinative and unobservable data may be more appropriate than observable inputs. The objective of these models is to arrive at the price at which an orderly transaction would take place between market participants (a willing buyer and a willing seller) at the measurement date.

For those assets for which the Group used mark to model valuations because of dislocated market conditions, sensitivities are disclosed in Section 9.9.2 below, even when such techniques are based on a majority of observable inputs.

9.9.2. Financial assets recognized at fair value excluding derivatives

Amounts presented exclude the impact of all derivatives (set out in Notes 20.3 and 20.5) and investment funds consolidated by equity method. Investment funds accounted for using the equity method represented assets of €2,630 million as of December 31, 2010 (€1,231 million as of December 31, 2009).

The breakdown by valuation method of financial assets recognized at fair value is as follows:

	December 31, 2010 [a]				December 31, 2009 [a]			
	Assets quoted in an active market	Assets not quoted in an active market/No active market			Assets quoted in an active market	Assets not quoted in an active market/ No active market		
(in Euro million)	Fair value determined directly by reference to an active market Level 1	Fair value based on observable market data Level 2	Fair value not based on observable market data Level 3	Total	Fair value determined directly by reference to an active market Level 1	Fair value based on observable market data Level 2	Fair value not based on observable market data Level 3	Total
Debt instruments	227,972	82,139	1,593	311,704	179,384	97,559	1,932	278,875
Equity instruments	15,241	1,339	2,274	18,854	14,961	881	2,073	17,915
Non controlled investment funds	1,889	3,265	1,609	6,763	2,195	2,508	1,045	5,748
Loans	641	9	105	755	660	17	71	749
Financial investments and loans available for sale	**245,744**	**86,752**	**5,580**	**338,076**	**197,200**	**100,966**	**5,120**	**303,286**
Investments in real estate properties	-	1,122	-	1,122	-	2,197	-	2,197
Debt instruments	20,210	8,769	287	29,266	25,895	17,232	543	43,669
Equity instruments	2,458	194	1,607	4,259	7,202	1,815	1,470	10,486
Non controlled investment funds	460	750	454	1,664	362	220	359	941
Other assets held by controlled investment funds designated as at fair value through profit or loss	2,262	2,940	2,579	7,781	4,304	3,058	1,986	9,348
Loans	-	-	-	-	-	-	-	-
Financial investments and loans designated as at fair value through profit or loss	**25,391**	**13,776**	**4,927**	**44,094**	**37,762**	**24,522**	**4,357**	**66,641**
Debt instruments	154	726	1	880	155	812	-	968
Equity instruments	32	-	-	32	275	2	1	278
Non controlled investment funds	327	20	4	351	41	21	9	71
Loans	4	-	-	4	8	-	-	8
Financial investments and loans held for trading	**517**	**746**	**5**	**1,269**	**480**	**835**	**10**	**1,325**
TOTAL FINANCIAL INVESTMENTS AND LOANS ACCOUNTED FOR AT FAIR VALUE	**271,652**	**101,275**	**10,512**	**383,439**	**235,442**	**126,323**	**9,487**	**371,252**

N.B.: This table excludes assets backing contracts where the financial risk is borne by policyholders with guaranteed minimum features.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

Methods applied to determine the fair value of held assets measured at fair value in the financial statements are described in Section 9.9.1 above. The Group applies the IAS 39 fair value hierarchy.

ASSETS CLASSIFICATION

Fair values determined in whole directly by reference to an active market relate to prices which are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis, i.e. the market is still active. Such assets are categorized in the Level 1 of the IAS 39 fair value hierarchy.

Fair values for Level 2 and 3 assets include:

- values provided at the request of the Group by pricing services and which are not readily publicly available or values provided by external parties which are readily available but relate to assets for which the market is not always active; and
- assets measured on the basis of valuation techniques including a varying degree of assumptions supported by market transactions and observable data.

For all assets not quoted in an active market/no active market, the classification between Level 2 and Level 3 depends on the proportion of assumptions used supported by market transactions and observable data:

- assumed to be used by pricing services; or
- used by the Group in the limited cases of application of mark to model valuations.

a) Fair values determined in whole directly by reference to an active market (Level 1)

As of December 31, 2009, a portion of bonds (mainly corporate debt instruments) could not be considered as active and were presented in Level 2 given the relative illiquidity of such markets. Liquidity for debt instruments is assessed using a multi criteria approach including the number of quotes available, the place of issuance of such instruments and the evolution of the widening of bid ask spreads. Such bid ask spreads continued to narrow down through out the year 2010, leading to further transfers of corporate debt instruments back in Level 1.

As of December 31, 2010, some government bonds (Greece, Ireland, Portugal, and Spain) were transferred in 2010 out from Level 1 to Level 2 given the observed increased illiquidity in the market for such instruments.

b) Fair values of assets not quoted in an active market – no active markets (Level 2 and Level 3)

Overview of the nature of such investments

Amounts presented in Level 2 and 3 represent a variety of circumstances. A financial instrument is regarded as not quoted in an active market if there is little observation of transaction prices as an inherent characteristic of the instrument, when there is a significant decline in the volume and level of trading activity, in case of significant illiquidity or if observable prices can not be considered as representing fair value because of dislocated market conditions. Characteristics of inactive markets can therefore be very different in nature, inherent to the instrument or be indicative of a change in the conditions prevailing in certain markets.

The identification of Level 3 assets among assets not quoted in an active market involves a significant level of judgment. The following are considered as observable: inputs provided by external pricing services, information observable obtained from specialized data providers, rating agencies, external surveys. The extent to which such data are external to the Group and not assessed by internal valuation teams is one of the main criteria applied in assessing whether data are observable or not. Should those data be significantly adjusted or would they be outdated because of the lack of new available factors, such inputs would be deemed unobservable. Another area of judgment is the assessment of the significance of an input against the fair value measurement in its entirety. As a result, a different cut between observable and unobservable data and variances in the weighting of the significance of each input against the fair value measurement in its entirety could produce a different categorization.

Assets such as certain unquoted debt instruments, instruments issued on private markets such as Private Equity instruments or private loans were always considered as not quoted in active markets as an inherent characteristic of these investments and were included as Assets not quoted in active markets/No active markets in all periods presented. Valuations are based either on external pricing providers or internal models using techniques commonly used by market participants. Valuation teams make the maximum use of current transaction prices if any and observable data but some of the underlying sectors to which the investment relate may be so particular that significant adjustments are performed or unobservable data are used. Private Equity funds of funds are measured on the basis of the latest Net Asset Values of funds provided to the Group.

A significant portion of ABS (Asset Backed Securities) and CDOs (Collaterized Debt Obligations) held by the Group were transferred as Level 2 and 3 assets as of December 2007 when markets became no longer active while still measured using the same valuation approaches (mainly external valuations and indices). As of December 31, 2008, the turmoil reached a further point of dislocation. Many financial institutions closed their desks dedicated to structured assets deals and were no longer in a position of delivering meaningful quotes with the appropriate knowledge and dedication at the end of year 2008. The lack of activity with very few prices representing arm's length transactions between willing market participants restricted the possibility and the relevance to refer to the very limited number of observed deals. As a result, more valuation techniques were introduced at year end 2008 based on a maximum use of observable inputs whenever possible. Such modeled based valuation were maintained at the end of the year 2010 because of the continued inexistence of primary markets and the lack of transactions representing fair values during the period on the secondary market.

Such models incorporate factors that market participants would consider in setting a price and are consistent with accepted economic methodologies for pricing financial instruments. They were applied except when the uncertainty surrounding valuation was assessed as being too significant to exercise an adequate judgment in setting the appropriate risk margins (in which case assets remained measured on the basis of available quotes). For the purpose of the modeling, ABS and CDOs were ranked according to their underlying risks characteristics such as their underwriting and origination year for example to determine the appropriate set of assumptions to be used, giving consideration to market conditions in pricing these instruments. Cash flows were developed based on current observable inputs reflecting the credit metrics of each type of underlying assets: for example weighted average rating factors – WARF – provided by rating agencies, historical default rates or third parties credit defaults studies, with loss severity assumptions and recovery lag, adjusted with adequate risk margins to reflect the uncertainty related to these inputs and the historical dimension of some of these data. Risk adjusted discount rates have been based on interest rates and discount margins derived from observations of implied rates of return adjusted considering the current evolution of available quotes which reflect spreads widening due to increased liquidity risks. The objective of these models is to arrive at the price at which an orderly transaction would take place between market participants (a willing buyer and a willing seller) at the measurement date.

For ABS and CDOs measured as of December 31, 2010 using the valuation techniques described above (€7,638 million):

- using alternative credit risks assumptions higher by 25% would have no material impact neither on the net income nor the Statement of Comprehensive Income;
- using alternative discount margins higher by 25% would have no material impact on the net income, and would decrease the Statement of Comprehensive Income by €91 million.

Transfer in and out of the Level 3 category

From January 1, 2010 to December 31, 2010, the amount of Level 3 assets moved from €9.5 billion to €10.5 billion, representing 2.7% of the total assets at fair value (2.6% in 2009) mainly because of changes in fair value with limited transfers in and out of the Level 3 category.

Among such assets, the amount of Private Equity investments moved from €4.2 billion as of January 1, 2010 to €5.5 billion as of December 31, 2010. Private Equity investments held directly or through consolidated mutual funds categorized in Level 3 represent mainly shares of funds based on values determined by funds managers. As the valuation of these underlying Private Equity investments is often based on observable data but with significant adjustments performed by funds managers, such assets were allocated to Level 3. The increase in the value in such assets held in Level 3 mainly relate to changes in fair value (€+0.4 billion), new purchases (€+1.1 billion) and sales (€-0.6 billion).

Other main movements excluding private equity related to Level 3 assets to be noted are:

- €+0.6 billion of new acquisitions;
- €+0.5 billion of foreign exchange impact due to the Euro decrease (mainly in Switzerland, the United States and Japan);
- €-0.2 billion of sales of structured assets (mainly CMBS);
- €+0.1 billion of changes in fair value;
- and €-0.8 billion following the sale of Level 3 assets held in the partially disposed UK Life & Savings portfolios.

9.10. INVESTMENTS BACKING CONTRACTS WHERE THE FINANCIAL RISK IS BORNE BY POLICYHOLDERS

	Fair Value (a)	
(in Euro million)	December 31, 2010 (b)	December 31, 2009 (b)
Investment in real estate properties	325	1,773
Equity instruments & non controlled investment funds	118,395	127,366
Debt instruments	17,132	20,203
Others	1,888	6,116
TOTAL INSURANCE ACTIVITIES	**137,739**	**155,457**

(a) Fair value equals carrying value.
(b) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

These assets (including investment in real estate properties) are measured at fair value through profit or loss. Financial assets included in these investments are stated at fair value through profit or loss under the fair value option.

As described in Note 4 (Financial and insurance risks management), the financial risk associated with these contracts is borne by policyholders, except for contracts that offer some investment-related guarantees.

Note 10 Investments in associates accounted for using the equity method

Change in investments in associates (N) *(in Euro million)*	2010 [(a)]					
	January 1	Acquisitions & disposals	Contribution to net income	Currency translation impact	Other changes [(b)]	December 31
Argovie	27	-	3	-	(3)	27
AXA Asia Pacific Holdings associates [(a)]	-	-	3	-	(3)	-
AXA Canada associates	29	-	1	4	(1)	33
PT AXA Mandiri Financial Services	12	-	18	1	(8)	22
Bharti AXA Life	7	-	(9)	(13)	33	18
Krungthai AXA Life Insurance Company Ltd	29	-	18	2	1	50
Kyobo AXA Investment Managers Company Limited [(c)]	24	-	1	2	(1)	26
Neuflize Vie	100	(1)	19	-	9	127
Philippines AXA Life Insurance Corporation	20	-	6	-	(1)	26
Reso Garantia [(c)]	715	-	30	23	(16)	751
Roland Rechtsschutz Versicherung AG	29	-	2	-	(2)	30
Other	52	-	(6)	5	8	58
TOTAL	**1,044**	**(2)**	**85**	**23**	**17**	**1,168**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Includes dividend distributions and changes in consolidation method.

(c) Those entities close their full year accounts as of September 30.

In 2010, "other changes" notably included:

- the additional investments in AXA Minmetals (€23 million) included in the line "Other" and Bharti AXA Life Insurance Company Limited (€19 million);
- the deconsolidation of NEXTIA Life Insurance Company Limited (€-18 million), included in the line "Other";
- the dividends paid by Reso Garantia to AXA SA (€-16 million).

At the end of 2010, Reso Garantia's financial information was as follows (on a 100% basis and excluding goodwill on the AXA investment):

- total assets: €1,507 million (€1,337 million as of December 31, 2009);
- total liabilities (excluding shareholders' equity): €1,096 million (€976 million as of December 31, 2009);
- gross revenues: €846 million (€621 million as of December 31, 2009).

In Group accounts as of December 31, 2010, the goodwill Group share of Reso Garantia had a net value of €601 million (€582 million as of December 31, 2009). Changes are related to foreign exchange impacts.

As the end of 2010, Neuflize Vie's financial information was as follows (on a 100% basis):

- total assets: €9,313 million (€8,422 million as of December 31, 2009);
- total liabilities (excluding shareholders' equity): €9,178 million (€8,333 million as of December 31, 2009);
- gross revenues: €883 million (€805 million as of December 31, 2009).

	2009 [a]					
(in Euro million)	January 1	Acquisitions & disposals	Contribution to net income	Currency translation impact	Other changes [b]	December 31
Argovie	26	(1)	2	-	1	27
AXA Asia Pacific Holdings associates [a]	17	-	2	-	(19)	-
AXA Canada associates	-	-	1	2	27	29
PT AXA Mandiri Financial Services	8	-	7	1	(5)	12
Bharti AXA Life	-	-	(30)	(13)	50	7
Krungthai AXA Life Insurance Company Ltd	22	-	7	(3)	3	29
Kyobo AXA Investment Managers Company Limited	22	-	1	1	(1)	24
Neuflize Vie	93	-	4	-	3	100
Philippines AXA Life Insurance Corporation	17	-	6	(2)	(1)	20
Reso Garantia	692	-	18	(6)	11	715
Roland Rechtsschutz Versicherung AG	30	-	-	-	-	29
Other	90	(4)	(9)	(2)	(23)	52
TOTAL	**1,018**	**(6)**	**8**	**(22)**	**45**	**1,044**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

(b) Includes dividend distributions and changes in consolidation method.

In 2009, "other changes" notably included:

- the change in consolidation method of Bharti AXA Life Insurance Company Limited. This company is newly consolidated;
- the change in consolidation method of Aragon AG (€-40 million) included in the line "Other". This company is now deconsolidated;
- the reclassification of AXA Canada associates (€27 million) investments from equity instruments available for sale to investments in associates accounted for using the equity method;
- the capital increase of AXA Minmetals (€16 million), included in the line "Other".

In the years ended December 31, 2010 and 2009, AXA received cash dividends from companies accounted for using the equity method totaling €21 million, and €3 million respectively.

This excluded investment funds and real estate companies consolidated by equity method, which are presented under financial investments.

Note 11 Receivables

(in Euro million)	December 31, 2010 (a) (b) Gross value	Impairment	Carrying value	Fair value	December 31, 2009 (b) Gross value	Impairment	Carrying value	Fair value
Deposits and Guarantees	1,451	-	1,451	1,451	1,313	-	1,313	1,313
Current accounts receivable from other companies	1,289	(8)	1,281	1,281	1,122	(12)	1,111	1,111
Receivables from policyholders, brokers and general agents	4,663	(351)	4,313	4,313	3,944	(335)	3,609	3,609
Premiums earned but not written	1,372	-	1,372	1,372	1,553	-	1,553	1,553
Other receivables	4,990	(29)	4,961	4,961	5,131	(30)	5,102	5,102
Receivables arising from direct insurance and inward reinsurance operations	**13,765**	**(387)**	**13,378**	**13,378**	**13,063**	**(376)**	**12,687**	**12,687**
Deposits and Guarantees	76	(6)	71	71	111	(10)	101	101
Receivables from reinsurers	995	(85)	910	910	887	(67)	820	820
Other receivables	48	(2)	46	46	210	(16)	195	195
Receivables arising from outward reinsurance operations	**1,119**	**(93)**	**1,026**	**1,026**	**1,208**	**(92)**	**1,116**	**1,116**
Receivables – current tax	1,851	-	1,851	1,851	1,789	-	1,789	1,789
Receivables relating to investments under lending agreements and equivalent	880	-	880	880	114	-	114	114
Others	13,685	(445)	13,240	13,240	11,135	(372)	10,763	10,766
Other receivables	**16,416**	**(445)**	**15,971**	**15,972**	**13,038**	**(372)**	**12,666**	**12,669**
TOTAL RECEIVABLES	**31,301**	**(925)**	**30,376**	**30,376**	**27,309**	**(841)**	**26,468**	**26,472**

(a) *Assets and liabilities of the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).*

(b) *In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).*

Note 12 Cash and cash equivalents

(in Euro million)	December 31, 2010 Carrying value [(a)] [(b)]	December 31, 2009 Carrying value [(a)] [(b)]
Arising from insurance activities	16,596	13,873
Arising from banking activities	1,166	402
Arising from other activities [(c)]	4,303	5,290
Cash and cash equivalents [(d)]	**22,065**	**19,565**

(a) Fair value is assessed as being equal to net carrying value given the nature of such assets.

(b) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3). Thus the cash held by Australia and New Zealand (€643 million in 2010 and €988 million in 2009) and the cash held by UK Life & Savings not finalized disposal business (€162 million) are excluded from cash and cash equivalents.

(c) Includes SPEs and CDOs.

(d) Including €658 million deposits in the central banks in 2010 and €161 million in 2009.

The table above excludes cash held by consolidated investment funds in the "Satellite Investment Portfolio", as defined in Section 1.7.2.

The table below reconciles assets and liabilities cash and cash equivalent balances with the statement of consolidated cash flows:

(in Euro million)	December 31, 2010 [(a)]	December 31, 2009 [(a)]
Cash and cash equivalents	22,065	19,565
Bank overdrafts [(b)]	(1,079)	(1,356)
NET CASH AND CASH EQUIVALENTS AS OF DECEMBER 31 [(c)]	**20,986**	**18,210**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Included in "Other debt instruments issued and bank overdrafts".

(c) The "Cash and cash equivalents" balances shown in the Statement of Consolidated Cash flows do not include cash balances of consolidated investment funds from the Satellite Investment Portfolio (see Note 1.7.2). The "Cash and cash equivalents" item in the Statement of Consolidated Cash Flows excludes cash backing contracts where the financial risk is borne by policyholders (unit-linked contracts).

As of December 31, 2010, total consolidated net cash and cash equivalents amounted to €20,986 million, net of €1,079 million bank overdrafts classified under "Other debt instrument issued and bank overdrafts" in the consolidated statement of financial position.

Net cash and cash equivalents increased by €+2,777 million compared to 2009 mainly due to:

- United States Life & Savings €+1,198 million driven by higher repurchase agreement transactions before being reinvested;
- Japan Life & Savings €+1,013 million mainly from improved operating cash inflows reflecting the end of significant outflows since 2009 on Group Pension following the guarantee interest rate reduction from 1.25% to 0.8%;
- Switzerland €+1,221 million mainly driven by margin call received on derivatives hedging foreign exchange rate risk;

Partly offset by

- the Company €-709 million mainly due to margin calls paid under collateral agreements.

Regarding the consolidated statement of cash flows, net cash provided by operating activities totaled €19,103 million in 2010, as compared to €16,474 million in 2009.

Net cash used in investing activities was €-17,263 million in 2010 and mainly reflecting:

- €-18,938 million of net cash used in purchases and sales of financial invested assets;
- United Kingdom €+3,162 million net cash proceeds related to the partial disposal of UK Life & Savings operations.

Net cash used in investing activities was €-24,523 million in 2009 and mainly due to:

- €-18,429 million of net cash used in the purchases and sales of financial invested assets;
- €-443 million of cash used in the purchase of subsidiaries and affiliated companies (net of cash acquired) and principally consisted in the extension of the bancassurance agreement between AXA and BMPS, following the acquisition of Banca Antonveneta by BMPS.

Net cash relating to financing activities totaled €-3,057 million in 2010 mainly due to:

- dividends payments of €-1,573 million;
- €-1,199 million of net cash related to Group financing activities, mainly including financing debts reimbursements by the United States (€-546 million) and Interests on financing debt paid by the Group (€-650 million).

Net cash relating to financing activities totaled €-3,529 million in 2009 mainly due to:

- dividends payments of €-1,090 million;
- capital increases of €+2,698 million including €2,421million in the Company;
- €-4,350 million of net cash related to Group financing activities, including €-4,565 million reimbursements of commercial paper by the Company.

Note 13 Shareholders’ equity and minority interests

13.1. IMPACT OF TRANSACTIONS WITH SHAREHOLDERS

The Consolidated Statement of Changes in Equity is presented as a primary financial statement following the amendment to IAS 1 as described in Note 1.

13.1.1. Change in shareholders’ equity Group share in 2010

A) SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

In 2010, the following transactions had an impact on AXA’s share capital and capital in excess of nominal value:

- employee share offering (December 2010) for €330 million;
- share-based payment for €59 million;
- realized losses on AXA shares for €15 million.

B) TREASURY SHARES

As of December 31, 2010, the Company and its subsidiaries owned approximately 26 million AXA shares, representing 1.1% of the share capital, a decrease of 0.7 million shares or €10 million compared to December 31, 2009.

As of December 31, 2010, the carrying value of treasury shares and related derivatives was €495 million. This figure included €0.8 million relating to AXA shares held by consolidated mutual funds (51,158 shares) not backing contracts where financial risk is borne by policyholders.

As of December 31, 2010, 2.3 million treasury shares backing contracts where financial risk is borne by policyholders held in controlled investment funds were not deducted from shareholders’ equity. Their total estimated historical cost was €48 million and their market value €28 million at the end of December 2010.

C) UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

As described in Note 1.12.2 of the accounting principles, undated subordinated debts issued by the Group do not qualify as liabilities under IFRS.

Undated subordinated debt instruments are classified in shareholders’ equity at their historical value as regards credit spread and interest rates and their closing value as regards exchange rates. The corresponding exchange differences are cancelled out through the translation reserve.

In 2010, the change in other reserves was due to the redemption of undated subordinated debt (€33 million) in accordance with the redemption option granted to the issuer ten years after the issue date, €-300 million in interest expense related to the undated subordinated debt (net of tax), and €+332 million in exchange rate differences.

As of December 31, 2010 and 2009, undated subordinated debt recognized in shareholders' equity broke down as follows:

(in Euro million)	December 31, 2010 Value of the undated subordinated debt in currency of issuance	December 31, 2010 Value of the undated subordinated debt in Euro million	December 31, 2009 Value of the undated subordinated debt in currency of issuance	December 31, 2009 Value of the undated subordinated debt in Euro million
October 29, 2004 – 375 M€ 6.0%	375	375	375	375
December 22, 2004 – 250 M€ 6.0%	250	250	250	250
January 25, 2005 – 250 M€ 6.0%	250	250	250	250
July 6, 2006 – 1000 M€ 5.8%	1,000	994	1,000	994
July 6, 2006 – 500 M£ 6.7%	500	575	500	558
July 6, 2006 – 350 M£ 6.7%	350	407	350	394
October 26, 2006 – 600 MA$ (of which 300M A$ 7.5%)	600	454	600	372
November 7, 2006 – 150 MA$ 7.5%	150	114	150	93
December 14, 2006 – 750 MUS$ 6.5%	750	559	750	518
December 14, 2006 – 750 M US$ 6.4%	750	559	750	518
October 5, 2007 – 750 M€ 6.2%	750	746	750	746
October 16, 2007 – 700 M£ 6.8%	700	811	700	786
Undated notes – variables rates in €	660	660	693	693
Undated notes – 3.3% in JPY	27,000	249	27,000	203
Undated notes – (of which 500 MUS$ at 7.1%) in US$	875	655	875	607
Sub-Total undated subordinated debt	**-**	**7,656**	-	**7,357**
Equity component of convertible debt (2017)	95	95	95	95
TOTAL	**-**	**7,751**	**-**	**7,451**

In addition to the nominal amounts shown above, shareholders' equity included net paid accumulated financial expenses of:

- €-1,543 million as of December 31, 2010;
- €-1,243 million as of December 31, 2009.

Undated subordinated debt often contains the following features:

- early redemption clauses (calls) at the Group's option, giving AXA the ability to redeem the principal amount before settlement without penalty on certain dates; and
- interest rate step-up clauses with effect from a given date.

d) Dividends paid At April 29, 2010 Shareholders' Meeting, shareholders approved a dividend distribution of €1,259 million with respect to the 2009 financial year.

13.1.2 Change in shareholders' equity Group share in 2009

A) SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

In 2009, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- capital increase of €2,041 million by issuing shares (including €+399 million in nominal share capital);
- employee share offering (December 2009) for €393 million (including €60 million in nominal share capital).

B) TREASURY SHARES

As of December 31, 2009, the Company and its subsidiaries owned approximately 26.4 million AXA shares, representing 1.15% of the share capital, a decrease of 2.8 million shares or €42 million compared to December 31, 2008.

As of December 31, 2009, the carrying value of treasury shares and related derivatives was €505 million. This figure included €0.3 million relating to AXA shares held by consolidated mutual funds (15,492 shares) not backing contracts where financial risk is borne by policyholders.

As of December 31, 2009, 2.1 million treasury shares backing contracts where financial risk is borne by policyholders held in controlled funds were not deducted from shareholders' equity. Their total estimated historical cost was €51 million and their market value €34 million at the end of December 2009.

C) UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

In 2009, the change in other reserves was due to the redemption of undated subordinated debt (€-151 million) in accordance with the redemption option granted to the issuer ten years after the issue date, €-288 million in interest expenses on the undated subordinated debt (net of tax), and €+147 million in exchange rate differences.

D) DIVIDENDS PAID

At April 30, 2009 Shareholders' Meeting, shareholders approved a dividend distribution of €836 million with respect to the 2008 financial year.

13.2. COMPREHENSIVE INCOME FOR THE PERIOD

The Statement of Comprehensive Income, presented as primary financial statements, includes net income for the period, the reserve relating to the change in fair value of available for sale financial instruments, the translation reserve, and actuarial gains and losses on employee benefit obligations.

13.2.1. Comprehensive income for 2010

A) RESERVE RELATED TO CHANGES IN FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL INSTRUMENTS INCLUDED IN SHAREHOLDERS' EQUITY

The change in reserves for unrealized gains and losses on assets available for sale totaled €1,495 million (net Group share), mainly attributable to the United States (€+494 million), Japan Life & Savings (€+399 million) and Switzerland (€+299 million).

The increase of gross unrealized gains and losses on assets available for sale totaled €3,153 million, primarily following the decrease in interest rates and favorable change in foreign exchange rates.

The following table shows reconciliation between gross unrealized gains and losses on available for sale financial assets and the corresponding reserve recognized in shareholders' equity:

(in Euro million)	December 31, 2010	December 31, 2009
Gross unrealized gains and losses [(a)]	**15,505**	**12,352**
Less unrealized gains and losses attributable to:		
Shadow accounting on policyholders' participation	(5,801)	(5,685)
Shadow accounting on Deferred Acquisition Costs [(b)]	(478)	(227)
Shadow accounting on Value of purchased Business In force	(629)	(369)
Unallocated unrealized gains and losses before tax	**8,597**	**6,071**
Deferred tax	(1,979)	(1,395)
Unrealized gains and losses (net of tax) – Assets available for sale	**6,618**	**4,676**
Unrealized gains and losses (net of tax) – Equity accounted companies [(c)]	33	11
UNREALIZED GAINS AND LOSSES (NET OF TAX) – 100% – TOTAL	**6,651**	**4,687**
Minority interests' share in unrealized gains and losses [(d)]	(203)	(75)
Translation reserves [(e)]	(262)	79
UNREALIZED GAINS AND LOSSES (NET GROUP SHARE) [(C)]	**6,186**	**4,691**

(a) Unrealized gains and losses on total available for sale invested assets including loans.
(b) Net of shadow accounting on unearned revenues and fees reserves.
(c) Including unrealized gains and losses on assets held for sale.
(d) Including foreign exchange impact attributable to minority interests.
(e) Group share.

At the end of 2010, most of the unrealized gains on assets available for sale related to the Life & Savings segment, leading to significant movements in shadow policyholders' participation. In jurisdictions where participating business represents an important portion of contracts in force and where required minimum local policyholders' share in the entities' results (limited to investment or not) are significant, the reconciliation between gross unrealized gains and losses on available for sale financial assets and the corresponding net reserve recognized in shareholders' equity were as follows as of December 31, 2010:

(in Euro million)	December 31, 2010		
	FRANCE Life & Savings	GERMANY Life & Savings	SWITZERLAND Life & Savings
Gross unrealized gains and losses [a]	**5,480**	**527**	**2,104**
Less unrealized gains and losses attributable to:			
Shadow accounting on policyholders' participation	(3,337)	(448)	(1,020)
Shadow accounting on Deferred Acquisition Costs [b]	(111)	-	(4)
Shadow accounting on Value of purchased Business In force	(32)	-	(36)
Unallocated unrealized gains and losses before tax	**2,001**	**79**	**1,043**
Deferred tax	(228)	(23)	(62)
Unrealized gains and losses (net of tax) – Assets available for sale	**1,773**	**57**	**981**
Unrealized gains and losses (net of tax) – Equity accounted companies	6	-	-
UNREALIZED GAINS AND LOSSES (NET OF TAX) – 100% – TOTAL	**1,778**	**57**	**981**
Minority interests' share in unrealized gains and losses [c]	**(5)**	**-**	**-**
Translation reserves [d]	-	-	(155)
UNREALIZED GAINS AND LOSSES (NET GROUP SHARE)	**1,773**	**57**	**826**

(a) Unrealized gains and losses on total available for sale invested assets including loans.
(b) Net of shadow accounting on unearned revenues and fees reserves.
(c) Including foreign exchange impact attributable to minority interests.
(d) Group share.

The change in reserves related to changes in fair value of available for sale financial instruments included in shareholders' equity relating to changes in fair value of assets in 2010 and 2009 broke down as follows:

(in Euro million)	December 31, 2010	December 31, 2009
Unrealized gains and losses (net of tax) 100%, as of January 1	**4,687**	**(443)**
Transfer in the income statement on the period [a]	(878)	(214)
Investments bought in the current accounting period and changes in value	2,519	5,538
Foreign exchange impact	388	(56)
Change in scope and other changes	(66)	(139)
UNREALIZED GAINS AND LOSSES (NET OF TAX) 100%, AS OF DECEMBER 31	**6,651**	**4,687**

(a) Transfer induced by disposal of financial assets, impairment write-back following reevaluation, or transfer of expenses following impairment charge during the period, and debt instruments discount premium impacts.

B) TRANSLATION RESERVE

The total impact of foreign exchange rate movements was €+1,262 million (of which group share was €+1,000 million and minority interests was €+262 million) as of December 31, 2010.

The group share translation reserve movement (€+1,000 million) was mainly driven by Switzerland (€+1,272 million), Japan (€+891 million), the United States (€+725 million), partly offset by the Company (€-2,622 million driven by the change in fair value of derivatives and debts hedging net investments in foreign operations).

C) EMPLOYEE BENEFITS ACTUARIAL GAINS AND LOSSES

The total impact of employee benefits actuarial gains and losses was €-456 million (of which group share was €-450 million and minority interests was €-6 million) as of December 31, 2010.

The main contributors to the €-450 million (group share) decrease in actuarial gains and losses on employee benefit obligations were the United Kingdom (€-154 million), the United States (€-140 million) and Germany (€-66 million).

Additional information on pension benefits is provided in Note 26.2.

13.2.2. Comprehensive income for 2009

A) RESERVE RELATED TO CHANGES IN FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL INSTRUMENTS INCLUDED IN SHAREHOLDERS' EQUITY

The change in reserves for unrealized gains and losses on assets available for sale totaled €+5,044 million (net Group share), mainly attributable to the United States (€+1,092 million), Switzerland (€+862 million), the Mediterranean & Latin American region (€+458 million), France (€+451 million), and Belgium (€+425 million).

The increase of gross unrealized gains and losses on assets available for sale totaled €+11,102 million, mainly due to debt instruments (€+7,072 million) resulting from the strong credit spread tightening and by improvement of the equity markets (€+3,359 million).

B) TRANSLATION RESERVE

The total impact of foreign exchange rate movements was €+1 million (of which group share was €-30 million and minority interest was €+31 million) as of December 31, 2009.

The group share translation reserve movement (€-30 million) mainly corresponds to the United States (€-228 million), the Company (€-131 million mainly driven by change in fair value of derivatives and debts hedging net investments in foreign operations), Japan (€-182 million), partially offset by the United Kingdom (€+293 million), Australia/New Zealand (€+75 million), Canada (€+68 million) and Switzerland (€+54 million).

C) EMPLOYEE BENEFITS ACTUARIAL GAINS AND LOSSES

The total impact of employee benefits actuarial gains and losses was €-1,021 million (of which group share was €-1,032 million and minority interest was €+11 million).

The main contributors to the €-1,032 million (group share) decrease in actuarial gains and losses on employee benefit obligations were the United Kingdom (€-539 million), Switzerland (€-226 million) and Germany (€-134 million).

Additional information on pension benefits is provided in Note 26.2.

13.3. CHANGE IN MINORITY INTERESTS

Under IFRS, minority interests in most investment funds in which the Group invests consist of instruments that holders can redeem at will at fair value, and qualify as a liability rather than shareholders' equity items. Please refer to Note 18 – Debt (other than financing debt). The same is true for puttable instruments held by minority interest holders.

13.3.1. Change in minority interests in 2010

The €+477 million increase in minority interests to €4,170 million was mainly due to:

- net income attributable to minority interests for €+342 million;
- foreign exchange impact attributed to minority interests for €+262 million mainly driven by Australia;
- change in the scope of consolidation mainly due to a dilution impact on deferred compensation in AllianceBernstein (€+42 million);
- dividends paid to minority interests' holders for €-339 million.

13.3.2. Change in minority interests in 2009

The €+635 million increase in minority interests to €+3,693 million was mainly due to:

- net income attributable to minority interests for €+428 million;
- change in the scope of consolidation mainly due to a capital increase in AXA Asia Pacific Holding (€+290 million) and a dilution impact on a deferred compensation in AllianceBernstein (€+186 million); and partly offset by
- dividends paid to minority interests' holders for €-263 million.

Note 14 Liabilities arising from insurance and investment contracts

14.1. LIABILITIES ARISING FROM INSURANCE CONTRACTS (GROSS AND REINSURERS' SHARE)

Liabilities arising from insurance contracts, including those where the financial risk is borne by policyholders, were split by segment as follows:

	December 31, 2010 [(a)]	
(in Euro million)	Life & Savings	Property & Casualty
Future policy benefit reserves	266,770	4
Unearned premiums reserves	294	9,475
Claim reserves [(b)]	10,799	36,408
of which IBNR [(e)]	*3,428*	*7,089*
Liability adequacy test reserves	-	-
Other reserves [(c)]	4,295	4,374
Liabilities arising from insurance contracts	**282,158**	**50,261**
Of which measured at current assumptions [(d)]	*3,866*	-
Future policy benefit reserves	108,432	-
Claim reserves [(b)]	69	-
of which IBNR [(e)]	-	-
Other reserves	86	-
Liabilities arising from insurance contracts where the financial risk is borne by policyholders	**108,587**	**-**
Of which measured at current assumptions [(d)]	*3*	-
Reinsurers' share in future policy benefit reserves	4,664	-
Reinsurers' share in unearned premiums reserves	10	398
Reinsurers' share in claim reserves [(b)]	680	1,725
of which IBNR [(e)]	*188*	*380*
Reinsurers' share in other reserves	314	(4)
Reinsurers' share in liabilities arising from insurance contracts	**5,667**	**2,120**
Of which measured at current assumptions [(d)]	-	-
Reinsurers' share in future policy benefit reserves	7	-
Reinsurers' share in claim reserves [(b)]	-	-
of which IBNR [(e)]	-	-
Reinsurers' share in other reserves	-	-
Reinsurers share in liabilities arising from insurance contracts where the financial risk is borne by policyholders	**8**	**-**
Of which measured at current assumptions [(d)]	-	-
TOTAL LIABILITIES ARISING FROM INSURANCE CONTRACTS, NET OF REINSURANCE CEDED	**385,070**	**48,141**

NB: Liabilities relating to unearned revenues and fees (see Note 7.3), to policyholders participation (see Note 14.8), and derivative instruments (see Note 20.4) are excluded from the table above.

Reinsurers' share in insurance contracts liabilities relating to policyholders' participation (€70 million in 2010, €46 million in 2009), as well as derivatives instruments (none in 2010 and 2009) are excluded from the table above.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Includes reserves for claim handling expenses.

(c) Notably includes non-life annuities mathematical reserves.

(d) See Note 1.13.2 – Reserves measured according to the option offered by IFRS 4.24 for selective re-measurement of reserves at current market assumptions.

(e) For the detail of P&C and International Insurance IBNR, see Note 21.2.4.

As of December 31, 2009, insurance liabilities relating to UK with-profit insurance contracts excluding the FFA (Fund for Future Appropriation) amounted to €10,613 million.

		December 31, 2009 (a)			
International Insurance	Total	Life & Savings	Property & Casualty	International Insurance	Total
534	267,308	257,982	1	579	258,562
471	10,240	271	8,844	497	9,612
9,067	56,274	9,927	34,916	9,017	53,860
3,856	*14,374*	*3,338*	*6,590*	*3,871*	*13,798*
-	-	-	-	-	-
67	8,737	3,727	4,196	59	7,983
10,140	**342,559**	**271,907**	**47,957**	**10,152**	**330,016**
46	*3,912*	*4,881*	-	*46*	*4,927*
-	108,432	103,144	-	-	103,144
-	69	71	-	-	71
-	-	-	-	-	-
-	86	66	-	-	66
-	**108,587**	**103,281**	**-**	**-**	**103,281**
-	*3*	*7*	-	-	*7*
(25)	4,639	5,182	-	(17)	5,165
146	554	-	362	128	490
2,839	5,244	525	1,935	2,854	5,314
545	*1,114*	*217*	*387*	*1,448*	*2,052*
-	310	258	-	-	258
2,960	**10,747**	**5,966**	**2,296**	**2,966**	**11,227**
-	-	-	-	-	-
-	7	26	-	-	26
-	-	1	-	-	1
-	-	-	-	-	-
-	-	-	-	-	-
-	**8**	**27**	**-**	**-**	**27**
-	-	-	-	-	-
7,180	**440,391**	**369,195**	**45,661**	**7,187**	**422,043**

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14.2. LIABILITIES ARISING FROM INVESTMENT CONTRACTS (GROSS AND REINSURERS' SHARE)

The following table shows a segmental breakdown of liabilities arising from investment contracts, including those where the financial risk is borne by policyholders:

(in Euro million)	December 31, 2010 [(a)] Life & Savings	December 31, 2010 [(a)] Total investment contracts	December 31, 2009 [(a)] Life & Savings	December 31, 2009 [(a)] Total investment contracts
Future policy benefit reserves	36,996	36,996	39,425	39,425
Unearned premiums reserves	-	-	-	-
Claim reserves [(b)]	229	229	218	218
Liability adequacy test reserves	-	-	-	-
Other reserves	8	8	7	7
Liabilities arising from investment contracts with discretionary participating features	**37,233**	**37,233**	**39,650**	**39,650**
Of which measured at current assumptions [(c)]	-	-	-	-
Future policy benefit reserves	690	690	882	882
Claim reserves [(b)]	27	27	30	30
Other reserves	3	3	5	5
Liabilities arising from investment contracts with no discretionary participating features	**720**	**720**	**917**	**917**
Future policy benefit reserves	29,673	29,673	52,431	52,431
Claim reserves [(b)]	33	33	19	19
Other reserves	-	-	67	67
Liabilities arising from investment contracts where the financial risk is borne by policyholders	**29,706**	**29,706**	**52,516**	**52,516**
Reinsurers' share in future policy benefit reserves	15	15	14	14
Reinsurers' share in unearned premiums reserves	-	-	-	-
Reinsurers' share in claim reserves [(b)]	-	-	-	-
Reinsurers' share in other reserves	-	-	-	-
Reinsurers' share in liabilities arising from investment contracts with discretionary participating features	**15**	**15**	**14**	**14**
Of which measured at current assumptions [(c)]	-	-	-	-
Reinsurers' share in future policy benefit reserves	-	-	-	-
Reinsurers' share in claim reserves [(b)]	-	-	-	-
Reinsurers' share in other reserves	-	-	-	-
Reinsurers share in liabilities arising from investment contracts with no discretionary participating features	**-**	**-**	**-**	**-**
Reinsurers' share in future policy benefit reserves	256	256	6	6
Reinsurers' share in claim reserves [(b)]	-	-	-	-
Reinsurers' share in other reserves	-	-	-	-
Reinsurers share in liabilities arising from investment contracts where the financial risk is borne by policyholders	**256**	**256**	**6**	**6**
TOTAL LIABILITIES ARISING FROM INVESTMENT CONTRACTS – NET OF REINSURANCE CEDED	**67,389**	**67,389**	**93,063**	**93,063**

NB: Liabilities relating to unearned revenues and fees (see Note 7.3), to policyholders' participation (see Note 14.8), and derivative instruments (see Note 20.4), are excluded from the table above.

Reinsurers' share in investments contracts liabilities relating to policyholders' participation (none in 2010 and 2009), as well as derivatives instruments (none in 2010 and 2009) are excluded from the table above.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Includes reserves for claim handling expenses.

(c) See Note 1.13.2. – Reserves measured according to the option opened by IFRS 4.24 for selective re-measurement of reserves at current market assumptions.

As of December 31, 2009, investment liabilities relating to UK with-profit investment contracts excluding the FFA (Fund for Future Appropriation) amounted to €5,354 million.

14.3. CHANGE IN CLAIM RESERVES FOR PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE (INSURANCE CONTRACTS)

14.3.1. Change in gross of reinsurance claim reserves

	2010			2009		
(in Euro million)	Property & Casualty	International Insurance	Total	Property & Casualty	International Insurance	Total
Claim reserves as of January 1	33,678	8,776	42,454	33,306	9,365	42,672
Claim handling cost reserves as of January 1	1,239	241	1,479	1,395	249	1,644
Gross claim reserves as of January 1 [(a)]	**34,916**	**9,017**	**43,933**	**34,701**	**9,614**	**44,315**
Current year change	18,144	1,655	19,800	18,371	1,738	20,109
Loss reserves development (prior years)	(1,061)	(138)	(1,199)	(2,076)	45	(2,031)
Total claim expenses [(b)]	**17,083**	**1,517**	**18,601**	**16,295**	**1,783**	**18,078**
Claim payments (current year)	(9,238)	(688)	(9,927)	(8,943)	(823)	(9,766)
Claim payments (prior years)	(7,698)	(1,250)	(8,948)	(7,425)	(1,239)	(8,664)
Claim payments [(b)]	**(16,936)**	**(1,938)**	**(18,874)**	**(16,368)**	**(2,062)**	**(18,430)**
Change in scope of consolidation and change in accounting method	27	9	36	(74)	(31)	(105)
Impact of foreign currency fluctuation	**1,318**	**463**	**1,780**	**362**	**(288)**	**74**
Claim reserves as of December 31	35,176	8,833	44,009	33,678	8,776	42,454
Claim handling cost reserves as of December 31	1,232	234	1,466	1,239	241	1,479
Gross claim reserves as of December 31 [(a)]	**36,408**	**9,067**	**45,476**	**34,916**	**9,017**	**43,933**

(a) Excluding "other policy benefits liabilities" (mainly mathematical annuity reserves), which totaled €4.2 billion in 2009 and €4.4 billion in 2010.
(b) Excluding claim handling expense reserves.

14.3.2. Change in reinsurers' share in claim reserves

	2010			2009		
(in Euro million)	Property & Casualty	International Insurance	Total	Property & Casualty	International Insurance	Total
Reinsurers' share in claim reserves as of January 1	**1,935**	**2,854**	**4,789**	**1,988**	**3,418**	**5,406**
Reinsurers' share in total claim expenses	458	390	848	618	466	1,084
Reinsurers' share in claim payments	(757)	(629)	(1,387)	(639)	(763)	(1,401)
Change in scope of consolidation, portfolio transfers, change in accounting principles an dother changes	31	(19)	12	(35)	(43)	(78)
Impact of foreign currency fluctuation	58	243	301	2	(224)	(222)
Reinsurers' share in claim reserves as of December 31	**1,725**	**2,839**	**4,564**	**1,935**	**2,854**	**4,789**

14.4. CHANGE IN LIABILITIES ARISING FROM INSURANCE AND INVESTMENT CONTRACTS – LIFE & SAVINGS

14.4.1. Change in liabilities arising from insurance and investment contracts – gross of reinsurance

The table below includes liabilities arising from insurance and investment contracts for the Life & Savings segment, whether or not the risk is borne by policyholders (i.e. including unit-linked business), except unearned revenue and unearned fees reserves, liabilities arising from policyholders' participation and derivative instruments relating to insurance and investment contracts.

	December 31, 2010 [(a)]			December 31, 2009 [(a)]		
(in Euro million)	Insurance contracts	Investment contracts	Total	Insurance contracts	Investment contracts	Total
Opening technical reserves [(b)]	**375,187**	**93,083**	**468,270**	**358,125**	**85,896**	**444,021**
Collected premiums net of loadings on premiums (+)	42,601	13,164	55,764	43,244	13,060	56,304
Surrenders, maturities and other claims and benefits paid net of charges and penalties (-)	(42,350)	(9,985)	(52,335)	(41,591)	(11,170)	(52,762)
Unit-Linked technical reserves value adjustment (+/-)	10,414	2,616	13,029	16,442	7,009	23,452
Change in reserves relating to technical and actuarial items (+/-) [(c)]	8,248	3,351	11,599	2,306	479	2,785
Transfers following technical reserves/contract reclassification	1,409	(1,409)	-	-	-	-
Change in scope of consolidation, portfolio transfers and change in accounting principles	(26,662)	(36,441)	(63,103)	(1,738)	(6,604)	(8,342)
Variation of exchange rate	21,899	3,279	25,178	(1,601)	4,413	2,813
Closing technical reserves [(b)]	**390,745**	**67,659**	**458,404**	**375,187**	**93,083**	**468,270**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Includes: future policy benefits reserves (including shadow accounting reserves), unearned premiums reserves, unexpired risk reserves, claims reserves, claims expense reserves, other policy benefits reserves.

Excludes: unearned revenues and unearned fees reserves, liabilities from policyholders' participation.

(c) Notably includes interests credited and policyholders' participation credited to reserves, fees on account balance and investment management fees and change in reserves relating to other technical and actuarial items.

In 2010, changes in the scope of consolidation totaled €-63,103 million, mainly due to the partial sale of UK Life and Savings operations (€-52,976 million) and the classification of some UK Life & Savings portfolios (€-8,559 million) as held for sale.

In 2009, changes in the scope of consolidation totaled €-8,342 million, of which €-8,438 million due to the classification of the Australian and New Zealand operations as held for sale.

14.4.2. Change in reinsurers' share in liabilities arising from insurance and investment contracts

	December 31, 2010 [(a)]			December 31, 2009 [(a)]		
(in Euro million)	Insurance contracts	Investment contracts	Total	Insurance contracts	Investment contracts	Total
Opening reinsurers' share in technical reserves [(b)]	**5,992**	**20**	**6,012**	**5,723**	**20**	**5,744**
Reinsurers' share in collected premiums net of loadings on premiums (+)	1,319	-	1,319	1,150	-	1,150
Reinsurers' share in surrenders, maturities and other claims and benefits paid net of charges and penalties (-)	(1,023)	(2)	(1,025)	(921)	(2)	(923)
Reinsurers' share in change in reserves relating to technical and actuarial items (+/-) [(c)]	47	(9)	38	(248)	2	(246)
Change in scope of consolidation and change in accounting principles	(948)	259	(689)	330	-	330
Variation of exchange rate	288	1	290	(42)	-	(42)
REINSURERS' SHARE IN CLOSING TECHNICAL RESERVES [(b)]	**5,675**	**270**	**5,945**	**5,992**	**20**	**6,012**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Includes: future policy benefits reserves (including shadow accounting reserves), unearned premiums reserves, unexpired risk reserves, claims reserves, claims expense reserves, other policy benefits reserves.

Excludes: unearned revenues and unearned fees reserves, liabilities from policyholders participation.

(c) Notably includes interests credited and policyholders' participation credited to reserves, fees on account balance and investment management fees and change in reserves relating to other technical and actuarial items.

14.5. LIABILITIES ARISING FROM INVESTMENT CONTRACTS BY ACCOUNTING METHOD

(in Euro million)	Carrying value	
	December 31, 2010 [(a)]	December 31, 2009 [(a)]
(Non Unit-Linked) – Liabilities arising from:		
Investment contracts with Discretionary Participation Features (DPF) measured according to existing accounting policies [(b) & (e)]	37,233	39,650
Investment contracts with Discretionary Participation Features (DPF) measured with current assumptions [(c)]	-	-
Investment contract with no Discretionary Participation Features (DPF) measured at amortized cost	720	917
Investment contract with no Discretionary Participation Features (DPF) measured at fair value	-	-
(Unit-Linked) – Liabilities arising from contracts where financial risk is borne by policyholders:		
Investment contract with Discretionary Participation Features (DPF) measured according to existing accounting policies [(b) & (d)]	4,700	5,767
Features in investment contracts with Discretionary Participation Features (DPF) measured with current assumptions [(c)]	-	-
Investment contract with no Discretionary Participation Features (DPF) measured at current unit value [(e)]	25,006	46,750
TOTAL LIABILITIES ARISING FROM INVESTMENT CONTRACTS	**67,659**	**93,083**

NB: This information is presented net of the impact of derivatives, which is described in Note 20.4.1.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) In accordance with IFRS 4 standard which allows, under certain conditions, to continue to use a previous accounting policy to liabilities arising from contracts with discretionary participating features.

(c) See Note 1.13.2. – Reserves measured according to IFRS 4.24 option which allows to evaluate certain portfolios with current assumptions.

(d) & (e) As unit-linked contracts, such contracts share the same reserves measurement determined on the basis of held assets units fair value ("current unit value"). Only the valuation of related assets is different:

- for unit-linked contracts with a discretionary participating feature (d), an asset representing the deferred acquisition costs is recognized in continuity with previous accounting policies;

- for unit-linked contracts with no discretionary participating feature (e), an asset representing the rights to future management fees is recognized in accordance with IAS 18 (Rights to future management fees also known as Deferred Origination Costs "DOC") – see Section 1.6.4 and Note 7.

The recognition of investment contracts with discretionary participating features is subject to IFRS 4, which allows, under certain conditions, the use of accounting principles applied prior to the adoption of IFRS. However, these contracts must be treated in accordance with IFRS 7 with regards to the disclosures to be provided in the notes to the financial statements. IFRS 7 requires the disclosure of fair value or value ranges for these contracts, unless the Group cannot reliably measure the participating features.

In Phase I, the IAS Board acknowledged the difficulties involved in the recognition and the measurement of discretionary participating features included in insurance or investment contracts. The IAS Board has numerous projects underway that could influence the definition of fair value of discretionary participating features including, but not limited to the Insurance Contracts Phase II project.

Outstanding questions on these issues are highly complex and are not yet sufficiently advanced. Phase II discussions regarding insurance and certain investment contracts, even if re-activated at the IASB level soon after the issuance of IFRS 4, are still insufficiently developed. A Phase II Discussion Paper was published in May 2007 and an Exposure Draft in July 2010 with still many open issues regarding among other:

- the standard under which investment contracts with a discretionary participating feature should fall into: impacts of unbundling and extent to which such contracts or components of contracts will have to be measured under IAS39/IFRS9; and
- measurement principles, notably related to discount rates to be used and where to set the boundaries of contracts (level of future premiums to be included in projections)

As a result of these ongoing debates, there are too many remaining uncertainties and AXA cannot reliably disclose fair value or value ranges for investment contracts with a discretionary participating features.

14.6. LOSS RESERVE DEVELOPMENT TABLE

The loss reserves development table shows movements in loss reserves between 2000 and 2010, based on previously applied accounting standards, in accordance with IFRS 4. All contracts concerned are insurance contracts as defined by IFRS.

The first line entitled "Gross reserves for unpaid claims and claim expenses developed initially at the booking date" represents the loss reserves developed in the balance sheet on the reporting date for the year indicated in the column heading. For example, the amount of €31,168 million appearing in the first line of the table in the 2005 column represents all loss reserves developed in all years of occurrence prior to and including 2005, recognized on the Company's balance sheet as of December 31, 2005.

The second line entitled "Gross reserves for unpaid claims and claim expenses developed in 2010 adjusted for changes in exchange rates and scope of consolidation" indicates the amount that would have been developed initially at the booking date, had the exchange rates for the current year been used (for reserves recognized by AXA Group entities that do not use the Euro as their functional currency) and assuming an identical scope of consolidation to that used for the last diagonal of the table.

Preparation of the last diagonal reflects the fact that, following the merger of some newly-acquired portfolios with the AXA Group's existing portfolios, it is not always technically possible to distinguish, within payments made in a given year in respect of prior occurrence years, between those relating to the historical portfolio and those relating to the recently-acquired portfolio. In these cases, the merged scope is used to prepare the last diagonal of the table, even in the columns corresponding to years before the one in which the most recent portfolio was acquired.

With effect from the development of loss reserves at end of 2006, however, AXA uses the method which consists in completing each column of the table using the same scope as that used for "Gross reserves for unpaid claims and claim expenses developed initially at the booking date". In practice, therefore, with effect from the 2006 column, the differences between the first and second lines are mainly due to exchange rate impacts and only marginally to changes in scope of consolidation.

Also with effect from year end 2006, IBNR reserves related to construction insurance in France (so called "PSNEM") and the annuity reserves for the Property & Casualty segment have been included in the loss reserve development table for Property & Casualty and the International Insurance (excluding Colisée RE (ex AXA RE)).

The first section of the table entitled "Cumulative payments" shows, for a given column N, the cumulative amount of payments related to years of occurrence prior to and including N, made since December 31 of year N.

The second part of the table entitled "Reserve re-estimated" shows, for a given column N, an estimate of the final cost of liabilities carried as of December 31 of year N in respect of all years of occurrence prior to and including N, at each future period end. The final cost estimate varies year on year as information relating to losses still outstanding becomes more reliable.

The surplus (shortfall) of the initial reserve with respect to the re-estimated (gross) final cost for each year represents, for a given year N, the difference between the amount shown in the second line (gross reserves for unpaid claims and claims expenses developed in 2010 adjusted for changes in exchange rates and scope of consolidation) and the amount shown in the final diagonal under "Reserve re-estimated".

A) LOSS RESERVES DEVELOPMENT TABLE: PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE (EXCLUDING COLISÉE RE (EX AXA RE))

(In Euro million except percentages)	2000	2001	2002	2003	2004 (b)	2005	2006 (c)	2007	2008 (d)	2009	2010
Gross reserves for unpaid claims and claims expenses developed initially at the booking date (b)	**26,916**	**28,636**	**28,465**	**27,825**	**29,128**	**31,168**	**41,301**	**44,020**	**44,046**	**44,470**	**46,367**
Gross reserves for unpaid claims and claims expenses developed in 2010 adjusted for changes in exchange rates and scope of consolidation (b)	**24,003**	**25,532**	**26,191**	**26,967**	**27,818**	**29,242**	**44,100**	**45,749**	**46,540**	**46,294**	**46,367**
Cumulative payments at:											
One year later	6,807	6,715	6,371	6,075	6,180	6,084	7,652	8,312	9,145	9,483	
Two years later	10,302	9,900	9,554	9,233	8,871	8,700	11,243	12,395	13,358		
Three years later	12,378	12,440	11,846	11,332	10,580	10,314	14,036	15,418			
Four years later	14,220	14,140	13,411	12,518	11,590	12,239	16,451				
Five years later	15,297	15,410	14,159	13,131	13,133	13,460					
Six years later	16,420	15,816	14,414	14,383	14,106						
Seven years later	16,646	15,831	15,450	15,152							
Eight years later	16,483	16,756	16,088								
Nine years later	17,052	17,248									
Ten years later	17,572										
Reserve re-estimated at:											
One year later	27,069	27,425	26,856	27,527	29,179	29,878	40,966	41,371	42,610	44,814	
Two years later	25,919	25,718	26,219	26,791	27,833	27,084	38,406	39,471	42,501		
Three years later	24,864	25,610	25,835	26,920	25,572	24,595	37,019	39,818			
Four years later	24,665	25,542	25,783	24,994	23,455	24,048	37,590				
Five years later	24,658	25,756	24,076	23,153	23,050	24,008					
Six years later	25,093	24,112	22,458	22,822	23,212						
Seven years later	23,585	22,577	22,196	23,082							
Eight years later	22,226	22,582	22,525								
Nine years later	22,295	22,937									
Ten years later	22,381										
Cumulative redundancy (deficiency) from the initial gross reserves in excess of re-estimated gross reserves: (a)											
Amount	1,622	2,595	3,666	3,885	4,606	5,234	6,510	5,931	4,039	1,480	
Percentages	6.8%	10.2%	14.0%	14.4%	16.6%	17.9%	14.8%	13.0%	8.7%	3.2%	

(a) It is not appropriate to extrapolate future redundancies or future deficiencies based on the loss reserves development presented in the table, as conditions and trends that have affected development of the liability in prior periods may not necessarily occur in the future periods. Redundancy/deficiency disclosed includes forex impact between one year and the next.

This line also includes the impact of the unwind of discount rate on annuities (which are developed from 2006 on) for an amount of €114 million for 2009.

(b) In 2004, AXA Corporate Solutions Assurance US, AXA RE P&C Insurance Company and AXA RE P&C Reinsurance were transferred from Colisée RE (ex AXA RE) to "other international activities". The reserves of AXA Corporate Solutions Assurance US were presented on an occurrence year basis and included in the Property & Casualty loss reserves development table. The reserves of AXA RE P&C Insurance Company and Coliseum RE (ex AXA CS Reinsurance Company) were presented on an underwriting year basis and included in the Colisée RE (ex AXA RE) loss reserves development table.

(c) In 2006, Winterthur's operations were integrated within AXA. Total loss reserves developed amounted to €41.3 billion including €8.7 billion in respect of Winterthur (final figure after PGAAP re-opening).

(d) In accordance with IFRS 3, i.e.within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of Seguros ING (Mexico) purchase price, resulting in a €33 million increase in the goodwill to €512 million. Most of this increase in goodwill was due to adjustments to provisions for liabilities and claims reserves.

B) LOSS RESERVES DEVELOPMENT TABLE: COLISÉE RE (EX AXA RE)

On December 21, 2006, the Group finalized an agreement to sell the AXA RE reinsurance business to Paris Ré Holding. Under the terms of the agreement, AXA retains exposure to any changes in the final cost of claims occurring before December 31, 2005. However, the proportional treaty set in place as part of the agreement between AXA RE and Paris Ré protects AXA entirely from any claims occurring after January 1, 2006. Consequently, the table below shows the development of loss reserves recognized in AXA RE's balance sheet at each year-end until December 31, 2005. Reserves recognized after that, which correspond to exposure assumed fully by Paris Ré, have not been developed. Paris Ré has been acquired by Partner Re and terms of the agreements mentioned above remains in-force.

(In Euro million except percentages)	2000	2001 [c]	2002	2003	2004 [d]	2005
Gross reserves for unpaid claims and claims expenses developed initially at the booking date [a]	**3,455**	**5,868**	**4,778**	**4,200**	**3,314**	**4,523**
Gross reserves for unpaid claims and claims expenses developed in 2010 [d]	**3,453**	**5,868**	**4,778**	**3,742**	**3,314**	**4,253**
Initial retroceded reserves	(393)	(1,652)	(1,020)	(853)	(410)	(1,048)
Retroceded reserves in 2010 [d]	(393)	(1,652)	(1,020)	(461)	(502)	(1,048)
Initial net claims reserves	3,060	4,216	3,758	3,281	2,812	3,205
Cumulative payments at:						
One year later	1,218	1,987	1,441	950	1,127	1,191
Two years later	1,860	3,198	2,113	1,543	1,574	1,688
Three years later	2,449	3,603	2,570	1,784	1,812	2,123
Four years later	2,549	3,978	2,768	1,953	2,289	2,298
Five years later	2,770	4,140	2,899	2,352	2,225	2,421
Six years later	2,874	4,242	3,239	2,313	2,347	
Seven years later	2,939	4,538	3,205	2,465		
Eight years later	3,148	4,538	3,363			
Nine years later	3,084	4,699				
Ten years later	3,192					
Reserve re-estimated at:						
One year later	4,199	5,922	5,012	3,438	3,797	4,061
Two years later	4,061	6,183	4,163	3,642	3,621	3,745
Three years later	4,034	5,314	4,374	3,514	3,399	3,884
Four years later	3,817	5,536	4,281	3,332	3,664	3,629
Five years later	3,944	5,466	4,107	3,553	3,282	3,654
Six years later	3,887	5,308	4,326	3,248	3,340	
Seven years later	3,766	5,451	4,050	3,369		
Eight years later	3,895	5,302	4,195			
Nine years later	3,716	5,477				
Ten years later	3,843					
Cumulative redundancy (deficiency) from the initial gross claims reserves in excess of (less than) re-estimated gross claim reserves	**(390)**	**391**	**583**	**373**	**(26)**	**599**
Re-estimated retroceded reserves	471	1,300	897	526	740	1,213
Premiums adjustment [b]	1,281	1,387	1,289	580	374	403
Re-estimated net claims reserves	-	-	-	-	-	-
Initial net claims reserves in excess of (less than) re-estimated net claims reserves as of December 31, 2010						
Amount [a]	969	1,426	1,749	1,018	586	1,167
Percentages of original net reserve [a]	31.7%	33.8%	46.5%	31.0%	20.8%	36.4%

(a) The loss reserves development table is presented on an underwriting year basis for Colisée RE (ex AXA RE) business. Accordingly reserves re-estimated and the excess of re-estimated reserves of the initial reserves include reserves for losses occurring up to twelve months subsequent to the original year-end. It is not appropriate to extrapolate future redundancies or future deficiencies based on the loss reserves development presented in the table, as conditions and trends that have affected the development of the liability in prior periods may not necessarily occur in future periods.

(b) Represents premiums earned subsequent to the accounting year end and premiums reinstatements/experience-rated premiums received and accrued from the ceding insurers as assumed losses were incurred.

(c) In 2001, Colisée RE's (ex AXA RE) claims reserves were adversely affected by the September 11 attacks.

(d) In 2004, AXA Corporate Solutions Assurance US, AXA RE P&C Insurance Company and AXA RE P&C Reinsurance were transferred from Colisée RE (ex AXA RE) to the "other international activities". The reserves of AXA Corporate Solutions Assurance US were presented on an occurrence year basis and included in the Property & Casualty loss reserves development table. The reserves of AXA RE P&C Insurance Company and Coliseum RE (ex AXA CS Reinsurance Company) were presented on an underwriting year basis and included in the Colisée RE (ex AXA RE) loss reserves development table.

C) RECONCILIATION BETWEEN DEVELOPED RESERVES AND TOTAL RECOGNIZED CLAIM RESERVES

(in Euro million)	December 31, 2010	December 31, 2009
Gross claims and other reserves developed		
Property & Casualty and International Insurance (excluding Colisée RE (ex AXA RE)) [(a)]	46,367	44,470
■ *of which future policy benefits annuity reserves*	*3,842*	*3,629*
■ *of which construction reserves (PSNEM)*	*1,745*	*1,657*
Total gross claims and other reserves developed	**46,367**	**44,470**
Other reserves non developed [(b)]	**3,550**	**3,719**
TOTAL GROSS CLAIM RESERVES AND OTHER RESERVES FOR PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE	**49,917**	**48,189**

(a) Total gross claims and other reserves developed are presented on the basis of the loss reserves development table. The reserves of AXA Corporate Solutions Insurance US were included in Property & Casualty and International Insurance loss reserves. The reserves of AXA RE P&C Insurance Company and Coliseum RE (ex AXA CS Reinsurance Company) (€118 million in 2010, €135 million in 2009) were included in Colisée RE's (ex AXA RE) loss reserves development table.

(b) Includes reserves inward reinsurance (€762 million in 2010, €694 million in 2009).

14.7. ASBESTOS

AXA continues to receive claims from policies written in prior years asserting damages from asbestos-related exposures. These asbestos claims relate primarily to bodily injuries suffered by those who came in contact with asbestos.

AXA's exposure to asbestos claims originates primarily from the following contracts:

- insurance or reinsurance of the United States-originated risks: this exposure arises primarily from the reinsurance of the United States cedants or from direct policies written in the London Market (excess of primary covers). The underlying exposure is made-up of asbestos claims;
- employers Liability insurance in Europe: this created exposure to asbestos-related claims, in particular on the UK market.

There is considerable uncertainty as to the future cost of asbestos claims. The ultimate cost of claims is very much dependent on legal factors that are difficult to predict with any certainty. There have been in the past, and continue to be, frequent occurrences of inconsistent court decisions and judicial interpretations regarding the extent of liability and the level of damages awarded.

It is common to have issues of allocation of responsibility among potentially responsible parties, as well as involvement of multiple insurers and multiple policy periods. Such issues raise considerable coverage issues.

Asbestos-related claims typically have very long latency periods. For instance, mesothelioma can take in excess of 40 years to develop after inhalation of asbestos fibres. This latency period makes it difficult to estimate accurately the future number of asbestos-related claims, the future potential liability associated with such claims and creates unusual sensitivity to future legal and economic developments.

AXA actively manages its exposure to asbestos claims. Most of the Group's asbestos claims are managed by AXA Liabilities Managers, a specialized unit in charge of managing the Group's non-life run-offs.

AXA Liabilities Managers manages these risks in a proactive manner, with a view to reducing AXA's exposure to the uncertainties in these claims. All asbestos claims are thus managed by dedicated teams of experts who use a variety of claims-resolution techniques including settlements, policy buy-backs and, in certain cases, litigation. In addition, AXA Liabilities Managers focuses specifically on final resolutions of exposures, either through commutations or other solutions.

The calculation of reserves for asbestos risks raises specific difficulties as conventional reserving techniques cannot be used for evaluating IBNR. As a result, AXA evaluates the future cost of those claims using a range of specific methods based either on exposure analysis, frequency/cost projections or reserving benchmarks. Asbestos reserves are reviewed on a yearly basis to ensure that they adequately reflect the latest claims experience, as well as legal and economic developments. Consistent with AXA's reserving practices, and despite the particularly long-tail nature of those risks, reserves for asbestos are undiscounted.

Due to the uncertainty surrounding asbestos claims, it is not possible to determine their future cost with the same degree of certainty as for other types of claims. Although AXA considers its reserves for asbestos claim to be adequate, it is possible that, under some adverse scenarios, they may turn out to be insufficient to cover future losses.

At year-end 2010, key data relating to asbestos claims were as follows:

KEY RESERVES DATA FOR ASBESTOS

	2010		2009	
Data in Euro million, unless otherwise stated	**Gross**	**Net**	**Gross**	**Net**
EVOLUTION OF RESERVES				
Claims reserves at beginning of year [a]	1,064	1,027	1,005	961
Change in scope	-	-	-	-
Impact of change in exchange rates	48	45	20	20
Claims incurred [a]	5	4	76	82
Claims paid [a]	(31)	(26)	(37)	(35)
Claims reserves at end of year	**1,087**	**1,050**	**1,064**	**1,027**
of which Reported claims	214	191	219	189
of which IBNR claims	873	859	845	838
RESERVES ADEQUACY RATIOS				
3 - Year survival ratio excluding commutations [b]	39 years	41 years	36 years	38 years
IBNR / Case Reserves	409%	449%	385%	443%
Cumulative Payments to date / Projected Ultimate Cost	36%	34%	36%	34%

(a) Includes claims expense reserves.
(b) Reserves at the end of the year / Average yearly payments over the last 3 years (excluding in respect of commutations).

In 2010, AXA paid a net amount of €26 million for claims and legal costs in respect of asbestos (versus €35 million in 2009).

During the year, AXA incurred losses and loss expenses of €4 million net of reinsurance in respect of asbestos. This was significantly lower than last year (€82 million) as the last year incurred was impacted by the implementation of the revised market model for estimating the future costs of our asbestos claims in the United Kingdom, in accordance to the Asbestos Working Party recommendations issued in late 2009.

As a result of those various changes and after allowing for movements in exchange rates, AXA held total reserves for asbestos (net of reinsurance) of €1,050 million at year-end 2010.

As can be seen from the above chart, the main reserves adequacy ratios on a net basis remained stable compared to their 2009 levels, due to the combined impact of low yearly payments and a small increase in IBNR.

14.8. LIABILITIES AND ASSETS ARISING FROM POLICYHOLDERS' PARTICIPATION

(in Euro million)	December 31, 2010 [(a)]	December 31, 2009 [(a)]
Policyholders' participation reserves	10,035	9,741
Fund for Future Appropriation (FFA) – UK with-profit contracts [(b)]	-	1,938
Policyholders' deferred participation liabilities	5,862	4,969
TOTAL LIABILITIES ARISING FROM POLICYHOLDERS' PARTICIPATION	**15,897**	**16,648**
TOTAL ASSETS ARISING FROM POLICYHOLDERS' PARTICIPATION	**636**	**678**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) The decrease in Future Fund Appropriation (FFA) compared to 2009 is due to the partial sale of UK Life and Savings operations.

The deferred policyholders' participation liability and asset include the impact of shadow accounting (see definition in 1.13.2) mainly in relation to unrealized gains and losses on invested financial assets available for sale as described in 13.2.1, but also with regard to other temporary differences not necessarily linked to financial assets. Note 13.2.1 also contains a focus on jurisdictions with significant portions of participating business and where required minimum local policyholders' share in the entities' results are significant. This note discloses for such jurisdictions unrealized gains and losses related to available for sale investments and related shadow accounting adjustments.

14.9. PAYMENT AND SURRENDER PROJECTIONS AND INSURANCE AND INVESTMENT CONTRACT LIABILITIES DISCOUNT RATES

In the tables presented in Section 14.9.1 and 14.9.2, liabilities arising from Life & Savings and Property & Casualty insurance and investment contracts exclude contracts where the financial risk is borne by policyholders. These liabilities are not exposed to interest rate or duration risk, except unit-linked contracts with performance guarantees. Subsidiaries hold unit-linked assets backing the corresponding liabilities arising from these contracts. Occasional mismatches result mainly from administrative timing differences in the processing of day-to-day operations.

14.9.1. Payment and surrender projections

The table below shows the breakdown of projected payments and surrenders related to insurance and investment contracts (excluding contracts where the financial risk is borne by policyholders) of Life & Savings, Property & Casualty and International insurance. Actual maturities may differ significantly from the estimates set out below, mainly because some of the contracts contain a surrender option controlled by the policyholder that may reduce their duration.

The projections shown below cannot be compared with the reserves carried on the balance sheet and are higher than the published balance sheet figures because they represent expected cash flows without any discounting element. They are also shown net of inflows of periodical premiums payable by policyholders.

The figures shown in the first line of the table below represent estimated undiscounted cash outflows in connection to death, incapacity and disability claims, surrenders, annuities, minimum guaranteed benefits for unit-linked contracts, Property & Casualty and Health claims, net of premiums due from policyholders under contracts in-force. These cash flows are based on assumptions regarding mortality, incapacity and disability, surrender and settlement frequency for Property & Casualty, which are consistent with past experience in the Group's business. They are gross of reinsurance. Given the strong use of estimates, it is likely that actual payments will differ.

	2010 [(a)]				2009 [(a)]			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total	12 months or less	More than 1 year up to 5 years	More than 5 years	Total
Liabilities arising from insurance and investment contracts	25,020	73,333	438,248	536,600	24,708	72,466	425,131	522,305
of which Life & Savings liabilities relating to contracts including a surrender option with some surrender benefit before maturity	*12,893*	*55,117*	*324,284*	*392,294*	*13,398*	*53,104*	*308,279*	*374,781*

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

The surrender value of contracts including a surrender option as of December 31, 2010 amounted to approximately €230 billion, the main difference between expected cash flows shown above and such value reflecting the impact of discount and surrender penalties.

14.9.2. Insurance and investment contract liabilities – discount rates

The table hereafter and related comments exclude contracts where the financial risk is borne by policyholders (unit-linked contracts).

The general principles for establishing insurance liabilities are set out in Note 1 of the consolidated financial statements. Liabilities are based on estimates, and one of the key assumptions used in these estimates is the discount rate.

As shown in the table below, as of December 31, 2010: 89% of Life & Savings reserves (excluding unit-linked contracts) were discounted, of which 9% were subject to a revision of the discount rate and 80% retained the rate set at inception, subject to the liability adequacy test described in Note 1.

By convention, contracts with zero guaranteed rates are deemed not-discounted, except for products offering guaranteed rates updated annually and for one year: these contracts are presented in discounted reserves. Reserves for savings contracts with non-zero guaranteed rates are discounted at the technical interest rate. Contracts for which the assumptions are revised in the financial statements at closing mainly consist of certain UK with-profit contracts and reserves for guarantees (Guaranteed Minimum Death Benefits, etc.).

In the Property & Casualty and International Insurance business, most reserves (92% at December 31, 2010) are not discounted, with the exception of disability annuities and worker's compensation liabilities that are deemed structured settlements and where the discount rate is revised regularly. Such reserves are not sensitive to interest rate risks in financial statements.

The rates presented in the table below are weighted average rates for all the portfolios under consideration. They should be analyzed with care. For contracts with guaranteed rates that are revised annually, rates are crystallized at the closing date. The risk factors associated with the contracts are set out in Note 4.

(in Euro million)	December 31, 2010 (a) Carrying value	Average discount rate %	December 31, 2009 (a) Carrying value	Average discount rate %
Life & Savings – locked-in discount rate (b)	255,344	2.48%	239,573	2.60%
Life & Savings – unlocked discount rate	29,195	3.40%	40,722	3.23%
Life & Savings – undiscounted reserves	35,572	-	32,178	
Sub-total Life & Savings	**320,111**	**-**	**312,473**	
Non Life – locked-in discount rate (b)	4,112	3.91%	3,958	3.99%
Non Life – unlocked discount rate	852	1.97%	799	1.94%
Non Life – undiscounted reserves	55,437	-	53,353	
Sub-total – Non Life and International Insurance	**60,401**	**-**	**58,110**	
TOTAL INSURANCE AND INVESTMENT CONTRACTS	**380,512**	**-**	**370,583**	

Amounts are presented excluding the impact of derivatives on insurance and investment contracts (presented in Section 20.4) and excluding liabilities related to unearned revenues and fees, and to policyholders' participations. Liabilities relating to contracts where the financial risk is borne by policyholders are also excluded.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Subject to liability adequacy tests (not systematic but reviewed on a regular basis).

In accordance with IFRS 7, the Group discloses, in Note 4 of its consolidated financial statements, quantitative sensitivities of the Group "Embedded Value" (as defined in the "market risks" section) to interest risk and equity price risk.

The estimated impact of the unlocking of discount rates relating to Life & Savings reserves was €-568 million for 2010 (compared to €1,738 million for 2009) gross of policyholders' participation and tax impacts and was included in the income statement of the period.

14.9.3. Major business areas

The tables in Note 21 set out the Group's major insurance business areas, and reflect the Group's high level of diversification.

14.10. EMBEDDED DERIVATIVES MEETING THE DEFINITION OF AN INSURANCE CONTRACT

AXA sells insurance contracts that contain a variety of options and guarantees for contract-holders. These features are described in Note 4. They are not embedded derivatives which AXA reports separately at fair value because:

- many of the features would be considered clearly and closely related to the host contract; and
- many of the features themselves would qualify as insurance contracts under Phase I (IFRS4).

This note describes the features that are embedded derivatives and meet the definition of an insurance contract on a stand-alone basis. The primary features can be divided into two main categories: guaranteed minimum death benefits (GMDBs) or guaranteed minimum income benefits (GMIBs) offered on unit-linked contracts and guaranteed annuity purchase rates.

GMDB features provide a guaranteed death benefit which may be higher than the contract account balances of the unit-linked contract, depending on performance of the unit-linked assets. GMIB features provide a guaranteed lifetime annuity which may be elected by the contract-holder after a stipulated waiting period, and which may be larger than what the contract account balance could purchase at then-current annuity purchase rates.

The risk of GMDB and GMIB features to AXA is that protracted under-performance of the financial markets could result in benefits being higher than the accumulated policyholder account balances could support. Reserves are established for these features on the basis of actuarial assumptions related to projected benefits and related contract charges. The determination of estimated GMDB and GMIB liabilities is based on models which involve numerous estimates and subjective judgments, including those regarding expected market rates of return and volatility, contract surrender rates and GMIB election rates. There can be no insurance that ultimate experience will not differ from management's estimates. In addition to providing for risk through establishing reserves, AXA also manages the risk through a combination of reinsurance programs and active financial risk management programs including investment in exchange-traded futures contracts and other instruments.

Guaranteed annuity purchase rates provide contract-holders with a guarantee that at a future date the accumulated balance on their contract will be sufficient to purchase a lifetime annuity at currently defined rates. The risk to AXA in these features is either that longevity will improve significantly so that contract-holders electing to exercise this benefit will live longer than assumed in the guaranteed purchase rates, or that investment returns during the payout period will be lower than assumed in the guaranteed purchase rates. Reserves are established for these features on the basis of actuarial assumptions related to projected benefits and related contract charges. The determination of this estimated liability is based on models which involved numerous estimates and subjective judgments, including those regarding expected rates of return and volatility, contract surrender rate, mortality, and benefit election rates. There can be no insurance that ultimate experience will not differ from management's estimates. In addition to providing for risk through establishing reserves, AXA also manages these risks through asset-liability management programs including interest rate floors to protect against a decline in interest rates.

Note 15 Liabilities arising from banking activities

15.1. BREAKDOWN OF THE LIABILITIES ARISING FROM BANKING ACTIVITIES

(in Euro million)	December 31, 2010 Carrying value	December 31, 2010 Fair value	December 31, 2009 Carrying value	December 31, 2009 Fair value
Banking liabilities Customers Retail	17,269	17,286	16,196	16,196
Banking liabilities Customers Corporate	2,361	2,371	2,541	2,563
Banking liabilities Interbanking refinancing	6,706	6,708	2,912	2,942
Banking liabilities Refinancing with central banks	-	-	503	503
Other liabilities arising from banking activities	599	599	-	-
Macro hedge derivatives relating to liabilities arising from banking activities	275	275	1,658	1,658
Liabilities arising from banking activities	27,209	27,239	23,810	23,862

Given the short maturities of the main liabilities arising from banking activities (see below), the total fair value of amounts displayed above is close to disclosed carrying amounts.

15.2. BREAKDOWN BY MATURITY

	December 31, 2010				December 31, 2009			
	Carrying value by contractuel maturity				Carrying value by contractuel maturity			
	12 months or less	More than 1 year up to 5 years	More than 5 years	Total net carrying amount	12 months or less	More than 1 year up to 5 years	More than 5 years	Total net carrying amount
Banking liabilities Customers Retail	15,927	1,301	40	17,269	15,336	844	17	16,196
Banking liabilities Customers Corporate	2,248	105	8	2,361	2,380	148	13	2,541
Banking liabilities Interbanking refinancing	6,112	9	584	6,706	2,334	27	552	2,912
Banking liabilities Refinancing with central banks	-	-	-	-	503	-	-	503
Other liabilities arising from banking activities	-	-	599	599	-	-	-	-
Macro hedge derivatives relating to liabilities arising from banking activities	275	-	-	275	1,658	-	-	1,658
Liabilities arising from banking activities	24,562	1,416	1,232	27,209	22,210	1,018	581	23,810

Note 16 Provisions for risks and charges

16.1. BREAKDOWN OF PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges included the following items:

(in Euro million)	December 31, 2010 [a]	December 31, 2009 [a]
Employee benefits	8,615	8,117
Share-based compensation	90	82
Restructuring provisions [b]	245	133
Lawsuits contingency provisions	379	269
Liability warranty provisions	18	14
Contingent liabilities relating to business combinations	-	10
Other provisions for risks and charges	1,148	913
TOTAL PROVISIONS FOR RISKS AND CHARGES	**10,495**	**9,538**

(a) Assets and liabilities of the Australian and New Zealand operations, and some UK Like & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Restructuring provisions driven by the partial disposal of UK Life & Savings operations in 2010.

Comments on provisions relating to employee benefits can be found in Note 26 "Employees".

As of December 31, 2010, the "Other provisions for risks and charges" were composed of the following elements:

- provision for tax liability of €444 million mainly in United States Life & Savings (€346 million);
- other provisions for risks and charges for €704 million, including various amounts, in particular €215 million related to the coding error of AXA Rosenberg at AXA Investments Managers.

16.2. CHANGE IN PROVISIONS FOR RISKS AND CHARGES (EXCLUDING EMPLOYEE BENEFITS AND SHARE-BASED COMPENSATION)

Changes in provisions for risks and charges (excluding employee benefits and share-based compensation) are set out below:

	2010 [a]					
(in Euro million)	Restructuring provisions	Lawsuits contingency provisions	Liability warranty provisions	Contingent liabilities relating to business combinations	Other provisions for risks and charges	Total
Carrying value – January, 1	**133**	**269**	**14**	**10**	**913**	**1,339**
Financial cost related to desactualization	(2)	-	-	-	-	(2)
Impact of change in scope of consolidation and changes in accounting method	-	(10)	1	-	1	(7)
Increase in provisions	181	154	2	-	556	894
Write back after use	(40)	(32)	-	(10)	(328)	(409)
Write back after final cost review	(33)	(14)	(1)	-	(40)	(88)
Impact of foreign exchange fluctuations	5	9	1	-	49	64
Carrying value – December, 31	**245**	**379**	**18**	**-**	**1,148**	**1,790**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

	2009 [(a)]					
(in Euro million)	Restructuring provisions	Lawsuits contingency provisions	Liability warranty provisions	Contingent liabilities relating to business combinations	Other provisions for risks and charges	TOTAL
Carrying value – January, 1	**166**	**299**	**10**	**-**	**1,047**	**1,521**
Impact of change in scope of consolidation and changes in accounting method	14	21	-	-	(158)	(123)
Increase in provisions	51	46	6	10	281	395
Write back after use	(81)	(41)	(1)	-	(155)	(278)
Write back after final cost review	(15)	(51)	(1)	-	(29)	(97)
Impact of foreign exchange fluctuations	(1)	-	1	-	(1)	-
Carrying value – December, 31	**133**	**269**	**14**	**10**	**913**	**1,339**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

Note 17 Financing debt

17.1. FINANCING DEBT BY ISSUANCE

(in Euro million)	Carrying value December 31, 2010	Carrying value December 31, 2009
AXA	**6,401**	**5,685**
Debt component of subordinated notes due 2014 (€)	1,901	1,835
Debt component of subordinated notes, 3.75% due 2017 (€)	1,360	1,306
Subordinated notes due 2020 (€)	50	180
Subordinated notes, 5.75% due 2040 (€)	1,300	-
U.S. registered redeemable subordinated debt, 8.60% 2030 (US$)	890	820
U.S. registered redeemable subordinated debt, 7.125% 2020 (£)	378	366
U.S. registered redeemable subordinated debt, 6.75% 2020 (€)	-	1,070
Derivatives on debts instruments issued [(a)]	522	108
AXA Financial	**150**	**141**
Surplus Notes, 7.70%, due 2015	149	139
MONY Life 11.25% Surplus Notes due 2024	1	1
AXA Bank Europe	**366**	**392**
Subordinated undated notes, variable	366	392
AXA-MPS Vita and Danni	**108**	**108**
Subordinated Notes, euribor 6 months + 81bp	108	108
Other subordinated debt (under €100 million)	**41**	**26**
Subordinated debt	**7,066**	**6,352**
AXA	**1,892**	**1,859**
Euro Medium Term Notes, 6.0% due through 2013, and BMTN	892	894
Euro Medium Term Notes, due through 2015	1,000	1,000
Derivatives on financing debt instruments issued [(a)]	-	(36)
AXA Financial	**260**	**789**
Senior notes, 7.75%, due 2010	-	335
Senior notes, 7%, due 2028	260	243
Senior notes MONY, 8.35%, due 2010	-	211
AXA UK Holdings	**178**	**173**
GRE: Loan Notes, 6.625%, due 2023	178	173
Other financing debt instruments issued (less than €100 million)	**170**	**116**
Other financing debts instruments issued under euro 100 million	135	143
Derivatives relating to other financing debts instruments issued [(a)]	35	(27)
Financing debt instruments issued	**2,500**	**2,937**
AXA	**785**	**758**
Morocco	**68**	**97**
Other financing debts owed to credit institutions (under €100 million)	**34**	**66**
Financing debt owned to credit institutions	**887**	**921**
TOTAL FINANCING DEBT	**10,454**	**10,210**

(a) Hedging instruments according to IAS 39 and economic hedge derivatives which are not acting as hedge under IAS 39.

Total financing debt increased by €244 million between December 31, 2009 and December 31, 2010, or by €172 million at constant exchange rates, to €10,454 million. The increase at constant exchange rates was mainly due to:

i. €1,300 million increase arising from the Company's issue of a dated subordinated debt in April 2010;

ii. €413 million unfavorable change in fair value of cross currency and interest rate swaps.

Partly offset by:

iii. €1,070 million decrease in the Company reflecting repayment of a US registered redeemable subordinated debt;

iv. €546 million decrease in the United States reflecting two Senior Note debts maturing in 2010.

Derivative instruments hedging financing debts are commented in Note 20.

17.2. FAIR VALUE MEASUREMENT OF FINANCING DEBT

(in Euro million)	December 31, 2010 Carrying value	December 31, 2010 Fair value	December 31, 2009 Carrying value	December 31, 2009 Fair value
Subordinated debt at cost	6,545	7,256	6,244	6,815
Derivatives on subordinated debt (a)	522	522	108	108
Subordinated debt	**7,066**	**7,778**	**6,352**	**6,923**
Financing debt instruments issued at cost	2,465	2,666	2,999	3,213
Derivatives on financing debt instruments issued (a)	35	35	(62)	(62)
Financing debt instruments issued	**2,500**	**2,701**	**2,937**	**3,150**
Financing debts owed to credit institutions at cost	887	796	921	797
Financing debt owed to credit institutions	**887**	**796**	**921**	**797**
FINANCING DEBT	**10,454**	**11,275**	**10,210**	**10,870**

(a) Hedging instruments according to IAS 39 and economic hedge derivatives which are not acting as hedge under IAS 39.

The Group does not hold any financing debt designated as at fair value through profit or loss (fair value option or trading instruments).

Information on the fair value figures presented in this note is provided in addition to information on carrying values and should be used with caution. On the one hand, these estimates are based on closing date parameters such as interest rates and spreads, which fluctuate over time, and resulting in instantaneous values, and on the other hand because there are multiple possible methods to derive these estimates.

Data used when calculating the fair value of financing debt are period-end market data that reflect (i) interest rates by currency, (ii) AXA's average spread by maturity and currency, distinguishing subordinated and senior debt and (iii) options included in issued contracts, such as issuer redemption options.

The fair value of subordinated convertible bonds is equal to the quoted price for these instruments at the end of the period. Therefore, reported fair value includes the value of the conversion option, which is included as a component of equity.

The fair value of financing debt as of December 31, 2010, excluding accrued interests, was €11,275 million, including related hedging derivative instruments. The fair value was €821 million above the carrying value mainly due to the decrease of interest rates compared to the average levels at the time of issuance.

17.3. EXPOSURE TO INTEREST RATE RISK AND CONTRACTUAL MATURITIES

The table below sets out the contractual maturities of financing debt (excluding the impact of derivatives). Effective maturities may differ from those presented, mainly because some instruments include clauses allowing early redemption, with or without penalty.

	Carrying value of financing debt by contractual maturity as of December 31			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
2010	86	4,988	4,823	9,897
2009	617	4,858	4,688	10,164

Excludes the impact of derivatives (detailed in Section 20.4).

Note 18 Payables

18.1. BREAKDOWN OF PAYABLES

	Carrying value	
(in Euro million)	December 31, 2010 (a) (b)	December 31, 2009 (a) (b)
Minority interests of controlled investment funds and other puttable instruments held by minority interest holders	4,855	6,516
Other debt instrument issued and bank overdrafts (c)	6,905	4,474
Payables arising from direct insurance and inward reinsurance operations	7,387	6,761
Payables arising from outward reinsurance operations	5,598	5,571
Payables – current tax position	1,348	1,314
Derivatives relating to other financial liabilities	31	108
Debts relating to investments under lending agreements and equivalent	23,399	18,436
Other payables	19,101	11,741
PAYABLES	**68,624**	**54,921**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1).

(c) Other activities than banking operations

Movements in the **"Minority interests in controlled investment funds and other puttable instruments held by minority interest holders"** caption depend on:

- changes in minority interests in controlled investment funds and changes in their fair value. An identical change in invested assets held by these funds is also recorded;
- buyouts of minority interests for which the Group holds an unconditional commitment and changes in value of related puttable instruments. Entries balancing these movements are recorded in goodwill.

Minority interests in funds under this caption, totaled €4,847 million as of December 31, 2010 (€6,370 million as of December 31, 2009).

Other puttable instruments held by minority interest holders totaled €8 million as of December 31, 2010 (€146 million as of December 31, 2009). They represented the put option held by the minority interests of former Winterthur subsidiaries in Central and Eastern Europe. Most of the put options were exercised in 2010.

"Debts relating to investments under lending agreements and equivalent" totaled €23,399 million as of December 31, 2010, an increase of €4,963 million mainly due to increase of repurchases agreements activity in Japan, Switzerland and the United States.

18.2. OTHER DEBT INSTRUMENTS ISSUED, NOTES AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT) BY ISSUANCE

(in Euro million)	Carrying value [a] [b] December 31, 2010	Carrying value [a] [b] December 31, 2009
AXA SA	**2,573**	**140**
AXA SA debts subscribed on behalf of French, English and German subsidiaries	-	140
Commercial paper	2,573	-
AXA Financial	**424**	**-**
Commercial paper	424	-
AllianceBernstein	**168**	**174**
Short term commercial paper, 4.3%	168	174
CDO (Collateralized Debt Obligations) and Real Estate Vehicles	**189**	**417**
Aria P-2G7	156	211
Concerto 2	4	5
Jazz 1	-	166
Derivatives on other debt instruments issued (other than financing debt) – CDO (Collateralized Debt Obligations)	29	35
Other	**333**	**75**
Derivatives on other debt instruments issued (other than financing debt) – Other	-	-
OTHER DEBT INSTRUMENTS ISSUED (OTHER THAN FINANCING DEBT)	**3,688**	**805**
France	**200**	**200**
Arche Finance – convertible loans due 2014	200	200
Banks	**253**	**299**
AXA Bank Europe	219	271
Derivatives on other issued debt (excluding financing debts) – AXA Bank Europe	34	28
Real estate investment funds	**1,686**	**1,814**
ERIV: amortizing loan – Euribor 3M + 145 bps, due 2011	186	199
ERIV: mortgage loan based on Euribor 3M + 85bps, due 2013 + 2x1 year	100	105
ERIV2: Euribor 3M + 85 bps, due 2014	92	104
Vendome Commerce: mortgage loan based on Euribor 3M + 145bps, due 2011	186	195
REOF2: mortgage loan based on Euribor 3M + 65bps, due 2012	116	118
APIV+EHV: mortgage loan based on Euribor 3M + 120bps, due 2015	93	94
APIV+EHV: mortgage loan based on Libor 3M + 120bps, due 2015	68	56
APIV+EHV: amortizing loan based on Euribor 3M + 160bps, due 2015	41	43
Other debts	804	900
OTHER DEBT (OTHER THAN FINANCING DEBT) – OWED TO CREDIT INSTITUTIONS	**2,139**	**2,313**
Bank overdrafts	**1,079**	**1,356**
OTHER DEBT INSTRUMENTS ISSUED, NOTES (OTHER THAN FINANCING DEBT) AND BANK OVERDRAFTS	**6,905**	**4,474**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1).

As of December 31, 2010, other debt instruments issued (other than financing debt) and bank overdrafts totaled €6,905 million, an increase of €2,431 million compared to December 31, 2009, mainly due to the increase of use of commercial paper in the Company and in the United States.

18.3. FAIR VALUE MEASUREMENT OF OTHER DEBT INSTRUMENTS ISSUED AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT)

The fair value of other debt instruments issued and bank overdrafts (other than financing debt) was €6,914 million as of December 31, 2010. Among the elements included in the preceding table, fair value is only calculated for other debt instruments issued. Other items mainly comprise repository agreements balances or short-term liabilities carried by Group banks. By nature, their fair value is very close to their carrying amounts.

18.3.1. Other debt instruments issued and bank overdrafts (other than financing debt) by accounting method

	Carrying value	
(in Euro million)	December 31, 2010 (a) (b)	December 31, 2009 (a) (b)
Other debt instruments issued at cost	3,431	315
Other debt instruments issued held as trading	-	-
Other debt instruments issued designated as at fair value through profit or loss	257	490
Other debt instruments issued	**3,688**	**806**
Other debt owed to credit institutions held at cost	2,104	2,285
Other debt owed to credit institutions held as trading	-	-
Other debt owed to credit institutions designated as at fair value through profit or loss	-	-
Other debt owed to credit institutions	**2,104**	**2,285**
Bank overdrafts	**1,079**	**1,356**
OTHER DEBT INSTRUMENTS ISSUED AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT) (C)	**6,870**	**4,446**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1)

(c) Excludes the impact of derivatives.

18.3.2. Other debt instruments issued, notes and bank overdrafts measured at fair value

(in Euro million)	December 31, 2010 [(a)] Instruments quoted in an active market – Fair value determined directly by reference to an active market Level 1	December 31, 2010 [(a)] Instruments not quoted in an active market/No active market – Fair value based on observable market data Level 2	December 31, 2010 [(a)] Instruments not quoted in an active market/No active market – Fair value not based on observable market data Level 3	December 31, 2010 [(a)] Total	December 31, 2009 [(a)] Instruments quoted in an active market – Fair value determined directly by reference to an active market Level 1	December 31, 2009 [(a)] Instruments not quoted in an active market/No active market – Fair value based on observable market data Level 2	December 31, 2009 [(a)] Instruments not quoted in an active market/No active market – Fair value not based on observable market data Level 3	December 31, 2009 [(a)] Total
Other debt instruments issued held as trading	-	-	-	-	-	-	-	-
Other debt instruments issued designated as at fair value through profit or loss	-	257	-	257	-	490	-	490
Other debt instruments issued (other than financing debt) [(b)]	**-**	**257**	**-**	**257**	**-**	**490**	**-**	**490**
Other debt owed to credit institutions held as trading	-	-	-	-	-	-	-	-
Other debt owed to credit institutions designated as at fair value through profit or loss	-	-	-	-	-	-	-	-
OTHER DEBT OWED TO CREDIT INSTITUTIONS (OTHER THAN FINANCING DEBT) [(b)]	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Excludes the impact of derivatives.

The fair value option is used to measure debt other than financing debt designated as at fair value through profit or loss included in the table above. The debt measured at fair value through profit or loss mainly decreased following the CDO Jazz1 unwinding.

Such fair values are based on a majority of observable data (see Note 9.9 for a description of observable data) and are therefore considered as Level 2 instruments.

18.4. PAYABLES ARISING FROM DIRECT INSURANCE, INWARD REINSURANCE OPERATIONS AND DIRECT OUTWARD REINSURANCE OPERATIONS

	December 31, 2010 [(a)]		December 31, 2009 [(a)]	
(in Euro million)	Carrying value	Fair value	Carrying value	Fair value
Deposit and guarantees	204	204	197	197
Current accounts payable to other companies	2,551	2,551	2,380	2,380
Payables to policyholders, brokers and general agent	4,142	4,142	3,660	3,660
Other payables	491	491	524	524
Payables arising from direct insurance and inward reinsurance operations	**7,387**	**7,387**	**6,761**	**6,761**
Deposit and guarantees	1,254	1,316	1,317	1,318
Current accounts payable to other companies [(b)]	4,215	4,213	4,053	4,053
Other payables	130	130	201	200
Payables arising from direct outward reinsurance operations	**5,598**	**5,659**	**5,571**	**5,571**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Includes a quota share reinsurance treaty between Colisée RE (ex AXA RE) and Partner Re (€2,061 million in 2010 and €2,036 million in 2009) as part of the Group's sale of AXA RE's business in 2006.

As of December 31, 2010, payables arising from direct insurance and inward reinsurance operations totaled €7,387 million, an increase of €626 million compared to December 31, 2009.

As of December 31, 2010, payables arising from direct outward reinsurance operations totaled €5,598 million, an increase of €27 million compared to December 31, 2009.

18.5. EXPOSURE TO INTEREST RATE RISK AND CONTRACTUAL MATURITIES

The table below sets out the contractual maturities of other debt instruments issued, notes and bank overdrafts (excluding the impact of derivatives – detailed in Note 20.4). Effective maturities may differ from those presented, mainly because some instruments include clauses allowing early redemption, with or without penalty.

	Carrying value of other debt instrument issued, notes and bank overdrafts by contractual maturity			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
2010 [(a)]	4,753	1,754	363	6,870
2009 [(a)]	2,184	1,744	518	4,446

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

Note 19 Tax

19.1. TAX EXPENSE

19.1.1. Breakdown of tax expense between current and deferred tax

The income tax charge was split as follows:

(in Euro million)	December 31, 2010	December 31, 2009
Income tax – France	**22**	**513**
Current	(34)	362
Deferred	56	151
Income tax – Foreign countries	**938**	**1,017**
Current	588	(79)
Deferred	350	1,096
TOTAL INCOME TAX FROM CONTINUED OPERATIONS	**960**	**1,530**
TOTAL INCOME TAX	**960**	**1,530**

The current tax amount due on foreign income amounted to €588 million in 2010 (versus €-79 million in 2009), including €127 million related to policyholders' tax (versus €65 million in 2009).

A deferred tax expense of €350 million in 2010 (versus €1,096 million in 2009), corresponding to tax due on foreign income is disclosed in the table above, including €-51 million related to policyholders' tax (versus €+346 million in 2009).

Policyholders' tax is a specific tax on the life business of the United Kingdom and Australian insurance companies charged to policyholders.

19.1.2. Tax proof

The reconciliation between the theoretical tax charge (pre-tax profit multiplied by the applicable tax rate in France for the period concerned) and the effective tax charge was as follows:

	December 31, 2010	December 31, 2009
Income from operating activities, gross of tax expenses (excluding discontinued activities and result from investments consolidated using equity method)	3,966	5,555
Notional tax rate	34.43%	34.43%
Notional tax charge	**1,365**	**1,913**
Impact of rate differences on notional tax charge	(177)	(243)
Impact of the change in tax rates	3	(24)
Impact of differences in tax rate and impact of taxes not linked to pre-tax income [b]	(1)	289
Impact of differences in tax rates and tax basis	**(175)**	**22**
Tax losses of prior years used in the current year without DTA recognized previously	(34)	(15)
Deferred tax assets recognized on tax losses of prior years	(20)	(95)
Deferred tax assets not recognized on tax losses of the year	29	4
Derecognition of deferred tax assets on tax losses of prior years [a]	10	1
Tax losses impact	**(15)**	**(104)**
Permanent differences on financial incomes and expenses	41	(65)
Permanent differences on other incomes and expenses	57	(25)
Impact of permanent differences	**98**	**(90)**
Corrections and adjustments of tax relating to prior years	(337)	(215)
Derecognition/Recognition of DTA on temporary differences of prior years (other than tax losses) [a]	(12)	1
Other	35	3
Impact of adjustments, decrease in value and other items	**(313)**	**(210)**
EFFECTIVE TAX CHARGE	**960**	**1,530**
EFFECTIVE TAX RATE (%)	**24.22%**	**27.54%**

(a) Derecognition of DTA (Deferred Tax Assets) arising on tax losses is shown in "Tax losses impact".
(b) Including the effect of policyholders' tax (€50 million in 2010 vs. €284 million in 2009)

Excluding policyholders' tax, the effective tax rate would have been 23% as of December, 31 2010 (versus 22% in 2009).

The impact of rate differences on notional tax charge represents the difference between the expected tax calculated at each entity level with the applicable standard rate and the tax calculated using the 34.43% French tax rate. The blended standard rate was 30% as of December 31, 2010 and 2009.

Tax losses impact as of December 31, 2009 mainly included the recognition of deferred tax assets in the context of the early adoption of Revised IFRS 3 – Business Combinations (€74 million).

As of December 31, 2010, corrections and adjustments of tax relating to prior years (€-337 million) mainly included €-174 million following new regulation on "Réserve de Capitalisation" in France (€245 million reversal of deferred tax liability, partly offset by €71m exit tax).

Permanent differences on financial income and expenses mainly represented the impact in some countries of non-deductible financial impairments and realized capital losses on equity instruments, or non taxable dividends and realized capital gains on equity instruments.

19.2. DEFERRED TAX

Net deferred tax balances broke down as follows:

	December 31, 2010 [a]			December 31, 2009 [a]
(in Euro million)	Deferred tax assets	Deferred tax liabilities	Net deferred tax position	Net deferred tax position
Deferred tax assets/(liabilities) concerning:				
■ Deferred tax through profit or loss	11,697	10,625	1,072	(210)
■ Deferred tax through reserves relating to the fair value adjustment of available for sale assets	2,082	4,061	(1,979)	(1,399)
■ Deferred tax through reserves relating to hedge accounting and other items	16	32	(17)	(31)
■ Deferred tax through reserves relating to the revaluation of tangible assets	-	8	(8)	(1)
■ Deferred tax through reserves relating to gains and losses on defined benefits pension plans	935	9	927	684
■ Deferred tax through reserves relating to stock options	3	-	3	10
Net deferred tax excluding policyholders' tax	**14,733**	**14,735**	**(1)**	**(947)**
Policyholder tax – Net deferred tax assets/(liabilities)	**-**	**-**	**-**	**(279)**
TOTAL NET DEFERRED TAX	**14,733**	**14,735**	**(1)**	**(1,226)**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

In the table above, the "net deferred tax position" column corresponds to the difference between deferred tax assets (DTA) and deferred tax liabilities (DTL) carried on the Group's consolidated statement of financial position. Note that the breakdown of DTA/DTL disclosed in these tables corresponds to the deferred tax before the netting that occurs for balance sheet presentation purpose.

The change from a net liability position in 2009 to a nil position in 2010 mainly came from additional recognition of DTA on tax loss carry forward in the Company.

(in Euro million)	2010 [(a)] Opening	Movements through profit or loss	Movements through shareholders' equity	Forex impact	Change in scope and other variations	Closing
Deferred tax through profit or loss	(210)	1,190	-	94	(1)	1,072
Deferred tax through reserves relating to the fair value adjustment of available for sale assets	(1,399)	-	(475)	(122)	17	(1,979)
Deferred tax through reserves relating to hedge acounting and other items [(b)]	(31)	(1,647)	1,661	-	-	(17)
Deferred tax through reserves relating to the revaluation of tangible assets	(1)	-	(6)	(1)	-	(8)
Deferred tax through reserves relating to gains and losses on defined benefits pension plans	684	-	201	45	(4)	927
Deferred tax through reserves relating to stock options	10	-	(7)	1	(1)	3
Net deferred tax assets/(liabilities) excluding policyholder' tax	**(947)**	**(457)**	**1,374**	**17**	**12**	**(1)**
Policyholder tax – Deferred tax through profit or loss	(282)	51	-	(9)	240	-
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of available for sale assets	4	-	(2)	-	(2)	-
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	-	-	-	-	-	-
Policyholder tax – Net deferred tax assets/(liabilities)	**(279)**	**51**	**(2)**	**(8)**	**237**	**(0)**
TOTAL NET DEFERRED TAX ASSETS/(LIABILITIES)	**(1,226)**	**(406)**	**1,372**	**9**	**249**	**(1)**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) The movements through shareholders' equity mainly concern net investment hedge in the Company

The change in scope and other variations mainly corresponded to the classification as held for sale of Australian and New Zealand and of some UK Life & Savings operations.

(in Euro million)	2009 [(a)] Opening revised [(b)]	Movements through profit or loss	Movements through shareholders' equity	Forex impact	Change in scope and other variations	Closing
Deferred tax through profit or loss	1,369	(926)	-	118	(771)	(210)
Deferred tax through reserves relating to the fair value adjustment of available for sale assets	99	-	(1,516)	15	2	(1,399)
Deferred tax through reserves relating to hedge accounting and other items	(44)	12	2	-	-	(31)
Deferred tax through reserves relating to the revaluation of tangible assets	(1)	-	-	-	-	(1)
Deferred tax through reserves relating to gains and losses on defined benefits pension plans	298	-	412	-	(26)	684
Deferred tax through reserves relating to stock options	16	-	6	-	(11)	10
Net deferred tax assets/(liabilities) excluding policyholder tax	**1,737**	**(915)**	**(1,096)**	**132**	**(806)**	**(947)**
Policyholder tax – Deferred tax through profit or loss	47	(332)	-	2	-	(282)
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of available for sale assets	3	-	1	-	-	4
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	-	-	-	-	-	-
Policyholder tax – Net deferred tax assets/(liabilities)	**50**	**(332)**	**1**	**3**	**-**	**(279)**
TOTAL NET DEFERRED TAX ASSETS/(LIABILITIES)	**1,788**	**(1,247)**	**(1,095)**	**135**	**(806)**	**(1,226)**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

(b) In accordance with IFRS 3, i.e. within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of Seguros ING (Mexico) purchase price, resulting in a €33 million increase in the goodwill to €512 million. Most of this increase in goodwill was due to adjustments to provisions for liabilities and claims reserves.

The change in scope mainly corresponded to the classification as held for sale of Australian and New Zealand operations.

Recognized Deferred Tax Assets (DTA) by maturity and expiration date:

The tables below break down: (i) in the first part the maturity by which the Group expects to use the Deferred Tax Assets (DTA) accounted at year end, (ii) in the second part, the "expiration date" of the DTA, i.e. the latest date at which the Group could use them.

	2010 (a)									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
DTA recognized on tax loss carry forward	1,961	276	411	343	181	22	18	16	-	3,229
Other recognized deferred tax assets	2,089	435	458	255	2,902	262	1,259	3,844	-	11,504
TOTAL RECOGNIZED DTA BY EXPECTED DATE OF USE	**4,050**	**711**	**870**	**598**	**3,084**	**284**	**1,277**	**3,860**	**-**	**14,733**
Corresponding carry forward losses	5,742	887	1,363	1,016	517	63	57	52	-	9,698
DTA recognized on tax loss carry forward	37	11	13	43	17	67	182	705	2,155	3,229
Other recognized deferred tax assets	534	30	62	20	94	39	682	4,577	5,466	11,504
TOTAL RECOGNIZED DTA BY LATEST DATE OF POSSIBLE USE	**571**	**41**	**76**	**63**	**111**	**107**	**863**	**5,282**	**7,620**	**14,733**
Corresponding carry forward losses	127	32	51	153	63	193	509	2,021	6,548	9,698

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

Total tax carry forward losses increased by €4,787 million in 2010 mainly in the Company (€+3,058 million) because of tax losses notably in relation to foreign exchanges results and in the United States (€+1,813 million).

	2009 (a)									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	TOTAL
DTA recognized on tax loss carry forward	739	230	139	154	96	39	57	43	-	1,496
Other recognized deferred tax assets	1,963	307	396	375	2,041	162	1,387	4,134	-	10,766
TOTAL RECOGNIZED DTA BY EXPECTED DATE OF USE	**2,702**	**537**	**535**	**528**	**2,138**	**201**	**1,444**	**4,177**	**-**	**12,262**
Corresponding carry forward losses	2,216	829	473	505	337	156	219	176	-	4,911
DTA recognized on tax loss carry forward	13	12	17	14	42	8	152	221	1,017	1,496
Other recognized deferred tax assets	581	65	52	44	93	20	567	3,270	6,073	10,766
TOTAL RECOGNIZED DTA BY LATEST DATE OF POSSIBLE USE	**594**	**77**	**69**	**58**	**136**	**28**	**720**	**3,490**	**7,090**	**12,262**
Corresponding carry forward losses	45	39	56	55	141	28	432	659	3,457	4,911

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

Unrecognized Deferred Tax Assets (DTA) by expiration date:

The tables below break down the potential Deferred Tax Assets (DTA) which has not been recorded in the accounts at the year end as considered unrecoverable and the "expiry date", i.e. the latest date the Group could use them.

	2010 (a)									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
Unrecognized DTA on tax losses carry forward	39	9	3	1	6	4	15	68	115	259
Other unrecognized deferred tax	17	-	-	-	0	1	1	-	3	22
UNRECOGNIZED DTA	**56**	**9**	**3**	**1**	**6**	**4**	**16**	**68**	**118**	**281**
Corresponding carry forward losses	110	24	9	5	27	16	54	253	441	939

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

	2009 (a)									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	TOTAL
Unrecognized DTA on tax loss carry forward	14	15	4	4	2	5	3	89	152	288
Other unrecognized deferred tax	8	-	-	-	1	16	14	-	6	45
UNRECOGNIZED DTA	**22**	**15**	**4**	**4**	**3**	**20**	**17**	**89**	**158**	**332**
Corresponding carry forward losses	36	47	11	10	4	23	12	313	671	1,127

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

19.3. ROLLFORWARD OF NET CURRENT TAX

Changes in net current tax were as follow:

(in Euro million)		
Net current tax liability as of January 1	**(471)**	**(362)**
Cash paid (-)/ received (+) in the period	(652)	228
Movements through profit or loss	658	189
Movements through shareholders' equity	(22)	(229)
Forex impact	56	68
Changes in scope and other variations	(28)	(365)
NET CURRENT LIABILITY TAX AS OF DECEMBER 31	**(459)**	**(471)**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

The table above includes current liabilities net of current receivables towards the tax administrations. It also includes some receivables and liabilities with non-consolidated entities members of a tax group which are classified in "other receivables" and "other payables" on the face of the statement of financial position.

Note 20 Derivative instruments

20.1. DERIVATIVE INSTRUMENTS: MATURITIES, NOTIONAL VALUES AND FAIR VALUES

Derivative instruments: maturities, notional values and fair values *(in Euro million)*	**Maturity of notional amount as of December 31, 2010 (a) (b)**					
	< 1 year	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**> 5 years**
Equity swaps	1,497	-	-	13	-	36
Calls bought	245	5,734	-	-	-	2,575
Calls sold	252	995	-	-	-	-
Puts bought	3,538	1,518	-	-	-	-
Puts sold	964	625	-	-	-	-
Futures/Forwards bought	622	-	-	-	-	-
Futures/Forwards sold	6,978	-	-	-	-	-
Other derivatives	76	6	165	102	47	58
Sub-total Equity Derivatives	**14,172**	**8,878**	**165**	**115**	**47**	**2,670**
Interest rate payer swaps	8,402	3,288	6,998	4,441	6,919	41,271
Interest rate receiver swaps	8,692	3,146	3,440	5,077	4,473	31,653
Interest rate basis swaps	47	-	83	-	20	3,487
Caps bought	2,308	2,728	5,200	9,597	3,278	4,370
Caps sold	-	415	-	-	-	-
Floors bought	4,472	-	-	-	-	2,241
Collars	425	30	8	-	-	13
Swaptions bought	5,450	2,625	239	1,757	343	8,831
Swaptions sold	-	-	-	-	-	1,968
Futures/Forwards bought	11,915	694	595	315	233	1,000
Futures/Forwards sold	1,008	-	-	-	-	-
Other derivatives	85	115	145	83	75	1,000
Sub-total Interest rate Derivatives	**42,802**	**13,040**	**16,707**	**21,270**	**15,341**	**95,835**
Credit derivatives bought	413	528	1,272	2,202	1,287	3,039
Credit derivatives sold	751	1,750	5,306	1,454	4,864	152
Sub-total Credit Derivatives	**1,164**	**2,278**	**6,578**	**3,657**	**6,151**	**3,191**
Currency swaps	22,866	4,608	2,236	3,246	4,225	5,791
Calls bought	2,217	-	-	-	-	-
Calls sold	2,481	-	-	-	-	-
Puts bought	8,401	-	-	-	765	175
Puts sold	6,863	-	-	-	-	-
Futures/Forwards bought	7,224	599	103	152	22	364
Futures/Forwards sold	44,041	871	1,800	-	-	-
Sub-total Currency Derivatives	**94,092**	**6,078**	**4,139**	**3,397**	**5,012**	**6,329**
Total return swaps	5,722	-	16	6	28	2,516
Other derivatives	17	17	1,096	337	393	2,053
Sub-total Other Derivatives	**5,739**	**17**	**1,112**	**342**	**421**	**4,569**
TOTAL	**157,970**	**30,291**	**28,700**	**28,782**	**26,971**	**112,594**

NB: This table includes all derivatives (assets and liabilities), i.e. hedge, macrohedge and other, asset and liability positions.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) By convention, notional amounts are displayed in absolute value, and exclude potential netting out.

This note includes all types of derivatives excluding derivative instruments that meet the definition of equity instruments (see Note 13 for details) or derivative instruments held by consolidated investment funds in the "satellite investment portfolio" (see Note 1.7.2) which are recognized at fair value in accordance with IAS 39.

Notional amount		Positive fair value		Negative fair value		Net fair value		Change in fair value
December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009	2010/2009
1,546	3,469	340	114	226	165	114	(51)	165
8,555	4,964	270	701	-	-	270	701	(430)
1,248	1,416	-	-	21	64	(21)	(64)	43
5,056	4,670	270	214	-	30	270	184	86
1,588	945	-	-	88	20	(88)	(20)	(68)
622	1,246	6	31	-	-	6	31	(26)
6,978	6,778	2	26	9	9	(7)	17	(24)
454	6,070	51	72	3	757	47	(685)	733
26,047	**29,557**	**939**	**1,158**	**347**	**1,046**	**592**	**112**	**479**
71,318	53,021	1,843	819	5,410	3,520	(3,567)	(2,701)	(866)
56,480	37,992	4,743	3,796	1,651	1,161	3,092	2,635	456
3,637	3,891	164	58	117	0	46	58	(12)
27,480	31,544	91	34	94	60	(4)	(26)	22
415	-	-	-	3	-	(3)	-	(3)
6,713	10,472	243	209	-	-	243	209	34
476	-	2	-	5	-	(3)	-	(3)
19,245	13,342	677	666	-	-	677	666	11
1,968	1,741	-	-	51	190	(51)	(190)	139
14,752	4,792	-	1	260	-	(260)	1	(261)
1,008	1,009	-	11	11	3	(11)	8	(19)
1,503	781	12	23	87	85	(75)	(62)	(12)
204,996	**158,584**	**7,775**	**5,617**	**7,691**	**5,019**	**84**	**599**	**(515)**
8,740	10,071	185	41	283	265	(98)	(224)	126
14,279	21,001	72	114	405	435	(333)	(321)	(12)
23,019	**31,072**	**256**	**155**	**687**	**700**	**(431)**	**(545)**	**114**
42,971	36,349	1,313	1,583	4,038	2,025	(2,725)	(442)	(2,283)
2,217	5,241	35	1	-	101	35	(100)	135
2,481	133	-	-	39	-	(39)	-	(39)
9,340	800	437	63	-	-	437	63	374
6,863	958	-	-	70	10	(70)	(10)	(60)
8,463	3,393	109	15	351	14	(242)	2	(244)
46,712	28,197	3,464	582	190	79	3,274	503	2,771
119,047	**75,071**	**5,357**	**2,243**	**4,687**	**2,228**	**670**	**15**	**654**
8,287	11,468	108	183	474	525	(366)	(342)	(24)
3,912	2,537	6	17	115	5	(109)	12	(121)
12,199	**14,006**	**114**	**201**	**589**	**530**	**(475)**	**(330)**	**(145)**
385,308	**308,290**	**14,441**	**9,374**	**14,002**	**9,522**	**439**	**(148)**	**588**

20.2. HEDGE ACCOUNTING DERIVATIVES

Hedging derivative instruments broke down as follows:

Derivative instruments subject to hedge accounting and other derivatives *(in Euro million)*	Derivative instruments used in fair value hedging relationship		Derivative instruments used in a cash flow hedging relationship	
	Notional amount	Fair value	Notional amount	Fair value
Equity swaps	1,096	85	-	-
Calls bought	-	-	-	-
Calls sold	-	-	-	-
Puts bought	519	103	-	-
Puts sold	410	(47)	-	-
Futures/Forwards bought	-	-	-	-
Futures/Forwards sold	-	-	-	-
Other derivatives	76	(1)	-	-
Sub-total Equity Derivatives	**2,100**	**141**	**-**	**-**
Interest rate payer swaps	12,812	(862)	200	(34)
Interest rate receiver swaps	750	(30)	843	121
Interest rate basis swaps	-	-	-	-
Caps bought	620	31	-	-
Caps sold	-	-	-	-
Floors bought	-	-	-	-
Collars	425	(5)	-	-
Swaptions bought	-	-	-	-
Swaptions sold	-	-	-	-
Futures/Forwards bought	-	-	1,846	(78)
Futures/Forwards sold	-	-	-	-
Other derivatives	-	-	-	-
Sub-total Interest rate Derivatives	**14,607**	**(865)**	**2,889**	**8**
Credit derivatives bought	6,067	(103)	-	-
Credit derivatives sold	-	-	-	-
Sub-total Credit Derivatives	**6,067**	**(103)**	**-**	**-**
Currency swaps	1,035	106	430	39
Calls bought	-	-	-	-
Calls sold	-	-	-	-
Puts bought	-	-	-	-
Puts sold	-	-	-	-
Futures/Forwards bought	697	(60)	-	-
Futures/Forwards sold	5,427	587	-	-
Sub-total Currency Derivatives	**7,158**	**633**	**430**	**39**
Total return swaps	-	-	334	(8)
Other derivatives	-	-	679	(92)
Sub-total Other Derivatives	**-**	**-**	**1,013**	**(100)**
TOTAL	**29,933**	**(194)**	**4,332**	**(53)**

NB: This table includes all derivatives (assets and liabilities), i.e. hedging, macrohedging and other, in an asset or liability position.

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

December 31, 2010 [a]					
Derivative instruments used in hedge of net investment in a foreign operation		Macro-hedges and other derivative instruments not qualifying under IAS 39 but generally used as economic hedges		Total	
Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value
-	-	450	29	1,546	114
-	-	8,555	270	8,555	270
-	-	1,248	(21)	1,248	(21)
-	-	4,537	167	5,056	270
-	-	1,179	(41)	1,588	(88)
-	-	622	6	622	6
-	-	6,978	(7)	6,978	(7)
-	-	377	48	454	47
-	**-**	**23,947**	**451**	**26,047**	**592**
-	-	58,307	(2,670)	71,318	(3,567)
13	1	54,875	3,001	56,480	3,092
-	-	3,637	46	3,637	46
149	(1)	26,711	(34)	27,480	(4)
-	-	415	(3)	415	(3)
-	-	6,713	243	6,713	243
-	-	50	2	476	(3)
-	-	19,245	677	19,245	677
-	-	1,968	(51)	1,968	(51)
-	-	12,906	(182)	14,752	(260)
-	-	1,008	(11)	1,008	(11)
-	-	1,503	(75)	1,503	(75)
162	**-**	**187,338**	**942**	**204,996**	**85**
-	-	2,674	5	8,740	(98)
-	-	14,279	(333)	14,279	(333)
-	**-**	**16,952**	**(328)**	**23,019**	**(431)**
18,274	(3,057)	23,231	188	42,971	(2,725)
769	15	1,447	20	2,217	35
2,467	(38)	14	(1)	2,481	(39)
2,913	2	6,427	435	9,340	437
774	(37)	6,089	(33)	6,863	(70)
766	13	7,001	(195)	8,463	(242)
-	-	41,286	2,686	46,712	3,273
25,964	**(3,102)**	**85,494**	**3,100**	**119,047**	**669**
-	-	7,954	(358)	8,287	(366)
-	-	3,233	(17)	3,912	(109)
-	**-**	**11,186**	**(375)**	**12,199**	**(475)**
26,126	**(3,103)**	**324,917**	**3,789**	**385,308**	**439**

Derivative instruments subject to hedge accounting and other derivatives *(in Euro million)*	Derivative instruments used in fair value hedging relationship		Derivative instruments used in a cash flow hedging relationship	
	Notional amount	Fair value	Notional amount	Fair value
Equity swaps	1,467	(40)	-	-
Calls bought	-	-	-	-
Calls sold	799	(2)	-	-
Puts bought	672	101	-	-
Puts sold	527	(20)	-	-
Futures/Forwards bought	-	-	-	-
Futures/Forwards sold	-	-	-	-
Other derivatives	-	-	-	-
Sub-total Equity Derivatives	**3,465**	**39**	**-**	**-**
Interest rate payer swaps	7,911	(307)	200	(28)
Interest rate receiver swaps	201	1	843	88
Interest rate basis swaps	-	-	-	-
Caps bought	-	-	-	-
Caps sold	-	-	-	-
Floors bought	-	-	-	-
Collars	-	-	-	-
Swaptions bought	-	-	2,226	83
Swaptions sold	-	-	-	-
Futures/Forwards bought	-	-	-	-
Futures/Forwards sold	-	-	-	-
Other derivatives	-	-	-	-
Sub-total Interest rate Derivatives	**8,111**	**(306)**	**3,268**	**143**
Credit derivatives bought	3,674	(107)	-	-
Credit derivatives sold	-	-	-	-
Sub-total Credit Derivatives	**3,674**	**(107)**	**-**	**-**
Currency swaps	-	-	430	76
Calls bought	-	-	-	-
Calls sold	-	-	-	-
Puts bought	-	-	-	-
Puts sold	-	-	-	-
Futures/Forwards bought	105	(1)	-	-
Futures/Forwards sold	2,165	1	-	-
Sub-total Currency Derivatives	**2,270**	**-**	**430**	**76**
Total return swaps	-	-	-	-
Other derivatives	-	-	-	-
Sub-total Other Derivatives	**-**	**-**	**-**	**-**
TOTAL	**17,520**	**(374)**	**3,699**	**219**

NB: This table includes all derivatives (assets and liabilities), i.e. hedging, macrohedging and other, in an asset or liability position.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as of December 31, 2009 (see Note 5.3).

Note 4 to the consolidated financial statements refers to Risk Management within the Group, and describes its main principles and guidelines. In general, derivatives are used by various entities and by the Company for economic hedging purposes. However, the notion of hedge accounting within the meaning of IAS 39 only applies to a small portion of derivatives used by the Group. The overall objectives of the economic hedging implemented by AXA are described briefly below, along with details of any items that qualify for hedge accounting in the meaning of IAS 39.

December 31, 2009 [(a)]

Derivative instruments used in hedge of net investment in a foreign operation		Macro-hedges and other derivative instruments not qualifying under IAS 39 but generally used as economic hedges		Total	
Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value
-	-	2,002	(11)	3,469	(51)
-	-	4,964	701	4,964	701
-	-	616	(62)	1,416	(64)
-	-	3,998	83	4,670	184
-	-	418	(0)	945	(20)
-	-	1,246	31	1,246	31
-	-	6,778	17	6,778	17
-	-	6,070	(685)	6,070	(685)
-	**-**	**26,092**	**73**	**29,557**	**112**
-	-	44,911	(2,365)	53,021	(2,701)
-	1	36,949	2,545	37,992	2,635
-	-	3,891	58	3,891	58
140	-	31,404	(26)	31,544	(26)
-	-	-	-	-	-
-	-	10,472	209	10,472	209
-	-	-	-	-	-
-	-	11,116	583	13,342	666
-	-	1,741	(190)	1,741	(190)
-	-	4,792	1	4,792	1
-	-	1,009	8	1,009	8
-	-	781	(62)	781	(62)
140	**-**	**147,065**	**761**	**158,584**	**599**
-	-	6,398	(117)	10,071	(224)
-	-	21,001	(321)	21,001	(321)
-	**-**	**27,398**	**(438)**	**31,072**	**(545)**
17,239	(374)	18,679	(143)	36,349	(442)
4,082	(113)	1,159	12	5,241	(100)
-	-	133	-	133	-
-	-	800	63	800	63
-	-	958	(10)	958	(10)
406	5	2,881	(3)	3,393	2
878	12	25,155	490	28,197	503
22,605	**(470)**	**49,765**	**409**	**75,071**	**15**
-	-	11,468	(342)	11,468	(342)
-	-	2,537	12	2,537	12
-	**-**	**14,006**	**(330)**	**14,006**	**(330)**
22,745	**(469)**	**264,326**	**476**	**308,290**	**(148)**

In the tables above, the fourth column includes derivatives that do not qualify for hedge accounting under IAS 39, but whose objective is nevertheless to provide economic hedging of a risk, with the exception notably of certain credit derivatives. They include “macro-hedging” derivatives as defined by the IASB in its amendment to IAS 39.

AXA uses derivative instruments to hedge some equity and real estate exposures and to manage various types of risks, including interest rate risk, exchange rate risk and credit risk. Details of the impact of derivative instruments on financial investments and liabilities are provided in Section 20.3 and 20.4.

As of December 31, 2010, the notional amount of all derivative instruments totaled €385 billion (€308 billion at the end of 2009). Their net fair value as of December 31, 2010 totaled €439 million (€-148 million at the end of 2009).

Derivative hedging strategies are defined and managed by AXA's local operations. Such economic hedging strategies include (i) managing interest rate exposures on fixed maturity investments, long-term debt and guaranteed interest rates on insurance contracts, (ii) managing foreign-currency exposures on foreign-currency denominated investments and liabilities, (iii) managing liquidity positions (including the ability to pay benefits and claims when due) in connection with asset-liability management and local regulatory requirements for insurance and banking operations, and (iv) limiting credit risk with regard to certain investments in corporate debt instruments.

While notional amount is the most commonly used measure of volume in the derivatives market, it is not used as a measure of risk because the notional amount greatly exceeds the possible credit and market loss that could arise from such transactions. The Group is exposed to credit risk in respect of its counterparties to the derivative instruments, but is not exposed to credit risk on the entire notional amounts. The Group actively manages counterparty risk generated by OTC (over-the-counter) derivatives through a specific Group-wide policy. This policy includes a limit framework and an exposure monitoring process. Limits are set specifically for each authorized counterparty, based on an internal scoring system. This policy also includes daily to weekly collateralization for the majority of the Group's exposure. The notional amounts do not represent the amounts actually exchanged by the parties and thus are not a measure of the Group's exposure to derivative instruments.

As of December 31, 2010 and based on notional amounts, (i) 48% of the derivative instruments used consisted in swap contracts (48% at the end of 2009), (ii) 24% were option products, mainly caps, floors and swaptions (27% at the end of December 2009), (iii) 21% were futures and forwards (15% at the end of 2009) and (iv) 6% were credit derivatives (10% at the end of 2009). Credit derivatives are mainly used as an alternative to debt security portfolios, when coupled with government debt instruments, but also as a protection on single names or specific portfolios. In 2010, the Group held €6.1 billion Corporate Default Swaps (CDS) protections used for negative basis trades (€4.4 billion at the end of 2009). This strategy consisted in purchasing (i) corporate debt instruments and (ii) CDS with the same name, maturity and seniority so as to lock associated liquidity premium.

As of December 31, 2010, the notional amount of hedging derivative instruments as defined by IAS 39 (fair value, cash flow and net investment hedges) of the Group totaled €60,391 million (€43,964 million at the end of 2009). Their net fair value was €-3,350 million (€-624 million at the end of 2009), mainly driven by foreign exchange movements impacting net investment hedge strategies.

20.2.1. Equity derivatives instruments

The equity derivative portfolio mainly consists in puts and calls. **Equity puts and calls** are options agreements that give the seller (puts) or the buyer (calls) the right to exercise the option and to sell or buy shares or indices at the strike price. These puts and calls are predominantly used by the Company and represented a total notional value of €11,250 million at the end of 2010 (€3,541 million at the end of 2009). The Company notably bought in 2010 call options on an equity index maturing in June 2012 for €5,000 million notional amount.

Equity **futures and forwards** constitute another part of AXA's hedging strategies to manage its equity exposure and represented a total notional value of €7,600 million at the end of 2010 (€8,024 million at the end of 2009). These instruments are mainly used by United States Life & Savings to hedge Variable Annuities (notional amount of €6,190 million compared with €5,665 million at the end of 2009).

20.2.2. Interest rate derivative instruments

A) INTEREST RATE SWAPS

Swap contracts are agreements between two parties to exchange one set of cash flows for another set of cash flows. Payments are made on the basis of the swap's notional value. AXA primarily uses interest rate swap contracts to manage cash flows arising from interest received or paid, and cross-currency swap contracts to manage foreign-currency denominated cash flows or investments (see Note 20.2.4).

On a consolidated basis, the notional amount of interest rate swaps at December 31, 2010 was €131,436 million (€94,905 million at the end of 2009). Their market value was €-429 million (€-8 million at the end of 2009).

At December 31, 2010, interest rate swaps accounted for 71% of all swaps used by the Group (versus 65% at the end of 2009). They are used mainly by:

(i) the Company to limit the variability of its future net interest expenses resulting from its interest rate exposure on debt issued or amounts borrowed (notional amount of €56,371 million compared to €47,212 million at the end of 2009);

(ii) AXA Bank Europe to hedge interest rate risk exposures arising in the context of its ordinary banking activities, in order to achieve an appropriate interest rate spread between its interest-earning assets and interest-bearing liabilities (notional value of €20,162 million versus €6,499 million at the end of 2009);

(iii) Germany Life & Savings (notional amount of €17,536 million versus €13,143 million at the end of 2009) mainly due to the active financial risk management program associated with the guaranteed minimum benefits on Variable Annuity products;

(iv) Japan Life & Savings (notional amount of €15,882 million versus €10,472 million at the end of 2009) to manage interest rates on its fixed income assets and to hedge guaranteed minimum benefits features included in Variable Annuity products. The increase in notional value in 2010 was mainly driven by new sales of Variable Annuity products;

(v) France Life & Savings (notional amount of €4,921 million versus €4,794 million at the end of 2009) mainly to adjust the duration of its fixed income portfolio (notional amount of €2,290 million versus €2,273 million at the end of 2009), as well as to get long term variable interest rate bonds (notional amount of €1,847 million versus €2,121 million at the end of 2009);

(vi) United States Life & Savings (notional amount of €4,638 million versus €1,854 million at the end of 2009) related to the active financial risk management program associated with the guaranteed minimum benefits on Variable Annuity products and anticipatory hedge to protect against declining interest rates with respect to projected Variable Annuity sales. The increase is mainly due to dynamic interest rate hedging program on Variable Annuities.

At December 31, 2010, 89% of the total notional amount of interest rate swaps was not subject to hedge accounting under IAS 39 (90% at the end of 2009), and included €56,371 million for the Company (€47,212 million at the end of 2009), €17,270 million for AXA Germany Life & Savings (versus €12,878 million at the end of 2009), and €15,697 million for AXA Bank Europe (versus €3,005 million at the end of 2009).

The notional amounts of interest rate swaps used in fair value hedge relationships totaled €13,562 million as of December 31, 2010 (€8,111 million at the end of 2009), including €7,052 million at AXA Japan, and €4,265 million at AXA Bank Europe to hedge interest rate risk of a portfolio composed of mortgages loans and individuals bonds investments.

The notional amounts of interest rate swaps used in cash flow hedge relationships totaled €1,043 million (€1,043 million at the end of 2009), including €501 million in Belgium Life & Savings, €266 million in Germany Life & Savings and €200 million in AXA Bank Europe.

B) OPTIONS

The option portfolio hedging interest rates consists mainly in caps and floors. **Interest rate caps and floors** are options agreements where the seller agrees to pay the counterparty an amount equal to the difference, based on a notional amount, between the interest rate of the specified index and the reference interest rate cap or floor. These products are used to hedge against interest rate increases (caps) or decreases (floor). Caps and floors are used predominantly by Life & Savings operations in France, the United States and Italy to protect our ability to serve policyholder participation and credited rate mainly for general account products with guaranteed minimum rates of return.

The notional amount of interest rate caps and floors at December 31, 2010 was €34,609 million or 61% of the total notional amount of all interest rate options (€42,016 million or 74% at the end of 2009). The net fair value of caps and floors was €236 million at December 31, 2010 (€183 million at the end of 2009).

Swaptions represented 38% (€21,213 million notional at December 31, 2010) of the total notional amount of all interest rate options as of December 31, 2010, mainly (i) in United States Life & Savings (€8,311 million in 2010 versus €837 million in 2009) to hedge interest rate volatility risk associated with Variable Annuity guarantees (€6,813 million versus €837 million at the end of 2009) and to hedge duration gap between assets and liabilities on general account for a notional amount of €1,498 million, (ii) in Germany Life & Savings (€6,690 million in 2010 versus €6,690 million at the end of 2009) to hedge interest rate risk on the fixed income portfolio and Variable Annuity guarantees, (iii) in Switzerland Life & Savings for €2,831 million (€2,766 million at the end of 2009) including €1,662 million (€2,226 million at the end of 2009) used to protect the reinvestment risk in the individual Life & Savings business, (iv) €1,224 million in Japan Life & Savings (€602 million at the end of 2009) mainly to hedge convexity risk associated with Variable Annuity guarantees, and (v) in Belgium Life & Savings for €1,219 million (€1,388 million at the end of 2009) to protect life funds against large movements in interest rates.

C) FUTURES AND FORWARDS

Futures are contracts that require settlement at a specified price and on a specified future date. **Forwards** are customized contracts between two entities where settlement takes place on a specific date in the future at today's pre-agreed price.

On a consolidated basis, the notional amount of interest rates futures and forwards at December 31, 2010 was

€15,760 million (€5,801 million at the end of 2009) and are predominantly used in United States Life & Savings to hedge Variable Annuities for a total notional amount of €11,075 million (versus €4,735 million in 2009) consisting in Treasury futures.

As of December 31, 2010, 88% of the notional value of futures and forwards at the end of 2010 did not qualify for hedge accounting under IAS 39 (100% at the end of 2009).

20.2.3. Credit derivative instruments

As part of its investment and credit risk management activities, the Group uses strategies that involve credit derivatives (Credit Default Swaps or CDS), which are mainly used as an alternative to debt security portfolios, but also as a protection on single corporate names or specific portfolios.

At December 31, 2010, the notional amount of credit derivatives carried by the Group was €24,975 million (including €312 million held through CDOs), of which:

- €1,956 million relating to exposures held within investment funds of the "satellite investment portfolio" (see Note 1.7.2). Such credit default swaps were used mainly in AXA France (€736 million) and AXA Belgium (€351 million);
- €23,019 million held directly or within "core investment portfolio" or CDOs. Such credit derivatives were mainly used in AXA Japan (notional amount of €6,692 million compared to €9,780 million at the end of 2009) and in France Life & Savings (notional amount of €3,245 million compared to €3,245 million at the end of 2009) on debt instruments to enhance the return on their government bonds portfolios. In addition, Japan Life & Savings, Switzerland entities and France Life & Savings also used credit derivatives to form negative basis trades, for a notional amount of €3,868 million, €1,692 million and €539 million respectively. This strategy consisted in purchasing (i) corporate debt instruments and (ii) CDS with the same name, maturity and seniority so as to lock associated liquidity premium.

20.2.4. Currency derivative instruments

Currency future and forward contracts accounted for 46% of currency derivative instruments (based on notional amounts at December 31, 2010), compared to 42% at the end of 2009. Swiss entities use such contracts for a total notional amount of €29,574 million mainly to hedge exchange-rate risk arising from their investments in equities and debt instruments denominated in foreign currency (mainly € and US$). Japan Life & Savings also uses future and forward foreign currency contracts (for a total notional amount of €17,080 million) to hedge exchange rate risk arising from its investments in fixed-maturity debt instruments denominated in foreign currencies. In accordance with IAS 21 and IAS 39, the translation difference relating to these debt instruments is recognized in profit & loss and offsets most of the change in market value of associated derivative instruments, which is also recognized in profit & loss. In practice, therefore, the hedge impact of such contracts is recognized through profit or loss with no qualified hedge accounting prescribed by IAS 39.

Currency swaps constitute another part of AXA's hedging strategies to manage foreign currency cash flow exposures, and are primarily used by the Company (€36,547 million versus €31,910 million at the end of 2009) and AXA Bank Europe (€2,677 million versus €1,216 million at the end of 2009) to manage financing operations.

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20.3. EFFECT OF HEDGING ON FINANCIAL INVESTMENTS

The impact of derivative instruments is presented in the consolidated statement of financial position within their related underlying financial assets (and liabilities, see Section 20.4). The table below sets out the impact of derivative instruments on the related underlying assets.

	Insurance			
(in Euro million)	Carrying value excluding effect of hedging value (b)	Impact of derivative instruments subject to hedge accounting (c)	Impact of other derivative instruments (d)	Carrying value including effect of derivatives (e)
Investment in real estate properties at amortized cost	14,586	-	-	14,586
Investment in real estate properties designated as at fair value through profit or loss	1,122	-	-	1,122
Macro hedge and other derivatives	-	-	-	-
Investment in real estate properties	**15,709**	**-**	**-**	**15,709**
Debt instruments held to maturity	-	-	-	-
Debt instruments available for sale	305,603	(709)	2,311	307,205
Debt instruments designated as at fair value through profit or loss	28,815	-	283	29,098
Debt instruments held for trading	621	-	(14)	607
Debt instruments (at cost) that are not quoted in an active market	5,346	-	-	5,346
Debt instruments	**340,385**	**(709)**	**2,580**	**342,256**
Equity instruments available for sale	16,609	225	91	16,925
Equity instruments designated as at fair value through profit or loss	3,909	-	(1)	3,908
Equity instruments held for trading	32	-	(1)	32
Equity instruments	**20,551**	**225**	**89**	**20,865**
Non controlled investment funds available for sale	6,577	376	29	6,982
Non controlled investment funds designated as at fair value through profit or loss	4,188	-	79	4,267
Non controlled investment funds held for trading	4	-	-	4
Non controlled investment funds	**10,769**	**376**	**108**	**11,253**
Other investments (g)	**7,780**	**-**	**15**	**7,795**
Macro hedge and other derivatives	**40**	**-**	**-**	**40**
TOTAL FINANCIAL INVESTMENTS	**379,525**	**(108)**	**2,792**	**382,210**
Loans held to maturity	-	-	-	-
Loans available for sale	755	-	-	755
Loans designated as at fair value through profit or loss	-	-	-	-
Loans held for trading	-	-	-	-
Mortgage loans	15,797	-	(12)	15,785
Other (f)	10,589	-	94	10,682
Macro hedge and other derivatives	-	-	-	-
Loans	**27,141**	**-**	**82**	**27,223**
Assets backing contracts where financial the risk is borne by policyholders	**137,740**	**-**	**(0)**	**137,739**
TOTAL INVESTMENTS	**560,115**	**(108)**	**2,874**	**562,881**
Derivative instruments hedging net investment in a foreign operation (assets) (h)	**-**	**-**	**-**	**-**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Carrying value, i.e. net of impairment, discount premiums and related amortization, including accrued interest, but excluding any impact of derivatives.

(c) Excluding macro hedge and other derivatives.

(d) Macro hedge and other derivatives.

December 31, 2010 [a]							
Banking and other activities				Total			
Carrying value excluding effect of hedging value [b]	Impact of derivative instruments subject to hedge accounting [c]	Impact of other derivative instruments [d]	Carrying value including effect of derivatives [e]	Carrying value excluding effect of hedging value [b]	Impact of derivative instruments subject to hedge accounting [c]	Impact of other derivative instruments [d]	Carryingvalue including effect of derivatives [e]
2,435	-	-	2,435	17,021	-	-	17,021
-	-	-	-	1,122	-	-	1,122
-	-	-	-	-	-	-	-
2,435	**-**	**-**	**2,435**	**18,143**	**-**	**-**	**18,143**
-	-	-	-	-	-	-	-
6,101	(40)	10	6,070	311,704	(750)	2,321	313,275
451	-	(3)	448	29,266	-	280	29,546
259	-	(32)	227	880	-	(46)	834
2,232	-	-	2,232	7,578	-	-	7,578
9,044	**(40)**	**(26)**	**8,978**	**349,429**	**(750)**	**2,554**	**351,234**
2,246	(1)	292	2,537	18,855	224	383	19,462
350	-	3	353	4,259	-	1	4,261
-	-	-	-	32	-	(1)	32
2,596	**(1)**	**295**	**2,889**	**23,147**	**224**	**384**	**23,754**
186	-	-	186	6,763	376	29	7,168
106	-	-	106	4,294	-	79	4,373
347	-	-	347	351	-	-	351
640	**-**	**-**	**640**	**11,408**	**376**	**108**	**11,893**
1	**-**	**-**	**1**	**7,781**	**-**	**15**	**7,796**
(2,217)	**-**	**-**	**(2,217)**	**(2,177)**	**-**	**-**	**(2,177)**
10,063	**(42)**	**269**	**10,290**	**389,588**	**(149)**	**3,061**	**392,500**
-	-	-	-	-	-	-	-
-	-	-	-	755	-	-	755
-	-	-	-	-	-	-	0
4	-	-	4	4	-	-	4
13,442	-	-	13,442	29,239	-	(12)	29,227
5,438	-	4	5,442	16,027	-	98	16,124
29	-	-	29	29	-	-	29
18,914	**-**	**4**	**18,917**	**46,054**	**-**	**86**	**46,140**
-	**-**	**-**	**-**	**137,740**	**-**	**(0)**	**137,739**
31,411	**(42)**	**273**	**31,642**	**591,526**	**(149)**	**3,146**	**594,523**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(e) Carrying value (see (b)), but including effect of hedging instruments (IAS 39), economic hedging instruments not acting as hedging under IAS 39, macrohedge and other derivatives.

(f) Notably includes policy loans, lease receivables and other loans.

(g) Other investments held through consolidated investment funds designated as at fair value through profit or loss.

(h) Derivatives instruments used in hedge of net investment in a foreign operation, and not attached to a debt on the face of the consolidated statement of financial position.

	Insurance			
(in Euro million)	Carrying value excluding effect of hedging value [c]	Impact of derivative instruments subject to hedge accounting [d]	Impact of other derivative instruments [e]	Carrying value including effect of derivatives [f]
Investment in real estate properties at amortized cost	13,373	-	33	13,406
Investment in real estate properties designated as at fair value through profit or loss	2,197	-	-	2,197
Macro hedge and other derivatives	-	-	-	-
Investment in real estate properties	**15,569**	**-**	**33**	**15,603**
Debt instruments held to maturity	-	-	-	-
Debt instruments available for sale	274,530	87	870	275,487
Debt instruments designated as at fair value through profit or loss	43,579	(24)	51	43,606
Debt instruments held for trading	490	-	-	490
Debt instruments (at cost) that are not quoted in an active market	1,804	-	-	1,804
Debt instruments	**320,404**	**63**	**921**	**321,387**
Equity instruments available for sale	15,250	(42)	4	15,212
Equity instruments designated as at fair value through profit or loss	10,273	-	57	10,329
Equity instruments held for trading	27	-	-	27
Equity instruments	**25,550**	**(42)**	**61**	**25,569**
Non controlled investment funds available for sale	5,595	(1)	(6)	5,588
Non controlled investment funds designated as at fair value through profit or loss	2,088	-	9	2,096
Non controlled investment funds held for trading	71	-	-	71
Non controlled investment funds	**7,754**	**(1)**	**3**	**7,755**
Other investments [h]	**9,341**	**-**	**9**	**9,350**
Macro hedge and other derivatives	**(294)**	**-**	**-**	**(294)**
Total financial investments	**362,755**	**20**	**993**	**363,768**
Loans held to maturity	-	-	-	-
Loans available for sale	749	-	-	749
Loans designated as at fair value through profit or loss	-	-	-	-
Loans held for trading	-	-	-	-
Mortgage loans	14,191	-	(5)	14,186
Other [g]	10,186	-	78	10,264
Macro hedge and other derivatives	-	-	-	-
Loans	**25,125**	**-**	**73**	**25,199**
Assets backing contracts where financial the risk is borne by policyholders	**155,421**	**-**	**36**	**155,457**
TOTAL INVESTMENTS	**558,871**	**20**	**1,136**	**560,027**
Derivative instruments hedging net investment in a foreign operation (assets) [i]	**-**	**-**	**-**	**-**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3).

(b) In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).

(c) Carrying value, i.e. net of impairment, discount premiums and related amortization, including accrued interest, but excluding any impact of derivatives.

(d) Excluding macro hedge and other derivatives.

(e) Macro hedge and other derivatives.

(f) Carrying value (see (b)), but including effect of hedging instruments (IAS 39), economic hedging instruments not acting as hedging under IAS 39, macrohedge and other derivatives.

(g) Notably includes policy loans, lease receivables and other loans.

(h) Other investments held through consolidated investment funds designated as at fair value through profit or loss.

(i) Derivative instruments used in hedge of net investment in a foreign operation, and not attached to a debt on the face of the consolidated statement of financial position.

December 31, 2009 [(a)] [(b)]

Banking and other activities				Total			
Carrying value excluding effect of hedging value [(c)]	Impact of derivative instruments subject to hedge accounting [(d)]	Impact of other derivative instruments [(e)]	Carrying value including effect of derivatives [(f)]	Carrying value excluding effect of hedging value [(c)]	Impact of derivative instruments subject to hedge accounting [(d)]	Impact of other derivative instruments [(e)]	Carryingvalue including effect of derivatives [(f)]
2,456	-	-	2,456	15,829	-	33	15,863
-	-	-	-	2,197	-	-	2,197
-	-	-	-	-	-	-	-
2,456	**-**	**-**	**2,456**	**18,026**	**-**	**33**	**18,059**
-	-	-	-	-	-	-	-
4,344	5	3	4,352	278,875	92	873	279,839
90	-	(6)	84	43,669	(24)	45	43,690
478	(22)	(5)	450	968	(22)	(5)	940
1,544	-	-	1,544	3,348	-	-	3,348
6,456	**(18)**	**(8)**	**6,430**	**326,860**	**45**	**913**	**327,818**
2,664	-	66	2,730	17,915	(42)	70	17,943
214	-	3	216	10,486	-	59	10,546
251	-	-	251	278	-	-	278
3,129	**-**	**69**	**3,197**	**28,679**	**(42)**	**129**	**28,766**
153	-	-	153	5,748	(1)	(6)	5,741
84	-	-	84	2,172	-	9	2,181
-	-	-	-	71	-	-	71
237	**-**	**-**	**237**	**7,991**	**(1)**	**3**	**7,993**
7	**-**	**-**	**7**	**9,348**	**-**	**9**	**9,357**
634	**-**	**-**	**634**	**340**	**-**	**-**	**340**
10,463	**(18)**	**60**	**10,506**	**373,218**	**2**	**1,054**	**374,274**
-	-	-	-	-	-	-	-
-	-	-	-	749	-	-	749
-	-	-	-	-	-	-	-
8	-	-	8	8	-	-	8
12,217	-	-	12,217	26,407	-	(5)	26,402
4,801	-	-	4,801	14,987	-	78	15,065
31	-	-	31	31	-	-	31
17,056	**-**	**-**	**17,056**	**42,182**	**-**	**73**	**42,255**
-	**-**	**-**	**-**	**155,421**	**-**	**36**	**155,457**
29,975	**(18)**	**60**	**30,018**	**588,846**	**2**	**1,197**	**590,045**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**

20.4. EFFECT OF HEDGING ON LIABILITIES

The impact of derivative instruments is presented in the balance sheet within their related underlying financial liabilities (and assets, see Section 20.3). The tables below set out the impact of derivative instruments on the related underlying liabilities.

20.4.1. Liabilities arising from insurance and investment contracts

	December 31, 2010 [(a)]				December 31, 2009 [(a)]			
(in Euro million)	Net carrying value excluding effect of hedging value	Impact of derivative instru-ments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives	Net carrying value excluding effect of hedging value	Impact of derivative instru-ments subject to hedge accounting	Impact of other derivative instru-ments	Value including effects of derivatives
Liabilities arising from insurance contracts	342,559	-	(585)	341,974	330,016	-	(288)	329,728
Liabilities arising from insurance contracts where the financial risk is borne by policyholders	108,587	-	(136)	108,450	103,281	-	(30)	103,250
Total liabilities arising from insurance contracts	**451,146**	**-**	**(722)**	**450,424**	**433,297**	**-**	**(318)**	**432,979**
Liabilities arising from investment contracts with discretionary participating features	37,233	-	-	37,233	39,650	-	-	39,650
Liabilities arising from investment contracts with no discretionary participating features	720	-	-	720	917	-	-	917
Liabilities arising from investment contracts where the financial risk is borne by policyholders	29,706	-	(5)	29,702	52,516	-	(1)	52,515
Total liabilities arising from investment contracts	**67,659**	**-**	**(5)**	**67,654**	**93,083**	**-**	**(1)**	**93,082**
Macro hedge derivative instruments on insurance and investment contracts (liabilities)	**-**	**-**	**6**	**-**	**-**	**-**	**(2)**	**-**

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

20.4.2. Liabilities (and assets) arising from banking activities

As of December 31, 2010, the fair value of derivatives related to macro hedges shown in Note 15 are used to hedge interest rate risk exposures in the context of ordinary banking activities, in order to achieve an appropriate interest rate spread between its interest earning assets and interest bearing liabilities. Related hedged assets are disclosed in Note 9.4.2 and liabilities in Note 15.

20.4.3. Other financial liabilities

(in Euro million)	December 31, 2010 [a]				December 31, 2009 [a] [b]			
	Value before effect of derivative instru-ments	Impact of derivative instru-ments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives	Value before effect of derivative instru-ments	Impact of derivative instru-ments subject to hedge accounting	Impact of other derivative instru-ments	Value including effects of derivatives
Subordinated debt	6,545	116	406	7,066	6,244	(233)	341	6,352
Financing debt instruments issued	2,465	2	34	2,500	2,999	(35)	(27)	2,937
Financing debt owed to credit institutions	887	-	-	887	921	-	-	921
Financing debt [c]	**9,897**	**118**	**439**	**10,454**	**10,164**	**(269)**	**315**	**10,210**
Deferred tax liability	**4,098**	**-**	**-**	**4,098**	**4,934**	**-**	**-**	**4,934**
Minority interests of controlled investment funds and puttable instruments held by minority interests holders	4,855	-	-	4,855	6,516	-	-	6,516
Other debt instruments issued, notes and bank overdrafts	6,870	34	-	6,905	4,446	28	-	4,474
Payables arising from direct insurance and inward reinsurance operations	7,387	-	-	7,387	6,761	-	-	6,761
Payables arising from outward reinsurance operations	5,598	-	-	5,598	5,571	-	-	5,571
Payables arising from banking activities [c]	-	-	-	-	-	-	-	-
Payables – current tax	1,348	-	-	1,348	1,314	-	-	1,314
Other payables	42,500	-	31	42,531	30,178	-	14	30,191
Derivatives relating to other financial liabilities	-	-	-	-			94	94
Payables [d]	**68,558**	**34**	**31**	**68,624**	**54,785**	**28**	**108**	**54,921**
Derivative instruments hedging net investment in a foreign operation (liabilities)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(a) *Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).*

(b) *In order to improve the consolidated statement of financial position presentation consistency across segments, balances disclosed so far as "Receivables arising from banking operations" and "Payables arising from banking operations" have been respectively reclassified to the "Investments from banking and other activities" and to the new "Liabilities arising from banking activities" aggregates (see Note 1.20).*

(c) *Financing debt, other debt instruments issued, notes and bank overdrafts, and Payables arising from banking activities issued are disclosed in the balance sheet net of the impact of derivatives. As a result, the amount showing in the column "value including effect of derivatives" is their carrying value.*

(d) *Other debts are presented excluding the effect of derivatives on the face of the consolidated statement of financial position.*

20.5. BREAKDOWN OF DERIVATIVE INSTRUMENTS BY VALUATION METHOD

	December 31, 2010 [a]		
	Instruments quoted in an active market	Instruments not quoted in an active market – No active market	
(in Euro million)	Fair value determined directly by reference to an active market Level 1	Fair value based on observable market data Level 2	Fair value not based on observable market data Level 3
Derivative instruments on investments (hedge accounting)	457	(606)	-
Other derivative instruments on investments [b]	2,547	597	3
Macro hedge on investments	46	(2,194)	-
Total – derivative instruments relating to investments	**3,050**	**(2,204)**	**3**
Derivatives (hedge accounting) – Reinsurance	-	-	-
Other derivatives – Reinsurance [b]	-	-	-
Macro hedge – Reinsurance	-	-	-
Total – derivative instruments relating to insurance and investment contracts	**-**	**-**	**-**
Derivatives on other receivables (hedge accounting)	-	(236)	-
Other derivatives on other receivables	-	-	-
Macro hedge – asset	-	3	-
Total derivative instruments relating to other receivables	**-**	**(233)**	**-**
Total net value of derivative instruments – assets (1)			
Derivatives on insurance & investment contracts (hedge accounting)	-	-	-
Other derivatives on insurance & investment contracts [b]	15	(742)	-
Macro hedge derivatives on insurance and investment contracts	6	31	-
Total derivative instruments relating to insurance and investment contracts	**20**	**(711)**	**-**
Derivative instruments relating to financing debt and other financial liabilities (hedge accounting)	2	151	-
Other derivative instruments relating to financing debt and other financial liabilities	-	439	-
Derivative instruments relating to financing debt, operating debt and other financial liabilities	**2**	**590**	**-**
Macro hedge banking activities and other derivatives	**43**	**232**	**-**
Total net value of derivative instruments – liabilities (2)			
NET FAIR VALUE (1)-(2)			

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3).

(b) Other derivatives instruments that do not qualify for hedge accounting according to IAS 39.

	December 31, 2009 [a]			
	Instruments quoted in an active market	Instruments not quoted in an active market – No active market		
TOTAL	Fair value determined directly by reference to an active market Level 1	Fair value based on observable market data Level 2	Fair value not based on observable market data Level 3	TOTAL
(149)	(68)	70	-	2
3,146	649	607	(59)	1,197
(2,149)	19	248	104	371
848	**600**	**925**	**45**	**1,570**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	**-**	**-**	**-**	**-**
(236)	-	(206)	-	(206)
-	-	-	-	-
3	-	6	-	6
(233)	**-**	**(199)**	**-**	**(199)**
615				**1,371**
-	-	-	-	-
(727)	(18)	(538)	236	(319)
37	(2)	-	-	(2)
(691)	**(20)**	**(538)**	**236**	**(321)**
152	-	(240)	-	(240)
439	11	411	-	423
591	**11**	**171**	**-**	**182**
275	**12**	**1,546**	**99**	**1,658**
176				**1,519**
439				**(148)**

4

Principles applied by the Group in order to proceed with the classification of financial instruments into the IAS 39 fair value hierarchy categories and the fair value hierarchy applicable to such instruments are described in Note 9.9. Same principles apply as far as derivatives instruments are concerned.

Assets for which fair value is not based on observable market data (unobservable inputs) – Level 3

Among amounts presented as Level 3, fair values determined in whole or in part using a valuation technique based on assumptions that are not supported by a majority of prices from observable current market transactions in the same instrument or a majority of available observable market data represented as of December 31, 2010 net fair values of €+3 million of derivatives held by the Group (including an estimation of the extent to which external quotes on inactive markets are based on observable data), in comparison with net fair values of €-290 million as of December 31, 2009. There was no significant transfer in or out of the Level 3 category and all changes relate to changes in fair value through income or expirations.

The identification of such derivatives among assets held at fair value representing instruments not quoted in an active market involves a significant level of judgment. Are considered as observable: inputs provided by external pricing services, information observable on data providers screens, rating agencies, external surveys. The extent to which such data are external to the Group and not assessed by internal valuation teams is one of the main criteria applied in assessing whether data are observable or not. Should those data be significantly adjusted or would they be outdated because of the lack of new available factors, such inputs would be deemed unobservable. Another area of judgment is the assessment of the significance of an input against the fair value measurement in its entirety. As a result, a different cut between observable and unobservable data and variances in the weighting of the significance of each input against the fair value measurement in its entirety could produce a different categorization.

Note 21 Revenues and liabilities by segment

21.1. TOTAL REVENUES

Total revenues (a) (in Euro million)	December 31, 2010	December 31, 2009
LIFE & SAVINGS	**56,923**	**57,620**
of which direct premiums	*52,164*	*53,338*
of which reinsurance assumed	*2,798*	*2,562*
of which fees and charges on investment contracts with no participation features	*518*	*547*
of which revenues from other activities	*1,444*	*1,174*
France	14,624	16,340
United States	9,458	9,384
United Kingdom	2,040	2,783
Japan	5,560	5,438
Germany	6,867	6,694
Switzerland	5,082	4,437
Belgium	2,504	2,515
Mediterranean and Latin American Region	6,944	6,473
Other countries	3,844	3,555
PROPERTY & CASUALTY	**27,413**	**26,174**
of which direct premiums	*27,044*	*25,874*
of which reinsurance assumed	*292*	*223*
of which revenues from other activities	*78*	*77*
France	5,849	5,684
Germany	3,458	3,501
United Kingdom and Ireland	4,147	3,905
Switzerland	2,327	2,154
Belgium	2,099	2,130
Mediterranean and Latin American Region	6,888	6,697
Other countries	2,645	2,103
INTERNATIONAL INSURANCE	**2,847**	**2,860**
of which direct premiums	*1,978*	*1,898*
of which reinsurance assumed	*671*	*752*
of which revenues from other activities	*199*	*211*
AXA Corporate Solutions Assurance	1,931	1,930
AXA Global Life & AXA Global P&C	50	58
AXA Assistance	772	765
Other	95	107
ASSET MANAGEMENT	**3,328**	**3,074**
AllianceBernstein	2,109	1,887
AXA Investment Managers	1,219	1,187
BANKING	**459**	**395**
AXA Banque	103	91
AXA Bank Europe	266	232
German bank	13	8
Other Banks	77	64
HOLDINGS	**-**	**-**
TOTAL	**90,972**	**90,124**

(a) Net of intercompany eliminations.

Given the Group's scale and diversity, none of its clients accounts for more than 10% of its business.

21.2. SEGMENT INFORMATION

21.2.1. Life & Savings

(in Euro million)	December 31, 2010 [(a)]			December 31, 2009		
	Gross written premiums	Liabilities arising from insurance contracts [(b)]	Liabilities arising from investment contracts [(b)]	Gross written premiums	Liabilities arising from insurance contracts [(b)]	Liabilities arising from investment contracts [(b)]
Retirement/annuity/investment contracts (individual)	22,887	178,631	39,711	25,410	177,335	44,777
Retirement/annuity/investment contracts (group)	2,620	29,731	9,014	3,966	28,679	6,347
Life contracts (including endowment contracts)	20,338	157,817	996	17,676	142,556	863
Health contracts	7,007	19,601	-	6,653	17,387	-
Other	2,111	9,550	-	2,194	11,098	-
SUB-TOTAL	**54,962**	**395,330**	**49,721**	**55,899**	**377,056**	**51,987**
Fees and charges relating to investment contracts with no participating features [(c)]	518	-	31,967	547	-	47,666
Fees, commissions and other revenues	1,444	-	-	1,174	-	-
TOTAL	**56,923**	**395,330**	**81,688**	**57,620**	**377,056**	**99,653**
Contracts with financial risk borne by policyholders (unit-linked)	12,285	109,171	40,661	13,167	103,281	56,493
UK with-profit business	*443*	*927*	*34*	*560*	*10,613*	*5,354*

(a) Assets and liabilities related to the Australian and New Zealand operations, and some UK Life & Savings portfolios for which the disposal process is not finalized as of December 31, 2010 are classified as held for sale. This classification already applied for Australian and New Zealand operations as of December 31, 2009 (see Note 5.3), but are included in the following table.

(b) Excludes liabilities relating to unearned revenues and fees, and policyholder bonuses, along with derivatives relating to insurance and investment contracts.

(c) Relates to liabilities arising from investment contracts without discretionary participation features and investment contracts without discretionary participation features where the financial risk is borne by policyholders.

As of December 31, 2010, liabilities classified as held for sale represent for Australia and New Zealand €2.3 billion from insurance contracts and €7.8 billion from investment contracts; and €2.3 billion and €6.3 billion respectively for United Kingdom.

21.2.2. Property & Casualty

(in Euro million)	Gross written premiums		Liabilities arising from insurance contracts	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
Personal lines	**16,739**	**15,822**	**25,888**	**25,398**
Motor	9,834	9,093	16,450	15,745
Property damage	4,099	3,947	3,754	3,552
Health	1,264	1,145	1,222	1,108
Other	1,542	1,637	4,462	4,993
Commercial lines	**10,242**	**9,908**	**23,582**	**21,821**
Motor	2,191	2,091	3,297	2,939
Property damage	2,635	2,590	2,873	2,922
Liability	1,538	1,480	6,752	6,130
Health	1,894	1,809	3,729	3,237
Other	1,983	1,937	6,931	6,592
Other	**355**	**368**	**791**	**739**
Sub-total	**27,335**	**26,097**	**50,261**	**47,957**
Fees, commissions and other revenues	78	77	-	-
TOTAL	**27,413**	**26,174**	**50,261**	**47,957**

21.2.3. International Insurance

(in Euro million)	Gross written premiums December 31, 2010	Gross written premiums December 31, 2009	Liabilities arising from insurance contracts December 31, 2010	Liabilities arising from insurance contracts December 31, 2009
Property damage	557	524	1,352	1,449
Motor, Marine, Aviation	759	788	2,747	2,787
Liability	444	455	3,759	3,578
Other	889	883	2,282	2,338
Sub-total	**2,649**	**2,650**	**10,140**	**10,152**
Fees, commissions and other revenues	199	211	-	-
TOTAL	**2,847**	**2,860**	**10,140**	**10,152**

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21.2.4. Liabilities arising from insurance contracts in the Property & Casualty and International Insurance segments

	December 31, 2010						
(in Euro million)	Claims reserves	IBNR	Claim expense reserves	Claim expense reserve on IBNR	Total Claims reserves including IBNR and expenses	Unearned premiums reserves & others	Total Technical Liabilities
Personal lines							
Motor	9,783	2,091	403	35	12,312	4,139	16,450
Property damage	1,380	556	80	11	2,027	1,726	3,754
Other	2,722	850	90	6	3,668	2,015	5,683
Sub-total Personal lines	**13,885**	**3,497**	**574**	**52**	**18,007**	**7,881**	**25,888**
Commercial lines							
Motor	1,896	425	82	8	2,410	887	3,297
Property damage	1,637	264	42	5	1,949	924	2,873
Liability	4,576	1,554	138	68	6,337	416	6,752
Other	5,781	1,047	210	31	7,068	3,592	10,660
Sub-total Commercial lines	**13,890**	**3,290**	**472**	**112**	**17,763**	**5,819**	**23,582**
Other	482	134	17	6	638	153	791
TOTAL – PROPERTY & CASUALTY EXCLUDING INTERNATIONAL INSURANCE	**28,256**	**6,920**	**1,063**	**169**	**36,408**	**13,853**	**50,261**
Property damage	787	430	13	17	1,247	105	1,352
Motor, Marine, Aviation	1,653	973	23	40	2,689	58	2,747
Liability	1,761	1,759	29	64	3,612	147	3,759
Other	933	538	12	37	1,520	762	2,282
TOTAL – INTERNATIONAL INSURANCE	**5,134**	**3,699**	**77**	**157**	**9,067**	**1,073**	**10,140**
TOTAL – PROPERTY & CASUALTY INCLUDING INTERNATIONAL INSURANCE	**33,390**	**10,619**	**1,140**	**326**	**45,476**	**14,925**	**60,401**

(in Euro million)	December 31, 2009						
	Claims reserves	IBNR	Claim expense reserves	Claim expense reserve on IBNR	TOTAL Claims reserves including IBNR and expenses	Unearned premiums reserves & others	TOTAL Technical Liabilities
Personal lines							
Motor	9,622	1,858	406	31	11,917	3,828	15,745
Property damage	1,383	432	85	10	1,910	1,641	3,552
Other	2,939	922	105	31	3,997	2,105	6,102
Sub-total Personal lines	**13,944**	**3,212**	**597**	**71**	**17,824**	**7,574**	**25,399**
Commercial lines							
Motor	1,717	376	71	7	2,171	769	2,939
Property damage	1,690	281	40	6	2,017	904	2,922
Liability	4,165	1,357	128	73	5,723	407	6,131
Other	5,341	1,033	193	26	6,594	3,235	9,829
Sub-total Commercial lines	**12,913**	**3,048**	**432**	**113**	**16,506**	**5,315**	**21,821**
Other	422	139	19	7	587	152	739
TOTAL – PROPERTY & CASUALTY EXCLUDING INTERNATIONAL INSURANCE	**27,279**	**6,399**	**1,048**	**191**	**34,917**	**13,041**	**47,958**
Property damage	837	457	18	21	1,333	117	1,449
Motor, Marine, Aviation	1,613	1,060	18	45	2,735	52	2,787
Liability	1,698	1,654	30	62	3,444	134	3,578
Other	924	533	8	40	1,506	833	2,338
TOTAL – INTERNATIONAL INSURANCE	**5,073**	**3,704**	**73**	**167**	**9,017**	**1,135**	**10,152**
TOTAL – PROPERTY & CASUALTY INCLUDING INTERNATIONAL INSURANCE	**32,352**	**10,103**	**1,121**	**358**	**43,934**	**14,176**	**58,110**

21.3. NET REVENUES FROM BANKING ACTIVITIES

(in Euro million)	December 31, 2010	December 31, 2009
Net interests revenues	394	318
Net commissions	53	51
Net other banking operating income	5	19
Net revenues from banking activities	**452**	**388**

Note 22 Net investment result excluding financing expenses

Net investment result (excluding financing expenses) from the financial assets of insurance companies and companies in other business segments (excluding revenues from the financial assets of banks included in net revenues from banking activities) was as follows:

	December 31, 2010				
(in Euro million)	Net investment income	Net realized gains and losses relating to investments at cost and at fair value through sharehol-ders'equity	Net realized gains and losses and change in fair value of other investments at fair value through profit or loss	Change in investments impairment	Net investment result
Investment in real estate properties at amortized cost	690	266	-	(14)	942
Investment in real estate properties as at fair value through profit or loss	138	-	152	-	290
Investment in real estate properties	**828**	**266**	**152**	**(14)**	**1,232**
Debt instruments held to maturity	-	-	-	-	-
Debt instruments available for sale	12,155	161	-	(299)	12,017
Debt instruments designated as at fair value through profit or loss [(a)]	1,727	-	1,342	-	3,068
Debt instruments held for trading	8	-	(84)	-	(76)
Non quoted debt instruments (amortized cost)	27	-	-	-	27
Debt instruments	**13,917**	**161**	**1,257**	**(299)**	**15,037**
Equity instruments available for sale	523	1,346	(288)	(486)	1,096
Equity instruments designated as at fair value through profit or loss [(b)]	242	-	14	-	256
Equity instruments held for trading	(2)	-	1	-	(1)
Equity instruments	**764**	**1,346**	**(272)**	**(486)**	**1,351**
Non controlled investment funds available for sale	141	140	-	(90)	191
Non controlled investment funds designated as at fair value through profit or loss	50	-	81	-	132
Non controlled investment funds held for trading	13	-	18	-	31
Non controlled investment funds	**204**	**140**	**99**	**(90)**	**353**
Other assets held by controlled investment funds designated as at fair value through profit or loss	**211**	**-**	**378**	**-**	**589**
Loans held to maturity	-	-	-	-	-
Loans available for sale	30	8	-	(17)	22
Loans designated as at fair value through profit or loss	4	-	9	-	13
Loans held for trading	-	-	1	-	1
Mortgage loans	682	(7)	-	(27)	648
Other loans	465	6	-	(3)	468
Loans	**1,182**	**7**	**10**	**(47)**	**1,151**
Assets backing contracts where the financial risk is borne by policyholders	**-**	**-**	**13,788**	**-**	**13,788**
Hedge accounting derivatives	**-**	**-**	**243**	**-**	**243**
Other derivatives	**(1,210)**	**-**	**2,878**	**-**	**1,668**
Investment management expenses	**(618)**	**-**	**-**	**-**	**(618)**
Other	**324**	**-**	**(3,086)**	**-**	**(2,762)**
NET INVESTMENT RESULT	**15,602**	**1,921**	**15,446**	**(937)**	**32,031**

(a) Includes debt instruments held by consolidated investment funds, designated as at fair value through profit or loss.
(b) Includes equity instruments held by consolidated investment funds, designated as at fair value through profit or loss.

(in Euro million)	December 31, 2009				
	Net investment income	Net realized investment gains and losses relating to investment at cost and at fair value through shareholders' equity	Net realized gains and losses and change in fair value of investments designated as at fair value through profit or loss	Change in investments impairment	Net investment result
Investment in real estate properties at amortized cost	610	423	-	(201)	833
Investment in real estate properties designated as at fair value through profit or loss	210	-	(223)	-	(14)
Investment in real estate properties	**820**	**423**	**(223)**	**(201)**	**819**
Debt instruments held to maturity	-	-	-	-	-
Debt instruments available for sale	11,242	507	-	(714)	11,035
Debt instruments designated as at fair value through profit or loss (a)	1,964	-	2,536	-	4,499
Debt instruments held for trading	57	-	8	-	65
Non quoted debt instruments (amortized cost)	26	-	-	-	26
Debt instruments	**13,288**	**507**	**2,544**	**(714)**	**15,625**
Equity instruments available for sale	518	658	344	(854)	666
Equity instruments designated as at fair value through profit or loss (b)	281	-	234	-	514
Equity instruments held for trading	3	-	100	-	103
Equity instruments	**802**	**658**	**677**	**(854)**	**1,284**
Non controlled investment funds available for sale	102	84	-	(386)	(199)
Non controlled investment funds designated as at fair value through profit or loss	5	-	(85)	-	(80)
Non controlled investment funds held for trading	1	-	5	-	6
Non controlled investment funds	**108**	**84**	**(79)**	**(386)**	**(273)**
Other assets held by controlled investment funds designated at fair value through profit & loss	**110**	**-**	**(700)**	**-**	**(589)**
Loans held to maturity	-	-	-	-	-
Loans available for sale	49	(41)	-	(15)	(8)
Loans designated as at fair value through profit or loss	2	-	(129)	-	(126)
Loans held for trading	1	-	5	-	6
Mortgage loans	669	(2)	-	(18)	649
Other loans	493	1	-	(3)	490
Loans	**1,214**	**(43)**	**(124)**	**(36)**	**1,011**
Assets backing contracts where the financial risk is borne by policyholders	**-**	**-**	**23,861**	**-**	**23,861**
Hedge accounting derivatives	**-**	**-**	**(429)**	**-**	**(429)**
Other derivatives	**(4,463)**	**-**	**(595)**	**-**	**(5,057)**
Investment management expenses	**(664)**	**-**	**-**	**-**	**(664)**
Other	**347**	**4**	**232**	**(14)**	**569**
NET INVESTMENT RESULT	**11,562**	**1,634**	**25,165**	**(2,205)**	**36,157**

(a) Includes debt instruments held by consolidated investment funds, designated as at fair value through profit or loss.
(b) Includes equity instruments held by consolidated investment funds, designated as at fair value through profit or loss.

Net investment income is presented net of impairment charges on directly-owned investment properties, and net of amortization of debt instruments premiums/discounts. All investment management fees are also included in the aggregate figure.

Net realized gains and losses relating to investment at cost and at fair value through shareholders' equity include write back of impairment following investment sales.

Net realized gains and losses and change in fair value of investments designated as at fair value through profit or loss consists mainly of:

- adjustments relating to investments backing contracts where the financial risk is borne by policyholders which are offset by an adjustment of related policyholders reserves, as there is a full pass through of the performance of held assets to the individual contract holder;
- changes in the fair value of investments designated as at fair value through profit or loss held by funds of the "Satellite Investment Portfolios" as defined in Note 1.7.2;
- changes in fair value of underlying hedged items in fair value hedges (as designated by IAS 39) or "natural hedges" (i.e. underlying assets designated as at fair value through profit or loss part of an economic hedge not eligible for hedge accounting as defined by IAS 39).

The changes in investments impairment for OCI Assets include impairment charges on investments, and releases of impairment only following revaluation of the recoverable amount. Write back of impairment following investment sales are included in the net realized capital gains or losses on investments aggregate.

Note 23 Net result of reinsurance ceded

Net result of reinsurance ceded was as follows:

(in Euro million)	December 31, 2010 Life & Savings	Property & Casualty	International Insurance	Inter-segment eliminations	Total
Premiums ceded and unearned premiums ceded	(1,419)	(1,514)	(984)	395	(3,522)
Claims ceded (including change in claims reserves)	1,471	491	554	(220)	2,297
Commissions received from reinsurers	145	138	148	(25)	406
NET RESULT OF REINSURANCE CEDED	**197**	**(885)**	**(282)**	**150**	**(820)**

(in Euro million)	December 31, 2009 Life & Savings	Property & Casualty	International Insurance	Inter-segment eliminations	Total
Premiums ceded and unearned premiums ceded	(1,251)	(1,500)	(954)	322	(3,382)
Claims ceded (including change in claims reserves)	1,047	648	752	(326)	2,122
Commissions received from reinsurers	129	142	117	(46)	342
NET RESULT OF REINSURANCE CEDED	**(74)**	**(710)**	**(84)**	**(50)**	**(919)**

In 2010, the net result of reinsurance ceded increased by €99 million compared to 2009 mainly due to:

- Life & Savings (up €272 million) driven by €352 million increase of the change in claims reserves in United States due to the decrease of Variable Annuity book reserves ceded following improvement in equity markets;
- Property & Casualty (down €174 million) mainly reflecting lower natural catastrophes claims ceded to reinsurers (€-156 million);
- International Insurance (down €198 million) as a result of lower large claims were experienced in 2010.

Note 24 Financing debt expenses

Financing debt expenses amounted to €488 million in 2010, notably €346 million for AXA SA and €49 million in the United States and included income and expenses relating to hedging derivative instruments on financing debt, mainly in the Company (€238 million).

Financing debt expenses amounted to €569 million in 2009, and included income and expenses relating to hedging derivative instruments on financing debt, mainly in the Company (€92 million).

Note 25 Expenses by type

25.1. ACQUISITION EXPENSES

(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Total Insurance
Acquisition expenses – gross [(a)]	4,895	4,972	345	10,211
Change in deferred acquisition expenses and equivalents [(b)]	(1,452)	15	3	(1,434)
NET ACQUISITION EXPENSES	**3,443**	**4,986**	**348**	**8,777**

(a) Includes all acquisition expenses relating to insurance and investment contracts before capitalization/amortization of deferred acquisition expenses and equivalents.
(b) Change (capitalization and amortization) in deferred acquisition expenses relating to insurance and investment contracts with discretionary participation features and changes in net rights to future management fees relating to investment contracts with no discretionary participation features.

25.2. EXPENSES BY TYPE

(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Total Insurance
Acquisition expenses – gross	4,895	4,972	345	10,211
Claims handling expenses	503	1,323	446	2,272
Investment management expenses	387	47	4	438
Administrative expenses	4,008	2,720	228	6,956
Banking expenses	-	-	-	-
Increase/(write back) of tangible assets amortization	-	12	-	12
Other income/expenses	19	(5)	(15)	(2)
TOTAL EXPENSES BY DESTINATION	**9,812**	**9,069**	**1,007**	**19,887**
Breakdown of expenses by type				
Staff expenses	2,878	2,628	420	5,926
Outsourcing and professional services	486	278	41	805
IT expenses	470	463	52	985
Increase/(write back) of provisions for risk and charges	3	46	3	52
Charges relating to owner occupied properties	301	280	44	624
Commissions paid	4,065	4,318	347	8,730
Other expenses	1,608	1,057	100	2,764

December 31, 2010					December 31, 2009
Asset management	Banking	Holdings	Inter-segment eliminations	Total	Total
-	-	-	(22)	10,188	10,028
-	-	-	-	(1,434)	(884)
-	**-**	**-**	**(22)**	**8,754**	**9,144**

December 31, 2010					December 31, 2009
Asset management	Banking	Holdings	Inter-segment eliminations	Total	Total
-	-	-	(22)	10,188	10,028
-	-	-	(6)	2,266	1,938
-	-	-	(151)	287	278
3,068	422	822	(338)	10,929	10,135
-	97	(1)	-	96	89
-	-	-	-	13	2
215	(16)	(292)	122	26	116
3,283	**502**	**529**	**(396)**	**23,806**	**22,586**
1,487	177	258	(2)	7,846	7,438
122	37	42	(30)	976	941
166	32	196	(31)	1,348	1,181
256	(5)	26	-	329	(3)
285	12	6	(3)	925	845
641	32	-	(256)	9,148	8,886
326	217	-	(73)	3,234	3,300

Note 26 Employees

26.1. BREAKDOWN OF STAFF EXPENSES

(in Euro million)	December 31, 2010	December 31, 2009
Wages and benefits	5,812	5,658
Social contributions	816	783
Employee benefits expenses	628	504
Share based compensation	225	157
Other staff expenses and employees' profit sharing [(a)]	365	335
TOTAL STAFF EXPENSES	**7,846**	**7,438**

(a) Including redundancies and early retirement expenses (triggering event = set up of the plan), and employees' profit sharing in France.

26.2. EMPLOYEE BENEFITS

26.2.1. Defined contribution plans

The cost of the contributions paid was recognized as an expense in the income statement, and amounted to €96 million as of December 31, 2010 (€89 million in 2009, €82 million in 2008, €75 million in 2007 and €88 million in 2006).

26.2.2. Defined benefit plans

The assumptions for each of the liabilities are consistent with the economic features of the corresponding countries' plans. The weighted-average assumptions used by AXA for pension plans in the principal regions in which AXA operates were as follows:

DECEMBER 2010 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2010				
Discount rate	4.3%	5.3%	1.4%	6.2%
Salary increase for future years	2.8%	5.7%	0.0%	3.7%
Inflation rate	2.3%	2.5%	0.0%	2.7%
Pension benefit expense – assumptions at beginning of 2010				
Discount rate	4.6%	6.0%	1.9%	6.6%
Expected return on plan assets and separate assets	5.6%	6.8%	1.3%	7.3%
Salary increase for future years	2.8%	5.8%	0.0%	3.8%

DECEMBER 2009 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2009				
Discount rate	4.6%	6.0%	1.9%	6.6%
Salary increase for future years	2.8%	5.8%	0.0%	3.8%
Inflation rate	2.4%	2.5%	0.0%	2.7%
Pension benefit expense – assumptions at beginning of 2009				
Discount rate	5.5%	6.6%	2.0%	6.6%
Expected return on plan assets and separate assets	6.1%	6.8%	1.3%	7.3%
Salary increase for future years	3.1%	5.8%	0.0%	3.7%

DECEMBER 2008 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2008				
Discount rate	5.5%	6.6%	2.0%	6.6%
Salary increase for future years	3.1%	5.8%	0.0%	3.7%
Inflation rate	2.1%	2.5%	0.0%	2.8%
Pension benefit expense – assumptions at beginning of 2008				
Discount rate	5.2%	6.2%	2.1%	6.7%
Expected return on plan assets and separate assets	6.3%	8.3%	1.3%	7.5%
Salary increase for future years	3.7%	5.7%	0.0%	4.5%

DECEMBER 2007 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2007				
Discount rate	5.2%	6.2%	2.1%	6.7%
Salary increase for future years	3.7%	5.7%	0.0%	4.5%
Inflation rate	2.4%	2.5%	0.0%	2.5%
Pension benefit expense – assumptions at beginning of 2007				
Discount rate	4.3%	5.7%	2.0%	6.3%
Expected return on plan assets and separate assets	6.6%	8.5%	1.1%	7.6%
Salary increase for future years	3.8%	5.8%	0.0%	4.5%

DECEMBER 2006 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2006				
Discount rate	4.3%	5.7%	2.0%	6.3%
Salary increase for future years	3.8%	5.8%	0.0%	4.5%
Inflation rate	2.5%	2.5%	0.0%	2.5%
Pension benefit expense – assumptions at beginning of 2006				
Discount rate	4.3%	5.6%	1.9%	5.4%
Expected return on plan assets and separate assets	6.2%	7.3%	1.1%	6.9%
Salary increase for future years	2.7%	5.2%	0.0%	5.0%

For any given plan, the discount rate is determined at the statement of financial position date by reference to market yields for the corresponding currency on high quality corporate bonds (based on a risk free rate and AA spread) depending on the plan's duration and characteristics.

Some plans do not have benefits linked to salary increase or to inflation.

The expected return on assets is the weighted average between the asset allocation and the expected return for each asset category, which is established by an AXA Group assumptions committee and is consistent with long-term assumptions used in other Group indicators.

26.2.3. Annual change in pension and other benefit obligation

The annual change in the Defined Benefit Obligation (DBO) is calculated on the basis of:

- service cost for the period (representing the increase in the DBO attributable to one year of additional service);
- interest cost (cost of one year less discounting);
- employee contributions;

- change in plans (amendments, curtailments, settlements, business combinations, etc.);
- actuarial gains and losses (due to assumptions and experience);
- benefits paid by employer, plan assets and separate assets.

26.2.4. Statement of financial position information

The statement of financial position information for employee benefits captures the difference between the DBO, the fair value of the corresponding invested plan assets, and any unrecognized past service cost. When this difference is positive, a contingency and loss reserve is recognized in the statement of financial position as a liability. When it is negative, a prepaid asset is recognized in the statement of financial position.

In addition, in accordance with IAS 19, a category of assets referred to as "separate assets" is also recorded in the statement of financial position. As defined by IFRS, separate assets are assets that may not be used to offset the DBO. Within AXA, separate assets are insurance contracts issued by some subsidiaries to back their defined benefit pension plans. The accounting consequence of these separate assets is a potential increase in the accrued liability or decrease in the prepaid asset. These assets are shown separately in the following table. In general, these funds are backing insurance contracts and are only available to general creditors in case of bankruptcy, so their economic nature is not different from plan assets on a going concern basis. However, as the separate account assets are available to the pension plan through an insurance contract, IFRS requires their classification as separate assets despite their economic nature.

AXA Group has adopted the Statement of Comprehensive Income (SoCI) option available under IAS 19. Under the SoCI option, actuarial gains and losses are recognized in full in the period in which they occurred, but outside of profit or loss, and are presented on a separate line of the SoCI in shareholders' equity (see Statement of consolidated shareholders' equity).

Actuarial gains and losses result from experience adjustments (the effects of differences between the previous actuarial assumptions and what actually occurred) and changes in actuarial assumptions. They also include differences between the expected and actual returns on plan assets and separate assets.

Unrecognized past service cost represents non-vested benefits on the date of a change in the amount of benefits following an amendment to the plan. It is amortized on a straight-line basis over the average remaining vesting period.

The table below presents the change in benefit obligation and the change in plan assets associated with pension plans and other benefit plans sponsored by AXA, together with an analysis of separate assets as of December 31, 2010.

In 2010, the partial sale of the UK Life & Savings operations has not led to a significant decrease in the liabilities of the UK pension scheme as these have been retained by AXA UK holding company, with preserved rights at the date of the sale and a related compensation implicitely included in the sale price.

As of January 1, 2009, in Switzerland, a part of AXA Winterthur general account assets was reclassified as plan assets and the plan for the active employees is now an autonomous foundation with its own assets.

During the fiscal year 2008, the main change in the scope was the acquisition of Seguros ING, now AXA Mexico, which was completed on July 22, 2008.

During the fiscal year 2007, AXA reviewed the treatment of separate assets and insurance contracts backing the pension obligation in the United States and in Switzerland in light of prevailing practice that has developed in the industry. In the United States, the insurance contract was amended to add a transferability clause, and so it is now treated as plan assets rather than separate assets as shown in prior years. In Switzerland, where the issue arose after the acquisition of Winterthur, AXA amended its practice to eliminate the insurance contract rather than treat it as a plan asset as was originally presented.

	Pension benefits					Other benefits				
(in Euro million)	2010	2009	2008	2007	2006	2010	2009	2008	2007	2006
Change in benefit obligation										
Benefit obligation at the beginning of the year	13,661	11,729	12,955	14,734	11,421	534	511	506	604	716
Service cost	248	211	213	241	213	9	7	7	7	13
Interest cost	675	656	656	649	501	31	32	30	31	31
Employee contributions	46	46	54	54	16	-	-	-	-	-
Amendments (including acquisitions and disposals) [a]	110	(75)	(150)	(261)	3,625	4	(2)	12	18	(7)
Actuarial (gains) and losses	712	1,636	(803)	(1,055)	(227)	29	35	(20)	(56)	(35)
Benefits paid by plan assets and by separate assets	(464)	(474)	(434)	(443)	(419)	-	-	-	(0)	(49)
Benefits directly paid by the employer	(275)	(310)	(270)	(227)	(128)	(37)	(39)	(44)	(45)	-
Impact of foreign currency fluctuations	1,018	241	(493)	(737)	(268)	36	(9)	19	(54)	(66)
Benefit obligation at the end of the year (A)	**15,732**	**13,661**	**11,729**	**12,955**	**14,734**	**606**	**534**	**511**	**506**	**604**
Change in plan assets										
Fair value of plan assets at the beginning of year	6,181	4,662	7,057	8,216	4,693	4	3	3	9	14
Actual return on plan assets	544	516	(1,498)	477	395	-	(0)	(1)	(3)	(4)
Employer contributions [d]	897	220	192	62	114	1	1	1	0	4
Employee contributions	35	36	44	42	11	-	-	-	-	-
Net transfer In/(Out) (including acquisitions and disposals) [a] [b] [c]	40	924	(27)	(811)	3,220	-	-	-	(3)	-
Benefits paid by plan assets	(393)	(407)	(370)	(383)	(246)	-	-	-	(0)	(4)
Impact of foreign currency fluctuations	528	230	(735)	(546)	28	-	-	-	-	-
Fair value of plan assets at the end of the year (B)	**7,834**	**6,181**	**4,662**	**7,057**	**8,216**	**5**	**4**	**3**	**3**	**9**
Change in separate assets										
Fair value of separate assets at the beginning of year	893	789	739	2,480	2,697	-	-	-	-	-
Actual return on separate assets	59	31	(25)	12	221	-	-	-	-	-
Employer contributions	72	70	86	88	39	-	-	-	-	-
Employee contributions	11	10	10	12	4	-	-	-	-	-
Net transfer In/(Out) (including acquisitions and disposals) [a] [b]	21	58	48	(1,724)	(85)	-	-	-	-	-
Benefits paid by separate assets	(71)	(66)	(64)	(60)	(168)	-	-	-	-	-
Impact of foreign currency fluctuations	-	0	(5)	(69)	(227)	-	-	-	-	-
Fair value of separate assets at the end of the year	**985**	**893**	**789**	**739**	**2,480**	**-**	**-**	**-**	**-**	**-**
Funded status										
Underfunded status (plan by plan)	(7,907)	(7,500)	(7,087)	(6,098)	(6,530)	(601)	(530)	(507)	(502)	(595)
Overfunded status (plan by plan)	9	19	21	200	12	-	-	-	-	-
Funded status (B)-(A)	(7,898)	(7,480)	(7,066)	(5,898)	(6,519)	(601)	(530)	(507)	(502)	(595)
Unrecognized past service cost	61	67	71	80	89	1	1	1	1	-
Cumulative impact of asset ceiling	(2)	(10)	-	-	-	-	-	-	-	-
Liability and asset recognized in the statement of financial position (excluding separate assets)										
Plans with a positive net position (Asset)	6	8	20	199	11	-	-	-	-	-
Plans with a negative net position (Liability)	(7,846)	(7,431)	(7,015)	(6,017)	(6,440)	(600)	(529)	(506)	(501)	(595)
Net position (excluding separate assets)	**(7,840)**	**(7,423)**	**(6,995)**	**(5,818)**	**(6,430)**	**(600)**	**(529)**	**(506)**	**(501)**	**(595)**
Net economic funding position (including separate assets)										
Net position (excluding separate assets)	(7,840)	(7,423)	(6,995)	(5,818)	(6,430)	(600)	(529)	(506)	(501)	(595)
Fair value of separate assets at the end of the year	985	893	789	739	2,480	-	-	-	-	-
Net economic funding position (including separate assets)	**(6,855)**	**(6,530)**	**(6,206)**	**(5,079)**	**(3,950)**	**(600)**	**(529)**	**(506)**	**(501)**	**(595)**

(a) This amount includes the acquisition of Seguros ING in 2008, now AXA Mexico, the sale of the Netherlands activities in 2007 and the acquisition of Winterthur in 2006.
(b) This amount includes the effect of the reclassification of assets in the United States as plan assets rather than separate assets in 2007.
(c) This amount includes the effect of the elimination of the insurance contract in 2007 and the reclassification of general account assets as plan assets in 2009 in Switzerland.
(d) This amount includes additional contributions paid to plan assets in the United Kingdom and in the United States reducing the deficit in 2010.

"Other benefits" includes postretirement benefits other than pensions, principally health care benefits, and post employment benefits after employment but before retirement.

For pension plans where the fair value of plan assets exceeds the benefit obligation the aggregate fair value of plan assets and aggregate benefit obligation were €51 million and €42 million, respectively, as of December 31, 2010. As required by IFRIC 14, a surplus is recognized to the extent that it is recoverable, either through future contribution reductions or a refund to which the Group has an unconditional right.

For pension plans where the benefit obligation exceeds the fair value of plan assets, the aggregate benefit obligation and fair value of plan assets were €15,690 million and €7,783 million, respectively, as of December 31, 2010.

26.2.5. Pension and other benefits expense

The annual expense for employee pension and other benefits recorded in the income statement, for the years ended December 31, 2010, 2009, 2008, 2007 and 2006 is presented below:

	Pension benefits					Other benefits				
(in Euro million)	2010	2009	2008	2007	2006	2010	2009	2008	2007	2006
Pension and other benefits expense										
Service cost	248	211	213	241	213	9	7	7	7	13
Interest cost	675	656	656	649	501	31	32	30	31	31
Expected return on plan assets	(399)	(362)	(470)	(489)	(314)	-	(0)	(0)	(0)	(0)
Expected return on separate assets	(40)	(34)	(35)	(33)	(172)	-	-	-	-	(0)
Amortization of unrecognized amounts	28	5	20	9	6	4	0	0	2	0
Settlements, curtailments	4	(73)	(78)	(6)	(8)	-	(2)	-	-	(20)
Pension and other benefits expense	**517**	**404**	**306**	**371**	**225**	**44**	**37**	**37**	**40**	**23**

26.2.6. Net economic funding position

The evolution in the net economic funding position from January 1, 2010 to December 31, 2010 captures both the change in the liability recorded in the Group's statement of financial position and the change in separate assets, as presented in the table below:

	Pension benefits					Other benefits				
(in Euro million)	2010	2009	2008	2007	2006	2010	2009	2008	2007	2006
Change in net economic funding position										
Opening position	(6,530)	(6,206)	(5,079)	(3,950)	(3,957)	(529)	(506)	(501)	(595)	(703)
Pension and other benefits expense	(517)	(404)	(306)	(371)	(225)	(44)	(37)	(37)	(40)	(23)
Employer contributions and benefits directly paid by the employer (c)	1,245	600	548	378	242	38	40	44	45	49
Net transfer In/(Out) (including acquisitions and disposals) (a) (b)	(32)	983	107	(2,280)	(485)	-	0	(11)	(20)	(8)
SoCI impact	(532)	(1,493)	(1,229)	1,022	392	(29)	(36)	19	54	24
Impact of foreign currency fluctuations	(490)	(11)	(247)	123	83	(36)	9	(20)	54	66
Closing position	**(6,855)**	**(6,530)**	**(6,206)**	**(5,079)**	**(3,950)**	**(600)**	**(529)**	**(506)**	**(501)**	**(595)**

(a) This amount includes the acquisition of Seguros ING in 2008, now AXA Mexico, the sale of the Netherlands activities in 2007 and the acquisition of Winterthur in 2006.

(b) This amount includes the effect of the elimination of the insurance contract in 2007 and the reclassification of general account assets as plan assets in 2009 in Switzerland.

(c) This amount includes additional contributions paid to plan assets in the United Kingdom and in the United States reducing the deficit in 2010.

During 2010, the deterioration of the net economic funding position was mainly due to actuarial losses (see Note 26.2.8) and negative impact of foreign currency fluctuations partly offset by additional contributions paid to plan assets in the United Kingdom (€572 million) and in the United States (€185 million) reducing the deficit.

26.2.7. Change in the liability recognized in the statement of financial position (excluding separate assets)

The roll-forward of the statement of financial position liability from January 1, 2010 to December 31, 2010 captures only the evolution of the liability recorded in the Group's statement of financial position and not the separate assets. Therefore it is not a full economic picture. The table below shows the detailed roll-forward of the statement of financial position liability, with the separate assets added at each year end.

	Pension benefits					Other benefits				
(in Euro million)	**2010**	**2009**	**2008**	**2007**	**2006**	**2010**	**2009**	**2008**	**2007**	**2006**
Change in the liability recognized in the statement of financial position										
Statement of financial position liability at the beginning of the year	(7,423)	(6,995)	(5,818)	(6,430)	(6,654)	(529)	(506)	(501)	(595)	(703)
Pension and other benefits expense	(517)	(404)	(306)	(371)	(225)	(44)	(37)	(37)	(40)	(23)
Adjustment due to separate assets	(70)	(41)	15	(23)	(232)	-	-	-	-	-
Employer contributions (d)	897	220	192	62	114	1	1	1	0	4
Benefits directly paid by the employer	275	310	270	227	128	37	39	44	45	45
Benefits paid through separate assets	71	66	64	60	168	-	-	-	-	-
Net transfer In/(Out) (including acquisitions and disposals) (a) (b)	(52)	884	50	(2,253)	(548)	-	0	(11)	(20)	(8)
Net transfer of separate assets to plan assets (c)	-	41	10	1,695	155	-	-	-	-	-
Actuarial gains and losses recognized in the SoCI component	(532)	(1,493)	(1,229)	1,022	392	(29)	(36)	19	54	24
Impact of foreign currency fluctuations	(490)	(12)	(242)	191	272	(36)	9	(20)	54	66
Statement of financial position liability at the end of the year	**(7,840)**	**(7,423)**	**(6,995)**	**(5,818)**	**(6,430)**	**(600)**	**(529)**	**(506)**	**(501)**	**(595)**
Fair value of separate assets at the end of the year	985	893	789	739	2,480	-	-	-	-	-
Net economic funding position at the end of the year	**(6,855)**	**(6,530)**	**(6,206)**	**(5,079)**	**(3,950)**	**(600)**	**(529)**	**(506)**	**(501)**	**(595)**

(a) This amount includes the acquisition of Seguros ING in 2008, now AXA Mexico, the sale of the Netherlands activities in 2007 and the acquisition of Winterthur in 2006.
(b) This amount includes the effect of the elimination of the insurance contract in 2007 and the reclassification of general account assets as plan assets in 2009 in Switzerland.
(c) This amount includes the effect of the reclassification of assets in the United States as plan assets rather than separate assets in 2007.
(d) This amount includes additional contributions paid to plan assets in the United Kingdom and in the United States reducing the deficit in 2010.

26.2.8. Change in actuarial gains and losses recognized in the statement of financial position in the SoCI component of shareholders' equity

The SoCI is an integral part of the statement of changes in shareholders' equity. It includes actuarial gains and losses as well as net income for the period (see Note 4.3).

The table shows the change in the SoCI component due to employee benefits (excluding net income impacts), before deduction of deferred tax and policyholder benefits, between January 1, 2006 and December 31, 2010 due to adjustments arising on plan liabilities and adjustments arising on plan assets and separate assets.

(in Euro million)	Pension benefits					Other benefits				
	2010	2009	2008	2007	2006	2010	2009	2008	2007	2006
SoCI at the beginning of the year	**(2,442)**	**(955)**	**308**	**(720)**	**(1,112)**	**30**	**67**	**45**	**(4)**	**(28)**
Experience and assumptions adjustments on plan liabilities	(704)	(1,634)	799	1,055	226	(29)	(35)	20	57	28
Experience adjustments on plan assets and separate assets	164	151	(2,028)	(33)	141	-	(0)	(1)	(3)	(5)
Adjustment due to the sale of the Netherlands activities	-	-	-	(4)	-	-	-	-	(1)	-
Change in asset ceiling	8	(10)	-	-	-	-	-	-	-	-
Impact of foreign currency fluctuations	(176)	6	(34)	10	24	3	(1)	3	(5)	-
SoCI at the end of the year	**(3,150)**	**(2,442)**	**(955)**	**308**	**(720)**	**3**	**30**	**67**	**45**	**(4)**

During 2010, the variation of the SoCI was mainly due to actuarial losses on pension liability (due to drop in discount rates in most countries, especially in the United States and in the United Kingdom), partly offset by actuarial gains on plan assets and separate assets (due to over-performance of actual returns versus expected returns) and negative impact of foreign currency fluctuations.

During 2010, the change in the SoCI component of shareholders' equity after deduction of deferred tax and policyholder benefits was €-450 million (€-1,031 million in 2009, €-695 million in 2008, €612 million in 2007 and €252 million in 2006).

As of December 31, 2010, the cumulative impact amounted to €-2,076 million (€-1,626 million at the end of 2009).

26.2.9. Near-term cash flows (benefits paid and employer contributions)

A) ESTIMATED FUTURE BENEFITS TO BE PAID

(in Euro million)	Pension benefits	Other benefits
2011	894	43
2012	869	42
2013	890	41
2014	897	40
2015	905	38
Five years thereafter	4,651	181
From year N+11 until the last benefit payments is paid	25,568	689

These amounts are subject to uncertainty as they will be driven by economics of future years.

B) ESTIMATED EMPLOYER CONTRIBUTIONS TO PLAN ASSETS AND SEPARATE ASSETS

The estimated amount of 2011 employer contributions for pension benefits is €569 million (€474 million estimated in 2009 for 2010) and for other benefits is €1 million (€1 million estimated in 2009 for 2010). These amounts are subject to uncertainty as they will be driven by economics of future years and are cash contributions with no direct link to the pension and other benefits expense under IFRS.

26.2.10. Asset mix at the end of 2010

As pension liabilities have a long-term nature, a mix of equity instruments, debt instruments and real estate investments is used in the plan assets and separate assets.

The table below shows the asset mix for plan assets at the end of 2010:

Asset mix for plan assets	Total Group	Europe	North America	Other
Equity instruments	33%	30%	41%	50%
Debt instruments	42%	41%	50%	33%
Real estate	7%	6%	9%	6%
Other	18%	23%	0%	11%
Total	**100%**	**100%**	**100%**	**100%**
TOTAL *(in Euro million)*	**7,838**	**5,933**	**1,585**	**321**

The table below shows the asset mix for plan assets and separate assets at the end of 2010:

Asset mix for plan assets and separate assets	Total Group	Europe	North America	Other
Equity instruments	31%	27%	41%	50%
Debt instruments	43%	42%	50%	33%
Real estate	6%	6%	9%	6%
Other	20%	25%	0%	11%
Total	**100%**	**100%**	**100%**	**100%**
TOTAL *(in Euro million)*	**8,823**	**6,918**	**1,585**	**321**

26.2.11. Other employee benefits funded on a pay-as-you-go basis

In the United States, AXA Financial provides certain medical and life insurance benefits (collectively, “postretirement benefits”) for qualifying employees, managers and agents retiring from AXA Financial based on years of service and age. The life insurance benefits are related to age and salary at retirement for certain grandfathered retirees, and a flat dollar amount for others.

AXA Financial continues to fund the postretirement benefits costs for these plans on a pay-as-you-go basis.

For 2010, postretirement benefits payments were made in the amounts of €28 million (€31 million in 2009), net of employee contributions.

26.2.12. Statement of financial position reconciliation

(in Euro million)	2010	2009	2008	2007	2006
Net position (excluding separate assets) [(a)]	(8,440)	(7,952)	(7,501)	(6,319)	(7,025)
less assets/(liabilities) held for sale [(b)]	31	41	-	-	-
Other liabilities	(192)	(192)	(187)	(290)	(290)
TOTAL [(c)]	**(8,601)**	**(8,103)**	**(7,688)**	**(6,609)**	**(7,315)**

(a) Net position (excluding separate assets) for pension benefits and other benefits as reported in Note 26.2.4.

(b) Included in the net position above but, as described in Note 1.10, the contribution of held for sale operations is stated on separate asset and liability items on the statement of financial position.

(c) It corresponds to a liability of €8,615 million (as of December 31, 2010) included in the statement of financial position under the caption “provision for risks and charges” and an asset of €14 million (as of December 31, 2010) included in the statement of financial position under the caption “Other long term assets”.

26.3. SHARE-BASED COMPENSATION

All figures 100%, gross of tax *(in Euro million)*	2010	2009
Cost by plan		
AXA SA stock options	**20.1**	**22.0**
■ 2005 grants		(0.3)
■ 2006 grants	2.4	2.7
■ 2007 grants	5.8	10.1
■ 2008 grants	5.1	7.2
■ 2009 grants	3.2	2.3
■ 2010 grants	3.5	
AXA stock options for US holding company	**8.3**	**7.8**
■ 2005 AXA SA grants		0.3
■ 2006 AXA SA grants	0.9	1.1
■ 2007 AXA SA grants	1.6	2.7
■ 2008 AXA SA grants	1.7	1.9
■ 2009 AXA SA grants	0.8	1.7
■ 2010 AXA SA grants	3.3	
■ AXA ADR grants		0.1
AXA Group shareplan	**12.5**	**14.1**
■ Classic Plan	0.1	0.3
■ Leverage Plan	12.4	13.8
AXA performances shares	**19.6**	**17.8**
■ 2007 grants		2.9
■ 2008 grants	4.2	12.7
■ 2009 grants	7.8	2.2
■ 2010 grants	7.6	
AXA performances units plans	**45.2**	**21.4**
■ 2007 equity grants		(0.1)
■ 2008 equity grants	0.7	3.0
■ 2009 equity grants	2.5	0.8
■ 2007 cash grants		(7.8)
■ 2008 cash grants	0.8	13.9
■ 2009 cash grants	22.0	11.6
■ 2010 cash grants	19.2	0.0
AXA Miles	**17.4**	**32.7**
■ Plan 2007 (2+2)		15.3
■ Plan 2007 (4+0)	17.4	17.4
AXA Financial share-based compensation instruments	**0.1**	**0.8**
■ AXA Financial TSAR	(0.9)	0.2
■ AXA Financial Restricted Shares and PARS	1.0	0.6
AXA APH stock option plan	**4.4**	**6.3**
AllianceBernstein share-based compensation instruments	**117.5**	**41.5**
TOTAL	**245.0**	**164.3**

In accordance with IFRS 2, the total employee share based compensation cost of €245.0 million for full year 2010 included expenses from share-based compensation instruments for grants made after November 7, 2002 which had not yet vested as of December 31, 2003.

The cost includes the expenses from share-based compensation instruments issued by the Group as well as by AXA subsidiaries.

The share-based compensation instruments listed above are mostly composed of instruments settled in equity but include also instruments settled in cash. The unit cost of the equity settled instruments does not vary for a given plan while the cash settled instruments unit cost is updated at each closing.

The total charge is amortized over the vesting period and adjusted at each future closing date for the difference between actual and expected lapse to take into account actual service conditions and actual non-market performance conditions.

26.3.1. Share-based compensation instruments issued by the Group

A) AXA SA STOCK-OPTION PLANS

Executive officers and other key employees may be granted options on AXA ordinary shares under employee stock option plans. These options may be either subscription options involving newly issued AXA ordinary shares or purchase options involving AXA treasury shares. While the precise terms and conditions of each option grant may vary, options are currently (i) granted at a price not less than the average closing price of the ordinary share on the Paris Stock Exchange during the 20 trading days preceding the date of grant, (ii) valid for a maximum term of ten years, and (iii) vest generally in instalments of 33.33% per year on each of the second, third and fourth anniversaries of the grant date.

For members of the Executive Committee (since 2006) and beneficiaries who are granted more than 5,000 options (since 2007), the first two instalments vest unconditionally at the end of the vesting period, while the final instalment is subject to the fulfilment of a condition regarding the performance of the AXA shares compared to the DowJones Europe Stoxx Insurance index. All options granted to the members of the Management Board in 2009 and to the members of the Management Committee (change in governance) in 2010 were subject to the fulfillment of this market performance condition.

The following table shows AXA SA stock options granted under all plans, and not only the ones granted after November 7, 2002.

	Options *(in million)*		**Weighted price** *(in Euro)*	
	2010	**2009**	**2010**	**2009**
Options AXA				
Outstanding on January 1	78.2	75.9	23.36	25.73
Granted	8.0	7.6	15.41	11.43
Capital increase		1.7		-
Exercised	(0.1)	(0.3)	10.46	10.76
Cancelled and expired	(7.3)	(6.8)	34.12	25.86
Outstanding as of December 31	**78.8**	**78.2**	**21.52**	**23.36**
Options ex-FINAXA				
Outstanding on January 1	3.2	4.3	23.19	23.80
Capital increase		0.1		-
Exercised				
Cancelled and expired	(0.6)	(1.2)	41.28	23.34
Outstanding as of December 31	**2.7**	**3.2**	**19.40**	**23.19**
TOTAL AXA AND EX-FINAXA	**81.5**	**81.4**	**21.45**	**23.35**

The number of outstanding options and the number of exercisable options as of December 31, 2010 and 2009 are shown below by maturity date:

Expiry date of options *(in million)*	Outstanding options 2010	Outstanding options 2009	Exercisable options 2010	Exercisable options 2009
Options AXA				
July 5, 2010		5.0		5.0
July 12, 2010		0.1		0.1
November 13, 2010		0.2		0.2
May 9, 2011	7.3	7.3	7.3	7.3
February 27, 2012	6.1	6.2	6.1	6.2
March 14, 2013	3.9	4.0	3.9	4.0
March 26, 2014	8.1	8.2	8.1	8.2
March 29, 2015	10.6	10.7	10.6	10.7
June 6, 2015	0.0	0.0	0.0	0.0
June 27, 2015	0.2	0.2	0.2	0.2
July 1, 2015		0.0		0.0
September 21, 2015	0.1	0.1	0.1	0.1
March 31, 2016	10.2	10.4	10.2	7.0
September 25, 2016	0.1	0.1	0.1	0.0
November 13, 2016	0.0	0.0	0.0	0.0
May 10, 2017	8.8	9.0	5.8	3.0
September 24, 2017	0.0	0.0	0.0	0.0
November 19, 2017	0.0	0.0	0.0	0.0
April 1, 2018	8.4	8.8	2.8	
May 19, 2018	0.0	0.0	0.0	
September 22, 2018	0.1	0.1	0.0	
November 24, 2018	0.0	0.0	0.0	
March 20, 2019	5.0	5.2		
April 2, 2019	0.1	0.1		
June 10, 2019	1.9	2.1		
June 10, 2019	0.0	0.0		
September 21, 2019	0.1	0.1		
December 8, 2019	0.0	0.0		
March 19, 2020	7.8			
August 18, 2020	0.0			
October 13, 2020	0.0			
December 22, 2020	0.0			
Total AXA	**78.8**	**78.2**	**55.3**	**52.2**
Options ex-FINAXA				
July 5, 2010		0.6		0.6
May 30, 2011	0.9	0.9	0.9	0.9
April 2, 2013	1.3	1.3	1.3	1.3
April 14, 2014	0.5	0.5	0.5	0.5
Total ex-FINAXA	**2.7**	**3.2**	**2.7**	**3.2**
TOTAL AXA AND EX-FINAXA	**81.5**	**81.4**	**57.9**	**55.5**

Options AXA and ex-FINAXA	Outstanding options Number *(in million)*	Outstanding options Exercise price *(in Euro)*	Exercisable options Number *(in million)*	Exercisable options Exercise price *(in Euro)*
Price range				
€6.48 – €12.96	10.3	10.29	5.2	10.80
€12.97 – €19.44	18.7	16.10	8.8	16.85
€19.45 – €25.92	25.2	20.23	19.6	20.01
€25.93 – €32.40	17.6	29.03	17.6	29.03
€32.41 – €38.87	9.7	33.15	6.7	33.12
€6.48 – €38.87	**81.5**	**21.46**	**57.9**	**22.96**

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The following table shows AXA SA stock options granted under all plans after November 7, 2002:

	Options *(in million)* 2010	**Options** *(in million)* 2009	**Weighted price** *(in Euro)* 2010	**Weighted price** *(in Euro)* 2009
Options				
Outstanding on January 1	59.3	52.5	21.40	23.64
Granted	8.0	7.6	15.41	11.43
Capital increase	0.0	1.3	0.00	-
Exercised	(0.1)	(0.3)	10.46	10.76
Cancelled and expired	(1.8)	(1.8)	20.66	22.10
Outstanding as of December 31	**65.4**	**59.3**	**20.65**	**21.40**
Options ex-FINAXA				
Outstanding on January 1	1.8	1.7	12.72	13.03
Capital increase	0.0	-	0.00	-
Exercised	0.0	-	0.00	-
Cancelled and expired	-	-	0.00	-
Outstanding as of December 31	**1.8**	**1.8**	**12.72**	**12.72**
TOTAL AXA AND EX-FINAXA	**67.2**	**61.0**	**20.44**	**21.15**

The number of outstanding options and the number of exercisable options as of December 31, 2010 and 2009 are shown below by maturity date for AXA SA plans granted after November 7, 2002:

Expiry date of options *(in million)*	Outstanding options 2010	Outstanding options 2009	Exercisable options 2010	Exercisable options 2009
Options AXA				
March 14, 2013	3.9	4.0	3.9	4.0
March 26, 2014	8.1	8.2	8.1	8.2
March 29, 2015	10.6	10.7	10.6	10.7
June 6, 2015	0.0	-	0.0	-
June 27, 2015	0.2	0.2	0.2	0.2
July 1, 2015	-	-	-	-
September 21, 2015	0.1	0.1	0.1	0.1
March 31, 2016	10.2	10.4	10.2	7.0
September 25, 2016	0.1	0.1	0.1	-
November 13, 2016	0.0	-	0.0	-
May 10, 2017	8.8	9.0	5.8	3.0
September 24, 2017	0.0	-	0.0	
November 19, 2017	0.0	-	0.0	
April 1, 2018	8.4	8.8	2.8	
May 19, 2018	0.0	-	0.0	
September 22, 2018	0.1	0.1	0.0	
November 24, 2018	0.0	-	0.0	
March 20, 2019	5.0	5.2		
April 2, 2019	0.1	0.1		
June 10, 2019	1.9	2.1		
June 10, 2019	0.0	-		
September 21, 2019	0.1	0.1		
December 8, 2019	0.0			-
March 19, 2020	7.8			
August 18, 2020	0.0			
October 13, 2020	0.0			
December 22, 2020	0.0			
Total AXA	**65.4**	**59.3**	**41.9**	**33.3**
Options ex-FINAXA				
April 2, 2013	1.3	1.3	1.3	1.3
April 14, 2014	0.5	0.5	0.5	0.5
Total ex-FINAXA	**1.8**	**1.8**	**1.8**	**1.8**
TOTAL AXA AND EX-FINAXA	**67.2**	**61.0**	**43.6**	**35.1**

Options AXA and ex-FINAXA	Outstanding options Number *(in million)*	Outstanding options Exercise price *(in Euro)*	Exercisable options Number *(in million)*	Exercisable options Exercise price *(in Euro)*
Price range				
€6.48 – €12.96	10.3	10.29	5.2	10.80
€12.97 – €19.44	18.7	16.10	8.8	16.85
€19.45 – €25.92	19.1	15.38	13.5	13.76
€25.93 – €32.40	10.3	16.32	10.3	16.32
€32.41 – €38.87	8.8	33.21	5.8	33.21
€6.48 – €38.87	**67.2**	**17.27**	**43.6**	**17.24**

The fair value of AXA SA stock options is calculated using the Black & Scholes option pricing model. The effect of expected early exercise is taken into account through the use of an expected life assumption based on historical data. AXA SA share price volatility is estimated on the basis of implied volatility, which is checked against an analysis of historical volatility to ensure consistency. The expected AXA SA dividend yield is based on the market consensus. The risk-free interest rate is based on the Euro Swap Rate curve for the appropriate term.

Les hypothèses de valorisation et la juste valeur des options pour 2010, 2009, 2008, 2007,et 2006 sont présentées ci-dessous :

	2010	2009	2008	2007	2006
Assumptions (b)					
Dividend yield	7.35%	10.84%	7.21%	4.22%	3.50%
Volatility	36.48%	56.98%	34.65%	27.50%	28.00%
Risk-free interest rate	2.84%	3.04%	4.17%	4.40%	3.90%
Expected life *(in years)*	7.1	7.4	6.0	6.0	6.0
Weighted average fair value per option at grant date in Euro (a) (c)	**2.24**	**1.91**	**3.23**	**6.80**	**6.48**

(a) For employees who have been granted more than 5,000 options in 2007, 2008,2009, and 2010 the vesting of the final instalment is subject to the fulfilment of certain conditions regarding the performance of the AXA shares compared to the DowJones Europe Stoxx Insurance index. The options with performance criteria were valued at €1.68 per option granted in 2010 and €2.48 per option granted in 2009, based on a Monte-Carlo model (before 2009 capital increase €2.54 per option granted in 2009). The options without performance criteria were valued at €2.47 per option granted in 2010 and €1.86 per option granted in 2009, based on the Black & Scholes model (before 2009 capital increase €1.91 per option granted in 2009).

(b) Assumptions at grant date, in average weighted by grants of the year.

(c) Based on an estimated 5% pre-vesting lapse rate per year for options without performance criteria.

The total cost of the AXA SA plans is amortized over the vesting period and an estimated 5% pre-vesting lapse rate is applied. On that basis, the expense recognized in profit or loss for the year ended December 31, 2010 was €28.3 million (€2.4 million for the 2006 grants, €5.8 million for the 2007 grants, €5.1 million for the 2008 grants, €3.2 million for the 2009 grants, €3.5 million for the 2010 grants and €8.3 million relating to AXA SA ordinary share options granted to AXA Financial employees).

B) AXA ADR STOCK-OPTION PLANS

AXA Financial granted options to purchase AXA ADRs (American Depositary Receipt). These options were issued at the market value of AXA ADRs on the date of grant. Options granted prior to 2004 vest over a three-year period, with one third vesting on each anniversary date. However, starting in 2004, new grants generally vest over a four-year period with one third vesting on each of the second, third and fourth anniversary dates (generally in March). Options currently issued and outstanding have a 10-year contractual term from their date of grant.

In first quarter 2010, AXA voluntarily delisted the AXA ADRs from the New York Stock Exchange and filed to deregister and terminate its reporting obligation with the SEC. AXA's deregistration became effective in second quarter 2010. Following these actions, AXA ADRs continue to trade in the over-the-counter markets in the U.S. and be exchangeable into AXA ordinary shares on a one-to-one basis while AXA ordinary shares continue to trade on the Euronext Paris, the primary and most liquid market for AXA shares. Consequently, current holders of AXA ADRs may continue to hold or trade those shares, subject to existing transfer restrictions, if any.

The terms and conditions of AXA Financial's share-based compensation programs generally were not impacted by the delisting and deregistration except that AXA ordinary shares generally will be delivered to participants in lieu of AXA ADRs at exercise or maturity of outstanding awards and new offerings are expected to be based on AXA ordinary shares. In addition, due to U.S. securities law restrictions, certain blackouts on option exercise are expected to occur each year when updated financial information for AXA will not be available.

None of the modifications made to AXA Financial's share-based compensation programs as a result of AXA's delisting and deregistration resulted in the recognition of additional compensation expenses.

The following tables show a summary of the U.S. holding company's AXA ADR stock option plans:

	Options *(in million)*		Weighted price *(in US$)*	
	2010	2009	2010	2009
Options				
Outstanding on January 1	11.0	12.3	19.95	20.40
Granted		0.0		12.00
Capital increase		0.3		
Exercised	(0.6)	(1.0)	16.69	16.01
Cancelled and expired	(0.3)	(0.6)	27.10	26.74
OUTSTANDING AS OF DECEMBER 31	**10.1**	**11.0**	**19.96**	**19.95**

	Outstanding options		Exercisable options	
	Number *(in million)*	Weighted Exercise price *(in US$)*	Number *(in million)*	Weighted Exercise price *(in US$)*
Price range				
\$11.95 – \$14.45	2.3	12.02	2.2	12.02
\$17.16 – \$21.19	4.8	19.12	4.8	19.12
\$25.59 – \$30.48	2.9	27.26	3.0	27.26
\$33.41 – \$42.46	0.0	36.78	0.0	36.47
\$11.95 – \$42.46	**10.0**	**19.96**	**10.0**	**19.97**

The following table shows information for grants after November 7, 2002:

	Options *(in million)*		Weighted price *(in US$)*	
	2010	2009	2010	2009
Options				
Outstanding on January 1	7.3	7.8	18.65	18.87
Granted		0.0		12.00
Capital increase		0.1		
Exercised	(0.2)	(0.5)	14.46	15.25
Cancelled and expired	(0.1)	(0.1)	20.94	20.79
OUTSTANDING AS OF DECEMBER 31	**7.0**	**7.3**	**18.77**	**18.65**

	Outstanding options		Exercisable options	
	Number *(in million)*	Exercise price *(in US$)*	Number *(in million)*	Exercise price *(in US$)*
Price range				
\$11.95 – \$14.45	2.0	11.97	2.0	11.97
\$18.63 – \$21.12	3.6	19.71	3.6	19.71
\$25.59 – \$30.48	1.4	25.59	1.4	25.59
\$33.41 – \$42.46	0.0	36.78	0.0	36.47
\$11.95 – \$42.46	**7.0**	**18.77**	**7.0**	**18.77**

The fair value of AXA ADR stock options is calculated using the Black & Scholes option pricing model. The effect of expected early exercise is taken into account through the use of an expected life assumption based on historical data. AXA ADR volatility is based on AXA SA ordinary shares volatility, adjusted for the US$/€ exchange rate volatility. The expected dividend yield on AXA SA shares is based on the market consensus. The risk-free interest rate is based on the U.S. Treasury bond curve for the appropriate maturity.

C) AXA GROUP SHAREPLAN

AXA offers to its employees the opportunity to become shareholders through special employee share offerings. In countries that meet the legal and fiscal requirements, two investment options are available: the traditional plan and the leveraged plan.

The traditional plan allows employees to purchase, through a personal investment, AXA shares (either through Mutual funds (FCPE) or through direct share ownership) with a discount of up to 20%. The shares are restricted from sale during a period of 5 years (except specific early exit cases allowed by applicable laws). Employees bear the risk of all movements in the share as compared to the subscription price.

The leveraged plan allows employees to purchase, on the basis of 10 times their personal investment, to AXA shares (either through Mutual funds (FCPE) or through direct share ownership) with a discount. The leverage on the employees' personal investment is in the form of a loan (non-recourse) from a third party bank. The shares are restricted from sale during a period of 5 years (except specific early exit cases allowed by applicable laws). Employees who participate in the leverage plan benefit from a guarantee on their personal investment and also receive a defined percentage of any upside appreciation (above the non-discounted reference price) on the full leveraged amount invested.

At the end of the 5 years restricted period, the employees can, depending on their residence country, do any one of the following: (1) receive the cash value of their assets; (2) receive the value of their assets in the form of AXA shares; or (3) transfer their assets invested in the leveraged plan into the traditional sub-fund.

The cost of this plan is valued taking into account the five-year lock-up period, as recommended by the ANC (French accounting standard setter). The ANC approach values the restricted shares through a replication strategy whereby the employee would sell the restricted shares forward at the end of the lock-up period, borrow enough money to buy unrestricted shares immediately, and uses the proceeds of the forward sale together with dividends paid during the lock-up period to finance the loan. For the leveraged plan, the cost also includes the opportunity gain implicitly provided by AXA by enabling its employees to benefit from an institutional price for derivatives as opposed to a retail price.

On October 28, 2010, the AXA Group made an employee share offering at €10.58 per share for the traditional plan (discount of 20% to the reference price of €13.22 representing the average over the twenty trading days ending on October 17, 2010) and at €11.01 per share for the leverage plan (discount of 16.71% to the reference price) Subscriptions amounted to 30.1 million shares, increasing the share capital by €330.4 million. This offering represented a total cost of €12.5 million taking into account the five-year lock-up period.

In 2010, the cost of the lock-up period was measured at 19.71% for the traditional plan and 16.53% for the leveraged plan (due to different discounts). In addition to the lock-up cost, the opportunity gain offered to the employees under the leveraged plan was measured at 3.16%.

The table below shows the main features of the plan, the amounts subscribed, valuation assumptions, and the cost of the plan for 2009 and 2010:

	2010		2009	
	Traditional	Leveraged	Traditional	Leveraged
Plan maturity *(in years)*	5	5	5	5
[A] Discount to face value	20.00%	16.71%	18.30% (a)	18.30% (a)
Reference price *(in Euro)*	13.22		18.65	
Subscription price *(in Euro)*	10.58	11.01	14.92	14.92
Amount subscribed by employee *(in Euro million)*	20.8	31.0	26.7	36.7
Total amount subscribed *(in Euro million)*	20.8	309.6	26.7	367.0
Total number of shares subscribed *(in million shares)*	2.0	28.1	1.8	24.6
Interest rate on employee loan	8.05%	7.92%	8.05%	8.05%
5-year risk-free rate *(euro zone)*	1.75%		2.50%	
Dividend yield	7.22%		5.10%	
Early exit rate	1.10%		4.61%	
Interest rate for borrowing securities (repo)	0.35%		0.45%	
Retail/institutional volatility spread	N/A	5.41%	N/A	6.49%
[B] Cost of the lock-up for the employee	19.71%	16.53%	17.31%	17.30%
[C] Opportunity gain	N/A	3.16%	N/A	2.07%
Total cost for AXA = [A] – [B] + [C] (as a percentage of the reference price)	**0.29%**	**3.34%**	**0.99%**	**3.07%**
TOTAL COST FOR AXA *(in Euro million)*	**0.10**	**12.40**	**0.30**	**13.80**

(a) In light of the capital increase launched by the Group on November 9, 2009 the initial discount of 20% was mechanically lowered to 18.30% for both plans.

D) AXA MILES

On July 1, 2007, AXA granted 50 free shares per employee to all employees of the Group. In total, 2.3 million shares were granted to 46,899 employees in 24 countries on the 2+2 plan (i.e. two-year vesting period with a subsequent two-year restriction period), and 3.2 million shares were granted to 64,839 employees in 30 countries on the 4+0 plan (i.e. four-year vesting period with no subsequent restriction period).

	Number of employees at grant date	Number of AXA Miles granted
Plan 2+2	46,899	2,344,950
Plan 4+0	64,839	3,241,950
TOTAL	**111,738**	**5,586,900**

The free shares are valued using the ANC approach described in the AXA Group Shareplan section using assumptions adapted to the structure of the plan (2+2 or 4+0 plan), based on a market price of €32 per share on July 1, 2007 and an estimated 5% pre-vesting lapse rate.

The total cost of the AXA Miles is amortized over the vesting period (i.e. over 2 years for the 2+2 plan and over 4 years for the 4+0 plan) starting on July 1, 2007. On that basis, the expense recognized in the profit or loss for the year ended December 31, 2010 was €17.4 million. The accumulated cost already recognized as of December 31, 2010 represented 93% of the total cost of these plans (of which 100% of the 2+2 plan).

E) OTHER SHARE-BASED COMPENSATION

AXA Performance Shares

In 2008, 2009 and 2010, Performance Shares were issued to executive officers and other key employees.

Performance Shares are similar to Performance Units, but the payment is equity-settled. In France, most of the Performance Units granted to employees in 2004 were converted into Performance Shares in 2005.

The Performance Shares are valued using the ANC approach described in the AXA Group Shareplan section using assumptions adapted to the structure of the plan.

In 2010 the valuation was based on a market price of €15.8 per share at grant date and an estimated 5% pre-vesting lapse rate. The grant date fair value of Performance Shares granted in 2010 was €10.5.

The total cost of Performance Shares was €19.6 million in 2010.

AXA Performance Units

AXA issued Performance Units to executive officers and other key employees outside France in 2008, 2009 and 2010.

During the vesting period, the Performance Units initially granted are subject to non-market performance criteria.

Before 2010, if the number of Performance Units definitely acquired is less than one thousand, the employing entity pays in cash, 100% of the calculated value. If the number of Performance Units definitely acquired at the end of the vesting period is more than one thousand the employing entity pays in cash, 70% of the calculated value and the remaining 30% is simultaneously invested on behalf of the beneficiaries in AXA shares restricted for a minimum period of two years (equity-settled).

For 2010 grants, the employing entity at the end of the vesting period will pay in cash the first half of the Performance Units definitely acquired at that date. One year later, the employing entity will pay in cash the second half provided that the beneficiary is an employee of the AXA Group at that date. For the settlement of the second half of the Performance Units definitely acquired, beneficiaries may, if they wish, choose a settlement of all or part of their Performance Units in AXA shares.

For the cash-settled instruments, the expected payment at the maturity date of the instrument is revised at each closing dates and amortized over the vesting period (prorate temporis)

The total cost of the Performance Units recorded in earnings in 2010 was €45.2 million (€3.2 million for the equity-settled portion and €42 million for the cash-settled portion).

26.3.2. Share-based compensation instruments issued by AXA Subsidiaries

Main share-based compensation plans issued by AXA subsidiaries are described below:

AXA ASIA PACIFIC HOLDING STOCK OPTION PLAN

AXA APH grants stock options based on AXA APH shares, with both market and non-market performance conditions.

The total cost for this plan in 2010 was €4.4 million.

AXA FINANCIAL SHARE-BASED COMPENSATION PLANS

The total cost of AXA Financial share-based compensation plans in 2010 included €-0.9 million in respect of AXA Financial Stock Appreciation Rights (as they are subject to variations in the basis of recognition due to changes in the market value of AXA ADRs) and €1.0 million in respect of AXA ADR Restricted Shares and Performance Accelerated Restricted Shares granted to senior executives and non-employee directors.

ALLIANCEBERNSTEIN SHARE-BASED COMPENSATION PLANS

AllianceBernstein grants Restricted Units and options to acquire AllianceBernstein Units, which are valued and booked according to IFRS principles.

Since 2009, all deferred awards under AllianceBernstein Incentive Compensation plan are in the form of restricted Holding Units which are granted to certain key employees. In connection with the deferred compensation plan 11,594,207 restricted Holding Units were issued in 2010 (8,345,805 Restricted Holding Units were issued in 2009).

AllianceBernstein also awarded restricted Holding Units in connection with certain employee and separation agreements. The total granted in 2010 including these awards was 13,064,764 restricted Holding Units.

Moreover, options to acquire AllianceBernstein Units were granted as follows: 387,661 options were granted in 2010; 6,565,302 options in 2009.

The 2010 total cost amounted to €117.5 million (100%, gross of tax).

26.4. COMPENSATION OF MANAGEMENT AND OFFICERS

In 2010:

- short-term benefits: compensation paid to members of the Management Committee in respect of 2010 totaled €16.1 million, including fixed salary, bonuses, directors' fees and benefits in kind;
- share-based compensation: the expense recognized in 2010 in respect of share-based compensation granted to Management Committee members was €11 million.

In 2009:

- short-term benefits: compensation paid to members of the Management Board in respect of 2009 totaled €14.8 million, including fixed salary, bonuses, directors' fees and benefits in kind;
- share-based compensation: the expense recognized in 2009 in respect of share-based compensation granted to Management Board members was €11 million.

Long-term benefits

Amounts provisioned or recognized by AXA SA and its subsidiaries for the payment of pensions or retirement benefits to the members of the Management Committee totaled €49.2 million as of December 31, 2010 (€36.3 million in 2009 as of December 31, 2009)

26.5. SALARIED WORKFORCE

At December 31, 2010, the Group employed 102,957 salaried people on a full-time equivalent basis (103,432 at the end of 2009).

The decrease in 2010 compared to 2009 by 475 salaried employees was mainly due to:

- United Kingdom (-1,784 employees), where Life & Savings activities records (-2,480 salaried employees) in 2010 mainly due to the staff transfered to Resolution Ltd following the sale of part of the Life & Savings business, and Property & Casualty activities take on +696 salaried employees primarily relating to the continued growth within Direct business and the inclusion of an entity;
- partly offset by new consolidated companies notably in Ukraine (+1,150 salaried employees) and in Poland (+393 salaried employees).

Note 27 Net income per ordinary share

The Group calculates a basic net income per ordinary share and a diluted net income per ordinary share:

- the calculation of the basic net income per ordinary share assumes no dilution and is based on the weighted average number of outstanding ordinary shares during the period;
- the calculation of diluted net income per ordinary share takes into account shares that may be issued as a result of stock option plans. The effect of stock option plans on the number of fully diluted shares is taken into account only if options are considered to be exercisable on the basis of the average stock price of the AXA share over the period.

Revised net income EPS takes into account interest payments related to undated subordinated debts classified in equity, excluding forex impacts. Previously disclosed EPS included forex adjustments and, as of December 31, 2009, basic net income EPS amounted to €1.51 and fully diluted net income EPS to €1.51. Excluding forex reflects implemented hedges which would qualify as net investment hedges with related changes in fair value recognised through translation reserves.

(in Euro million) (a)		December 31, 2010	December 31, 2009 (b)
Net income group share		**2,749**	**3,606**
Undated subordinated debt financial charge		(300)	(288)
Net income including impact of undated subordinated debt (b)	**A**	**2,449**	**3,318**
Weighted average number of ordinary shares (net of treasury shares) – opening		2,264	2,108
Increase in capital (excluding stock option exercised) (c)		2	17
Stock options exercised (c)		-	-
Treasury shares (c)		-	2
Share purchase program (c)		-	-
Weighted average number of ordinary shares	**B**	**2,266**	**2,127**
NET INCOME PER ORDINARY SHARE	**C = A/B**	**1.08**	**1.56**
Potentially dilutive instruments:			
■ Stock options		3	2
■ Other		6	4
Fully diluted – weighted average number of shares (d)	**D**	**2,275**	**2,133**
Net income including impact of undated subordinated debt (b)	**E**	**2,449**	**3,318**
FULLY DILUTED NET INCOME PER ORDINARY SHARE	**F = E/D**	**1.08**	**1.56**

(a) Except for number of shares (million of units) and earnings per share (Euro).
(b) Restated undated subordinated debt forex impact is excluded.
(c) Weighted average.
(d) Taking into account the impact of potentially dilutive instruments.

Note 28 Related-party transactions

In 2010, the Company was party to the following transactions with related parties which may be deemed to have been material to AXA or the related party in question or unusual in their nature or conditions.

RELATIONSHIPS WITH THE MUTUELLES AXA

The Mutuelles AXA (AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle, hereafter "Mutuelles AXA") are two mutual insurance companies engaged in the Property & Casualty insurance business and Life & Savings insurance business in France. As of December 31, 2010, the Mutuelles AXA collectively owned 13.94% of the Company's outstanding ordinary shares representing 21.87% of the voting rights.

Each Mutuelle AXA is supervised by a Board of Directors elected by delegates representing policyholders. Certain members of the Company's Executive Management and Board of Directors serve as directors or executive officers of the Mutuelles AXA.

The Mutuelles AXA and certain of the Company's French insurance subsidiaries, AXA France IARD and AXA France Vie, are parties to a management agreement pursuant to which these subsidiaries provide management services to manage the insurance operations and portfolios of the Mutuelles. This management agreement includes provisions designed to ensure the legal independence and protection of the respective clients' portfolios of the Mutuelles and the subsidiaries. The Property & Casualty insurance business generated in France by insurance brokers is underwritten through a coinsurance arrangement between AXA Assurances IARD Mutuelle and AXA France IARD, a Property & Casualty insurance subsidiary of the Company. For coinsurance, AXA France IARD underwrites 89% of businesses and the Mutuelle AXA 11%. Technical results are shared between these companies in proportion to their written premiums. Aggregate written premiums recorded in this coinsurance agreement amounted to €1,665.9 million in 2010 (of which €1,482 million was attributed to AXA France IARD).

Certain of the costs and expenses of operating these businesses (other than commissions) are shared by these subsidiaries and the Mutuelles AXA and allocated among them through a *Groupement d'Intérêt Économique* or "GIE" which is a type of French inter-company partnership more fully described below. There are no agreements between the Mutuelles AXA and the Company's insurance subsidiaries that restrict in any way their ability to compete with one another.

GROUPEMENT D'INTÉRÊT ÉCONOMIQUE (GIE)

From time to time the Company enters into GIEs with certain of its subsidiaries. GIEs are intercompany partnerships, governed by French law, created to perform various common services for their members and to allocate associated costs and expenses among their members. The allocation of costs and expenses invoiced to GIE members may be based on various agreed criteria including particular activity drivers. The GIEs to which the Company was party during 2010 covered a variety of common services including services performed by the Group's central functions for the benefit of AXA Group companies (e.g. finance, accounting and reporting, tax, legal, marketing and brand, internal audit, human resources, procurement, information systems, risk management, cash management) as well as certain other services. Expenses invoiced by these GIEs to the Company and its subsidiaries are generally invoiced at cost and are included in the consolidated expenses reflected on Company's audited consolidated financial statements.

LOANS/GUARANTEES/CAPITAL CONTRIBUTIONS, ETC.

AXA has given numerous commitments and guarantees, including financing commitments, guarantees given to financial institutions and customers, pledged assets, collateralized commitments and letters of credit. For a detailed description of these commitments and guarantees, see Note 29 "Contingent assets and liabilities and unrecognized contractual commitments to the Group's consolidated financial statements". Certain of these guarantees are given by the Company for the benefit of its subsidiaries and affiliates for various business purposes including to promote development of their business (e.g. to facilitate acquisitions, integration of acquired businesses, distribution arrangements, internal restructurings, sales or other disposals of assets or businesses, sales or renewals of products or services or similar transactions), to support their credit ratings, and/or to promote efficient use of the Group's capital resources. In this context, the Company may guarantee repayment of loans or other obligations between its subsidiaries, guarantee obligations of its subsidiaries to third parties, or provide other types of guarantees for the benefit of its subsidiaries. The beneficiaries of these guarantees are generally required to compensate the Company at a negotiated rate based on prevailing market rates and conditions for guarantees of a similar nature. In addition, from time to time, the Company may provide comfort letters or similar letters to rating agencies and/or regulators for the benefit of its subsidiaries and affiliates for various business purposes, including facilitating specific transactions, achieving target rating levels and, more generally, helping to develop the business of these subsidiaries.

The Company, from time to time, makes capital contributions, loans, other extensions of credit, or otherwise provides liquidity and capital resources to its subsidiaries and affiliates for various business purposes including to finance their business operations and/or to promote the development of their business (e.g. to facilitate acquisitions, integration of acquired businesses, distribution arrangements, internal restructurings, or similar transactions). These transactions may involve the Company entering into various types of transactions with its subsidiaries and affiliates from time to time including loans or other types of credit arrangements, acquisitions or sales of assets, securities or other financial instruments and/or similar transactions. In addition, the Company may from time to time borrow from its subsidiaries for various business purposes. These transactions are carried out on arms-length terms and conditions with loans and other extensions of credit bearing interest at varying rates that generally reflect prevailing market rates at the respective dates such loans were originated.

In addition, the Company may enter into various other types of transactions with its subsidiaries and affiliates from time to time for various other business purposes including in connection with liquidity, solvency and capital management initiatives designed to promote efficient use and fungibility of the Group's capital resources. These transactions may involve loans or other types of credit arrangements, acquisitions or sales of assets, securities or other financial instruments (including swaps or other types of derivatives), securitization transactions, and/or other types of arrangements or transactions to which the Company may be a direct party and/or guarantor.

KEY MANAGEMENT AND DIRECTORS

To the best of the Company's knowledge, based on information reported to it:

- as of December 31, 2010, there were no loans outstanding from the Group to any member of AXA's executive officers or members of its Board of Directors;
- various members of the Company's Board of Directors as well as various other executive officers and directors of other AXA Group companies may, from time to time, purchase insurance, wealth management or other products or services offered by AXA in the ordinary course of its business. The terms and conditions of these transactions are substantially similar to the terms and conditions generally available to the public or to AXA employees in general.

Note 29 Contingents assets and liabilities and unrecognized contractual commitments

Consistent with principles set forth in Note 1.3.1 "Scope and basis of consolidation" to the financial statements, (i) AXA's investments or other arrangements with non-consolidated special purpose entities (SPEs) do not allow AXA to exercise control over such SPEs; and (ii) SPEs controlled by AXA are consolidated as disclosed in Note 2.2 to the financial statements.

Investments in non-consolidated investment funds are limited to the shares in these funds which do not provide control. Any material arrangements between AXA and these funds are disclosed in this Note.

29.1. BREAKDOWN OF COMMITMENTS RECEIVED

(in Euro million)	December 31, 2010	December 31, 2009
Financing commitments	**14,296**	**10,225**
Credit institutions	14,296	10,225
Customers	-	-
Guarantee commitments	**11,888**	**9,559**
Credit institutions	524	418
Customers	11,364	9,141
Other	**38,060**	**29,009**
Pledged securities and collaterized commitments	32,445	25,145
Letters of credit	1,011	1,144
Other commitments	4,604	2,720
TOTAL	**64,244**	**48,792**

Commitments received by AXA totaled €64,244 million at the end of 2010, and increased by €15,452 million compared to the end of 2009, mainly due to an increase in financing commitments received (€+4,072 million), an increase in guarantee commitments (€+2,329 million) and an increase in pledged securities and collaterized commitments (€+7,300 million).

These commitments broke down as follows:

Financing commitments received totaled €14,296 million at the end of 2010, and mainly consisted in:

- the Company received credit facilities from banks for €10,668 million;
- €2,013 million unused credit lines from the United States Holding;
- AllianceBernstein credit line (€932 million), including €186 million from credit facilities and €745 million from new 2010 credit facilities with various banks and other lenders to replace the previous credit lines;
- Commitment lines granted to Japan Life & Savings as part of its operations (€496 million).

The €4,072 million increase in financing commitments received was mainly due to the Company unused credit lines (€+2,263 million) and to the United States Holding (€+1,664 million).

Guarantee commitments received totaled €11,888 million at the end of 2010, and mainly consisted in guarantees from customers related to mortgage loans (€10,361 million) received by Switzerland Life & Savings (€5,564 million) and Switzerland Property & Casualty (€1,020 million), AXA Bank Europe (€2,276 million) and Belgium Life & Savings (€1,400 million).

The €2,329 million increase in guarantee commitments received was mainly driven by the increase of guarantees related to mortgage loans (€2,101 million), including Switzerland Life & Savings (€+1,824 million), Switzerland Property & Casualty (€+211 million) and AXA Bank Europe (€+168 million).

Pledged securities and collaterized commitments received totaled €32,445 million at the end of 2010, and mainly consisted in:

- mortgage security collateral taken for loans (€20,632 million), mainly from AXA Bank Europe (€15,800 million) and AXA Bank Hungary (€4,520 million);

- security reverse repurchase agreements (€8,094 million) mainly in Switzerland Life & Savings (€3,327 million), in Germany Life & Savings (€1,531 million), AXA Bank Europe (€1,480 million) and Japan Life & Savings (€832 million);

The €7,300 million increase in pledged securities and collaterized commitments received was mainly due to Switzerland Life & Savings (€+3,327 million), AXA Bank Europe (€+1,806 million) and AXA Bank Hungary (€+798 million).

Letters of credit received decreased by €133 million, to €1,011 million at the end of 2010, and were mainly related to the United States.

Other commitments received totaled €4,604 million at the end of 2010, and were broken down as follows:

- €2,826 million received by AXA Bank Europe related to money market activities;
- €748 million received by the Company due to a loan guarantee under $1 billion loan agreement;
- €672 million received by France Life & Savings mainly due to commitments to real estate funds.

The €1,884 million increase in other commitments received was mainly due to €+2,227 million increase in AXA Bank Europe, partly offset by €-543 million decrease on commitments to real estate funds in France Life & Savings.

29.2. BREAKDOWN OF COMMITMENTS GIVEN

	December 31, 2010					December 31, 2009
	Expiring date					
(in Euro million)	12 months or less	More than 1 year up to 3 years	More than 3 years up to 5 years	More than 5 years	Total	Total
Financing commitments	**2,000**	**737**	**34**	**101**	**2,872**	**2,289**
Credit institutions	26	15	-	101	142	47
Customers	1,974	722	34	-	2,730	2,242
Guarantee commitments	**94**	**1,683**	**1,098**	**1,161**	**4,036**	**3,795**
Credit institutions	36	1,671	1,090	1,083	3,879	3,420
Customers	58	13	9	78	157	375
Other	**27,322**	**2,454**	**1,019**	**6,396**	**37,191**	**25,461**
Pledged securities and collaterized commitments	23,587	9	11	603	24,211	10,606
Letters of credit	75	7	16	267	365	357
Other commitments	3,660	2,438	992	5,875	12,964	14,498
TOTAL	**29,416**	**4,873**	**2,151**	**8,007**	**44,447**	**31,545**

Commitments given totaled €44,447 million at the end of 2010, an increase of €12,902 million compared to the end of 2009, mainly due to an increase in pledged securities and collaterized commitments given (€13,604 million).

Financing commitments given totaled €2,872 million at the end of 2010, and mainly consisted in financing commitments to customers (€1,973 million), notably comprising loan commitments granted by AXA Bank Europe (€915 million) and by AXA Banque (€782 million) to their customers.

Guarantee commitments given totaled €4,036 million at the end of 2010, and mainly consisted in:

- €3,879 million guarantee commitments given to credit institutions mainly driven by the Company (€2,843 million) including €2,623 million loans guarantees and €209 million backing IT contracts;
- €157 million guarantee commitments given to customers.

Guarantee commitments given increased by €241 million, including €383 million increase on guarantees related to financial obligations from AllianceBernstein partly offset by €153 million decrease on payment guarantees on investment funds from AXA Banque.

Pledged securities and collaterized commitments given totaled €24,211 million at the end of 2010, and mainly consisted in:

- €9,397 million in AXA Bank Europe to finance institutions in respect of security repurchase agreements (€5,973 million) and pledged assets collaterals for loans (€3,423 million);
- €7,132 million in Japan Life & Savings, including pledged assets for securities repurchase agreements (€6,956 million) and derivative transactions (€175 million);

- €2,835 million in Belgium Life & Savings including pledged assets for securities repurchase and lending agreements €2,422 million and pledged assets collaterals for loans €340 million.

Pledged assets and collaterized commitments given increased by €13,604 million in 2010 mainly including AXA Bank Europe (€5,590 million) driven by pledged asset for securities repurchase and lending agreements, Belgium Life & Savings (€2,811 million) and Japan Life & Savings (€2,394 million).

Letters of credit given totaled €365 million at the end of 2010 and were mainly related to the run-off activities of reinsurance operations (€306 million).

Other commitments given totaled €12,964 million at the end of 2010 and mainly consisted in:

- capital call options to Private Equity funds (€3,701 million) mainly given by the France Life & Savings (€1,355 million), Japan Life & Savings (€634 million), Switzerland Life & Savings (€610 million) and United States Life & Savings (€377 million);
- €1,609 million guarantees given by the Company as part of Group insurance contracts;
- €1,272 million commitments given by Germany Life & Savings as a commitments to purchase loans;
- €1,224 million in the Company commitments given to guarantees regarding bank deposits in AXA Bank Europe;
- €643 million of unamortized balance on the Company's subordinated debt instruments: the Company issued subordinated debts with reimbursement premiums which are amortized over the life of the instrument at the effective interest rate for each debt;
- €519 million commitments given by France Life & Savings as commitments from real estate funds;
- €446 million in Germany Life & Savings commitments given to "Protektor" and "Medicator", the German insurance guarantee funds in the case of a bankruptcy of insurance companies.

The €1,534 million decrease in other commitments given in 2010 is mainly explained by the partial disposal of UK Life & Savings operations (€-1,284 million).

Partial disposal of UK Life & Savings operations

AXA has guaranteed the liabilities and obligations of AXA UK in connection with the sale of part of its Life & Savings insurance business to Resolution Ltd. This includes potential liability of AXA UK under customary warranties and indemnities given by AXA UK to Resolution Ltd. in connection with this transaction.

Cross-Shareholding Agreements

AXA has entered into cross-shareholding agreements with BNP Paribas and Schneider which are described hereafter.

Agreement with BNP Paribas

On August 5, 2010, and after authorization by the AXA Board of Directors on August 3, 2010, the AXA Group and the BNP Paribas Group entered into an agreement that replaces a prior agreement between them dated December 15, 2005.

The 2010 agreement maintains the option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of three years starting from August 5, 2010, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the two parties decides to terminate the agreement earlier, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF on August 9, 2010.

Agreement with Schneider

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group, the Mutuelles AXA and the Schneider Group entered into an agreement that provides for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertakes to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertakes to hold at least 8,816,681 AXA ordinary shares. The number of shares held under this cross-shareholding agreement will be adjusted as needed to reflect the impact of certain capital transactions, including, but not limited to: free allotments of stocks or of exchange of stocks of the same company (stock splits, stock grouping, etc.). In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of one year from the date of signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case the terminating party is required to give a three months notice prior to the next renewal date.

The agreement was made public by the AMF on May 31, 2006.

Commitments towards some Group employees

In addition to other employment-related obligations, various AXA subsidiaries are required to indemnify their employees against certain liabilities and costs that they may incur from time to time in performing activities within the scope of their employment duties. These activities may include, for example, service as a director, officer, agent, general partner, or in a similar capacity for (i) an AXA Group company other than the employee's principal employer or (ii) a company outside the AXA Group where service is at the request of (or for the benefit of) the Group (e.g. joint ventures, partnerships, or special-purpose investment companies or funds). The potential amount of compensation relating to commitments covered by these obligations cannot be evaluated with any certainty, and the Group purchased the D&O (directors and officers) insurance to mitigate such risk.

Supports provided without having a contractual or constructive obligation to do so

The Group did not provide any material support without having a constructive obligation to do so to non consolidated entities during the period.

29.3. OTHER ITEMS: RESTRICTION ON DIVIDEND PAYMENTS TO SHAREHOLDERS

Some AXA subsidiaries, principally insurance companies, are subject to restrictions on the amount of funds they may transfer in the form of cash dividends or otherwise.

In most cases, the amounts available for distribution from AXA's insurance subsidiaries are limited to net income for the year and retained earnings calculated in accordance with the statutory accounting policies used by the subsidiaries to prepare their local financial statements. Further restrictions may be imposed by the local insurance regulators in countries where AXA operates. In some cases, amounts available for distribution are also subject to regulatory capital adequacy tests or the approval of an independent actuary, or subject to individual provisions contained in a company's by-laws.

In accordance with European Union directives, insurance companies with their registered office in a European Union member country are required to maintain minimum solvency ratios which must be supported by capital, retained earnings and reserves and unrealized capital gains on marketable securities and real estate as reported in regulatory filings or subject to approval by local regulators in some countries. AXA's insurance operations in countries outside the European Union are also subject to local capital adequacy and solvency margin regulations. As of December 31, 2010, AXA's subsidiaries complied with the applicable solvency and capital adequacy requirements.

While AXA seeks to manage its exposure to foreign currency fluctuations through hedging, fluctuations in the exchange rates may have a significant impact on AXA's results of operations and cash flows. For example, a strengthening of the Euro against the US Dollar and/or certain other currencies in 2011 and future periods may adversely affect AXA's results of operations and the price of its securities. In addition, the currency hedges used by AXA to manage foreign exchange rate risk may significantly impact the Company cash position and its statutory results (parent only) because unrealized exchange rate losses are recognized in the Company's statutory income statement (unlike in the Group's consolidated accounts where hedge accounting is applied to net investments in subsidiaries such that these exchange rate movements have no income statement impact at the consolidated Group level).

AXA regularly monitors its exchange rate hedging strategy and will continue to review its effectiveness and the potential need to vary it in any way taking into account earnings, value, solvency, gearing and liquidity indicators.

Note 30 Fees paid to Statutory Auditors

30.1. STATUTORY AUDITORS

Incubent auditors

PRICEWATERHOUSECOOPERS AUDIT:

63, rue de Villiers – 92208 Neuilly-sur-Seine, represented by Messrs. Pierre Coll and Michel Laforce, first appointed on February 28, 1989. The current appointment is for a term of 6 years, until the General Shareholders' Meeting called to approve the financial statements for the fiscal year 2011.

MEMBERSHIP IN A PROFESSIONAL BODY:

PricewaterhouseCoopers Audit is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux Comptes de Versailles.*

MAZARS:

61, rue Henri Regnault – 92400 Courbevoie Cedex, represented by Messrs. Philippe Castagnac and Gilles Magnan, first appointed on June 8, 1994. The current appointment is for a term of 6 years, until the General Shareholders Meeting called to approve the financial statements for the fiscal year 2015.

MEMBERSHIP IN A PROFESSIONAL BODY:

Mazars is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux Comptes de Versailles.*

Alternate auditors

Mr. Patrick Frotiée: 63, rue de Villiers – 92208 Neuilly-sur-Seine, first appointed on May 17, 1995. The current appointment is for a period of 6 years, until the annual General Meeting of the shareholders called to approve the financial statements for the fiscal year 2011.

Mr. Jean-Brice de Turckeim: 61, rue Henri Regnault – 92400 Courbevoie Cedex, first appointed on April 29, 2010. The current appointment is for a period of 6 years, until the annual General Meeting of the shareholders called to approve the financial statements for the fiscal year 2015.

30.2. FEES PAID TO STATUTORY AUDITORS

Pursuant to Article 222-8 of the AMF General Regulations, the table below shows the fee amounts paid by AXA to each of the statutory auditors in charge of auditing the Group's financial statements, distinguishing between the fees for, on the one hand, the legal mission of statutory auditors of the statements, as well as the diligence directly related to them, and, on the other hand, for other services.

	PricewaterhouseCoopers				Mazars			
	Amount (before VAT)		%	%	Amount (before VAT)		%	%
(in Euro thousand)	2010	2009	2010	2009	2010	2009	2010	2009
Audit								
Statutory audit and certification of local and consolidated financial statements	31,209	38,409	69%	82%	8,053	8,234	82%	97%
Parent company	2,651	3,643	6%	8%	600	600	6%	7%
Fully consolidated subsidiaries	28,558	34,766	63%	74%	7,453	7,634	76%	90%
Other specific audit assignment	4,421	4,069	10%	9%	407	238	4%	3%
Parent company	303	160	1%	-	-	-	-	-
Fully consolidated subsidiaries	4,118	3,909	9%	8%	407	238	4%	3%
Sub-total	**35,630**	**42,478**	**79%**	**91%**	**8,460**	**8,473**	**86%**	**100%**
Other services								
Legal, tax and employment consulting	4,312	4,023	10%	9%	28	-	-	-
other [(a)]	5,284	395	12%	1%	1,361	-	14%	-
Sub-total	**9,595**	**4,418**	**21%**	**9%**	**1,389**	**-**	**14%**	**-**
TOTAL	**45,227**	**46,896**	**100%**	**100%**	**9,849**	**8,473**	**100%**	**100%**
Affiliated Companies/Mutual funds	12,068	10,391	-	-	1,369	1,264	-	-
TOTAL	**57,294**	**57,287**	**-**	**-**	**11,218**	**9,737**	**-**	**-**

(a) Including Technology, IT systems consulting and other internal services (Solvency II, EEV).

Note 31 Litigation

31.1. MATTERS DIRECTLY CONCERNING AXA SA

AXA SA is involved in lawsuits, investigations, and other actions arising in the various jurisdictions where it does business, including the following:

In 2007, AXA SA completed the squeeze-out of the minority shareholders at two German subsidiaries, AXA Konzern AG ("AKAG") and Kölnische Verwaltungs-AG für Versicherungswerte ("KVAG"). Following the effective date of these squeeze outs in July 2007, certain former AKAG and KVAG shareholders brought an action in Germany alleging that the cash compensation offered by AXA SA was not adequate. Management believes that these claims are without merit and intends to vigorously defend them. Management also believes that these judicial proceedings are likely to continue for a significant period of time before they are definitively resolved due to the complexities, procedural and otherwise, of this matter.

31.2. MATTERS CONCERNING AXA SUBSIDIARIES

In addition, several AXA subsidiaries are involved in lawsuits (both class action and individual), investigations, and other actions arising in the various jurisdictions where they do business, including the following:

31.2.1. United States Matters

In the United States, certain AXA subsidiaries are involved in a number of lawsuits (both class actions and individual litigations), investigations and other actions in various states and jurisdictions where they do business. A detailed description of these matters involving AXA Financial, Inc. and its subsidiaries (including AXA Equitable Life Insurance Company and AllianceBernstein L.P.) is included in the Annual Reports on Form 10-K for the year ended December 31, 2010 and subsequent reports on Form 10-Q, respectively, of AXA Financial, Inc. (SEC file no. 1-11166), AXA Equitable Life Insurance Company (SEC file no. 000-20501) and AllianceBernstein (SEC file no. 000-29961) filed with the SEC (collectively, the "Subsidiary SEC Reports"). The Subsidiary SEC Reports are publicly available and management encourages readers of the financial statement to consult the Subsidiary SEC Reports for a full description of all the various litigations and related matters in which these subsidiaries are involved. Copies of the Subsidiary SEC Reports can be obtained through the SEC's EDGAR system (www.sec.gov).

A number of lawsuits have been filed against insurers in the United States involving insurers' sales practices, alleged agent misconduct or misrepresentation, alleged failure to properly supervise agents, compensation of intermediaries as well as numerous other matters. Some of these actions have resulted in the award of substantial judgments against insurers (including material amounts of punitive damages) or in substantial settlements. In certain jurisdictions, juries have substantial discretion in awarding punitive damages. AXA's United States subsidiaries are involved in these types of litigations as well as in a wide variety of other matters including regulatory inquiries, investigations and/or actions, in connection with the ownership and/or management of real estate, asset management activities, corporate transactions, employee benefit disputes, alleged discrimination in employment practices, as well as other matters. For additional details on these matters, please see the Subsidiary SEC Reports.

AXA Rosenberg. In April 2010, AXA Rosenberg, a quantitative asset manager owned 75% by AXA Investment Managers at that time (now fully owned), communicated to its clients that a coding error in its risk model, corrected in November 2009, had not been reported in a timely manner. AXA Rosenberg's Board of Directors hired an independent law firm to conduct an internal investigation into this matter and an independent consultant was engaged to assist in assessing the impact of this error on the performance of each client's account. On February 3, 2011, the United States Securities and Exchange Commission charged three AXA Rosenberg entities with securities fraud for concealing this error which was determined to have caused $217 million in investor losses. Without admitting or denying the SEC's findings, AXA Rosenberg Group LLC (ARG), AXA Rosenberg Investment Management LLC (ARIM), and Barr Rosenberg Research Center LLC (BRRC) consented to the entry of an SEC order that requires them to cease and desist from committing or causing any violations and any future violations of certain provisions of US federal securities laws; censures them; and orders them jointly and severally to pay a $25 million penalty. The SEC's order also requires ARG, ARIM and BRRC to comply with certain undertakings including a payment of approximately $217 million to redress harm from the coding error to the clients of ARIM and other ARG-affiliated advisers. The undertakings also include reorganization of the firms' compliance functions and the hiring of an independent compliance consultant to conduct a comprehensive review of the firms' overall supervisory and compliance policies and procedures — specifically the disclosure, recordkeeping and reporting processes for the quantitative investment model. Discussions with various other regulatory authorities involved in this matter (including the AMF, the United Kingdom FSA, the Japanese FSA, the United States Department of Labor as well as financial regulators in Ireland, Hong Kong, Singapore) are continuing.

On February 4, 2011, a class action law suit was filed against AXA Rosenberg on behalf of an AXA Rosenberg client (the Guam Retirement Fund) and all others similarly situated. This suit was filed in the Federal District Court for the Northern District of California and (i) alleges breach of fiduciary duty, negligence/gross negligence in connection with the coding error, (ii) seeks an "accounting" of underperformance against benchmarks attributable to the coding error and (iii) requests damages in an unspecified amount to be determined at trial.

31.2.2. Other Litigations

AXA and certain of its subsidiaries are involved in various legal actions and proceedings arising out of transactions involving the acquisition or sale of businesses or assets, mergers or other business combination transactions, the establishment or dissolution of joint ventures or other partnerships, public exchange or tender offers, buy-outs of minority interests or similar types of transactions ("M&A Transactions"). In connection with M&A Transactions, AXA and its subsidiaries from time to time:

- are involved in legal actions or other claims brought by purchasers, joint venture partners, shareholders or other transaction parties asserting claims for damages on various theories (including misrepresentation, failure to disclose material information, failure to perform contractual duties, breach of fiduciary duties), seeking contractual indemnification, or otherwise seeking to impose liability on AXA and/or its subsidiaries; and/or
- benefit from contractual rights to indemnification from third party sellers or other transaction counterparties that are designed to protect the Group against existing or potential future litigation exposures or other types of contingent liabilities of the acquired businesses or assets. These indemnities generally constitute unsecured obligations of the indemnifying party and, consequently, their value may be substantially impaired or rendered worthless in the event of the bankruptcy or insolvency of the indemnifying party.

In addition, AXA and certain of its subsidiaries are involved in various legal actions and proceedings with tax authorities in various jurisdictions including actions arising in connection with M&A Transactions, the Group's ordinary course business activities or other matters.

For example during 2010, as part of AXA UK's sale of part of its Life insurance business to Resolution, Ltd., AXA UK plc granted an indemnity to Friends Provident ("FP") for any losses that FP may suffer as a result of having to pay out monies to pension scheme trustees/employers in relation to pension equalisation claims. This relates to a 1990 UK court decision (Barber v Guardian Royal Exchange) which required equalization of retirement ages for men and women covered under UK pension schemes. Prior to this decision, many of the schemes had different retirement ages for men and women (typically 65 and 60 respectively). Many trustees and employers decided to equalize their schemes by increasing the woman's retirement age to 65, in line with the man's retirement age at the time, but until equalization was done correctly, benefits for men and women had to accrue at the more generous age of 60 (if that was the woman's retirement age). Certain pension plan trustees/employers have alleged that AXA UK or its affiliates, in their capacity as plan administrator, failed to properly effect equalization due to certain defects (including failure to execute amending scheme documentation, defects in the documentation equalized or defects in the form of amendment executed itself). AXA UK has asked a number of scheme trustees to check the equalization of their schemes.

Over the past several years a number of jurisdictions, including France and Belgium, have enacted legislation that permits corporate entities to be charged with criminal offences. The standard for attributing criminal conduct by corporate officers and employees to corporate entities is not clearly defined in many of these jurisdictions and government prosecutors and judges have broad discretion in this area. In recent years, complaints against or indictments of corporate entities for alleged criminal offences have become increasingly common and certain AXA Group companies have been the subject of penal complaints and/or indictments from time to time including in Belgium and France. While a criminal complaint against or indictment of a corporate entity may not pose material financial risk, it has broad potential implications for a regulated financial institution like AXA both from a reputation point of view and from a regulatory perspective because a criminal conviction can have potentially far reaching negative implications for AXA Group companies engaged in regulated businesses around the world including for their ability to obtain and/or maintain licenses to engage in certain types of regulated business activities such as asset management, insurance and banking.

On June 26, 2008, the Belgian consumer association Test-Achats (together with two private parties) brought an action for annulment of the Belgian Act of December 21, 2007 amending the Act of May 10, 2007 (the "Act") designed to combat discrimination between men and women with respect to gender in insurance matters. Specifically for the purpose of calculating insurance premiums and benefits, the Act allows direct distinctions to be drawn on the basis of gender. As a condition, a regulation stipulated that the distinction must be proportionate and sex must be a determining factor in the assessment of risk on the basis of relevant and accurate actuarial and statistical data. In enacting this regulation, the Belgian legislature made use of the "opt-out possibility" pursuant to Article 5 (2) of the so-called Gender Directive (2004/113/EC) which permitted European Member States to allow exceptions from the general prohibition on gender discrimination in access to and supply of goods and services. Test-Achats claimed that this Belgian regulation permitting gender-based setting of tariffs in life insurance contracts is incompatible with the principle of equal treatment and non-discrimination between men and women as a basic principle of European Union law. The Belgian Constitutional Court has referred this case to the European Court of Justice which rendered a decision on March 1, 2011 holding that Article 5 (2) of the Gender Directive is invalid with effect from December 21, 2012. While AXA was not party to this litigation, the effect of this decision will be to generally prohibit use of gender in the pricing of insurance contracts issued in the European Union by insurers writing business in the European Union including AXA Group insurance companies.

In addition to the matters noted above, AXA and its subsidiaries are also involved in various legal actions and proceedings of a character normally incident to their business including claims litigation arising in connection with the Group's insurance business and litigation arising from the Group's asset management business.

In addition to litigation risks of the type described above, AXA and its subsidiaries are subject to comprehensive regulation in the various jurisdictions where they do business. In this context, AXA and its subsidiaries are subject, from time to time, to examinations, investigations, enforcement proceedings and other actions by regulatory and law enforcement authorities (involving civil and/or penal matters) as well as to proposed changes in law and/or regulation that may significantly impact their business and results of operations. For additional information on these matters as well as other risks and contingent liabilities affecting the Group and its business, please see "Additional factors that may affect AXA's Business" in Part 1 of this Annual Report, "Risk Factors" in Part 3 of this Annual Report and Note 29 to the Group's consolidated financial statements in Part 4 of this Annual Report. Some of the litigations described above have been brought on behalf of various alleged classes of claimants, and certain of the claimants in these actions seek significant or unspecified amounts of damages, including punitive damages. In some jurisdictions, juries have substantial discretion in awarding punitive damages.

Although the outcome of any lawsuit cannot be predicted with certainty, particularly in the early stages of an action, management believes that the ultimate resolution of the matters described above should not have a material adverse effect on the consolidated financial position of AXA, taken as a whole. However, due to the nature of such lawsuits and investigations and the frequency of large damage awards in certain jurisdictions (particularly the United States) that bear little or no relation to actual economic damages incurred by plaintiffs, AXA's management cannot make an estimate of loss, if any, or predict whether or not these matters will have a material adverse effect on AXA's consolidated results of operations in any particular period.

Note 32 Subsequent events

On February 3, 2011, AXA received an administrative order approved by the United States Securities and Exchange Commission settling charges against three AXA Rosenberg units and requiring payment of client compensation and penalty amounts, leading to €66 million net provision already reflected in AXA's half year 2010 accounts.

In March 2011, **AXA APH** announced the following:

(i) on March 1st, 2011, AXA APH announced that it has been notified that the proposed merger of AXA APH's Australian and New Zealand business with AMP and the sale of AXA APH'S Asian businesses to AXA has given the necessary approval by the Deputy Prime Minsiter and Federal Treasurer ;

(ii) on March 2, 2011, the AXA APH shareholders approved all resolutions in relation to the proposed merger of AXA APH's Australian and New Zealand businesses with AMP and the sale of AXA APH's Asian businesses to AXA ;

(iii) on March 7, 2011, the Supreme Court made orders approving the schemes of arrangement between AXA APH and its shareholders in relation to the proposed transaction ;

(iv) on March 8, 2011, a copy of the Court's orders has been lodged with the Australian Securities and Investments Commission, at which time the Schemes became legally effective.

On March 11, 2011, AXA announced the sale of 15.6% stake in **Taikang Life**. China Insurance Regulatory Commission (« CIRC ») has issued its approval in connection with the proposed transfer by AXA's wholly-owned Swiss subsidiary, AXA Life Ltd., of its entire 15.6% interest in Taikang Life, China's 4th largest life insurer, to a consortium of new and existing shareholders. The consideration for this transaction amounts to USD 1.2 billion (or ca. Euro 0.9 billion). This corresponds to implied 2009 multiples of 21x net earnings and 6x book value [(1)].

This transaction is expected to generate a positive impact of ca. Euro 0.8 billion in net income and reduce debt gearing by 1 point in the first half of 2011.

The completion of the transaction is subject to obtaining other CIRC approvals which are pending.

(1) Source: China Insurance Yearbook 2010.

4.7 REPORT OF THE STATUTORY AUDITORS

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Report of Statutory Auditors on the consolidated financial statements

(For the year ended December 31, 2010)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**
25, avenue Matignon
75008 Paris

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended December 31, 2010, on:

- the audit of the accompanying consolidated financial statements of AXA, as attached to the present report;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I – Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements. An audit involves performing procedures, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and the financial position of the Group as at December 31, 2010 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II – Justification of our assessments

The on-going economic downturn and related uncertainties, as well as the evolution of the financial crisis and its monetary consequences on the euro zone continue to give rise to specific circumstances for the preparation of the financial statements, in particular with respect to the accounting estimates. In the context of these economic and financial uncertainties, and in accordance with Article L.823-9 of the French Commercial Code requiring Statutory Auditors to justify their assessment, we bring to your attention the following matters:

- your company details in Notes 1.7.2, 4.3 and 9.9 to the consolidated financial statements the valuation methods it applies to financial assets. We have assessed the appropriateness of the process of the financial assets valuation, as well as the information disclosed in the above mentioned notes;
- certain consolidated balance sheet items that are specific to the insurance and reinsurance business are estimated on the basis of statistical and actuarial data, such as actuarial reserves, deferred acquisition costs and their amortization, the value of business in force and future policyholders' benefits. The methods and assumptions used to calculate the carrying values of these items are described in Notes 1.13, 1.6.4 and 1.6.2 to the consolidated financial statements. We have assessed the reasonableness of the assumptions used to calculate these values, particularly with respect to the Group's experience and its regulatory and economic environments. We also assessed the overall consistency of these assumptions;
- the carrying values of purchase goodwill are tested at each closing for recoverability using the methods described in Notes 1.6.1 and 5.2.2 to the consolidated financial statements. We have in particular ensured that the valuation approaches used rely on assumptions that are consistent with the forecasts that emerge from the strategic plans established by the Group. We have also examined the elements gathered by the Group to assess the other assumptions considered as well as the sensitivity tests performed;
- deferred tax assets and liabilities are recorded and measured using the methods described in Note 1.16.1 of the notes to the consolidated financial statements. We have verified that the valuation methods used take into account the nature of tax differences, business plans established by the Group and, when accounting policies permit, its intentions ;
- derivatives and hedging activities are recognized in accordance with the methods and procedures described in Note 1.9 to the consolidated financial statements. We have assessed whether the hedging activities that abide by hedge accounting have been duly documented in accordance with hedge accounting rules.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – Specific verification

As required by law, we have also verified the information given in the Group's management report in accordance with the professional standards applicable in France.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Michel Laforce	Philippe Castagnac – Gilles Magnan

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CERTAIN ADDITIONAL INFORMATION

5.1 CHARTER

We summarize below certain material provisions of applicable French law, in force at the filing date of this Annual report, and of our Charter *("statuts")*. You may obtain copies of our Charter in French from the Paris Trade and Companies Register *("Registre du commerce et des sociétés")*.

The Company is a holding company organized under the laws of France as a *Société Anonyme* (SA) (a public company). The Company's registered principal office is located at 25, avenue Matignon, 75008 Paris, France and is registered with the Paris Trade and Companies Register *("Registre du Commerce et des Sociétés")* under number 572 093 920.

Corporate purpose

Under Article 3 of its Charter, AXA's corporate purpose is generally to:

- acquire all types of ownership interests in any French or foreign company or business, including insurance company or business;
- acquire, manage and sell all listed or unlisted shares and securities, as well as personal or real estate properties, rights, shares or securities, whether listed or unlisted, that are related to such properties; and
- perform all industrial, commercial, financial, personal or real estate property transactions, directly or indirectly related to any of the foregoing.

Members of the Board of Directors

In addition to French law provisions, AXA's Charter and the Board of Directors' Bylaws include a number of specific provisions concerning members of the Board of Directors, including the following:

COMPENSATION

The Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer(s) will receive compensation which amount and conditions will be set by the Board of Directors, upon the proposal of the Compensation and Human Resources Committee. Members of the Board of Directors receive a fixed annual directors' fee, the maximum overall amount of which is determined by the Shareholders' Meeting and apportioned by the Board of Directors among its members. Notwithstanding the above, no directors' fee shall be paid to directors exercising in the Executive Management (Chief Executive Officer and Deputy Chief Executive Officers).

For further information please see Part 2 – "Corporate governance, executive compensation, major shareholders and related matters" of this Annual Report.

RETIREMENT

Notwithstanding the term of office for which the Chairman of the Board of Directors is appointed, his/her functions shall terminate, at the latest, at the end of the Ordinary Shareholders' Meeting convened to approve the financial statements of the preceding fiscal year and held during the year the Chairman reaches the age of seventy.

Notwithstanding the term of office for which the Chief Executive Officer is appointed, his/her functions shall terminate at the latest at the end of the Ordinary Shareholders' Meeting convened to approve the financial statements of the preceding fiscal year and held during the year the Chief Executive Officer reaches the age of sixty-five. The same rule applies for the Deputy Chief Executive Officer(s).

An individual aged seventy or older may be appointed or re-appointed to the Board of Directors exclusively for a two-year term of office. His/her term of office can be renewed only once.

When the number of Board members aged seventy or older exceed one-third of the directors in office, the oldest director is deemed to have resigned automatically unless any member of the Board of Directors aged seventy or older voluntarily resigns within three months.

When the permanent representative of a legal entity member of the Board of Directors reaches seventy-years old, the legal entity is deemed to have resigned automatically unless it designates a new representative within three months.

SHAREHOLDING

In accordance with the AFEP/MEDEF Code of Governance, the directors shall be shareholders of the Company and own a significant number of shares in the Company; if they do not own such shares at the time they are first appointed, they shall use their directors' fees to acquire AXA shares. Accordingly, the Board of Directors has set for each Board member, whether an individual or a permanent representative of a legal entity to whom directors' fees were paid, the objective of holding, within two years after first being appointed, a number of shares in the Company which value on the basis of the closing price of the AXA share on December 31 of the preceding fiscal year shall correspond to an amount at least equivalent to the gross director's fees earned in respect of the previous fiscal year. The shares purchased for the purpose of this holding objective have to be held in registered form.

For additional information concerning the powers of the Board of Directors, please see Part 2 – "Corporate governance, executive compensation, major shareholders and related matters" of this Annual Report.

Rights, preferences and restrictions attached to shares

VOTING RIGHTS

Each AXA share entitles its holder to one vote at all AXA Shareholders' Meeting, subject to the provisions concerning double voting rights described below. As a result of the decision of the Shareholders' Meeting of the Company held on May 26, 1977, each ordinary share fully paid and held in registered form by the same person for at least two full fiscal years entitles its holder to double voting rights with respect to such share at any Ordinary or Extraordinary Shareholders' Meeting of AXA. The double voting right will automatically terminate for any share that has been converted into a bearer share or for which ownership has been transferred. Any transfer of shares as a result of merger, split-up, inheritance, division of community property by spouses or donation to a spouse or heir does not affect the double voting rights of such shares.

In the event of a capital increase by capitalization of existing reserves, profits or premiums, shares granted for free to any shareholder as a result of the holding by that shareholder of shares entitled to double voting rights will also carry double voting rights.

Double voting rights may be terminated at any time upon the decision of an Extraordinary Shareholders' Meeting, provided that such decision is confirmed by a two-thirds majority of the holders of double voting rights voting separately.

DIVIDENDS

AXA may distribute dividends to its shareholders from net income in each fiscal year after deductions for depreciation and provisions, as increased or reduced by any profit or loss carried forward from prior years, and as reduced by the legal reserve fund allocation described below.

Under French law, AXA is required to allocate 5% of its net income in each fiscal year, after reduction for losses carried forward from previous years, if any, to a legal reserve fund until the amount in that fund equals 10% of the nominal amount of its share capital. The legal reserve is distributable only upon AXA's liquidation.

Upon proposal by AXA's Board of Directors, the shareholders of AXA may decide to allocate all or part of distributable profits to special or general reserves, to carry them forward to the next fiscal year as retained earnings, or to allocate them to the shareholders as dividends. If AXA has earned a distributable profit since the end of the previous fiscal year, as reflected in an interim balance sheet certified by its Statutory Auditors, the Board of Directors may distribute interim dividends to the extent of the distributable profit without shareholders approval in accordance with French law. AXA's Charter requires AXA to distribute dividends between its shareholders *prorata* according to their share in the capital. The right to receive the dividend is due to the shareholders holding their shares at the record date.

Under AXA's Charter, the actual dividend payment date is decided by the Board of Directors. AXA must pay any dividend within nine months of the end of its fiscal year. Dividends not claimed within five years of the date of pay-out become the property of the French Treasury Department.

Under AXA's Charter, at an Ordinary Shareholders' Meeting, the shareholders may grant each shareholder the choice of receiving dividends in either cash or additional ordinary shares.

PRE-EMPTIVE RIGHTS

Under French law, shareholders have preferential subscription rights to subscribe, on a *prorata* basis, additional ordinary shares (and/or convertible, exchangeable or other securities giving a claim, directly or indirectly, to AXA ordinary shares). This subscription right is transferable and normally trades separately during the subscription period for a capital increase. In order to issue additional shares without preferential subscription rights, except for issues already approved or authorized by AXA shareholders, AXA must obtain the approval of a two-thirds majority of voting rights at an Extraordinary Shareholders' Meeting.

LIQUIDATION RIGHTS

If AXA is liquidated, the assets remaining after it pays its debts, liquidation expenses and all prior claims will first be used to repay AXA shareholders up to the amount of the liquidation balance and of the shares par value held by each shareholder. Any surplus will be divided among all shareholders, subject to rights arising, if any, from the different classes of shares, in proportion of the rights they own in the Company's share capital.

Modification of shareholders' rights

Under French law, shareholders of a French public company *("société anonyme")* generally have the power to amend the Charter of the Company. Such an amendment requires the approval of two-thirds of the shareholders attending or represented at an Extraordinary Shareholders' Meeting. However, no such Extraordinary Shareholders' Meetings may decide (i) to increase the liability of the shareholders in respect of the company or a third-party; or (ii) to reduce the individual rights vested in each shareholder (such as voting rights, the right to distributable profits of the company when allocated as dividends, the right to sell one's shares and the right to sue the company).

Shareholders' Meetings

Under French law, prior to any Ordinary and/or Extraordinary Shareholders' Meeting, a notice of meeting must be published in the *Bulletin des annonces légales obligatoires*, or "*BALO*", at least 35 days prior to the meeting date (or 15 days if convened, in the event that the Company is subject to a tender offer, for purposes of approving measures the implementation of which would be likely to cause such tender offer to fail) and must indicate, in particular, the agenda and the proposed resolutions.

At least 15 days (or 6 days if convened, in the event that the Company is subject to a tender offer, for purposes of approving measures the implementation of which would be likely to cause such tender offer to fail) prior to the date set for the meeting on first call, and at least 10 days (or 4 days if convened, in the event that the Company is subject to a tender offer, for purposes of approving measures the implementation of which would be likely to cause such tender offer to fail) before any second call, the Company shall send a final notice containing, among other things, the final agenda, place, date and other information in respect of the meeting by mail to all registered shareholders who have held shares for more than one month prior to the date of this final notice and publish this final notice in a newspaper as well as in the BALO.

Shareholders are convened, meet, and deliberate in accordance with applicable French law and AXA's Charter. All shareholders are entitled to attend these meetings, either in person or by proxy, provided that they show valid proof of ID and share ownership. The right to attend the Shareholders' Meetings of companies whose stock is traded on a regulated market or transactions of a central depository is evidenced by an accounting entry showing the number of shares in the name of the shareholder of record (or the intermediary of record for the account) in accordance with the seventh paragraph of Article L.228-1 of the French Commercial Code, on the third business day preceding the meeting at midnight (Paris time), either in the nominee share ownership records kept by the Company or in the bearer share records kept by a qualified intermediary. The accounting registration or recording of the shares in the bearer share accounts on the books of the qualified intermediary is evidenced by a certificate of attendance delivered by the latter.

Shareholders may participate either in person, be represented by a spouse, a partner with whom a civil solidarity pact was entered into, another shareholder, the Chairman of the meeting, or any other natural or legal person, or, as provided for by the Charter and subject to approval by the Board of Directors, participate by videoconference or by any means of telecommunications allowing shareholders to be identified in accordance with applicable laws. In addition, a holder of bearer shares who is not a French resident may be represented at Shareholders' Meetings by an appointed intermediary.

In accordance with applicable laws and regulations, shareholders may also transmit mail voting cards in paper form and/or, subject to approval by the Board of Directors published in the notice of meeting, by electronic means.

Anti-takeover provisions

There are no French anti-takeover statutes similar to the anti-takeover statutes enacted by certain states in the United States. However, a number of French law provisions including certain provisions of the European Directive of April 21, 2004 (which was implemented in France in 2006) concerning takeover bids, may have certain anti-takeover effects. In the case of AXA, the relevant provisions include, among other things, the Company's ability to repurchase its own shares regarding legal requirements and the existence of AXA shares with double voting rights.

French law requires mergers and certain consolidations to be approved by two-thirds of the shareholders attending or represented at the Extraordinary Shareholders' Meeting convened to decide on such matters. French law also requires the affirmative vote of the shareholders of the surviving corporation of a merger at an Extraordinary Shareholders' Meeting. However, no Shareholders' meeting of the merged company is required in the case of a merger of a wholly-owned subsidiary with its parent company.

Disclosure requirements when holdings exceed specified thresholds

Pursuant to Article 7 of AXA's Charter, any person, acting alone or jointly, who comes to hold, directly or indirectly through companies it controls within the meaning of Article L.233-3 of the French Commercial Code, a number of shares representing 0.5% of the Company's share capital or voting rights, shall notify the Company by registered letter with acknowledgment of receipt within five days from the threshold crossing. This notification shall detail the total number of shares and voting rights held as well as the total number of securities giving a differed claim to the share capital and the potential voting rights attached thereto.

The notification shall be repeated in the conditions stated above each time an additional fraction of 0.5% of the share capital or voting rights is crossed upward or downward.

In the event of failure to comply with the notification requirements described above, shares exceeding the fraction that should have been notified will be deprived of voting rights at Shareholders' Meetings if, at such meetings, the notification failure has been recorded and if one or more shareholders jointly holding at least 5% of the share capital so request. Loss of voting rights shall be applicable in all Shareholders' Meetings that would be held up until two years following proper notification.

Changes in the capital

The Company's share capital may be modified only under the conditions stipulated by the legal and regulatory provisions in force. The provisions of the Charter or the Bylaws shall not prevail over the law governing changes in the Company's share capital.

5.2 DESCRIPTION OF AXA'S SHARE CAPITAL

Transactions involving AXA's share capital

As of December 31, 2010, AXA had 2,320,105,237 ordinary shares, each with a par value of €2.29. All these shares were fully paid up and non assessable and began earning dividends on January 1st, 2010. The following table sets forth changes in the number of shares from December 31, 2007 to December 31, 2010:

Date	Transaction	Number of shares issued or cancelled	Issue or merger premium (in Euro)	Number of shares after the transaction	Amount of share capital after the transaction (in Euro)
2008	Exercise of stock options	2,697,087	51,485,070	2,063,450,579	4,725,301,826
	Exercise of stock subscription warrants	4,748	83,421	2,063,455,327	4,725,312,699
	Conversions of bonds	208	7,799	2,063,455,535	4,725,313,175
	Exercise of stock options	351,108	4,334,094	2,063,806,643	4,726,117,212
	Exercise of stock subscription warrants	568,615	7,455,742	2,064,375,258	4,727,419,341
	New equity issue reserved for employees of AXA (SharePlan 2008)	24,735,608	403,190,812	2,089,110,866	4,784,063,883
	Exercise of stock options	47,303	399,237	2,089,158,169	4,784,172,207
2009	Exercise of stock options	16,937	142,948	2,089,175,106	4,784,210,993
	Exercise of stock options	174,037	1,556,005	2,089,349,143	4,784,609,537
	Exercise of stock options	32,782	276,680	2,089,381,925	4,784,684,608
	Conversions of bonds	101,617	3,678,393	2,089,483,542	4,784,917,311
	Share capital reduction by cancellation of shares	(-101,617)	(-4,928,205)	2,089,381,925	4,784,684,608
	Share capital increase with preferential subscription rights	174,123,628	1,642,341,991	2,263,505,553	5,183,427,716
	New equity issue reserved for employees of AXA (SharePlan 2009)	26,390,246	332,756,023	2,289,895,799	5,243,861,380
	Conversions of bonds	45	1,552	2,289,895,844	5,243,861,483
	Exercise of stock options	69,280	566,710	2,289,965,124	5,244,020,134
2010	Share capital reduction by cancellation of shares	(45)	(2,137)	2,289,965,079	5,244,020,031
	Exercise of stock options	27,087	221,390	2,289,992,166	5,244,082,060
	Conversions of bonds	552	19,423	2,289,992,718	5,244,083,324
	Share capital reduction by cancellation of shares	(552)	(25,961)	2,289,992,166	5,244,082,060
	New equity issue reserved for employees of AXA (SharePlan 2010)	30,082,363	260,922,313	2,320,074,529	5,312,970,671
31/12/2010	Exercise of stock options	30,708	250,919	2,320,105,237	5,313,040,993

A APPENDICES

APPENDIX I CHAIRMAN OF THE BOARD OF DIRECTORS' REPORT

This report presents, according to the provisions of Article L.225-37 of the French Commercial Code, the conditions of preparation and organization of the Board of Directors' work (Part 1) as well as the internal control and risk management procedures implemented by the Company (Part 2). The report also presents the principles and the rules adopted by the Board of Directors in order to determine the compensation and the advantages granted to the corporate officers (Part 3). Finally, the report indicates the Company's Corporate Governance Code of reference and specifies the provisions of that code, if any, that have not been applied by the Company and why they have not been applied (Part 4).

Part 1 Conditions of preparation and organization of the Board of Directors' work

For information on the conditions of preparation and organization of the Board of Directors' work please see Part 2 – "Corporate governance - Executive compensation, major shareholders and related matters", "Board of Directors" and "Board of Directors Committees" Sections of the Group's Annual Report for the year ended December 31, 2010. For information on specific limitations of the powers of the Chairman & Chief Executive Officer decided by the Board of Directors please see Part 2 – "Corporate governance - Executive compensation, major shareholders and related matters", "The Chairman & Chief Executive Officer" Section of the Group's Annual Report for the year ended December 31, 2010.

Part 2 Internal control and risk management procedures

In accordance with Article L.225-37 of the French Commercial Code, the Chairman of the Board of Directors is required to report annually on internal control and risk management procedures implemented by the Company.

In this context, the following report provides a summary of the AXA Group's principal internal control mechanisms and procedures that allow Management to conclude that the Group has a sound and comprehensive system of internal control well adapted to its business and the specific risks inherent to its activities. This report is not intended to provide a comprehensive description of all internal controls and procedures in place within the Company and its subsidiaries, but rather to provide an overview of the Group's principal internal control mechanisms and procedures.

In preparing this report, the Chairman of the Board of Directors has consulted, as he deemed appropriate, members of AXA Management and has taken into account information furnished to the Board of Directors with respect to the Group's internal control environment. This report was assessed by the Audit Committee before being reviewed and approved by the Board of Directors at its meeting of March 9, 2011.

In this report, the term "Group" refers to AXA SA (the "Company") together with its direct and indirect consolidated subsidiaries.

INTERNAL CONTROL AND RISK MANAGEMENT: OBJECTIVES

The AXA Group is engaged in the financial protection and wealth management business on a global scale. As such, it is exposed to a very wide variety of risks – insurance risks, financial market risks and other types of risk – which are described in detail in the Group's Annual Report for the year ended December 31, 2010. Please see, in particular, Part 3 – "Risk Factors, Certain disclosures about market risks and related matters", Part 1 – Section 1.2 "Information on the Company – Additional factors which may affect AXA's business" and Part 4 – "Consolidated financial statements" – Note 31 "Litigation".

In order to manage these risks, the Group has put in place a comprehensive system of internal controls designed to ensure that Management is made aware of significant risks on a timely and continuing basis, has the necessary information and tools to appropriately analyze and manage these risks, and that the Group's financial statements and other market disclosures are timely and accurate.

These mechanisms and procedures principally include:

(i) the Group's corporate governance structures which are designed to ensure appropriate supervision and management of the Group's business as well as clear allocation of roles and responsibilities at the highest level;

(ii) management structures and control mechanisms designed to ensure that the Group senior Management has a clear view of the principal risks the Group faces and the tools necessary to analyze and manage these risks;

(iii) internal control over financial reporting ("ICOFR"), designed to ensure the accuracy, completeness and timeliness of the Group's consolidated financial statements and the other financial information that the Group reports to the markets; and

(iv) disclosure controls and procedures designed to ensure that Management has the necessary information to make fully informed disclosure decisions on a timely basis and that the Company's disclosures on material information (both financial and non-financial) to the markets are timely, accurate and complete.

These mechanisms and procedures, taken together, constitute a comprehensive control environment that Management believes is appropriate and well adapted to the Group's business.

CORPORATE GOVERNANCE STRUCTURES

Group Level Governance Structures

EXECUTIVE MANAGEMENT

Executive Management oversees implementation of the internal control system and the existence and appropriateness of internal control and risk management monitoring systems within the Group.

BOARD OF DIRECTORS

On April 29, 2010, AXA's shareholders approved the change of AXA's governance structure. The former dual structure consisting of a Management Board and a Supervisory Board was replaced by a unitary Board of Directors. This unitary board structure was implemented in order to enhance the efficiency and reactivity of the Group's governance processes and has been carefully designed to ensure an appropriate balance of powers. In the uncertain market, regulatory and competitive environment coming out of the financial crisis, greater reactivity and efficiency in the Group's governance processes were considered critical to the Group's continued future success.

A detailed description of AXA's corporate governance structures including the composition and missions of the Board of Directors as well as the structure and composition of the Board of Directors' Committees is set forth in Section 2.1 "Directors, senior management and employees" of the Group's 2010 Annual Report.

The Board of Directors determines the Company's business strategy and oversees its implementation. The Board sets out the objectives of the Company's internal control system through its ongoing activities and work.

The Board of Directors has established four Committees to assist it in fulfilling its responsibilities: Audit Committee, Finance Committee, Ethics & Governance Committee and Compensation & Human Resources Committee. These Committees exercise their activities under the responsibility of the Board of Directors and report regularly to the Board of Directors on matters within the scope of their responsibility.

Executive Managers report significant internal control and risk related issues to the Audit Committee of the Board of Directors on a regular and continuing basis to ensure that the Committee and the Board of Directors have a clear view of material issues facing the Group.

AUDIT COMMITTEE

All of the Board Committees constitute an important part of the Group's overall internal control environment. However, the Audit Committee plays a particularly important role in reviewing internal control and risk related issues.

The Audit Committee has four members all of whom are independent in accordance with the criteria of the AFEP/MEDEF recommendations.

The scope of the Audit Committee's responsibilities is set forth in the Audit Committee Charter, approved by the Board of Directors, which defines the Committee's principal missions, including the following:

- review annual and half year financial statements;
- monitor the statutory audit of AXA's annual and consolidated financial statements;
- overseeing the activities and systems of internal control over events that expose the Group to significant risks;
- monitor the financial reporting process;
- review professional and regulatory developments and understand their impact on the financial statements;
- review the risk appetite with regard to financial, operational, insurance and other exposures; and
- overseeing the performance of the Group's internal audit function.

For more information about the Audit Committee including its composition and the principal matters it handled in 2010, please see Section 2.1 "Directors, senior management and employees" of the Group's 2010 Annual Report.

Subsidiary Level Governance Structures

AXA's principal subsidiaries, whether publicly traded or not, are generally governed by:

- a board of directors or a supervisory board whose membership includes independent or non-executive directors; and
- various board committees including a compensation committee and an audit committee, whose membership include independent or non-executive directors.

Over the past years, AXA initiated a process designed to harmonize corporate governance standards throughout the Group. This effort is focused, among other matters, on standardizing, to the extent practicable, principles relating to a number of corporate governance matters including board composition and size, directors' independence criteria, Board Committees and their roles, and directors' fees.

The Group Governance Standards require the boards of AXA's principal subsidiaries to establish an Audit Committee and a Compensation Committee in addition to any other Board Committees that they consider necessary or appropriate for their specific businesses. The role, duties, and composition of these Committees (including the requirements for participation of independent directors) are specified in the Audit Committee Standard and the Compensation Committee Standard. The Audit Committee Standard requires the Audit Committees of Group subsidiaries to have a significant number of independent directors in order to ensure that this Committee is independent from Management given the Committee's critical role in reviewing financial results and other financial information prepared by the Management, financial reporting and control processes, critical accounting policies, particular accounting issues, key risks and systems of internal control, fraud and similar issues.

MANAGEMENT STRUCTURES AND CONTROLS

In order to manage the various risks to which it is exposed, the AXA Group has various management structures and control mechanisms designed to ensure that Management has a clear and timely view of the principal risks facing the Group and the tools necessary to analyze and manage these risks.

These management structures and controls include the following:

The Management Committee

AXA currently has a 7-member Management Committee which is an internal committee having the main mission to assist the Chief Executive Officer and the Deputy Chief Executive Officer in the operational management of the Group. The Management Committee does not have any formal decision making power.

AXA's Management Committee generally meets once a week. Every month, the Management Committee reviews aspects of the Group strategy during a full day dedicated session.

For more information about the Management Committee including its composition, please see Section 2.1 "Directors, senior management and employees" of the Group's 2010 Annual Report.

The Executive Committee – Quarterly Business Reviews

AXA currently has a 20-member Executive Committee which is an internal committee composed of the members of AXA's Management Committee, the Chief Executive Officers of the Group's principal subsidiaries and/or business units and selected other senior executives. While the Executive Committee is an internal committee which has no formal decision making power, its plays an important role in assisting the Executive Management to effectively manage the Group's operating businesses, consider strategic initiatives and in such other areas as the Executive Management deems appropriate from time to time. The Executive Committee meets at least quarterly at the time of the Quarterly Business Reviews (QBRs).

Each quarter the Management Committee conducts QBRs, during which performance of the AXA Group is reviewed. These QBRs were introduced in 2000 to provide Management with a clear and consistent framework for: (1) reviewing operational performance and monitoring the progress of key projects using quantifiable standards of measurement defined in collaboration with Management Committee; (2) assessing the status of Group transversal projects; and (3) exchanging ideas and information on key Group strategic orientations.

These QBRs constitute an important management control mechanism to monitor the operating performance of the Group and its principal business units on a continuing basis and to identify any new material risks or issues facing the Group in a timely manner.

For more information about the Executive Committee including its composition, please see Section 2.1 "Directors, senior management and employees" of the Group's 2010 Annual Report.

The Group Management Services [(1)] (GMS) Departments focused principally on internal control and risk related matters

Several GMS Departments have responsibility for managing and/or monitoring some aspect of internal control and/or risk related matters, however, the following four GMS Departments are primarily focused on these matters as part of their principal day-to-day management responsibilities:

GROUP RISK MANAGEMENT DEPARTMENT

The role of Group Risk Management (GRM) is to identify, quantify and manage the main risks to which AXA is exposed. To this end, GRM develops and deploys a number of risk measurements, monitoring instruments and methods, including a set of standardized stochastic modelling tools.

When appropriate, this work leads to the implementation of decisions that affect the Group's risk profile, helping to monitor the solvency position and manage the volatility of AXA's earnings through improved understanding of the risks taken and to optimize capital allocation.

As a central team, GRM coordinates risk management for the Group and is supported by local Risk Management teams within each operating unit. The types of risk covered include risks coming from the invested assets, from the insurance liabilities, asset/liability mismatch risks and operational risks.

The principal control processes that fall under the responsibility of GRM are described below:

- the local Risk Management Departments carry out regular reviews of the technical reserves established by Property & Casualty and reinsurance operating units. GRM performs regular reviews of models followed throughout the Group in order to ensure the consistency between actuarial and financial standards;
- GRM conducts a decentralized review of risk-adjusted pricing and profitability for new products prior to launch; this review is centralized for Variable Annuity products with secondary guarantees as well as for long term care products and submitted to the Management Committee. Regular reviews on existing products are performed to ensure that profitability of the new business is sustainable;
- the asset/liability management policy, in place at operating unit level, is monitored and controlled through an annual detailed analysis of asset/liability matching. This work is undertaken to validate the strategic allocations of invested assets. In addition, a quarterly reporting process is used to monitor portfolio developments and detect deviations from strategic asset allocations as well as with respect to benchmarks determined with asset managers;
- credit and concentration risks in the Group's asset portfolios (equities and bonds) are managed by the Risk Management Department and aggregated at the Group level. GRM also monitors the corresponding exposures on a monthly basis, and ensures that local operating units comply with the concentration limits established by the Group;
- economic capital is estimated quarterly for each product line and operating unit and then aggregated at the Group level. This is based on stochastic modelling approach and enables to properly assess together asset, liability and operational risks;
- GRM proposes annually to the Management Committee, with the support of AXA Global P&C and AXA Global Life, the main features of the Property & Casualty and Life reinsurance coverage program of the Group;
- GRM coordinates the activity of decentralized operational risk teams to ensure proper and consistent identification, measurement and management of the most important operational risks.

Summary findings are then presented to the Management Committee. The Board of Directors and the Audit Committee are also informed.

PBRC (PLANNING, BUDGETS, RESULTS CENTRAL)

The PBRC Department within the Group Finance Department is responsible for consolidation, management reporting and control over accounting and financial information. It works with local PBR units within Finance Departments of Group subsidiaries.

The local PBR units are responsible for producing their contribution to the Group consolidated financial statements.

The PBRC's role encompasses principally the following:

- establishing and distributing both consolidation and reporting standards and instructions;
- managing the Group's financial reporting system;
- producing the consolidated financial statements and analyzing key performance indicators;
- managing the Internal Financial Control (IFC) programme;
- developing and using management control tools;
- steering the European Embedded Value process;
- coordinating the production of AXA's *Document de Référence* filed with the AMF.

(1) *Central functions at the holding Company level.*

- liaising with the Statutory Auditors and contributing to Audit Committee meetings as required; and
- steering convergence of accounting and financial reporting processes, systems and organizations for insurance activities in Europe.

PBRC Department is also responsible for controls relating to the preparation and processing of accounting and financial information.

Accounting and financial information is consolidated in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). As it relates to the financial statements included in the Group's 2010 Annual Report, there is no difference between IFRS as adopted by the EU applied by AXA and IFRS as adopted by the International Accounting Standards Board.

PBRC has defined and implemented a set of policies and procedures to ensure the consolidation process leading to the consolidated financial statements is timely and accurate. This consolidation process and its related controls are based on the following:

Definition of standards and maintenance of an information system

Group accounting standards, which are consistent with accounting and regulatory principles for consolidated financial statements, are set forth in the AXA Group Accounting Manual and updated regularly by PBRC experts. These guidelines are submitted to AXA's Statutory Auditors for review before being made available to AXA subsidiaries.

The information system is based on "Magnitude", a consolidation tool managed and updated by a dedicated team. This system is also used to deliver management reporting information used to produce an economic perspective on the consolidated financial statements. The process through which this management reporting information is produced and validated is the same as that used to prepare consolidated financial information.

Finally, PBRC issues instructions to subsidiaries, giving detailed information on the consolidation process, changes in accounting standards as well as in Magnitude.

Operating control mechanisms

At entity level, AXA subsidiaries are responsible for entering and controlling accounting and financial data that comply with the AXA Group Accounting Manual and reflect consolidation rules under IFRS accounting standards. In this respect, the Chief Financial Officer of each entity signs off on the accuracy of consolidated figures reported through Magnitude and their compliance with both the Group accounting manual and instructions.

At PBRC level, accounting and financial information reported by entities are reviewed and analyzed by teams that liaise with subsidiaries on a full-time basis. In particular, these teams review the compliance with the Group Accounting Manual and Group actuarial standards.

Transversal procedures

In all cases, the procedures are those described above, which generally work as follows:

- all changes in the AXA Group accounting policies are validated by PBRC experts and implemented after discussions with the Statutory Auditors;
- the main audit issues are addressed and resolved through "clearance meetings" in which local and central financial teams participate, as well as the Statutory Auditors;
- the principal options for closing the consolidated accounts are presented to the Audit Committee and then to the Board of Directors;
- the auditing of accounting and financial data is finalized at the accounts closing stage in meetings attended by local and central financial teams, as well as local and central Statutory Auditors who present the outcome of their audit work; and
- the financial statements are presented to the Management Committee, to the Audit Committee and then to the Board of Directors for closing, after hearing of the Statutory Auditors.

GROUP LEGAL & COMPLIANCE

The Group Legal Department is responsible for identifying and managing the significant legal, regulatory and compliance risks to which the Group is exposed. It provides expertise and advice on all significant corporate legal matters at the Group level and manages the legal aspects of transactions undertaken by the Group as well as significant litigation, regulatory, and compliance matters.

The Group Legal Department is structured in four Practice Groups which are organized around the substantive matters that the department manages on a continuing basis in addition to one-off projects or issues that arise from time to time. These Practice Groups are:

- Corporate Law which covers Mergers & Acquisitions, Corporate Finance, Securities Law and Corporate Law matters;
- Corporate Governance & Company Law;
- Litigation, Regulatory & Compliance;
- Global Business Lines, Business Support & Development and US Legal Matters.

As part of its Compliance responsibilities, the Group Legal Department manages a wide range of compliance related matters including (i) semestrial reporting from Group companies on significant compliance, litigation and regulatory matters, (ii) implementation of the Group Compliance and Ethics Guide which applies to all AXA Group employees worldwide and (iii) the Group's global Anti-Money Laundering Program.

The Group Legal Department works closely with the Legal Departments of AXA's principal subsidiaries on legal, regulatory, and compliance matters impacting those companies. In order to optimize integration, coordination and ensure open lines of communication across the Group's global Legal & Compliance Organization, the Group General Counsel has established and chairs a Global Legal Steering Group composed of the General Counsels of the AXA's principal subsidiaries. This Steering Group meets on a regular basis and serves as an effective forum for addressing transversal issues, sharing best practices and experiences in a wide variety of areas, and ensuring open lines of communication between General Counsels across the Group.

GROUP AUDIT

The primary mission of Group Audit is to provide the Audit Committee and the Management Committee with an independent and objective assurance on the comprehensiveness and effectiveness of internal controls as well as proposals to help improve the management of risks, enhance performance and identify business opportunities.

The Group Audit Department fulfills its responsibilities as follows:

- it oversees the quality and performance of the local internal audit teams; sets internal audit policy and standards; reviews the application of the standard related to the local audit committees; coordinates the audit planning of local internal audit teams to ensure adequate risk-based audit coverage; monitors the audit coverage and activity, and the key risks and issues raised by local internal audit teams; fosters the development of professional internal audit practices, processes and systems; and
- it undertakes missions selected by the Management Committee and the Audit Committee on strategic and management issues to evaluate assumptions and achievement of objectives, strategies, and plans and, whether the management teams are efficiently and effectively carrying out their functions of planning, organizing, directing and controlling. Opportunities for improving management control, operational efficiency, profitability, and AXA's image are identified and communicated to the Management Committee, local Management and the Audit Committee.

Group Audit also performs the Group's Chief Fraud Control Officer role and oversees the implementation of AXA's standard on internal fraud control globally.

AXA's internal audit organization is structured around the central Group Audit Department that coordinates and supervises the Group's overall internal audit process and capability, and the internal audit teams set up within Group subsidiaries. The Group Audit Department operates mainly through:

- overseeing of internal audit teams within operating units;
- strategic and transversal internal audit assignments.

The Head of the Group Audit Department reports to AXA's Chairman & Chief Executive Officer (with a functional reporting line to AXA's Deputy Chief Executive Officer) and also has a direct and regular contact with the Chairman of AXA's Audit Committee. In carrying out his/her duties, the Head of Group Audit liaises with the control and monitoring functions of the 2nd line of defence, including Group Risk Management, PBRC and Group Legal, as well as the Statutory Auditors.

Local internal audit teams are placed under the responsibility of a Chief Audit Executive, who reports directly to the Head of Group Audit and with a functional reporting line to the local Chief Executive Officer or to the local Chief Financial Officer or a member of the local Executive Committee as well as to the Chairman of the local Audit Committee. These local teams focus mainly on identifying the key risks facing their business units, and on evaluating the design and operation of associated controls.

Group Audit performs quality assurance reviews of the local internal audit teams and assures compliance with the Institute of Internal Auditors' "Standard for the Professional Practice of Internal Auditing".

GROUP RISK AND COMPLIANCE COMMITTEE

In 2008, Management established a Group Risk and Compliance Committee to ensure that the Group has:

- a comprehensive view of the various risks facing the Group on a continuing basis;
- a dedicated forum for reviewing, analyzing and prioritizing these risks;
- defined action plans to manage these risks; and
- optimal coordination and communication between the different departments managing these risks.

This internal Management Committee is chaired by the Group Chief Financial Officer and is co-managed by Group Risk Management and Group Legal & Compliance. The Committee usually meets on a quarterly basis.

The Committee is comprised of the following 11 GMS Departments, each of which is responsible for presenting to the Committee the significant risks within its scope:

1. Group Risk Management (GRM);
2. Group Corporate Finance and Treasury (DCFG);
3. Group Audit;
4. Group Legal & Compliance;
5. Group Tax;
6. Planning Budgets Results Central (PBRC);
7. Information Technology (IT)/Operational Excellence;
8. AXA Global P&C;
9. AXA Global Life;
10. Group Human Resources;
11. Group Communication.

In addition to its other activities, the Committee has undertaken a comprehensive risk mapping exercise covering the aggregate risks to which the Group is exposed including financial, solvency, insurance, operational, legal and compliance, tax, audit, human resources, and communication risks. As part of the process, priorities and action points were established for the various GMS Departments that manage these risks.

INTERNAL CONTROL OVER FINANCIAL REPORTING

AXA's internal control over financial reporting (ICOFR) is a process designed under the supervision of AXA's Chief Financial Officer (CFO) to provide reasonable but not absolute assurance regarding the reliability of financial reporting and the preparation of AXA's consolidated financial statements.

AXA's ICOFR includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of Group assets;
- provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with the applicable generally accepted accounting principles;
- provide reasonable assurance that receipts and expenditures are being made only in accordance with the authorization of Management and directors of the Group; and
- provide reasonable assurance that unauthorized acquisition, use or disposition of Group assets that could have a material effect on the Group's financial statements would be prevented or detected in a timely manner.

AXA has put in place a comprehensive programme coordinated by PBRC, (the Internal Financial Control (IFC) programme), designed to ensure that AXA's Chief Executive Officer (CEO) and Deputy CEO have a reasonable basis to conclude that AXA's ICOFR is effective as of the end of each year.

The IFC programme is based on AXA's IFC Standard which is an internal control and governance standard developed by AXA. AXA's IFC Standard is based on the Internal Control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The IFC Standard is designed to define the IFC scope and governance, ensure consistency and quality in AXA's financial reporting and provide an overall framework for AXA's annual IFC programme.

In accordance with the IFC Standard, the in-scope AXA Group companies must (i) document the significant processes and controls, as well as the rationale of how the associated risk of material misstatements due to error or fraud can be reduced to an acceptable level, (ii) test the design and operational effectiveness of key controls based on the test plans elaborated by management with insights into risks, and (iii) remediate identified control deficiencies.

At each year-end, the in-scope AXA Group companies are required to perform an evaluation of their ICOFR as part of an internal certification process. This process involves formal sign-off by the company's process owners and culminates with a formal certificate signed by the company's CFO or another senior executive officer stating their conclusion as to the effectiveness of the company's ICOFR and certain other matters.

DISCLOSURE CONTROLS AND PROCEDURES

AXA SA has implemented a formal internal review and sign-off process pursuant to which all Executive Committee members, CFOs and certain other senior executives are required to certify various matters covered in AXA's Annual Report.

This process is based on the following four pillars:

1. CFO Sign-Off Certificates required to be submitted by all local CFOs to PBRC, together with the required subsidiary financial reporting & consolidation information,
2. IFC Management Reports required to be submitted by the CFO or another senior executive officer of every in-scope AXA Group company, as part of the IFC programme,
3. Disclosure Controls & Procedures Certificates required to be submitted by AXA Executive Committee members, regional CFOs and certain other executives (including heads of GMS Department) pursuant to which each of these executives is required to review the Group's Annual Report and formally certify (i) the accuracy and completeness of the information in the Annual Report with respect to the companies under his/her responsibility, and (ii) the effectiveness of disclosure controls and procedures and ICOFR at companies under his/her responsibility (with specific disclosure of any significant deficiencies or material weaknesses). In addition, as part of this "sub-certification" process, these executives are required to review and comment on a number of transversal disclosures in the Annual Report relating to risk and other matters.
4. CFO sign-off on Notes to the Consolidated Financial Statements: PBRC provided regional CFOs with the contribution of the companies under their responsibility to the consolidated financial statements in order to facilitate their certification on the accuracy and completeness of the information in the Annual Report.

CONCLUSION

The AXA Group believes it has put in place a comprehensive system of internal control procedures and mechanisms that is appropriate and well adapted to its business and the global scale of its operations.

However, all internal control systems, no matter how well designed, have inherent limitations and do not constitute a guaranty or provide absolute certainty. Even systems determined to be effective by Management may not prevent or detect all human errors, all systems malfunctions, all fraud or all misstatements and can provide only reasonable assurance. In addition, effective controls may become inadequate over time because of changes in conditions, deterioration of compliance with procedures or other factors.

Part 3 Compensation

For information on the principles and rules adopted by the Board of Directors in order to determine the compensation and the advantages granted to the corporate officers please see Part 2 – Section 2.2 "Full disclosure on executive compensation and share ownership" of the Group's 2010 Annual Report.

Part 4 Corporate Governance Code of reference

Pursuant to the provisions of a French law of July 3, 2008, the Supervisory Board and the Management Board decided, in December 2008, to adopt all of the AFEP/MEDEF recommendations, including the recommendations on the compensation of executive officers dated October 2008, as AXA's Corporate Governance Code of reference.

These recommendations were consolidated in a Corporate Governance Code of Listed Corporations published by the AFEP (*Association Française des Entreprises Privées*) and the MEDEF (*Mouvement des Entreprises de France*) in April 2010 (hereafter the "AFEP/MEDEF Code"), which is available at AXA's registered office or on its website (www.axa.com) under the "Corporate Governance" Section.

AXA complies with the recommendations of the AFEP/MEDEF Code that are in line with the long-established corporate governance principles initiated by the Company. AXA applies the recommendations of the AFEP/MEDEF Code in the conditions detailed, for the most part, in Sections 2.1 "Directors, senior management and employees" and 2.2 "Full disclosure on executive compensation and share ownership" of the Group's 2010 Annual Report describing corporate governance mechanisms and containing information about executives' compensation.

In order to take into account certain specificities of its governance practices, AXA has decided to adapt the following provisions of the AFEP/MEDEF Code:

- Section 14.2.1 of the AFEP/MEDEF Code relative to the review of the accounts by the Audit Committee: for practical reasons, the review of the accounts by the Audit Committee generally occurs on the day preceding the Board of Directors' review, and not two days before as it is provided for by the AFEP/MEDEF Code. However, the Company endeavours, so far as possible, to provide the members of the Audit Committee with the required documents early enough to allow their proper examination;
- Section 20.2.3 of AFEP/MEDEF Code relative to stock options and performance shares:

(i) *holding of shares subsequent to subscription options or allotment of performance shares:* in 2007, the Company decided to implement strict rules pertaining to shareholding requirements for AXA's Executive Directors. This policy requires each Executive Director to hold, during the entire duration of his/her functions, a minimum number of AXA shares representing a multiple of his/her annual cash remuneration (fixed salary plus annual variable remuneration) received for the previous fiscal year. The Chairman & Chief Executive Officer is consequently required to hold the equivalent of his/her total cash remuneration multiplied by three and the Deputy Chief Executive Officer is required to hold the equivalent of his/her total cash remuneration multiplied by two. Shares or ADSs of AXA or other quoted subsidiaries of the Group are taken into account to calculate the number of shares actually held. Each Executive Director is required to meet with this minimum shareholding requirement within a period of five years from (i) January 1, 2007 or (ii) the date of his/her first appointment as Executive Director if he/she was appointed after January 1, 2007. Considering the already high level of this shareholding requirements imposed upon Executive Directors, the Board of Directors, upon recommendation of its Compensation & Human Resources Committee, has decided that it was not necessary to set higher shareholding thresholds after the initial 5-year period. For the same reasons, the Board of Directors has decided that it was not appropriate to compel Executive Directors to acquire a number of AXA shares once the compulsory holding period of their performance shares has expired.

(ii) *exercise of stock options:* pursuant to the AFEP/MEDEF Code, companies shall determine periods preceding the disclosure of their financial statements during which the exercise of the stock options is not allowed ("sensitive periods"). To date, the sensitive periods are determined by applying AXA Group's Compliance and Ethics Guide. They generally begin 30 days prior to the disclosure of the annual and half-year earnings. The Compliance and Ethics Guide prohibits the sale of shares acquired subsequent to the exercise of stock options ("subscription and sale" transactions), but does not prohibit, in accordance with common practice, the simple exercise of options that is not followed by the sale of the shares acquired subsequently.

Pursuant to the provisions of Article L.225-37 of the French Commercial Code, it is specified that the conditions for the participation to Shareholders' Meetings are detailed in Section 23 of AXA's Charter (*statuts*), copies of which are available at the Paris Trade and Companies Register (*Registre du commerce et des sociétés du tribunal de commerce de Paris*). AXA's Charter is also available on the Company's website (www.axa.com). In addition, the information referred to in Article L.225-100-3 of the French Commercial Code is made public in the Report of AXA's Board of Directors which is included in AXA's Annual Report for 2010.

PricewaterhouseCoopers Audit
63, rue de villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Regnault
92400 Courbevoie

Report of Statutory Auditors prepared in accordance with Article L.225-235 of the French Commercial Code on the report prepared by the Chairman of the Board of Directors of AXA

(For the year ended December 31, 2010)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA**
25, avenue Matignon
75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA, and in accordance with Article L.225-235 of the French Commercial Code, we hereby report to you on the report prepared by the Chairman of the Board of Directors of your Company in accordance with Article L.225-37 of the French Commercial Code for the year ended December 31, 2010.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by Article L.225-37 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility:

- to report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information; and
- to attest that the report sets out the other information required by Article L.225-37 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of financial and accounting information

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;

- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Board of Directors' report, prepared in accordance with Article L.225-37 of the French Commercial Code.

Other information

We attest that the Chairman's report sets out the other information required by Article L.225-37 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Coll – Michel Laforce

Mazars
Philippe Castagnac - Gilles Magnan

APPENDIX II MANAGEMENT'S ANNUAL EVALUATION OF INTERNAL CONTROL OVER FINANCIAL REPORTING

AXA's internal control over financial reporting (ICOFR) is a process designed under the supervision of AXA's Chief Financial Officer (CFO) to provide reasonable but not absolute assurance regarding the reliability of financial reporting and the preparation of AXA's consolidated financial statements.

Since its delisting from the New York Stock Exchange (NYSE) in March 2010 and deregistration with the United States Securities and Exchange Commission (SEC) in June 2010, AXA has maintained an annual Internal Financial Control (IFC) programme designed to evaluate the effectiveness of AXA's ICOFR. AXA's Statutory Auditors provide a reasonable assurance report on AXA's ICOFR each year.

AXA's IFC programme is based on AXA's IFC Standard which is an internal control and governance standard developed by AXA and used as the framework for its IFC programme.

(a) AXA IFC Standard

AXA's IFC Standard is based on the Internal Control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The IFC Standard is designed to define the IFC scope and governance, ensure consistency and quality in AXA's financial reporting and provide an overall framework for AXA's annual IFC programme.

(A.1) IFC SCOPE

IFC involves primarily the entities which are individually significant to AXA's consolidated financial position or results of operations, as well as the entities which provide significant services to AXA and/or its consolidated subsidiaries (the "Group").

(A.2) IFC GOVERNANCE

Management, including AXA's Chief Executive Officer (CEO) and his deputy, is responsible for establishing and maintaining adequate ICOFR.

The IFC programme is monitored by a Steering Committee chaired by AXA's CFO and involves the Planning Budgets Results Central department (PBRC), other relevant AXA departments and representatives from each in-scope AXA Group company. The IFC programme and the conclusion of management as to the effectiveness of AXA's ICOFR are also reviewed by AXA's Audit Committee.

(A.3) IFC PRINCIPLES

AXA's ICOFR includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of Group assets,
- provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with the applicable generally accepted accounting principles,
- provide reasonable assurance that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Group, and
- provide reasonable assurance that unauthorized acquisition, use or disposition of Group assets that could have a material effect on the Group's financial statements would be prevented or detected in a timely manner.

In order to assess the effectiveness of ICOFR, financial reporting risks are initially identified at an AXA Group level with a focus on identifying those risks that may result in a material misstatement of AXA's consolidated financial statements not being prevented or detected in a timely manner. This top-down risk-based approach starts with AXA's consolidated financial statement line items and is used to identify in-scope AXA Group companies and processes.

In line with the COSO framework, AXA' ICOFR is organized around the following key processes and controls: Entity-Level Controls (ELC), IT ELC, Financial Statement Closing Process, Business Processes, and IT General Controls.

For every key process or control, the in-scope AXA Group companies (i) document the significant processes and controls, as well as the rationale of how the associated risk of material misstatement due to error or fraud can be reduced to an acceptable level, (ii) test the design and operational effectiveness of key controls based on the test plans elaborated by management with insights into risks, and (iii) remediate identified control deficiencies.

Outstanding control deficiencies are consolidated at the Group level, to evaluate their impact on AXA's consolidated financial statements, considering their likelihood, potential impact, compensating controls and other qualitative factors. This evaluation process is designed to identify any control deficiencies that may rise to the level of a material weakness. A material weakness is a deficiency or a combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected on a timely basis.

(A.4) IFC CERTIFICATION

At each year-end, the in-scope AXA Group companies are required to perform an evaluation of their ICOFR as part of an internal certification process. This process involves formal sign-off by the company's process owners and culminates with a formal certificate signed by the company's CFO or another senior executive officer stating their conclusion as to the effectiveness of the company's ICOFR and certain other matters.

This internal certification process across all in-scope Group companies is designed to assist AXA SA's management in its evaluation of AXA's ICOFR and to support its conclusion as to the effectiveness of AXA's ICOFR.

(b) Management's Annual Report on ICOFR based on AXA IFC Standard

Management conducted an evaluation of the effectiveness of AXA's ICOFR in accordance with the AXA IFC Standard as described above. Based on this evaluation, management concluded that AXA's ICOFR was effective as of December 31, 2010.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective may not prevent or detect misstatements and can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or if the degree of compliance with policies or procedures deteriorates.

(c) Report of the Statutory Auditors on ICOFR

PricewaterhouseCoopers and Mazars have performed audit procedures in order to be able to obtain reasonable assurance as to whether management's conclusion as to the effectiveness of AXA's ICOFR based on the IFC Standard is fairly stated.

PricewaterhouseCoopers Audit
63, rue de villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Regnault
92400 Courbevoie

Report of the Statutory Auditors on Internal Control Over Financial Reporting

To the Board of Directors of **AXA**

As Statutory Auditors of AXA and at your request, we have performed audit procedures on AXA and its subsidiaries (the "Company") internal control over financial reporting as of December 31, 2010, in order to be able to obtain reasonable assurance as to whether AXA management's assertion included in Management's Annual Evaluation of Internal Control Over Financial Reporting that internal control is effective, is fairly stated.

The Company's management is responsible for maintaining effective internal control over financial reporting and for establishing a statement on its assessment of the effectiveness of internal control over financial reporting as of December 31, 2010. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS accounting principles. The assessment of the effectiveness of internal control is based on criteria established in the Internal Financial Control standard of AXA (the "IFC standard"), which is an internal control and governance standard developed by AXA and used as the framework for its IFC programme, as described in Management's Annual Evaluation of Internal Control Over Financial Reporting on page 429 of this Annual Report. Our responsibility is to express an opinion on the Company's management's assertion, based on our audit procedures.

We conducted our work in accordance with French professional standards and ISAE 3000 ("Assurance engagements other than audits or reviews of historical financial information"). These standards require that we plan and perform the audit procedures to obtain reasonable assurance about whether AXA management's assertion that internal control over financial reporting is effective, was fairly stated in all material respects. Our audit procedures included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit procedures provide a reasonable basis for our opinion.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company's management's assertion that internal control over financial reporting as of December 31, 2010, is effective, in all material respects, is fairly stated based on the criteria established in the IFC standard.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Coll – Michel Laforce

Mazars
Philippe Castagnac – Gilles Magnan

APPENDIX III OTHER LEGAL INFORMATION

ANNUAL INFORMATION DOCUMENT

Pursuant to Article 222-7 of the AMF General Regulations (*réglement général de l'Autorité des marchés financiers*), the table below sets forth all information published or otherwise made public by the Company over of the previous twelve months in one or more States that are party to the Agreement on the European Economic Area (EEA) or in one or more third countries outside the EEA in order to fulfill the legal or regulatory obligations in those countries with respect to financial securities, issuers of financial securities and markets in financial securities.

All dates in the table below read month/day/year.

Information published over the previous 12 months	Where the information can be obtained
Press releases [(1)]	**www.axa.com**
AXA reached an agreement with NAB and AXA APH (03/30/2010)	
AXA's comments on the latest developments on the proposed AXA Asia Pacific Holdings' transaction (04/19/2010)	
AXA shareholders approve AXA's change in governance Dual board structure replaced by a Board of Directors (04/29/2010)	
Second year results of the AXA Research Fund: return on 2009 (05/04/2010)	
1Q 2010 Activity Indicators (05/06/2010)	
AXA Kicks Off International Week of Sales Recruitment (05/11/2010)	
Update on the AXA APH transaction (06/01/2010)	
AXA confirmed today it is in discussion to dispose part of its UK Life & Savings operations (06/14/2010)	
AXA announced today that it has reached an agreement with Resolution Ltd to dispose part of its UK life & savings operations (06/24/2010)	
Update on the AXA APH transaction (07/16/2010)	
Extension of AXA APH proposal (07/19/2010)	
Half Year 2010 Earnings – Confirmation of AXA's operating model strength (08/04/2010)	
Appointments (François Pierson, Nicolas Moreau, Paul Evans) (08/04/2010)	
AXA and BNP Paribas to renew their 2005 agreement (08/06/2010)	
Update on the AXA APH transaction – ACCC to conduct market enquiries (08/09/2010)	
Extension of AXA APH proposal following ACCC announcement to conduct market enquiries (08/09/2010)	
AXA launches its 2010 employee share offering (Shareplan 2010) (08/24/2010)	
AXA comments on ACCC decision (09/09/2010)	
AXA comments on NAB announcement (09/14/2010)	
AXA has completed the sale of part of its UK life & savings operations (09/15/2010)	
George Stansfield, AXA Group General Counsel, is appointed Head of Group Human Resources in addition to his current responsibilities and joins AXA's Executive Committee (10/13/2010)	
9M 2010 Activity Indicators (10/28/2010)	
ICBC Joined Forces with AXA and Minmetals to Expand in China Insurance Market Together (10/28/2010)	
AXA announces the subscription prices for its 2010 employee share offering (Shareplan 2010) (10/29/2010)	
AXA Global P&C announces the successful placement of €275 million catastrophe bonds (11/02/2010)	

(1) Press releases issued prior to March 16, 2010 were listed in the Annual Information Document included in the AXA 2009 Annual Report.

Information published over the previous 12 months	Where the information can be obtained
AXA and AMP make a joint proposal to AXA APH whereby AXA would dispose of its 54% stake in AXA APH to AMP and would acquire AXA APH Asian operations (11/15/2010)	
AXA holds today its Autumn Investor Seminar (11/16/2010)	
AXA, AMP and AXA APH have signed transaction documents to implement proposal (11/29/2010)	
Christopher "Kip" Condron to retire first of the year (12/03/2010)	
Results of the AXA Group employee share offering in 2010 (12/06/2010)	
Jérôme Droesch is appointed CEO of AXA Gulf (12/20/2010)	
AXA Central & Eastern Europe continues its expansion: acquisition of B&B Insurance in Belarus (12/30/2010)	
AXA signs the European Road Safety Charter (02/01/2011)	
No additional material impact expected from AXA Rosenberg settlement with the US SEC (02/03/2011)	
Full Year 2010 Earnings - Proposed dividend per share up 25% (02/17/2011)	
Philippe Maso leaves the AXA Group (03/04/2011)	
AXA's sale of 15.6% stake in Taikang Life; main regulatory hurdle cleared (03/11/2011)	

Bulletin of Required Legal Notices Publications (*BALO*)	www.journal-officiel.gouv.fr
Notice of Meeting (Shareholders' Meeting to be held on 04/29/2010) (03/19/2010)	
2009 annual and consolidated financial statements after Shareholders' Meeting (05/17/2010)	
Notice of Meeting (Shareholders' Meeting to be held on 04/27/2011) (02/21/2011)	

Documents filed with the Trade Registry (*Greffe*)	www.infogreffe.fr
Extract of the minutes of the Shareholders' Meeting of 04/29/2010 related to the change of the governance by adopting a structure with a Board of Directors	
Charter as at 04/29/2010	
Extract of the minutes of the Shareholders' Meeting of 04/29/2010 related to the appointment of the members of the Board of Directors, to the re-appointment of an incumbent Statutory Auditor and to the appointment of an alternate Statutory Auditor	
Extract of the minutes of the Shareholders' Meeting of 04/29/2010 related to the financial authorizations	
Extract of the minutes of the Board of Directors' meeting of 04/29/2010 related to the appointment of the Chairman & Chief Executive Officer, of the Vice-Chairman of the Board of Directors - Lead Independent Director and of the Deputy Chief Executive Officer	
2009 annual and consolidated financial statements	
Extract of the minutes of the Board of Directors of 06/09/2010 related to the reduction and increase of the share capital	
Charter as at 06/09/2010	
Minutes of the Deputy Chief Executive Officer of 12/03/2010 related to the increase of the share capital	
Charter as at 12/03/2010	
Extract of the minutes of the Board of Directors of 02/03/2011 related to increase of the share capital	
Charter as at 02/03/2011	

Documents at the disposal of the Shareholders	Headquarters of the Company 25, avenue Matignon 75008 Paris - France
Shareholders' Meeting – April 29, 2010	
A copy of the convening file sent to the Shareholders as well as the documents for their information (Articles R.225-81 and R.225-86 of the French Commercial Code)	
The Statutory Auditors' certificate on the global amount of the sums entitled to the tax cut	
The list of the nominative initiatives of sponsoring and patronage realized by AXA	
The list of the Shareholders at 16 days before the Shareholders' Meeting	
The list and subject of the significant current agreement	
The Annual Reports of the Management Board on the allocations of stock options and free allotments of shares	

Information published over the previous 12 months	Where the information can be obtained
Transactions on AXA shares	**www.axa.com www.amf-france.org**
Disclosure of trading in the Company's shares by the corporate	
03/17/2010 Giuseppe Mussari	
03/26/2010 François Martineau	
06/07/2010 François Martineau	
06/28/2010 Wendy Cooper	
12/03/2010 Henri de Castries	
12/03/2010 Denis Duverne	
12/03/2010 François Martineau	
12/27/2010 Mrs. Dominique Reiniche	
01/14/2011 Norbert Dentressangle	
02/22/2011 Henri de Castries	
03/02/2011 Jean-Martin Folz	
Disclosure of trading in own shares by the Company	**www.axa.com www.amf-france.org**
On February 16, 2010	
On April 1st, 2010	
On May 5, 2010	
Six month reports on AXA's liquidity agreement	**www.axa.com www.amf-france.org**
As of June 30, 2010 (six month report)	
As of December 31, 2010 (six month report)	
02/18/2011 (release related to the termination of AXA's liquidity contract)	
Disclosures of share ownership thresholds crossing	**www.amf-france.org**
-	
Official public notice of Shareholders' agreement clauses	**www.amf-france.org**
AXA and BNP Paribas agreement (08/09/2010)	
Documents available on the AMF's website	**www.axa.com www.amf-france.org**
Annual Report (Registration Document) (03/17/2010)	
Documents published abroad (20-F/6-K/25/15-F)	**www.sec.gov**
Form 6-K for March 2010: Press Release, issued on March 16, 2010, entitled "AXA announces filing to voluntarily delist from the NYSE". Press release issued on March 18, 2010 by AXA, announcing the filing of its 2009 Annual Report (*Document de Référence*) with the French stock exchange regulatory authority on March 17, 2010.	
Form 15F (March 26, 2010): Securities registration termination of foreign private issuers	

DOCUMENTS PERTAINING TO THE COMPANY

The following documents may be consulted at the AXA Group Legal Department located 21, avenue Matignon – 75008 Paris (France) until the filing of AXA's next Annual Report (*Document de Référence*):

- The Charter of the Company;
- The reports and other documents prepared by any expert at the Company's request, any part of which is included or referred to in this Annual Report;
- The parent Company financial statements as well as the consolidated financial statements of the Company for each of the two financial years preceding the publication of this Annual Report.

APPENDIX IV STATEMENT OF THE PERSON RESPONSIBLE FOR THE ANNUAL REPORT

STATEMENT OF THE PERSON RESPONSIBLE

I, the undersigned, having taken all reasonable care to ensure that such is the case, hereby certify that the information contained in this Annual Report is, to the best of my knowledge, in accordance with the facts and contains no material omission likely to render it misleading or inaccurate in any material respect.

I confirm that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and fairly present the assets and liabilities, the financial position and the profit or loss of the Company and its consolidated subsidiaries, and that the Management Report, the various sections of which are mentioned on page 534 of this Annual Report, fairly presents the evolution of the business, results and financial position of the Company and its consolidated subsidiaries, and describes the principal risks and contingencies facing the Group.

The Statutory Auditors have provided me with a letter of completion of assignment, in which they confirm that they have verified the information relating to the financial position and the financial statements contained in this Annual Report and have reviewed the entire document.

Paris, March 18, 2011

Henri de Castries

Chairman & Chief Executive Officer

PERSON RESPONSIBLE FOR FINANCIAL INFORMATION

Denis Duverne
Deputy Chief Executive Officer in charge of Finance, Strategy and Operations
Member of AXA's Board of Directors

AXA
25, avenue Matignon, 75008 Paris, France

APPENDIX V FINANCIAL AUTHORIZATIONS

FINANCIAL AUTHORIZATIONS TO ISSUE SHARES OR OTHER TYPES OF SECURITIES AS OF DECEMBER 31, 2010

AXA's authorizations to issue shares or other types of securities that were valid as of December 31, 2010 are summarized in the tables below:

Issues with preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments (in Euro)	Maximum nominal amount of the capital increase (in Euro)	Term	Expiration
Capitalization of reserves, earnings or premiums	–	1 billion [(a)]	26 months	June 30, 2011
Ordinary shares and other securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise	6 billion [(c)]	2 billion [(d)]	26 months	June 30, 2011
Preferred shares	–	1 billion [(e)]	26 months	June 30, 2011

Issues without preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments (in Euro)	Maximum nominal amount of the capital increase (in Euro or in percentage of the share capital)	Term	Expiration
Ordinary shares or securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise [(b)]	6 billion [(c)]	20% [(f)]	26 months	June 30, 2011
Ordinary shares or securities giving access to the capital, reserved for employees	–	150 million [(g)]	18 months	October 29, 2011
Ordinary shares reserved for a specific category of beneficiaries in connection with offerings for employees	–	150 million [(g)]	18 months	October 29, 2011
Preferred shares	–	1 billion [(e)]	26 months	June 30, 2011
Performance shares (*actions gratuites*) [(h)]	–	1% [(i)]	38 months	June 22, 2011
Shares issued in connection with the exercise of stock options	–	2% [(j)]	38 months	June 22, 2011

(a) Independent ceiling.
(b) Including the issue of ordinary shares or securities (i) in the event of public exchange offers initiated by the Company, (ii) in consideration for contributions-in-kind for up to 10% of the Company's share capital, or (iii) as result of securities issue by subsidiaries of AXA.
(c) The aggregate nominal value of debt instruments associated with the issue of securities with or without preferential subscription rights may not exceed the global upper limit of €6 billion. This upper limit is separate and distinct from the limit on issuances of debt securities with no claim on the Company's share capital (ceiling of €2 billion).
(d) The aggregate nominal value of the capital increase with or without preferential subscription rights may not exceed €2 billion in nominal value.
(e) Common ceiling to all preferred shares' issues and limited to an issue gross income (inclusive of the share premium) of €2 billion.
(f) Up to €1 billion in nominal value.
(g) Common and independent ceiling.
(h) Existing shares and/or newly issued shares.
(i) At the date on which performance shares are granted by the Board of Directors.
(j) At the date on which stock options are granted by the Board of Directors.

NEW FINANCIAL AUTHORIZATIONS

The following authorizations to issue shares or securities granting a claim on ordinary shares of the Company require the shareholders' consent. They will be submitted to the General Shareholders' Meeting for approval on April 27, 2011:

Issues with preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments (in Euro)	Maximum nominal amount of the capital increase (in Euro)	Term	Expiration
Capitalization of reserves, earnings or premiums	–	1 billion [(a)]	26 months	June 27, 2013
Ordinary shares and other securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise	6 billion [(c)]	2 billion [(d)]	26 months	June 27, 2013

Issues without preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments (in Euro)	Maximum nominal amount of the capital increase (in Euro or in percentage of the share capital)	Term	Expiration
Ordinary shares or securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise [(b)]	6 billion [(c)]	1 billion	26 months	June 27, 2013
Ordinary shares or securities giving access to the capital, reserved for employees	–	150 million [(e)]	18 months	October 27, 2012
Ordinary shares reserved for a specific category of beneficiaries in connection with offerings for employees	–	150 million [(e)]	18 months	October 27, 2012
Performance shares (*actions gratuites*) [(f)]	–	1% [(g)]	38 months	June 27, 2014
Restricted shares (*actions gratuites*) [(f)]/ Plan for all employees	–	0.4% [(h)]	38 months	June 27, 2014
Shares issued in connection with the exercise of stock options	–	2% [(i)]	38 months	June 27, 2014

(a) Independent ceiling.

(b) Including the issue of ordinary shares or securities (i) in the event of private investments or through public offers, (ii) in the event of public exchange offers initiated by the Company, (iii) in consideration for contributions-in-kind for up to 10% of the Company's share capital, or (iv) as result of securities issue by subsidiaries of AXA.

(c) The aggregate nominal value of debt instruments associated with the issue of securities with or without preferential subscription rights may not exceed the global upper limit of €6 billion. This upper limit is separate and distinct from the limit on issuances of debt securities with no claim on the Company's share capital (ceiling of €2 billion).

(d) The aggregate nominal value of the capital increase with or without preferential subscription rights may not exceed €2 billion in nominal value.

(e) Common and independent ceiling.

(f) Existing shares and/or newly issued shares.

(g) At the date on which performance shares are granted by the Board of Directors.

(h) At the date on which restricted shares are granted by the Board of Directors.

(i) At the date on which stock options are granted by the Board of Directors.

USE IN 2010 OF THE VARIOUS FINANCIAL AUTHORIZATIONS PERTAINING TO CAPITAL INCREASES

Equity issue reserved for employees

By virtue of the authorization granted by the General Shareholders' Meeting of April 29, 2010 (12th resolution), the Board of Directors increased the Company's share capital in one offering, through the issue of shares to the benefit of Group employees under the Shareplan 2010 program. The shareholders waived their preferential subscription rights to facilitate this offering to employees. In the countries that met the legal and tax requirements for participation in Shareplan, two investment options were offered in 2010:

- the traditional plan, offered in 39 countries;
- the leveraged plan, offered in 38 countries.

About 26,500 employees in 40 countries took part in Shareplan 2010, and participating employees invested a total of more than €330 million, as follows:

- €20.8 million in the traditional plan; and
- €309.6 million in the leveraged plan.

On the closing of the 2010 Shareplan offering in December 2010, AXA issued a total of more than 30 million new shares each with a par value of €2.29, all of which were entitled to dividends for 2010.

Stock options and performance shares

STOCK OPTIONS

In 2010, by virtue of the authorization granted by the shareholders at the General Shareholders' Meeting of April 22, 2008 (17th resolution) 8,028,795 stock options giving the right to their beneficiaries to subscribe or to acquire existing or newly issued AXA shares, have been granted by the AXA Management Board and by the AXA Board of Directors.

PERFORMANCE SHARES

In 2010, by virtue of the authorization granted by the shareholders at the General Shareholders' Meeting of April 22, 2008 (16th resolution) 1,940,338 performance shares were granted by the AXA Management Board.

APPENDIX VI AXA PARENT COMPANY FINANCIAL STATEMENTS

BOARD OF DIRECTORS' REPORT

NET INCOME

The net loss for the fiscal year ended December 31, 2010 was €488 million, compared with a net gain of €3,953 million in the year ended December 31, 2009. This loss was mainly due to a foreign exchange rate loss of €3,698 million, including €1,835 million of realized losses and a €1,863 million allowance for exchange rate risk provisions. These results reflect the Company's policy of hedging net investments in foreign currencies to limit the variability of the Group's consolidated shareholders' equity against currency movements.

In the Company's consolidated financial statements, hedge accounting is applied to net investments in subsidiaries, such that exchange rate movements have no impact on Group results. However, in the parent company financial statements no hedge accounting is possible given the principle of recording investments in subsidiaries in Euro at historical cost, leading to unrealized exchange rate losses being fully booked.

Foreign exchange exposure management continued in 2010, notably through the implementation of an additional CHF1.7 billion hedges, and the unwinding of a USD6.6 billion net position to limit the potential negative impact on liquidity and solvency as well as of a AUD1.3 billion net position ahead of the potential disposal of the subsidiaries in Australia and New-Zealand.

The financial statements for the previous fiscal year showed an exceptional €1,946 million gain resulting from an equity option strategy implemented by the Group in 2008 and unwound during 2009.

Dividends received from subsidiaries amounted to €4,031 million, including a €1,334 million exceptional distribution representing part of the cash proceeds from the partial disposal of the UK Life & Savings business to Resolution Ltd. Excluding this exceptional dividend, dividends received from subsidiaries slightly declined.

Dividends received from insurance companies declined by €63 million to €2,420 million owing principally to the following factors:

- A €852 million dividend from AXA France Assurance, representing a reduction of €1,135 million from the previous year, owing to the payment in 2009 of a €900 million dividend in shares;
- €728 million in dividends received from the Northern, Central and Eastern Europe Region, compared with €301 million in 2009;
- €168 million in dividends paid by the Mediterranean and Latin America Region, compared with €45 million in 2009;

  The increase in dividends paid by the Northern, Central and Eastern Europe Region and the Mediterranean and Latin America Region stemmed firstly from the increase in statutory income during 2009 and, secondly, from the policy implemented in 2010 of prioritizing the payment of dividends over the repayment of loans;
- A dividend of €74 million from AXA UK, which did not pay a dividend in 2009;
- Dividends received from companies located principally in Asia, Australia and Canada amounted to €520 million, compared with €124 million in 2009 owing notably to the first dividend paid by AXA Japan Holding amounting to €355 million.

Dividends received from financial subsidiaries and other holding companies rose by €38 million to €277 million, of which €134 million being the first dividend paid by Finance Solutions, a Group financing and cash management company, partly offset by a lower €101 million received from AXA Investment Managers compared with €150 million in 2009.

Net financial expenses, which include interest expenses net of interest income from loans and investments, totaled €1,195 million, compared with €855 million in 2009, representing an increase of €340 million.

Financial charges amounted to €1,298 million, up €27 million, owing mainly to a €1.3 billion issuance of subordinated debt ahead of the repayment of debt maturing late 2010.

Financial income fell by €313 million to €103 million as a result of the combined effects of:

- a €143 million fall in income from loans and receivables granted by the Company to its subsidiaries, with the funding of AXA Financial, AXA America Holding and AXA UK now channeled through Finance Solutions. This is compensated in revenues by a dividend received of €134 million as mentioned above; and
- a net loss on swaps of €31 million in 2010 compared with a profit of €122 million in 2009, representing a fall of €153 million resulting primarily from €297 million in cancellation payment. AXA SA will benefit from lower Euro interest rates in the future after these transactions.

Operating expenses rose by €32 million to €330 million owing principally to initiatives to deploy shared systems and preparatory work for the implementation of Solvency II within the Group.

Capital operations resulted in a loss of €3,954 million in 2010, versus a profit of €2,551 million in 2009, which broke down as follows:

- A €3,698 million exchange rate loss, as opposed to a €186 million gain in 2009. In 2010, the exchange rate loss primarily comprised a €1,863 million allowance for exchange-rate risk provisions mainly owing to the Euro's depreciation against the Swiss franc and the Japanese yen and its impact on net investments in foreign currencies, as well as an exchange rate loss of €1,835 million, mainly due to the renewal of hedges that expired or were unwound during the year. This loss is economically more than compensated by the subsidiaries fair value increase but these investments remain on the balance sheet at historical cost;
- Other allowances for provisions for contingent liabilities totaled €445 million including an allowance of €214 million corresponding to the mark-to-market revaluation of an intra Group equity swap intended to hedge an equity position, the annual allowance of €101 million for provisions for bond redemption premiums and, lastly, an allowance of €72 million in respect of the unrealized loss recorded on call options on shares. In 2009, an allowance of €296 million was booked, including €160 million relating to the recapitalization of Holding Vendôme 3 and €98 million in respect of the annual allowance for provisions for redemption premiums;
- Releases of provisions for contingent liabilities totaled €189 million in 2010, versus €772 million in 2009. This amount included a €751 million release of provisions relating to the mark-to-market revaluation of an equity swap with another Group company intended to hedge an equity position. During the 2010 fiscal year, this mainly reflected the release of €160 million in respect of Holding Vendôme 3, but was offset by an identical addition to valuation allowances for the same securities given the effective completion of the capital increase;
- Net exceptional items showed a profit of €141 million, primarily reflecting a gain of €167 million resulting from the unwinding of equity derivatives. In 2009, they included a gain of €1,946 million resulting from the equity option strategy implemented by the Group in 2008 and unwound in 2009.

The **corporate income tax** benefit amounted to €944 million, compared with a tax charge of €154 million in 2009, which mainly includes the tax benefit linked to the €197 million carry-back receivable in respect of the loss recorded in the 2008 fiscal year, €553 million tax receivable from members of the tax consolidation group in France and a €188 million release of the provision for the risk of tax repayments.

BALANCE SHEET

As at December 31, 2010, total assets amounted to €67,948 million, versus €64,668 million as at December 31, 2009.

Assets

Intangible fixed assets amounted to €322 million, and principally included the AXA brand acquired upon AXA's absorption of FINAXA as part of the 2005 merger and valued at €307 million based on brand royalties billed to Group subsidiaries and to the Mutuelles AXA.

Investments in subsidiaries net of valuation allowances totaled €57,317 million, versus €56,376 million at year-end 2009, representing an increase of €941 million, reflecting:

- the capital injection of €646 million in Beaujon to enable it to buy-out minority interests in the Hungarian, Czech and Polish units held by the European Bank for Reconstruction and Development and, secondly, equity interests previously held by AXA Leben AG (Switzerland) in these units;
- the capital injection of €111 million in AXA Life Europe, a company created to write unit-linked life insurance contracts with guaranteed minimum features via branches in several European countries.

Receivables from subsidiaries amounted to €2,065 million, versus €2,282 million at year-end 2009, representing a decrease of €217 million mainly resulting from €700 million in loan transfers, notably as part of the internal restructuring following the partial sale of the UK Life & Savings business to Resolution Ltd, and €417 million in repayments of loans granted to AXA Investment Managers, partly offset by a new £730 million loan granted to Beaujon.

Loans amounted to €803 million and mainly arose from a $1 billion credit facility granted to shareholders in RESO Garantia and guaranteed by these shareholders' interests in RESO Garantia.

Other financial assets amounted to €3,497 million, versus €1,390 million in 2009, with the €2,107 million increase mainly attributable to the €2,098 million margin calls paid to bank counterparties under collateral agreements linked to derivative instruments' management.

Tax receivables increased by €198 million owing to the €197 million carry back receivable generated by the loss recorded in the 2008 fiscal year.

Miscellaneous receivables totaled €326 million, including €140 million in financial income receivable and €164 million in tax receivable from entities belonging to the AXA tax consolidation group.

Marketable securities decreased to €200 million, representing a reduction of €40 million following sales of mutual funds, and treasury shares under the liquidity agreement.

Cash and cash equivalents amounted to €2,008 million. This position was down €727 million compared with year-end 2009 and was notably attributable to the margin calls paid to the banks under collateral agreements.

Cash instruments totaled €425 million and chiefly comprised €260 million in premiums for call options on equity index, €58 million of call options acquired in 2007 to neutralize the dilutive impact of the 2017 convertible bonds, as well as €41 million in premiums paid for a Swiss franc hedging strategy and €26 million in premiums paid for currency options to protect the 2011 foreign currency earnings of the Group's main subsidiaries.

Unrealized foreign exchange losses amounted to €667 million, of which €260 million related to the deferred recognition of exchange rate losses in line with the principles of hedge accounting, and the depreciation of the Euro against the Australian dollar, which reduced the value of the deeply subordinated notes by €103 million. This item reflects unrealized losses on assets and liabilities denominated in foreign currencies arising from their revaluation at the balance sheet closing exchange rate.

Liabilities

Shareholders' equity, before net income for the period and after the payment of dividends relating to the prior year, totaled €32,002 million. This represented an increase of €337 million, including €330 million through a capital increase reserved for employees.

Other shareholders' equity included €6,233 million of undated deeply subordinated notes, versus €5,987 million in 2009, representing an increase of €245 million due to exchange rate effects.

Provisions for contingent liabilities amounted to €5,429 million, and mainly consisted of €3,560 million of currency risk provisions, €807 million for redemption premiums on subordinated bonds, €214 million in provisions corresponding to the mark-to-market revaluation of an intra-Group equity swap and €647 million in provisions for the possible repayment of tax savings to subsidiaries belonging to the French tax consolidation group. The €1,926 million increase was mainly attributable to the €1,863 million allowance to provisions for exchange rate risk.

Subordinated debt totaled €6,995 million, versus €6,723 million in 2009, owing to the issuance of a new €1,300 million subordinated note and the early repayment of €1,080 million in redeemable subordinated notes.

Financial debt stood at €16,166 million, versus €13,701 million at December 31, 2009:

- **Bonds** amounted to €6,686 million, up €443 million owing to the restructuring of an AXA Life Japan loan in the form of a €368 million bond, with a corresponding reduction in payables to subsidiaries;
- **Borrowings from and payable to banks** totaled €5,774 million, representing an increase of €1,857 million due to a €1,844 million increase in outstanding commercial paper, which primarily ensure the financing of margin calls under collateral agreements, protecting the Company's from counterparty risk on derivative instruments;
- **Payables to subsidiaries**, which amounted to €3,694 million, rose by €160 million. This increase was primarily attributable to the €477 million increase in loans from other Group entities, partly offset by the restructuring of the debt issue referred to above.

Debt relating to non-current assets totaled €183 million and included shares issued by entities but not yet fully paid, including €75 million for AXA Life Europe and €54 million each for AXA Italia and AXA Reinsurance Ireland.

Other payables came to €216 million, up from €157 million in 2009, representing an increase of €59 million attributable in part to the loss on the exchange rate policy aiming at limiting the variability of earnings in Euro of subsidiaries operating in foreign currencies.

Unrealized foreign exchange gains amounted to €1,190 million at year-end 2010, down from €1,466 million at December 31, 2009. This item reflects the positive effects derived from the revaluation of foreign currency denominated assets and liabilities at the balance sheet closing exchange rate. This item declined compared with 2009 owing chiefly to the unfavorable impact of the increase in the US dollar exchange rate on the liabilities.

OTHER INFORMATIONS

In accordance with Article L.225.102-1 of French Commercial Code, disclosures related to executive compensation of the Company appear in Part 2 - Section 2.2. "Full disclosure on executive compensation and share ownership".

Supplier invoices to be paid at December 31, 2010 amounted to €4 million, which is due within three months (application of Article D.441-4 of the French Commercial Code).

ACQUISITION OF EQUITY INTERESTS

In 2010, AXA did not acquire any significant equity interests in accordance with Article L.233-6 of the French Commercial Code.

BALANCE SHEET

Assets

(in Euro million)	December 31, 2010 Gross carrying value	December 31, 2010 Amortizations and provisions	December 31, 2010 Net carrying value	Net carrying value as at December 31, 2009
FIXED ASSETS				
INTANGIBLE ASSETS	**322**	**-**	**322**	322
TANGIBLE ASSETS				
Land	-	-	-	-
Buildings and other fixed assets	70	-	70	31
FINANCIAL ASSETS				
Investments in subsidiaries	58,285	968	57,317	56,376
Receivables from subsidiaries	2,072	7	2,065	2,282
Other financial assets	3,538	41	3,497	1,390
Loans	818	15	803	748
I	**65,105**	**1,031**	**64,074**	**61,149**
CURRENT ASSETS				
OPERATING RECEIVABLES				
Tax receivables	205	-	205	7
Receivables and subsidiaries' current accounts	329	3	326	169
Marketable securities	200	-	200	240
Cash instruments	425	-	425	91
Cash and cash equivalents	2,008	-	2,008	2,735
Prepaid expenses	-	-	-	1
II	**3,167**	**3**	**3,164**	**3,243**
PREPAYMENTS AND ACCRUED INCOME				
Deferred charges	262	222	40	38
Bond redemption premiums	3	-	3	3
Unrealized foreign exchange losses	667	-	667	235
TOTAL ASSETS	**69,204**	**1,256**	**67,948**	**64,668**

Liabilities

(in Euro million)		December 31, 2010	December 31, 2009
SHAREHOLDERS' EQUITY			
CAPITAL			
Ordinary shares		5,313	5,244
CAPITAL IN EXCESS OF NOMINAL VALUE		-	-
Issue premiums		18,615	18,354
Merger and contribution premiums		1,060	1,060
RESERVES			
Legal reserve		524	479
Specific reserves for long term capital gains		2,016	2,016
Other reserves		1,795	1,795
Retained earnings		2,656	3
Tax driven provision		23	16
Net income for the financial year		(488)	3,953
	I	**31,514**	**32,920**
OTHER SHAREHOLDERS' EQUITY			
Undated subordinated notes		6,233	5,987
	II	**6,233**	**5,987**
PROVISIONS FOR CONTINGENT LIABILITIES III	III	**5,429**	**3,502**
LIABILITIES			
SUBORDINATED DEBT		6,995	6,723
FINANCIAL DEBT		16,166	13,701
OPERATING PAYABLES			
Tax payables		1	18
Social payables		1	1
OTHER PAYABLES			
Debt on fixed assets		183	183
Other		216	157
Cash instruments		-	-
Deferred income		20	11
	IV	**23,582**	**20,793**
PREPAYMENTS AND ACCRUED EXPENSE			
Unrealized foreign exchange gains		1,190	1,466
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**67,948**	**64,668**

INCOME STATEMENT

(in Euro million)		2010	2009
I. RESULT ON ORDINARY ACTIVITIES			
FINANCIAL & OPERATING REVENUES			
Dividends received from subsidiaries		4,031	2,718
Revenues on short-term investments		103	416
Other revenues		7	7
	I	**4,141**	**3,141**
OPERATING EXPENSES		**-**	**-**
External expenses and other expenses		(321)	(284)
Tax expenses		(1)	(1)
Payroll and compensation		(6)	(10)
Interest expense		(1,298)	(1,271)
Allowances for depreciation of buildings and deferred charges		(9)	(10)
	II	**(1,635)**	**(1,576)**
Operating profit	**(III = I + II)**	**2,506**	**1,565**
Contribution on common operations	**IV**	**-**	**-**
FINANCIAL OPERATIONS ON SECURITIES		**-**	**-**
Reversals to provisions for marketable securities		3	-
Net income on sale of short-term securities		13	(7)
Allowances to provisions for marketable securities		-	(3)
Investment result on securities	**V**	**16**	**(10)**
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	**(VI = III + IV + V)**	**2,522**	**1,556**
II. RESULT ON CAPITAL OPERATIONS		**-**	**-**
Proceeds from the sale of fixed assets		485	38
Releases of provisions for contingent liabilities		189	772
Releases of equity securities provisions		119	56
Foreign exchange result		(3,698)	186
Net book value on the sale of fixed assets		(486)	(38)
Allowances to provisions for contingent liabilities		(445)	(296)
Allowances to equity shares provisions		(259)	(72)
Exceptional result		141	1,905
	VII	**(3,954)**	2,551
INCOME TAX BENEFIT / (EXPENSE)	**VIII**	**944**	**(154)**
III. NET INCOME FOR THE FINANCIAL YEAR	**VI + VII +VIII**	**(488)**	**3,953**

FINANCIAL RESULTS OF THE COMPANY OVER THE PAST FIVE YEARS

	December 31, 2006	December 31, 2007	December 31, 2008	December 31, 2009	December 31, 2010
1 - CLOSING BALANCE SHEET SUMMARY					
a) Capital-Ordinary shares (in Euro million)	4,793	4,719	4,784	5,244	5,313
b) Ordinary shares (numbers in million)	2,093	2,061	2,089	2,290	2,320
c) Bonds convertible into ordinary shares (numbers in million)	16	7	7	7	7 (a)
2 - INCOME STATEMENT SUMMARY (IN EURO MILLION)	-	-	-	-	-
a) Gross revenues before sales tax	1,882	2,628	3,171	3,134	4,134
b) Pre-tax income from continuing operations, before depreciation, amortization and releases	1,067	1,420	1,561	1,568	2,529
c) Income tax expense / benefit	(46)	40	835	(154)	944
d) Net after-tax income after depreciation, amortization and releases	1,433	1,765	(1,253)	3,953	(488)
e) Net dividend distribution	2,218	2,473	836	1,259	1,601
3 - PER SHARE DATA (IN EURO)	-	-	-	-	-
a) After tax income, before depreciation, amortization and releases	0.75	1.08	0.90	1.25	0.69
b) After tax income, after depreciation, amortization and releases	0.68	0.86	(0.60)	1.73	(0.21)
c) Net dividend per share	1.06	1.20	0.40	0.55	0.69 (b)

(a Since January 1, 2007, AXA's 2017 bonds can still be converted, but any dilutive impact created by the issuance of new shares resulting from the conversion of the bonds is neutralized by the automatic exercice of call options on the AXA shares which have been put in place.

(b) Dividend of €0.69 per share proposed to the Shareholders' Meeting of April 27, 2011, based on 2,320,105,237 outstanding ordinary shares.

STATEMENT OF CASH-FLOWS

(in Euro million)	December 31, 2010	December 31, 2009
CASH INFLOWS		
Profit on ordinary activities before tax	2,522	1,556
Result on capital operations before tax	(3,954)	2,551
Income tax expense/benefit	944	(154)
Changes in reserves and amortization	2,089	(557)
Cash flow for the year	**1,601**	**3,396**
Increases in shareholders' equity	330	2,437
New borrowings	4,746	1,536
Sale or decrease in fixed assets	-	-
■ Tangible fixed assets	-	-
■ Financial assets	2,304	3,688
TOTAL CASH INFLOWS	**8,981**	**11,057**
CASH OUTFLOWS	**-**	**-**
Dividends paid out during the year	1,254	833
Repayments of financial debt	4,578	6,926
Purchase of fixed assets	-	-
■ Tangible fixed assets	39	16
■ Financial assets	3,144	6,071
Réduction of capital	-	-
TOTAL CASH OUTFLOWS	**9,015**	**13,846**
CHANGE IN WORKING CAPITAL	**(34)**	**(2,789)**
Short-term equivalents	-	-
Change in:	**-**	**-**
■ operating receivables	345	(865)
■ operating payables	(120)	38
■ cash and cash equivalent	(259)	(1,962)
TOTAL	**(34)**	**(2,789)**

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SUBSIDIARIES AND PARTICIPATING INTERESTS

(in Euro million)	Share capital 1	Other shareholders' equity 2	Percentage of capital held 3	Gross Book Value of securities held 4
A. DETAILED INFORMATION CONCERNING SUBSIDIARIES AND INVESTMENTS ACCOUNTING FOR IN EXCESS OF 1% OF AXA'S SHAREHOLDERS' EQUITY				
1) Subsidiaries (at least 50%-owned)				
CIE FINANCIERE DE PARIS	9	97	100.00%	184
137, rue Victor Hugo - 92687 LEVALLOIS PERRET				
AXA GENERAL INSURANCE HONG KONG	15	28	99.99%	65
21/F, Manhattan Place, 23 Wang Tai Road				
Kowloon Bay - Kowloon - HONG KONG				
AXA REINSURANCE IRELAND	72	181	100.00%	260
Wolfe Tone House - Wolfe Tone Street - DUBLIN - Irlande				
AXA GROUP SOLUTIONS	53	1	100.00%	93
23, avenue Matignon 75008 PARIS				
AXA CANADA (b)	254	515	100.00%	105
2020 rue University - MONTREAL - QUEBEC H 3A 2A5				
AXA LIFE EUROPE	100	912	100.00%	1,017
Wolfe Tone House - Wolfe Tone Street - DUBLIN - Irlande				
AXA EQUITY AND LAW PLC	1	1,220	99.96%	1,133
5 Old Broad Street LONDON EC2N 1AD				
AXA HOLDING AS	158	(36)	50.00%	92
Meclisi Mebusan cadn° 15 - Salipazari				
80040 - ISTANBUL				
AXA PARTICIPATIONS 2	3	503	100.00%	455
23, avenue Matignon 75008 PARIS				
AXA FRANCE ASSURANCE	452	4,571	100.00%	4,315
26, rue Drouot 75009 PARIS				
AXA JAPAN HOLDING COMPANY LIMITED	1,919	1,940	78.62%	3,222
NBF Platinium Tower 1-17-3 Shirokane - Minato-ku				
108 - 8020 TOKYO				
VINCI B.V.	1,439	1,258	100.00%	4,285
Graadt van Roggenweg 500 - Postbus 30810				
3503 AP UTRECHT - PAYS BAS				
PORTMAN INSURANCE LIMITED	23	33	100.00%	109
140, Fenchurch Street EC3M 6BL LONDON				
LOR PATRIMOINE	53	3	99.99%	53
23, Avenue Matignon 75008 PARIS				
COLISEE RE (ex AXA RE)	319	192	100.00%	843
40, rue du Colisée 75008 PARIS				
AXA UK PLC (b)	1,783	5,336	53.12%	4,556
5 Old Broad Street LONDON EC2N 1AD				

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.
(b) Consolidated data.

Net Book Value of securities held	Loans and cash advances given by the Company still outstanding	Guarantees and commitments given by the company	Last closing revenues available [(a)]	Last closing result available	Dividends received	Closing date and other observations
5	6	7	8	9	10	11
61	10	-	1	9	34	Dec. 31, 2010
65	-	-	78	1	-	Dec. 31, 2010
253	-	-	-	1	-	Dec. 31, 2010
44	-	-	2	(12)	-	Dec. 31, 2010
105	-	-	1,449	160	45	Dec. 31, 2010
1,012	-	752	1	1	-	Dec. 31, 2010
1,133	-	-	18	1,526	16	Dec. 31, 2010
92	-	-	47	47	23	Dec. 31, 2010
455	-	-	1	-	1	Dec. 31, 2010
4,315	-	-	635	661	852	Dec. 31, 2010
3,222	-	-	144	129	355	Sept. 30, 2010
4,285	-	700	370	357	1,497	Dec. 31, 2010
80	-	-	-	24	28	Dec. 31, 2010
53	-	-	1	-	-	Dec. 31, 2010
619	-	22	-	82	42	Dec. 31, 2010
4,556	-	1,801	781	(1,438)	58	Dec. 31, 2010

	Share capital	Other shareholders' equity	Percentage of capital held	Gross Book Value of securities held
(in Euro million)	1	2	3	4
AXA MEDITERRANEAN HOLDING	111	1,939	100.00%	2,651
Calle monseñor Palmer numéro 1 - PALMA DE MALLORCA				
OUDINOT PARTICIPATIONS	9,150	3,657	100.00%	12,299
21, avenue Matignon 75008 - PARIS				
AXA ITALIA SPA	624	19	98.24%	715
Via léopardi -15 - 20123 MILAN				
AXA LIFE INSURANCE COMPANY LTD	5	1	100.00%	90
151 Gloucester Road - Wan Chai - HONG KONG				
AXA HOLDING MAROC	211	50	100.00%	229
120-122, avenue hassan II - 21000 CASABLANCA				
AXA Portugal COMPANHIA DE SEGUROS	37	50	83.01%	72
Praca Marquês de Pombal, 14 - LISBONNE 1050				
AXA GLOBAL LIFE (ex SAINT-GEORGES RE)	11	7	91.92%	82
40, rue du Colisée 75008 PARIS				
AXA HOLDINGS BELGIUM	453	2,355	100.00%	5,318
25, Boulevard du Souverain - 1170 BRUXELLES				
AXA TECHNOLOGY SERVICES	25	3	99.78%	73
Les collines de l'Arche - 76 route de la Demi lune 92057 PARIS LA DEFENSE				
AXA GENERAL INSURANCE	85	2	92.82%	158
395-70 Shindaebang-dong, Dongjak-gu SEOUL				
AXA INSURANCE Ltd.	135	2,416	100.00%	5,171
general Guisan-str,40 CH - 8401 - Winterthur				
AXA INVESTMENT MANAGERS	53	586	73.92%	1,381
Cœur Défense - Tour B - La Défense 4 - 100 Esplanade du Général de Gaulle - 92932 Paris La Défense				
AXA GLOBAL P&C (ex AXA CESSSIONS)	85	26	100.00%	105
9, avenue de Messine - 75009 PARIS				
AXA INDIA HOLDING	209	-	50.00%	86
Saint Louis Business Centre Port-Louis, MAURITIUS				
FINANCE SOLUTIONS	270	2,301	100.00%	2,703
1, Allée Scheffer L-2520 Luxembourg				
SOCIETE BEAUJON	31	871	99.99%	892
21, avenue Matignon 75008 - PARIS				
HOLDING VENDOME 3	159	(159)	100.00%	159
21, avenue Matignon 75008 - PARIS				
AXA INSURANCE SINGAPORE PTE LTD	59	9	100.00%	54
143 Cecil street, 01-01 GB Building, SINGAPORE 069542				
AXA GLOBAL DISTRIBUTORS	80	(8)	100.00%	80
Wolfe Tone House - Wolfe Tone Street - DUBLIN 1				

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.
(b) Consolidated data.

Net Book Value of securities held	Loans and cash advances given by the Company still outstanding	Guarantees and commitments given by the company	Last closing revenues available [a]	Last closing result available	Dividends received	Closing date and other observations
5	6	7	8	9	10	11
2,651	-	879	439	357	60	Dec. 31, 2010
12,299	-	-	-	-	-	Dec. 31, 2010
715	-	-	125	123	78	Dec. 31, 2010
7	-	-	-	-	-	Dec. 31, 2009
229	-	-	1	(4)	-	Dec. 31, 2010
72	-	-	354	2	2	Dec. 31, 2010
24	-	-	59	3	-	Dec. 31, 2010
5,318	-	139	21	6	100	Dec. 31, 2010
33	-	194	1	5	-	Dec. 31, 2010
158	-	-	354	(20)	-	Dec. 31, 2010
5,171	-	689	2,541	466	319	Dec. 31, 2010
1,381	351	127	73	300	101	Dec. 31, 2010
105	-	-	927	19	8	Dec. 31, 2010
40	-	-	-	-	-	Dec. 31, 2010
2,703	-	-	162	139	134	Dec. 31, 2010
892	892	138	17	(100)	-	Dec. 31, 2010
-	-	-	-	-	-	Dec. 31, 2010
54	-	-	172	3	-	Dec. 31, 2010
51	-	-	-	(21)	-	Dec. 31, 2010

(in Euro million)	Share capital 1	Other shareholders' equity 2	Percentage of capital held 3	Gross Book Value of securities held 4
2) Participating interests (10 to 50%-owned)				
AXA KONZERN AG	80	1,110	34.63%	2,119
Colonia - Allée 10 -20 51067 KOLN				
RESO GARANTIA	-	291	39.34%	805
Ul, Svetlanskaya, 250/1, Vladivostok,Primorsky Territory				
Far Eastern federal district, 690000 Russian Federation				
BAO MINH INSURANCE CORPORATION	29	47	16.60%	53
26 Ton That Dam,Districk 1, Ho Chi Minh City - VIETNAM				
AXA ASIA PACIFIC HOLDINGS LIMITED (b)	1,408	1,518	44.60%	825
750 Collins Street DOCKLANDS Victoria 3008				
Sub-total A				56,907
B. GENERAL INFORMATION ABOUT OTHER UNITS AND PARTICIPATING INTERESTS				
1) Subsidiaries not shown in section A				
a) French subsidiaries (total)				134
b) Foreign subsidiaries (total)				141
2) Participating interest not shown in section A				-
a) In French companies (total)				35
b) In foreign companies (total)				53
TOTAL (A+B)				57,270

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.

(b) Consolidated data.

Net Book Value of securities held	Loans and cash advances given by the Company still outstanding	Guarantees and commitments given by the company	Last closing revenues available [(a)]	Last closing result available	Dividends received	Closing date and other observations
5	6	7	8	9	10	11
2,119	-	-	375	322	122	Dec. 31, 2010
805	-	150	-	77	16	Dec. 31, 2010
20	-	-	72	6	1	Dec 31. 2009
825	505	-	166	339	120	Dec. 31, 2010
56,022	1,758	5,591	9,387	3,570	4,012	
112	40	11	-	-	2	
99	43	-	-	-	5	
-	-	-	-	-	-	
31	-	-	-	-	-	
39	5	-	-	-	4	
56,303	1,846	5,602	9,387	3,570	4,023	

Notes to the financial statements as at December 31, 2010

The net loss for the fiscal year ended December 31, 2010 was €488 million, compared with a net gain of €3,953 million in the year ended December 31, 2009. This loss was mainly due to a foreign exchange rate loss of €3,698 million, including €1,835 million of realized losses and a €1,863 million allowance for exchange rate risk provisions. These results reflect the Company's policy of hedging net investments in foreign currencies to limit the variability of the Group's consolidated shareholders' equity against currency movements.

In the Company's consolidated financial statements, hedge accounting is applied to net investments in subsidiaries, such that exchange rate movements have no impact on Group results. However, in the parent company financial statements no hedge accounting is possible given the principle of recording investments in subsidiaries in Euro at historical cost, leading to unrealized exchange rate losses being fully booked.

The financial statements for the previous fiscal year showed an exceptional €1,946 million gain resulting from an equity option strategy implemented by the Group in 2008 and unwound during 2009.

As at December 31, 2010, total assets amounted to €67,948 million, versus €64,668 million as at December 31, 2009.

1. HIGHLIGHTS

The significant account movements are presented in the tables in these notes.

2. ACCOUNTING PRINCIPLES

2.1. General principles

The financial statements as at December 31, 2010 are prepared and presented in accordance with the provisions of the 1999 Chart of Accounts.

Since January 1, 2005, AXA has applied regulations 2002-10 relating to depreciation and amortization of assets, as amended by CRC regulation 03-07, and 2004-06 relating to the definition, recognition and measurement of assets. Application of these regulations has had no impact on the Company's financial statements.

In accordance to CRC regulation 2008-15, treasury shares are recorded in "Marketable securities". At December 31, 2010, 3,000,000 shares were held under the liquidity program, and 5,273,983 shares were allocated to hedging purposes, representing respectively €35 millions and €78 million.

The application of CRC regulation 2008-15 dated December 4, 2008 relating to the accounting treatment of stock options (subscription and purchase) and performance shares/units (free shares granted to employees and subject to performance conditions) had no impact on the Company's financial statements.

Find below a summary of options and performances shares granted in 2010 and 2009 to Board of Directors paid by AXA SA:

Stocks options, performance shares and performance units plans are described in Part 2 – Section 2.2 "Full disclosure on executive compensation and share ownership" of this Annual Report.

	Year 2010		Year 2009	
(in Euro)	Value of options granted during the year	Value of performance shares and performance units granted during the year	Value of options granted during the year	Value of performance shares granted during the year
Henri de Castries	554,400	1,137,240	819,848	1,021,189
Claude Brunet	-	-	519,751	646,755
Denis Duverne	443,520	909,792	683,722	850,988
François Pierson	355,740	729,729	587,816	731,856
Nicolas Moreau	244,934	379,080	-	-

2.2. Presentation of the financial statements

BALANCE SHEET

Intangible assets include concessions, patents and brands, as well as goodwill of mergers.

Tangible assets include investments in real estate, split between land and buildings, as well as fixtures and fittings.

Financial assets consist in (i) investments in and receivables from subsidiaries and affiliates and (ii) other financial assets and loans.

Securities are classified using the following criteria:

- Investments in subsidiaries and affiliates are securities representing at least 10% of the share capital of the issuing company plus those which AXA deems held for the long term;
- Other financial assets comprise securities representing less than 10% of the share capital and which are not investments in subsidiaries and affiliates.

INCOME

The income statement distinguishes between ordinary operations and capital operations:

- Ordinary operations include dividends, revenues from other investments, financial expenses, operating expenses and income from transactions in investments;
- Capital operations include gains or losses on the disposal of investments in subsidiaries and affiliates and portfolio management investments, impairment charges and reversals in respect of these securities and related receivables, gains and losses arising from exchange rate movements, charges and reversals of provisions for risks and charges, and exceptional income and expense;
- Disposals of investments in subsidiaries and affiliates are measured using the weighted average unit cost method.

To improve the transparency of the financial statements, (i) charges and releases of provisions for exchange rate risk are recognized in foreign exchange result, and (ii) charges and reversals of provisions for tax repayment risk are recognized in income tax benefit/expense.

2.3. Intangible assets

Intangible assets amounted to €322 million, and mainly included the AXA brand contributed by FINAXA as part of the merger in 2005 and valued at €307 million based on brand royalties billed to Group subsidiaries and to the Mutuelles AXA.

2.4. Tangible assets

Tangible assets are recognized at acquisition cost or transfer value. Buildings are depreciated using the straight line method over fifty years, and fitting work is depreciated over five or ten years as appropriate.

2.5. Financial assets

Financial assets are measured at acquisition cost or transfer cost. At the balance sheet date, the acquisition cost is compared with the fair value, and the lower of these two values is then recognized in the balance sheet.

The fair value of investments in subsidiaries and affiliates is their going concern value for the firm. This may be determined as a function of either their share price or their shareholders' equity, including unrealized gains, and prospects for the subsidiary.

This multi-criteria analysis reflects the long-term nature of AXA's ownership in these subsidiaries and excludes factors relating to short-term market volatility. Net book value is compared with the going concern value, which is the value of the assets and expected profits of existing and new business, taking into account the entity's future prospects. The value of future profits is estimated on the basis of calculations of the European Embedded Value of the Life & Savings business published by the Group, or similar calculations for other activities.

For other investments, the fair value is the share price for listed securities and the likely trading value for unlisted securities.

2.6. Receivables

Receivables are measured at nominal value. An impairment provision is charged in the event of risk of non-recovery.

2.7. Marketable securities

At the balance sheet date, the acquisition cost is compared with the fair value, which corresponds to the exit value for SICAV and FCP Mutual funds and to the average share price over the last month before the balance sheet date for the other securities.

2.8. Prepayments and accrued income

Deferred charges correspond to debt issue costs, which are spread over the lifetime of the issue or for a maximum of 10 years when the debt has no predetermined maturity.

2.9. Subordinated bonds

AXA SA has issued two subordinated bonds:

- 2.5% bonds, maturity January 1, 2014: 9,185,581 bonds with a par value of €165 and a redemption value of €230.88 were in circulation at December 31, 2010. The redemption premium amounts to €606 million;
- 3.75% bonds, maturity January 1, 2017: 6,613,129 bonds with a par value of €165.50 and a redemption value of €269.16 were in circulation at December 31, 2010. The redemption premium amounts to €688 million.

These bonds have been recognized using the single transaction approach. The redemption premium, being the difference between the value at par and the redemption value of the bond issue, was not recognized as a liability at the time of the bond issue. Redemption premiums have been amortized since 2002 and will be until maturity of the issue, using the compound interest method. The yield to maturity used is the rate which enables future payment of the redemption premium, assuming the two bonds were issued on January 1, 2002, namely 2.84% for the 1999 issue and 3.29% for the 2000 issue.

The charge for the year ending December 31, 2010 amounted to €101 million, and the existing provision at December 31, 2010 is €807 million. The unamortized balance of €487 million was recognized as an off-balance sheet commitment.

On January 11, 2007, the Meetings of holders of AXA's 2014 and 2017 convertible bonds were held to vote on an amendment of the final conversion dates of the bonds to January 26, 2007 in exchange for a cash payment in respect of the value of the conversion option.

The General Meetings of 2014 convertible bondholders accepted the amendment. As a result, holders who did not convert their bonds by January 26, 2007 received €16.23 per bond on January 31, 2007.

The General Meeting of 2017 bondholders did not approve the amendment. As a result, to fully neutralize the dilution impact of the 2017 convertible bonds, AXA bought call options on AXA shares with an automatic exercise mechanism from a bank counterparty for a total cash amount equivalent to the payment proposed to bondholders. This €96 million premium is to be amortized over the residual ten-year term of the bond. At December 31, 2010, the remaining amount to be amortized was €58 million.

2.10. Employee benefits

Employee benefit liability is reviewed to ensure it covers future retirement benefit obligations and post-retirement benefits. Pursuant to this review, the employee benefit liability amounted to €8 million at December 31, 2010.

2.11. Unrealized foreign exchange gains/losses

Foreign currency receivables and liabilities are adjusted at the balance sheet date exchange rate. The matching item for this adjustment is a translation variance asset account when the difference is an unrealized loss, and a translation variance liability account when it is an unrealized gain. These items do not flow through the income statement but a provision for foreign exchange risk is made to recognize unrealized losses relating to the translation variance asset.

A translation variance asset relating to a debt which is hedged by the purchase of currency futures does not give rise to recognition of a provision. The same is true for loans which are hedged from origination through exchange rate swaps. If a loan or borrowing generates an unrealized translation loss, but is hedged, a provision for unhedged risk is registered.

2.12. Derivative products

- interest rate swaps: these transactions are recognized by applying the accrued interest method. A distinction is made in the income statement and balance sheet between income from the principal transaction, which is the subject of the swap, and the net income from the swap transaction. The nominal value of the swaps serving as bases for interest rate swaps is recognized off-balance sheet;
- derivative products qualifying as hedges against foreign exchange risk (exchange rate or currency swaps, currency futures) are recognized off-balance sheet as a reciprocal liability and receivable commitment. For currency options, the premium paid on acquisition is recognized as an asset on the balance sheet in the 'cash instruments' account. When the option is exercised, the premium is recorded in the income statement. The same is true when the option is not exercised at term. For option sales, a provision for risks and charges is recognized to take into account the unrealized loss. Other derivative instruments are recognized off-balance sheet at their nominal value. Unrealized losses arising from the estimated market value of these financial instruments give rise to recognition of a provision for foreign exchange loss;
- equity derivative products: equity option rights paid or received are posted in a suspense account on payment or receipt of funds. At the balance sheet date, if the option has not been exercised, the rights received, representing possible income, are not recognized in the income statement. A provision is created against rights paid if it is likely, given market trends, that the option will not be exercised. When the option is exercised, this represents an addition to the acquisition price of the underlying instrument and an addition to the sale price when the option is sold.

2.13. Other shareholders' equity

Undated deeply subordinated notes are classified as "Other shareholders' equity" when, like for ordinary shares, there is no contractual obligation to remit cash or any other financial assets.

Other shareholders' equity included €6,233 million of undated subordinated notes at December 31, 2010, versus €5,987 million at December 31, 2009, representing an increase of €246 million mainly due to exchange rate fluctuation impact.

2.14. Provisions for contingent liabilities

The Company is the head of a French tax consolidation regime group. The tax consolidation regime provides that tax savings should be recognized directly in the Company's financial statements. However, a provision for the return of tax savings is recognized when there is a high probability that the benefit will accrue to subsidiaries as a result of the prospect of future taxable income resulting from the Group's strategic planning.

3. NOTES TO THE BALANCE SHEET *(IN EURO MILLION)*

3.1. Movements in intangible assets

This account includes the AXA brand, transferred by FINAXA at the time of the merger, and valued at €307 million. It also includes €15 million of goodwill recognized following the complete transfer of assets and liabilities between Société de Gestion Civile Immobilière (SGCI) and the Company.

3.2. Movements in financial assets (before provisions)

(in Euro million)	Gross value at December 31, 2009	Acquisitions	Disposals	Gross value at December 31, 2010
Investments in subsidiaries	57,208	1,136 (a)	59	58,285
Receivables from subsidiaries	2,289	2,775 (b)	2,992 (b)	2,072
Other financial assets	1,427	2,593 (c)	482	3,538
Loans	762	56 (d)		818
TOTAL	**61,686**	**6,560**	**3,553**	**64,713**

(a) Of which:

- *the capital injection of €646 million in Beaujon to enable it to buy out minority interests in the Hungarian, Czech and Polish units held by the European Bank for Reconstruction and Development and, secondly, equity interests previously held by AXA Leben AG (Switzerland) in these units,*
- *AXA Life Europe, a company created to write unit-linked life insurance contracts with guaranteed minimum features via branches in several European countries, received a capital injection of €111 million;*

(b) The net decrease of €217 million mainly resulting from €700 million in loan transfers, notably as part of the internal restructuring following the partial sale of the UK Life & Savings business to Resolution Ltd, and €417 million in repayments of loans granted to AXA Investment Managers, partly offset by a new £730 million loan granted to Beaujon.

(c) The increase is mainly due to margin calls paid to bank counterparties relating to collateral agreements linked to derivative instruments' management.

(d) The €56 million increase is due to the exchange-rate fluctuation impact and accrued interest.

3.3. Movement in provisions for impairment of financial assets

(in Euro million)	Provisions at December 31, 2009	Allowances	Releases	Provisions at December 31, 2010
Investments in subsidiaries	832	252	116	968
Receivables from subsidiaries	7			7
Other financial assets	37	4		41
Loans	14	3	2	15
TOTAL	**890**	**259**	**118**	**1,031**

3.4. Statement of receivables by maturity

(in Euro million)	Gross value	Less than 1 year	1 to 5 years	More than 5 years
Receivables on affiliates	2,072	1,990	7	75
Tax receivables	205	8	197	
Loans	818	795	3	20
Miscellaneous receivables and currents accounts with subsidiaries	329	329		
TOTAL	**3,424**	**3,122**	**207**	**95**

3.5. Miscellaneous receivables and subsidiaries' current accounts (€ million)

Income receivable	27
Miscellaneous debtors	25
Accrued interest on swaps	113
Subsidiaries' current accounts	164
TOTAL	**329**

3.6. Expenses payable over more than one period

(in Euro million)	Gross value	Amount amortised at December 31, 2009	Charge for the period	Net value at December 31, 2010
Bond issue expenses	111	99	1	11
Other debt issue expenses	80	43	8	29
Investment acquisition expenses	71	71	-	-
TOTAL	**262**	**213**	**9**	**40**

Starting January 1, 2007, acquisition expenses on investments in affiliates are capitalized (included in the purchase price) and are subject to amortization over five years.

3.7. Unrealized foreign exchange losses

Amounted to €667 million, up €432 million, of which €260 million related to the deferred recognition of exchange rate losses in line with the principles of hedge accounting, and the depreciation of the Euro against the Australian dollar, which reduced the value of the deeply subordinated notes by €103 million. This item reflects unrealized losses on assets and liabilities denominated in foreign currencies arising from their revaluation at the balance sheet closing exchange rate.

3.8. Share capital

AXA's share capital is represented by 2,320,105,237 shares with a par value of €2.29, giving a total value of €5,313,040,993 at December 31, 2010.

3.9. Movement in shareholders' equity

(in Euro million, except per share data in Euro)	Year ending December 31, 2009	Year ending December 31, 2010
Net income	3,953	(488)
Per share	1.73	(0.21)
Movement in shareholders' equity compared with opening balance	5,563	(1.405)
Per share	2.43	(0.61)
Proposed dividend [(a)]	1,259	1,601
Per share	0.55	0.69

(a) Proposed to Shareholders' Meeting of April 27, 2011.

(in Euro million)	
Equity at December 31, 2009	**32,920**
Capital increase for employees	330
Exercise of equity instruments	1
Dividends paid out	(1,255)
Net income for the period	(488)
Tax driven provision	6
Equity at December 31, 2010	**31,514**

3.10. Other shareholders' equity

Other shareholders' equity amounted to €6,233 million, compared to €5,987 million at the end of 2009.

(in Euro million)	Value at December 31, 2009	Issues	Translation variance / accrued interests	Value at December 31, 2010
Undated deeply Subordinated Notes (nominal)	5,880		240	6,120
Accrued interests	107		6	113
TOTAL	**5,987**		**246**	**6,233**

3.11. Provisions for contingent liabilities

(in Euro million)	Value at beginning of period	Allowances for the period	Releases for the period (provisions used)	Releases for the period (provisions not used)	Value at end of period
Provisions for deferred taxes	863	28		214	677 [(a)]
Provision for foreign exchange losses	1,697	1,863			3 ,560
Other provisions for risks	236	338	171 [(b)]	18	385
Amortisation of convertible bond redemption premiums	706	101			807
TOTAL	**3,502**	**2,330**	**171**	**232**	**5,429**

(a) The €677 million provision for deferred taxes includes a €647 million provision for the possible repayment of tax savings to subsidiaries belonging to the French tax consolidation group.

(b) This amount mainly reflected the release of €160 million in respect of Holding Vendôme 3, but was offset by an identical addition to valuation allowances for the same securities given the effective completion of the capital increase.

3.12. Subordinated debt

(in Euro million)	Value at December 31, 2010	Less than one year	1 to 5 years	More than 5 years
Undated subordinated debt	658			658
Undated subordinated EMTN	906			906
Subordinated bonds 2.5% 2014	1,516		1,516	
Convertible Subordinated bonds 3.75% 2017	1,094			1,094
Redeemable subordinated bond 6.75% 2020 (€)	1,300			1,300
Redeemable subordinated bond 8.60% 2030 ($)	935			935
Redeemable subordinated bond 7.125% 2020 (£)	377			377
Other subordinated debt	60			60
Accrued interests	149	149		
TOTAL	**6,995**	**149**	**1,516**	**5,330**

Subordinated debt totaled €6,995 million as opposed to €6,723 million in 2009 owing to the issuance of a new €1,300 million subordinated note and the early repayment of €1,080 million in redeemable subordinated notes.

The perpetual subordinated notes are undated bonds. The Company has the option of deferring payment of the coupons under certain conditions. Nonetheless, the coupons must be paid when these conditions cease to be met or on redemption of the instruments. When payment is deferred for an extended period, the coupons remain payable by law. Similarly, in the absence of dividends being paid, unpaid coupons accumulated over the years will be recognized as payable upon liquidation, if any. These instruments are classified as debt on the basis of this contractual obligation to pay the coupons.

3.13. Financing debt

(in Euro million)	Value at December 31, 2010	Less than 1 year	1 to 5 years	More than 5 years
Euro Medium Term Notes	3,088	370	2,718	
Medium Term Negotiable Notes	30		30	
Bonds	6,651		5,765	886
Loans granted by Group entities	3,677	455	2,471	751
Commercial paper	2,573	2,573		
Deposits under collateral agreements	12	12		
Accrued interests	135	135		
TOTAL	**16,166**	**3,545**	**10,984**	**1,637**

3.14. Statement of operating payables

(in Euro million)	Value	Less than 1 year	1 to 5 years
Debt on fixed assets [a]	183	183	
Other payables [b], including tax and social payables	218	218	
TOTAL	**401**	**401**	

(a) Debt relating to non-current assets totaled €183 million and included shares issued by entities but not yet fully paid, including €75 million for AXA Life Europe and €54 million each for AXA Italia and AXA Reinsurance Ireland.

(b) Of which €173 million of expenses payable.

3.15. Unrealized foreign exchange gains

Amounted to €1,190 million at year-end 2010, down from €1,466 million at December 31, 2009. This account reflects the positive effects derived from the revaluation of foreign currency denominated assets and liabilities at the balance sheet closing exchange rate. This item declined compared with 2009 owing mainly to the unfavorable impact of the increase in the US dollar exchange rate on the liabilities.

4. NOTES TO THE STATEMENT OF INCOME

4.1. Executive remuneration

- Directors' fees allocated to members of the board of directors K€1,167
- Other remuneration (net of recharging) K€5,254

The Company had 4 employees at the balance sheet date.

4.2. Income tax

(in Euro million)	Income before tax	Tax benefit/ expense*	Net income
Ordinary income	2,522	[a]	2,522
Income from capital operations	(3,954)		(3,954)
Income tax expense		944 [b]	944
TOTAL	**(1,432)**	**944**	**(488)**

* *A positive sign indicates tax benefit.*

(a) Dividends received from investments in subsidiaries are under the fiscal "parent-subsidiary" regime and are tax-exempt.

(a) The corporate income tax benefit amounted to €944 million, compared with a tax charge of €154 million in 2009, which mainly includes the tax benefit linked to the €197 million carry-back receivable in respect of the loss recorded in the 2008 fiscal year, €553 million tax receivable from members of the tax consolidation group in France and a €188 million release of the provision for the risk of tax repayments.

5. OFF-BALANCE SHEET COMMITMENTS

5.1. Summary of off-balance sheet commitments

(in Euro million)	Notional value (Commitments given)	Market value
Financial futures instruments	**144,000**	**(2,425)**
Foreign exchange Forward	**4,280**	**(3)**
Swaps	**107,932**	**(2,819)**
Interest rate swaps	57,427	(410)
Equity swap	1,716	(215)
Foreign Exchange swaps (short term)	17,444	374
Cross Currency swaps (long term)	29,526	(2.555)
Credit Default swaps	1,819	(13)
Options	**31,788**	**397**
Caps	1,920	3
Foreign Exchange Options	21,237	116
Equity options	2,411	69
Indice options	6.215	209)
Floor	5	0
Other commitments	**Commitments given**	**Commitments received**
Credit facilities (authorized but not drawn)	**941**	**10,668**
Internal group guarantees and securities		
Commitments to buy back shares and bonds from Group entities	41	
Other commitments:	13,020	1,422
of which financial guarantees given to Group entities	6,737	674
Subordinated convertible bond redemption premium (see § 2.9 of this note)	**487**	

5.2. Commitments in respect of shareholder pacts

CROSS-SHAREHOLDING AGREEMENTS

AXA has entered into cross-shareholding agreements with BNP Paribas and Schneider which are described hereafter.

Agreement with BNP Paribas

On August 5, 2010, and after authorization by the AXA Board of Directors on August 3, 2010, the AXA Group and the BNP Paribas Group entered into an agreement that replaces a prior agreement between them dated December 15, 2005.

The 2010 agreement maintains the option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of three years starting from August 5, 2010, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the two parties decides to terminate the agreement earlier, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF on August 9, 2010.

Agreement with Schneider

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group, the Mutuelles AXA and the Schneider Group entered into an agreement that provides for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertakes to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertakes to hold at least 8,816,681 AXA ordinary shares. The number of shares held under this cross-shareholding agreement will be adjusted as needed to reflect the impact of certain capital transactions, including, but not limited to: free allotments of stock or of exchange of stocks of the same company (stock splits, stock grouping, etc.). In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of one year from the date of signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case the terminating party is required to give a three months notice prior to the next renewal date.

The agreement was made public by the AMF on May 31, 2006.

6. SENSITIVITY

By virtue of its business, AXA SA is mainly exposed to interest rate and exchange rate risks.

The table below shows an estimate of changes in the fair value of debt, loans and hedging instruments in the event of a 1% rise in the interest rate curve or a 10% depreciation of the Euro.

	Change in fair value	
Sensitivity	**Interest rates: +100 bps**	**Depreciation of the Euro: 10%**
Debt [(a)]	-2.7% (i)	3.2% (ii)
Loans [(b)]	-2.7% (i)	0.2% (ii)
Derivatives [(c)]	14.8%(i)	-80.5% (ii)

(a) External debt (excluding intra-group debt) before hedging.
(b) Loans are net of internal refinancing.
(c) Both eligible and not eligible derivatives under IFRS.
(i) A 100 bps rise in interest rates leads to a 2.7% decrease in the fair value of debt, a 2.7% decrease in the fair value of loans, and a 14.8% increase in the fair value of derivatives.
(ii) A 10% depreciation of the Euro leads to a 3.2% increase in the fair value of debt, a 0.2% increase in the fair value of loans and a 80.5% decrease in the fair value of derivatives.
The information on fair value presented above should be used with care:
- *since these estimates are based on the use of measurements such as interest rates and spreads at the balance sheet date; such measurements may fluctuate over time;*
- *and because there are a number of possible ways to perform these calculations.*

The information used for calculating the fair value of financing debt is market prices at the end of the period, using (i) market rates for each currency, (ii) AXA's average spread by maturity and for the main currencies, distinguishing between subordinated debt and senior debt, and (iii) options included in issue contracts, such as issuer redemption options.

This note does not omit any material commitment or any which might become material in the future.

7. OTHER INFORMATIONS

7.1. Related companies

Affiliated companies (consolidated entities) (value net of provisions for impairment)

Investments	**€57,122 million**
Of which:	
■ AXA Konzern AG	€2,120 million
■ AXA Italia SpA	€715 million
■ AXA France Assurance	€4,315 million
■ AXA UK Plc	€4,556 million
■ AXA Holdings Belgium	€5,318 million
■ Oudinot Participations	€12,299 million
■ AXA Japan Holding	€3,222 million
■ Vinci BV	€4,285 million
■ Colisée RE (Ex AXA Ré)	€619 million
■ AXA Equity & Law Plc	€1,133 million
■ AXA Méditerranean Holding	€2,651 million
■ AXA Asia Pacific Holdings	€825 million
■ AXA Versicherungen AG (Ex AXA Winterthur in Switzerland)	€5,171 million
■ AXA Belgium	€610 million
■ Reso Garantia	€805 million
■ AXA Investment Managers	€1,381 million
■ AXA Life Europe	€1,012 million
■ Finance Solutions	€2,703 million
■ Beaujon	€892 million
Receivables towards related companies	€2,558 million
Payables toward related companies	€11,724 million
Financial income and expense in respect of affiliates	
Financial expense	€346 million
Financial income	€4,025 million

7.2. Related parties

None of the transactions operated by related parties, that are still outstanding at year end or that occurred during the course of the year, account for the distinctive characteristics of transactions to be disclosed in accordance with the ANC regulations n° 2010-02 and 2010-03 as made official by the decision as of December 29, 2009 and announced in the Journal Officiel as of December 31, 2010.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Report of Statutory Auditors on the Company's financial statements

(For the year ended December 31, 2010)

This is a free translation into English of the Statutory Auditors' report issued in French and which is provided solely for the convenience of English readers. The Statutory Auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, which is presented below in the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the statutory financial statements of the Company.

This report, together with the Statutory Auditors' report addressing financial and accounting information in the Chairman's report on internal control, should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA SA**
25, avenue Matignon
75008 Paris

In compliance with the assignment entrusted with us by your General Meeting, we hereby submit our report for the year ended December 31, 2010 on:

- the audit of the financial statements of AXA SA, as attached to the present report,
- the justifications of our assessments,
- the specific verifications and information required under French law.

The above mentioned financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I – Opinion on the Company's financial statements

We conducted our audit in accordance with the professional standards applicable in France, which require that we plan and perform the audit in order to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that the elements and information we gathered constitute an adequate and appropriate basis for our opinion.

In our opinion, the financial statements give a true and fair view of the Company's financial position and its assets and liabilities as of December 31, 2010 and of the results of operations for the year then ended, in accordance with accounting rules and principles applicable in France.

II – Justifications of our assessments

The on-going economic downturn and related uncertainties, as well as the evolution of the financial crisis and its monetary consequences on the euro zone continue to give rise to specific circumstances for the preparation of the financial statements, in particular with respect to the accounting estimates. In the context of these economic and financial uncertainties, and in accordance with Article L.823-9 of the French Commercial Code requiring Statutory Auditors to justify their assessment, we bring to your attention the following matters:

- financial assets are recorded using the methods applying to each category and described in paragraph 2.5 of the notes to the financial statements.

  We have assessed whether the impairment tests performed by the Company, depending on the invested assets situation and the volatility of financial markets, are appropriate and we also assessed the reasonableness of the resulting provisions. Regarding investments, for which impairment is based on the value-in-use and the intent to hold, we have assessed the data used in order to determine the value-in-use of the main investments in the portfolio and obtained confirmation of the intent to hold.

- in accordance with the policies described in paragraph 2.9 of the notes to the financial statements, liabilities are recorded at the year-end for redemption premiums on convertible bonds issued by the Company whenever the prevailing stock price is lower than the discounted redemption value of the underlying note. We have tested the reasonableness of the assumptions used for calculation, having regards the stock market volatility and the maturities of outstanding convertible bonds issued by the Company.

- derivatives used by your Company are assessed pursuant to the rules contained in paragraph 2.12 of the notes to the financial statements. We have checked that the implementation of a hedge accounting, as the case may be, was documented. In the other cases, we verified that adequate provisions for the unrealized losses were recorded, in particular, the provision for foreign exchange losses, of which the allocation affects significantly the net income of the year, as indicated in Note 3.11 to the financial statement of AXA.

These assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of our opinion expressed in the first part of this report.

III – Specific verifications and information

In addition, we have carried out the specific verifications required by law, in accordance with the professional standards applicable in France.

We have no matter to report regarding the fairness of the Board of Directors' report and the documents addressed to the shareholders concerning the Company's financial situation and financial statements, and their consistency with the financial statements.

Regarding the information provided in application of the provisions of Article L.225-102-1 of the French Commercial Code on the compensation and benefits paid to AXA executives as well as commitments made to them, we have verified their consistency with the financial statements or with the data underlying the preparation of the financial statements and, if applicable, with the elements gathered by the Company from entities controlling the Company or controlled by the Company. On the basis of this work, we confirm the accuracy and fairness of this information.

As required by law, we have verified that the information pertaining to equity and controlling interests of the Company, to the identity of holders of share capital or voting rights and to reciprocal participations has been duly disclosed in the aforementioned Board of Directors' report.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Michel Laforce	Philippe Castagnac – Gilles Magnan

APPENDIX VII GROUP EMBEDDED VALUE

"Embedded Value" (EV) is a valuation methodology often used for long term insurance business. It attempts to measure the present value of cash available to shareholders now and in the future and accordingly is presented net of taxes and minority interests. "European Embedded Value" (EEV) is a refinement of this methodology based on Principles issued by the CFO Forum of European insurers, which AXA adopted during 2005. AXA publishes EEV only for its Life & Savings business.

The Group EV of AXA is the sum of the Life & Savings EEV and the other businesses Tangible Net Asset Value (TNAV). Other businesses include Property & Casualty, Asset Management, Banking, International Insurance, and Holdings and Other Companies segments.

The Group EV is not an estimate of AXA's "fair value". It does not include the value of business to be sold in the future, nor does it include any value for future profits from existing business for other-than-life businesses.

The following table presents an analysis of movement of AXA's Group EV during the year 2010:

(In Euro million - Group share)	Life & Savings EEV	Other businesses	Group EV 09/10	Group EV 08/09
Opening Group EV	**35,745**	**(5,323)**	**30,422**	**18,600**
Modeling changes and opening adjustments	(2,481)	2,375	(106)	57
Adjusted opening Group EV	**33,264**	**(2,948)**	**30,316**	**18,657**
Operating return	**6,091**	**1,065**	**7,156**	**4,974**
Current year investment experience	(1,367)	(861)	(2,22)8	4,397
Total return	**4,724**	**205**	**4,928**	**9,371**
Internal dividends payment	(1,157)	1,157	-	-
Dividend paid by the Group	-	(1,259)	(1,259)	(836)
Capital flows	666	(666)	-	-
Exchange rate movements impact	2,617	(2,809)	(193)	272
Acquired/Disinvested business and others	363	(388)	(25)	434
Change in shares issued and treasury shares	-	385	385	2,523
Closing Group EV	**40,476**	**(6,324)**	**34,152**	**30,422**
Operating return on Group EV	**18%**		**24%**	**27%**
Total return on Group EV	**14%**		**16%**	**50%**

Operating return on Group EV remained significant at 24% compared to 27% in 2009, the decrease being driven by the higher opening value in 2010 compared to 2009.

Total return on Group EV decreased to 16% in 2010 compared to 50% in 2009. The main driver of lower return was the lower investment experience, reflecting certain deteriorated market conditions.

LIFE & SAVINGS EEV

Life & Savings EEV is the sum of two elements:

- "Adjusted Net Asset Value" (ANAV) which measures the current balance sheet wealth;
- "Value of Inforce" (VIF) which measures the present value of future shareholder profits for the business currently in the portfolio, adjusted for the cost of holding capital that cannot be distributed while the business is in force.

The Life & Savings ANAV is derived by aggregating the local regulatory (statutory) balance sheets and reconciling with the Life & Savings IFRS shareholders' equity with the following main adjustments:

- Addition of unrealized capital gains/losses not included in shareholders' equity;
- Elimination of the value of intangible assets;
- Elimination of unrealized capital gains/losses included in the projection of future cash-flows (VIF);
- Adjustment for the differences between AXA's consolidated accounting basis and local regulatory bases.

The table below shows the reconciliation of Life & Savings IFRS shareholders' equity to Life & Savings ANAV:

(in Euro million - Group share)	2010
Life & Savings IFRS shareholders' equity	**41,502**
Net unrealized capital gains/losses not included in IFRS shareholders' equity	936
Elimination of intangibles	(19,113)
Unrealized capital gains/losses projected in the VIF & other Stat-GAAP adjustments	(2,935)
Life & Savings Adjusted Net Asset Value (ANAV)	**20,389**

Life & Savings EEV is obtained by adding the Life & Savings VIF to the Life & Savings ANAV:

(in Euro million - Group share)	2009	2010
ANAV	17,290	20,389
VIF	18,456	20,087
Life & Savings EEV	**35,745**	**40,476**

"Life & Savings New Business Value" (NBV) measures the value of new business sold during the year. It includes the VIF on new business, as well as the upfront costs associated with acquiring new business (often called "strain"). Therefore NBV combines elements which increase VIF balances from one year to the next and elements which reduce the ANAV from one year to the next. Life & Savings EEV does not include any value for future sales.

"Life & Savings Annualized Premium Equivalent" (APE) is a measure of the new business volume which includes 100% of sales of regular recurring premium business and 10% of sales of single premium business. The "APE Margin" is the ratio of NBV to APE.

"Life & Savings Present Value of Expected Premium" (PVEP) is a measure of the new business volume which includes the present value of the future premiums expected to be received over time for business sold in the current year. The "PVEP Margin" is the ratio of NBV to PVEP.

(in Euro million - Group share)	2009	2010	Change	Change on a comparable basis
Annual Premium Equivalent (APE)	6,188	5,780	-7%	-2%
Present Value of Expected Premiums (PVEP)	60,675	57,794	-5%	-2%
New Business Value (NBV)	1,113	1,290	16%	12%
NBV/APE	**18.0%**	**22.3%**	**4.3 pts**	**2.8 pts**
NBV/PVEP	**1.8%**	**2.2%**	**0.4 pts**	**0.3 pts**

Change on a comparable basis: at constant exchange rate, methodology and scope

The Life & Savings VIF calculation by nature involves many assumptions about the future. For Life & Savings EEV, AXA has adopted a "market-consistent" approach to setting asset return assumptions. Each cash flow is discounted at an appropriate discount factor, so that starting with Euro 1 of bond or of equity, projecting expected cash flows and discounting, will simply give Euro 1 of value. Mechanically, this can be described as assuming that, in the future, all assets will earn the risk-free rate (referred to as the "reference rate" in the Embedded Value methodology) defined by the current market. However, cash flows are projected not only in a single scenario, but rather a stochastic set of scenarios is created, with the set maintaining the market-consistent condition that Euro 1 of any asset projected into the future gives a present value of Euro 1. Future earnings available to shareholders are assessed across this range of stochastic scenarios, with the present value being the Life & Savings VIF. Our major assumptions include:

- Actuarial assumptions reflect best estimates based on recent experience;
- No productivity gains in the future are assumed, while a 2.0% average inflation rate was assumed in 2010 (2.1% in 2009);
- Expenses are adjusted for non-recurring expenses and one-time strategic spending;
- Some benefit from future mortality improvement on Life business is included, while annuity business does have an allowance for the costs of longevity increasing in all markets;
- Non-financial risks are provided for through the cost of holding capital consistent with the necessary amount to obtain a AA rating at each entity level;
- A weighted average tax rate of 31.6% was assumed in 2010 (31.8% in 2009);
- Consistent with previous years, AXA used, at end 2010, reference rates which included, where applicable, liquidity premia over the swap curves for some of its entities. In line with industry's converging practices, AXA has adjusted the approach introduced in 2008 in its market-consistent methodology in terms of liquidity premium (calibration and allowance by products) and yield curve extrapolation for long term maturities where no sufficient liquid data is available on the markets.

As described above, the Life & Savings VIF valuation under AXA's market-consistent framework does not depend on assumed future asset returns, but rather on the reference rate described above. The Life & Savings VIF valuation depends on stochastic projections of multiple scenarios, rather than a single scenario. For comparison to traditional Embedded Values and other techniques, AXA performs a calculation that determines the "Implied Risk Discount Rate" (IDR) which would equate the cashflows from a single scenario with "real world" economic assumption to the Life & Savings VIF. The following table summarizes the "real world" assumptions for 2009 and 2010 used in determining the IDRs:

FI Return		Equity Return		Cash Return		Real Estate Return	
2009	2010	2009	2010	2009	2010	2009	2010
5.71%	6.70%	7.93%	5.50%	4.24%	5.00%	6.61%	7.00%

Separate IDRs are calculated for the total inforce portfolio at the end of the year and the new business sold during the year:

VIF IDR		NB IDR	
2009	2010	2009	2010
8.76%	6.88%	5.18%	5.29%

The following table presents a detailed analysis of the movement of the Life & Savings EEV between 2009 and 2010:

(in Euro million - Group share)	Life EEV 09/10
Opening Life & Savings EEV	**35,745**
Modeling changes and opening adjustments	(2,481)
Adjusted opening Life & Savings EEV	**33,264**
Operating performance from existing business:	4,801
Expected existing business contribution	*2,853*
Operational experience changes	*141*
Operational assumption changes	*1,806*
New Business Value	1,290
Operating Return on Life & Savings EEV	**6,091**
Current year investment experience	(1,367)
Total Return on Life & Savings EEV	**4,724**
Exchange rate movements impact	2,617
Others (incl. Life & Savings EEV of acquired/disinvested business)	363
Capital flows	(492)
Closing Life & Savings EEV at 12/31/10	**40,476**

Modeling changes and opening adjustments of €-2,481 million reflect various model refinements as well as the partial disposal of the U.K. Life & Savings business sold to Resolution Ltd. The proceeds of the transaction are shown in the Other businesses segment of the Group EV.

Operating performance from existing business considers the movements in EEV relating to the business inforce at the beginning of the year, excluding the investment impacts that are shown below. The total operating performance of €4,801 million is analyzed in several components:

- **Expected existing business contribution** of €2,853 million is the expected contribution from existing business assuming assets earned the rates in the illustrative investment scenarios used to calculate IDR for the prior year;
- **Operational experience changes** of €141 million is the impact of actual versus expected experience for items like mortality, expenses, lapse rates, etc.;
- **Operational assumptions changes** of €1,806 million is the impact on VIF of changes in future assumptions for items like mortality, expenses, lapse rates, etc.

2010 New Business Value of Euro 1,290 million reflects the strain (first year loss) and VIF impacts described above.

Operating Return on Life & Savings EEV of €6,091 million is the sum of the New Business Value and the operating performance from existing business. It represents 18% of the adjusted opening Life & Savings EEV.

Current year investment experience of €-1,367 million includes (i) the variance in experience during 2010 from the one expected in the illustrative real world investment scenario at the end of 2009, and (ii) the change in value created by reflecting year-end 2010 yield curves and investment conditions in the EEV rather than those of year-end 2009.

Total Return on Life & Savings EEV (before currency effects and capital flows) of €4,724 million combines the Operating Return with the Investment impacts. It represents 14% of the adjusted opening Life & Savings EEV.

Exchange rate movements impact of €2,617 million reflects the evolution of foreign currencies versus the Euro, not taking into account the mitigating impact of the currency hedging program implemented by AXA SA.

Others (incl. Life & Savings EEV of acquired/disinvested business) of €363 million reflects an internal transfer of Central Eastern Europe shares between AXA Switzerland and the Group Holding (this impact is however neutral on the Group EV).

Capital flows of €-492 million reflect net transfers into the Life & Savings segment in 2010 including dividends paid, received and capital injections.

Closing Life & Savings EEV of €40,476 million is the total value at the end of the year, representing the prior year balance plus opening adjustments, plus total return, plus capital flows, plus EEV of acquired/disinvested business and the exchange rate impact.

LIFE & SAVINGS EUROPEAN EMBEDDED VALUE SENSITIVITIES

The sensitivities of 2010 Life & Savings EEV and NBV to changes in major assumptions were as follows:

Life & Savings sensitivities *(in Euro million - Group share)*	**EEV 2010**	**NBV 2010** [(a)]
Upward parallel shift of 100 basis points in reference interest rates	781	7
Downward parallel shift of 100 basis points in reference interest rates	(2,440)	(77)
10% higher value of equity markets at start of projection	1,401	69
10% lower value of equity markets at start of projection	(1,536)	(70)
10% higher value of real estate at start of projection	434	13
10% lower value of real estate at start of projection	(445)	(10)
Overall 10% decrease in the lapse rates	1,065	130
Overall and permanent decrease of 10% in expenses	1,627	151
5% lower mortality rate for annuity business	(352)	(16)
5% lower mortality rate for life business	718	41
Upward shift of 25% of the volatility on equity markets	(778)	(42)
Upward shift of 25% of the volatility on bonds	(1,168)	(65)
50 basis points higher in credit spread	(1,512)	(38)
50 basis points lower in credit spread	1,415	33

(a) The NBV sensitivities shown in this template assumed a shock "after sale". It indicates how the new business written in 2010 would have been affected by an economic shock after sale but prior to year-end.

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Report on embedded value

To AXA Chief Financial Officer

As Statutory Auditors of AXA Group and in accordance with your request, we have examined the Life & Savings European Embedded Value (EEV) information regarding the EEV and its components, the new business value, the analysis of movement in EEV and the sensitivities (hereinafter referred to as "the EEV Information") at December 31, 2010 of the AXA Group contained in the attached document ("Embedded Value 2010 Report" hereinafter referred to as "the EV Report").

The EEV Information and underlying significant assumptions, upon which the information relies, have been established under the responsibility of management. The methods and significant assumptions adopted are detailed in the EV Report.

We are responsible for expressing a conclusion on the compliance of the results of the EEV Information with the methodology and assumptions adopted by management and on the consistency of accounting information used with the AXA Group consolidated financial statements at December 31, 2010.

Our work, which does not constitute an audit, has been performed in accordance with the professional standards applicable in France, and aims at forming a conclusion based on appropriate procedures:

Our work included the following procedures:

- understanding the procedures adopted by management to prepare the EEV information;
- a review of the "market consistent" approach adopted by management, and described in the EV Report for consistency with the European Embedded Value Principles and Guidance defined by the European Insurance CFO Forum;
- a review of the consistency of the methodology used and implemented by management with that described in the EV Report;
- a review of the internal consistency of the economic assumptions and of their consistency with observable market data;
- a review of the consistency of the operational assumptions with regard to past, current and expected future experience.
- a review of the testing performed by Towers Watson on the underlying models used to calculate the EEV Information;
- checking by review and reconciliation the consistency of the EEV Information with the methodology and assumptions in the EV Report;
- checking the consistency of the accounting information and other relevant underlying data used in preparing the EEV Information with the annual financial statements and underlying accounting records at December 31, 2010;
- obtaining the information and explanations as deemed necessary to deliver our conclusion.
- we note that, due to the uncertain nature of estimation, actual outcomes can differ, perhaps significantly, from those expected in the EEV Information. We express no conclusion relating to the possibility of such outcomes.

Based on our work, we have no observations regarding:

- the compliance of the results of the EEV information at December 31, 2010 that AXA Group presented in the EV Report with the AXA Group's market consistent methodology and assumptions adopted by management and described in the EV Report which are consistent with the European Insurance CFO Forum EEV Principles and Guidance;
- the consistency of accounting information used with the AXA Group consolidated financial statements at December 31, 2010, on which we expect to issue our audit report on the 17 March 2011.

Neuilly-sur-Seine and Courbevoie, 17 February, 2011

PricewaterhouseCoopers Audit
Michel Laforce, Stéphane Kuypers

Mazars
Gilles Magnan, Maxime Simoen

APPENDIX VIII SHAREHOLDERS’ MEETING – APRIL 27, 2011

Agenda

ORDINARY RESOLUTIONS

First resolution

Approval of the Company’s financial statements for the fiscal year 2010 - parent only

Second resolution

Approval of the consolidated financial statements for the fiscal year 2010

Third resolution

Earnings appropriation for the fiscal year 2010 and declaration of a dividend of €0.69 per share

Fourth resolution

Statutory Auditors’ special report on regulated agreements

Fifth resolution

Re-appointment of Mr. Jean-Martin Folz as director

Sixth resolution

Re-appointment of Mr. Giuseppe Mussari as director

Seventh resolution

Appointment of Mr. Marcus Schenck as director

Eighth resolution

Authorization granted to the Board of Directors to purchase ordinary shares of the Company

EXTRAORDINARY RESOLUTIONS

Ninth resolution

Delegation of authority granted to the Board of Directors for the purpose of an increase in the share capital through the capitalization of reserves, earnings or premiums

Tenth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company by issuing ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, with preferential subscription rights of the Shareholders

Eleventh resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company through the issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights of the Shareholders, in case of public offerings

Twelfth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company through the issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights of Shareholders, through private investment as set forth in Article L.411-2 II of the French Monetary and Financial Code

Thirteenth resolution

Authorization granted to the Board of Directors in the event of an issue of shares through public offering or private placement without preferential subscription rights, to set the issue price under the conditions defined by the General Shareholders’ Meeting, up to a maximum of 10% of the share capital

Fourteenth resolution

Authorization granted to the Board of Directors for the purpose of increasing the amount of the initial issue of shares or securities, with or without preferential subscription rights, decided respectively by virtue of the tenth to the thirteenth and the seventeenth resolutions

Fifteenth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares or securities giving a claim to the Company’s ordinary shares, in the event of a public exchange offer initiated by the Company

Sixteenth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company through the issue of ordinary shares or securities giving a claim to ordinary shares of the Company, in return for contributions in kind up to a maximum of 10% of the share capital outside a public exchange offer initiated by the Company

Seventeenth resolution

Delegation of authority granted to the Board of Directors for the purpose of issuing ordinary shares as a result of an issue by subsidiaries of the Company of securities giving a claim to the Company's ordinary shares

Eighteenth resolution

Delegation of authority granted to the Board of Directors for the purpose of issuing securities which give rights to an allotment of debt instruments, without an increase of the Company's share capital

Nineteenth resolution

Delegation of power granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares or securities giving a claim to the Company's ordinary shares, reserved for employees enrolled in the employer-sponsored Company savings plan

Twentieth resolution

Delegation of power granted to the Board of Directors for the purpose of increasing the share capital of the Company by issuing ordinary shares, without preferential subscription rights, in favor of a specific category of beneficiaries

Twenty-first resolution

Authorization granted to the Board of Directors to grant subscription or purchase options to employees and eligible executive officers of the AXA Group

Twenty-second resolution

Authorization granted to the Board of Directors to grant performance shares to employees and eligible executive officers of the AXA Group

Twenty-third resolution

Authorization granted to the Board of Directors to grant free shares to employees of the Group in connection with the attainment of its strategic objectives and the implementation of the law dated December 3, 2008

Twenty-fourth resolution

Authorization granted to the Board of Directors to reduce the share capital through the cancellation of ordinary shares

Twenty-fifth resolution

Modification of the Bylaws regarding the notification, by electronic means, of the appointment and revocation of the shareholder representative during General Shareholders' Meetings

Twenty-sixth resolution

Authorization to comply with all formal requirements in connection with this Meeting

Report of the AXA Board of Directors on proposed resolutions

To the shareholders of AXA:

We have convened you to this Ordinary and Extraordinary Shareholders' Meeting to submit a number of resolutions for your consideration pertaining to the:

- approval of the parent Company and consolidated financial statements of AXA for the year ended December 31, 2010 and determination of the dividend (I);
- approval of a regulated agreement (II);
- re-appointment of two members of the Board of Directors and appointment of a new member (III);
- renewal of the authorizations granted to the Board of Directors relative to the share repurchase program and to the cancellation of shares (IV);
- renewal of the authorizations granted to the Board of Directors in order to increase the share capital (V);
- renewal of the authorizations granted to the Board of Directors in order to issue securities with no claim to the Company's share capital (VI);
- renewal of the delegations of power granted to the Board of Directors in order to issue ordinary shares or securities granting a claim to ordinary shares of the Company through the employee savings plans (VII);
- renewal of the authorizations granted to the Board of Directors related to the allotment of performance shares and stock options to employees of the AXA Group (VIII);
- approval of an authorization to grant free shares to all employees of the AXA Group (IX); approval of a modification of the Company's Bylaws regarding the notification, by electronic means, of the appointment and revocation of the shareholder representative during General Shareholders' Meetings (X).

I – Approval of the financial statements

ORDINARY RESOLUTIONS 1 TO 3

The first items on the agenda pertain to the approval of AXA's parent Company financial statements (first resolution) and consolidated financial statements (second resolution). AXA's parent Company financial statements for the year ended December 31, 2010 show a loss of €488 million, compared to a profit of €3,953 million for the preceding fiscal year. The consolidated financial statements for the fiscal year 2010 show a net income Group share of €2,749 million, compared to €3,606 million for the preceding fiscal year. For more information about AXA's 2010 financial statements as well as the evolution of the Company's business during 2010 and since the beginning of 2011, please refer to the Board of Directors' Report that is included in the 2010 Annual Report (*Document de Référence*) filed with the AMF (*Autorité des marchés financiers*) on March 18, 2011 and which is made available in accordance with applicable laws and regulations, in particular on AXA's website (**www.axa.com**).

The purpose of the third resolution is to determine the allocation of earnings for the fiscal year 2010 which shows a loss of €488 million. It is proposed to discharge the loss by deducting it from the retained earnings which shall be reduced from an amount of €2,656,080,080.18 to an amount of €2,168,525,100.22. The distributable profits would therefore consist in the balance of the retained earnings, i.e. €2,168,525,100.22. The Board of Directors has further decided to propose the payment of a dividend of €0.69 per share this year, representing a global distribution of €1,600,872,613.53 which is an increase of 25% compared to the previous fiscal year, deducted from the retained earnings which shall amount to €567,652,486.69 after such distribution.

This dividend would be paid out on May 4, 2011 and the ex-dividend date would be April 29, 2011.

The proposed dividend entitles eligible recipients to the 40% tax relief set forth in paragraph 2° of Article 158.3 of the French General Tax Code (*Code Général des Impôts*). It applies to all individuals deemed to be French residents for tax purposes and amounts to €0.28 per share. For information purposes only, it is reminded that Article 117 *quater* of the French General Tax Code, provides that individuals who are deemed to be French residents for tax purposes, and whose income is eligible for the 40% tax relief may, barring certain exceptions, opt for an 19% flat deduction at the source, calculated on the basis of the gross amount of income received.

Exercising the option for a flat deduction at the source is binding and must be renewed, at the latest, upon each payment. This option would however lead to the loss of the 40% tax relief mentioned hereinbefore and of the lump-sum abatement of €1,525 or €3,050, depending on marital status.

If the above-mentionned option is exercised, the flat deduction at the source shall be completed on the date of the dividend payout.

The welfare taxes (CSG, CRDS, welfare deduction and additional contributions) due by the persons who are deemed to be French residents for tax purposes are, in any case, paid on the date of the dividend payout.

Pursuant to the provisions of Article 243 *bis* of the French General Tax Code, the table below summarizes dividend payout information, with and without the 40% tax relief, for the previous three fiscal years.

	Fiscal year 2007	Fiscal Year 2008	Fiscal Year 2009
Dividend per share	€1.20	€0.40	€0.55
Dividend with tax relief	€1.20	€0.40	€0.55
Dividend without tax relief	0	0	0

II – Approval of a regulated agreement

ORDINARY RESOLUTION 4

In the fourth resolution, you are being asked to approve, based on the Statutory Auditors' special report, the shareholders agreement entered into with the BNP Paribas Group on August 5, 2010, and approved by the Board of Directors in its meeting on August 3, 2010. This agreement replaces the preceding agreement with the BNP Paribas Group entered into on December 15, 2005. It provides, specifically, a reciprocal repurchase option with BNP Paribas in the event of a hostile takeover by a third party of the share capital of AXA or BNP Paribas. In these circumstances, and pursuant to the agreement, AXA would be entitled to repurchase, partly or entirely, the outstanding shareholding of the BNP Paribas Group in AXA on the date it exercises its repurchase option. Reciprocally, BNP Paribas will enjoy the same repurchase option over the outstanding shareholding of the AXA Group in BNP Paribas.

The special report of the Statutory Auditors also mentions the agreements and commitments referred to as "regulated agreements" previously approved and which remained in force in 2010. These agreements and commitments and the new shareholders agreement with the BNP Paribas Group are presented in the Statutory Auditors' special report included in the 2010 Annual Report (*Document de Référence*) filed with the AMF (*Autorité des marchés financiers*), and made available to you in accordance with applicable laws and regulations, in particular on AXA's website (**www.axa.com**).

III – Re-appointment of two members of the Board of Directors and appointment of a new member

ORDINARY RESOLUTIONS 5 TO 7

You are being asked to approve the re-appointment of Mr. Jean-Martin Folz and Mr. Giuseppe Mussari, whose terms of office expire at the end of this General Shareholders' Meeting, as members of the Board of Directors, for a four-year term, pursuant to Article 10 of the Company's Bylaws. If re-appointed, their term of office would expire at the end of the General Shareholders' Meeting called in 2015 to approve the financial statements of the preceding fiscal year. Short biographies of Mr. Jean-Martin Folz and Mr. Giuseppe Mussari appear in the exhibits to this report.

The term of office of Mr. Ezra Suleiman expires at the end of this General Shareholders' Meeting; the Board of Directors, upon recommendation of the Ethics & Governance Committee, has decided to propose the appointment of Mr. Marcus Schenck to replace him, for a period of four years, pursuant to Article 10 of the Company's Bylaws; his term of office would expire at the end of the General Shareholders' Meeting called in 2015 to approve the financial statements of the preceding fiscal year. Mr. Marcus Schenck's candidacy was selected due to his financial knowledge and experience. Mr. Schenck has been a member of the Management Board and Chief Financial Officer of E.ON AG (Germany) since 2006 after spending nine years at Goldman Sachs and six years at McKinsey & Co.

The Board of Directors has also reviewed Mr. Marcus Schenck's situation in light of the recommendations of the AFEP/MEDEF Code of corporate governance of December 2008 and considers him independent. A short biography of Mr. Marcus Schenck appears in the exhibits to this report.

IV – Authorizations enabling the Company to buy its own shares and, as the case may be, to cancel these shares

ORDINARY RESOLUTION 8 AND EXTRAORDINARY RESOLUTION 24

The Board of Directors requests that shareholders once again authorize it to purchase up to 10% of the Company's outstanding share capital, or 5% of the total number of shares constituting the share capital in the case of shares acquired by the Company for the purpose of holding them for subsequent payment or tender in a merger, spin-off or contribution.

These shares may be acquired for the purpose of: a) optimizing the liquidity of the AXA share, in particular to foster regular and liquid trading in the securities through a liquidity contract that complies with the Association française des marchés financiers (AMAFI) Code of Ethics approved by the Autorité des marchés financiers (AMF), b) (i) hedging stock options offered to some or all employees or eligible executive officers of the AXA Group, (ii) granting free shares to some or all former or present employees, executive officers and general insurance agents enrolled in a company savings plan sponsored by the Company or the AXA Group, (iii) granting free shares to some or all employees or eligible executive officers of the Company or the AXA Group pursuant to the provisions of Articles L.225-197-1 et *seq* of the French Commercial Code, or, (iv) assigning shares to some or all present or former employees, executive officers and general insurance agents of the AXA Group in connection with the implementation of an employee savings plan pursuant to applicable laws and regulations, or any other employee savings plan, c) holding shares for the purpose of subsequent payment or in exchange in the event of potential external growth acquisitions, in compliance with market practice accepted by the AMF, d) delivering shares upon exercise of rights attached to securities representing debt instruments giving a claim on the Company's share capital, e) cancelling some or all of these shares, provided that the Board of Directors is duly authorized by the shareholders, in an extraordinary resolution, to reduce the capital through the cancellation of the shares acquired pursuant to a share repurchase program, or f) in general, performing all operations admissible by the laws and regulations in force, provided that the shareholders are informed beforehand, by any means admitted by the regulations, in the event the Board of Directors wishes to use this share repurchase authorization for any objective that has not been expressly listed above.

The maximum unit price of purchase may not exceed €35, excluding expenses.

The acquisition, sale or transfer of these shares may be completed and paid for by all appropriate means in accordance with applicable laws and regulations.

In the event of a public offer on AXA's shares, the Company may pursue the execution of its share repurchase program in accordance with Article 232-15 of the AMF General Regulations, but only if the offer to purchase the Company's shares is paid for exclusively and entirely in cash and if the repurchase transactions carried out pursuant to an ongoing program are consistent with the objectives mentioned above in points b) and d) and are not likely to compromise the success of the offer. In this respect, the Board of Directors believes it is important that the Company may, if need be, repurchase the Company's shares, even in the event of a public offer, in order to comply with its obligations with regards to owners of securities representing debt instruments giving a claim on the Company's share capital (above-mentioned objective d)) or for the purpose of hedging employees and executive officers' profit sharing plans (above-mentioned objective b)).

The Board of Directors may also, in accordance with applicable laws and regulations, reallocate repurchased shares with regard to one or several objectives of the program, or transfer repurchased shares, it being specified that these reallocations and transfers may concern shares repurchased pursuant to previous authorizations.

The Board of Directors recommends that this authorization, which replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 29, 2010, under the eleventh resolution, shall be granted for a period of 18 months, starting from the date of this Shareholders' Meeting.

Under the twenty-fourth resolution, the Board of Directors also requests from the General Meeting to grant full authority, for a period of 18 months, to the Board of Directors, with the right to sub-delegate as provided by law, to reduce the Company's share capital through the cancellation, in one or several times, of the shares acquired by the Company by virtue of Article L.225-209 of the French Commercial Code, within the limit of 10% of the Company's share capital in any given 24-month period. This resolution replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 29, 2010, under the fourteenth resolution.

V – Authorizations granted to the Board of Directors to increase the share capital

EXTRAORDINARY RESOLUTIONS 9 TO 17

Pursuant to the regulatory provisions pertaining to capital increases, the Board of Directors reported on the business of the Company in 2010 and since the beginning of the 2011 fiscal year in the management report presented to your Meeting. This Report is included in the 2010 Annual Report filed with the AMF (*Autorité des marchés financiers*) and is made available in accordance with applicable laws and regulations, in particular on AXA's website (**www.axa.com**).

The shareholders, at their Meeting of April 29, 2010, transferred to the Board of Directors the financial authorizations previously granted to the Management Board allowing it to increase the share capital. These authorizations are to expire on June 30, 2011.

Therefore, the Board of Directors proposes, in the ninth to the seventeenth resolutions, to renew, for a period of 26 months, the delegations of authority, with the right to sub-delegate as provided by law, allowing it to issue shares or other securities with a claim on the share capital and to choose, in the most appropriate manner with respect to market conditions, the most suitable means for the financing of the Group development. These new authorizations would replace and render null and void the unused portion of the authorizations bearing the same objective that have been granted by the shareholders at their Meeting on April 30, 2009.

The upper limits of capital increases that may result from the ninth to the seventeenth resolutions detailed hereinafter are the followings:

- €1 billion in nominal value for capital increases by means of capitalization of reserves, earnings or premiums (ninth resolution), which represents, for reference purposes only, about 19% of the share capital as of February 3, 2011, provided that this upper limit is separate and distinct from the upper limits that may result from the other resolutions submitted to the Shareholders' Meeting;
- €2 billion in nominal value which corresponds to, for reference purposes only, approximately 38% of the share capital as of February 3, 2011, for capital increases by issue of ordinary shares or securities with a claim on ordinary shares, with preferential subscription rights of shareholders (tenth resolution);
- €1 billion in nominal value which corresponds to, for reference purpose only, approximately 19% of the share capital as of February 3, 2011, for capital increases by issue of ordinary shares or securities with a claim on ordinary shares, without preferential subscription rights of shareholders, provided that (i) this upper limit is common to the issues that may be carried out pursuant to the eleventh and twelfth resolutions (issue of ordinary shares or securities with a claim on ordinary shares without preferential subscription rights of the shareholders, respectively in the context of public offerings and private placements) and the fifteenth to the seventeenth resolutions (issue of share in the event of a public exchange offer initiated by the Company, in exchange for contributions in kind up to the limit of 10% of the share

capital, outside the event of a public exchange offer or as a result of the issue of securities giving a claim to AXA's share capital by subsidiaries of the Company) and (ii) it is deducted from the upper limit of €2 billion that is provided for in the event of a capital increase with preferential subscription rights of shareholders.

The upper limit (in nominal value) for the capital increases through the issue of ordinary shares that may be carried out pursuant to the delegations of authority proposed to the General Shareholders' Meeting accordingly amount to €2 billion (not including capital increases through capitalization of reserves, earnings or premiums that may be carried out by virtue of the ninth resolution, which are limited to €1 billion and not including capital increases that may be carried out in the context of Company savings plans pursuant to the nineteenth and twentieth resolutions, which are limited to €150 million, and not including capital increases resulting from the allocation of options or shares pursuant to resolutions twenty-one to twenty-three which each have a specific limit).

Finally, the maximum nominal amount of debt instruments giving a claim to the Company's share capital and issued pursuant to the tenth to the sixteenth resolutions may not exceed €6 billion.

The upper limits of capital increases specified in the resolutions shall be appraised without taking into account the additional amount of ordinary shares to be issued in order to safeguard, as required by law and applicable contractual terms providing for other cases of adjustment, the rights of owners of securities or other rights giving a claim to the share capital of your Company.

Within the limits of the delegations proposed to the General Shareholders' Meeting, the Board of Directors will have the necessary powers to set the terms and conditions of the securities issue, record the completion of the capital increases and amend the Company's Bylaws accordingly.

The Board of Directors will establish, if necessary and in accordance with the law, at the time it implements such delegations, an additional report describing the definitive conditions of such issue. This report, as well as the Statutory Auditors' special report, will subsequently be made available at the Company's registered office and then presented at the following Ordinary General Shareholders' Meeting.

The delegations of authority submitted to the approval of the General Shareholders' Meeting are detailed hereinafter:

Capital increase through the capitalization of reserves, earnings or premiums (resolution 9)

In the ninth resolution, the Board of Directors requests from the General Shareholders' Meeting, under the quorum and majority requirements pertaining to ordinary general shareholders' meetings, a delegation of authority in order to increase the capital through capitalization of reserves, earnings or premiums, within the upper limit of a maximum nominal amount of to €1 billion. This upper limit is separate and distinct from the upper limits of the other resolutions submitted for vote by your Shareholders' Meeting. The capital increases that may result from this resolution may be carried out, at the discretion of the Board of Directors, either by freely granting shares or by increasing the nominal value of existing shares.

Issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its Subsidiaries, with preferential subscription rights (resolution 10)

In the tenth resolution, the Board of Directors requests from the General Shareholders' Meeting a delegation of authority to issue ordinary shares or securities giving a claim to ordinary shares of the Company or one of its Subsidiaries, with preferential subscription rights. The total nominal amount of the capital increases that may be carried out by virtue of this resolution may not exceed €2 billion.

The securities giving a claim to ordinary shares of the Company or a subsidiary to be issued by virtue of this resolution may, in particular, consist in debt instruments, be combined with the issue of such debt instruments, or consist in instruments enabling the issue of such debt instruments.

The total nominal amount of the debt instruments that may be issued by virtue of this resolution shall not exceed €6 billion on the date of the decision to issue, provided that this upper limit is separate and distinct from the amount of the securities giving rights to the allotment of debt instruments to be issued pursuant to the eighteenth resolution submitted to this General Shareholders' Meeting, and from the amount of the debt instruments issued upon decision or authorization of the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

The shareholders have the right to exercise, under the conditions provided by law, their preferential subscription rights in order to subscribe to the shares or securities issued, on the basis of their exact right and as of right, if applicable and provided for by the Board of Directors.

Pursuant to this financial authorization, the Board of Directors will determine the category of the securities issued and set their subscription price, with or without payment of a premium, the form in which they shall be paid up, the date – even retroactive – as of which they shall earn dividends, and the conditions under which the securities issued by virtue of this delegation shall give a claim to ordinary shares of the Company or a Subsidiary.

Issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights (resolutions 11, 12 and 13)

The Board of Directors requests from your General Shareholders' Meeting a delegation of authority to issue, through public offerings (eleventh resolution) and/or private placements to qualified investors or a restricted circle of investors as defined in Article L.411-2 II of the French Monetary and Financial Code (*Code monétaire et financier*) (twelfth resolution), ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights.

In order to be able to seize the opportunities offered on the market and to optimize the Company's own-fund raising, your Board of Directors considers it useful to have the possibility to carry out capital increases, without preferential subscription rights for the shareholders.

The nominal amount of the capital increases that may be carried out by virtue of the eleventh resolution may not exceed €1 billion, provided that this upper limit is deducted from the overall upper limit of €2 billion pursuant to the tenth resolution.

The total nominal amount of the capital increases that may be carried out by virtue of the twelfth resolution may not exceed €1 billion, provided that this upper limit does not exceed the cap set by law (currently 20% of the share capital annually) and shall be deducted from the upper limit of €1 billion established in the eleventh resolution and the upper limit of €2 billion set by the tenth resolution.

The Board of Directors may issue, through public offerings (eleventh resolution) and/or private placements (twelfth resolution), ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, which may consist, in particular, in debt instruments, be combined with the issue of such debt instruments, or consist in instruments enabling the issue of such debt instruments, under the same conditions as those referred to in the tenth resolution. The nominal amount of the debt instruments that may be issued by virtue of the eleventh and twelfth resolutions shall be deducted from the €6 billion limit set by the tenth resolution. This upper limit is separate and distinct from the amount of securities giving the right to an allotment of debt instruments to be issued by virtue of the eighteenth resolution submitted to this General Shareholders' Meeting, as well as from the amount of the debt instruments issued upon decision or authorization of the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

The Board of Directors may grant shareholders a priority right to subscribe to shares as of right and/or on the basis of their exact rights in accordance with applicable laws and regulations.

The issue price of the securities issued pursuant to the eleventh and twelfth resolution will be established in accordance with the laws and regulations in force at the time of the issue. Currently applicable laws and regulations provide for a price at least equal to the volume-weighted average quoted price of the share over the three trading days immediately preceding the setting of the price, with a maximum discount of 5%.

In the thirteenth resolution, in accordance with the provisions of Article L.225-136 of the French Commercial Code, you are however proposed to authorize the Board of Directors to set the issue price as follows, within the limit of 10% of the share capital for each 12-month period: the issue price shall not be less than, at the discretion of the Board of Directors, (a) the volume-weighted average quoted price of the share on NYSE Euronext Paris over the trading day preceding the setting of the issue price or (b) the volume-weighted average quoted price of the share on NYSE Euronext Paris set over the trading day at the time the issue price is set, in each case minus a maximum discount of 5%.

The use of the authorization detailed hereinabove would allow your Company, given markets volatility, to take advantage of potential opportunities to carry out an issue of securities when the market conditions would not allow an issue in the conditions set forth in the eleventh and twelfth resolutions. In the event this authorization is used, the Board of Directors must establish a supplementary report, certified by the Statutory Auditors, detailing the definitive conditions of such operation and providing information for an assessment of its effective impact on the shareholders' situation.

Authorization for the purpose of increasing the amount of the initial issue of shares or securities, with or without preferential subscription rights (resolution 14)

In the fourteenth resolution, the Board of Directors also requests from your General Shareholders' Meeting, pursuant to the provisions of Article L.225-135-1 of the French Commercial Code, an authorization to increase the amount of an initial capital increase (carried out with or without preferential subscription rights of shareholders in application of the tenth to the thirteenth and the seventeenth resolutions), within the limit provided by applicable law (currently 15% of the initial issue), and at the same price as the price set for the initial issue. This authorization may apply if the Board of Directors notes an extra demand for subscriptions, in particular in order to grant a "green shoe" option conforming to market practice. The additional amount of capital increases that might result from the fourteenth resolution, granted by the Board of Directors, being deducted from the respective upper limits of the tenth to the thirteenth and the seventeenth resolutions, may not, under any circumstances, result in an increase in the upper limits set forth hereinbefore.

Issue of ordinary shares or securities giving a claim to ordinary shares of the Company in the event of a public exchange offer initiated by the Company (resolution 15)

In the fifteenth resolution, the Board of Directors requests from your General Shareholders' Meeting a delegation of authority to issue ordinary shares of the Company and/or securities giving a claim to ordinary shares of the Company, in the event of a public exchange offer initiated by the Company for securities of another company listed on one of the regulated markets of any State that is a party to the agreement on the European Economic Area or a member of the Organization for Economic Cooperation and Development (OECD). The maximum amount of the capital increases that may be carried out by virtue of this resolution may not exceed €1 billion, to be deducted from the upper limit of €1 billion set in the eleventh resolution and the upper limit of €2 billion set in the tenth resolution.

The nominal value of the debt instrument which could be issued pursuant to this resolution would be deducted from the upper limit of €6 billion established in the tenth resolution.

This authorization automatically entails the express waiver by the shareholders of their preferential rights to subscribe to the shares or securities issued by virtue of this delegation, for the benefit of the holders of the securities issued in the context of such public exchange offer.

Issue of ordinary shares or securities giving a claim to ordinary shares of the Company, in return for contributions in kind up to a maximum of 10% of the share capital (resolution 16)

In the sixteenth resolution, the Board of Directors requests from the General Shareholders' Meeting a delegation of authority to issue ordinary shares or securities giving a claim to ordinary shares of the Company, in return for contributions in kind made to the Company in the form of shares or securities giving an immediate and/or deferred claim to the share capital, up to an upper limit of 10% of the capital of the Company. This amount shall be deducted from the upper limit of €1 billion established in the eleventh resolution and the upper limit of €2 billion set in the tenth resolution.

The nominal value of the debt instrument which could be issued pursuant to this resolution would be deducted from the upper limit of €6 billion established in the tenth resolution.

This authorization automatically entails the express waiver by the shareholders of their preferential rights to subscribe to the shares or securities issued by virtue of this delegation, for the benefit of the holders of the shares or the securities so issued.

Issue of ordinary shares of the Company as a result of an issue of securities by subsidiaries of the Group (resolution 17)

In the seventeenth resolution, the Board of Directors requests from the General Shareholders' Meeting a delegation of authority to issue ordinary shares of the Company as a result of the issue of securities by the subsidiaries of the Company giving a claim to ordinary shares of the Company. The upper limit of the capital increases resulting from this resolution may not exceed €1 billion, which amount will be deducted from the upper limit of €1 billion established in the eleventh resolution and the upper limit of €2 billion set in the tenth resolution.

This authorization automatically entails the express waiver by the shareholders of their preferential rights to subscribe to the ordinary shares of the Company to which the securities issued by the subsidiaries may give a claim, for the benefit of the holders of the securities issued by subsidiaries. It is hereby specified that the shareholders of the Company will not have a preferential right to subscribe to such securities.

These securities may only be issued by subsidiaries of the Company with the prior approval of the Board of Directors of the Company.

VI – Delegation granted to the Board of Directors to issue securities that do not give a claim to the capital of the Company (resolution 18)

In the eighteenth resolution, the Board of Directors requests from the General Shareholders' Meeting a delegation of authority, with the right to sub-delegate as provided by law, to issue securities granting a right to debt instruments and that do not result in an increase in the Company's share capital, up to a maximum nominal amount of €2 billion, which is separate and distinct from the debt instruments to be issued pursuant to the tenth to the sixteenth resolutions or in accordance with Article L.228-40 of the French Commercial Code. This authorization covers the allotment of securities that are not mentioned in the tenth to the sixteenth resolutions and correspond to securities granting rights to the allotment of debt instruments such as, for example, bonds with warrants.

VII – Delegations of power granted to the Board of Directors for the purpose of issuing ordinary shares or securities giving a claim to ordinary shares of the Company in the context of a Company savings plan

EXTRAORDINARY RESOLUTIONS 19 AND 20

In the nineteenth resolution, you are asked to delegate to the Board of Directors, for a period of eighteen months, with the right to sub-delegate as provided by law, the power to issue, as provided in Articles L.225-129 et *seq*, L.225-138 I and II and L.225-138-1 of the French Commercial Code and Articles L.3332-1 et *seq* of the French Labor Code, ordinary shares or securities giving a claim to the Company's ordinary shares reserved for current or former employees, executive officers and general insurance agents of the Company or the AXA Group, within the limit of €150 million in nominal amount. This decision entails the express waiver by the shareholders of their preferential rights to subscribe to the shares or securities, if necessary freely granted, issued by virtue of this delegation, for the benefit of such employees, executive officers or general insurance agents, as well as their rights to subscribe to the shares issued in the context of the issue of such securities.

The issue price of the shares to be issued in accordance with applicable law shall not be more than 20% lower than the average quoted price of AXA shares on NYSE Euronext Paris over the twenty trading days preceding the day on which the Board of Directors formally sets the opening date of the subscription period, nor higher than this average.

However, if the General Shareholders' Meeting authorizes the Board of Directors to do so, the Board of Directors may, if it deems appropriate, reduce or suppress the aforementioned discount in particular in order to take into consideration the new international accounting standards, or, *inter alia*, locally applicable legal, accounting, fiscal or social provisions.

Additional information on the use by the Board of Directors of the authorization to issue shares or securities giving claims to the Company's share capital in the context of Company savings plan transactions approved by the General Shareholders' Meeting of April 29, 2010 are presented in section 2.2 herein "Full disclosure on executive compensation and share ownership" (*Employee Shareholding*) and in Appendix 8 "*Supplemental report by the Deputy Chief Executive Officer (Capital increase reserved for the employees* *of the AXA Group*) of the 2010 Annual Report filed with the AMF (*Autorité des marchés financiers*) and which is made available in accordance with applicable laws and regulations, in particular on AXA's website (**www.axa.com**).

In the continuity of the nineteenth resolution, you are asked, in the twentieth resolution, to delegate to the Board of Directors, for a period of eighteen months, with the right to sub-delegate as provided by law, the power to carry out one or several capital increases reserved for (i) employees, executive officers and general insurance agents of the companies or economic interest groups affiliated with the Company pursuant to Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code and incorporated outside of France; (ii) and/or mutual funds or other company savings plans invested in securities in the Company, as a legal entity or otherwise, whose shareholders or unit holders are the persons described in (i) of this paragraph; (iii) and/or any bank or any entity held by a bank which, at the Company's request, participates in the implementation of a structured offer for the persons mentioned in (i) of this paragraph.

The purpose of such capital increase is to allow the employees, executive officers or general agents of the AXA Group residing in certain countries to benefit, taking into account locally applicable regulatory or fiscal restrictions, from structures that are as similar in economic profile as is possible to those offered to the other employees of the Group in the context of the implementation of the nineteenth resolution.

The nominal amount of the capital increase that may result from the implementation of this delegation may not exceed €150 million, provided that this limit is common to the nineteenth and twentieth resolutions, so that the amount of the capital increase that may result from the implementation of the nineteenth and twentieth resolutions may not exceed the nominal amount of €150 million, but is separate and distinct from the upper limits of the capital increases resulting from the issues of ordinary shares or securities giving a claim on the share capital authorized by the other proposed resolutions.

The issue price of the new shares to be issued under the twentieth resolution shall not be higher nor more than 20% lower than the average quoted price of the AXA share on NYSE Euronext Paris over the twenty trading days preceding the day on which the Board of Directors formally sets the opening date of the subscription period, and the Board of Directors may reduce or suppress any discount so granted if it deems such reduction or suppression appropriate in order, specifically, to comply with locally applicable legal, accounting, fiscal and social regulations.

In the twentieth resolution, we also submit to the approval of the Shareholders the AXA Financial stock plan, operated by this entity of the Group in the United States, pursuant to which existing AXA shares are purchased from the market and offered to employees and agents of AXA Financial and other participating U.S. subsidiaries. AXA's U.S. subsidiaries have operated similar plans for many years. Following our deregistration from the U.S. Securities and Exchange Commission in 2010, under certain U.S. state laws, equity plans operated by our U.S. subsidiaries are required to be submitted to the approval of AXA shareholders, although they do not involve the issuance of new shares or the repurchase of shares by AXA itself.

In the event the Board of Directors would use the delegations of power described above, the Board of Directors and the Statutory Auditors shall establish supplementary reports, in accordance with applicable law

VIII – Authorizations granted to the Board of Directors to allocate performance shares and subscription or purchase options to employees of the AXA Group

EXTRAORDINARY RESOLUTIONS 21 AND 22

During its meeting of April 29, 2010, the shareholders transferred to the Board of Directors with the right to sub-delegate as provided by law, the aggregate authorizations previously granted to the Management Board necessary to grant performance shares and subscription or purchase options to the employees of the AXA Group that were in effect at the time. These authorizations will expire in June, 2011.

The Board of Directors thus proposes, in its twenty-first and twenty-second resolutions, to renew, for a period of thirty-eight months, the authorizations necessary to grant subscription or purchase options as well as performance shares to the employees of the AXA Group. These authorizations would replace and render null and void the unused portion of the authorizations granted for the same purpose by the shareholders at their Meeting of April 22, 2008.

Stock option plans and performance share plans are implemented by the Company in order to encourage the employees to play an effective part, directly or indirectly, in the achievement of results in the performance of the AXA Group. These supplemental compensation mechanisms are often used by international companies and have become a critical element of compensation, effective in attracting and keeping the most talented elements in our sector of activity. In the absence of such measures, AXA would have to replace them with much more costly measures.

Allotment of the performance shares (resolution 22)

Pursuant to the provisions of Articles L.225-197-1 *et seq* of the French Commercial Code, you are asked to authorize the Board of Directors, with the right to sub-delegate as provided by law, for a period of thirty-eight months from the date of this General Shareholders' Meeting, to freely grant, in one or several times, existing or newly issued shares of the Company to certain employees and eligible executive officers of the AXA Group.

The purpose of the allotment of performance shares is to reward and to retain the best talents by associating them to the intrinsic performance of the AXA Group and of their operational business unit as well as to the performance of the AXA share in the medium-term (two to four years). The number of shares initially allotted is first determined for each entity, generally in relation with its contribution to the Group earnings as for the previous fiscal year. The allotments finally granted are decided by the Board of Directors for each beneficiary according to the following criteria: the importance of the position, the importance of the individual in his or her position, his or her development in the future, i.e. his or her potential and the quality of the individual contribution. The Board of Directors also determines the number of shares granted to each beneficiary in consideration of an analysis of the plans implemented by other companies in the same sector of activity and the practices in each country.

The total number of shares that may be allocated by virtue of this authorization may not exceed **1%** of the number of shares constituting the Company's share capital on the date of the Board of Directors' decision to grant such shares, provided that this limit is set independently of the upper limit set in the resolution concerning the subscription and purchase options (twenty-first resolution) and the upper limits set in the other financial authorizations proposed to the General Shareholders' Meeting.

Furthermore, within this aforementioned limit, the Board of Directors proposes that the total number of shares to be granted each year under this authorization to the executive officers of the Company may not exceed **10%** of the total number of shares allocated to all of the beneficiaries during the same fiscal year by the Board of Directors under this authorization.

The allotment of the shares described above to their beneficiaries will become definitive at the expiration of an acquisition period of at least two years, and the beneficiaries must then hold these shares for a minimum period of two years from the definitive date of allotment of the shares. However, this holding period may be reduced or waived by the Board of Directors for shares for which the acquisition period is set at a minimum of four years.

AXA's current policy, furthermore, for all of the beneficiaries (executive officers or employees), is to subject the definitive allotment of all of the shares (1) to the effective presence of the beneficiary in the Group at the expiration of the acquisition period and (2) to the satisfaction of collective performance conditions measuring, within the acquisition period, both the Group's performance and the performance of the beneficiary's entity based on pre-determined quantitative objectives. These performance conditions, determined by the Board of Directors, are defined and reviewed every year in function of the Group's strategic objectives. For example, in 2010, the performance indicators were related, (i) for the operational business units performance, to underlying earnings and net income and (ii) for the AXA Group performance, to net income per share.

In accordance with the law, the Board of Directors will resolve either that shares granted to eligible executive officers under this authorization may not be assigned prior to the expiration of their term of office, or set the number of shares that must be held by them until the expiration of their term.

This authorization replaces and renders null and void the unused portions of the authorization granted by the shareholders at their Meeting of April 22, 2008, concerning the free allotment of shares of the Company.

A report established by the Board of Directors will inform the shareholders annually at a General Shareholders' Meeting of all allotments of performance shares made under this resolution.

For further information on AXA's policy relative to the allotment of performance shares, you may also consult Part 2.2 "Full disclosure on executive compensation and share ownership" in the 2010 Annual Report filed with the AMF and which is made available in accordance with applicable laws and regulations, in particular on AXA's website (**www.axa.com**).

Allotment of subscription and purchase options (resolution 21)

In accordance with Articles L.225-177 et *seq* of the French Commercial Code, we are asking you to authorize the Board of Directors, for a period of thirty-eight months from the date of this General Shareholders' Meeting, to grant to employees and eligible executive officers of the AXA Group options giving the right to subscribe to newly issued shares of the Company or to purchase existing shares acquired through share repurchase programs carried out by the Company in accordance with applicable legal provisions.

The purpose of the allotment of the subscription options or purchase options is to encourage the beneficiaries of such options in the development of the Group, by allowing them to benefit from any increase in the value of the shares to which their options grant them a claim. The attribution criteria for such options generally retained by the Company are the same as the criteria described hereinabove for the allotment of performance shares.

The terms and conditions proposed by the Board of Directors for the establishment of the subscription or purchase price of the shares acquired by the exercise of the subscription or stock options are set forth below.

The Board of Directors shall determine, on the day it grants the options, the subscription or purchase price of the shares within the limits and pursuant to the terms set by law, provided that such price shall not be less than the average quoted price of the AXA share on NYSE Euronext Paris for the twenty trading days prior to the date the Board of Directors grants such options.

All options so granted shall be exercised within a period of ten years commencing on the grant date. In accordance with the law, as for options allotted to eligible corporate officers, the Board of Directors may prohibit the exercise of options for as long as their beneficiaries hold their positions or immediate resale with the obligation to own in registered form all or some of the shares that result from the exercise of options for as long as they hold their position. Notwithstanding the foregoing, if the Board of Directors decides to prohibit, pursuant to the provisions of Article L.225-185 of the French Commercial Code, the exercise of the options for as long as the beneficiaries hold their positions, the deadline for exercise shall not expire before a minimum period of six months starting from the date the prohibition ends. The period for exercising the options will be postponed accordingly.

The options granted by virtue of this authorization may not give any rights to subscribe or purchase a total number of shares greater than **2%** of the number of shares constituting the Company's share capital on the date of allotment of the options by the Board of Directors, provided that this upper limit is independent of the upper limit set by the resolution concerning the allotment of shares (twenty-second and twenty-third resolutions) and the upper limits of the other financial authorizations proposed to this General Shareholders' Meeting.

Furthermore, within this aforementioned upper limit, the Board of Directors proposes that the total number of options to be granted each year under this authorization to all of the executive officers of the Company may not exceed **10%** of the aggregate options granted to all of the beneficiaries during the same fiscal year by the Board of Directors under this authorization.

In accordance with the law, the Board of Directors will have all powers to set the list of beneficiaries of the options and the number of options allotted to each beneficiary, and the terms and conditions applicable to the options, provided that each allotment of options to executive officers of the Company is entirely subject to the attainment of one or several quantitative performance conditions set by the Board of Directors. For example, for the past few years, the exercise of all the options granted to executive officers was subject to the attainment of the performance condition requiring that the AXA share performed at least as well as the *Dow Jones EuroStoxx Insurance* index. Such condition was assessed either as from the date of allotment of the options, or over the prior three years. This same performance objective is also applicable to one third of the options granted to any beneficiary receiving at least 5,000 options and to the aggregate options granted to the members of the Management Committee.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 22, 2008, concerning the granting of subscription or purchase options.

A report established by the Board of Directors will inform the shareholders annually at a General Shareholders' Meeting of all allotments of subscription or stock options granted under this resolution.

For further information on AXA's policy with regards to the allotment of performance shares, you may also consult Part 2.2 "Full disclosure on executive compensation and share ownership" of the 2010 Annual Report filed with the AMF and which is made available in accordance with applicable laws and regulations, in particular on AXA's website (**www.axa.com**).

IX – Authorization granted to the Board of Directors to grant free shares to all employees of the AXA Group

EXTRAORDINARY RESOLUTION 23

Under the twenty-third resolution, the Board of Directors associate the employees of the AXA Group with the implementation and attainment of its strategic objectives, through the allotment of free shares to all the employees of the Group.

This authorization is implemented in accordance with the provisions of Article 22 of the law of December 3, 2008 *en faveur des revenus du travail* (in favor of earned income). The objective of this law is, in particular, to grant free shares and stock options to a larger category of beneficiaries.

The plan envisaged by the Board of Directors, subject to adoption of the twenty-third resolution by the General Shareholders' Meeting, would consist in granting an identical number of AXA shares to all Group employees, in France and abroad. However, in all countries where the legal or tax regime applicable to free allotments of shares is not advantageous, the Board of Directors would reserve the right to implement a different form of employee savings plan for the employees in such countries.

The total number of shares granted by virtue of this authorization shall not be higher than 0.4% of the number of shares composing the Company's share capital on the date the allotment is decided by the Board of Directors, provided that this limit is independent of the 1% and 2% limits respectively set in the twenty-second and twenty-first resolutions and the upper limits of the other financial authorizations proposed to this General Shareholders' Meeting.

This allotment could be carried as from 2012, upon decision of the Board of Directors. Each beneficiary would then receive an identical number of AXA shares. Half of these shares would be granted subject to the prior attainment of a performance objective (for example underlying earnings per share or customer scope index).

The freely allotted shares would be definitively acquired by their respective beneficiaries at the expiration of an acquisition period of at least two years or four years depending on each country, subject to the condition that the concerned employee has not left the Group on the date of the definitive grant.

At the expiration of the acquisition period (two years or four years, depending on the country), the shares must be held for an additional period of two years for employees subject to an acquisition period of two years but will be immediately available for transfer or sale for those employees subject to a minimum acquisition period of four years.

In any case, the employees, in France and abroad, may freely sell or transfer their shares after the expiration of a minimum period of four years from the date of allotment by the Board of Directors.

A report established by the Board of Directors will inform the shareholders annually at a General Shareholders' Meeting of all allotments of shares granted under this resolution.

X – Modification of the Bylaws regarding the notification, by electronic means, of the appointment and revocation of the shareholder representative during General Shareholders' Meetings

EXTRAORDINARY RESOLUTION 25

Pursuant to Decree n°2010-684 dated June 23, 2010 regarding shareholder rights in listed companies, these companies should allow their shareholders to notify, by electronic means, the appointment and revocation of their representative during General Shareholders' Meetings. As a consequence, in the twenty-fifth resolution, you are asked to approve the modification of Article 23 of the Bylaws in order for the option granted to the Board of Directors by the Bylaws, which allows the transmission of the proxy by electronic form, to become mandatory on the one hand, and, on the other hand, to allow the shareholders to revoke, also by electronic form, the previously transmitted proxy.

Formalities

RESOLUTION 26

The twenty-sixth resolution proposed for your approval is for the purpose of granting full authority to carry out all formal publication, filing and other requirements as the case may be, following this General Shareholders' Meeting.

SUPPLEMENTAL REPORT BY THE DEPUTY CHIEF EXECUTIVE OFFICER (CAPITAL INCREASE RESERVED FOR EMPLOYEES OF THE AXA GROUP)

The Board of Directors decided, in its meeting on June 9, 2010, on the principle and the timetable for a new increase in the capital of the Company through the issue of a maximum of 65,502,183 shares of the Company reserved for the employees of the French and foreign entities of the AXA Group ("Shareplan 2010").

In compliance with the authorization, pursuant to the provisions of Articles L.225-129 *et seq*, L.225-138 I and II and L.225-138-1 of the French Commercial Code and articles L.3332-1 *et seq* of the French Labor Code, granted to the Board of Directors by the twelfth resolution of the General Shareholders' Meeting of the Company on April 29, 2010 and the delegation of powers granted to me by the Board of Directors in its meeting on June 9, 2010 with the agreement of the Chief Executive Officer, I, the undersigned have applied such authorization to establish in my decision of October 28, 2010 the definitive terms and conditions to be applied to this operation.

It is hereby reiterated that this authorization by the General Shareholders' Meeting on April 29, 2010 was granted to the Board of Directors for a period of 18 months from the date of such Meeting to increase the share capital, in one or several offerings, at its sole discretion, through the issue of shares reserved to (i) present or former employees, corporate officers and general insurance agents enrolled in the Employee Stock Purchase Plan (PEEG) sponsored by AXA entities in France and (ii) present or former employees enrolled in the International Employee Stock Purchase Plan (PIAG) sponsored by AXA entities the registered offices of which are located outside France, (hereafter collectively referred to as the "Employees"), limited to a maximum nominal amount of €150 million.

The authorization by the General Shareholders' Meeting as set forth above shall be carried out with the preferential subscription rights of the shareholders being waived in favor of the employees of the Group enrolled in an employee savings plan for shares or securities to be issued and with a waiver of their preferential subscription rights to those shares to which the securities issued may grant rights.

1. Definitive conditions of the operation

In addition to the traditional subscription formula for the capital increase offered to the employees, an investment leverage formula will be offered by the Group. In the context of this investment leverage formula, several compartments of the Employee Stock Ownership Funds (FCPE) were created, for French and foreign residents.

In the context of the investment leverage formula, the holders of FCPE units will be the beneficiaries of a mechanism that allows them to limit their personal contribution for the subscription of shares to 10% of the subscription price for such shares. Under a swap agreement entered into by the FCPE, the net asset value of their units at the time of liquidation at the term of the FCPE, or in any event provided for under law at the time of any early redemption prior to this date, will be equal to the amount of their personal contribution guaranteed in euros and a percentage of any gain on all of the shares they subscribed to through the FCPE.

Regulations applicable to the FCPE, authorized by the *Autorité des marchés financiers* on July 6, 2010, define more completely the parameters applicable to this operation.

In compliance with applicable legal provisions, the Board of Directors in its meeting on June 9, 2010, decided that the issue prices for the new shares would correspond to the following:

- for the traditional formula, 80% of the arithmetical average of the opening price for AXA shares traded on Compartment A of Euronext Paris, over the 20-day trading period ending on the last trading day prior to the decision by the Deputy Chief Executive Officer setting the dates for the retraction/subscription period;
- for the investment leverage formula, 83.29% of the arithmetical average of the opening price for AXA shares traded on Compartment A of Euronext Paris, over the 20-day trading period ending on the last trading day prior to the decision by the Deputy Chief Executive Officer setting the dates for the retraction/subscription period.

And consequently I, the undersigned, in my decision of October 28, 2010:

1. find that the average of the opening price for AXA shares traded on Compartment A of Euronext Paris for the period from September 30, 2010 (inclusive) to October 27, 2010 (inclusive) is **€13.22**, after rounding up to the nearest eurocent (hereinafter the "**Reference Price**");
2. decide that, for the traditional formula, the unit subscription price for new shares offered in the context of the increase in share capital reserved for Employees will be equal to **€10.58**, i.e. 80% of the Reference Price;
3. decide that, for the investment leverage formula, the unit subscription price for new shares offered in the context of the increase in share capital reserved for Employees will be equal to **€11.01**, i.e. 83.29% of the Reference Price.

I, the undersigned decide to set the dates for the retraction/subscription period for the Shareplan 2010 operation as from November 2, 2010 inclusive to November 5, 2010 inclusive.

The date of establishment of the increase in share capital is set for December 3, 2010.

2. Effects of the proposed issue

The effect of the issue of a maximum of 65,502,183 new shares on the holdings in the share capital of a shareholder owning 1% of the capital of AXA [1] and who does not subscribe to the increase in the share capital is as follows:

Holding of the shareholder in the share capital	
Prior to the issue	1.00%
After the issue of the maximum number of 65,502,183 new shares	0.97%

In addition, the effect of this issue on the interest in consolidated shareholders' equity as at June 30, 2010, for a shareholder holding one AXA share and not subscribing to the increase in capital is as follows:

- In the event where the entire offer is subscribed to under the traditional formula:

Interest in consolidated shareholders' equity as of June 30, 2010 (per share)	
Prior to the issue	€21.24
After the issue of the maximum number of 65,502,183 new shares	€20.94

- In the event where the entire offer is subscribed to under the investment leverage formula:

Interest in consolidated shareholders' equity as of June 30, 2010 (per share)	
Prior to the issue	€21.24
After the issue of the maximum number of 65,502,183 new shares	€20.95

It is hereby reiterated that the numbers stated herein are calculated based on the theoretical maximum number of shares that can be issued in the context of the increase in share capital that is the subject of this report. For informational purposes only, under the Shareplan 2009 operation, a total number of 26,390,246 shares was subscribed to as follows: 1,792,503 new shares under the traditional formula, and 24,597,743 new shares under the investment leverage formula.

Taking into account the issue price and the volume of the operation, this should not have any significant effect on the share's market value.

In compliance with the provisions of Article R.225-116 of the French Commercial Code, this report is available to the shareholders at the registered office of the Company, and the shareholders will be informed of it at the next General Shareholders' Meeting.

Made on October 28, 2010,

Denis Duverne
Deputy Chief Executive Officer

(1) The capital of AXA is determined based on the number of shares constituting the share capital declared by the Company to the Autorité des marchés financiers (AMF) on October 6, 2010, i.e. 2,290,006,797 shares.

Reports of the Statutory Auditors

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SPECIAL REPORT OF STATUTORY AUDITORS ON THE ISSUE OF SHARES AND/OR SECURITIES GIVING A CLAIM ON ORDINARY SHARES OR DEBT INSTRUMENTS, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS

(General Shareholders' Meeting on April 27, 2011 –10th, 11th, 12th, 13th, 14th 15th 16th and 17th resolutions)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA, and in accordance with the terms of our appointment pursuant to the French Commercial Code, and in particular pursuant to its Articles L.228-135, L.225-136 and L.228-92, we hereby submit our report on the proposed delegations of authority to the Board of Directors for various issues of ordinary shares and/or securities, on which you are being asked to deliberate and vote.

On the basis of its report, your Board of Directors proposes to your General Meeting:

- to delegate to the Board of Directors, with the right to sub-delegate, for a 26-month period, the authority to resolve the following issues, in France or abroad, and set their final terms and, as the case may be, to waive your preferential subscription rights:
  - issue ordinary shares and/or securities giving a claim on ordinary shares of the Company, or, pursuant to Article L.228-93 of the French Commercial Code, of a company in which the Company holds directly or indirectly more than half of the capital, and/or the right to an allotment of debt instruments, with preferential subscription rights (10th resolution),
  - issue ordinary shares of the Company to which the securities issued by one or more companies in which the Company directly or indirectly owns more than half of the capital may give a claim, without preferential subscription rights (17th resolution),
  - issue through public offerings, ordinary shares of the Company and/or securities giving a claim to ordinary shares of the Company or, pursuant to Article L.228-93 of the French Commercial Code, of a company in which the Company holds directly or indirectly more than half of the capital, and/or the right to an allotment of debt instruments, without preferential subscription rights and, as need be, subject to a priority right granted to the shareholders by the Board of Directors (11th resolution),
  - issue, in the context of placements as set forth in section II of Article L.411-2 of the French Monetary and Financial Code, ordinary shares of the Company and/or securities giving a claim to ordinary shares of the Company or, pursuant to Article L.228-93 of the French Commercial Code, of a company in which the Company holds directly or indirectly more than half of the capital, and/or the right to an allotment of debt instruments, without preferential subscription rights and, as need be, subject to a priority right granted to the shareholders by the Board of Directors (12th resolution),
  - issue ordinary shares and/or securities giving a claim on ordinary shares of the Company and/or the right to an allotment of debt instruments, in return for securities tendered to the Company, in France or abroad, during a public exchange offer initiated by the Company and complying with the conditions set in Article L.225-148 of the French Commercial Code (15th resolution),
  - issue ordinary shares and/or securities giving a claim on ordinary shares of the Company and/or the right to an allotment of debt instruments, in return for the contributions in kind made to the Company in the form of shares or securities giving a claim to the capital within the limit of 10% of the share capital (16th resolution),

- to authorize it, under the 13th resolution, in the event of an issue of ordinary shares and/or securities giving a claim to the capital of the Company or pursuant to Article L.228-93 of the French Commercial Code, of a company in which the Company holds directly or indirectly more than half of the capital, without preferential subscription rights, under the terms, and specifically the amount, set forth in the 11th and 12th resolutions, to set the issue price within the limit of 10% of the share capital for each 12-month period.

The total nominal amount of capital increases that may be carried out, immediately or in the future, shall not exceed:

- €2 billion for capital increases by issue of ordinary shares or securities giving a claim on ordinary shares, with preferential subscription rights (10th resolution);
- €1 billion for capital increases by issue of ordinary shares or securities giving a claim on ordinary shares, without preferential subscription rights of shareholders, provided that this upper limit is common to the issues that may be carried out pursuant to the 11th to 17th resolutions and is deducted from the upper limit of €2 billion provided for in the 10th resolution.

The total nominal amount of debt instruments that may be issued pursuant to the 10th to 16th resolutions may not exceed €6 billion.

To the extent the 14th resolution is approved, the number of securities, which are to be created pursuant to the delegations of authority referred to in the 10th to 13th and 17th resolutions, may be increased in the conditions set forth in Article L.225-135-1 of the French Commercial Code and within the upper limits set forth in the 10th and 11th resolutions respectively.

Your Board of Directors is required to prepare a report in accordance with Articles R.225-113, R.225-114 and R.225-117 of the French Commercial Code. Our role is to express an opinion on the fairness of the figures resulting from the financial statements, on the proposal for suppression of the preferential subscription rights and on other information pertaining to the issue contained in this report.

We performed our work in accordance with the standards of our profession applicable in France. Those standards require that we plan and perform procedures to verify the fairness of the information provided in the report of the Board of Directors and the fairness of the terms and conditions under which the issue price is being determined.

Notwithstanding subsequent review of the finals terms of any issue that would be resolved, we have no matters to report concerning the methods used to set the issue price of shares to be issued, such methods being detailed in the Board of Directors' report for the 11th, 12th, 13th and 17th resolutions.

Moreover, to the extent that this report does not specify the methods used to set the issue price of shares to be issued pursuant to the 11th, 15th and 16th resolutions, we can not express any opinion as to the choice of the calculation elements of the issue price.

Since the amount of the issue price is not set, we do not express any opinion as to the final terms according to which the issues can be carried out, and consequently, as to the proposal for suppression of the preferential subscription rights of the 11th, 12th, 13th and 17th resolutions.

In accordance with Article R.225-116 of the French Commercial Code, we will submit a supplementary report, as the case may be, when your Board of Directors will recourse to these authorizations in the event of issues of ordinary shares without preferential subscription rights and of issues of securities giving a claim on the capital and/or the right to an allotment of debt instruments.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

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SPECIAL REPORT OF STATUTORY AUDITORS ON THE ISSUE OF SECURITIES ENTITLING TO AN ALLOTMENT OF DEBT INSTRUMENTS

(General Shareholders' Meeting on April 27, 2011 - 18th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and which is provided solely for the convenience of English readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA, and in accordance with the terms of our appointment pursuant to the French Commercial Code, and in particular pursuant to its Article L.228-92, we hereby submit our report on the proposed delegation of authority to your Board of Directors in order to issue securities that entitle to an allotment of debt instruments, without increase of the Company's share capital, on which you are being asked to deliberate and vote.

On the basis of its report, your Board of Directors proposes to your General Meeting to authorize it, for a 26-month period, to resolve such operation. If applicable, it shall set the definitive terms of such issue.

The nominal amount for which all the aforementioned securities may be issued may not exceed €2 billion provided that this maximum nominal amount is independent from the amount of any debt instruments that would be issued by virtue of the 10th to 16th resolutions and that any redemption premiums above the nominal value shall be added to this amount.

Your Board of Directors is required to prepare a report in accordance with Articles R.225-113, R.225-114 and R.225-117 of the French Commercial Code. Our role is to express an opinion on the fairness of the figures resulting from the financial statements, and on other information pertaining to the issue contained in this report.

We performed our work in accordance with the standards of our profession applicable in France. These standards require that we verify the contents of the Board of Directors' report on such transaction.

In accordance with Article R.225-116 of the French Commercial Code, we will submit a supplementary report, as the case may be, when your Board of Directors will make use of this authorization in the event of an issue of securities that entitle to an allotment of debt instruments.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

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SPECIAL REPORT OF STATUTORY AUDITORS ON THE CAPITAL INCREASE RESERVED FOR EMPLOYEES ENROLLED IN THE EMPLOYER-SPONSORED COMPANY SAVINGS PLAN

(General Shareholders' Meeting on April 27, 2011 – 19th resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA, and in accordance with Articles L.225-135 *et seq* and L.228-92 of the French Commercial Code, we hereby submit our report on the proposed capital increase without preferential subscription rights, up to a nominal amount of €150 million, by issuing ordinary shares or other securities with a claim to the share capital of the Company, reserved for current or former employees, executive officers and general insurance agents of your Company and affiliated companies or economic interest groups within the meaning of Article L.225-180 of the French Commercial Code and articles L.3344-1 and L.3344-2 of the French Labour Code who are enrolled in AXA's employer-sponsored Company savings plan(s), on which you are being asked to deliberate and vote.

The Board of Directors' report specifies that this maximum amount (€150 million) is common to the capital increases that may be carried out pursuant to this resolution and the 20th resolution

This capital increase is being submitted to your approval pursuant to Articles L.225-129-6 of the French Commercial Code and L.3332-18 *et seq* of the French Labour Code.

On the basis of its report, your Board of Directors proposes that you grant it, over a period of 18 months and with the right to sub-delegate, the power to set the terms of such capital increase and that you waive your preferential subscription rights on any shares or securities granting a claim to shares to be issued.

Your Board of Directors is required to prepare a report in accordance with Articles R.225-113, R.225-114 and R.225-117 of the French Commercial Code. Our role is to express our opinion as to the fairness of the figures resulting from the financial statements, on the proposal for suppression of the preferential subscription rights, and on other information pertaining to the issue contained in this report.

We performed our work in accordance with the standards of our profession applicable in France. These standards require that we verify the fairness of the information contained in the report of the Board of Directors and the fairness of the terms and conditions under which the issue price is being determined.

Notwithstanding subsequent review of the terms and conditions under which any of these capital increases may be decided, we have nothing to report concerning the methods used to set the issue price of securities to be issued, as disclosed in the Board of Directors' report.

Since the amount of the issue price is not set, we do not express any opinion as to the final terms and conditions under which the capital increase will be carried out, and consequently, as to the proposal for suppression of the preferential subscription rights.

In accordance with Article R.225-116 of the French Commercial Code, we will prepare a complementary report, as the case may be, when your Board of Directors will make use of this authorization.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

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REPORT OF THE STATUTORY AUDITORS ON THE CAPITAL INCREASE WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, RESERVED FOR A CATEGORY OF BENEFICIARIES

(General Shareholders' Meeting on April 27, 2011 – 20th resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA, and in accordance with the terms of our assignment pursuant to Articles L.225-135 *et seq* of the French Commercial Code, we hereby submit our report on the proposed increase of the share capital without preferential subscription rights, up to a maximum nominal amount of €150 million, and reserved for a category of beneficiaries, on which you are being asked to deliberate and vote.

This capital increase is being submitted to your approval pursuant to Articles L.225-129-6 of the French Commercial Code.

Acting on the basis of its report, your Board of Directors proposes that you grant it, over a period of 18 months and with the right to sub-delegate, the power to set the terms of such capital increase and that you waive your preferential subscription rights on any shares or securities granting a claim to shares to be issued.

Your Board of Directors is required to prepare a report in accordance with Articles R.225-113 and R.225-114 of the French Commercial Code. We are required to give our opinion on the fairness of the figures resulting from the financial statements, on the proposal for suppression of the preferential subscription rights and on other information pertaining to the issue contained in this report.

We performed our work in accordance with the standards of our profession applicable in France. Those standards require that we plan and perform procedures to verify the fairness of the information provided in the report of the Board of Directors and the fairness of the terms and conditions under which the issue price is being determined.

Notwithstanding subsequent review of the final terms under which the proposed capital increase may be conducted, we have no particular observations to make with respect to the methods used to determine the issue price that are described in the report of the Board of Directors.

To the extent that the amount of the issue price is not set, we do not express any opinion as to the final terms according to which the capital increase will be carried out, and consequently, as to the proposal for suppression of the preferential subscription rights.

In accordance with Article R.225-116 of the French Commercial Code, we will submit a complementary report, as the case may be, when your Board of Directors will make use of this delegation.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

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REPORT OF THE STATUTORY AUDITORS ON THE AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS TO GRANT SUBSCRIPTION OR PURCHASE OPTIONS TO EMPLOYEES AND ELIGIBLE EXECUTIVE OFFICERS OF THE AXA GROUP

(Extraordinary Shareholders' Meeting on April 27, 2011 – 21st resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA and as required under the provisions of Article L.225-177 and R .225-144 paragraph 2 of the French Commercial Code, we hereby submit this report on the grant of stock purchase and/or stock subscription options to certain employees and eligible executive officers of the Company and of affiliated economic interest groups or companies pursuant to the conditions defined in Article L.225-180 of the French Commercial Code.

Your Board of Directors is required to prepare a report on the reasons of such grants as well as the terms and conditions under which the subscription or purchase price is being determined. Our role is to express our opinion regarding these terms and conditions under which the subscription or purchase price is being determined.

We performed our work in accordance with the standards of our profession applicable in France. These standards require that we verify whether the proposed reasons and conditions to determine the subscription or purchase price are mentioned in the Board of Directors' report and are in accordance with the provisions set by law, provide the shareholders with deeper insight and are appropriate.

We have no matter to report concerning the proposed reasons and conditions.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

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REPORT OF THE STATUTORY AUDITORS ON THE GRANT OF EXISTING OR NEWLY ISSUED SHARES TO CERTAIN EMPLOYEES AND ELIGIBLE EXECUTIVE OFFICERS OF THE COMPANY

(Extraordinary Shareholders' Meeting on April 27, 2011 – 22nd resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA and as required under the provisions of Article L.225-197-1 of the French Commercial Code, we hereby submit this report on the grant of existing or newly issued shares of the Company to certain employees and eligible executive officers of the Company and its affiliated economic interest groups or companies pursuant to the conditions defined in Article L.225-197-2 of the French Commercial Code.

Your Board of Directors proposes that you authorize it, over a period of 38 months, to freely grant existing or newly issued shares of the Company. It is required to prepare a report on such grants. Our role is to express our opinion regarding the information given on these grants.

Your Board of Directors specifies that the total number of shares freely granted may not exceed 1% of the number of shares constituting the Company's share capital on the date the shares are granted.

The definitive grant of the shares will be specifically subject in whole to the satisfaction of the quantitative performance conditions set by the Board of Directors.

We performed our work in accordance with the standards of our profession applicable in France. These standards require that we verify whether the terms and conditions proposed in the Board of Directors' report are in accordance with the provisions set by law.

We have no matter to report concerning the information given in the Board of Directors' report on such grants.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

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REPORT OF THE STATUTORY AUDITORS ON THE GRANT OF EXISTING OR NEWLY ISSUED SHARES TO EMPLOYEES OF THE GROUP

(Extraordinary Shareholders' Meeting on April 27, 2011 – 23rd resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA and as required under the provisions of Article L.225-197-1 of the French Commercial Code, we hereby submit this report on the grant of existing or newly issued shares of the Company to eligible employees or executive officers of the Company and its affiliated economic interest groups or companies pursuant to the conditions defined in Article L.225-197-2 of the French Commercial Code.

Your Board of Directors proposes that you authorize it, over a period of 38 months, to freely grant existing or newly issued shares of the Company. It is required to prepare a report on such grants. Our role is to express our opinion regarding the information given on these grants.

Your Board of Directors specifies that the total number of shares freely granted by virtue of this authorization may not exceed 0.4% of the number of shares constituting the Company's share capital on the date the shares are granted.

We performed our work in accordance with the standards of our profession applicable in France. These standards require that we verify whether the terms and conditions proposed in the Board of Directors' report are in accordance with the provisions set by law.

We have no matter to report concerning the information given in the Board of Directors' report on such grants.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

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REPORT OF THE STATUTORY AUDITORS ON THE REDUCTION OF THE SHARE CAPITAL THROUGH THE CANCELLATION OF ORDINARY SHARES

(Extraordinary Shareholders' Meeting on April 27, 2011 – 24th resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Ladies and Gentlemen,

In our capacity as Statutory Auditors of AXA and as required under the provisions of Article L.225-209 of the French Commercial Code in the event of a reduction of capital by cancellation of purchased shares, we hereby submit this report on our assessment of the reasons and conditions pertaining to the proposed capital reduction.

The Board of Directors requests you to give it, for a period of 18 months as of the date of this General Meeting, full authority so as to cancel the shares purchased under any share repurchase program up to a maximum of 10% of the share capital per 24-month period.

We performed our work in accordance with the standards of our profession applicable in France. These standards require that we verify whether the reasons and the conditions of the capital reduction, which does not impair the equality between the shareholders, are appropriate.

We have no matter to report concerning the reasons and the conditions of the proposed capital reduction.

Neuilly-sur-Seine and Courbevoie, March 17, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Michel Laforce	Philippe Castagnac – Gilles Magnan

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92075 Paris La Défense Cedex

COMPLEMENTARY REPORT OF THE STATUTORY AUDITORS ON THE CAPITAL INCREASE, WITHOUT PREFERENTIAL RIGHTS, RESERVED FOR EMPLOYEES ENROLLED IN THE EMPLOYEE STOCK PURCHASE PLAN (PEEG) OR THE INTERNATIONAL EMPLOYEE STOCK PURCHASE PLAN (PIAG)

(Decision of the Deputy Chief Executive Officer on October 28, 2010)

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders of **AXA**

25, avenue Matignon

75008 Paris

Dear shareholders,

In our capacity as Statutory Auditors of AXA and in accordance with Article R.225-116 of the French Commercial Code, we hereby present a complementary report to our special report dated March 16, 2010 related to the issue of shares, without preferential subscription rights, reserved to (i) current or former employees, executive officers and general insurance agents enrolled in the Employee Stock Purchase Plan (PEEG) sponsored by AXA entities in France and (ii) current or former employees enrolled in the International Employee Stock Purchase Plan (PIAG) sponsored by AXA entities the registered offices of which are located outside France, as authorized by your General Shareholders' Meeting on April 29, 2010.

During this General Shareholders' Meeting, the shareholders authorized the Board of Directors, with the right to sub-delegate, to decide the implementation of such transaction, over a period of 18 months, up to a maximum nominal amount of €150 million. On June 9, 2010, the Board of Directors decided on the principle and the timetable for a new increase in the capital of the Company and decided to sub-delegate to the Deputy Chief Executive Officer, with the agreement of the Chief Executive Officer, the authority to decide of the implementation of the capital increase as well as the definitive terms and conditions of such transaction in accordance with the terms and timetable set by the Board of Directors.

Pursuant to this delegation, the Deputy Chief Executive Officer decided, on October 28, 2010 to carry out a capital increase by issuing a maximum amount of 65,502,183 shares of the Company with the following issue prices:

- for the traditional formula, the unit subscription price will be €10.58, i.e. 80% of the arithmetical average of the opening price for AXA shares over a 20-day period ending on October 27 (inclusive) (after rounding up to the nearest eurocent);
- for the investment leverage formula, the unit subscription price will be €11.01, i.e. 83.29% of the arithmetical average of the opening price for AXA shares over a 20-day period ending on October 27 (inclusive) (after rounding up to the nearest eurocent).

It is the responsibility of the Deputy Chief Executive Officer to prepare a supplementary report in accordance with Articles R.225-115 and R.225-116 of the French Commercial Code. We are required to give our opinion on the fairness of the figures resulting from the financial statements, on the proposal to waive the shareholders' preferential subscription rights and on certain other information concerning the issue and contained in this report.

We performed our work in accordance with the professional standards applicable in France. Those standards require that we plan and perform procedures to verify:

- the fairness of the figures taken from the interim financial statements as of June 30, 2010, prepared under the responsibility of the Board of Directors in accordance with the same methods and pursuant to the same presentation as the last annual financial statements. We conducted a limited review of those interim financial statements in accordance with the professional standards applicable in France;

- the conformity of the terms and conditions of the transaction with regards to the delegation granted by the General Shareholders' Meeting, and the fairness of the information provided in the supplementary report of the Deputy Chief Executive Officer relative to the calculation methods and amounts of the issue price.

We have no matters to report on:

- the fairness of the figures resulting from the Company's financial statements and contained in the supplementary report of the Deputy Chief Executive Officer;
- the conformity of the terms and conditions of the transaction with regards to the delegation of authority granted by the General Shareholders' Meeting of April 29, 2010 and with the information presented at that Meeting;
- the proposal to waive the shareholders' preferential subscription rights, which you have already approved, the choice of the calculation methods of the issue price, and its final amount;
- the presentation of the issue impact on the position of holders of equity securities having regard to shareholders' equity and the share trade value.

Neuilly-sur-Seine and Courbevoie, October 28, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Michel Laforce	Gilles Magnan

Proposed resolutions submitted by the AXA Board of Directors

ORDINARY RESOLUTIONS

First resolution

Approval of the Company's financial statements for the fiscal year 2010 - parent only

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' report on the Company's financial statements,

hereby approve the financial statements of AXA (the "Company") for the fiscal year ended on December 31, 2010 as presented, together with the transactions reflected therein or referred to in the aforementioned reports.

Second resolution

Approval of the consolidated financial statements for the fiscal year 2010

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' report on the consolidated financial statements,hereby approve the Company's consolidated financial statements for the fiscal year ended December 31, 2010 as presented, together with the transactions reflected therein or referred to in the aforementioned reports.

Third resolution

Earnings appropriation for the fiscal year 2010 and declaration of a dividend of €0.69 per share

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, upon recommendation of the Board of Directors, and after acknowledging that the loss of the fiscal year 2010 amount to €487,554,979.96:

- resolve to discharge the loss of the fiscal year 2010 by deducting it from the retained earnings which shall be reduced from an amount of €2,656,080,080.18 to an amount of €2,168,525,100.22;
- acknowledge that the distributable profits amount, as a consequence, to €2,168,525,100.22;
- resolve to distribute a dividend of €1,600,872,613.53 to the shareholders drawn from the retained earnings.

The shareholders further resolve that a dividend of €0.69 per share shall be made available for payment on May 4, 2011 for each of the 2,320,105,237 existing shares earning dividends on January 1, 2010.

Pursuant to paragraph 2° of Article 158.3 of the French General Tax Code (*Code Général des Impôts*), all natural persons deemed to be French resident for tax purposes are eligible for a 40% tax relief on the dividend, i.e. €0.28 per share, provided that the option for a flat deduction at source as provided under Article 117 *quater* of the French General Tax Code has not been exercised in relation to these dividends or other earnings received during the same fiscal year.

Save the dividend referred to hereinbefore, no other earnings, whether or not eligible to the above-mentioned 40% tax relief, are distributed pursuant to this General Shareholders' Meeting.

For information, the following dividends per share, dividends with tax relief, and dividends without tax relief, were granted for the preceding three fiscal years:

	Fiscal year 2007	Fiscal year 2008	Fiscal year 2009
Dividend per share	€1.20	€0.40	€0.55
Amount with tax relief	€1.20	€0.40	€0.55
Amount without tax relief	0	0	0

In the event that the Company holds certain of its own shares at the time the dividends are made available for payment, the amounts corresponding to unpaid dividends for such shares shall be appropriated to retained earnings.

Fourth resolution

Statutory Auditors' special report on regulated agreements

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary shareholders' general meetings, and on the basis of the Statutory Auditors' special report on regulated agreements as set forth in Article L.225-38 of the French Commercial Code, hereby approve the new agreement described therein.

Fifth resolution

Re-appointment of Mr. Jean-Martin Folz as director

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, and having reviewed the Board of Directors' report, re-appoint Mr. Jean-Martin Folz as director, for a term of four years, in accordance with Article 10 of the Company's Bylaws. His term will expire at the close of the Shareholders' Meeting called in 2015 to approve the financial statements of the preceding fiscal year.

Sixth resolution

Re-appointment of Mr. Giuseppe Mussari as director

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, and having reviewed the Board of Directors' report, re-appoint Mr. Giuseppe Mussari as director, for a term of four years, in accordance with Article 10 of the Company's Bylaws. His term will expire at the close of the Shareholders' Meeting called in 2015 to approve the financial statements of the preceding fiscal year.

Seventh resolution

Appointment of Mr. Marcus Schenck as director

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, and having reviewed the Board of Directors' report, appoint Mr. Marcus Schenck as director, replacing Mr. Ezra Suleiman whose term expires at the close of this Shareholders' Meeting, for a term of four years, in accordance with Article 10 of the Bylaws. His term will expire at the close of the Shareholders' Meeting called in 2015 to approve the financial statements of the preceding fiscal year.

Eighth resolution

Authorization granted to the Board of Directors to purchase ordinary shares of the Company

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the description of the share repurchase program established in accordance with Articles 241-1 et seq of the *Autorité des marchés financiers* (the "AMF") General Regulation:

1) Hereby authorize the Board of Directors, with the right to delegate as provided by applicable law, in accordance with the provisions of Articles L.225-209 *et seq* of the French Commercial Code, to purchase, in one or several times and when it deems appropriate, a number of ordinary shares of the Company that may not exceed:

   - 10% of the total number of shares constituting the share capital, at any time whatsoever; or
   - 5% of the total number of shares constituting the share capital if the shares are purchased by the Company with the purpose of holding them for subsequent payment or tender in a merger, spin-off or contribution.

   These percentages are applicable to an adjusted number of shares, where appropriate, depending on the transactions that may affect the share capital after the date of this Shareholders' Meeting.

2) Resolve that the acquisition of these ordinary shares may be made for the following purposes:

   a) optimizing the liquidity of the AXA ordinary shares, in particular to foster regular and liquid trading in the securities through a liquidity contract that complies with the *Association française des marchés financiers* (AMAFI) Code of Conduct approved by the AMF and entered into with an investment service provider, in accordance with market practices accepted by the AMF provided that, for the calculation of the 10% limit provided for in paragraph 1) of this resolution, the number of such repurchased shares will be equal to the purchased shares minus the number of shares resold within the duration of this resolution;

   b) (i) hedging stock options offered to employees or eligible executive officers of the Company and/or affiliated entities or economic interest groups as defined in Article L.225-180 of the French Commercial Code, (ii) granting free shares to former or present employees, executive officers and general insurance agents enrolled in a employer-sponsored company savings plan sponsored by the Company or the AXA Group, as a grant ("*abondement*") and/or discount, (iii) granting free shares to employees or eligible executive officers of the Company and/or its affiliated entities or economic interest groups in particular in accordance with Article L.225-197-2 of the French Commercial Code, in connection with the provisions of Articles L.225-197-1 *et seq* of the French Commercial Code, or (iv) assigning shares to some or all present or former employees, corporate officers and general insurance agents of the Company or the AXA Group in connection with the implementation of any employee savings plan in accordance with the applicable laws and regulations, in particular Articles L.3332-1 *et seq* of the French Labor Code, or any other employee savings plans, or more generally performing all hedging operations relating to employee share plans as set forth in this point (iv);

c) holding the shares for the purpose of subsequent payment or exchange in the context of potential external growth transactions in accordance with market practices accepted by the AMF;

d) delivering the shares upon exercise of the rights attached to securities corresponding to debt instruments granting access to the share capital through repayment, conversion, exchange, presentation of a warrant or in any other manner;

e) cancelling some or all the shares, provided that the Board of Directors is duly authorized by the shareholders, under an extraordinary resolution authorizing it to reduce the capital through the cancellation of shares acquired pursuant to a share purchase program; or

f) more generally, performing all other operations admissible or to be subsequently admissible, by the laws and regulations in force.

3) Resolve that the maximum purchase price per share shall not exceed, excluding charges, €35 (or the equivalent of this amount on the same date in any other currency). The Board of Directors may, however, in the event of transactions concerning the Company's share capital, and in particular in case of a change in the ordinary share's nominal value, a capital increase through capitalization of reserves followed by the issue and the free allotment of shares, a stock split or re-bundling of shares, adjust the maximum purchase price referred to above in order to take into account the impact of such transactions on the value of the share. For information purposes only, as of February 16, 2011, without taking into consideration the shares already held, the maximum global amount that may be allocated by the Company to the ordinary shares repurchase upon this resolution would be €8,120,368,305, corresponding to 232,010,523 ordinary shares acquired at the maximum unit price, excluding charges, of €35 determined hereinabove and on the basis of the share capital as of February 3, 2011.

4) Resolve that the acquisition, sale or transfer of these shares may be carried out and paid by all appropriate means in accordance with applicable laws and regulations, including through open market transactions or private agreements, over-the-counter and in particular through block trades, specifically by using options or other financial derivatives or warrants, or more generally, by using securities granting rights to shares of the Company, or in the context of public offerings initiated by the Company, at such time as the Board of Directors deems appropriate.

5) Resolve that in the event of a public offer on Company shares, the Company may carry out its share repurchase program in accordance with Article 232-15 of the General Regulation of the AMF, only if, on the one hand, the offer to purchase Company shares is paid for exclusively and entirely in cash and if, on the other hand, the repurchase transactions carried out pursuant to an ongoing program are consistent with the objectives set forth in points b) and d) of paragraph 2) above and are not likely to compromise the success of the offer.

6) The shareholders grant all powers to the Board of Directors, with the right to sub-delegate as provided by law, in order to, in accordance with applicable legal and regulatory provisions, carry out all allowed reallocations of repurchased shares for the purposes of the program or any of its objectives, or their assignment, on or off market, it being specified that such reallocations and assignments may apply to shares repurchased upon authorizations concerning prior programs.

All powers are thus granted to the Board of Directors, with the right to sub-delegate as provided by law, in order to implement this authorization, to specify, if need be, the terms and conditions thereof in accordance with applicable regulation and this resolution, and in particular to execute all share trading orders, enter into all agreements including for the purpose of complying with record-keeping requirements on buy and sell transactions, file all required disclosures with the AMF or any other organization, comply with all formal, legal and other requirements and more generally, take all necessary or appropriate measures in connection therewith.

This authorization replaces and renders null and void the unused portion of the authorization granted by the Shareholders' Meeting of April 29, 2010 under its eleventh resolution, and is granted for a period of 18 months from the date of this Shareholders' Meeting.

EXTRAORDINARY RESOLUTIONS

Ninth resolution

Delegation of authority granted to the Board of Directors for the purpose of an increase in the share capital through the capitalization of reserves, earnings or premiums

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders' meetings, and having reviewed the Board of Directors' report, pursuant to the provisions of Articles L.225-129, L.225-129-2 and L.225-130 of the French Commercial Code,

1) Authorize the Board of Directors, with the right to sub-delegate as provided by law, to resolve one or several capital increases, in such amounts and at such times as it deems appropriate, through the capitalization of reserves, earnings or premiums or any other amount for which capitalization is legal, to be achieved by increasing the nominal value of existing ordinary shares and/or granting new free shares.

The total nominal amount of capital increases that may be carried out by virtue of this delegation shall not exceed €1 billion, representing, for information purposes only, approximately 19% of the Company's share capital as of February 3, 2011. The upper limit of this authorization is separate and distinct from the upper limits applying to issues of ordinary shares or securities granting a claim on the capital authorized by the subsequent resolutions submitted to this Shareholders' Meeting. The nominal value of ordinary shares to be issued in order to safeguard the rights of owners of securities or other rights giving a claim to the Company's share capital that can be issued by virtue of this resolution, as required by law or applicable contractual terms providing for other cases of adjustment, shall be added to this upper limit.

2) Resolve that the Board of Directors will have all powers, with the right to sub-delegate as provided by law, to implement this resolution, and specifically to:

   - determine the amount and nature of the sums to be capitalized,
   - determine the number of new ordinary shares to be issued and/or the amount by which the nominal value of the existing shares constituting the share capital of the Company will be increased,
   - set the date, even retroactive, from which the new shares will earn dividends or from which the increase of the existing shares' nominal value will be effective,
   - resolve that, where appropriate, any odd lot will not be negotiable or assignable, and the corresponding shares will be sold, with the proceeds of such sale being distributed among the owners of the allotment rights within the time period set forth in applicable regulations,
   - take all necessary measures to safeguard the rights of security holders or other rights granting any claim to the capital, in accordance with legal and regulatory provisions and, where appropriate, any contractual stipulations providing for other cases of adjustment,
   - charge the expenses relating to the corresponding capital increase to one or several available reserve accounts and, where appropriate, deduct the required sums in order to bring the legal reserve to one-tenth of the new share capital after each issue,
   - ratify the completion of any capital increases resulting from this resolution and amend the Bylaws accordingly, carry out all formalities and declarations, and request and gather all authorizations necessary to the completion of these issues.

This authorization replaces and renders null and void the unused portion of the authorization granted by the Shareholders' Meeting of April 30, 2009 under its eleventh resolution. It is granted for a period of 26 months from the date of this Shareholders' Meeting.

Tenth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company by issuing ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, with preferential subscription rights of the shareholders

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report and noted that the Company's share capital is fully paid up, pursuant to the provisions of Articles L.225-129-2, L.228-92 and L.228-93 of the French Commercial Code,

1) Authorize the Board of Directors, with the right to sub-delegate as provided by law, to resolve one or several capital increases, in France or abroad, by issuing ordinary shares and/or securities of the Company giving an immediate and/or deferred claim to the capital of the Company or any company of which it directly or indirectly owns more than half of the capital (a "Subsidiary"), subject to the consent of the extraordinary general shareholders' meeting of the Subsidiary in which the rights are exercised, in the amount and at the time it considers appropriate, in euros, foreign currency or any other monetary unit established through reference to several currencies, with the shareholders' preferential subscription rights maintained.

   The total nominal amount of the capital increases that may be carried out by virtue of this delegation shall not exceed €2 billion, i.e., for information purposes only, approximately 38% of the Company's share capital as of February 3, 2011, it being specified that the nominal amount of the capital increases that may result from this resolution and the eleventh through the seventeenth resolutions submitted to this General Shareholders' Meeting shall be deducted from this upper limit. The nominal value of additional shares to be issued in order to safeguard the rights of owners of securities or other rights giving a claim to the Company's share capital that may be issued by virtue of this resolution, as required by law or applicable contractual terms providing for other cases of adjustment, shall be added to this upper limit.

2) Resolve that the securities giving a claim to the Company's share capital or the capital of a Subsidiary so issued may specifically consist in debt instruments, be combined with the issue of such instruments, or consist in instruments that enable the issue of such instruments. These securities may or may not be subordinated or dated, and may be issued in euros, in any other currency, or in any monetary unit established by reference to several currencies.

   The nominal amount of the debt instruments accordingly issued shall not exceed €6 billion, or the equivalent amount in another currency or any other monetary unit established by reference to several currencies. This upper limit is common to all debt instruments issued by virtue of this resolution and the eleventh to sixteenth resolutions hereinafter submitted to this Shareholders' Meeting; it is independent from the amount of securities giving the right to an allotment of debt instruments that may be issued by virtue of the eighteenth resolution hereinafter, as well as from the amount of the debt instruments issued upon decision or authorization of the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

3) Duly note that this resolution entails the express waiver by the shareholders of their preferential subscription rights on the ordinary shares of the Company which may be issued with respect to the securities that would be issued by virtue of this delegation.

4) Duly note that the shareholders have preferential subscription rights to the ordinary shares and securities to be issued by virtue of this resolution, *pro rata* the

number of shares they own. The Board of Directors shall set the conditions and restrictions under which the shareholders may exercise their preferential subscription rights on the basis of their exact rights, as provided by law. Furthermore, the Board of Directors may grant shareholders the right to subscribe an additional number of shares to which they are entitled as of right, to be exercised *pro rata* their subscription rights and limited to the number of shares requested by them.

If the issues of shares or securities defined above are undersubscribed by the shareholders, the Board of Directors may implement any or all of the options, in the order it considers appropriate, granted to it by Article L.225-134 of the French Commercial Code, specifically, by offering all or a portion of the unsubscribed securities to the public.

5) Resolve that the Board of Directors shall have full powers, with the right to sub-delegate as provided by law, to implement this resolution, and specifically to:

- determine the nature, amount and terms of each issue, as well as the securities to be issued and specifically determine the category of the securities issued and determine, taking into account the indications set forth in its report, their subscription price, with or without payment of a premium, the methods of paying up the securities issued, the date – even retroactive – as of which they shall earn dividends, the conditions under which the securities shall give a claim to ordinary shares of the Company or a Subsidiary, if applicable, the terms and conditions of the freely allotted securities giving a claim to shares of the Company, the conditions of their repurchase and their possible cancellation, as well as the option to suspend the exercise of the rights to be granted ordinary shares in respect of the securities to be issued,
- determine when the securities issued may consist in debt instruments or be combined with debt instruments, whether or not they shall have a term date, and their remuneration,
- take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to shares of the Company, in accordance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment,
- charge, on the share premium(s), if need be, all expenses related to the completion of the issue, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each issue,
- enter into all agreements, especially in order to ensure the furtherance of all issues, to complete, in one or several offerings, the aforementioned issues, in such amounts and at such time as it deems appropriate, in France and/or abroad, if applicable, or to postpone such,
- duly note the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, and carry out all formal, legal and other requirements, and obtain all authorizations necessary to the completion and the proper execution of such issues.

This authorization replaces and renders null and void the unused portions of the authorization granted by the shareholders at their Meeting of April 30, 2009, under the twelfth resolution. It is granted for a period of 26 months, starting from the date of this Shareholders' Meeting.

Eleventh resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company through the issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights of the shareholders, in case of public offerings

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' report and noted that the share capital of the Company is fully paid up, pursuant to the provisions of Articles L.225-129-2, L.225-135, L.225-136, L.228-92 and L.228-93 of the French Commercial Code,

1) Authorize the Board of Directors, with the right to sub-delegate as provided by law, to resolve one or several capital increases, in France or abroad, in connection with public offerings through the issue, without preferential subscription right of the shareholders, of ordinary shares of the Company and/or securities giving an immediate and/or deferred claim to the capital of the Company or a company in which it directly or indirectly owns more than half of the capital (a "Subsidiary"), subject to the consent of the extraordinary general shareholders' meetingof the Subsidiary in which the rights are exercised, in the amount and at the time it considers appropriate, in euros, foreign currency or any other monetary unit established through reference to several currencies.

   The public offerings decided by virtue of this resolution, may be carried out in one or more offerings issued simultaneously with offers such as those described in paragraph II of Article L.411-2 of the French Monetary and Financial Code, in application of the twelfth resolution submitted to this General Shareholders' Meeting.

   The total nominal amount of capital increases that may be carried out by virtue of this delegation shall not exceed €1 billion, i.e. approximately 19% of the share capital as of February 3, 2011, provided that the total nominal amount of capital increases that may be carried out by virtue of this resolution, the tenth resolution and the twelfth to the seventeenth resolutions submitted to this General Shareholders' Meeting shall not exceed an overall cap of €2 billion set at paragraph 1) of the tenth resolution hereinabove. The nominal value of additional shares to be issued in order to safeguard the rights of owners of securities or other rights giving a claim on the Company's share capital, as required by law and applicable contractual terms providing for other cases of adjustment, shall be added to these upper limits if applicable.

2) Resolve that the securities giving a claim to the share capital of the Company or a Subsidiary, issued by virtue of this resolution may, in particular, consist in debt instruments, be combined with the issue of such debt instruments, or consist in instruments enabling the issue of such debt instruments.

   The nominal amount of the debt instruments that may be issued by virtue of this delegation shall not exceed €6 billion, or the equivalent amount in another currency or any other monetary unit established by reference to several currencies. This amount shall be deducted from the upper limit set forth in paragraph 2) of the tenth resolution herein. These debt instruments shall have the same forms and characteristics as those referred to in the tenth resolution hereinabove.

3) Duly note that this delegation entails the express waiver by the shareholders of their preferential subscription rights on the Company's ordinary shares to which the securities issued pursuant to this delegation may give a claim.

4) Resolve that the Board of Directors may grant shareholders a priority right to subscribe to shares as of right and/or on the basis of their exact rights, within the timeframe and under the conditions it will determine, for part or all of any issue carried out by virtue of this resolution, and which shall be exercised *pro rata* the number of shares owned by each Shareholder, in accordance with applicable laws and regulations.

5) Resolve that in the event the above-defined issues of ordinary shares or securities giving a claim to the capital are undersubscribed, the Board of Directors may implement, in the order it deems appropriate, any or all of the options set forth in Article L.225-134 of the French Commercial Code.

6) Resolve that the issue price of the ordinary shares or securities to be issued by virtue of this resolution shall be at least equal to the minimum set forth by applicable laws and regulations.

7) Resolve that the Board of Directors shall have all powers, with the right to sub-delegate as provided by law, to implement this resolution, and specifically to:

   - determine the nature, amount and terms of each issue, as well as the securities to be issued and specifically determine the category of the securities, and establish, taking into account the indications set forth in its report, their subscription price, with or without payment of a premium, the methods of paying up the securities issued, the date – even retroactive – as of which they shall earn dividends, the conditions under which the securities shall give a claim to ordinary shares of the Company or a Subsidiary, if applicable, the terms and conditions of their repurchase and their possible cancellation, as well as the option to suspend the exercise of the rights to be granted ordinary shares in respect of the securities to be issued,
   - determine when the securities issued may consist in debt instruments or be combined with debt instruments, whether or not they shall have a term date, and their remuneration,
   - take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to shares of the Company, in accordance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment,
   - charge, on the share premium(s), if need be, all expenses related to the completion of the issues, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each issue,
   - enter into all agreements, especially in order to ensure the furtherance of all issues, to complete, in one or several offerings, the aforementioned issues, in such amounts and at such time as it deems appropriate, in France and/or, if applicable, abroad, or to postpone such,
   - ratify the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, and carry out all formal, legal and other requirements, and obtain all authorizations necessary to the completion and the proper execution of such issues.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 30, 2009, under the thirteenth resolution. It is granted for a period of 26 months, starting from the date of this Shareholders' Meeting.

Twelfth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company through the issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights of shareholders, through private placement as set forth in Article L.411-2 II of the French Monetary and Financial Code

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, having reviewed the Board of Directors' report and the Statutory Auditors' report and having noted that the share capital of the Company is fully paid up, pursuant to the provisions of Articles L.225-129-2, L.225-135, L.225-136, L.228-92 and L.228-93 of the French Commercial Code,

1) Authorize the Board of Directors, with the right to sub-delegate as provided by law, to resolve one or several capital increases, in France or abroad, in the context of offerings as set forth in section II of Article L.411-2 of the French Monetary and Financial Code, in the conditions and limits provided for under applicable laws and regulations, through the issue, without preferential subscription rights of the shareholders, of ordinary shares of the Company and/or securities giving an immediate and/or deferred claim by any means, to the Company's capital or the capital of any company of which it owns directly or indirectly more than half of the capital (a "Subsidiary"), subject to authorization by the extraordinary shareholders' meeting of the Subsidiary in which the rights are exercised, in the amount and on the date it considers appropriate, in euros, foreign currency

or any other monetary unit established through reference to several currencies.

The public offerings described in paragraph II of Article L.411-2 of the French Monetary and Financial Code, resolved by virtue of this resolution, may be carried out in one or more offerings issued simultaneously, with offers such as those in application of the eleventh resolution submitted to this Shareholders' Meeting General.

The total nominal amount of capital increases that may be carried out by virtue of this delegation shall not exceed €1 billion, provided that, firstly, this amount may not be greater than the maximum amount set by law, and secondly, this limit is common with the cap set in paragraph 1) of the eleventh resolution hereinabove and is deducted from such amount, and thirdly that the total nominal amount of capital increases that may be carried out by virtue of this resolution, the tenth and eleventh resolutions and the thirteenth to the seventeenth resolutions submitted to this General Shareholders' Meeting may not exceed the global cap of €2 billion set in paragraph 1) of the tenth resolution hereinabove. The nominal value of the shares to be issued in order to safeguard the rights of owners of securities or other rights giving a claim on the Company's share capital, as required by the law and applicable contractual terms providing for other cases of adjustment, shall be added to these upper limits.

2) Resolve that the securities giving a claim on the share capital of the Company or a Subsidiary, issued by virtue of this resolution may, in particular, consist in debt instruments, be combined with the issue of such debt instruments, or consist in instruments enabling the issue of such debt instruments.

   The nominal amount of the debt instruments that may be issued by virtue of this delegation shall not exceed €6 billion, or the equivalent amount in another currency or any other monetary unit established by reference to several currencies. This amount shall be deducted from the upper limit set forth in paragraph 2) of the tenth resolution. These debt instruments shall have the same forms and characteristics as those referred to in the tenth resolution hereinabove.

3) Duly note that this delegation entails the express waiver by the shareholders of their preferential rights to subscribe to the Company's ordinary shares to which the securities issued by virtue of this delegation may give a claim.

4) Resolve that the Board of Directors may grant shareholders a priority right to subscribe to shares as of right and/or on the basis of their exact rights, within the timeframe and under the conditions it will determine, for part or all of the issue carried out by virtue of this resolution, and which shall be exercised *pro rata* the number of shares owned by each shareholder, in accordance with applicable laws and regulations.

5) Resolve that in the event the above-defined issues of shares or securities are undersubscribed, the Board of Directors may implement, in the order it considers appropriate, any one and/or several of the following options:
   - limit the capital increase to the amount of the subscriptions, provided that such amount is equal to at least three quarters of the increase resolved,
   - freely grant some or all of the unsubscribed securities.

6) Resolve that the issue price of ordinary shares or securities to be issued by virtue of this resolution shall be at least equal to the minimum set forth in applicable laws and regulations.

7) Resolve that the Board of Directors shall have full powers, with the right to sub-delegate as provided by law, to implement this resolution, and specifically to:
   - determine the nature, amount and terms of each issue, as well as the securities to be issued and specifically determine the category of the securities, taking into account the indications set forth in its report, their subscription price, with or without payment of a premium, the methods of paying up the issued securities, the date – even retroactive – as of which they shall earn dividends, the conditions under which the securities shall give a claim to ordinary shares of the Company or a Subsidiary, if applicable, the conditions of their repurchase and their possible cancellation, as well as the option to suspend the exercise of the rights to be granted ordinary shares in respect of the securities to be issued,
   - determine when the securities issued may consist in debt instruments or be combined with debt instruments, whether or not they shall have a term date, and their remuneration,
   - take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to the capital of the Company, in accordance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment,
   - charge, on the share premium(s), if need be, all expenses related to the completion of the issue, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each issue,
   - enter into all agreements, especially in order to ensure the furtherance of all issues, to complete, in one or several offerings, the aforementioned issues, in such amounts and at such times as it deems appropriate, in France and/or abroad, if applicable, or to postpone such,
   - duly note the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, and carry out all formal, legal and other requirements, and obtain all authorizations necessary to the completion and the proper execution of such issues.

This authorization is granted for a period of 26 months from the date of this Shareholders' Meeting.

Thirteenth resolution

Authorization granted to the Board of Directors in the event of an issue of shares through public offering or private placement without preferential subscription rights, to set the issue price under the conditions defined by the General Shareholders Meeting, up to a maximum of 10% of the share capital

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors and the Statutory Auditors' special report and pursuant to the provisions of Article L.225-136 of the French Commercial Code,

Authorize the Board of Directors, with the right to sub-delegate as provided by law, in the event of an issue of ordinary shares and/or securities giving an immediate and/or deferred claim, by any means, immediately or in the future, to the capital of the Company or of a company in which it directly or indirectly owns more than half of the capital (a "Subsidiary"), without preferential subscription rights, under the terms, and specifically the amount, set forth in the eleventh and twelfth resolutions, to depart from the price-setting terms set forth in the aforementioned resolutions and determine the issue price pursuant to the following conditions:

The issue price may not be less than, at the discretion of the Board of Directors, (a) the volume-weighted average quoted price of the share on NYSE Euronext Paris over the trading day preceding the setting of the issue price or (b) the volume-weighted average quoted price of the share on NYSE Euronext Paris set over the trading day at the time the issue price is set, in each case potentially less a maximum discount of 5%.

The issue price for securities other than ordinary shares shall be the amount collected immediately by the Company added to, where appropriate, the amount that may subsequently be collected by the Company i.e., for each ordinary share issued as a result of from the issue of these securities, at least equal to the amount set forth in the above paragraph.

The maximum nominal amount of capital increases that may be carried out by virtue of this resolution may not exceed 10% of the share capital for each 12-month period as well as the global upper limit referred to in paragraph 1) of the eleventh resolution herein, which includes this amount.

The shareholders duly note that the Board of Directors must provide an additional report, duly certified by the Statutory Auditors, setting out the definitive conditions of the transaction and providing the assessment methods and tools used to evaluate the impact of the transaction on the situation of the shareholder.

This authorization replaces and renders null and void the unused portion of the authorization granted by the General Shareholders' Meeting of April 30, 2009, under the fourteenth resolution. It is granted for a period of 26 months from the date of this Shareholders' Meeting.

Fourteenth resolution

Authorization granted to the Board of Directors for the purpose of increasing the amount of the initial issue of shares or securities, with or without preferential subscription rights, decided respectively by virtue of the tenth to the thirteenth and the seventeenth resolutions

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and Statutory Auditors' special report and in accordance with the provisions of Articles L.225-135-1 and R.225-118 of the French Commercial Code,

Authorize the Board of Directors, with the right to sub-delegate as provided by law, to resolve, for each issue made by virtue of the tenth to the thirteenth and the seventeenth resolutions, to increase the number of ordinary shares and/or securities to be issued, at the same price as the initial issue and under the same legal and regulatory conditions, if the issue is oversubscribed, specifically in order to grant an option for overallowance in accordance with market practice and within the limit provided in the tenth and eleventh resolutions respectively.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 30, 2009, under the fifteenth resolution. It is granted for a period of 26 months, starting from the date of this Meeting.

Fifteenth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares or securities giving a claim to the Company's ordinary shares, in the event of a public exchange offer initiated by the Company

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of Articles L.225-129 to L.225-129-6, L.225-148, L.228-91 and L.228-92 of the French Commercial Code,

1) Authorize to the Board of Directors, with the right to sub-delegate, as provided by law, to resolve one or several offerings, of the issue of ordinary shares of the Company and/or securities giving an immediate and/or deferred claim, by any means, to the capital of the Company, in return for securities tendered during a securities public exchange offer initiated by the Company, in France or abroad, in accordance with local regulations, for securities of another company listed on one of the regulated markets referred to in Article L.225-148 of the French Commercial Code, and decide, if need be, the waiver of the shareholders' preferential subscription rights to the ordinary shares and/or securities to be issued, in favor of the owners of the securities tendered in the public exchange offer.

The total nominal amount of capital increases that may be carried out by virtue of this delegation shall not exceed €1 billion, provided that on the one hand this upper limit is to be deducted from the upper limit referred to in paragraph 1) of the eleventh resolution, and on the other hand the total nominal amount of capital increases carried out by virtue of this resolution, the tenth to the fourteenth resolutions and the sixteenth and the seventeenth resolutions shall not exceed a total amount capped at €2 billion as set in paragraph 1) of the tenth resolution hereinabove. The nominal value of additional shares issued to safeguard the rights of owners of securities or other rights giving a claim to the Company's share capital that may be issued by virtue of this resolution, as required by the law and applicable contractual terms providing for other cases of adjustment shall be added to these upper limits.

2) Resolve that the securities granting a claim to the Company's capital so issued may specifically consist in shares or debt instruments or be combined with the issue of such instruments, or consist in instruments that enable the issue of such instruments.

   The nominal amount of the debt instruments that may be issued by virtue of this delegation shall not exceed €6 billion, or the equivalent amount in another currency or any other monetary unit established by reference to several currencies. This amount shall be deducted from the upper limit set forth in paragraph 2) of the tenth resolution hereinabove. These debt instruments shall have the same forms and characteristics as those referred to in the tenth resolution.

3) Duly note that this delegation entails the express waiver by the shareholders of their preferential rights to subscribe to the ordinary shares of the Company and the shares to which the securities issued by virtue of this delegation may give a claim.

4) Resolve that the Board of Directors shall have full powers, including the right to sub-delegate authority as provided by law, to implement this resolution, and specifically to:

   - set the exchange ratios and, if required, determine the amount of the cash bonus to be paid;
   - determine the terms and conditions of the issue and the nature of the securities that may be issued by virtue of this resolution;
   - record the number of securities tendered in the exchange offer;
   - determine the dates and terms of issue, especially the issue price and the date – even retroactive – as of which the new shares and/or, if applicable, the securities giving an immediate and/or deferred claim to shares of the Company, shall earn dividends;
   - take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to shares of the Company, in accordance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment;
   - record on a "contribution premium" account, which will include the shareholders' rights, as a balance sheet liability, the differential between the issue price of new shares and their par value;
   - charge, on such "contribution premium" account, if need be, all expenses incurred and rights granted as a result of the public exchange offer and, if necessary, to charge on the contribution premium the sums required in order to bring the legal reserves to one-tenth of the new share capital after each issue;
   - ratify the completion of the capital increases by virtue of this resolution and amend the Bylaws accordingly, and to complete all formalities and declarations and obtain all necessary authorizations in connection with the completion of these issues.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 30, 2009, under the sixteenth resolution. It is granted for a period of 26 months, starting from the date of this Shareholders' Meeting.

Sixteenth resolution

Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital of the Company through the issue of ordinary shares or securities giving a claim to ordinary shares of the Company, in return for contributions in kind up to a maximum of 10% of the share capital outside a public exchange offer initiated by the Company

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of Articles L.225-129 to L.225-129-6 and L.225-147 of the French Commercial Code,

1) Authorize the Board of Directors, with the right to sub-delegate as provided by law, to resolve, based on the Statutory Auditor's report, in one or several offerings, of the issue of ordinary shares of the Company and/or securities giving an immediate and/or deferred claim by any means, to the capital of the Company, in return for the contributions in kind made to the Company in the form of shares or securities giving a claim in the capital, where the provisions of Article L.225-148 of the French Commercial Code do not apply.

   The total nominal amount of capital increases that may be carried out by virtue of this delegation shall not exceed, in addition to the legal limit of 10% of the share capital, €1 billion, provided that, on the one hand this upper limit is to be deducted from the upper limit referred to in paragraph 1) of the eleventh resolution herein, and on the other hand the total nominal amount of capital increases carried out by virtue of this resolution, the tenth to the fifteenth resolutions and the seventeenth resolution do not exceed a total amount capped at €2 billion as set in paragraph 1) of the tenth resolution hereinabove. The nominal value of additional shares to be issued in order to safeguard the rights of owners of securities or other rights giving a claim on the Company's share capital, as required by the law and applicable contractual terms providing for other cases of adjustment, shall be added to these upper limits.

2) Resolve that the securities giving a claim to the share capital of the Company, issued by virtue of this resolution may, in particular, consist in debt instruments, be combined with the issue of such debt instruments, or consist in instruments enabling the issue of such debt instruments.

   The nominal amount of the debt instruments that may be issued by virtue of this delegation shall not exceed €6 billion, or the equivalent amount in another currency or any other monetary unit established by reference to several currencies. This amount shall be deducted from the upper limit set forth in paragraph 2) of the tenth resolution herein. These debt instruments shall have the same forms and characteristics as those referred to in the tenth resolution.

3) Resolve to waive the preferential subscription rights of shareholders with respect to the ordinary shares and securities issued by virtue of this resolution, in favor of the owners of the shares or securities tendered as contributions in kind, and duly note that this delegation entails the express waiver by the shareholders of their preferential right to subscribe to the Company's ordinary shares which may be granted with respect to the securities to be issued by virtue of this delegation.

4) Resolve that the Board of Directors shall have full powers, with the right to sub-delegate as provided by law, to implement this resolution, and specifically to:

   - approve the assessment of the contributions on the basis of the report of the independent auditors responsible for assessing contributions in kind and the granting of any specific privileges as referred to in subparagraphs 1 and 2 of Article L.225-147 of the French Commercial Code;
   - determine the dates, conditions of issue, and specifically the price and the date – even retroactive – as of which they shall earn dividends, of the new shares and/or, where appropriate, securities giving an immediate and/or deferred claim to the shares of the Company;
   - charge, on the share premium(s), if need be, all expenses related to the completion of the capital increase, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each issue;
   - take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to shares of the Company, in accordance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment;
   - ratify the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, and carry out all formal, legal and other requirements, and obtain all authorizations necessary to the completion and the proper execution of such issues.

This authorization replaces and renders null and void the unused portions of the authorization granted by the shareholders at their Meeting of April 30, 2009, under the seventeenth resolution. It is granted for a period of 26 months, starting from the date of this Shareholders' Meeting.

Seventeenth resolution

Delegation of authority granted to the Board of Directors for the purpose of issuing ordinary shares as a result of an issue by subsidiaries of the Company of securities giving a claim to the Company's ordinary shares

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of Articles L.225-129 to L.225-129-6 and L.228-93 of the French Commercial Code,

1) Authorize the Board of Directors, with the right to sub-delegate as provided by law, upon the eleventh resolution hereinabove, to resolve the issue of ordinary shares of the Company to which the securities issued by one or more companies in which the Company directly or indirectly owns more than half of the capital (a "Subsidiary") may give a claim.

   These securities may be issued by Subsidiaries only with the prior approval of the Board of Directors of the Company and may, pursuant to Article L.228-93 of the French Commercial Code, offer an immediate and/or future claim to ordinary shares of the Company. They may be issued in one or several issues, in France or abroad.

   The total nominal amount of the capital increases that may be carried out by virtue of this delegation shall not exceed €1 billion, provided that on the one hand this upper limit is to be deducted from the upper limit referred to in paragraph 1) of the eleventh resolution, and on the other hand the total nominal amount of capital increases carried out by virtue of the tenth to this resolution shall not exceed a total amount capped at €2 billion as set in paragraph 1) of the tenth resolution hereinabove. The nominal value of additional shares issued to safeguard the rights of owners of securities or other rights giving a claim to the Company's share capital that may be issued by a Subsidiary by virtue of this resolution, as required by the law and applicable contractual terms providing for other cases of adjustment, shall be added to these upper limits.

   In any case, the amount paid or to be paid to the Company at the time of issue for each ordinary share issued as a result of these securities' issues, shall be, in accordance with the provisions of the eleventh, twelfth and thirteenth resolutions, for each ordinary share issued as the result of the issues of these securities, at least equal to the minimum amount set forth in the legislation, subject to any possible adjustments needed in case of a different date for dividends earning.

2) Duly note that the shareholders of the Company shall not have any preferential subscription rights to the securities described above issued by the Subsidiaries nor to the ordinary shares of the Company to which such securities may give a claim.

3) Resolve that the Board of Directors will have powers, with the right to sub-delegate as provided by law, to implement this resolution, with the agreement of any boards of directors, management boards, or other competent governing or managing bodies of the Subsidiaries that issue the securities referred to in this resolution, and specifically to:

- determine the amounts of the issue;
- determine the terms of the issue and the category of the securities to be issued under this resolution;
- determine the date – even retroactive – as of which the securities to be created shall earn dividends;
- take all necessary measures to safeguard the rights of owners of securities giving a claim to shares of the Company, in accordance with the laws and regulations, and if applicable, the contractual stipulations providing for other cases of adjustment;
- charge, on the share premium(s), if need be, all expenses related to the capital increase, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each issue;
- take all necessary measures and enter into all agreements, especially in order to ensure the furtherance of all issues, in accordance with all applicable laws and regulations in France and, where appropriate, abroad;
- ratify the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, and carry out all formal, legal and other requirements, and obtain all authorizations necessary to the completion and the proper execution of such issues

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 30, 2009, under the eighteenth resolution. It is granted for a period of 26 months, starting from the date of this Shareholders' Meeting.

Eighteenth resolution

Delegation of authority granted to the Board of Directors for the purpose of issuing securities which give rights to an allotment of debt instruments, without an increase of the Company's share capital

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of Articles L.225-129 to L.225-129-6, L.228-91 and L.228-92 of the French Commercial Code,

1) Authorize the Board of Directors, with the right to sub-delegate as provided by law, to resolve the issue, in one or several offerings, in the amounts and at the times it deems appropriate, in France or abroad, in euros or in any monetary unit established by reference to several currencies, bonds with bond warrants attached, and, more generally, securities giving rights to the allotment, immediately or in the future, of debt instruments such as bonds and related securities, subordinated securities that have or do not have a term date, or all other securities granting, in a same issue, the same claims on the Company.

   The total nominal amount of the securities that may be issued by virtue of this delegation shall not exceed €2 billion, or the equivalent amount in another currency or any other monetary unit established by reference to several currencies, it being specified that this nominal maximum amount is independent of the amount of debt instruments that may be issued by virtue of the tenth to the sixteenth resolutions hereinabove, and that any redemption premiums above this nominal amount shall be added to this amount.

2) Resolve that the Board of Directors will have all powers, with the right to sub-delegate as provided by law, to give effect to this resolution, and specifically to:

- carry out the said issues up to the aforementioned maximum nominal amount, and determine the date, type, amounts and currency of such issues;
- determine the characteristics of the securities to be issued as well as the debt instruments to which the said securities would give claim to, in particular, the nominal value, the date – even retroactive – as of which they shall earn dividends, the issue price with, if applicable, an issue premium, the fixed and/or variable interest rates, and the redemption date, or, for variable rate securities, the methods for determining the interest rates and the conditions of capitalization of the interests;
- determine, in function of market conditions, the terms of amortization and/or early redemption of the securities to be issued as well as of the debt instruments to which such securities would give a claim, with, as the case may be, a fixed or variable premium, or even the repurchase by the Company;
- if appropriate, to decide to confer a guarantee or warranties to the securities to be issued as well as any debt instruments to which such securities would give a claim, as required, and determine their type and characteristics;
- generally, determine all terms and conditions for each issue, enter into all agreements with banks and other organisations, take all necessary measures and comply with all formal, legal and other requirements in furtherance of the issues.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 30, 2009, under the nineteenth resolution. It is granted for a period of 26 months, starting from the date of this Shareholders' Meeting.

Nineteenth resolution

Delegation of power granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares or securities giving a claim to the Company's ordinary shares, reserved for employees enrolled in the employer-sponsored Company savings plan

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, drawn up in compliance with the law, and in particular with the provisions of Articles L.225-129 *et seq*, L.225-138 I and II and L.225-138-1 of the French Commercial Code and Articles L.3332-1 et *seq of* the French Labor Code,

1) Decide on the principle of the capital increase and delegate to the Board of Directors, with the right to sub-delegate as provided by law, the power to increase the share capital, in one or several times, within the timeframe, conditions and proportions it will determine at its own discretion, through the issue of ordinary shares or securities giving a claim to the Company's ordinary shares reserved to current or former employees, executive officers and general insurance agents of the Company or its affiliated companies or economic interest groups within the meaning of Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code, who are enrolled in AXA's or the AXA Group employer-sponsored company savings plan(s). The issue of shares may be paid in cash or through the capitalization of reserves, earnings or premiums in case of free allotment of shares or securities giving a claim to the capital as a grant and/or discount.

   The total nominal amount of the capital increases that may be carried out by virtue of this resolution shall not exceed €150 million, it being specified that this maximum amount is common to the capital increases that may be carried out pursuant to this resolution and the twentieth resolution hereinbelow, but is separate and distinct from the upper limits of the capital increases resulting from the issues of ordinary shares or securities giving a claim on the share capital authorized by the other resolutions hereinabove. Where appropriate, the nominal value of the ordinary shares to be issued by virtue of this resolution in order to safeguard the rights of owners of securities or other rights giving a claim to the Company's share capital, as required by law and applicable contractual terms providing for other cases of adjustment, shall be added to these upper limits.

2) Resolve to waive the preferential subscription rights of shareholders in favor of members of an employee-sponsored Company savings plan, with respect to ordinary shares and securities to be issued, possibly for free allotment, by virtue of this resolution. Furthermore, this resolution entails a waiver by shareholders of their preferential subscription rights on ordinary shares to which the securities issued by virtue of this authorization may give a claim.

3) Resolve that the issue price of the ordinary shares or securities to be issued by virtue of this resolution will be set in accordance with Articles L.3332-18 *et seq* of the French Labor Code, provided that, pursuant to the above-mentioned Articles, the maximum discount set shall not exceed 20% of the average quoted price of the AXA share on NYSE Euronext Paris over the twenty trading days preceding the day on which the Board of Directors formally set the opening date of the subscription period. Notwithstanding the above, the shareholders expressly authorize the Board of Directors to reduce or suppress the aforementioned discount, as it deems appropriate, in particular in order to take into consideration the new international accounting standards, or, *inter alia*, locally applicable legal, accounting, tax or social provisions. The Board of Directors may also substitute all or a portion of the discount by the allotment of ordinary shares or securities giving a claim to the Company's capital, in application of the provisions hereinafter.

4) Authorize the Board of Directors to freely grant ordinary shares or securities giving an immediate or deferred claim to the Company's share capital, provided that the total benefit resulting from this grant ("*abondement*") and/or the discount may not exceed the applicable legal or regulatory limits.

5) Resolve that the characteristics of any other securities giving a claim to the share capital of the Company shall be determined by the Board of Directors in accordance with the conditions set by the applicable laws and regulations.

6) Grant the Board of Directors full authority, subject to the limits and conditions stipulated hereinbefore, to determine the terms and conditions of such transactions, to defer the implementation of the capital increase and specifically to:

   - resolve that the issues may be subscribed directly by eligible beneficiaries or through mutual funds;
   - reduce, if need be, the scope of companies participating in the offer as compared to the scope of companies eligible for the employer-sponsored Company savings plan;
   - determine the terms and conditions of the issues to be carried out by virtue of this authorization, in particular as regard to dividend earning, full payment, subscription price of ordinary shares or other securities giving a claim to the capital, in accordance with the applicable laws and regulations;
   - determine the opening and closing dates of the subscription period;
   - set the deadline for full payment of the subscribed ordinary shares or other securities giving a claim to the capital;
   - take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to shares of the Company, in compliance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment;

- record the completion of the capital increase to be carried out, within the limit of the number of shares or other securities giving a claim to the capital to be subscribed and amend the Bylaws accordingly;
- at its sole discretion and as it deems appropriate, charge the expenses related to the capital increases to the amount of the resulting premiums, and deduct from this amount the sums required to bring the legal reserve to one-tenth of new share capital after each increase;
- carry out all formal, legal and other requirements and obtain all authorizations necessary to the completion and the proper execution of such issues.

The Board of Directors may delegate, to any person authorized by law, full authority to carry out the share capital increases mentioned in this resolution, as well as the authority to postpone them, to the extent and in accordance with the terms and conditions that it may define beforehand.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 29, 2010, under the twelfth resolution. It is granted for a period of 18 months, starting from the date of this Meeting.

Twentieth resolution

Delegation of power granted to the Board of Directors for the purpose of increasing the share capital of the Company by issuing ordinary shares, without preferential subscription rights, in favor of a specific category of beneficiaries

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, pursuant to the provisions of Articles L.225-129 *et seq* and L.225-138 of the French Commercial Code,

1) Decide on the principle of the capital increase and delegate to the Board of Directors, with the right to sub-delegate as provided by law, the power to increase the share capital of the Company, in one or several times, by issuing ordinary shares, within the limit of a nominal amount of €150 million, which issues are reserved for the category of beneficiaries defined hereinafter, provided that this limit is common to the capital increases that may be carried out pursuant to this resolution and the nineteenth resolution hereinabove, but is separate and distinct from the upper limits of the capital increases resulting from the issues of ordinary shares or securities giving a claim to the share capital authorized by the other resolutions submitted to this Shareholders' Meeting.

2) Resolve to waive the preferential subscription rights of the shareholders on the shares issued by virtue of this resolution and to reserve the subscription rights to the category of beneficiaries meeting the following characteristics: (i) the employees, executive officers and general insurance agents, or certain of them, of the companies or economic interest groups affiliated with the Company pursuant to Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code and incorporated outside of France, (ii) and/or mutual funds or other employee savings plans or share plan entities which invest in shares of the Company, as a legal entity or otherwise, for the persons mentioned in (i) of this paragraph, (iii) and/or any bank or any entity held by such bank, which, at the request of the Company, participates in the implementation of a structured offer to the persons mentioned in (i) of this paragraph. This structured offer shall be similar, in terms of economic profile, to the offer available to other employees and executive officers of the Company or its affiliated companies or economic interest groups as defined by Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code carried out, in particular by virtue of a capital increase carried out pursuant to the nineteenth resolution submitted to this Shareholders' Meeting.

3) Hereby approve the AXA Financial Stock Purchase Plan, implemented by AXA Financial, Inc. for the benefit of the employees and/or agents of AXA Financial, Inc. and participating US affiliates, through which such persons may acquire existing AXA shares.

4) Resolve that the issue price of the new shares to be issued pursuant to this authorization (i) shall not be more than 20% lower than the average quoted price of the AXA share on NYSE Euronext Paris over the twenty trading days preceding the day on which the Board of Directors sets the opening date of the subscription to a capital increase carried out by virtue of the nineteenth resolution adopted by this Shareholders' Meeting, nor higher than this average, and, (ii) shall not be more than 20% lower than an average quoted price of the AXA share on NYSE Euronext Paris over the twenty trading days preceding the day on which the Board of Directors sets the opening date of the subscription to a capital increase reserved to a beneficiary included in the category defined hereinbefore, provided that the structured offer referred to in paragraph (iii) of point 2) of this resolution would not be established concurrently to a capital increase carried out by virtue of the nineteenth resolution adopted by this Shareholders' Meeting, nor higher than this average. The Board of Directors may decide to reduce or cancel any discount so granted, if it deems appropriate, in order to take into account locally applicable legal, social, tax or accountancy regulatory rules.

5) Resolve that the Board of Directors will have full powers, with the right to sub-delegate as provided by law, to implement this delegation, including postponing or delaying such, and specifically to:
   - determine the date and the issue price of the new shares to be issued, as well as the other terms and conditions of the issues, including, the date – even retroactive – on which the shares to be issued will earn dividends, and the terms of payment of the issue price for such shares,

- set the list of beneficiaries of the suppression of the preferential subscription rights within the categories above defined, as well as the number of shares to be subscribed by each of them,
- charge, on the share premium(s), if need be, all expenses related to the capital increases, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each increase,
- take all necessary measures for the furtherance of the issues,
- ratify the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, carry out all formal, legal and other requirements, and obtain all authorizations necessary to the completion and the proper execution of such issues.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 29, 2010, under the thirteenth resolution. It is granted for a period of 18 months, starting from the date of this Meeting.

Twenty-first resolution

Authorization granted to the Board of Directors to grant subscription or purchase options to employees and eligible executive officers of the AXA Group

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report,

1) Authorize the Board of Directors, pursuant to Articles L.225-177 *et seq* of the French Commercial Code, to grant, in one or several times, Company's stock purchase and/or stock subscription options to certain employees and eligible executive officers of the Company and its affiliated companies or economic interest groups within the meaning of Article L.225-180 of the French Commercial Code.

2) Resolve that the options granted under this authorization may not allow their beneficiaries to subscribe or purchase a total number of shares greater than 2% of the number of shares constituting the share capital of the Company on the date of allotment of the options by the Board of Directors, provided that this maximum number is set without taking into consideration the number of shares to be issued, where appropriate, under the adjustments to be made to safeguard the rights of the beneficiaries of such options, in accordance with applicable legal requirements.

3) Resolve that the options granted to the Company's executive officers under this authorization may not correspond to more than 10% of the aggregate options granted during each fiscal year by the Board of Directors by virtue of this authorization.

4) Resolve that the Board of Directors shall determine, on the day it grants the option, the subscription price or purchase price of the shares within the limits and pursuant to the terms set by law, provided that this price shall not be less than the average quoted price of the Company's share on NYSE Euronext Paris over the twenty trading sessions preceding the date on which the options were granted.

   For the effective duration of the options granted, their price may not be modified, except if the Company carries out financial or securities transactions for which the law requires the Company to take the measures necessary for the safeguard of the rights of the beneficiaries of the options. In such event, the Board of Directors will take all legal measures necessary to take into account the impact of the transaction(s) so made and may elect to temporarily waive, where appropriate, the right to exercise the options in the event of a financial transaction resulting in an adjustment in accordance with Article L.225-181 subparagraph 2 of the French Commercial Code or any other financial transaction in the context of which it considers it appropriate to waive such right.

5) Duly note that this authorization entails the express waiver by the shareholders of their preferential subscription rights on the shares of the Company which will be issued as a consequence of the exercise of the subscription options.

6) Resolve that the Board of Directors will determine the conditions under which such options will be granted, provided that each attribution of options to the executive officers of the Company must be subject in full to one or several quantitative performance conditions established by the Board of Directors.

   These conditions may include immediate sale prohibitions for all or a portion of the shares, which prohibitions may not exceed three years from the date of the exercise of the option. In exception to the above, the Board of Directors may, as provided by law concerning the executive officers, apply a prohibition of exercise before the expiration of their terms or of immediate resale with a nominal obligation to hold all or part of the shares resulting from the exercise of the options until the expiration of their terms.

7) Resolve that the purchase and subscription options shall be exercised before the expiration date determined by the Board of Directors, which may not exceed ten years starting from the grant date. Notwithstanding the foregoing, in case of a prohibited exercise of these options imposed by the Board of Directors to an executive officer pursuant to the provisions of Article L.225-185 of the French Commercial Code, the deadline for exercise shall not expire before a minimum period of six months starting from the date the prohibition expires and will be postponed accordingly.

8) Grants to the Board of Directors, with the right to sub-delegate as provided by law, all powers to implement this resolution, within the restrictions set forth above, and specifically to:

   - determine the form of the options allocated (subscription options or purchase options),
   - determine the price and conditions under which the options are granted,

- set the list of beneficiaries and the number of options to be allocated to each of them,
- determine the date the options become exercisable and the other terms and conditions applicable to the exercise of the options,
- determine the conditions under which the price and the number of shares to be subscribed or purchased will be adjusted in compliance with applicable regulations,
- charge, if need be, on the share premiums all expenses in connection with the capital increases as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each issue,
- carry out all formalities in connection with any capital increase, and more generally take all necessary measures and conclude all agreements in furtherance of each issue, and amend the Bylaws accordingly, and more generally, do all that is necessary.

In accordance with legal requirements, the Board of Directors will inform the shareholders every year at an Ordinary General Shareholders' Meeting of all transactions made under this authorization.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 22, 2008, under the seventeenth resolution. It is granted for a period of 38 months, starting from the date of this Shareholders' Meeting.

Twenty-second resolution

Authorization granted to the Board of Directors to grant performance shares to employees and eligible executive officers of the AXA Group

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report,

1) Authorize the Board of Directors, pursuant to the provisions of Articles L.225-197-1 I *et seq* of the French Commercial Code, to freely grant existing or newly issued shares of the Company, in one or several times, to certain employees and eligible corporate officers of the Company and its affiliated companies or economic interest groups within the meaning of Article L.225-197-2 of the French Commercial Code.

2) Resolve that the total number of shares freely granted by virtue of this authorization may not exceed 1% of the number of shares constituting the Company's share capital on the date of the Board of Directors' decision to grant such shares, provided that this maximum number is set without taking into consideration the number of shares to be issued, where appropriate, under the adjustments to be made to safeguard the rights of the beneficiaries of the free allocation of the shares.

3) Resolve that the free shares granted to the executive officers of the Company by virtue of this authorization may not represent more than 10% of the aggregate shares allocated during each fiscal year by the Board of Directors under this authorization.

4) Resolve that the definitive grant of the shares will be specifically subject in whole to the satisfaction of the quantitative performance conditions set by the Board of Directors.

   The Board of Directors may, as provided by law concerning the executive officers involved, impose a prohibition against the transfer of freely allocated shares prior to the expiration of the term of their mandate or determine the number of these shares to be held in registered form until the expiration of the term.

5) Resolve that the allocation of the shares to the beneficiaries will become definitive:

   (i) for all or part of the shares allocated, at the expiration of a minimum acquisition period of four years; or

   (ii) at the expiration of a minimum acquisition period of two years.

   These shares will have a minimum holding period of two years, which will begin on the date of their definitive allocation. However, this holding period may be reduced or waived by the Board of Directors for shares for which the acquisition period has been set at a minimum of four years.

   The definitive acquisition of the shares and the right to transfer them freely shall be acquired by the beneficiary if the beneficiary qualifies as disabled pursuant to Article L.225-197-1 of the French Commercial Code.

6) Duly note that this authorization automatically entails in favor of the beneficiaries of freely allotted shares a waiver by the shareholders of (i) their preferential subscription right to any shares that are issued for free grant by virtue of this resolution, (ii) any part of the reserves, profits or premiums which will be capitalized for the purpose of this grant and of (iii) any right on the existing shares freely granted. The corresponding capital increase shall be considered definitely completed by sole virtue of the definitive granting of the freely allotted shares to their beneficiaries.

7) Grant to the Board of Directors, with the right to sub-delegate as provided by law, all powers to give effect to this resolution, within the time period set for it, and specifically to:

   - set the list of beneficiaries of the allocation of the shares and the number of shares to be allocated to each of them,
   - determine the date and the terms of allocation of the shares, and in particular the period at the expiration of which the allocations will become definitive and, where appropriate, the holding period for each beneficiary,
   - determine the conditions relating to the performance of the Company, the AXA Group or its entities and, where appropriate, the criteria for allocation of the shares,
   - determine if the shares freely granted are shares to be issued or existing shares and, in the event of newly issued shares, increase the capital through capitalization of reserves, earnings or premiums, determine the nature and the amounts of the reserves, earnings or

premiums to be capitalized for the purpose of paying in such shares, charge, on the share premium(s), if need be, all expenses related to such capital increases, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each increase, ratify the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, and more generally do all that is necessary for the proper completion and execution of such issues,

- if the Board of Directors decides, during the acquisition period, where appropriate, to make any adjustments to the number of shares so allocated in function of any transactions involving the capital of the Company, so as to safeguard the rights of the beneficiaries, provided that the shares attributed in application of these adjustments are considered as having been allocated on the same date as the shares that were initially allocated,
- and more generally duly note the definitive dates of allotment of the shares and the dates as of which the shares may be freely assigned pursuant to applicable legal restrictions, enter into any agreement, establish any document or record, carry out all necessary formalities and declarations with any organisms and do all that is otherwise necessary.

In accordance with legal requirements, the Board of Directors will inform the shareholders every year at an Ordinary General Shareholders' Meeting of all transactions made under this authorization.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 22, 2008, under the sixteenth resolution. It is granted for a period of 38 months, starting from the date of this Shareholders' Meeting.

Twenty-third resolution

Authorization granted to the Board of Directors to grant free shares to employees of the Group in connection with the attainment of its strategic objectives and the implementation of the law dated December 3, 2008

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report:

1) Authorize the Board of Directors, pursuant to Articles L.225-197-1 I *et seq* of the French Commercial Code, to freely grant existing or newly issued shares of the Company, in one or several times, to employees or eligible executive officers of the Company and its affiliated companies or economic interest groups within the meaning of Article L.225-197-2 of the French Commercial Code.

2) Resolve that the total number of shares freely granted by virtue of this authorization may not exceed 0.4% of the number of shares constituting the Company's share capital on the date of the decision to allocate such by the Board of Directors, provided that this maximum amount is set without taking into account the number of shares to be issued, where appropriate, under the adjustments to be made to safeguard any rights of the beneficiaries of the free allocation of the shares.

3) Resolve that the grant of the shares to the respective beneficiaries shall become definitive as follows:

   i) for all or part of the shares so allocated, at the expiration of a minimum acquisition period of four years; or

   ii) at the expiration of a minimum acquisition period of two years.

   These shares will be subject to a minimum holding of two years at least, which will begin on the date of their definitive grant. However, this holding obligation may be reduced or eliminated by the Board of Directors for shares for which the minimum acquisition period is set at four years.

   The definitive allocation of the shares and the right to freely transfer such shall be considered as acquired for the beneficiary if such beneficiary qualifies as disabled pursuant to Article L.225-197-1 of the French Commercial Code.

4) Duly note that this authorization automatically entails in favor of the beneficiaries of freely allotted shares a waiver by the shareholders of (i) their preferential subscription right to any shares that are issued for free grant by virtue of this resolution, (ii) any part of the reserves, profits or premiums which will be capitalized for the purpose of this grant and of (iii) any right on the existing shares freely granted. The corresponding capital increase shall be considered definitely completed by sole virtue of the definitive granting of the freely allotted shares to their beneficiaries.

5) Grant to the Board of Directors, with the right to sub-delegate as provided by law, all powers to implement this resolution, within the limits set forth above, and specifically to:

   - set the list of beneficiaries of the allocation of the shares and the number of shares to be allocated to each of them, it being specified that each beneficiary of the shares allocated pursuant to this authorization must be allocated the same number of shares as the other beneficiaries,
   - determine the dates and the terms of allocation of the shares, and in particular the period at the expiration of which the allocations will be definitive and, where appropriate, the holding period for each beneficiary,
   - determine the conditions and, where appropriate, the criteria for allocation of the shares,
   - determine if the freely allocated shares are shares to be issued or existing shares and, in the event of newly issued shares, increase the capital through capitalization of reserves, earnings or premiums, determine the nature and the amounts of the reserves, earnings or premiums to be capitalized for the purpose of paying in such shares, charge, on the share premium(s), if need be, all expenses related to such capital increases, as well as all sums required in order to bring the legal reserve to one-tenth of the new share capital after each increase, ratify the completion of the capital increases resulting from this resolution and amend the Bylaws accordingly, and

more generally do all that is necessary for the proper completion and execution of such issues,

- if the Board of Directors decides to do so, during the acquisition period, where appropriate, make any adjustments to the number of shares so allocated in function of any transactions involving the capital of the Company, so as to safeguard the rights of the beneficiaries, provided that the shares attributed in application of these adjustments are considered having been allocated on the same date as the shares that were initially allocated,
- and more generally ratify the definitive dates of allocation and the dates as of which the shares may be freely transferred, taking into account any applicable legal restrictions, enter into any agreements, establish any documents, carry out all necessary formalities and declarations with any organisms and do all that is otherwise necessary.

In accordance with legal requirements, the Board of Directors will inform the shareholders every year at an Ordinary General Shareholders' Meeting of all transactions made under this authorization.

This authorization is granted for a period of 38 months, starting from the date of this Shareholders' Meeting.

Twenty-fourth resolution

Authorization granted to the Board of Directors to reduce the share capital through the cancellation of ordinary shares

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of Article L.225-209 of the French Commercial Code;

1) Authorize the Board of Directors to cancel, in one or several times, all or a portion of the ordinary shares acquired by the Company and/or that it may acquire in the future pursuant to any authorization granted by an Ordinary Shareholders' Meeting in application of Article L.225-209 of the French Commercial Code, up to a maximum amount of 10% of the Company's share capital for any 24-month period, provided that such 10% limit applies to an adjusted number of shares, where appropriate, in function of the transactions affecting the share capital subsequent to this Shareholders' Meeting, and to reduce the share capital accordingly.
2) Resolve that the Board of Directors will have all powers, with the right to sub-delegate as provided by law, to implement this resolution and specifically to:
   - establish the definitive amount of such capital reduction(s), determine the terms and conditions of such reduction(s), and duly record such reduction(s),
   - charge the difference between the book value of the cancelled ordinary shares and their nominal value on any available premiums and reserves,
   - amend the Bylaws accordingly,
   - complete all formalities and declarations necessary with all authorities, and more generally do all that is necessary.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their Meeting of April 29, 2010, under the fourteenth resolution. It is granted for a period of 18 months, starting from the date of this Shareholders' Meeting.

Twenty-fifth resolution

Modification of the Bylaws regarding the notification, by electronic means, of the appointment and revocation of the shareholder representative during General Shareholders' Meetings

The shareholders, having fulfilled the quorum and majority requirements pertaining to extraordinary general shareholders' meetings, having reviewed the Board of Directors' report decide to modify the provisions of Article 23 "Shareholders' Meetings" of the Bylaws, in order to comply with the new regulatory provisions regarding the notification, by electronic means, of the appointment and revocation of the shareholder representative during General Shareholders' Meetings resulting from Decree n° 2010-684 dated June 23, 2010 regarding shareholder rights in listed companies. As a consequence, paragraph 4 and 5 of Article 23 of the Bylaws drafted as follows:

"Shareholders may vote by mail in accordance with applicable legal and regulatory provisions. In particular, any shareholder may give proxy and mail voting forms prior to meetings of shareholders either in paper or in electronic form, subject to approval by the Board of Directors published in the notice of meeting.

The online completion and signature of these forms could be done directly on the secured website that has been set up to centralize the management of Shareholders' Meetings, via a secure username (log-in) and password system, compliant with the first sentence of the second point of Article 1316-4 of the French Civil Code (Code Civil), if the Board of Directors so decides at the time of the notice of meeting. The proxy or voting forms completed electronically prior to the meeting, as well as the acknowledgement of receipt that will be given in reply, will be considered as irrevocable and opposable written proofs. Notwithstanding the foregoing, in the event shares are sold or otherwise legally transferred before the third business day preceding the Shareholders' Meeting at 0.00 am Paris time, the Company shall invalidate or modify accordingly, as the case may be, the proxy or voting form completed online prior to the meeting."

shall from now on be drafted as follows:

"Shareholders may vote by mail in accordance with applicable legal and regulatory provisions. In particular, any shareholder may mail voting forms prior to meetings of shareholders either

in paper or in electronic form, subject to approval by the Board of Directors published in the notice of meeting. The proxy forms may be transferred either in paper or in electronic form before the Shareholders’ Meetings.

The online completion and signature of these forms could be done directly on the secured website that has been set up to centralize the management of Shareholders’ Meetings, via a secure username (log-in) and password system, compliant with the first sentence of the second point of Article 1316-4 of the French Civil Code (Code Civil), if the Board of Directors so decides at the time of the notice of meeting. The proxy or voting forms completed electronically prior to the meeting, as well as the acknowledgement of receipt that will be given in reply, will be considered as irrevocable and opposable written proofs. The proxy is however revocable in the same conditions as the ones requested for the appointment of the shareholder representative. In the event shares are sold or otherwise legally transferred before the third business day preceding the Shareholders’ Meeting at 0.00 am Paris time, the Company shall invalidate or modify accordingly, as the case may be, the proxy or voting form completed online prior to the meeting.”

Twenty-sixth resolution

Authorization to comply with all formal requirements in connection with this Meeting

The shareholders, having fulfilled the quorum and majority requirements pertaining to ordinary general shareholders’ meetings, grants full authority to the bearer of an original, a copy or an excerpt of the minutes of this Shareholders’ Meeting in order to carry out all publication and filing formalities, and generally do all that is necessary.

Information concerning the candidates to the Board of Directors

CANDIDATES WHO ARE MEMBERS OF THE BOARD, AND WHOSE TERMS ARE UP FOR RENEWAL

Jean-Martin Folz

Principal function

Companies' director

Born on January 11, 1947

French nationality

Mandate and number of AXA shares

Elected on April 29, 2010 – Term expires at the 2011 Shareholders' Meeting

First appointment on May 14, 2007

Chairman of the AXA Ethics and Governance Committee

Member of the AXA Finance Committee

Member of the AXA Compensation and Human Resources Committee

Number of AXA shares held as of March 2: 8,084

AS OF DECEMBER 31, 2010

Expertise and experience

Mr. Jean-Martin Folz is a graduate of the *École Polytechnique et ingénieur des Mines*. Between 1975 and 1978, he has held various French government cabinet positions, his last position being head of cabinet of the Secretary of State for Industry. In 1978, he joined Rhône-Poulenc to run the Saint-Fons plant, and was then promoted to Senior Executive Vice-President of Rhône-Poulenc for the Specialty Chemicals business unit. In 1984, he became Senior Executive Vice-President and then Chairman and Chief Executive Officer of Jeumont-Schneider (a Schneider subsidiary). In 1987, he was appointed Chief Executive Officer of Péchiney and Chairman of Carbone Lorraine (in 1988). In 1991, he became Group Chief Executive Officer of Eridania Béghin-Say and Chairman of Béghin-Say. Mr. Jean-Martin Folz joined PSA Peugeot Citroën in 1995 and became Chairman of the Management Board in 1997. He left PSA in February 2007. From June 2007 to March 2010, he was Chairman of the AFEP.

Directorships currently held

Director:

- Alstom
- AXA
- Compagnie de Saint-Gobain
- ONF-Participations (SAS)
- Société Générale
- Solvay (Belgium)

Previous directorships held during the last five years

Peugeot SA, *Chairman of the Management Board*

Chairman:

- Automobiles Citroën
- Automobiles Peugeot

Director or member of the Supervisory Board:

- AXA (Supervisory Board)
- Banque PSA Finance
- Carrefour [(1)]
- Faurecia
- Peugeot Citroën Automobiles

(1) *End of mandate March 1, 2011.*

Giuseppe Mussari

Principal function

Chairman of the Board of Banca Monte dei Paschi di Siena S.p.A. (Italy)

Born on July 20, 1962

Italian nationality

Mandate and number of AXA shares

Elected on April 29, 2010 – Term expires at the 2011 Shareholders' Meeting

First appointment on May 14, 2007

Member of the AXA Finance Committee

Number of AXA shares held as of December 31, 2010: 7,326

AS OF DECEMBER 31, 2010

Expertise and experience

Mr. Giuseppe Mussari is a graduate in Law of the University of Siena (Barrister registered in the Rolls of the Court of Siena since 1993). In 1998, he became Deputy Chairman of the Criminal Section of the Court of Siena and then in 2000 Chairman of the Criminal Section of the Court of Siena. In July 2001, he was appointed Chairman of the Monte dei Paschi di Siena Foundation. Since April 2006, Mr. Giuseppe Mussari has been Chairman of Banca Monte dei Paschi di Siena (BMPS).

Directorships currently held

Banca Monte dei Paschi di Siena S.p.A. (Italy), *Chairman of the Board*

Italian Bankers' Association (Italy), *Chairman*

Director:

- AXA
- Interbank Deposit Protection Fund (Italy)
- Italy-China Foundation (Italy)
- Rosselli Foundation (Italy)

Member:

- Promoting Committee of Symbola Foundation (Italy)
- Steering Board of ABI–ANIA (Italy)
- Steering Board of Assonime (Italy)

Previous directorships held during the last five years

Cassa dei Depositi e Prestiti (Bank for Deposits and Loans) (Italy), *Chairman of the Guidance Committee*

Chairman:

- Chigiana Music Academy Foundation (Italy)
- Mecenate 90 Association (Italy)
- Monte dei Paschi di Siena Foundation (Italy)

Siena Biotech (Italy), *Chairman of the Ethical Monitoring Committee*

ACRI (Italy), *Vice-Chairman*

Director or member of the Supervisory Board:

- AXA (Supervisory Board)
- Cotec Foundation (Italy)
- Ravello Foundation (Italy)
- Sansedoni S.p.A. (Italy)

Clear Pacts Consortium (Italy), *member of the General Council*

Toscana Life Sciences Foundation (Italy), *member of the Guidance Committee*

CANDIDATE FOR APPOINTMENT

Dr. Marcus Schenck

Principal function

Member of the Management Board and Chief Financial Officer of E.ON AG (Germany)

Born on October 31, 1965

German nationality

Number of AXA shares

Number of AXA shares held as of December 31, 2010: *none*

AS OF DECEMBER 31, 2010

Expertise and experience

Mr. Marcus Schenck is a graduate of economics in Bonn (Germany) / Berkeley (United States) and holds a doctorate degree in economics from the University of Cologne (Germany). In 1991, he joined McKinsey & Co. in Germany as consultant. Initially, he worked on assignments in different industries including steel, tourism, retail and banking. As a Senior Engagement Manager he was a member of the financial institutions practice. In 1997, he started as a senior associate for Goldman, Sachs & Co. oHG in Frankfurt am Main (Germany). In 2001, he became Managing Director and partner in 2002. From 2005 to 2006, he was head of investment banking of the German speaking Region. Since December 2006, Mr. Marcus Schenck is Chief Financial Officer of E.ON AG (Germany) in charge of accounting, controlling, finance, risk, taxes and M&A and is also a member of the Management Board of E.ON AG.

Directorships currently held

E.ON AG (Germany), *member of the Management Board*

Director or member of the Supervisory Board:

- Commerzbank AG (Germany)
- E.ON Ruhrgas AG (Germany)
- SMS Group GmbH (Germany)
- E.ON IT GmbH (Germany)

HSBC Trinkaus & Burkhardt AG (Germany), *member of the Advisory Board*

Capital Markets Advisory Council to the German Finance Minister, *member*

Berlin Center of Corporate Governance (Germany), *member*

Previous directorships held during the last five years

Goldman, Sachs & Co. oHG (Germany), *Managing Director and Partner*

APPENDIX IX SOCIAL AND ENVIRONMENTAL INFORMATION

In accordance with the provisions of the French Commercial Code (*Code de Commerce*) resulting from the New Economic Regulations Act (*loi sur les Nouvelles Régulations Economiques*) adopted in May 2001, the following information describes the manner in which the Company takes into account the social and environmental impacts of its activities.

Beyond the scope of the NRE Act, AXA places Corporate Responsibility (CR) both at the heart of its business and in its day to day interactions with its stakeholders. It is through adopting a responsible behaviour in its operations, as well as through the development of responsible products and services, that the Group is able to most effectively participate in social, environmental and economic progress. Additional information concerning the social and environmental policies and practices of the AXA Group is available in the Activity and Corporate Responsibility Report (hereinafter referred to as the "Activity Report") and on the AXA Group's website (www.axa.com), in particular in the "Corporate Responsibility" section. The Activity Report and the Social Data Report are available on the website (www.axa.com) or upon request to the Individual Shareholders Department, 25, avenue Matignon, 75008 Paris, France.

In 2010, strong progress has been made on Corporate Responsibility. At a Group-level, it includes the formal integration of CR into local and Group strategic planning processes; the creation of a senior executive-level network of Chief Corporate Responsibility Officers charged with a broad CR mandate; the definition of a CR key performance indicator which enables precise tracking of local and Group CR "maturity" on multiple CR areas and is included in annual objectives; the launch of "Risk Research & Education" as the Group's "CR flagship" theme, with the creation of a Group partnership with a non-profit organisation on risk education for disadvantaged populations ; and engaging 10 000 employees across the Group in an online "Forum on Corporate Responsibility".

SOCIAL INFORMATION

AXA strives to be a responsible employer, placing employee engagement at the heart of its business strategy. Achieving this means creating a workplace built on AXA's values that fosters diversity and equal opportunities for all, promotes employee participation, encourages professional development, and supports employee well-being.

The Social Data Report covers: 1) entities (companies and/or organizations) of which AXA owns, on December 31st 2010, directly or indirectly, at least 50% of the capital or voting rights. 2) entities (companies and/or organizations) of which AXA owns, on December 31st 2010, directly or indirectly, at least 10% of the capital or voting rights, and has the management control, alone or acting in concert with a third party, within the meaning of Article L.233-3 of the French Commercial Code.

The following sections refer to salaried workforce with open-ended contracts.

Workforce size and movements

After the difficult market environment of 2009 and the related workforce contraction, AXA Group stabilized its global workforce in 2010. The overall salaried workforce on December 31st 2010 remained at more than 127.000 employees, which represents a slight decrease of 0.7% when compared to 2009 figures. However the number of FTEs (Full Time Equivalent) has increased by 1.5%. Progress has been made on employee retention: the global turnover rate went down from 24.8% in 2009 to 21.6% in 2010. The turnover rate of the salaried sales forces has decreased by 18 points (77.6% in 2009 vs. 59.9% in 2010).

AXA's internal opinion survey "Scope 2010" shows a high satisfaction level amongst our employees: 73% think their job is a source for personal growth and fulfilment.

AXA has no difficulty to recruit salaried workforce: AXA continued to recruit in 2010 and recorded about 27.000 entries, of which almost 14.000 were sales employees. In this total number of entries, 648 were re-hires into the company. The number of fixed-term contracts transformed into open-ended contracts increased as well (1.713 employees in 2010 vs. 1.263 employees in 2009). With regards to the number of net job creations, there is 39% less job destruction when compared to 2009.

AXA's salaried workforce footprint (excluding distributors) in 2010 was: 59% in Europe (vs. 60% in 2009), 26% in Asia Pacific (vs. 25% in 2009), 13% in the Americas (no change) and 2% in Africa (no change).

The average age of employees remains stable at 39.6 years and the average length of service stays at 10.3 years. Both are higher in Europe (41.8 years/13.6 years) and in the Americas (39.1 years/7.6 years) than in emerging markets: Asia Pacific (35.3 years/4.3 years) and Africa (34.8 years/6.6 years). See "Diversity & Inclusion" section for gender data.

The total numbers of departures decreased by 6% reaching back its 2008 level. While non-sales forces departures increased by 16.3%, the strong decrease in the salaried sales force category, 20.9%, led to this global trend. However, the global employee turnover rate of the salaried sales force remains rather high at 59.9% mainly driven by high-growth markets (even though it represented an important decrease compared to 77.6% in 2009). The increased number of non-sales force departures is also related to jobs or activities transferred, in 2010 mainly in the UK (workforce that has left AXA due to an activity or job transfer to an external company without losing their position).

Temporary employment was in line with the overall job market trend, with an increase mainly related to India (+366 average FTEs compared to 2009).

The internal mobility rate remained stable: 12.1% in 2009 and 11.7% in 2010.

Employee relations, collective bargaining

Effective labour-management communications and social dialog pave the way for the stability needed to implement the Group's development strategy. Such communications with staff or their representatives are therefore organized and conducted by each Group company on a regular basis. AXA also has set up a European Works Council (EWC), whose extensive role goes beyond the regulatory requirements in force. The EWC is made up of staff representatives from AXA's largest European subsidiaries, who meet in order to receive and exchange information on the social, strategic and economic issues that concern the Group, and maintain an on-going dialog between employees and management.

In June 2009, the Group EWC agreement (available on www.axa.com) was renewed for an indefinite term starting December 1, 2009. This renewal takes into account the European Directive n°2009/38 dated May 6, 2009. The initial agreement was concluded before the European directive on works councils became mandatory. In this way, staff rights to be consulted and informed were freely agreed on by management and employee representatives before the directive's compulsory provisions actually came into effect. AXA holds two plenary meetings a year, in combination with a preparatory and post-plenary session systematically held for debriefing. These plenary meetings are always attended by the Chairman of the AXA Management Committee. Moreover, the EWC's bureau, which features thirteen representatives, meets monthly.

The introductory section of the Group EWC agreement is based on a number of international benchmark documents, such as the UN's Declaration of Human Rights and the International Labour Organization's standards, as well as AXA's own set of core values and commitments.

In addition to the EWC's work, numerous collective bargaining agreements are signed. For example, in France, 9 collective agreements have been signed throughout 2010. These agreements included for example the implementation of an innovative stress prevention programme, the renewal of a three-year salary agreement for administrative staff, and the renewal of employee representation organisations and of social dialogue rights, in accordance with France's new legislation in this area. More generally, beyond Europe, the Group strives to ensure that employees are fairly represented in all major countries where it is present.

Headcount adjustments, mobility and related measures

The aforementioned Group EWC agreement provides a certain number of commitments to employees in the event of major organizational changes with impacts on jobs. AXA has developed the following principles with a view to guiding its various European business units in their local management:

- When organizational changes affect jobs, AXA pledges to supply relevant information and, as appropriate in light of local cultures and rules, to consult with employees and their representatives;
- In connection with this information-gathering and consultative process, the data and information provided by AXA will include possible alternative solutions if relevant;
- Factoring in the interests of its employees, clients and shareholders, AXA undertakes to maximize any opportunities for internal and external redeployments, when applicable, for all AXA employees affected by possible employment issues;
- AXA will do its utmost to prevent compulsory redundancies and other collective transfers, by pursuing other approaches whenever possible. More specifically, AXA endeavours to: 1) seize the opportunities offered by natural headcount attrition to facilitate employment issues; 2) make every effort to help employees, analyse their skills and career paths and offer them training and reassignment opportunities, when feasible; 3) give priority to voluntary departures and redeployments instead of redundancies and other forms of collective transfers; and 4) deal with decisions of international transfer of business (for example in the case of offshoring) applying the principles of social dialogue explained in this text to the European countries involved;
- When geographic mobility is necessary, it must be offered as a matter of priority to employees who volunteer to move, with this process managed with a view to enabling their integration into a new environment under the best possible conditions;
- AXA pledges to recognize staff representatives and uphold their freedoms, rights and functions, in line with national legislation and, where relevant, agreements in force in local business units;
- Aware that training represents a major investment both for the Group and for its employees, AXA is committed to developing a continuous learning culture;
- AXA will not discriminate against its staff on the basis of their gender, race, colour, ethnic origin, genetic makeup, disabilities, sexual orientation, language, religion, personal convictions, union membership or political opinions.

In 2011, AXA will launch "Mobility@AXA", its new "job posting" system. The deployment of this new platform will be progressive in the next few years to become a shared platform for all AXA entities worldwide.

Working time, overtime, work-life flexibility

The average number of working hours per week in AXA is 36 hours and the average number of working days is 229 days. Overtime compared to the total number of working hours has slightly increased from 1.6% in 2009 to 1.9% in 2010. The percentage of part-time non-sales force increased from 11.3% in 2009 to 12.5% in 2010.

AXA's local entities have developed various programs to improve their employees' work-life-balance. AXA Germany has implemented several childcare measures such as "parent-offices" which can be booked in case the regular childcare solution fails, or offers advice on financial support for private childcare-offers during school vacation periods, a 2-week-program for employee children during the summer holidays, AXA Mexico launched the "Vive en Balance" (Live in Balance) program to improve work-life flexibility and enhance employee engagement. AXA Switzerland developed the "Fathers forum", a seminar on work-life topics of fathers, who were able to share experiences in taking part of their family life in addition to a fulfilling career at AXA. AXA Switzerland's employees also benefit from "Family Care", a structure that provides individual and affordable solutions for the families of AXA employees requiring assistance (e.g. advice and information on family life and parenting), while the "Elder Care" specialists help find adequate solutions when it comes to looking after and treating family members who are old, ill, or disabled.

Remuneration, profit sharing, payroll expenses

In any company, reward and recognition are key drivers to foster employee engagement and to a fulfilling and successful career. Reward and recognition at AXA are balanced between tangible and intangible elements. Reward is more than just pay and benefits, and it covers a large part of the work experience with the company. A "Total Reward Strategy" has been defined to meet three key criteria: 1) attract and retain talents in the market, by offering competitive packages and differentiating higher performers; 2) define fairness as the combination of internal equity and meritocracy (for any given job responsibilities, superior performance deserves greater compensation); 3) the overall compensation cost must be in line with our economic performance as compared to the market. This is key to become the "Preferred Company" also for our customers and shareholders.

With €7 billion AXA's total compensation expenses has increased by 5% when compared with 2009. This was due to the variation of currency exchange rates (particularly the US and Australia Dollar, as well as the Japan Yen, the China Yuan Renminbi and the India Rupees) against the Euro with especially high impacts on the Asia Pacific perimeter (the regional split is as follows: Asia Pacific +15%, Europe +2%, Americas +11%, Africa +21%); 2) the payment of 2009 bonuses (paid in 2010) that were higher than the 2008 ones and the increasing proportion of variable pay (from 15.9% in 2009 to 17.2% in 2010); 3) the increase in FTE's of 1.5% over 2010. In addition, detailed information concerning individual compensation of the AXA Management Committee members is provided for in Part 2, Section 2.2 of this Annual Report.

Several local AXA entities have started to include environmental considerations in their profit sharing agreement. For example, AXA France's agreement includes provisions related to paper consumption, and the AXA Group headquarters (GIE) includes criteria related to local carbon emissions reductions in the calculation of its profit sharing agreement. AXA France has also set aside a dedicated budget since 2008 to address gender-based pay gaps.

Diversity & Inclusion

AXA is committed to promote diversity and inclusion by creating a work environment where all employees are treated with dignity and respect and where individual differences are valued. AXA is committed to equal opportunity in all aspects of employment. We oppose all forms of unfair or unlawful discrimination and will not tolerate discrimination based on age, race, nationality, ethnic origin, gender, sexual orientation, religion, marital status, or disability. AXA is dedicated to cultivate a diverse and inclusive environment where all employees feel fully engaged and included in our business and strategy to become the "Preferred Company".

Diversity and inclusion is tightly linked to AXA's values and culture, based on respect for employees, customers, and communities around us. A diverse workforce helps AXA effectively meet diverse market and customer needs globally and locally, as well as improve its competitiveness through innovation. It also helps attract the most talented people in all populations and foster internal morale and employee engagement, as well as enhanced people management and optimized teamwork. Moreover, it enhances the brand image.

In 2010, AXA's Management Committee validated the updated diversity & inclusion policy. At the entity level, 47 Diversity Champions have been appointed and are supported by Diversity Correspondents who implement action plans. A Group Diversity Council was formed, and a Group Chief Diversity & Inclusion Officer was appointed in late 2010. AXA local entities continued with their focus on diversity and inclusion based on locally-driven dynamics.

In 2011, AXA kicked off the year with a Diversity & Inclusion Forum that had over 100 key diversity and inclusion stakeholders from both the business and HR attend. At the event, both the AXA CEO and the Deputy CEO stated their commitment to diversity & inclusion in AXA. During the event, local AXA entities were recognized through a Diversity & Inclusion Best Practices Award. This was the first year for the award, and there were 21 entries from 14 affiliates. Submissions addressed 6 diversity and inclusion categories, which were gender, work-life, multi-generational, disability, race/ethnicity, and sexual orientation.

In early 2011, AXA will establish a Group diversity & inclusion strategy that will encompass a focus on our employees, our culture, and our customers, as well as leadership. Within this strategic framework, AXA Group will address some aspects of diversity and inclusion on a global level, such as gender. Alignment on a few key globally relevant diversity & inclusion priorities, couple with the critical country-specific dynamics addressed by the local entities, will allow for leveraging of resources, efficiency, and stronger results.

The proportion of women in AXA's workforce increased between 2009 and 2010, across all employee categories: Executives (from 21.6% in 2009 to 22.4% in 2010), Managers (from 36.9% to 38.2%) and overall workforce (from 49.6% to 50.5%). AXA's Board of Directors features 4 women out of a total of 15 members.

This positive data trending has been a result of numerous gender initiatives implemented across AXA with a long term goal of achieving gender balance at all levels. In 2010, AXA Belgium created the "AXA Wo_Men@Work" award which rewards a CEO, CFO, CIO, COO, or Board member, outside of AXA, who is actively promoting gender diversity within the senior management of his or her company or organization. For several years now, AXA France has been a recognised leader in the area of equal opportunities through the promotion of a number of initiatives. In 2010, these included partnering with the "Tour de France de la Diversité" (promoting France's "Diversity Charter"), extending the 2005 anonymous resumes policy to all job applicants as a way of ensuring fair treatment (30.000 applications since 2009), adapted remuneration efforts, and promoting the employability of mature staff through the anticipation of their career development and specific training and mentoring programmes from age 45 and above. AXA Germany has launched an extensive "Gender Mentoring" program in 2010. AXA Life Japan addresses the issue of women's representation in management by organizing programs for pre-manager women and career advice and trainings. AXA Life Japan also developed a scheme that helps senior employees' career flexibility while providing new opportunities to younger talents. When senior employees reach the age of 50 or 55 (depending on their job grade), the company offers them various options and career advice including further development, early retirement packages, and even starting-up as a tied agent. AXA Mexico established a Diversity Committee. AXA Spain launched its "Equality Plan" in 2010, a collective agreement signed between management and local trade unions to prevent gender discrimination and promoting work-life flexibility. The plan includes initiatives such as sexual and moral harassment incident reporting with non-retribution guarantees, application forms and interviews devoid of irrelevant personal questions, and maternity/paternity leave measures. AXA Switzerland launched a Gender Mentoring program in 2009 whereby senior executives mentored female employees to exchange career experiences, discuss different life situations and increase the visibility of top talents. The program was extended in 2010 and a Diversity Council was launched. AXA Equitable (USA) hosted an event to honour the US Women's History Month.

AXA entities also promote the integration of people with disabilities. In AXA France's perimeter, where it is legal to report this figure, the number of employees with disabilities increased from 515 employees in 2009 to 616 employees in 2010, representing a 19.6% increase. Another local disability initiative is AXA Life Japan which has increased its disabled employment rate by hiring 150 people with disabilities in 3 years, achieving one of Japan's highest disabled employment rate. AXA Germany signed a specific agreement with its Works Council, whereby specific facilities accessible for the handicapped are provided, such as adapted elevators, even floors and doorsteps, special rest room facilities and ramps. The workspace is modified if an employee needs special arrangements due to a personal handicap. AXA France's "*Mission Handicap*" enables hundreds of employees to benefit from adapted working schedules, transportation and real estate services. These efforts also apply to the parents of handicapped children.

Health & safety, absenteeism, employee wellbeing

The total absenteeism rate remained stable: 4.5% in 2009 and 4.6% in 2010. The proportion of work-related accidents has slightly increased between 2009 (1.9%) and 2010 (2.3%). This increase is more significant with regards to the salaried sales force (+2 points), especially in the high-growth markets.

AXA's local entities develop schemes to monitor and improve their employees' health. For example, in 2010, AXA Germany launched "for a healthy heart", a mobile medical service visiting all German AXA locations during 3 years, with a prevention program focusing on employees' cardiovascular risks. A company physician performs individual employee risk assessments, and provides diet and exercising advice. Over 2.000 employees took part in the related "Health Days". These new activities complement the broad range of services and advice already existing for employees (addiction counselling, mobbing advice, first-aid training courses, etc.). The AXA Group head office initiated a series of conferences and workshops led by specialists providing advice on how to fight sleep deprivation. In connection with exercise, relaxation, diet, and ergonomics, AXA Winterthur (Switzerland) offers a wide range of activities on all aspects of physical and mental wellbeing. Presence management is also being introduced: the idea is to identify warning signs of health issues at an early stage and to take suitable measures. Training sessions for all line managers on the topics of prevention, early warning, and reintegration into the workplace are undertaken. A health platform shows video clips of exercises to be performed regularly during short break that can help prevent and counteract painful muscle tension. Health management also offers regular two-hour workshops in AXA Winterthur on topics such as staying healthy and fit while working at the PC, as well as on training for the eyes. Several entities won employee wellbeing or positive workplace awards in 2010 (e.g. Germany, Greece, Mexico, Portugal).

Training

The Group's Human Resources policy is based on a management style that intends to empower people, in line with AXA's core values of professionalism, innovation, pragmatism, team spirit and integrity. Learning is a key lever for the HR function. Enhancing the technical expertise of employees and helping them grow as leaders are two of AXA's key objectives. With a constantly changing business environment that demands employees to give their best, the focus on learning will help the AXA's employees acquire new skills or develop existing ones to better equip them in their career development paths. Learning continues to be one of the company's top HR priorities as it is setting ambitious targets for 2011 and creating an agenda to build a common learning through the 5 following pillars: Onboarding, Leadership and Management Skills, Technical Skills, Transversal Skills and Individual Development.

AXA's competencies development remains high with 81% of its employees trained during the year (vs. 76% in 2009). The average duration of training decreased slightly from 3.6 days per employee in 2009 to 3 days in 2010 as AXA's salaried sales-force received more training courses, but shorter ones and less technically oriented.

In addition to local employee training and development programs, the Group runs AXA University, a central learning structure whose primary objective is to provide AXA's worldwide group of executives a place to network and exchange ideas, as well as targeted development and competence-building opportunities. In this way, AXA University helps build organisational capability and in so doing contributes to the implementation and success of AXA's corporate project. AXA University offers a high level curriculum thanks to relationships formed with professors of the world's leading universities and business schools such as Wharton, IMD and INSEAD. The offering is constructed around two dominant themes: professional colleges (targeted to build specific technical competencies and job "families" such as Finance, Human Resources or Marketing) and programs dedicated to the development of leadership capabilities for top executives. AXA University also plays a vital role in promoting organisational capability and corporate culture.

Talent attraction and retention

Since 2002, AXA formalized the "Organization & Talent Review", a systematic review and discussion of the organization structure required to support the business and prepare future needs, the review of team dynamics, talent depth and the talent flow (succession plans) across all major entities of the AXA's Group. This strategic tool does 1) project the organization while taking into account the business priorities, people trends and capacity gaps for the next 5 years and anticipates talent implications, 2) ensure that AXA has the right growth engine to build a robust, ready and solid "talent pipeline" i.e. provides an understanding of the number of people available to build the organization capability, 3) prepare the most suitable candidates to fill key positions within the organization at the right time, 4) review the key positions suitable for talent development, including talents such as experts and expatriates, 5) reduce "fire-fighter staffing"- as it is costly to replace an employee in a key position (it takes at least 6 months to find the right successor; there is a loss of know-how; and disorganization), and 6) increase the engagement of employees who know that their progress within AXA is a reality as their development actions and career paths are openly discussed.

A standard on performance management has been established to be used by all AXA entities to cover 100% of the employees, at least on an annual basis. This recurrent process directly ensures that the Group's performance-based remuneration policy and evaluation of training needs runs efficiently. In 2007, a worldwide initiative called "People In" was launched in order to roll out a shared process on performance management using a PeopleSoft tool. 38,504 employees were using it in 2010.

AXA has defined a framework to identify and measure its operational risks that may arise from a failure in its organization, systems and resources or from external events. Ensuring an adequate mitigation of these risks across the Group is a key pillar of AXA's risk management functions. With respect to its employment practices, AXA has defined, and will further strengthen in 2011, Human Resources Key Risk Indicators (HR KRI) to retain employees and position itself as an employer that is able to attract top talent, to better manage employee relations, and to contribute to a safe and healthy environment for its workforce.

Impact on regional development, subcontracting

To the extent that the Company's activities are decentralized and their staffs are spread among numerous locations, it generally has no significant direct impact on local employment or development in any given region. It does not resort to significant levels of subcontracting.

However, as a provider of insurance, savings and investment services, AXA is an actor of economic growth and social development through the support of 93 million individual customers, local communities and businesses. Indeed AXA's business is to protect people and businesses, their belongings, their health, their savings, their assets over the long run, providing peace of mind through uncertainty and support when it is most needed. This means designing reliable insurance and investment solutions to meet the needs of our customers, managing risks and claims in a professional way, acting as a major long-term investor, but also sharing our business expertise by helping to build better understanding of the risks faced by individuals and society at large.

Community involvement: social & cultural activities, philanthropy, education, employee volunteering, social inclusion

Beside the aforementioned societal benefits derived from our activity as an insurer and investor, AXA's main efforts towards the community focus on the following areas:

- Volunteering: supporting disadvantaged people through the Group employee volunteering program, "AXA Hearts In Action". In 2010, over 23,500 AXA Hearts In Action volunteers around the world made their skills, time and generosity available to support more than 1000 charities with a view of helping underprivileged people. The areas covered by AXA Hearts In Action are selected by employees in light of local issues, and include fighting against exclusion and helping children in need, people with disabilities and victims of natural disasters.
- Research and education: AXA launched in 2008 the AXA Research Fund (www.axa-research.org) whose core mission is to finance basic research contributing to understand and prevent risks. The Fund has been awarded €100 million over five years to finance innovative research and cutting-edge projects within three areas: environmental risks, life risks, and socio-economic risks. It will thus foster innovative world-class research on those major risks, by providing outstanding researchers with the best possible working conditions, contributing to the development of highly competitive institutions (by giving substantial amounts that make a true difference), and encouraging a living research community committed to a better understanding of major risks. The results of research are publicly available; AXA doesn't own intellectual property of research results. The Fund does therefore not launch nor support contractual research. In 2010, the AXA Research Fund invested €13.8 million to support 83 new projects in 16 countries. 3 permanent research chairs were funded, as well as 6 research teams, 48 post doctoral fellowships (2 years duration) and 26 doctoral fellowships (3 years). Funding is granted in accordance with the decisions of the AXA Research Fund Scientific Board, composed of world-renowned researchers and AXA representatives.
- Donations: in addition to the AXA Research Fund program, the AXA Group and local entities invested €16.3 million in total in philanthropic actions in 2010. Themes covered included arts & culture, economic development, education & youth, emergency relief (e.g. the Group donated €668K for the Haiti earthquake victims), environment, health, or social welfare.

In addition, a Group-level initiative was launched in 2010 to assess how AXA could design and launch insurance products that address social exclusion while being breakeven in the long term, by enabling vulnerable segments of the population to access insurance services. A first type of offer of low-cost / micro-insurance products has been launched in France, for *micro-entrepreneurs*, as early as 2007, and more recently in Mexico (2009) and Portugal (2010), catering to lower middle-class or low income individuals who cannot afford traditional products, which are often not adapted to their needs. In emerging markets, where volumes of potential customers are significant, micro-insurance projects with a specific business model are being investigated

Business ethics

In 2006, AXA's Supervisory Board adopted a new version of its Compliance and Ethics Guide, available on the Group's website (www.axa.com). The purpose of the Guide is to establish Group-wide guidelines and rules to ensure that all AXA Group companies and employees have a common understanding of applicable ethical standards and conduct business accordingly. The Guide covers a variety of matters including specific rules concerning conflicts of interest, transactions involving AXA securities and those of its listed subsidiaries, anti money laundering, confidentiality and control of sensitive information, and data protection and storage. The Compliance and Ethics Guide also seeks to uphold the values set forth in the AXA Vision. Most of AXA's principal operating subsidiaries have developed ethical guidelines that comply with local regulatory and statutory requirements.

In 2010, the Group launched a worldwide e-learning initiative covering selected topics in the AXA Group Compliance and Ethics Guide. The aim is to stress the importance AXA Group and Management attach to Compliance and Ethics as well as Corporate Responsibility topics, raise awareness of AXA Group employees with regard to topics covered by the AXA Group Compliance and Ethics Guide, expose employees to concrete situations that they could encounter in their daily business life and to give them guidance on how to react in those particular situations, and ensure a common level of awareness of Compliance and Ethics as well as Corporate Responsibility topics throughout the Group. This program covers transversal compliance issues that are critical for all AXA Group employees to appreciate: insider trading, corruption, competition law, improper gifts and entertainment, and Corporate Responsibility. All Group companies will participate in this program.

Human rights: Group engagements, International Labour Organization (ILO) standards and reporting

In addition to compliance with national law and regulations, AXA joined the United Nations' Global Compact in February 2003, formally committing to uphold the following two principles for fundamental human rights: 1) Taking the steps needed to protect and comply with internationally proclaimed human rights; 2) Taking the steps needed to ensure that they do not knowingly aid or abet human rights violations.

AXA also made formal commitments to comply with and promote its ten guiding principles in the areas of human rights, labour, environment and anticorruption. These principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention against Corruption. Furthermore, these commitments include various principles relating to collective labour standards. In this way, the Group's employment policy covers several aspects, such as equal opportunities and freedom of association.

The first chapter of the aforementioned Group Compliance and Ethics Guide refers to the UN Global Compact in its founding principles. Both the Compliance Guide and UN Global Compact adhesion are applicable to every AXA entity.

Procurement guidelines also include explicit references to Human Rights concerns (below).

Group procurement

AXA is a major purchaser of products and services for the purpose of its internal operations and services provided to policyholders. This significant volume of purchases, for a total value of exceeding €11 billion in 2010, opens up an additional field of action for the Group in promoting Corporate Responsibility (CR). In particular, the Group applies social and environmental criteria to assess suppliers' performance. These criteria enable the Group to improve service quality and reduce some supply chain risks.

Since 2008, AXA has assessed, with the assistance of a specialized service provider, an in-depth analysis of the Corporate Responsibility performance of local and group suppliers. 130 suppliers have been assessed in 2010. The goal of this analysis was to identify the main risks and give suppliers a tangible incentive to improve their practices. When re-assessed, most suppliers have shown significant progress. Special training sessions were regularly organised with buyers to explain the stakes and support them in the debrief process and action plan follow-up.

Since 2009, the Group's buyers' objectives have included CR performance follow-up of already assessed suppliers. In 2010, these CR-related objectives have been extended to all procurement management, alongside objectives related to ethics and the "Corporate Responsibility Clause". This clause requires suppliers to make a formal commitment to uphold ILO principles. It was included in 86% of Group's contracts with suppliers in 2010 (83% I 2009).

Finally, since 2008, the Group Procurement Department developed a matrix to assess "CR" risks and opportunities for each purchasing category. These risks include social, environmental, product end-use and business ethics issues, as well as the suppliers' own sourcing risks related to CR. Thanks to this tool, purchasers have a detailed view of the stakes involved for each category and can prioritize improvement plans. Thanks to detailed feedback both from buyers and suppliers, this tool has been further refined, with CR risks now better identified and ranked and will be extended to more product categories.

Social reporting certification, evaluation and ratings

PricewaterhouseCoopers Audit, one of AXA SA's Statutory Auditors, reviewed the social reporting process, as well as the data and collection processes of 6 European entities as well as one Asian entity and AXA Equitable (USA). The auditors' statement of assurance is included in the Activity and Corporate Responsibility Report.

The Group's social, societal and community performance is also evaluated by many players, including rating agencies serving the research needs of the socially responsible investment (SRI) market. The Group is ranked above average in its industry and is also included in the three main international ethical indexes: DJSI (based on research by SAM), FTSE4GOOD (based on research by Eiris) and Aspi Eurozone (Vigeo). The Group's SRI ratings are disclosed on www.axa.com/en/responsibility/sri. In particular, AXA's "social" ratings according to the main SRI rating agencies were as follows:

- SAM (November 2010): 60%, compared to a sector average of 37%;
- Vigeo (April 2010): 51%, with a positive sector rating.

SOCIAL DATA 2010 - AXA GROUP

WORKFORCE

Headcounts (number of persons) as of December 31st	2009 [a]		Evolution	2010	
Headcount of salaried workforce (non sales and sales force, open-ended and fixed-term contract)					
Headcount (open-ended and fixed-term contract)	133.529	emp. [b]		132.429	emp.
Headcount of salaried workforce (non sales and sales force, open-ended contract only)					
Headcount (men and women)	128.054	emp.	-0,7%	127.153	emp.
■ Proportion of men	50,4	%		49,5	%
■ Proportion of women	49,6	%		50,5	%
Headcount of non sales force (open-ended contract only)					
Headcount (men and women)	103.804	emp.	-1,1%	102.666	emp.
Executives	3.349	emp	3,6%	3.470	emp.
■ Proportion of men	78,6	%		77,8	%
■ Proportion of women	21,6	%		22,4	%
Managers	17.852	emp.	-3,0%	17.321	emp.
■ Proportion of men	63,4	%		61,9	%
■ Proportion of women	36,9	%		38,2	%
Experts & staff	82.603	emp.	-0,9%	81.875	emp.
■ Proportion of men	43,0	%		43,0	%
■ Proportion of women	57,0	%		57,0	%
Headcount of sales force (open-ended contract only)					
Headcount (men and women)	24.250	emp.	1,0%	24.487	emp.
■ Proportion of men	62,4	%		58,5	%
■ Proportion of women	37,6	%		41,5	%
Headcount of salaried workforce (non sales and sales force, fixed-term contract only)					
Headcount (men and women)	5.475	emp.		5.276	emp.
■ Non sales force	4.167	emp.		4.563	emp.
■ Sales force	1.308	emp.		713	emp.

Full time equivalents (FTE's, headcount converted into full-time)[c]	2009 [a]	Evolution	2010
FTE of salaried workforce (non sales and sales force, open-ended contract only)			
Average FTE of salaried workforce	120.824,8 fte	1,5%	122.671,8 fte
FTE of non sales force			
Average FTE (all non sales force)	97.045,0 fte	1,5%	98.472,6 fte
■ Average FTE of executives	2.996,4 fte		3.411,9 fte
■ Average FTE of managers	16.297,1 fte		17.076,9 fte
■ Average FTE of experts & staff	77.751,5 fte		77.983,8 fte
FTE of sales force			
Average FTE of sales force employees	23.779,8 fte	1,8%	24.199,2 fte
Temporary staff (non-salaried)			
Average FTE of temporary employees / interims [c]	2.532,0 fte	30,5%	3.303,6 fte
Average FTE of trainees[d]	662,6 fte	6,7%	707,1 fte

Profile of AXA employees	2009 [a]	Evolution	2010
Average age of salaried workforce (non sales and sales force, open-ended contract only)			
Average age (non sales and sales force)	39,7 yrs	-0,2%	39,6 yrs
Non sales force	40,2 yrs		40,1 yrs
Sales force	37,7 yrs		37,9 yrs
Average length of service (non sales and sales force, open-ended contract only)			
Average length of service (non sales and sales force)	10,2 yrs	1,1%	10,3 yrs
Non sales force	11,3 yrs		11,4 yrs
Sales force	5,6 yrs		5,8 yrs
Disability (non sales and sales force, open-ended and fixed-term contract)			
Number of employees with disabilities - concerns entities listed in France only	515 emp.	19,6%	616 emp.

WORKFORCE DYNAMICS

Movements	2009 [a]	Evolution	2010
Movements of salaried workforce (non sales and sales force, open-ended contract only)			
Total net job evolution (non sales and sales force entries versus non sales and sales force departures)	-5.195 jobs	38,8%	-3.177 jobs [b]
■ Entries	27.081 emp.	0,3%	27.154 emp.
■ Departures	32.276 emp.	-6,0%	30.331 emp.
Movements of non sales force (open-ended contract only)			
Net job evolution (non sales force entries versus non sales force departures)	-1.886 jobs	15,9%	-1.585 jobs
Entries	11.013 emp.	21,8%	13.418 emp.
■ Number of external recruitments	9.654 emp.		11.216 emp.
■ Number of fixed-term contract transformed into open-ended contract	1.047 emp.		1.390 emp.
■ Number of re-hires in the company	*New indicator*		510 emp.
■ Number of entries following mergers and acquisitions	312 emp.		302 emp.
Departures	12.899 emp.	16,3%	15.003 emp.
■ Number of resignations	6.890 emp.		8.041 emp.
■ Number of economic layoffs	3.377 emp.		1.617 emp.
■ Number of individual layoffs	1.303 emp.		1.516 emp.
■ Number of other departures[e]	1.329 emp.		1.497 emp.
■ Number of departures due to external transfers[f]	*New indicator*		2.332 emp.

	2009	Evolution	2010
Movements of sales force (open-ended contract only)			
Net job evolution (sales force entries versus sales force departures)	-3.309 jobs	51,9%	-1.592 jobs
Entries	16.068 emp.	-14,5%	13.736 emp.
■ Number of external recruitments	15.844 emp.		13.247 emp.
■ Number of fixed-term contract transformed into open-ended contract	216 emp.		323 emp.
■ Number of re-hires in the company	*New indicator*		138 emp.
■ Number of entries following mergers and acquisitions	8 emp.		28 emp.
Departures	19.377 emp.	-20,9%	15.328 emp.
■ Number of resignations	13.362 emp.		12.156 emp.
■ Number of economic layoffs	3.729 emp.		727 emp.
■ Number of individual layoffs	2.079 emp.		2.106 emp.
■ Number of other departures[e]	207 emp.		207 emp.
■ Number of departures due to external transfers[f]	*New indicator*		132 emp.
Movements of salaried workforce (non sales and sales force, fixed-term contract only)			
Movements of non sales force			
Net job evolution	412 jobs	322,1%	1.739 jobs
■ Number of external recruitments	4.273 emp.		5.677 emp.
■ Number of ends of fixed-term contracts	3.861 emp.		3.938 emp.
Movements of sales force			
Net job evolution	203 jobs	-26,6%	149 jobs
■ Number of external recruitments	1.004 emp.		606 emp.
■ Number of ends of fixed-term contracts	801 emp.		457 emp.

Mobility	2009 [a]	Evolution	2010
Mobility rate (non sales and sales force, open-ended contract only)			
Total internal mobility rate (non sales and sales force)	12,1 %	-3,7%	11,7 %
Mobility of non sales force			
Internal mobility rate	13,6 %		13,5 %
■ Number of job changes	11.479 emp.		11.806 emp.
■ Number of mobilities (from sales to non sales force)	*New indicator*		164 emp.
■ Number of inter-company departures	2.753 emp.		1.868 emp.
Mobility of sales force			
Internal mobility rate	5,9 %		6,1 %
■ Number of job changes	1.258 emp.		1.114 emp.
■ Number of mobilities (from non sales to sales force)	*New indicator*		291 emp.
■ Number of inter-company departures	216 emp.		122 emp.

Employee turnover	2009 [a]	Evolution	2010
Turnover of salaried workforce (non sales and sales force, open-ended contract only)			
Total turnover rate (non sales and sales force)	24,8 %	-12,7%	21,6 %
■ Involuntary turnover rate (layoffs)	8,1 %		4,6 %
■ Voluntary turnover rate (resignations)	15,6 %		15,7 %
■ Turnover rate linked to other reasons of departures [e]	1,2 %		1,3 %

Turnover of non sales force			
Total turnover rate	12,3 %	0,0%	12,3 %
■ Involuntary turnover rate (layoffs)	4,4 %		3,0 %
■ Voluntary turnover rate (resignations)	6,5 %		7,8 %
■ Turnover rate linked to other reasons of departures [e]	1,3 %		1,4 %
Turnover of sales force			
Total turnover rate	77,6 %	-22,7%	59,9 %
■ Involuntary turnover rate (layoffs)	23,2 %		11,2 %
■ Voluntary turnover rate (resignations)	53,5 %		47,9 %
■ Turnover rate linked to other reasons of departures [e]	0,8 %		0,8 %

COMPENSATION

Compensation of salaried workforce	2009 [a]	Evolution	2010
Compensation of salaried workforce (non sales and sales force, open-ended contract only)			
Total annual gross payroll of salaried workforce [g]	6.715.457 K€	5,4% [h]	7.076.976 K€
■ Proportion of fixed pay (related to wages)	84,1 %		82,8 %
■ Proportion of variable pay (related to wages)	15,9 %		17,2 %
Compensation of non sales force			
■ Proportion of fixed pay (related to wages)	87,3 %		86,4 %
■ Proportion of variable pay (related to wages)	12,7 %		13,8 %
Compensation of sales force			
■ Proportion of fixed pay (related to wages)	61,8 %		56,4 %
■ Proportion of variable pay (related to wages)	38,2 %		43,6 %

TRAINING

Number of training days provided	2009 [a]	Evolution	2010
Number of trainings provided (non sales and sales force, open-ended contract only)			
Total number of training days of salaried workforce	468.246 days	-16,2%	392.440 days
Trainings of non sales force			
Total number of training days	223.747 days	6,6%	238.551 days
■ Proportion of managerial trainings	13,7 %		16,0 %
■ Proportion of technical trainings	45,7 %		45,6 %
■ Proportion of other trainings	40,6 %		38,4 %
Trainings of sales force			
Total number of training days	244.499 days	-37,1%	153.889 days
■ Proportion of managerial trainings	2,3 %		3,8 %
■ Proportion of technical trainings	78,0 %		68,6 %
■ Proportion of other trainings	19,7 %		27,5 %

Training attendees [i]	2009 [a]	Evolution	2010
Training attendees (non sales and sales force, open-ended contract only)			
Percentage of salaried workforce having received at least one training course	75,8 %	6,7%	80,9 %
Average number of training days per salaried workforce	3,6 days		3,0 days
Non sales force			
Percentage of non sales force having received at least one training course	76,6 %	6,0%	81,2 %
Average number of training days per non sales force employee	2,3 days		2,4 days

Sales force			
Percentage of sales force having received at least one training course	101,4 %	4,7%	106,1 %
Average number of training days per sales force employee	10,1 days		6,3 days

LABOUR RELATIONS

Working time	2009 [a]	Evolution	2010
Working time (non sales and sales force, part-time and full-time, open-ended contract only)			
Average number of working days per year	228 days		229 days
Average number of working hours per week	37 hrs		36 hrs
Average percentage of overtime hours by expert & staff and by day	1,6 %		1,9 %
Part time workforce (open-ended contract only)			
Percentage of part-time non sales force	11,3 %		12,5 %
Percentage of part-time sales force	*New indicator*		2,7 %

Absenteeism	2009 [a]	Evolution	2010
Absenteeism (non sales and sales force, open-ended contract only)	4,5 %		4,6 %
Total absenteeism rate	4,5 %		4,6 %
■ Proportion of absences due to sickness	71,4 %		71,4 %
■ Proportion of short term sick absences [j]	79,4 %		78,5 %
■ Proportion of long term sick absences [k]	20,6 %		21,5 %
■ Proportion of absences due to work related accident	1,9 %		2,3 %
■ Proportion of absences due to maternity	26,8 %		26,3 %
Non sales force			
Total absenteeism rate	5,1 %		5,1 %
■ Proportion of absences due to sickness	72,3 %		72,9 %
■ Proportion of short term sick absences [j]	78,4 %		77,3 %
■ Proportion of long term sick absences [k]	21,6 %		22,7 %
■ Proportion of absences due to work related accident	1,7 %		1,9 %
■ Proportion of absences due to maternity	26,0 %		25,2 %
Sales force			
Total absenteeism rate	2,3 %		2,5 %
■ Proportion of absences due to sickness	63,5 %		59,4 %
■ Proportion of short term sick absences [j]	88,7 %		90,0 %
■ Proportion of long term sick absences [k]	11,3 %		10,0 %
■ Proportion of absences due to work related accident	3,3 %		5,4 %
■ Proportion of absences due to maternity	33,2 %		35,2 %

(a) 2009 data is LFL (Like For Like).
(b) United Kingdom mentioned in their perimeter an error in their 2009 figures of 915 employees.
Korea reports in 2010, 798 employees in automatically and indefinitely renewable fixed-term contracts as open-ended contracts (formerly counted as fixed-term contract).
(c) AllianceBernstein mentioned an error in their 2009 reporting as, while figures have been captured for headcount, no figure were captured for FTEs.
UK mentioned an error in their 2009 reporting as, while figures related to temporary employees / interims have been captured in 2010, no figures were captured in 2009.
(d) Trainees for whom the Company has signed an agreement with a university/college or other regulated establishment.
It excludes apprenticeship, summer temporary staff and VIE.
(e) Retirement, pre-retirement, death and termination of employment for permanent disability.
(f) Salaried workforce that has left AXA because of an activity/job transfer to an external company.
It includes all situations where employees keep their job but are no longer in contract with AXA.
(g) The total annual gross payroll includes the individual fixed pay, the individual variable pay, employer's social contributions and collective profit sharing (if any).
It excludes equity based compensation (stock options, performance units, performance shares, AXA Miles).
(h) This evolution does not take into account the side effects of FOREX (FOReign EXchanges).
(i) This average does include leavers who received a training during the calendar year. Therefore, turnover has to be taken into account.
(j) Sick absences with a total duration of less than one year.
(k) Sick absences with a total duration of more than one year.

ENVIRONMENTAL INFORMATION

AXA is committed to reducing its direct impact on the environment by actively managing its energy, paper and water consumption, as well as carbon emissions and waste. AXA is also aware of the role it can play in promoting environmental protection awareness amongst its stakeholders, contributing to improve the understanding of global and local environmental risks, and committing to address climate change.

Environmental management perimeter definition

AXA's direct operations, focusing on financial services, do not significantly impact the environment. AXA does not produce any significant emissions into air, water and soil, with the exception of CO_2. No complaints, to AXA's knowledge, relating to noise and odour issues were filed against the Group. AXA's operations and land use (2,398,745 m^2 of office space and 88,2767 m^2 of gardens) do not significantly threaten biodiversity.

Carbon dioxide is the most significant greenhouse gas emitted by AXA (related to fossil fuel and electricity consumption). Electronic waste is AXA's most significant hazardous type of waste. Paper is the most significant raw material consumed by AXA. As a result, AXA's environmental reporting and management processes focus on energy, water and paper consumption, as well as CO_2 emissions. AXA has defined related environmental management targets applicable to its operating entities.

Performance targets

AXA has set quantitative targets for its Key Performance Indicators (KPIs) related to energy, CO_2 emissions, paper [(1)] and water consumption for the 2008-2012 period:

- Power consumption (kWh/Full Time Employee [FTE]): 20% reduction;
- CO_2 emissions (T eq. CO_2/FTE): 20% reduction;
- Water consumption (m3/FTE): 15% reduction;
- Paper consumption (kg/FTE): 15% reduction (2009-2012).

In addition to these core objectives, AXA aims at improving electronic waste management, in particular by implementing the Waste Electronic and Electrical Equipment (WEEE) Directive in all AXA sites worldwide. This directive is of particular relevance to AXA Technology Services, the Group's business unit handling IT equipment.

All of these targets are monitored on a regular basis and reported on annually so that local entities can gradually implement their own action plans in order to achieve these goals.

(1) Paper has a 2009 baseline due to the changes in the reporting process.

Environmental reporting network, tools and perimeter

The AXA Group's Corporate Responsibility team coordinates a network of dedicated environmental managers and employees in local subsidiaries. AXA is working with these managers to analyse indicators, identify performance targets and promote the sharing of best practices. In 2010, the Group's Corporate Responsibility team continued to train in priority the new users to the environmental reporting process, but also existing users that required a "refresher" course. The environmental reporting training took place through a web-conferencing system, face to face meetings and an e-learning module available both in French and in English.

In order to facilitate the environmental data collection process, the AXA Group developed an internal reporting tool that centralizes the collection, consolidation and analysis of local environmental data. Only sites featuring more than 50 FTEs are included in the targeted scope (data centers with fewer FTEs are however included). It now embraces 41 countries over five continents. The scope of the 2010 annual environmental reporting remains stable compared to 2009 (including 268 operating sites, covering 79% of the AXA employees, which is considered adequate to represent the Group's overall performance), with much effort focused on improving data collection accuracy through new tools that enable better data analysis.

In 2010, the fifth annual transport survey, used to help estimating the amount of CO_2 emissions related to commuting from home to work, included all countries in the reporting scope and was available in 20 languages. In order to increase the educational component of the survey, a personalised results page was developed to provide employees with a comparison of their annual work-place commuting CO_2 emissions with their site, company and the Group. Environmental protection tips are also provided at the same time. In addition to increasing employees' awareness on climate change issues, this survey helps refine the Group's estimated carbon footprint by revealing the share attributable to workplace commuting.

Environmental certification, evaluation and ratings

PricewaterhouseCoopers Audit, one of AXA SA's Statutory Auditors, reviewed the environmental reporting process (Environmental Protocol, reporting tool, organization), as well as the data and collection processes of six significant European and North American countries. The auditors' statement of assurance is included in the Activity and Corporate Responsibility Report.

In 2010, 44 sites were reported to have an environmental certification. Certain entities, such as AXA PPP Healthcare (UK), have sought and obtained ISO 14001 certification.

In addition, the Group's environmental performance is evaluated by many players, including rating agencies serving the research needs of the socially responsible investment (SRI) market. The Group is ranked above average in its industry and is also included in the three main international ethical indexes: DJSI (based on research by SAM), FTSE4GOOD (based on research by Eiris) and Aspi Eurozone (Vigeo). The Group's SRI ratings are disclosed on www.axa.com/en/responsibility/sri. In particular, AXA's "environmental" ratings according to the main SRI rating agencies were as follows:

- SAM (November 2010): 73%, compared to a sector average of 41%;
- Vigeo (April 2010): 57%, with a positive sector rating.

Reducing the AXA Group's impact on the environment

The AXA Group is committed to reducing the "direct" impact of its activities on the environment, in particular by improving site management policies. Group entities roll out action plans to reduce their environmental impact with respect to water, paper, energy consumption and CO_2 emissions. Key performance indicators are used to monitor the results of these plans (see performance targets).

Power consumption

AXA's power consumption per FTE decreased by 3% in 2010 compared to 2009. The proportion of renewable energy consumed by AXA's premises is 23%. AXA's premises use electricity (79% of floor space), gas (15% of floor space) and fuel / steam (6% of floor space). This decrease in AXA premises' power consumption, despite the cold winter experienced in 2010, is essentially attributable to the various local measures taken to reduce the Group's energy footprint.

These include for example the rolling out of a "Green IT" strategy, initiated in 2008 by AXA Technology Services (AXA Tech), the Group's IT subsidiary, affiliated with the Climate Savers Computing Initiative (an environmental standards benchmark for all computers, screens and printers). In 2010, AXA Tech tested the roll out of an automatic power cut-off system that does not disrupt the installation of software updates. In the UK, it is estimated to lead to savings of 150K£ in 2010 (and 1,000 CO_2 tons avoided). More generally, 10 AXA entities have launched power management programmes in 2010 and 7 more are analysing opportunities in this area. 70.000 desktop PCs and 9.000 laptops are concerned by the power management policy which has lead to energy savings of 12.9 GWh in 2009-2010, and is estimated to reach 18 GWh by 2012. A further 20 GWh have been saved through IT equipment upgrades (CPUs and monitors) in 2009-2010. AXA Tech also continued its server virtualisation strategy to reduce the number of physical servers, which is expected to generate savings of 15 GWh between 2008 and 2012.

AXA Belgium extensively renovated its Antwerp site by merging two old sites into a single new energy efficient site, with better access to public transport. AXA France extended its environmental policy to its tied agents network by developing "Cap Eco Agences", an environmental best practices contest organised with ADEME, France's energy agency. 1400 agents participated and submitted numerous suggestions. AXA Asia P & C, in support of the World Environment Day, introduced various green initiatives as well as awareness campaigns on Climate Change. Since 1997, AXA Switzerland covers a part of its power requirements with wind power from a wind power station. The entity also reuses its data centre's waste energy since 1993 to heat 3 of its office buildings. Over 5 years (2004-2008), 1.093 tons of fuel oil have been saved. AXA Germany's headquarters in Cologne also re-uses heat produced by the central IT system for central heating, while in the summertime the central ventilation is cooling the office areas. AXA Business Services (India) uses compact fluorescent lamps and motion sensors to control lighting and appliances, and has installed solar panels on its buildings. AXA MPS has been certified as a company that supports energy production from renewable sources, with the possibility to use the brand "Energia Pura" provided by Enel, Italy's main energy provider. Many entities have invested in low consumption lighting, appliances, heating, ventilation and cooling, as well as better insulation, etc.

CO_2 emissions: transportation and energy

AXA's CO_2 emissions per FTE related to energy and business travel (air, rail and car fleet) were reduced by 6% between 2009-2010. 59% of Group CO_2 emissions come from energy, 28% from Business Travel (air and train) and 13% from AXA's vehicle fleet. Employee commuting-related CO_2 emissions per FTE remained stable compared to 2009 at about 1 T eq. CO_2. This trend is largely related to a decrease in AXA's car fleet average emissions as well as a road mileage decrease. However, it was offset by an air business travel increase related to a rebounding economy and increased market prospecting, as well as travel to and from Australia, in relation with AXA's 2010 transactions in this market.

Several initiatives aim to further reduce carbon emissions. While multiple local entities have developed greenhouse gas emissions standards for their vehicle fleets over the years, the Group defined common environmental travel guidelines in 2010 (for implementation in 2011). These guidelines define carbon emissions limits for AXA's executive and commercial vehicle fleet and encourages a "bonus-malus" approach for car allowances, which are required to feature local CO_2 taxes in their Total Cost of Ownership calculations. The Guidelines also feature vehicle security standards and promote employee access to "safe and green driving" courses. Regarding business travel, train and economy travel is encouraged (rail is to be chosen over air for short distances when available, and business class flights may be used only for long haul flights). Further, self booking tools are required when possible to integrate CO_2 emissions information and offer alternatives (e.g. videoconferencing), as well as propose the compensation of CO_2 emissions. Finally, employees are to be provided with easy access to video conferencing facilities and online conference tools to the extent possible.

AXA Tech actively continued the roll out of its "AXA Presence" advanced teleconferencing system which enables multi-region teams to conduct meetings that retain the feeling of face to face meetings while avoiding the significant carbon emissions and travel time associated with air travel. AXA started rolling out these telepresence facilities in 2008. In 2010, the Group had 37 "AXA Presence" rooms installed across 13 AXA entities. This service saved 9.113 trips (representing 91 million kilometers and 171,963 hours of travel) as well as 11,071 tons of CO_2.

Both AXA France and AXA Germany launched car-sharing websites open to all employees, which helps to reduce the carbon footprint of employee commuting. AXA France also implemented eco-driving courses for sales teams in certain regions. The AXA Group headquarters, in agreement with local employee representatives, inserted criteria related to local carbon emissions reductions in the calculation of its profit sharing agreement. The carbon footprint criterion represents 10% of this profit sharing agreement. AXA Mexico's measures to reduce the fuel consumption of its with agent's fleet received a public recognition by the Ministry of Environmental and Natural Resources at the Program GEI Mexico (greenhouse effect gases measurement). AXA Canada is actively pursuing a car fleet renewal policy favouring low emissions vehicles, and partners with a car fleet manager that is able to precisely track the environmental footprint of the vehicles and offer environmental maintenance services. AXA Spain's print shop for marketing and distribution paper has installed solar panels to increase the proportion of renewable energy consumed. Since 2009, AXA Switzerland is a partner of the Swiss Climate Foundation which supports SMEs that seek to reduce their CO_2 emissions. AXA Switzerland invested 600.000 CHF into the organisation, an expense which originated from the Swiss CO_2 tax refund 2008-2010 (AXA Switzerland is a net beneficiary of the CO_2 tax). As this resource is financed by CO_2-intensive SMEs, AXA Switzerland asks its SME clients to apply with projects to the Swiss Climate Foundation.

Water consumption

AXA's water consumption per FTE increased by 4% between 2009 and 2010. This increase is partly attributable to better measurement by AXA entities (installation of new water meters in sites previously not included in the reporting scope) as well as cooling water for some data centers.

Related initiatives include AXA Winterthur and AXA Canada, which have fitted water-saving faucets. AXA Corporate Solutions improved its cooling towers to reduce water consumption. AXA Business Services India installed water level controllers for the overhead tanks, so that there is no water overflow and resulting wastage. The entity also recycles rainwater. AXA UK launched a Water Savings Group, assisted by third party advisors, to assess and trial water saving initiatives, for roll out in other parts of the business.

Paper consumption

AXA's office and marketing and distribution paper consumption decreased by 12% and 9% respectively between 2009 and 2010. AXA tracks both office paper and marketing and distribution paper separately, in order to measure its impact more accurately. AXA is working on increasing the volume of paper from recycled sources or sustainably managed forests. In 2010 AXA increased to 48% its overall consumption from these sources (52% of office paper is from recycled sources compared to 47% of marketing and distribution paper). This trend is partly attributable to the increased reliance on centralised printers (vs individual printers) and a reduction in paper-based marketing campaigns.

Related initiatives include AXA Canada which launched paper waste awareness workshops, modified default printer settings, recycled office paper into notepads, increased the share of recycled paper and greatly reduced the length of policy documents transmitted to brokers. AXA France received and award from the WWF for its paper management policies which included printing commercial documents on certified paper, developing an e-learning module ("printing in eco-mode"), reducing the number of printers, and including paper reduction targets in its profit sharing agreement, concluded with local employee representatives, thereby incentivising employees to contribute to this Group effort. Many entities reduce the length of commercial documentation and customer policies, encourage online information exchange, modify printer policies, increase recycled paper procurement, etc.

Waste management

As mentioned above, AXA does not seek to monitor waste volumes but its IT business unit AXA Technology Services, for which electronic waste is of particular relevance, ensures compliance with the Waste Electronic and Electrical Equipment (WEEE) Directive. Ink cartridges are systematically recycled by local entities, and many of them voluntarily collect various waste streams for recycling (eg. used batteries). Other initiatives include AXA Canada installed recycling bins in every meeting rooms, replaced disposable cups, plates and cutlery with non-disposable items, launched awareness campaigns, etc. Many entities sort, collect and recycle various types of waste such as compact fluorescent lamps, mobile phones, batteries, ink cartridges, cans, kitchen waste, etc, often in partnership with NGOs or protected employment organisations.

Business-related environmental impacts

In addition to reducing its operational environmental footprint, the Group seeks to minimize its "indirect" impact on the environment by offering insurance and investment solutions that promote environmentally-friendly behaviour. Such offers have been developed by various AXA entities in the P&C business segment: retail (e.g. motor insurance encouraging low emissions vehicles, home insurance with environmental appliances upgrades), SMEs (e.g. encouraging green buildings or car fleets), industrial (e.g. environmental risk prevention, promotion of the development of renewable energies via adapted policies covering the equipment and the revenues derived from electric energy sales, etc), reinsurance and claims management strategies. In 2010, AXA's Global Business Line P&C launched a "Green Products" initiative with a view to share existing best practices and identify market risks and opportunities. AXA Bank also developed a "green loan" product encouraging environmental home renovation.

In the Asset Management business, AXA IM has developed a Responsible Investment (RI) research tool as well as pursues a "RI mainstreaming" strategy across asset classes, together with specific RI products and shareholder engagement services integrating environmental, social and governance risks and opportunities. AXA Real Estate continues to apply environmental criteria to its real estate investment portfolio, in the framework of its Responsible Property Investing strategy. AXA Private Equity integrates environmental (and social) considerations in its due diligence process, and is expanding a renewable energy investment portfolio. Both AXA IM and AXA Private Equity are UN Principles for Responsible Investment (UN PRI) signatories. In 2010, the Group also created a Responsible Investment Committee, presided by the Group Chief Investment Officer. The RIC's mandate is to develop and propose a comprehensive approach to Responsible

Investments for the AXA Group as well as raise awareness regarding RI throughout the Group.

These business examples are further described in the Activity Report and on AXA's website (www.axa.com). Furthermore, AXA seeks to enhance the understanding of environmental risks by conducting and sharing research about vulnerability through the AXA Research Fund (www.axa-research.org/en) workstream on Climate change; internal (Group Risk Management) research; and the various engagements listed below.

Institutional commitments to protect the environment

The AXA Group and local entities signed or joined the various initiatives in the area of environmental protection (and/or CR more generally). In 2010, the Group signed the World Business Council for Sustainable Development (WBCSD) manifesto for Energy Efficiency in buildings. In adopting this manifesto, which proposes detailed measures, AXA commits to implement concrete actions aimed at reducing the energy consumption of buildings and also shows the Group's commitment to reinforce actions taken to integrate environmental and social criteria in its real estate's management. AXA also joined, in 2010, the largest ever investor group (representing over $15 trillion) calling for determined policy action on climate change, under the auspices of the UN Environmental Programme. Other engagements include the "Kyoto Statement" (Geneva Association: AXA Group 2009), "Caring for Climate" (WBCSD / UNEP FI / UN Global Compact: AXA Group 2008), Carbon Disclosure Project (AXA Group partnership since 2005), "Copenhagen Communiqué on Climate Change" (Corporate Leaders Group on Climate Change: AXA UK, 2009), "Sustainable Development Charter" (Fédération Française des Sociétés d'Assurances: AXA France, 2009), "Principles for Responsible Investment" (UN: AXA IM 2007, AXA Private Equity 2009), Investor Statement on Climate Change (International Investor Group on Climate Change: AXA IM, 2008).

Legal measures and environmental expenditures

Regarding measures taken to ensure compliance with legal requirements, the main concern arises from the existence of "classified facilities" (for environmental protection purposes) such as fuel tanks for backup electricity generators, or major air conditioning systems. In 2010, the Group reported 48 sites with a specific permit. Their impact on the neighboring environment is minimal. Nevertheless, being classified, those facilities benefit from adequate maintenance and their compliance with local legal obligations is monitored regularly. The full range of expenditures incurred to promote environmental preservation is minor, local and of a heterogeneous nature, and as such, is not monitored at Group level. No specific provisions or guarantees covering environmental risks have been set aside, considering the limited litigation risks arising from the management of AXA's direct environmental footprint.

AXA Group environmental indicators [a]	UNIT	2009	2010
Number of employees on site, Full-Time Equivalent (FTEs)	FTE	121.108	122.671
Net internal area (sites)	m^2	2.330.602	2.398.745
POWER (sites)			
Power consumption [b]	Kwh	617.473.679	604.498.594
KPI: Power consumption per person	**Kwh/FTE**	**5.099**	**4.928**
Evolution compared to 2009			*-3%*
TRANSPORTATION			
Business travel: airplane and train [c]	Km	257.875.862	297.992.347
Business travel: AXA vehicle fleet	Km	333.923.046	304.203.026
Home/workplace commute (round trip) [d]	Km	1.219.253.316	1.287.660.394
CO_2 EMISSIONS [e]			
CO_2 emissions: onsite power consumption	T eq. CO_2	216.542	200.646
CO_2 emissions: business travel: airplane and train	T eq. CO_2	78.691	92.646
CO_2 emissions: Business travel: AXA vehicle fleet	T eq. CO_2	60.461	45.055
KPI: CO_2 emissions resulting from onsite power consumption and business travel (airplane, train, AXA vehicle fleet) per person	**T eq. CO_2/FTE**	**2.94**	**2.76**
Evolution compared to 2009			*-6%*
CO_2 emissions: home/workplace commute [g]	T eq. CO_2	123.830	121.620
WATER			
Water consumption [h]	m^3	1.215.053	1.276.738
KPI: Water consumption per person	**m^3/FTE**	**10.03**	**10.41**
Evolution compared to 2009			*4%*
PAPER [i]			
Office paper consumption	T	5.995	5.269
KPI: Office paper consumption per person	**kg/FTE**	**49**	**43**
Evolution compared to 2009			*-12%*
Marketing and distribution paper consumption	T	15.574	14.188
KPI: Marketing and distribution paper consumption per customer [j]	**kg/customer**	**0.17**	**0.15**
Evolution compared to 2009			*-9%*
Percentage of paper recycled and/or garanteeing sustainable management: office, marketing & distribution	%	32	48

Stable reporting perimeter compared to 2009, representing the 41 most significant countries where the AXA Group is present. Key Performance Indicators (KPIs) highlighted in bold.

(a) *In 2010, environmental indicators were collected for sites representing 96,645 FTEs (unless otherwise indicated in these footnotes) and were then extrapolated, continent by continent, to cover all 122,671 salaried FTEs working at the AXA Group as of 31/12/2010. In 2009, this process took place on the basis of data collected from 99,296 FTEs, extrapolated to 121,108 FTEs.*

(b) *Includes electricity, natural gas, fuel, steam and covers 96,570 FTEs.*

(c) *This data has been collected from 97,313 FTEs. In 2010, entities increased their business travel due to the rebounding economy and increased market prospecting, as well as travel to and from Australia, in relation with AXA's 2010 transactions in this market.*

(d) *Home/workplace commute estimations are based on an annual online transportation survey, issued to every AXA salaried employee. This data has been collected from 24,185 FTEs and then extrapolated. Sites whose response rate was below 5% have been excluded from the data consolidation process.*

(e) *As in 2008 and 2009, emissions factors specific to each country have been used for electricity, train, air and road travel. These factors are based on standards established by ADEME (Agence de l'Environnement et de la Maîtrise de l'Energie – France) and the Greenhouse Gas Protocol.*

(f) *The AXA vehicle fleet covers 93,795 FTEs. In 2010, the data collection method for vehicle fleet was modified. Data is now collected and classified by the average grams of CO_2 emitted per kilometer - to have a more precise evaluation of these emissions - rather than by type of motor, which explains some of the 2010 emissions decrease. In addition, some entities have reduced the size of their vehicle fleet and integrated some lower emitting vehicles.*

(g) *Does not include company cars, to avoid double counting with the AXA vehicle fleet data. Of note in 2010, we modified the emission factors for personal cars, which explains a slight decrease in CO_2 emissions although the mileage increased compared to 2009.*

(h) *This data has been collected from 83,092 FTEs. Some sites in Asia and America are not equipped with water meters, which prevents accurate measurement and excludes them from the reporting scope before extrapolation. However, some of these entities are starting to better track their water consumption with the installation of water meters, such as AXA Canada and some data centers.*

(i) *Office paper indicator covers 95,366 FTEs, whilst marketing and distribution covers 92,240 FTEs. For marketing and distribution paper data for 2009 was updated due to an extrapolation error.*

(j) *The Group had 92.800.000 customers in 2010 and 94.350.000 in 2009.*

APPENDIX X BOARD OF DIRECTORS' REPORT - CORRESPONDENCE TABLE

This Registration Document includes all the compulsory matters required to be covered in the Board of Directors' Report of AXA established pursuant to Articles L.225-100 and L.225-100-2 of the French Commercial Code.

You will find below the references to the extracts of the Registration Document corresponding to the parts of the Board of Directors' Report as approved by the Board of Directors of the Company.

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Annual Report (Registration Document)

filed with the AMF on March 18, 2011

ANNEX 1 OF THE COMMISSION REGULATION N° 809/2004

OTHER PERIODICAL INFORMATION REQUIRED BY THE AMF GENERAL REGULATIONS

* *Pursuant to Article 28 of Commission Regulation (EC) n° 809/2004 of April 29, 2004, the following items are incorporated by reference:*

- *AXA's consolidated financial statements for the year ended December 31, 2009 and the Statutory Auditors' report on them, respectively presented on pages 213-403 and on pages 404-405 of the Annual Report (Registration Document), the French version of which was filed with the AMF (Autorité des marchés financiers) on March 17, 2010 under reference n° D10-0117;*
- *AXA's consolidated financial statements for the year ended December 31, 2008 and the Statutory Auditors' report on them, respectively presented on pages 229-412 and on pages 413-414 of the Annual Report (Registration Document), the French version of which was filed with the AMF (Autorité des marchés financiers) on March 26, 2009 under reference n° D09-0158.*

APPENDIX XII ANNUAL FINANCIAL REPORT - CORRESPONDENCE TABLE

This Registration Document includes all the components of the Annual Financial Report (*Rapport Financier Annuel*) referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code as well as in Article 222-3 of the AMF General Regulations.

You will find below the references to the extracts of the Registration Document corresponding to the various parts of the Annual Financial Report.

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www.axa.com

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