Activity Report /

Full Year 2012

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Cautionary statements concerning forward-looking statements

This 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 this document.

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predications 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. Please refer to AXA's Registration Document for the year ended December 31, 2012, for a description of certain important factors, risks and uncertainties that may affect AXA's business. 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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INSURANCE AND ASSET MANAGEMENT MARKETS

LIFE & SAVINGS

Mature Markets:

In Europe, the Life and Savings market suffered from the low interest rates environment and economic uncertainty that affected the attractiveness of traditional savings and Unit-Linked products. As a result, and despite a growth in the Protection and Health market in 2012, a decrease in the overall insurance industry has been observed in most European countries. In this particular context, the only exception were the Belgian Life insurance market which grew significantly following the positive evolution of Individual Unit-Linked products in the first 9 months of 2012 (+115%), and the Swiss market which slightly increased due to the success of Individual life products.

In the US, after a difficult sales environment for Life Insurance and Annuities in 2010, industry sales had stabilized and improved in 2011. 2012 experienced a mixed picture, with increasing sales in the Life market, offset by declining sales in the Annuity market as a number of industry participants continued to reduce benefits and increase charges in the Variable Annuity industry, while the low interest rate environment and concerns about new business capital strain muted fixed Annuity production.

In Japan, the market recovered from the impact of the Great East Japan Earthquake in March 2011 and grew in terms of premiums. This was particularly observed in Bancassurance and Protection segments, while the Variable Annuity market decreased due to a stagnating economic environment.

High growth markets:

After a positive evolution in 2011, Life and Savings market significantly increased in high growth countries in 2012. Asian countries such as Hong Kong, Singapore and Thailand, as well as countries such as Morocco and Mexico showed double-digit growth rates. This mainly resulted from an easier access to insurance products and a change in individual habits for the concerned populations. In Central & Eastern Europe countries, the recent changes in regulation (in particular of Pension Funds business), as well as the consequences of the financial crisis strongly affected the Life and Savings insurance volumes.

Please find below AXA's ranking and market shares in the main countries where it operates:

	2012		2011	
	Ranking	Market share (%)	Ranking	Market share (%)
France (a)	3	8.9	3	8.5
United States (b)	12	3.2	7	3.8
United Kingdom - Platform funds under management (c)		2.1		1.8
Japan (d)	12	2.3	11	2.3
Germany Life (e)	6	4.9	7	5.0
Germany Health (e)	5	7.0	5	6.9
Switzerland (f)	1	29.6	1	28.4
Belgium (g)	3	11.3	3	13.0
Spain (h)	13	2.1	12	2.2
Portugal (i)	11	1.7	8	2.6
Italy (j)	6	4.9	7	6.0
Greece (k)	8	3.9	8	3.5
Hong Kong (l)	4	8.7	5	8.5
Indonesia (m)	2	13.9	2	15.3
Thailand (n)	5	10.4	6	8.4
Singapore (o)	11	2.4	13	2.0
India (p)	18	0.9	18	0.9
China (q)	27	0.4	31	0.2
Philippines (r)	3			

(a) Source: FFSA as of January 24, 2013; FFSA as of December 2010 for the ranking and FFSA as of December 2011 for the market share.
(b) Source: LIMRA and MARC annuity sales Employer Sponsored sales only includes K-12 market. Numbers for 9 months ended Sept. 30, 2011 and 2010.
(c) Source: Platforum and Pridham reports (Q3 2012 numbers) for UK platform market.
(d) Source: Life Insurance Association of Japan data base and Insurance Research Institute (exc. Kampo Life). For the 12 months ended Sept. 30, 2011 and 2012.
(e) Source: Market Factbook 2011 and 2010.
(f) Source: SIA (Swiss Insurance Association); Market share is based on statutory gross written premiums.
(g) Source: Assuralia (Belgium Professional Union of Insurance companies). Based on Sept. 30, 2012 and 2011. Figures measured on gross written premiums.
(h) Source: Spanish Association of Insurance Companies. ICEA as of September 30, 2012 and 2011.
(i) Source: Portuguese Insurance Association as of September 30, 2012 and 2011.
(j) Source: Associazione Nazionale Imprese Assicuratrici (ANIA). Ranking and Market Share as of December 2010 and 2011 with cross border markets.
(k) Source: Hellenic Association of Insurance Companies as of June 30, 2012 and 2011.
(l) Source: Office of Commissioner statistics as of September 30, 2012 and 2011 (measured on APE individual life in-force business).
(m) Source: AAJI statistics as of September 30, 2012 and 2011 (measured on Weighted New Business Premium).
(n) Source: TLAA statistics report as of August 31, 2012 and October 30, 2011 (measured on APE).
(o) Source: LIA statistics report as of September 30, 2012 and 2011 (measured on APE).
(p) Source: IRDA statistics as of November 30, 2012 and 2011 (measured on APE).
(q) Source: CIRC statistics as of November 30, 2012 and September 30, 2011 (measured on total premium income and on APE).
(r) Source: Towers Watson 2012 report (measured on total premium income).

PROPERTY & CASUALTY

In 2012, the Property & Casualty market grew in most mature countries as strong tariff increases in both individual and commercial lines more than offset lower car registration or reduced coverage, except for Italy, Spain, Portugal and Greece, still impacted by an unfavorable economic environment. In high growth countries, the Property and Casualty industry experienced a strong performance across the board.
Please find below AXA's ranking and market shares in the main countries where it operates:

	2012		2011	
	Ranking	Market share (%)	Ranking	Market share (%)
France (a)	2	14.5	2	14.5
United Kingdom (b)	4	5.5	4	5.3
Ireland (c)	1		1	
Germany (d)	4	6.4	4	5.8
Switzerland (e)	1	13.0	1	13.0
Belgium (f)	1	20.0	1	21.0
Spain (g)	4	6.8	3	7.3
Portugal (h)	3	7.6	3	8.0
Italy (i)	7	4.4	7	4.3
Greece (j)	5	5.6	12	3.3
Mexico (k)	1	13.8	1	13.2
Turkey (l)	1	13.9	1	13.5
Morocco (m)	3	15.7	3	15.7
The Gulf Region (n)	7	3.8	7	7.9
Singapore (o)	2	10.0	2	9.0
Malaysia (p)	7	6.0	7	5.0
Hong Kong (q)	9	3.0	9	3.0

Note: The acquisition of HSBC portfolio would position AXA as the number one P&C player in Hong Kong and number two in Singapore.

(a) Source: FFSA (including French mutual insurance company).
(b) Source: Based on 2011 and 2010 FSA Returns.
(c) Source: Irish Ins Federation/Central Bank of Ireland Statistical Review/Northern Ireland Vehicle & Driver Agency 2010 2011 2012. Based on the Motor market.
(d) Source: Market Factbook 2011 and 2010.
(e) Source: SIA (Swiss Insurance Association); Market share is based on statutory gross written premiums.
(f) Source: Assuralia (Belgium Professional Union of Insurance companies). Based on Sept. 30, 2012 and 2011. Figures (measured on gross written premiums).
(g) Source: Spanish Association of Insurance Companies. ICEA as of September 30, 2012 and 2011.
(h) Source: Portuguese Insurance Association as of September 30, 2012 and 2011.
(i) Source: Associazione Nazionale Imprese Assicuratrici (ANIA). Ranking and Market Share as of December 2010 and 2011.
(j) Source: Hellenic Association of Insurance Companies as of June 30, 2012 and 2011.
(k) Source: AMIS (Asociacion Mexicana de instituciones de Seguros) as of September 30, 2012 and 2011.
(l) Source: Turkish Association of Insurance Companies as of September 30, 2012 and 2011.
(m) Source: Moroccan Association of Insurance Companies as of December 31, 2012 and 2011.
(n) Source: KSA Tadawul website/Dubai stock exchange/Results of all listed companies/Regulator report Dec. 31, 2009 and 2011.
(o) Source: Monetary Authority of Singapore as of September 2012 and 2011.
(p) Source: ISM (Insurance Services Malaysia Berhad) as of September, 30 2012 and December 31, 2011.
(q) Source: Hong Kong Insurance Authority website 2011 and 2010.

INTERNATIONAL INSURANCE

Players 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, AXA's subsidiary dedicated to worldwide Property & Casualty, Aviation, Marine and Space insurance, prevention and claims management of large national and multinational corporations, is amongst the top five players in Europe. After several years of soft underwriting conditions, corporate risks insurance pricing conditions continued to tighten in 2012.

ASSET MANAGEMENT

Mutual fund flows, which got off to a reasonable start in the first few months of the year and lost momentum in the second quarter as the Eurozone debt crisis was showing no sign of easing, displayed a glimmer of life in Q3 which further intensified during the last quarter of the year. Although both equities and bonds delivered double digit performance over the full year, 2012 was very much a bond affair from an investor's point of view: across Europe, corporate high-yield bonds, emerging market bonds and global corporate bonds attracted the strongest inflows.

Institutional investors who had not put in place a thorough Liability Driven Investment strategy for the management of their assets suffered from a significant deterioration of their Solvency or Funding ratios under the strong policy actions implemented by Central Banks that lowered interest rates to unrecorded levels. In this context, European institutions

increased their allocations to credit, moving deeper in the credit universe as much as permitted by their regulation, without returning yet to Equities.

In the asset management market, AXA Investment Managers ranked 15th[1] and AllianceBernstein 22nd[1] based on assets under management. On a combined basis, AXA ranked 8th[1] , while top 7 players each manage more than €1 trillion.

[1] *Ranking based on company reports as of September 30, 2012*

FINANCIAL MARKET CONDITIONS IN 2012

In the United States and in Europe, economic indicators generally improved over the first quarter of 2012. In the United States, the manufacturing ISM index continued to deliver an optimistic message of expansion with external demand showing strength. In Europe, the situation from one country to another was quite mixed with sharp recessions in most of the peripheral nations and better performances in France and Germany. Banking and sovereign tensions continued to dissipate in the Euro area due to injections of long term liquidity by the ECB and progress on the reform front.

After an encouraging first quarter for the global state of the economy, a generalized slowdown affected developed as well as developing economies in the second quarter. In the United States, poor prospects in domestic demand, along with uncertainties in global markets, took a toll on companies' confidence. The manufacturing ISM index declined in June, below 50, for the first time in three years, showing contraction in the industrial production.

Global growth remained fairly weak in late 2012 although some early signs of recovery emerged, mostly from emerging markets and to a lesser extent, the United States. ECB's commitment to guarantee the integrity of the euro area has put a lid on the euro crisis, leading to the tightening of credit conditions and the decrease in interest rates.

Markets in Japan were buoyed by positive change as the election heralded a win for Shinzo Abe and his Liberal Democratic party. The landslide victory was achieved on a platform promising aggressive monetary easing and a commitment towards fighting deflation, the scourge of the Japanese economy in the past 20 years.

Emerging Markets provided solid gains over the year, but were held back by concerns that China was facing a worse than expected economic slowdown despite robust exports and resilient domestic demand.

In the United States, following the re-election of President Obama in November, markets immediately turned their attention to concerns about the fiscal cliff. Representatives of the Republican and Democratic parties have met regularly to discuss averting more than $600 billion of spending cuts and tax increases before a year-end deadline.

STOCK MARKETS

Global stock markets performed well in 2012. All major world Equity markets ended the year 2012 in positive territory. The MSCI World Index increased by 13% with the positive returns from European and Emerging countries. European markets performed well, with investors encouraged by the steps taken by the European Central Bank and political leaders towards tackling the region's sovereign debt and banking problems. Japanese shares were supported by the election victory of the liberal Democratic Party.

The Dow Jones Industrial Average Index in New York increased by 7% in 2012 and the S&P 500 Index by 13%. The FTSE 100 Index in London increased by 6%. The CAC 40 Index in Paris increased by 15% and the Nikkei Index in Tokyo appreciated by 23%.

The MSCI G7 Index increased by 13% and the MSCI Emerging Index appreciated by 15%. The S&P 500 implied volatility Index decreased from 23.4% to 18.0% between December 31, 2011 and December 31, 2012.

BOND MARKETS

The US 10-year T-bond ended the year 2012 at 1.76%, a decrease of 12 bps compared to December 31, 2011. The 10-year German Bund yield decreased by 51 bps to 1.32%. The French 10-year government bond yield decreased by 115 bps to 2.00%. The 10-year Japanese government bond ended the year at 0.79 %, a decrease of 20 bps. The 10-year Belgium government bond ended the year at 2.06%, a 203 bps decrease compared to December 31, 2011.

Regarding the evolution of 10-year government bonds on European peripheral countries: Italy ended the year at 4.50% (a decrease of 261 bps compared to December 31, 2011), Spain ended the year at 5.27% (an increase of 18 bps compared to December 31, 2011), Greece ended the year at 11.90% (a decrease of 2,306 bps compared to December 31, 2011), Ireland ended the year at 5.10% (a decrease of 335 bps compared to December 31, 2011), Portugal ended the year at 7.01% (a decrease of 635 bps compared to December 31, 2011).

In Europe, the iTRAXX Main spreads decreased by 56 bps compared to December 31, 2011 and ended 2012 at 117 bps while the iTRAXX Crossover decreased by 273 bps to 482 bps. In the United States, the CDX Main spread Index decreased by 26 bps to 94 bps.

EXCHANGE RATES

The evolution of Euro against the main currencies was mixed during the year 2012.
Compared to December 31, 2011, the US Dollar decreased by 2% against the Euro (closing exchange rate moved from $1.30 at the end of 2011 to $1.32 at the end of 2012). The Yen decreased by 14% against the Euro (closing exchange rate moved from Yen 99.88 at the end of 2011 to Yen 114.00 at the end 2012). The Pound Sterling gained 3% against the Euro (closing exchange rate moved from £0.835 at the end of 2011 to £0.811 at the end of 2012). The Swiss Franc gained 0.6% against the Euro (closing exchange rate moved from CHF 1.214 at the end of 2011 to CHF 1.207 at the end of 2012).

On an average rate basis, the US Dollar gained 7% against the Euro (from $1.39 over 2011 to $1.29 over 2012). The Yen gained 9% against the Euro (from Yen 112.9 for the twelve months ending September 2011 to Yen 102.3 for the twelve months ending September 2012). The Pound Sterling gained 6% (from £0.866 over 2011 to £0.814 over 2012) and the Swiss Franc gained 2% against the Euro (from CHF 1.24 over 2011 to CHF 1.21 over 2012).

OPERATING HIGHLIGHTS

SIGNIFICANT ACQUISITIONS IN 2012

AXA and HSBC long-term partnership in Property & Casualty in Asia and Latin America

On March 7, 2012, AXA and HSBC announced they had entered into an agreement whereby AXA would acquire HSBC's P&C businesses in Hong Kong, Singapore and Mexico. In addition, AXA would benefit from a 10-year exclusive P&C bancassurance agreement with HSBC in these countries as well as in India, Indonesia and China.

On November 5, 2012, AXA announced it has completed the acquisition of HSBC's P&C businesses in Hong Kong and Singapore, and that it has consequently launched its exclusive P&C bancassurance cooperation with HSBC in these countries. The acquisition of HSBC P&C operations in Mexico will be completed in due course, as well as the launch of the P&C bancassurance cooperation in Mexico, China, India and Indonesia.

This transaction positions AXA as the number one P&C player in Hong Kong, and strengthens its leading positions in Mexico and Singapore. The acquired Hong Kong and Singapore businesses benefit from multi-channel distribution, including through HSBC Bank branches, as well as strong agent and broker networks.

The net upfront cash consideration for AXA was USD 494 million or ca. Euro 374 million, and was funded through internal resources.

SIGNIFICANT DISPOSALS IN 2012

There was no significant disposal in 2012.

CAPITAL OPERATIONS

SharePlan 2012

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 2012, employees invested a total of €0.3 billion which led to a total of approximately 30 million newly issued shares. Employee shareholders represented 7.5% of the outstanding share capital as of December 10, 2012.
As of December 31, 2012, AXA total share capital amounted to 2,388,610,984 shares.

Other

AXA Rosenberg
In the first half of 2011, a number of class action law suits were filed against AXA Rosenberg on behalf of certain AXA Rosenberg clients. These suits made various allegations including breach of fiduciary duty, negligence/gross negligence in connection with the coding error and requested damages in an unspecified amount to be determined at trial. In March 2012, the Federal District Court for the North District of California approved a settlement of these class actions under the terms of which AXA Rosenberg paid USD 65 million.

Launch of the Joint-Venture in China between ICBC, AXA and Minmetals

On July 19, 2012, ICBC-AXA Life, a Life Insurance joint-venture between Industrial and Commercial Bank of China Co. Ltd (ICBC), AXA and China Minmetals Corporation (Minmetals), announced its official launch in China. It has received approval from China's State Council and all relevant regulatory bodies.

ICBC-AXA Life succeeds AXA-Minmetals Assurance (AXA-Minmetals), established in 1999. Following the equity transfer agreement reached on October 28, 2010 between ICBC, AXA and Minmetals, ICBC bought 60% of the shares of AXA-Minmetals and became the majority shareholder of the company. AXA owns 27.5% and Minmetals owns 12.5%.

AXA rating

In February 2012, Moody's Investors Services reaffirmed the Aa3 rating for counterparty credit and financial strength on AXA's principal insurance subsidiaries, assigning a negative outlook.

On September 24, 2012, Fitch reaffirmed all AXA entities' Insurer Financial Strength ratings at 'AA-', revising the outlook from stable to negative.

On December 18, 2012, S&P reduced long-term ratings on AXA Group to 'A+', assigning a stable outlook.

EVENTS SUBSEQUENT TO DECEMBER 31, 2012

AXA announced on January 17, 2013 the issuance of USD 850 million undated subordinated debt (5.50% annual coupon, fixed for life) and on January 18, 2013 the issuance of €1 billion subordinated debt due 2043 (5.125% annual coupon, fixed until the first call date in July 2023 and floating thereafter with a step up of 100 basis points), to anticipate the refinancing of part of subordinated debt instruments maturing on January 1, 2014. Both transactions have been structured to comply with the expected eligibility criteria for a Tier 2 capital treatment under Solvency II.

CONSOLIDATED GROSS REVENUES

Consolidated Gross Revenues (a)

(in Euro million)

	2012	2011	2012 / 2011 (d)
Life & Savings	**55,016**	**52,431**	**2.5%**
of which Gross written premiums	*53,572*	*50,918*	-
of which Fees and revenues from investment contracts with no participating feature	*334*	*350*	-
Property & Casualty	**28,315**	**27,046**	**3.0%**
International Insurance	**2,987**	**2,876**	**3.2%**
Asset Management	**3,343**	**3,269**	**-2.8%**
Banking (b)	**466**	**485**	**-3.4%**
Holdings and other companies (c)	**0**	**0**	**n.a.**
TOTAL	**90,126**	**86,107**	**2.5%**

(a) Net of intercompany eliminations.
(b) Excluding (i) net realized capital gains or losses and (ii) change in fair value of assets under fair value and of options and derivatives, net banking revenues and total consolidated revenues would respectively amount to €460 million and €90,120 million for full year 2012 and €479 million and €86,101 million for full year 2011.
(c) Includes notably CDOs and real estate companies.
(d) Changes are on a comparable basis.

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.

Consolidated gross revenues for full year 2012 reached €90,126 million, up 4.7% compared to 2011.

The restatements to a comparable basis were mainly driven by the depreciation of Euro against most of major currencies (€+2,414 million or +2.8 points) and the impact of the disposal of Australia and New Zealand operations in 2011 (€-355 million or -0.4 point).

On a comparable basis, gross consolidated revenues were up 2.5%.

[1] *Annual Premium Equivalent (APE) represents 100% of new regular premiums plus 10% of single premiums, in line with EEV methodology. APE is Group Share.*

Annual Premium Equivalent

Annual Premium Equivalent

(in Euro million)

	2012	2011	2012/ 2011 (a)
TOTAL	**6,170**	**5,733**	**2.6%**
France	1,378	1,340	2.8%
United States	1,244	1,018	13.5%
United Kingdom	535	535	-5.9%
Japan	598	463	16.9%
Germany	454	506	-10.3%
Switzerland	374	397	-8.1%
Belgium	175	173	0.9%
Central & Eastern Europe	136	213	-34.4%
Mediterranean and Latin American Region	402	432	-7.1%
Hong Kong	408	330	14.3%
South-East Asia, India and China	463	326	20.5%
Mature markets	**5,109**	**4,808**	**2.4%**
High growth markets	**1,061**	**925**	**3.9%**

(a) Changes are on a comparable basis.

Total Life & Savings New Business APE amounted to €6,170 million, up 8% on a reported basis or 3% on a comparable basis. This was mainly driven by the United States, Japan, South-East Asia, India and China and Hong Kong, partly offset by Central & Eastern Europe, Germany, Switzerland, the United Kingdom and Mediterranean and Latin American Region.

High growth markets APE increased by 4% as strong growth in South-East Asia, India and China (+21% or €+65 million) and Hong Kong (+14% or €+47 million) was partly offset by Central & Eastern Europe (-3% or €-73 million), negatively impacted by regulatory developments in Poland and more selectivity with regard to distribution networks.

The United States APE increased by €138 million (+14%) to €1,244 million reflecting higher sales of Unit-Linked products (€+129 million) as a consequence of both higher (i) non GMxB investment only product sales (+48% or €+77 million) driven by the availability of Structured Capital Strategies product and the new Retirement Gateway product in the wholesale channel, and (ii) fixed and floating rate GMxB product sales (+22% or €+52 million), mainly on new Accumulator 11 product.

Japan APE increased by €78 million (+17%) to €598 million driven by higher sales of Variable Annuity products (+37% or €+38 million) as well as sales of G/A Protection & Health products (+12% or €+40 million) driven by Term Rider and Long Term Protection products which were actively promoted.

South-East Asia, India and China APE increased by €65 million (+21%) to €463 million mainly driven by (i) Thailand (+48% or €+41 million) reflecting higher sales of G/A Protection products, (ii) China (+126% or €+19 million) mainly on G/A Protection & Health products reflecting the launch of the ICBC-AXA joint-venture in July 2012 and (iii) Philippines (+28% or €+5 million) driven by Unit-Linked products.

Hong Kong APE increased by €+47 million (+14%) to €408 million, mainly driven by higher sales of G/A Protection & Health products (+25% or €+40 million) in both agency and bancassurance networks.

France APE increased by €38 million (+3%) to €1,378 million, mainly driven by (i) an increase in G/A Protection & Health sales (+6% or €+36 million) in both individual and group business and (ii) in Unit-Linked sales (+7% or €+13 million) reflecting the success of new structured products in a downward oriented market, partly offset by lower sales of G/A Individual Savings (-2% or €-12 million).

Central & Eastern Europe APE decreased by €73 million (-34%) to €136 million. The decrease was driven by (i) Pension Funds (-49% or €-36 million) as a result of the change in regulation in Poland and (ii) lower Unit-Linked sales (-29% or €-32 million) mainly in Czech Republic due to the end of the cooperation with low quality brokers and in Poland due to the difficult market environment.

Germany APE decreased by €52 million (-10%) to €454 million, mainly driven by (i) G/A Savings (-23% or €-37 million) as a result of lower sales of short term investment products and (ii) Unit-Linked (-30% or €-28 million) due to the curtailment of "Twinstar" Variable Annuity products, partly offset by (iii) G/A Protection & Health (+5% or €+11 million).

Switzerland APE decreased by €32 million (-8%) to €374 million mainly driven by Group Life after exceptionally strong sales of full protection schemes contracts in 2011.

UK APE decreased by €32 million (-6%) to €535 million driven by Unit-Linked products (-21% or €-67 million) as a result of lower volumes in Individual Pension business and in Offshore Bond business written through Isle of Man. This was partly mitigated by Mutual Funds sales (+17% or €+28 million) through the Elevate wrap platform.

Mediterranean and Latin American Region APE decreased by €31 million (-7%) to €402 million mainly due to mature markets (€-28 million) reflecting (i) a significant decrease in G/A Savings products (-33% or €-59 million) as a result of the increased focus on Unit-Linked products and a highly competitive environment, partly offset by (ii) Unit-Linked products (+26% or €+33 million).

Property & Casualty Revenues

Property & Casualty Revenues

(in Euro million)

	2012	2011	2012 / 2011 (a)
TOTAL	**28,315**	**27,046**	**3.0%**
Mature markets	22,257	21,609	1.7%
Direct	2,215	2,102	1.5%
High growth markets	3,843	3,335	11.9%

(a) Changes are in comparable basis

Property & Casualty gross revenues were up 5% to €28,315 million or up 3% on a comparable basis. Personal lines increased by 3% especially in Germany, the United Kingdom & Ireland and Mediterranean and Latin American Region. Commercial lines increased by 3%, primarily in the Mediterranean and Latin American Region, the United Kingdom & Ireland, France and Asia. Overall tariff increases amounted to 3.0%.

Personal lines (60% of P&C gross revenues) were up by 3% on a comparable basis, stemming from both Motor (+2%) and Non-Motor (+4%), primarily as a result of tariff increases in mature markets and higher volumes in high growth markets.

Motor revenues grew by €169 million or +2% mainly driven by:

- Germany (+7%) mainly as a result of tariff increases and successful turn of the year business,
- Mediterranean and Latin American Region (+4%), primarily driven by Turkey (+29%) with higher volumes and tariff increases notably in the second half of 2012, Mexico (+12%) from higher volumes and Italy (+3%) due to a positive mix effect from the agency network restructuring, partly offset by Spain (-10%) due to a competitive market in a depressed economic environment,
- Asia (+6%) driven by a strong increase in car sales in Malaysia,
- partly offset by Direct (-1%) reflecting a 22% decrease in the United Kingdom as a result of portfolio pruning and repricing leading to lower volumes and retention, a 7% decrease in Spain in a difficult economic environment, partly offset by 7% growth in other countries mainly in Italy, Poland, France and Japan (+54%, +30%, +12% and +8% respectively).

Non-Motor revenues increased by €277 million or +4% mainly due to:

- the United Kingdom & Ireland (+4%) mainly in Household, driven by the United Kingdom with new partnerships and improved retention,
- Germany (+4%) and France (+4%) mainly due to tariff increases in Household,
- Direct business (+24%) across the board.

Commercial lines (40% of P&C gross revenues) increased by 3% on a comparable basis with Motor and Non-Motor up by 7% and 2% respectively.

Motor revenues increased by €156 million or +7%, mainly driven by:

- the Mediterranean and Latin American Region (+8%) notably in Mexico (+8%) fuelled by positive portfolio developments and tariff increases, and in Turkey (+32%) reflecting more competitive products, partly offset by cancellations in Spain and pruning actions in Portugal,
- France (+12%) mainly as a result of both tariff increases and higher volumes,
- the United Kingdom (+11%) mainly driven by tariff increases and increased retained business in Motor fleet.

Non-Motor revenues increased by €170 million or +2% reflecting growth in:

- the United Kingdom (+6%) primarily due to Health portfolio development in the United Kingdom and abroad,
- France (+1%) mainly following tariff increases in Construction and Property, partly offset by lower volumes,
- the Mediterranean and Latin American Region (+2%) mainly driven by new business in Health in the Gulf.

International Insurance revenues

International Insurance gross revenues were up 4% or 3% on comparable basis to €2,987 million mainly driven by (i) **AXA Corporate Solutions** up 3% to €2,069 million mainly as a result of positive portfolio developments and tariff increases in Construction and Property, partly offset by non renewal of a large contract in Liability and tariff decrease in Aviation as well as (ii) **AXA Assistance** up 10% to €832 million.

Asset management revenues

Asset Management gross revenues increased by 2% or decreased by 3% on a comparable basis to €3,343 million, mainly driven by a decrease in management fees at AllianceBernstein and a decrease in performance and real estate transactions fees at AXA IM. This was partly offset by higher management fees at AXA IM as a result of higher average assets under management.

AllianceBernstein revenues were down 4% to €2,019 million primarily due to lower management fees (-11%) resulting from lower bps (-3.1 bps) reflecting change in business mix, and lower average assets under management (-3%).

Assets Under Management (AUM) increased by 4% or €14 billion from year-end 2011 to €349 billion driven by €+28 billion from market appreciation, partly offset by (i) €-6 billion foreign exchange rate impact, (ii) €-4 billion net outflows and (iii) €-5 billion change in scope due to the disposal of AXA Canada and AXA Australia operations.

AXA Investment Managers revenues were down 0.4% to €1,324 million. Excluding distribution fees (retroceded to distributors) and on a comparable basis, net revenues increased by €+7 million (+1%) mainly driven by higher management fees (+5%), partly offset by lower performance and Real Estate transaction fees (-48%).

AUM increased by 8% or €+41 billion from year-end 2011 to €554 billion mainly as a result of (i) €+45 billion market appreciation, (ii) €+3 billion net inflows and (iii) €+2 billion favorable foreign exchange rate impact, partly offset by (iv) €-9 billion change in scope mainly related to the partial sale of the UK Life & Savings operations.

Net banking revenues

Net banking revenues were down 4% to €466 million or down 3% on a comparable basis, mainly driven by **France** (-23%) due to higher interest paid to customers on savings account as a result of the promotional campaign realized during the first half of 2012, while **AXA Bank Belgium** increased by 14% to €298 million mainly driven by a growing investment portfolio, partly offset by lower funding costs as result of lower interest rates.

CONSOLIDATED UNDERLYING EARNINGS, ADJUSTED EARNINGS AND NET INCOME

IASB and FASB deliberations regarding the Insurance Contracts Phase II project as well as change in USGAAP indicate that accounting standards are moving to lower capitalization and therefore less deferral of acquisition expenses. In this context, the Group changed its accounting policy on deferred acquisition costs as of January 1, 2012 and retrospectively restated comparative information related to previous periods. The impact of this change led to a reduction of total shareholders' equity of €1,954 million (of which €1,951 million group share) as of January 1, 2011.

In the tables of the document, "restated" refers to this voluntary change in accounting policy.

(in Euro million)

	2012	2011 restated (b)	2011 published
Gross written premiums	84,592	80,570	80,570
Fees and revenues from investment contracts without participating feature	334	350	350
Revenues from insurance activities	**84,926**	**80,920**	**80,920**
Net revenues from banking activities	***426***	***414***	***414***
Revenues from other activities	***4,741***	***4,708***	***4,708***
TOTAL REVENUES	**90,093**	**86,042**	**86,042**
Change in unearned premium reserves net of unearned revenues and fees	***(441)***	***(547)***	***(547)***
Net investment result excluding financing expenses (a) (d)	***28,770***	***14,914***	***15,114***
Technical charges relating to insurance activities (a) (c)	(91,734)	(75,623)	(75,623)
Net result of reinsurance ceded	(1,323)	(733)	(733)
Bank operating expenses	(96)	(87)	(87)
Insurance acquisition expenses	(9,472)	(8,352)	(8,160)
Amortization of value of purchased life business in force	(179)	(241)	(241)
Administrative expenses (c)	(9,033)	(9,552)	(9,552)
Valuation allowances on tangible assets	28	29	29
Change in value of goodwill	(0)	(0)	(0)
Other	(293)	(388)	(388)
Other operating income and expenses	**(112,102)**	**(94,947)**	**(94,755)**
OPERATING EARNINGS BEFORE TAX	**6,321**	**5,462**	**5,854**
Net income from investments in affiliates and associates	136	85	85
Financing expenses	(587)	(360)	(360)
UNDERLYING EARNINGS BEFORE TAX	**5,870**	**5,186**	**5,579**
Income tax expenses (d)	(1,409)	(1,192)	(1,453)
Minority interests	(210)	(222)	(224)
UNDERLYING EARNINGS	**4,251**	**3,772**	**3,901**
Net realized capital gains or losses attributable to shareholders	297	(312)	(312)
ADJUSTED EARNINGS	**4,548**	**3,460**	**3,589**
Profit or loss on financial assets (under fair value option) & derivatives	45	110	114
Exceptional operations (including discontinued operations)	(94)	2,069	2,069
Goodwill and other related intangible impacts	(103)	(1,167)	(1,167)
Integration and restructuring costs	(244)	(281)	(281)
NET INCOME	**4,152**	**4,190**	**4,324**

(a) For the periods ended December 31, 2012 and December 31, 2011, the change in fair value of assets backing contracts with financial risk borne by policyholders impacted the net investment result for respectivly €+14,186 million and €-4,977 million, and benefits and claims by the offsetting amounts respectively.
(b) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs. The impact on 2011 net income was €134m.
(c) For the period ended December 31, 2011, €201 million have been reclassified from administrative expenses to technical charges relating to insurance activities to ensure consistency of the information.
(d) FY 2011 published was adjusted to reflect intercompany elimination of adjustment of €200 million between net investment result and income tax expenses.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011 restated (b)	2011 published
Life & Savings	2,635	2,138	2,267
Property & Casualty	1,895	1,848	1,848
International Insurance	167	276	276
Asset Management	382	321	321
Banking	5	32	32
Holdings and other companies (a)	(833)	(843)	(843)
UNDERLYING EARNINGS	**4,251**	**3,772**	**3,901**
Net realized capital gains or losses attributable to shareholders	297	(312)	(312)
ADJUSTED EARNINGS	**4,548**	**3,460**	**3,589**
Profit or loss on financial assets (under Fair Value option) & derivatives	45	110	114
Exceptional operations (including discontinued operations)	(94)	2,069	2,069
Goodwill and related intangibles impacts	(103)	(1,167)	(1,167)
Integration and restructuring costs	(244)	(281)	(281)
NET INCOME	**4,152**	**4,190**	**4,324**

(a) Includes notably CDOs and real estate companies.
(b) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Group underlying earnings amounted to €4,251 million up 13% versus 2011. On a constant exchange rate basis, underlying earnings increased by 9% driven by **Life & Savings, Asset Management** and **Property & Casualty,** partly offset by a decrease in **International Insurance**.

Life & Savings underlying earnings amounted to €2,635 million. On a constant exchange rate basis Life & Savings underlying earnings were up €397 million (+19%). On a comparable scope basis, restated for the sale of Bluefin and portfolios transferred in November 2011 to Resolution in the UK, and for the AXA APH Asian entities minority interest buy-out and disposal of Australia and New Zealand operations on April 2, 2011, Life & Savings underlying earnings were up €410 million (+20%) mainly attributable to the United States (€+250 million), France (€+86 million), the Mediterranean and Latin American Region (€+61 million), Japan (€+35 million) and South-East Asia, India and China (€+22 million), partly offset by Germany (€-68 million), mainly resulting from:

(i) **Higher Investment margin** (€+243 million or +10%), mainly driven by (i) lower investment income more than offset by lower allocation to policyholders in France (€+100 million) and the United States (€+28 million), (ii) higher investment income, mainly due to higher asset base, as well as lower allocation to policyholders in Switzerland (€+71 million) and Belgium (€+18 million) and (iii) the Mediterranean and Latin American Region (€+23 million) mainly due to an exceptional release of policyholder bonus.

(ii) **Higher fees & revenues** (€+91 million or +1%) mainly driven by:
   a. ***Unit-linked management fees*** were stable reflecting a stable average asset base, as decrease in average asset base in the United States was offset by increases in France, Japan and Italy,
   b. ***Loadings on premiums and mutual funds*** were up €99 million mainly driven by (i) strong Unit-Linked sales in the Mediterranean and Latin American Region (€+48 million), mostly at AXA MPS, (ii) higher Elevate wrap platform revenues and funds under management in the UK (€+29 million), as well as (iii) strong growth in Protection & Health business in Hong Kong (€+31 million) and South East Asia, India and China (€+24 million),
   c. ***Other fees*** were down €4 million.

(iii) **Net technical margin** was up €599 million to €357 million mainly driven by the United States (€+604 million), primarily due to (a) lower GMxB losses resulting from decreased volatility and basis losses, positive GMxB reserve adjustments including premium suspension on old contracts and other model and assumption refinements, partially offset by higher GMxB reserve strengthening for lapses and other policyholder behavior assumptions changes, and due to (b) unfavorable mortality experience on life products.

(iv) **Expenses** increased by €-426 million (or +7%) as a result of:
   a. €-458 million higher acquisition expenses, primarily driven by the (i) United States (€-190 million) as a result of higher DAC amortization notably following the improved technical margin, (ii) the Mediterranean and Latin American Region (€-86 million) mainly due to higher commissions from higher Unit-Linked sales as well as higher DAC amortization reflecting increase in surrenders, (iii) France (€-75 million) mainly driven by higher DAC amortization (€-54 million) partly offset by

higher Unearned Revenue Reserve amortization and (iv) Hong Kong (€-24 million) driven by new business and in-force growth,

b. €33 million lower administrative expenses mainly reflecting various efficiency programs net of inflation.

(v) **Higher tax expenses and minority interests**, up €202 million mainly driven by higher pre-tax underlying earnings and unfavorable country mix, partly offset by more favourable tax one-offs (€56 million in Japan, €47 million in the United States, €27 million in the UK and €19 million in Hong Kong in 2012 vs. €143 million in 2011).

Property & Casualty underlying earnings amounted to €1,895 million. On a constant exchange rate basis, Property & Casualty underlying earnings increased by €25 million (+1%) mainly driven by:

(i) **Higher net technical result (including expenses)** up €108 million (or +19%) driven by:

a. **Current year loss ratio** improving by 0.6 point driven by tariff increases, lower claims frequency and lower Nat Cat charge (-0.3 point), partly offset by higher large claims, notably from freeze, as well higher severity

b. **Lower positive prior year reserve** developments by 0.5 point, including worse prior year reserve developments in Turkey (€-168 million) due to the increase in both frequency and average costs of legal claims in Motor and Liability,

c. **Lower expense ratio** improving by 0.2 point to 26.8%, reflecting (i) stable acquisition ratio mainly driven by productivity gains, partly offset by an increase in commission rate driven by a change in product and distribution mix, and (ii) 0.2 point reduction in administrative expenses ratio benefiting from various efficiency programs net of inflation.

d. As a result, **the combined ratio** improved by 0.3 point to 97.6%.

(ii) **Investment result** decreased by €51 million to €+2,007 million mainly driven by lower revenues on fixed income assets in France and Germany.

(iii) **Higher income tax expense and minority interests** (up €36 million) mainly driven by higher pre-tax underlying earnings as well as lower favorable tax one-offs (€11 million in Germany and €-9 million in the UK in 2012 vs. €16 million in 2011).

International Insurance underlying earnings amounted to €167 million. On a constant exchange rate basis, underlying earnings decreased by €103 million (or -37%) mainly due to AXA Liabilities Managers, down €52 million, following lower gains on the Property & Casualty run-off portfolios mainly as a result of lower positive settlements, as well as AXA Global P&C, down €30 million, mainly driven by the non-repeat of €32 million positive prior year reserve developments due to favorable weather in 2011.

Asset Management underlying earnings amounted to €382 million. On a constant exchange rate basis, underlying earnings increased by €44 million (+14%) driven by (i) AllianceBernstein (€+42 million or +39%) as a result of lower variable compensations and staff reduction more than offsetting revenues decrease and (ii) AXA IM (€+2 million or +1%) reflecting higher revenues and lower expenses, driven by a positive impact from the closure of AXA Rosenberg litigations, partly offset by additional tax charges mainly driven by the non-recurrence of a 2011 positive tax impact.

Banking underlying earnings amounted to €5 million. On a constant exchange rate basis, underlying earnings decreased by €28 million (-86%), mainly driven by AXA Bank Belgium mainly reflecting lower commercial margin and new taxes and contributions to the financial stability fund.

Holdings and other companies underlying earnings amounted to €-833 million. On a constant exchange rate basis, holdings underlying earnings increased by €9 million (+1%) mainly driven by (i) UK holding (€+21 million) mainly driven by more favorable tax one-offs (ii) the Mediterranean and Latin American Region (€+17 million) due to lower financial charges, partly offset by (iii) AXA SA (€-41 million) due to an increase in financial charge and a lower income from net participation in BNP Paribas.

Group net capital gains attributable to shareholders amounted to €297 million. On a constant exchange rate basis, Group net capital gains and losses attributable to shareholders were up €607 million mainly due to:

(i) €+126 million higher **realized capital gains**, to €+816 million in 2012, mainly driven by higher realized gains on equities (€+103 million), fixed income assets (€+148 million), partly offset by lower realized gains on real estate (€-175 million),

(ii) €+562 million lower **impairments** to €-283 million in 2012, mainly driven by the non repeat of €-387 million net impairment charge on Greece government bonds in 2011, as well as lower impairments on equities,
(iii) €-81 million from decrease in the impact of equity hedging derivatives.

As a result, **adjusted earnings** amounted to €4,548 million. On a constant exchange rate basis, adjusted earnings increased by €952 million (+28%).

Net Income amounted to €4,152 million. On a constant exchange rate basis, net income decreased by €155 million (-4%) mainly as a result of:

(i) Lower exceptional operations: down €2,158 million to €-94 million, mainly due to the non repeat of 2011 exceptional capital gains of €2,326 million relating to the disposal of the stake in Taikang Life, Canadian operations as well as Australia and New Zealand operations, partly offset by
(ii) Higher adjusted earnings up €952 million,
(iii) Lower goodwill and related intangibles charges: down from €-1,167 million in 2011 to €-103 million in 2012, mainly reflecting the non repeat of 2011 goodwill reduction in the United States for €943 million,
(iv) lower favorable change in fair value of financial assets and derivatives: down €61 million to €+45 million which can be analyzed as follows:
    a. €+71 million from the decrease in interest rates and corporate spreads,
    b. €+54 million positive performance from private equity, equities and hedge funds,
    c. €+61 million positive change in fair value of other assets, mainly Asset Backed Securities, partly offset by
    d. €-140 million following foreign exchange rate movements, mainly on JPY.

Consolidated Shareholders' Equity

As of December 31, 2012, consolidated shareholders' equity totaled €53.7 billion. The movements in shareholders' equity since December 31, 2011 are presented in the table below:

(in Euro million)

	2011 published	Change in DAC accounting methodology adopted retrospectively as at 01/01/2012	2011 restated	2012
Shareholders' Equity	48,562	(2,145)	46,417	53,664

	Shareholders' Equity
At December 31, 2011	**46,417**
Share Capital	72
Capital in excess of nominal value	237
Equity-share based compensation	49
Treasury shares sold or bought in open market	20
Deeply subordinated debt (including interests charges)	(292)
Fair value recorded in shareholders' equity	6,133
Impact of currency fluctuations	(614)
Payment of N-1 dividend	(1,626)
Other	(66)
Net income for the period	4,152
Actuarial gains and losses on pension benefits	(817)
At December 31, 2012	**53,664**

Shareholder Value

EARNINGS PER SHARE ("EPS")

(in Euro million except ordinary shares in million)

	2012		2011 restated (a)		2011 published		Var. 2012 versus 2011 restated (a)	
	Basic	Fully diluted	Basic	Fully diluted	Basic	Fully diluted	Basic	Fully diluted
Weighted average number of shares	**2,342.5**	**2,348.9**	**2,301.0**	**2,305.0**	**2,301.0**	**2,305.0**		
Net income (Euro per Ordinary Share)	1.65	1.64	1.69	1.69	1.75	1.75	-3%	-3%
Adjusted earnings (Euro per Ordinary Share)	1.82	1.81	1.38	1.37	1.43	1.43	32%	32%
Underlying earnings (Euro per Ordinary Share)	1.69	1.69	1.51	1.51	1.57	1.57	12%	12%

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

RETURN ON EQUITY ("ROE")

(in Euro million)

	Period ended , December 31, 2012	Period ended , December 31, 2011 restated (c)	Period ended , December 31, 2011 published	Change in % points
ROE	**8.7%**	**9.5%**	**9.4%**	**-0.8 pts**
Net income group share	4,152	4,190	4,324	
Average shareholders' equity	47,592	43,969	45,950	
Adjusted ROE	**13.3%**	**10.3%**	**10.0%**	**3.0 pts**
Adjusted earnings (a)	4,257	3,169	3,298	
Average shareholders' equity (b)	31,975	30,871	32,897	
Underlying ROE	**12.4%**	**11.3%**	**11.0%**	**1.1 pts**
Underlying earnings (a)	3,960	3,481	3,610	
Average shareholders' equity (b)	31,975	30,871	32,897	

(a) Including adjustement to reflect net financial charges related to undated debt (recorded through shareholders' equity).
(b) Excluding fair value of invested assets and derivatives and undated debt (both recorded through shareholders' equity).
(c) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

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

(in Euro million)

	2012	2011 restated (b)	2011 published
Gross revenues (a)	**55,084**	**52,481**	**52,481**
APE (Group share)	*6,170*	*5,733*	*5,733*
Investment margin	2,697	2,428	2,428
Fees & revenues	7,323	7,160	7,160
Net technical margin	357	(205)	(205)
Expenses	(6,857)	(6,428)	(6,236)
Amortization of VBI	(179)	(239)	(239)
Other	86	43	43
Underlying earnings before tax	**3,427**	**2,759**	**2,951**
Income tax expenses / benefits	(713)	(536)	(597)
Minority interests	(78)	(84)	(87)
Underlying earnings Group share	**2,635**	**2,138**	**2,267**
Net capital gains or losses attributable to shareholders net of income tax	214	(36)	(35)
Adjusted earnings Group share	**2,849**	**2,102**	**2,232**
Profit or loss on financial assets (under FV option) & derivatives	152	269	273
Exceptional operations (including discontinued operations)	(54)	745	745
Goodwill and other related intangibles impacts	(34)	(1,015)	(1,015)
Integration and restructuring costs	(40)	(42)	(42)
Net income Group share	**2,873**	**2,059**	**2,193**

(a) Before intercompany eliminations.
(b) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Consolidated Gross Revenues

(in Euro million)

	2012	2011
France	13,751	13,658
United States	11,229	9,657
United Kingdom	648	651
Japan	6,725	5,747
Germany	6,655	7,001
Switzerland	6,551	6,158
Belgium	2,088	2,142
Central & Eastern Europe (a)	472	514
Mediterranean and Latin American Region (b)	4,836	4,796
Hong Kong	1,723	1,465
South-East Asia, India and China (c)	295	255
Other (d)	112	436
TOTAL	**55,084**	**52,481**
Intercompany transactions	(68)	(50)
Contribution to consolidated gross revenues	**55,016**	**52,431**
of which high growth markets	**2,887**	**2,617**
of which mature markets	**52,129**	**49,814**

(a) Includes Poland, Hungary, Czech Republic and Slovakia.
(b) Mediterranean and Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco and Mexico.
(c) South-East Asia revenues include Indonesia and Singapore.
(d) Other correspond to Australia / New Zealand, Luxembourg, AXA Global Distributors, Architas and Family Protect .

Underlying earnings

(in Euro million)

	2012	2011 restated (a)	2011 published
France	706	620	632
United States	522	235	312
United Kingdom	(17)	(6)	(6)
Japan	374	303	323
Germany	120	188	192
Switzerland	317	293	293
Belgium	150	155	155
Central & Eastern Europe (b)	1	9	9
Mediterranean and Latin American Region (c)	162	102	104
Hong Kong	252	210	224
South-East Asia, India and China (d)	86	50	50
Other (e)	(38)	(19)	(19)
UNDERLYING EARNINGS	**2,635**	**2,138**	**2,267**
of which high growth markets	352	281	295
of which mature markets	2,283	1,857	1,973

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.
(b) Includes Poland, Hungary, Czech Republic and Slovakia.
(c) Mediterranean and Latin American Region includes Italy, Spain, Portugal, Greece, Turkey, Morocco and Mexico.
(d) South-East Asia earnings include Indonesia, Thailand, Philippines and Singapore.
(e) Other correspond to Australia / New Zealand, Luxembourg, AXA Global Distributors, Architas and Family Protect.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011 restated (a)	2011 published
UNDERLYING EARNINGS	**2,635**	**2,138**	**2,267**
Net realized capital gains or losses attributable to shareholders	214	(36)	(35)
ADJUSTED EARNINGS	2,849	**2,102**	**2,232**
Profit or loss on financial assets (under Fair Value option) & derivatives	152	269	273
Exceptional operations (including discontinued operations)	(54)	745	745
Goodwill and related intangible impacts	(34)	(1,015)	(1,015)
Integration and restructuring costs	(40)	(42)	(42)
NET INCOME	**2,873**	**2,059**	**2,193**

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Life & Savings operations – France

(in Euro million)

	2012	2011 restated (a)	2011 published
Gross revenues	**13,751**	**13,658**	**13,658**
APE (Group share)	*1,378*	*1,340*	*1,340*
Investment margin	1,210	1,111	1,111
Fees & revenues	1,559	1,520	1,520
Net technical margin	514	449	449
Expenses	(2,298)	(2,209)	(2,190)
Amortization of VBI	-	(69)	(69)
Other	7	6	6
Underlying earnings before tax	**992**	**808**	**827**
Income tax expenses / benefits	(284)	(187)	(194)
Minority interests	(2)	(2)	(2)
Underlying earnings Group share	**706**	**620**	**632**
Net capital gains or losses attributable to shareholders net of income tax	124	193	193
Adjusted earnings Group share	**830**	**812**	**825**
Profit or loss on financial assets (under FV option) & derivatives	185	(84)	(83)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration and restructuring costs	-	-	-
Net income Group share	**1,014**	**728**	**741**

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Gross revenues increased by €93 million (+1%) to €13,751 million. On a comparable basis, gross revenues increased by €108 million (+1%) mainly due to:

- *Unit-Linked* sales rose by €129 million (+8%), despite market contraction over 2012 (-13%)[1], reflecting the strong sales performance of Unit-Linked structured funds (34% of total Unit-Linked Individual sales), with a strong acceleration during last quarter. Unit-linked share in Savings premiums increased by 2 points to 23% above market at 13%,*G/A Protection and Health* increased by €83 million (+1%) driven by a €53 million increase in Group Protection and €23 million increase in Individual Protection reflecting positive portfolio developments,
- *G/A Savings* sales decreased by €104 million (-2%) reflecting the negative performance of Individual G/A Savings (-11%) in line with the French traditional savings market trend (-10%[1]), mostly offset by higher inflows in Group Retirement (+74%), mostly occurring at the end of year, ahead of potential unfavorable fiscal changes in 2013 for "Article 39" defined benefit schemes.

- **APE** increased by €38 million (+3%) to €1,378 million:*Unit-Linked* sales rose by €13 million (+7%) mainly driven up by the positive performance of AXA Unit-Linked structured funds in a downward oriented French Individual Unit-Linked Savings market,
- *G/A Protection and Health* increased by €36 million (+6%) driven by €32 million in Group Protection and Health and €13 million in Individual Protection reflecting new long term care and funeral product success. Individual Health decreased by €10 million following the termination of an assumed business with a French Mutuelle,
- *G/A Savings* sales decreased by €12 million (-2%) reflecting the negative performance of Individual Savings (-10%) in line with the French traditional savings market trend, mostly offset by higher inflows in Group Retirement (+99%), in particular at the end of year, ahead of potential unfavorable fiscal changes in 2013 for "Article 39" defined benefit schemes.

Investment margin increased by €100 million (+9%) to €1,210 million as lower investment income (€-15 million) was more than offset by lower amounts allocated to policyholders.

[1] *Source FFSA December 2012*

Fees & revenues increased by €39 million (+3%) to €1,559 million. Excluding a €+43 million adjustment on URR reserves (fully offset in DAC), fees and revenues decreased by €4 million driven by lower loadings on premiums due to change in business mix, partly offset by higher volumes and higher fees on Unit-Linked business.

Net technical margin rose by €65 million (+14%) to €514 million mainly driven by higher positive prior year developments, mainly in Group Protection business.

Expenses increased by €89 million (+4%) to €-2,298 million mainly due to €70 million higher DAC amortization (of which €43 million fully offset in URR), and €14 million higher administrative expenses, as continuing efforts to contain expenses were more than offset by lower favorable tax items compared to previous year.

Amortization of VBI decreased by €69 million (-100%) to €0 million as a result of the accelerated amortization of the remaining balance of VBI in 2011.

As a result, the **underlying cost income ratio** decreased by 4.0 points to 70.0%.

Income tax expenses increased by €97 million (+52%) to €-284 million, mainly due to higher pre-tax underlying earnings (€+64 million) and a lower level of non taxable revenues (€+31 million).

As a result, **underlying earnings** increased by €86 million (+14%) to €706 million.

Adjusted earnings increased by €17 million (+2%) to €830 million, driven by higher underlying earnings (€+86 million) and lower impairments (€+141 million) on equities and fixed income assets, partly offset by lower net realized capital gains mostly on real estate.

Net income increased by €286 million (+39%) to €1,014 million due to a favorable change in fair value of mutual funds and derivatives, mainly driven by the decrease in interest rates and credit spreads, as well as higher adjusted earnings.

Life & Savings operations - United States

(in Euro million)

	2012	2011 restated (a)	2011 published
Gross revenues	**11,229**	**9,657**	**9,657**
APE (Group share)	*1,244*	*1,018*	*1,018*
Investment margin	541	474	474
Fees & revenues	1,993	1,931	1,931
Net technical margin	(632)	(1,192)	(1,192)
Expenses	(1,251)	(1,028)	(909)
Amortization of VBI	(3)	(5)	(5)
Other	-	-	-
Underlying earnings before tax	**647**	**180**	**300**
Income tax expenses / benefits	(126)	54	13
Minority interests	-	-	-
Underlying earnings Group share	**522**	**235**	**312**
Net capital gains or losses attributable to shareholders net of income tax	(37)	(11)	(11)
Adjusted earnings Group share	**484**	**223**	**301**
Profit or loss on financial assets (under FV option) & derivatives	(103)	326	330
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	(1)	(944)	(944)
Integration and restructuring costs	(20)	(29)	(29)
Net income Group share	**360**	**(424)**	**(343)**
Average exchange rate : 1.00 € = $	*1.2881*	*1.3867*	*1.3867*

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Gross revenues increased by €1,572 million (+16%) to €11,229 million. On a comparable basis, gross revenues increased by €773 million (+8%):

- Variable Annuity revenues (60% of gross revenues) increased by 23% reflecting strong sales results for non-GMxB investment only products, and fixed and floating rate GMxB products, partially offset by lower additional contributions received for certain old GMxB fixed rate contracts prompted by the suspension of additional contributions earlier in 2012,
- Life revenues (25% of gross revenues) decreased by 1% driven by lower sales of non unit-linked life products, partially offset by an increase in renewal premiums reflecting strong first year sales last year.
- Asset Management Fees (7% of gross revenues) increased by 1%,
- Mutual Funds revenues (1% of gross revenues) increased by 11% reflecting higher advisory fees and volume.

APE increased by €226 million (+22%) to €1,244 million. On a comparable basis, APE increased by €138 million (+14%):

- Variable Annuity increased by 27% to €633 million reflecting higher sales of non GMxB investment only products and fixed and floating rate GMxB products, partially offset by lower sales of employer sponsored products. Non-GMxB investment only and floating rate GMxB products launched since 2010, represented a combined 54% of 2012 Variable Annuity APE,
- Life decreased by 10% to €242 million reflecting declines in sales of non Unit-Linked life products, partially offset by strong Unit-Linked sales,
- Mutual Funds increased by 12% to €367 million, reflecting increased advisory account sales.

Investment margin increased by €66 million (+14%) to €541 million. On a constant exchange rate basis, investment margin increased by €28 million (+6%), as the decrease in investment income (reflecting lower yields on fixed income assets, partly compensated by higher income on alternative assets), was more than offset by lower crediting rates.

Fees & revenues increased by €62 million (+3%) to €1,993 million. On a constant exchange rate basis, fees & revenues decreased by €80 million (-4%) primarily driven by the non-repeat of 2011 assumption change on Unearned Revenue Reserve (more than offset in DAC amortization) and by lower Unit-Linked management fees from lower

average Separate Account balances.

Net technical margin rose by €559 million from €-1,192 million to €-632 million. On a constant exchange rate basis, net technical margin increased by €604 million primarily due to lower GMxB losses resulting from decreased volatility and basis losses, positive GMxB reserve adjustments including premium suspension on old contracts and other model and assumption refinements, partially offset by higher GMxB reserve strengthening for lapses and other policyholder behavior assumptions changes and the impact on life products of unfavorable mortality experience.

In December 2012, the decision was taken to move the GMxB portfolio in accumulation phase to a risk neutral long term discount rate of 3% and as a result interest rate hedging was reduced by 25%. At the same time, policyholder behavior assumptions were revised, which is expected to reduce the risk of future significant reserve strengthening.

Expenses increased by €222 million (+22%) to €-1,251 million. On a constant exchange rate basis, expenses increased by €134 million (+13%):

- Expenses, net of capitalization (including commissions and DAC capitalization) decreased by €33 million (-3%) to €1,108 million mainly due to productivity actions (reduction of FTE, changes to benefit plan and staff relocation savings) implemented in 2011 and 2012.
- DAC amortization increased by €167 million to €-53 million mainly following lower GMxB losses.

Amortization of VBI decreased by €2 million to €-3 million. On a constant exchange rate basis, amortization of VBI decreased by €2 million.

As a result, the **underlying cost income ratio** decreased by 19.2 points to 66.0%.

Income tax expense increased by €180 million from a tax benefit of €54 million to a tax expense of €-126 million. On a constant exchange rate basis, income tax expense increased by €171 million which reflects higher underlying earnings and the less favorable impact of tax one-offs, primarily tax settlements (€47 million in 2012 vs. €91 million in 2011).

Underlying earnings increased by €287 million (+122%) to €522 million. On a constant exchange rate basis, underlying earnings increased by €250 million (+107%).

Adjusted earnings increased by €261 million (+117%) to €484 million. On a constant exchange rate basis, adjusted earnings increased by €227 million (+102%) mainly reflecting the increase in underlying earnings, partially offset by higher impairments on fixed income assets.

Net income increased by €784 million (+185%) to €360 million. On a constant exchange rate basis, net income increased by €759 million (+179%). This was primarily driven by higher adjusted earnings, and the non repeat of 2011 Goodwill reduction, partially offset by an unfavorable change in fair value of interest-rate derivatives reflecting interest rates and implied volatility evolutions.

Life & Savings operations - United Kingdom

(in Euro million)

	2012	2011
Gross revenues	**648**	**651**
APE (Group share)	*535*	*535*
Investment margin	3	15
Fees & revenues	334	375
Net technical margin	4	23
Expenses	(411)	(454)
Amortization of VBI	-	(2)
Other	-	-
Underlying earnings before tax	**(71)**	**(43)**
Income tax expenses / benefits	54	37
Minority interests	0	0
Underlying earnings Group share	**(17)**	**(6)**
Net capital gains or losses attributable to shareholders net of income tax	-	2
Adjusted earnings Group share	**(17)**	**(5)**
Profit or loss on financial assets (under FV option) & derivatives	2	3
Exceptional operations (including discontinued operations)	(2)	(37)
Goodwill and other related intangibles impacts	(4)	(50)
Integration and restructuring costs	(11)	(3)
Net income Group share	**(33)**	**(93)**
Average exchange rate : 1.00 € = £	*0.8138*	*0.8663*

For consistency, 2012 figures have been compared to the same scope for 2011, i.e. excluding portfolios transferred to Resolution in November 2011 and Bluefin Corporate Consulting which was sold in April 2012. This is referred to as a comparable scope basis in the commentary below.

2011 underlying earnings amounted to €-6 million, corresponding approximately to €41 million from the sold business and €-47 million from the retained business.

Gross revenues decreased by €3 million to €648 million. On a constant exchange rate and comparable scope basis, gross revenues increased by €102 million (+20%) mainly attributable to €85 million premiums from the Variable Annuity product, €20 million increased regular premiums on Sun Life Direct Protection business and €17 million increased revenues on the Elevate wrap platform and Architas funds business. This was partially offset by €9 million lower revenues through the Bancassurance channel and €11 million lower revenues on Offshore Bonds.

APE remained the same at €535 million. On a constant exchange rate and comparable scope basis, APE was 6% (€-32 million) lower than prior year. New sales through the Elevate wrap platform increased significantly, up by €28 million (+17%). The platform grew faster than the market and continues to establish itself as one of the leaders in the UK platform market. This platform growth was more than offset by reductions in sales of individual pensions and Offshore Bonds due to unfavorable market conditions.

Investment margin decreased by €12 million (-81%) to €3 million. On a constant exchange rate and on a comparable scope basis, the investment margin decreased by €2 million (-41%).

Fees & revenues decreased by €42 million (-11%) to €334 million. On a constant exchange rate and on a comparable scope basis, fees & revenues increased by €13 million (+4%) mainly due to an increase in Elevate wrap platform revenues due to growth of new business partially offset by a decrease in Bancassurance and Offshore Bonds businesses.

Net technical margin decreased by €19 million (-84%) to €4 million. On a constant exchange rate and on a comparable scope basis, net technical margin decreased by €11 million (-77%) relating to the non repeat of a favorable change in reserve assumption for policyholder taxes on Sun Life Direct Protection (€+11 million).

Expenses decreased by €43 million (-9%) to €-411 million. On a constant exchange rate and on a comparable scope basis, expenses decreased by €18 million (-4%) due to expense savings reflecting continued cost management, partly offset by investment in Wealth business growth and inflation.

As a consequence, the **underlying cost income ratio** increased by 10.4 points to 120.9%. On a constant exchange rate and on a comparable scope basis, the underlying cost income ratio decreased by 5.4 points.

Income tax benefits increased by €17 million (+46%) to €54 million. On a constant exchange rate and on a comparable scope basis, income tax benefits increased by €13 million (+36%) reflecting €27 million one-off tax benefit in 2012, partly offset by lower impact of pre-tax underlying earnings.

Underlying earnings decreased by €11 million to €-17 million. On a constant exchange rate and on a comparable scope basis, underlying earnings increased by €31 million.

Adjusted earnings decreased by €13 million to €-17 million. On a constant exchange rate and on a comparable scope basis, adjusted earnings increased by €31 million due to the underlying earnings movement.

Net income increased by €60 million to €-33 million. On a constant exchange rate basis, net income increased by €62 million, mainly due to the non-repeat of 2011 adjustment related to the completion of the held for sale portfolios transfer (€+37 million) and of 2011 accelerated amortization related to customer intangibles (€+38 million), partly offset by higher severance costs related to the restructuring of the Wealth management business incurred to date (€-7 million).

Life & Savings operations – Japan

(in Euro million)

	2012	2011 restated (a)	2011 published
Gross revenues	**6,725**	**5,747**	**5,747**
APE (Group share)	*598*	*463*	*463*
Investment margin	0	0	0
Fees & revenues	1,606	1,456	1,456
Net technical margin	(31)	(23)	(23)
Expenses	(994)	(890)	(860)
Amortization of VBI	(89)	(56)	(56)
Other	-	-	-
Underlying earnings before tax	**492**	**487**	**518**
Income tax expenses / benefits	(115)	(180)	(191)
Minority interests	(4)	(3)	(4)
Underlying earnings Group share	**374**	**303**	**323**
Net capital gains or losses attributable to shareholders net of income tax	13	12	12
Adjusted earnings Group share	**387**	**315**	**335**
Profit or loss on financial assets (under FV option) & derivatives	28	19	19
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration and restructuring costs	-	-	-
Net income Group share	**414**	**335**	**354**
Average exchange rate : 1.00 € = Yen	*102.3473*	*112.9700*	*112.9700*

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Gross revenues increased by €977 million (+17%) to €6,725[1] million. On a comparable basis, revenues increased by €345 million (+6%):

- *Protection* revenues (37% of gross revenues) increased by €28 million (+1%) mainly due to increased new business sales of Term , Term Rider and Whole Life products (€+155 million), partly offset by lower revenues from Increasing Term products (€-84 million) and Endowment products (€-17 million) which were not actively promoted,
- *Investment & Savings* revenues (34% of gross revenues) increased by €325 million (+19%) mainly due to increased sales of Variable Annuity products driven by a continuous expansion of the bank partnerships,
- *Health* revenues (29% of gross revenues) decreased by €-8 million (-0%) driven by lower in-force revenues resulting from Cancer product discontinuation in 2010 not fully offset by higher revenues from Medical Whole Life products and Whole Life Care Rider.

APE increased by €135 million (+29%) to €598 million. On a comparable basis, APE increased by €78 million (+17%):

- *Protection* (44% of APE) increased by €+27 million (+13%) mainly supported by higher sales of Term Rider, Whole Life and Long Term Protection products promoted through CCI (Chamber of Commerce and Industry) and agents channels,
- *Investment & Savings* (26% of APE) increased by €+38 million (+37%) due to strong Variable Annuity sales driven by new bank partnerships,
- *Health* (30% of APE) increased by €+13 million (+9%) driven by new Simple Underwriting Whole Life Medical product launched in 2012 (€+15 million) and Cancer product launched in 2011 (€+13 million), partly offset by old products with lower profitability.

Investment margin remained stable at €0 million.

[1] *€6,725 million after intercompany eliminations.*

Fees & revenues increased by €150 million (+10%) to €1,606 million. On a constant exchange rate basis, fees & revenues remained stable.

Net technical margin declined by €8 million to €-31 million. On a constant exchange rate basis, net technical margin declined by €5 million mainly driven by lower surrender margin following improved retention, partly offset by model and assumption changes as well as the non-repeat of 2011 impact of the Great East Japan earthquake.

Expenses increased by €104 million (+12%) to €-994 million. On a constant exchange rate basis, expenses increased by €11 million (+1%) mainly driven by higher commissions due to increased new business volumes, partly offset by ongoing expenses control management and non-repeat of 2011 expenses related to the Great East Japan earthquake.

Amortization of VBI increased by €32 million (+58%) to €-89 million. On a constant exchange rate basis, VBI amortization increased by €24 million (+43%) mainly driven by a revision of the underlying investment assumptions.

As a result, the **underlying cost income ratio** deteriorated by 2.7 points to 68.7%.

Income tax expenses decreased by €66 million to €-115 million. On a constant exchange rate basis, income tax expenses decreased by €76 million, mainly due to a decrease in corporate tax rate and a 2012 positive tax one-off (€+50 million) partly offset by the non-repeat of 2011 positive tax one-off (€-15 million).

Underlying earnings increased by €70 million (+23%) to €373 million or increased by €35 million (+12%) on a constant exchange rate basis.

Adjusted earnings increased by €72 million (+23%) to €387 million or increased by €35 million (+11%) on a constant exchange rate basis, in line with underlying earnings evolution.

Net income increased by €80 million to €414 million. On a constant exchange rate basis, net income increased by €41 million, mainly due to higher adjusted earnings (€+35 million) and a favorable change in mark-to-market of credit derivatives, partly offset by non repeat of 2011 foreign exchange gain due to stable foreign exchange market.

Life & Savings operations – Germany

(in Euro million)

	2012	2011 restated (a)	2011 published
Gross revenues	**6,655**	**7,001**	**7,001**
APE (Group share)	*454*	*506*	*506*
Investment margin	111	113	113
Fees & revenues	340	325	325
Net technical margin	6	77	77
Expenses	(267)	(260)	(255)
Amortization of VBI	(23)	(32)	(32)
Other	-	-	-
Underlying earnings before tax	**167**	**223**	**228**
Income tax expenses / benefits	(46)	(34)	(35)
Minority interests	(0)	(0)	(0)
Underlying earnings Group share	**120**	**188**	**192**
Net capital gains or losses attributable to shareholders net of income tax	5	(42)	(42)
Adjusted earnings Group share	**125**	**147**	**151**
Profit or loss on financial assets (under FV option) & derivatives	(5)	2	2
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration and restructuring costs	(1)	(1)	(1)
Net income Group share	**119**	**148**	**152**

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Gross revenues decreased by €347 million (-5%) to €6,655 million[1].

- *Life revenues* (62% of gross revenues) decreased by €458 million (-10%) to €4,124 million due to lower single premiums from G/A short term investment products, conventional annuities and Variable Annuity product ("TwinStar").
- *Health revenues* (38% of gross revenues) increased by €111 million (+5%) to €2,530 million due to higher new business and premium adjustments.

APE decreased by €52 million (-10%) to €454 million.

- *Life* decreased by €59 million (-16%) to €302 million, mainly due to lower new business from Unit-Linked products attributable to the curtailment of "Twinstar" Variable Annuity product and to the current market conditions, as well as decreasing single premiums from G/A short term investment products, partly compensated by higher new business from Pure Protection,
- *Health* increased by €7 million (+5%) to €152 million, driven by strong sales supported by brokers' anticipation of a change in regulation capping their commissions effective April 2012.

Investment margin decreased by €2 million (-2%) to €111 million as the decrease in investment income, mainly on fixed income assets as a result of exceptional coupon payments in the previous year, was partly compensated by a lower share allocated to policyholders.

Fees & revenues increased by €15 million (+5%) to €340 million due to higher loadings on Health business in line with portfolio growth and lower share allocated to policyholders.

Net technical margin fell by €71 million (-93%) to €6 million mainly due to (i) a decrease in the hedging margin on GMxB products (down €51 million to €-66 million), largely driven by higher interest rate volatility, and (ii) a Life reserve strengthening further to a German Federal Supreme Court ruling on surrender values impacting the whole German Life insurance market.

Expenses increased by €7 million (+3%) to €-267 million due to lower share allocated to policyholders, partly offset

[1] *€6.635 million after intercompany eliminations*

by savings due to productivity programs and lower amortization of deferred acquisition costs driven by an update of long-term interest rates which partly revised the impact of last year's update.

Amortization of VBI decreased by €9 million (-29%) to €-23 million further to model refinements.

As a result, the **underlying cost income ratio** increased by 6.8 points to 63.5%.

Income tax expenses increased by €12 million (+34%) to €-46 million mainly as a result of lower positive tax one-offs (€16 million in 2012 compared to €37 million in 2011), partly offset by lower pre-tax underlying earnings.

Underlying earnings decreased by €68 million (-36%) to €120 million.

Adjusted earnings decreased by €21 million (-14%) to €125 million due to lower underlying earnings, partly offset by lower impairments on fixed income assets as well as higher realized capital gains.

Net income decreased by €29 million (-20%) to €119 million mainly due to the decrease in adjusted earnings and an unfavorable change in fair value of interest rates derivatives.

Life & Savings operations – Switzerland

(in Euro million)

	2012	2011
Gross revenues	**6,551**	**6,158**
APE (Group share)	*374*	*397*
Investment margin	193	118
Fees & revenues	278	265
Net technical margin	196	270
Expenses	(248)	(202)
Amortization of VBI	(18)	(59)
Other	-	-
Underlying earnings before tax	**401**	**392**
Income tax expenses / benefits	(84)	(99)
Minority interests	-	-
Underlying earnings Group share	**317**	**293**
Net capital gains or losses attributable to shareholders net of income tax	23	(13)
Adjusted earnings Group share	**340**	**280**
Profit or loss on financial assets (under FV option) & derivatives	(4)	100
Exceptional operations (including discontinued operations)	-	798
Goodwill and other related intangibles impacts	(7)	(7)
Integration and restructuring costs	-	-
Net income Group share	**329**	**1,172**
Average exchange rate : 1.00 € = Swiss Franc	*1.2069*	*1.2366*

Gross revenues increased by €394 million (+6%) to €6,551 million[1]. On a comparable basis, gross revenues increased by €236 million (+4%) positively impacted by both Group Life as well as Individual Life revenues:

- *Group Life* revenues increased by €209 million (+4%) to €5,620 million mainly driven by premiums from full protection schemes contracts (€+242 million) consequently to lower surrenders and the strong new business written in prior year,
- *Individual Life* revenues increased by €27 million (+3%) to €931 million mainly due to higher single premiums (€+21million) resulting from the new product Protect Star and overall lower maturities and surrenders.

APE decreased by €23 million (-6%) to €374 million. On a comparable basis, APE decreased by €32 million (-8%):

- *Group Life* decreased by €31 million (-11%) consequently to the expected decline in full protection schemes contracts (€-34 million) after the exceptional growth in previous year,
- *Individual Life* slightly decreased by €1 million (-1%) driven by lower Unit-Linked and Variable Annuity business demand, partially offset by higher Protect Plan product sales.

Investment margin increased by €76 million (+65%) to €193 million. On a constant exchange rate basis, investment margin increased by €71 million (+61%) as a result of lower interest credited (€+49 million) and a higher investment income (€+21 million) mainly attributable to income from mortgages and loans as well as a higher asset base.

Fees & revenues increased by €13 million (+5%) to €278 million. On a constant exchange rate basis, fees & revenues increased by €6 million (+2%) mainly resulting from higher regular premiums in Group Life business and from Protect Plan in the Individual Life business.

Net technical margin fell by €74 million (-27%) to €196 million. On a constant exchange rate basis, net technical margin decreased by €79 million (-29%), mainly due to the non repeat of 2011 exceptional mortality and disability experience in Individual Life, as well as of 2011 €8 million gain from the cancellation of a large internal co-insurance contract (offset by a corresponding VBI amortization).

[1] *€6,551 million after intercompany eliminations.*

Expenses increased by €46 million (+23%) to €-248 million. On a constant exchange rate basis, expenses increased by €40 million (+20%) driven by acquisition expenses as well as administrative expenses. Acquisition expenses rose by €14 million (+27%) mainly due to higher amortization of deferred acquisition costs attributable to updated actuarial assumptions for the Individual Life business. Administrative expenses increased by €26 million (+17%) driven by higher regulatory project costs and marketing expenses related to new product launches.

Amortization of VBI decreased by €40 million (-69%) to €-18 million. On a constant exchange rate basis, amortization of VBI decreased by €41 million (-70%) mainly impacted by updated actuarial assumptions in Group and Individual Life (€+26 million) as well as the cancellation of the above mentioned internal co-insurance contract in 2011 (€+8 million).

As a result, **the underlying cost income ratio** slightly decreased by 0.1 point to 39.9%.

Income tax expenses decreased by €15 million (-15%) to €-84 million. On a constant exchange rate basis, income tax expenses decreased by €17 million (-17%) mainly impacted by a lower withholding tax charge on dividends received from consolidated foreign subsidiaries.

Underlying earnings increased by €25 million (+8%) to €317 million. On a constant exchange rate basis, underlying earnings increased by €17 million (+6%).

Adjusted earnings increased by €60 million (+21%) to €340 million. On a constant exchange rate basis, adjusted earnings increased by €52 million (+18%) driven by higher underlying earnings as well as higher net capital gains mainly on equities.

Net income decreased by €843 million (-72%) to €329 million. On a constant exchange rate basis, net income decreased by €851 million (-73%) mainly due the non-recurring realized gain on the sale of the stake in Taikang Life in 2011 (€-798 million) and less favorable changes in the fair value of interest rate derivatives and foreign exchange positions, partially offset by higher adjusted earnings.

Life & Savings operations – Belgium

(in Euro million)

	2012	2011 restated (a)	2011 published
Gross revenues	**2,088**	**2,142**	**2,142**
APE (Group share)	*175*	*173*	*173*
Investment margin	306	288	288
Fees & revenues	143	163	163
Net technical margin	42	34	34
Expenses	(265)	(278)	(278)
Amortization of VBI	(12)	(5)	(5)
Other	-	-	-
Underlying earnings before tax	**213**	**203**	**203**
Income tax expenses / benefits	(63)	(48)	(48)
Minority interests	(0)	(0)	(0)
Underlying earnings Group share	**150**	**155**	**155**
Net capital gains or losses attributable to shareholders net of income tax	52	(88)	(88)
Adjusted earnings Group share	**202**	**68**	**68**
Profit or loss on financial assets (under FV option) & derivatives	87	(70)	(70)
Exceptional operations (including discontinued operations)	(13)	-	-
Goodwill and other related intangibles impacts	(0)	-	-
Integration and restructuring costs	(3)	(7)	(7)
Net income Group share	**272**	**(9)**	**(9)**

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Gross revenues decreased by €55 million (-3%) to €2,088 million[1]:

- *Individual Life & Savings* decreased by 4% (or €-70 million) to €1,494 million mainly driven by the decrease in G/A Savings products by €126 million (-11%) mainly on Crest products, partly offset by an increase in Unit-Linked savings products by €72 million (+64%) reflecting positive market trends,
- *Group Life & Savings* revenues increased by 3% (or €+15 million) to €594 million.

APE increased by €2 million (+1%) to €175 million:

- *Individual Life & Savings* APE decreased by 2% (or €-3 million) mainly driven by G/A Savings Crest products due to less attractive guaranteed rates especially in the second half of the year consequently to lower Belgian sovereign interest rates,
- *Group Life & Savings* APE increased by 16% (or €+4 million) to €31 million mainly driven by the acquisition of a large contract.

Investment margin increased by €18 million (+6%) to €306 million as a result of an increase in underlying investment income driven by a higher asset base, partly offset by a lower increase in policyholder bonus allocation.

Fees & revenues decreased by €21 million (-13%) to €143 million, mainly driven by the non-repeat of 2011 update of actuarial assumptions on the unearned revenue reserve (partly offset in deferred acquisition costs).

Net technical margin increased by €7 million (+21%) to €42 million mainly due to the disposal of the "Vie Populaire" product portfolio (€+7 million).

Expenses decreased by €13 million (-5%) to €-265 million, mainly due to lower acquisition expenses (€+15 million), following lower general acquisition expenses and the non repeat of 2011 update of actuarial assumptions on deferred acquisition costs. Administrative expenses increased by €2 million mainly due to a non-recurring benefit in 2011 (€-8 million) compensated by cost reduction initiatives and by lower commissions, mainly driven by the disposal of "Vie Populaire" product portfolio.

[1] [1] *€2,087 million after intercompany eliminations.*

Amortization of VBI increased by €7 million to €-12 million, as a result of update of financial assumptions.

As a result, the **underlying cost income ratio** improved by 1.7 points to 56.5%.

Income tax expenses increased by €-15 million to €-63 million as a result of higher pre-tax underlying earnings and lower equity dividends with a more favorable taxation rate.

Underlying earnings decreased by €-5 million to €150 million.

Adjusted earnings increased by €134 million to €202 million due to higher realized capital gains (€+128 million) mainly on equities and fixed income assets, as well as lower impairments (€+34 million), partly offset by a decrease in the impact of equity hedging derivatives (€-24 million) and by underlying earnings decrease.

Net income increased by €281 million to €272 million mainly driven by higher adjusted earnings (€+134 million) and by a favorable change in fair value and realized gains and losses of mutual funds and other assets (€+160 million), mainly driven by decrease in interest rates and corporate spreads, partly offset by the disposal of "Vie Populaire" product portfolio (€-13 million).

Life & Savings operations – Central & Eastern Europe

(in Euro million)

	2012	2011
Gross revenues	**472**	**514**
APE (Group share)	*136*	*213*
Investment margin	28	29
Fees & revenues	131	115
Net technical margin	44	35
Expenses	(189)	(162)
Amortization of VBI	(7)	(2)
Other	-	-
Underlying earnings before tax	**8**	**15**
Income tax expenses / benefits	(8)	(6)
Minority interests	(0)	(0)
Underlying earnings Group share	**1**	**9**
Net capital gains or losses attributable to shareholders net of income tax	5	(0)
Adjusted earnings Group share	**5**	**8**
Profit or loss on financial assets (under FV option) & derivatives	0	(0)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	(12)	(2)
Integration and restructuring costs	(1)	-
Net income Group share	**(8)**	**6**

In Central & Eastern Europe countries, the recent changes in regulation (in particular of Pension Funds business), as well as the consequences of the financial crisis strongly affected the Life insurance operations. This led to more selectivity with regard to distribution networks and the restructuring or termination of the cooperation with low quality distribution partners. As a consequence, volumes and profitability were impacted negatively in 2012 despite expense reduction efforts.

Gross revenues decreased by €42 million (-8%) to €472 million. On a comparable basis, gross revenues decreased by €31 million (-6%), mainly driven by lower Unit-Linked revenues in Czech Republic, Slovakia and Hungary (€-27 million) and by the decrease in Pension Fund products sales in Poland (€-2 million) due to the changes in regulation.

APE decreased by €76 million (-36%) to €136 million. On a comparable basis, APE decreased by €73 million (-34%) due to a progressive drop in the Pension Fund business (€-36 million or -49%) following the regulatory changes in Poland, and the lower Life & Savings APE (€-37 million or -27%) in Unit-Linked product sales (€-32 million or -29%) mainly in Poland and Czech Republic as a result of the decision to stop the cooperation with low quality brokers.

Underlying earnings decreased by €8 million to €1 million. On a constant exchange rate basis, underlying earnings decreased by €9 million mainly due to the accelerated amortization of deferred acquisition costs and value of business inforce (€-11 million) and higher administrative expenses (€-6 million, mainly due to the curtailment of a proprietary distribution network, partly offset by productivity actions), partly compensated by an improved technical margin (+10 million).

As a result, **the underlying cost income ratio** deteriorated by 4.4 points to 95.9%.

Adjusted earnings decreased by €3 million to €5 million. On a constant exchange rate basis, adjusted earnings decreased by €4 million driven by lower underlying earnings, partly offset by €+3 million higher realized capital gains.

Net income decreased by €14 million to €-8 million. On a constant exchange rate basis, net income decreased by €14 million mainly driven by lower adjusted earnings and by the accelerated amortization of customer intangible assets (€-10 million) in Hungary.

Life & Savings operations – Mediterranean and Latin American Region

(in Euro million)

	2012	2011 restated (a)	2011 published
Gross revenues	**4,836**	**4,796**	**4,796**
APE (Group share)	*402*	*432*	*432*
Investment margin	288	264	264
Fees & revenues	372	320	320
Net technical margin	141	73	73
Expenses	(507)	(448)	(445)
Amortization of VBI	(14)	(14)	(14)
Other	-	-	-
Underlying earnings before tax	**280**	**195**	**197**
Income tax expenses / benefits	(53)	(52)	(53)
Minority interests	(65)	(41)	(41)
Underlying earnings Group share	**162**	**102**	**104**
Net capital gains or losses attributable to shareholders net of income tax	9	(80)	(80)
Adjusted earnings Group share	**171**	**22**	**24**
Profit or loss on financial assets (under FV option) & derivatives	(26)	14	14
Exceptional operations (including discontinued operations)	(3)	(0)	(0)
Goodwill and other related intangibles impacts	(10)	(12)	(12)
Integration and restructuring costs	(3)	(2)	(2)
Net income Group share	**129**	**22**	**24**

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Gross revenues increased by €40 million (+1%) or €35 million (+1%) on a comparable basis to €4,836 million:

- **Mature markets** were up €26 million (+1%), mainly driven by an increase of €1,132 million in Unit-Linked Savings products due to higher sales driven by the success of new "Protected Unit" product at AXA MPS, partly offset by G/A Savings (€-842 million) mainly in Italy, in a context of high competitive environment from banks, and the curtailment of Variable Annuities products (€-248 million),
- **High growth markets** increased by €9 million (+2%), mainly driven by higher Group Protection new business in Morocco and Mexico.

APE decreased by €30 million (-7%) or €31 million (-7%) on a comparable basis to €402 million:

- **Mature markets** were down €28 million (-7%) to €348 million, mainly reflecting a strong decrease in G/A Savings products (€-59 million) and the curtailment of Variable Annuities products (€-15 million), partly offset by a better performance on Unit-Linked Savings products (€+48 million), mainly at AXA MPS (€+ 49 million), in line with the strategy to focus on improving the business mix,
- **High growth markets** decreased by €3 million (-5%) to €54, million mainly driven by selective underwriting in Protection business in Mexico (€-5 million), partly offset by Turkey (€+3 million) due to a good performance in Pension business and Morocco (€+2 million) thanks to Group Protection product sold through banks.

Investment margin increased by €24 million (+9%) to €288 million. On a comparable basis, investment margin increased by €23 million (+9%) mainly driven by both (i) mature markets (€+20 million) following non recurring items decreasing policyholder's bonus charge in Italy (AXA Assicurazioni and AXA MPS) and by (ii) high growth markets (€+3 million) thanks to higher asset base in Mexico (€+3 million).

Fees & revenues increased by €53 million (+17%) or €52 million (+16%) on a comparable basis to €372 million largely driven by Mature markets up €55 million (+24%) notably at AXA MPS (€+57 million) driven by higher unearned revenues reserves amortization (partly offset in deferred acquisition cost) mainly reflecting strong sales of new "Protected Unit" Unit-Linked products combined with higher surrenders.

Net technical margin rose by €68 million (+93%) or €68 million (+93%) on a comparable basis to €141 million:

- Mature markets increased by €62 million, mainly driven by a higher GMxB margin (€+44 million) mainly due to improved basis risk and higher surrenders, as well as a higher mortality margin (€+26 million) driven by better claims experience in Protection,

- High growth markets increased by €6 million, mainly driven by Morocco (€+4 million) notably from the launch of a Group Protection product this year. Mexico was up €+2 million, reflecting improved mortality margin in Protection.

Expenses increased by €59 million (+13%) or €58 million (+13%) on a comparable basis to €-507 million:

- Mature markets up €51 million driven by AXA MPS reflecting higher deferred acquisition costs amortization following higher surrenders,
- High growth markets up €7 million mainly due to Mexico reflecting non recurring commissions adjustments.

Amortization of VBI was stable on a comparable basis at €-14 million.

As a result, **underlying cost income ratio** decreased by 5.4 points to 65.0%.

Income tax expenses increased by €0 million (+2%) or €1 million (+2%) on a comparable basis to €-53 million reflecting higher pre-tax underlying earnings and a lower tax on technical reserves at AXA MPS.

Underlying earnings increased by €61 million (+60%) or €61 million (+60%) on a comparable basis to €162 million.

Adjusted earnings increased by €150 million (+691%) or €150 million (+691%) on a comparable basis to €171 million mainly driven by higher realized capital gains and lower impairment charges mainly on governments bonds, as well as a positive impact from new tax law in Greece on the deductibility of 2011 losses generated by the Private Sector Involvement (PSI) on government bonds.

Net income increased by €107 million (+494%) or €107 million (+495%) on a comparable basis to €129 million, reflecting higher adjusted earnings partly compensated by unfavorable change in fair value of derivatives at AXA MPS mainly related to decrease in interest rates.

Life & Savings operations – Hong Kong

(in Euro million)

	2012	2011 restated (a)	2011 published
Gross revenues	**1,723**	**1,465**	**1,465**
APE (Group share)	*408*	*330*	*330*
Investment margin	9	4	4
Fees & revenues	444	385	385
Net technical margin	42	45	45
Expenses	(229)	(185)	(170)
Amortization of VBI	(13)	9	9
Other	(1)	(7)	(7)
Underlying earnings before tax	**251**	**251**	**266**
Income tax expenses / benefits	1	(17)	(17)
Minority interests	-	(24)	(26)
Underlying earnings Group share	**252**	**210**	**224**
Net capital gains or losses attributable to shareholders net of income tax	21	(13)	(12)
Adjusted earnings Group share	**273**	**197**	**211**
Profit or loss on financial assets (under FV option) & derivatives	(10)	(49)	(49)
Exceptional operations (including discontinued operations)	(29)	(1)	(1)
Goodwill and other related intangibles impacts	-	-	-
Integration and restructuring costs	-	-	-
Net income Group share	**235**	**147**	**161**
Average exchange rate : 1.00 € = Hong Kong Dollar	*9.9938*	*10.7934*	*10.7934*

(a) Restated means comparative information related to previous periods was retrospectively restated for the voluntary change in accounting policy on deferred acquisition costs.

Gross revenues increased by €258 million (+18%) to €1,723 million. On a comparable basis, gross revenues increased by €131 million (+9%) mainly due to higher revenues from G/A Protection & Health products (€+130 million) driven by strong renewals and a higher agency focus in the context of strategic shift towards protection business, partly offset by lower revenues from Unit-Linked products (€-8 million) in line with the Hong Kong market trend.

APE increased by €77 million (+23%) to €408 million. On a comparable basis, APE increased by €47 million (+14%) mainly driven by higher sales of G/A Protection & Health products (€+40 million).

Investment margin increased by €5 million (+118%) to €9 million. On a constant exchange rate basis, investment margin increased by €4 million (+102%) mainly driven by higher investment income as a result of a higher asset base, partly offset by a lower average asset yield.

Fees & revenues increased by €59 million (+15%) to €444 million. On a constant exchange rate basis, fees & revenues increased by €26 million (+7%) mainly driven by an increase in loadings on premiums (€+31 million) stemming from new business and growing in-force.

Net technical margin fell by €3 million (-7%) to €42 million. On a constant exchange rate basis, net technical margin decreased by €6 million (-14%) mainly due to reserve adjustment in Workers' Compensation and actuarial timing differences, partly offset by higher mortality margin and the non-repeat of 2011 exceptional items, mainly the early termination of an internal co-insurance treaty.

Expenses increased by €44 million (+24%) to €-229 million. On a constant exchange rate basis, expenses increased by €27 million (+15%) mainly due to higher investments in business infrastructure and higher acquisition expenses driven by new business and in-force growth.

Amortization of VBI increased by €23 million to €-13 million. On a constant exchange rate basis, amortization of VBI increased by €22 million reflecting an update of actuarial assumptions (€-4 million) and the non-repeat of 2011

positive updates and exceptional items (€-16 million), in particular the early termination of an internal co-insurance treaty.

As a consequence, the **underlying cost income ratio** increased by 8.5 points to 49.1%.

Income tax expenses decreased by €18 million to €1 million. On a constant exchange rate basis, income tax expenses decreased by €18 million mainly due to a tax benefit driven by a change in the tax base for a block of insurance business in the context of the on-going merger of two insurance entities (€+19 million).

Underlying earnings increased by €42 million (+20%) to €252 million. On a constant exchange rate and scope basis, following the AXA APH minority interests buy-out in April 2011, underlying earnings remained stable.

Adjusted earnings increased by €76 million (+38%) to €273 million. On a constant exchange rate and scope basis, adjusted earnings increased by €15 million (+6%) due to higher realized capital gains (€+15 million).

Net income increased by €88 million (+59%) to €235 million. On a constant exchange rate and scope basis, net income increased by €29 million (+15%) due to higher adjusted earnings (€+15 million) and favorable changes in fair values of mutual funds (€+25 million) and interest rate derivatives (€+13 million), partially offset by losses incurred on the closures of Taiwan Representative Office (€-14 million) and two distribution networks (€-10 million).

Life & Savings operations – South-East Asia, India and China

(in Euro million)

	2012	2011
Gross revenues	**295**	**255**
APE (Group share)	*463*	*326*
Underlying earnings Group share	**86**	**50**
Net capital gains or losses attributable to shareholders net of income tax	(1)	2
Adjusted earnings Group share	**85**	**52**
Profit or loss on financial assets (under FV option) & derivatives	(1)	4
Exceptional operations (including discontinued operations)	(7)	(17)
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	-	-
Net income Group share	**77**	**39**

Note: In order to align reporting periods with Group calendar year, 2012 reported earnings included 1 additional month for Thailand, 2 additional months for India and 3 additional months for Indonesia and China.

Gross Revenues increased by €41 million (+16%) to €295 million[1]. On a comparable basis, gross revenues increased by €6 million (+3%) mainly driven by higher revenues from both G/A Protection & Health and Unit-Linked products in Singapore.

APE increased by €137 million (+42%) to €463 million. On a comparable basis, APE increased by €65 million (+21%) mainly driven by:

- strong sales of G/A Protection with Savings and Whole Life products in Thailand (€+41 million),
- higher sales of G/A Protection & Health products in China (€+19 million) reflecting the launch of ICBC-AXA joint-venture which commenced in July 2012,
- and sales growth in Unit-Linked products in Philippines (€+5 million).

Underlying earnings increased by €36 million (+73%) to €86 million. On a constant exchange rate and scope basis[2], underlying earnings increased by €22 million (+41%) mainly due to:

- Indonesia (€+13 million), Thailand (€+10 million) and Philippines (€+4 million) driven by both inforce and new business growth,
- China (€-5 million) due to a change in accounting methodology, partly offset by the business growth.

Adjusted earnings increased by €33 million (+64%) to €85 million. On a constant exchange rate and scope basis[2], adjusted earnings increased by €21 million (+37%), primarily driven by underlying earnings growth.

Net income increased by €39 million (+100%) to €77 million. On a constant exchange rate and scope basis[2], net income increased by €27 million (+63%), mainly reflecting growth in adjusted earnings.

[1] *€295 million after intercompany eliminations*

[2] *Adjusted for AXA APH minority interests buy-out in April 2011 (€4 million), and excluding the additional contribution from reporting period alignment with the Group in 2012 (€13 million)*

Life & Savings Operations - Other

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

Consolidated Gross Revenues

(in Euro million)

	2012	2011
Australia / New Zealand	-	355
Luxembourg	82	78
AXA Global Distributors	27	3
Family protect	3	0
Other	(0)	(0)
TOTAL	**112**	**436**
Intercompany transactions	(24)	(3)
Contribution to consolidated gross revenues	**87**	**433**

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011
Australia / New Zealand	-	12
Luxembourg	6	4
AXA Global Distributors	(19)	(27)
Family Protect	(22)	(7)
Other	(2)	(2)
UNDERLYING EARNINGS	**(38)**	**(19)**
Net realized capital gains or losses attributable to shareholders	1	2
ADJUSTED EARNINGS	**(37)**	**(18)**
Profit or loss on financial assets (under Fair Value option) & derivatives	0	5
Exceptional operations (including discontinued operations)	-	2
Goodwill and related intangible impacts	-	-
Integration and restructuring costs	-	(0)
NET INCOME	**(37)**	**(11)**

AXA GLOBAL DISTRIBUTORS[1]

Underlying earnings as well as adjusted earnings and net income increased by €7 million (+27%) to €-19 million mainly due to higher commissions received.

FAMILY PROTECT

Direct protection commercial activities were launched during the second semester of 2011.

As a consequence, underlying earnings as well as adjusted earnings and net income reached €-22 million in 2012, reflecting continued investments and direct marketing expenditure to ensure the progressive ramp-up of its activity.

AUSTRALIA / NEW ZEALAND

Following the disposal of the Australia and New Zealand operations on April 1, 2011, Australia and New Zealand contributed only to the first quarter of 2011.

[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. The P&L of AXA Global Distributors VA business written on a Freedom of Services basis is consolidated within France L&S segment (€0.7 million underlying earnings in 2012) and UK L&S (€1.2 million underlying earnings in 2012)". In the tables, AXA Global Distributors notably includes AXA Life Europe.*

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.

(in Euro million)

	2012	2011
Gross revenues (a)	**28,559**	**27,286**
Current accident year loss ratio (net)	72.0%	72.6%
All accident year loss ratio (net)	70.8%	70.9%
Net technical result before expenses	**8,292**	**7,807**
Expense ratio	26.8%	27.0%
Net investment result	2,007	2,034
Underlying earnings before tax	**2,680**	**2,591**
Income tax expenses / benefits	(838)	(748)
Net income from investments in affiliates and associates	43	38
Minority interests	11	(33)
Underlying earnings Group share	**1,895**	**1,848**
Net capital gains or losses attributable to shareholders net of income tax	171	(62)
Adjusted earnings Group share	**2,066**	**1,786**
Profit or loss on financial assets (under FV option) & derivatives	89	(90)
Exceptional operations (including discontinued operations)	8	147
Goodwill and other related intangibles impacts	(70)	(66)
Integration and restructuring costs	(119)	(78)
Net income Group share	**1,975**	**1,700**

(a) Before intercompany eliminations.

Consolidated Gross Revenues

(in Euro million)

	2012	2011
France	5,730	5,596
United Kingdom & Ireland	4,150	3,772
Germany	3,824	3,638
Switzerland	2,744	2,643
Belgium	2,087	2,100
Central & Eastern Europe (a)	74	65
Mediterranean and Latin American Region (b)	7,107	6,848
Direct (c)	2,215	2,102
Other countries (d)	628	522
TOTAL	**28,559**	**27,286**
Intercompany transactions	(244)	(240)
Contribution to consolidated gross revenues	**28,315**	**27,046**
of which high growth markets	**3,843**	**3,335**
of which Direct	**2,215**	**2,102**
of which mature markets	**22,257**	**21,609**

(a) Includes Ukraine and Reso (Russia).
(b) Mediterranean and Latin American Region includes other than Direct operations in Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf Region and Mexico.
(c) Direct business in France, Belgium, Spain, Portugal, Italy, Poland, United Kingdom, South Korea and Japan.
(d) Other countries correspond to Luxembourg and Asia.

(in Euro million)

Combined Ratio **Total**	2012	2011
	97.6%	**97.9%**
France	95.1%	95.7%
United Kingdom & Ireland	100.7%	98.4%
Germany	99.7%	103.2%
Switzerland	88.7%	89.2%
Belgium	93.6%	99.1%
Central & Eastern Europe	105.4%	102.3%
Reso (Russia)	93.5%	97.7%
Mediterranean and Latin American Region (a)	100.5%	97.6%
Direct (b)	100.6%	105.4%
Other countries (c)	95.9%	96.3%
Mature	96.3%	97.2%
Direct	100.6%	105.4%
High growth	104.2%	98.2%

(a) Mediterranean and Latin American Region includes other than Direct operations in Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf Region and Mexico.
(b) Direct business in France, Belgium, Spain, Portugal, Italy, Poland, United Kingdom, South Korea and Japan.
(c) Other countries correspond to Luxembourg and Asia.

Underlying earnings

(in Euro million)

	2012	2011
France	486	496
United Kingdom & Ireland	154	211
Germany	251	221
Switzerland	420	397
Belgium	222	142
Central & Eastern Europe (a)	44	37
Mediterranean and Latin American Region (b)	232	353
Direct (c)	54	(33)
Other countries (d)	31	23
UNDERLYING EARNINGS	**1,895**	**1,848**
of which high growth markets	**77**	**178**
of which Direct	**54**	**(33)**
of which mature markets	**1,763**	**1,703**

(a) Includes Ukraine and Reso (Russia).
(b) Mediterranean and Latin American Region includes other than Direct operations in Italy, Spain, Portugal, Greece, Turkey, Morocco, Gulf Region, and Mexico.
(c) Direct business in France, Belgium, Spain, Portugal, Italy, Poland, the United Kingdom, South Korea and Japan.
(d) Other countries correspond to Luxembourg and Asia.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011
UNDERLYING EARNINGS	**1,895**	**1,848**
Net realized capital gains or losses attributable to shareholders	171	(62)
ADJUSTED EARNINGS	**2,066**	**1,786**
Profit or loss on financial assets (under Fair Value option) & derivatives	89	(90)
Exceptional operations (including discontinued operations)	8	147
Goodwill and related intangibles impacts	(70)	(66)
Integration and restructuring costs	(119)	(78)
NET INCOME	**1,975**	**1,700**

Property & Casualty Operations – France

(in Euro million)

	2012	2011
Gross revenues (a)	**5,730**	**5,596**
Current accident year loss ratio (net)	73.5%	73.5%
All accident year loss ratio (net)	70.9%	71.1%
Net technical result before expenses	**1,667**	**1,609**
Expense ratio	24.2%	24.6%
Net investment result	513	550
Underlying earnings before tax	**792**	**791**
Income tax expenses / benefits	(305)	(294)
Net income from investments in affiliates and associates	-	-
Minority interests	(0)	(1)
Underlying earnings Group share	**486**	**496**
Net capital gains or losses attributable to shareholders net of income tax	58	(52)
Adjusted earnings Group share	**544**	**445**
Profit or loss on financial assets (under FV option) & derivatives	39	(14)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	-	-
Net income Group share	**583**	**431**

(a) Before intercompany eliminations.

Gross revenues increased by €135 million (+2%) to €5,730 million[1], or €5,749 million excluding the internal transfer to AXA Assistance of some service guarantees:

- *Personal lines* (58% of gross revenues) were up 2% to €3,325 million as a consequence of tariff increases, partly offset by negative net new contracts in the first half of the year notably in Motor and Household,
- *Commercial lines* (42% of the gross revenues) were up 3% to €2,376 million mainly driven by tariff increases, partly offset by lower volumes in a context of selective underwriting.

Net technical result rose by €58 million (+4%) to €1,667 million:

- *Current accident year loss ratio* decreased by 0.1 point to 73.5% mainly driven by tariff increases, partly offset by the higher charges from climatic events notably impacting Household,
- *All accident year loss ratio* decreased by 0.2 point to 70.9% including higher positive prior year reserve developments notably in Property.

Expense ratio decreased by 0.3 point to 24.2%, mainly driven by a contained cost base as well as a higher non-recurring positive impact relating to tax contribution (€+17 million in 2012 vs. €+7 million in 2011).

Enlarged expense ratio was down by 1.5 points to 30.9%, driven by the improved expense ratio as well as the decrease of claims handling cost mainly reflecting lower claims frequency.

As a consequence, the **combined ratio** was down by 0.5 point to 95.1%.

Net investment result decreased by €37 million (-7%) to €513 million mainly due to the lower yields on fixed income assets, partly compensated by higher distribution of dividends from credit funds.

Income tax expenses increased by €11 million (+4%) to €-305 million mainly reflecting a less favorable corporate tax rate mix.

[1] *€5,681 million after intercompany eliminations*

As a result**, underlying earnings** decreased by €10 million (-2%) to €486 million.

Adjusted earnings increased by €99 million (+22%) to €544 million as a consequence of higher realized capital gains (€+142 million) and lower impairments (€+27 million) mainly on equities and fixed income assets, reflecting improved market conditions, partly offset by a decrease in the impact of equity hedging derivatives (€-57 million) and lower underlying earnings.

Net income increased by €152 million (+35%) to €583 million due to a favorable change in fair value of mutual funds and interest rate derivatives (€+41 million) mainly driven by the decrease in interest rates and credit spreads, a positive foreign exchange impact (€+13 million) and higher adjusted earnings.

Property & Casualty Operations - United Kingdom & Ireland

(in Euro million)

	2012	2011
Gross revenues (a)	**4,150**	**3,772**
Current accident year loss ratio (net)	69.4%	67.6%
All accident year loss ratio (net)	70.5%	68.0%
Net technical result before expenses	**1,209**	**1,181**
Expense ratio	30.2%	30.4%
Net investment result	233	225
Underlying earnings before tax	**203**	**284**
Income tax expenses / benefits	(49)	(73)
Net income from investments in affiliates and associates	-	-
Minority interests	(0)	(0)
Underlying earnings Group share	**154**	**211**
Net capital gains or losses attributable to shareholders net of income tax	41	(26)
Adjusted earnings Group share	**195**	**184**
Profit or loss on financial assets (under FV option) & derivatives	(26)	(120)
Exceptional operations (including discontinued operations)	-	53
Goodwill and other related intangibles impacts	(2)	(1)
Integration and restructuring costs	(13)	(20)
Net income Group share	**154**	**97**
Average exchange rate : 1.00 € = £	*0.8138*	*0.8663*

(a) Before intercompany eliminations.

Gross revenues increased by €378 million (+10%) to €4,150 million[1]. On a comparable basis, gross revenues increased by €163 million (+4%) mainly driven by:

- *Personal lines* (54% of the total gross revenues) were up 2% at €2,175 million. Motor was down 1% to €569 million due to increased competition both in the UK and Ireland resulting in lower new business volumes and lower average premiums, this was partly offset by tariff increases. Non-Motor was up 4% to €1,607 million. Property was up 6% to €639 million principally due to new schemes, increased volumes and improved retention in the UK. Health was up 4% to €620 million following further expansion of the international business and a broadening UK proposition. Personal Other was down 1% to €347 million due to difficult trading conditions partially offset by a new travel scheme,
- *Commercial lines* (47% of the total gross revenues) were up 7% to €1,914 million. Motor was up 11% to €373 million mainly driven by rate increases in UK Fleet and new business in UK Non Fleet**.** Non-Motor was up 6%. Property was up 5% to €503 million reflecting a strong performance in a highly competitive market. Health was up 6% to €786 million mainly reflecting continued growth in UK and International Corporate business.

Net technical result increased by €28 million (+2%) to €1,209 million. On a constant exchange rate basis, net technical result decreased by €36 million (-3%):

- *Current accident year loss ratio* increased by 1.8 points to 69.4% mainly due to increased reinsurance costs (+0.5 point) reflecting the change in business mix and increased coverage, higher charges of weather related claims (+0.7 point) and Nat Cat charge (+0.2 point) as well as a change in business mix in Healthcare (+0.3 point). Improvements in Motor and Property following tariff increases and underwriting activity were offset by a change in business mix and an increase in bodily injury costs,
- *All accident year loss ratio* increased by 2.5 points to 70.5% reflecting the movement in current year loss ratio as well as a net strengthening of prior year reserves.

Expense Ratio decreased by 0.2 point to 30.2% with the administrative expense ratio down 0.4 point to 8.3%, largely due to the sale of Denplan in December 2011 and the expense efficiencies embedded through restructuring programs.

[1] *€4,049 million after intercompany eliminations*

The acquisition ratio was up 0.2 point to 21.9% reflecting an increase in commission ratio (+0.4 point) due to higher profit share payments to Corporate Partners and the impact of product and distribution mix. Non-commission acquisition expense ratio decreased (-0.2 point) following restructuring programs in the second half of 2011 and during 2012.

As a result, the **enlarged expense ratio** was down 0.4 point to 33.2% and the **combined ratio** was up 2.3 points to 100.7%

Net investment result increased by €8 million (+4%) to €233 million. On a constant exchange rate basis, net investment result decreased by €3 million (-1%) due to lower equity and government bond income, partly offset by higher corporate bond income as a result of a portfolio repositioning as well as increased income from alternative assets.

Income tax expenses decreased by €24 million (-33%) to €-49 million. On a constant exchange rate basis, income tax expenses decreased by €26 million (-36%) mainly reflecting lower pre-tax underlying earnings. One-off tax charges were stable (€-8 million in 2011 vs. €-9 million in 2012).

Underlying earnings decreased by €56 million (-27%) to €154 million. On a constant exchange rate basis, underlying earnings decreased by €61 million (-29%).

Adjusted earnings increased by €11 million (+6%) to €195 million. On a constant exchange rate basis, adjusted earnings increased by €6 million (+3%) due to higher realized capital gains (€+42 million) mainly on fixed income assets, and lower impairment charges (€-26 million), principally on equities securities, partly offset by a decrease in underlying earnings.

Net Income increased by €57 million (+58%) to €154 million. On a constant exchange rate basis, net income increased by €53 million (+55%) due to the improvement in adjusted earnings, a reduction in restructuring costs (€+5 million), a less unfavorable change in the fair value of derivatives (€+95 million), partly offset by the profit from the sale of Denplan in 2011 (€-53 million).

Property & Casualty Operations – Germany

(in Euro million)

	2012	2011
Gross revenues (a)	**3,824**	**3,638**
Current accident year loss ratio (net)	71.3%	73.4%
All accident year loss ratio (net)	69.4%	73.0%
Net technical result before expenses	**1,163**	**975**
Expense ratio	30.4%	30.2%
Net investment result	332	369
Underlying earnings before tax	**341**	**253**
Income tax expenses / benefits	(91)	(34)
Net income from investments in affiliates and associates	-	2
Minority interests	0	(0)
Underlying earnings Group share	**251**	**221**
Net capital gains or losses attributable to shareholders net of income tax	5	(49)
Adjusted earnings Group share	**255**	**172**
Profit or loss on financial assets (under FV option) & derivatives	53	25
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	(4)	(4)
Integration and restructuring costs	(12)	(8)
Net income Group share	**292**	**186**

(a) Before intercompany eliminations.

Gross revenues increased by €187 million (+5%) to €3,824 million[1]:

- *Personal Lines* (57% of gross revenues) increased by 6% to €2,148 million driven by the successful development in Motor (+7%) and Property (+6%) triggered by tariff increases for both renewals and new business as well as positive net new contracts,
- *Commercial Lines* (35% of gross revenues) rose by 2% to €1,333 million[2] resulting from new business especially in Property (+4%),
- *Other Lines* (8% of gross revenues) rose by 17% to €313 million mainly driven by higher assumed business in Legal Protection and other treaty business.

Net technical result increased by €188 million to €1,163 million:

- *Current accident year loss ratio* decreased by 2.1 points to 71.3% as a consequence of tariff increases, mainly in Motor and Non-Motor and lower Nat Cat charge, despite an increase in tap water freeze claims due to the severe winter,
- *All accident year loss ratio* decreased by 3.6 points to 69.4% mainly due to lower current accident year loss ratio and to higher positive prior year reserve developments.

Expense ratio rose by 0.1 point to 30.4% reflecting an increase in non commission expenses, including non recurring items offset in the German holding companies.

Enlarged expense ratio decreased by 0.7 point to 33.4%, benefitting from a positive one time release of claims handling cost reserves.

As a result, **the combined ratio** was down by 3.5 points to 99.7%.

Net investment result decreased by €38 million (-10%) to €332 million due to lower distribution from private equity, lower reinvestment yields on fixed income assets as well as the non recurrence of 2011 exceptional coupons payments from profit participating notes.

[1] *€3,795 million after intercompany eliminations*

Income tax expenses increased by €55 million (+161%) to €-91 million, mainly due to higher pre-tax underlying earnings and lower positive tax one-offs (€11 million in 2012 compared to €24 million in 2011).

Underlying earnings increased by €29 million (+13%) to €251 million.

Adjusted earnings increased by €83 million (+48%) to €255 million, mainly due to lower equity impairments and higher realized gains in fixed income.

Net income increased by €106 million (+57%) to €292 million, mainly driven by higher adjusted earnings and higher favorable changes in fair value of fixed income funds.

Property & Casualty Operations – Switzerland

(in Euro million)

	2012	2011
Gross revenues (a)	**2,744**	**2,643**
Current accident year loss ratio (net)	69.2%	68.9%
All accident year loss ratio (net)	63.2%	63.1%
Net technical result before expenses	**1,010**	**976**
Expense ratio	25.5%	26.1%
Net investment result	218	217
Underlying earnings before tax	**527**	**503**
Income tax expenses / benefits	(104)	(103)
Net income from investments in affiliates and associates	-	-
Minority interests	(3)	(3)
Underlying earnings Group share	**420**	**397**
Net capital gains or losses attributable to shareholders net of income tax	17	5
Adjusted earnings Group share	**437**	**402**
Profit or loss on financial assets (under FV option) & derivatives	(13)	2
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	(28)	(29)
Integration and restructuring costs	-	-
Net income Group share	**396**	**375**
Average exchange rate : 1.00 € = Swiss Franc	*1.2069*	*1.2366*

(a) Before intercompany eliminations.

Gross revenues increased by €101 million (+4%) to €2,744 million[1]. On a comparable basis, gross revenues increased by €33 million (+1%):

- *Personal lines* (53% of the gross revenues) increased by 3% to €1,470 million as a consequence of volume growth in all major business lines,
- *Commercial lines* (47% of the gross revenues) slightly decreased to €1,281 million mainly resulting from a focus on profitability.

Net technical result increased by €34 million (+4%) to €1,010 million. On a constant exchange rate basis, net technical result increased by €10 million (+1%):

- *Current accident year loss ratio* increased by 0.3 point to 69.2% mainly driven by slightly higher large claims and a higher number of freeze claims in Property, partly offset by a lower Nat Cat charge,
- *All accident year loss ratio* increased by 0.1 point to 63.2% as a consequence of the current accident year loss ratio development and higher positive prior year reserve developments.

Expense ratio decreased by 0.6 point to 25.5% mainly driven by lower administrative expenses reflecting ongoing strict cost management as well as lower acquisition expenses.

Enlarged expense ratio was down by 0.7 point to 29.6%.

As a result, the **combined ratio** down by 0.4 point to 88.7%.

Net investment result increased by €2 million (+1%) to €218 million. On a constant exchange rate basis, net investment result decreased by €3 million (-2%) mainly driven by lower fixed income reinvestment yields.

Income tax expenses increased by €2 million (+2%) to €-104 million. On a constant exchange rate basis, income tax expenses decreased by €1 million (-1%) driven by a higher positive tax settlement in 2012 (€+2 million), partly offset by higher pre-tax underlying earnings.

[1] *€2,736 million after intercompany eliminations.*

Underlying earnings increased by €23 million (+6%) to €420 million. On a constant exchange rate basis, underlying earnings increased by €13 million (+3%).

Adjusted earnings increased by €35 million (+9%) to €437 million. On a constant exchange rate basis, adjusted earnings increased by €24 million (+6%) mainly driven by higher underlying earnings and higher realized capital gains mainly on equities.

Net income increased by €20 million (+5%) to €396 million. On a constant exchange rate basis, net income increased by €11 million (+3%) mainly driven by higher adjusted earnings, partly offset by an unfavorable change in fair value mainly on foreign exchange derivatives.

Property & Casualty Operations – Belgium

(in Euro million)

	2012	2011
Gross revenues (a)	**2,087**	**2,100**
Current accident year loss ratio (net)	68.8%	73.6%
All accident year loss ratio (net)	63.4%	68.5%
Net technical result before expenses	**768**	**659**
Expense ratio	30.2%	30.6%
Net investment result	196	185
Underlying earnings before tax	**330**	**204**
Income tax expenses / benefits	(108)	(62)
Net income from investments in affiliates and associates	-	-
Minority interests	(0)	0
Underlying earnings Group share	**222**	**142**
Net capital gains or losses attributable to shareholders net of income tax	11	98
Adjusted earnings Group share	**233**	**240**
Profit or loss on financial assets (under FV option) & derivatives	8	17
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	(2)	(2)
Integration and restructuring costs	(23)	(22)
Net income Group share	**215**	**233**

(a) Before intercompany eliminations.

Gross revenues decreased by €13 million (-1%) to €2,087 million[1]:

- *Personal lines* (49% of the gross revenues) were up 1% to €1,045 million following tariff increases on both Motor and Household partly offset by negative net new contracts,
- *Commercial lines* (48% of the gross revenues) were down 2% to €1,020 million, the decreases in Health (€-27 million) due to the non renewal of a large portfolio and Motor (€-13 million) due to portfolio losses, were partly offset by an increase in Workers' Compensation (€+10 million) and Liability (€+9 million) mainly driven by tariff increases.

Net technical result increased by €109 million (+16%) to €768 million:

- *Current accident year loss ratio* decreased by 4.8 points to 68.8% mainly driven by a lower Nat Cat charge (-1.8 points), lower frequency (-1.9 points) mainly driven by portfolio pruning and tariff increases (-1.6 points).
- *All accident year loss ratio* decreased by 5.1 points to 63.4% due to an improved current accident year loss ratio and higher positive prior year reserve developments (mainly in Property).

Expense ratio decreased by 0.3 point to 30.2% due to lower administrative expenses (-0.4 point) mainly due to a non-recurring reclassification from administration expenses to claims handling costs, partly offset by a slight increase in commission rates following a change in portfolio mix.

Enlarged expense ratio was stable at 37.8%.

As a result, the **combined ratio** was down by 5.4 points to 93.6%.

Net investment result increased by €12 million (+6%) to €196 million mainly due to an increase in investment yield and despite a lower asset base.

Income tax expenses increased by €46 million (+74%) to €-108 million due to higher pre-tax underlying earnings and the non-recurrence of a 2011 positive tax one-off (€6 million).

[1] *€ 2,061 million after intercompany eliminations.*

Underlying earnings increased by €80 million (+57%) to €222 million.

Adjusted earnings decreased by €7 million (-3%) to €233 million, mainly driven by lower realized capital gains, especially on real estate and equities, partly offset by higher underlying earnings.

Net income decreased by €17 million (-7%) to €215 million mostly reflecting a less favorable change in fair value of inflation derivatives mainly on long term business.

Property & Casualty Operations – Central & Eastern Europe

Consolidated Gross Revenues

(in Euro million)

	2012	2011
Ukraine	74	65
Reso (Russia)	-	-
TOTAL	**74**	**65**
Intercompany transactions	-	-
Contribution to consolidated gross revenues	**74**	**65**

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011
Ukraine	1	1
Reso (Russia) (a)	43	36
UNDERLYING EARNINGS	**44**	**37**
Net realized capital gains or losses attributable to shareholders	(5)	(19)
ADJUSTED EARNINGS	**39**	**18**
Profit or loss on financial assets (under Fair Value option) & derivatives	10	2
Exceptional operations (including discontinued operations)	-	-
Goodwill and related intangibles impacts	(2)	(3)
Integration and restructuring costs	-	-
NET INCOME	**47**	**17**

(a) Reso accounted for using the equity method. AXA's share of profit is recognized in income statement.

UKRAINE

Gross revenues increased by €9 million (+14%) to €74 million. On a comparable basis, gross revenues increased by €4 million (+7%) driven by the positive development in proprietary networks, partly offset by lower premiums in bancassurance channels.

Underlying earnings as well as **adjusted earnings** and **net income** remained stable at €1 million on a constant exchange rate basis. The combined ratio deteriorated by 3.1 points to 105.4% due to a change in product mix and a higher claims frequency in Motor Third Party Liability business.

RESO

Underlying earnings increased by €6 million to €43 million on a constant exchange rate basis, driven by an improvement in claims experience and a strong portfolio growth (+24%), partly offset by a lower investment income. As a result, the combined ratio was down 4.2 points to 93.5%.

Adjusted earnings increased by €20 million to €37 million on a constant exchange rate basis, mainly driven by higher underlying earnings (€+6 million) as well as lower net realized capital losses (€+14 million).

Net income increased by €29 million to €46 million on a constant exchange rate basis, due to higher adjusted earnings (€+20 million) and the appreciation of RUB against EUR and USD (€+8 million).

Property & Casualty Operations – Mediterranean and Latin American Region

(in Euro million)

	2012	2011
Gross revenues (a)	**7,107**	**6,848**
Current accident year loss ratio (net)	73.0%	73.4%
All accident year loss ratio (net)	74.8%	71.6%
Net technical result before expenses	**1,775**	**1,884**
Expense ratio	25.7%	25.9%
Net investment result	384	378
Underlying earnings before tax	**348**	**540**
Income tax expenses / benefits	(138)	(162)
Net income from investments in affiliates and associates	0	-
Minority interests	22	(24)
Underlying earnings Group share	**232**	**353**
Net capital gains or losses attributable to shareholders net of income tax	40	(17)
Adjusted earnings Group share	**272**	**336**
Profit or loss on financial assets (under FV option) & derivatives	19	14
Exceptional operations (including discontinued operations)	8	-
Goodwill and other related intangibles impacts	(24)	(22)
Integration and restructuring costs	(42)	(21)
Net income Group share	**233**	**306**

(a) Before intercompany eliminations.

Gross revenues increased by €258 million (+4%) to €7,107 million[1]. On a comparable basis, gross revenues increased by €216 million (+3%) driven by a strong contribution from high growth markets (+12% or €+346 million), partly offset by mature markets (-3% or €-129 million), due to Spain and Portugal which suffered from a difficult environment.

- *Personal lines* (58% of the gross revenues) were up 3% to €4,148 million driven by Motor lines (+4% or €+103 million), mainly in high growth markets (€+152 million), coming from both positive volume effects in Turkey and Mexico and tariff increases in Turkey, notably in the second half of 2012, partly offset by mature markets (€-49 million) mainly in Spain. Non Motor lines were up 2% (or €+20 million) driven by Health (€+29 million), mostly related to both volume and tariff increases in Mexico, more than compensating Property (€-10 million) especially in Spain,
- *Commercial lines* (41% of the gross revenues) were up 4% to €2,951 million driven by Motor lines (+8% or €+69 million) in Turkey (€+50 million) and Mexico (€+40 million) from portfolio developments and tariff increases, partly offset by high level of cancellations in Spain (€-15 million) and pruning actions in Portugal (€-11 million). Non Motor lines were up 2% (or €+32 million) driven by high growth markets (€+70 million) with new business in Health in the Gulf region (€+61 million) and in Property in Mexico (€+11 million), partly offset by Spain (€-25 million) and Portugal (€-20 million), still impacted by the economic environment.

Net technical result decreased by €110 million (-6%) to €1,775 million. On a constant exchange rate basis, net technical result decreased by €126 million (-7%) due to Turkey (€-210 million), Spain (€-40 million) and Portugal (€-36 million), partly offset by the improvement in the rest of the region.

- *Current accident year loss ratio* decreased by 0.4 point to 73.0% including a lower Nat Cat charge of -0.1 point mainly in Italy. Mature markets decreased by 2.5 points while high growth markets increased by 2.2 points. Excluding Nat Cat charge, improvement in mature markets was mainly driven by lower frequency in Motor and Personal Property and decrease of average cost in Health. Deterioration in high growth markets was linked to adverse claims development in Turkey, partly offset by positive results from profitability actions in Mexico,
- *All accident year loss ratio* increased by 3.3 points to 74.8% with worse prior year reserve developments (€-248 million), mainly in Turkey (€-168 million), due to the increase in both frequency and average costs of

[1] *€7,082 million after intercompany eliminations.*

legal claims in Motor and Liability, as well as in Spain, Portugal and Mexico with less favorable prior year reserve developments.

Expense ratio decreased by 0.3 point to 25.7% mainly driven by administrative expense ratio (-0.3 point). High growth markets improved by 1.0 point benefitting from a positive volume effect and a positive one-off from a litigation settlement in Mexico. Mature markets deteriorated by 0.4 point due to negative volume effect in Spain and Portugal offsetting productivity programs.

Enlarged expense ratio improved by 0.5 point to 28.5%.

As a result, **combined ratio** was up 3.0 points to 100.5%.

Net investment result increased by €6 million (+2%) to €384 million. On a constant exchange rate basis, net investment result increased by €4 million (+1%) driven by higher yields on fixed income assets in Mexico (€+12 million) and Turkey (€+5 million), partly offset by a lower asset base in Spain (€-10 million).

Income tax expenses decreased by €25 million (-15%) to €-138 million. On a constant exchange rate basis, income tax expenses decreased by €26 million (-16%) due to lower pre-tax underlying earnings, partly offset by an increase of effective tax rate reflecting an unfavorable country mix.

Underlying earnings decreased by €121 million (-34%) to €232 million. On a constant exchange rate basis, underlying earnings decreased by €125 million (-35%).

Adjusted earnings decreased by €64 million (-19%) to €272 million. On a constant exchange rate basis, adjusted earnings decreased by €68 million (-20%), reflecting (i) lower underlying earnings and (ii) a decrease in the impact of equity hedging derivatives, partly offset by (iii) lower impairments as well as higher realized capital gains and (iv) a positive impact from new tax law in Greece on the deductibility of 2011 losses generated by the Private Sector Involvement (PSI) on government bonds.

Net income decreased by €73 million (-24%) to €233 million. On a constant exchange rate basis, net income decreased by €77 million (-25%) mainly reflecting lower adjusted earnings combined with additional restructuring costs in mature markets.

Property & Casualty Operations – Direct business

(in Euro million)

	2012	2011
Gross revenues (a)	**2,215**	**2,102**
Current accident year loss ratio (net)	78.9%	80.5%
All accident year loss ratio (net)	79.0%	84.2%
Net technical result before expenses	**459**	**321**
Expense ratio	21.6%	21.2%
Net investment result	98	86
Underlying earnings before tax	**85**	**(25)**
Income tax expenses / benefits	(30)	(8)
Net income from investments in affiliates and associates	-	-
Minority interests	(0)	0
Underlying earnings Group share	**54**	**(33)**
Net capital gains or losses attributable to shareholders net of income tax	0	(4)
Adjusted earnings Group share	**55**	**(36)**
Profit or loss on financial assets (under FV option) & derivatives	(1)	(15)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	(4)	(4)
Integration and restructuring costs	(4)	(7)
Net income Group share	**46**	**(63)**

Direct business includes operations in the UK (24% of total Direct gross revenues), France (21%), Japan (17%), South Korea (17%), Spain (9%), Italy (5%), Belgium (3%), Poland (3%) and Portugal (1%).

Gross revenues increased by €113 million (+5%) to €2,215 million[1]. On a comparable basis, gross revenues increased by €32 million (+2%):

- *Personal Motor* (87% of gross revenues) was down €20 million (-1%) to €1,931 million driven by (i) the UK (-22% or €-119 million) as a result of lower new business volumes and retention, change in business mix reflecting selective underwriting as well as increased competitiveness of the market, and (ii) Other countries (+7% or €+98 million) driven by higher net new contracts leading to €+74 million in continental Europe (with strong growth in France, Italy and Poland, partly offset by Spain) and €+25 million in Japan,
- *Personal Non-Motor* (13% of gross revenues) was up €52 million (+24%) to €278 million mainly supported by growth in the UK and in France.

Net technical result increased by €138 million (+43%) to €459 million. On a constant exchange rate basis, net technical result increased by €122 million (+38%):

- *Current accident year loss ratio* decreased by 1.6 points to 78.9% as a result of selective underwriting and lower frequency in Motor, partly offset by unfavorable weather conditions in the UK leading to a higher Nat Cat charge (+0.2 point),
- *All accident year loss ratio* decreased by 5.2 points to 79.0% as a result of the decrease in current accident year loss ratio and less unfavorable prior year reserve developments.

Expense ratio increased by 0.4 point to 21.6% (with a stable acquisition ratio and an administrative expense ratio up 0.4 point) reflecting an increase in aggregators commission ratio and higher IT costs in the UK, partly offset by operational leverage outside the UK following portfolio growth.

Enlarged expense ratio was up by 0.4 point to 27.2%.

[1] *€2,215 million after intercompany eliminations.*

As a result, the **combined ratio** was down by 4.8 points to 100.6%.

Net investment result increased by €12 million (+14%) to €98 million. On a constant exchange rate basis, net investment result increased by €9 million (+10%) mainly reflecting a higher asset base.

Income tax expenses increased by €22 million to €30 million. On a constant exchange rate basis, income tax expenses increased by €21 million reflecting higher pre-tax underlying earnings, partly offset by the non repeat of negative tax adjustments in Japan.

Underlying earnings increased by €87 million to €54 million. On a constant exchange rate basis, underlying earnings increased by €86 million.

Adjusted earnings increased by €91 million to €55 million. On a constant exchange rate basis, adjusted earnings increased by €90 million mainly due to higher underlying earnings, €6 million lower impairment charges partly offset by €2 million lower realized capital gains mainly on equities.

Net income increased by €109 million to €46 million. On a constant exchange rate basis, net income increased by €108 million due to higher adjusted earnings and €14 million less unfavorable movement in the fair value of financial assets and derivatives and €4 million lower restructuring costs.

Property & Casualty Operations - Other Countries

Consolidated Gross Revenues

(in Euro million)

	2012	2011
Asia (a)	529	425
Luxembourg	99	97
TOTAL	**628**	**522**
Intercompany transactions	(6)	(6)
Contribution to consolidated gross revenues	**622**	**516**

(a) Includes Hong Kong, Singapore and Malaysia.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011
Asia (a)	23	13
Luxembourg	8	10
UNDERLYING EARNINGS	**31**	**23**
Net realized capital gains or losses attributable to shareholders	5	2
ADJUSTED EARNINGS	**37**	**25**
Profit or loss on financial assets (under Fair Value option) & derivatives	(0)	(0)
Exceptional operations (including discontinued operations)	(0)	93
Goodwill and related intangibles impacts	(3)	-
Integration and restructuring costs	(25)	-
NET INCOME	**9**	**118**

(a) Includes Hong Kong, Singapore and Malaysia.

ASIA[1]

Gross revenues increased by €104 million (+25%) to €529 million[2]. On a constant exchange rate and scope basis, excluding HSBC portfolio acquisition in Hong Kong and Singapore, gross revenues increased by €47 million (+11%):

- *Personal lines* (47% of the gross revenues) were up €18 million (+9%), mainly driven by both Motor (€+9 million) due to positive volume effect in Malaysia and Non Motor (€+9 million) with the growth of Personal Accident in Malaysia and Health in Hong Kong,
- *Commercial lines* (53% of the gross revenues) were up €31 million (+13%) mainly driven by (i) new large accounts in Health (€+8 million) in Malaysia and Singapore, Motor (€+6 million) mainly in Malaysia and Workers' Compensation (€+7 million) in all countries, combined with (ii) focus on SME and Industrial business leading to higher Property business in Malaysia (€+5 million).

Net technical result increased by €41 million (+31%) to €171 million. On a constant exchange rate and scope basis, net technical result increased by €16 million (+12%):

- *Current accident year loss ratio* increased by 0.4 point to 69.0%. On a constant scope basis current accident year loss ratio increased by 0.8 point to 69.4% mainly due to higher attritional losses (+3.1 points) driven by Commercial lines, mainly from Property and Motor in Malaysia as well as Workers' Compensation in Hong

[1] *Includes Hong Kong, Singapore and Malaysia.*

[2] *€523million after intercompany eliminations*

Kong, partly offset by improvement in large losses (-1.4 points) mainly driven by Commercial Property in Malaysia, and in Nat Cat (-0.8 point) due to no events recorded in 2012,

- *All accident year loss ratio* decreased by 0.8 point to 67.6%. On a constant scope basis, all accident year loss ratio decreased by 0.6 point to 67.9% due to higher positive prior year reserve developments in Hong Kong and Singapore.

Expense ratio decreased by 0.5 point to 28.4%. On a constant scope basis expense ratio decreased by 0.5 point to 28.3% mainly driven by productivity gains with strong volume increase in Hong Kong and Malaysia.

Enlarged expense ratio decreased by 0.8 point to 31.0% on a constant scope basis.

As a result, the **combined ratio** was down by 1.3 points to 96.0%. On a constant scope basis combined ratio was down by 1.1 points to 96.2%.

Net investment result increased by €4 million to €14 million. On a constant exchange rate and scope basis, net investment result increased by €2 million mainly from a higher asset base in Malaysia.

Income tax expenses increased by €2 million to €-6 million. On a constant exchange rate and scope basis, income tax expenses increased by €1 million due to higher pre-tax underlying earnings.

Underlying earnings increased by €10 million to €23 million. On a constant exchange rate and scope basis, underlying earnings increased by €6 million.

Adjusted earnings increased by €12 million to €27 million. On a constant exchange rate and scope basis, adjusted earnings increased by €8 million driven by higher underlying earnings and higher net realized capital gains on equity.

Net income decreased by €16 million to €-1 million. On a constant exchange rate basis, net income decreased by €16 million driven by higher adjusted earnings, more than offset by €23 million integration costs incurred to date from the HSBC portfolio acquisition.

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)

	2012	2011
AXA Corporate Solutions Assurance	2,072	2,003
AXA Global Life and AXA Global P&C	60	73
AXA Assistance	984	911
Other (a)	31	70
TOTAL	**3,148**	**3,057**
Intercompany transactions	(161)	(182)
Contribution to consolidated gross revenues	**2,987**	**2,876**

(a) Including AXA Liabilities Managers and AXA Corporate Solutions Life Reinsurance Company.

Underlying, Adjusted earnings and Net Income

	2012	2011
AXA Corporate Solutions Assurance	145	150
AXA Global Life and AXA Global P&C	22	55
AXA Assistance	20	21
Other (a)	(20)	50
UNDERLYING EARNINGS	**167**	**276**
Net realized capital gains or losses attributable to shareholders	(7)	17
ADJUSTED EARNINGS	**160**	**294**
Profit or loss on financial assets (under Fair Value option) & derivatives	23	(15)
Exceptional operations (including discontinued operations)	(1)	1
Goodwill and related intangibles impacts	-	-
Integration and restructuring costs	(4)	(4)
NET INCOME	**178**	**276**

(a) Including AXA Liabilities Managers and AXA Corporate Solutions Life Reinsurance Company.

AXA Corporate Solutions Assurance

(in Euro million)

	2012	2011
Gross revenues (a)	**2,072**	**2,003**
Current accident year loss ratio (net)	83.6%	84.7%
All accident year loss ratio (net)	82.2%	82.1%
Net technical result before expenses	**363**	**360**
Expense ratio	15.6%	15.8%
Net investment result	195	199
Underlying earnings before tax	**240**	**242**
Income tax expenses / benefits	(93)	(90)
Net income from investments in affiliates and associates	-	-
Minority interests	(2)	(2)
Underlying earnings Group share	**145**	**150**
Net capital gains or losses attributable to shareholders net of income tax	(3)	5
Adjusted earnings Group share	**142**	**155**
Profit or loss on financial assets (under FV option) & derivatives	24	(13)
Exceptional operations (including discontinued operations)	-	-
Goodwill and other related intangibles impacts	-	-
Integration and restructuring costs	-	-
Net income Group share	**166**	**142**

(a) Before intercompany eliminations.

Gross revenues increased by €69 million (+3%) to €2,072 million[1]. On a comparable basis, gross revenues increased by €62 million (+3%) notably in Construction (+17%) and Property (+9%), both mainly driven by portfolio development and tariff increases, and Motor (+2%), partly offset by a decrease in Aviation (-6%, mainly due to tariff decrease following favorable trend on large claims) and Liability (-2%, mainly due to the non renewal of a large contract).

Net technical result increased by €3 million (+1%) to €363 million. On a constant exchange rate basis, net technical result increased by €4 million (+1%):

- *Current accident year loss ratio* improved by 1.2 points to 83.6% due to tariff increases in all lines of business (except in Aviation) and also to the positive experience on large claims in Property,
- *All accident year loss ratio* decreased by 0.1 point to 82.2% as a result of improvement in the current year loss ratio, partly offset by lower positive prior year reserve developments.

Expense ratio decreased by 0.1 point to 15.6%.

The **enlarged expense ratio** was down by 0.2 point to 19.5%.

As a result, the **combined ratio** was down by 0.2 point to 97.8%.

Net investment result decreased by €3 million (-2%) to €195 million. On a constant exchange rate basis, net investment result decreased by €6 million (-3%) mainly driven by lower income from fixed income assets (€-13 million), partly offset by higher distributions from mutual funds (€+9 million).

Income tax expenses increased by €3 million (+4%) to €-93 million, mainly reflecting a less favorable corporate tax rate mix.

As a result, **underlying earnings** decreased by €5 million (-3%) to €145 million.

[1] *€2.069 million after intercompany eliminations.*

Adjusted earnings decreased by €13 million (-9%) to €142 million. On a constant exchange rate basis, adjusted earnings decreased by €13 million (-8%) mainly due to lower underlying earnings and lower realized capital gains mainly on real estate assets.

Net income increased by €24 million (+17%) to €166 million. On a constant exchange rate basis, net income increased by €25 million (+17%), mainly driven by a favorable change in fair value on mutual funds (€+30 million), mainly due to lower interest rates and credit spread tightening, a positive foreign exchange impact (€+8 million), partly offset by lower adjusted earnings.

AXA Global Life and AXA Global P&C[1]

Underlying earnings decreased by €33 million to €22 million, mainly driven by the non-repeat of €32 million positive prior year reserve developments due to favorable weather events in 2011.

Adjusted earnings decreased by €32 million to €21 million, as a result of lower underlying earnings.

Net income decreased by €27 million to €25 million, mainly due to lower adjusted earnings, partly offset by €7 million more favorable change in fair value of financial assets and derivatives.

AXA Assistance

Gross revenues increased by €72 million to €984 million[2] or €958 million excluding the internal transfer from AXA France of some service guarantees. On a comparable basis, gross revenues increased by €46 million (+5%) mainly driven by a strong new business performance (in particular in Travel activities) and growth of the in-force base (Travel and Lifestyle activities mainly).

Underlying earnings decreased by €1 million to €20 million mainly driven by positive developments in France and improvement on Travel business offset by higher development costs and slowdown in Mexico.

Adjusted earnings decreased by €1 million to €20 million driven by lower underlying earnings

Net income decreased by €6 million to €12 million due to lower adjusted earnings, €4 million lower realized capital gain on foreign exchange rates and €1 million exceptional capital gain recorded in 2011 following the disposal of a UK based company.

Other international activities

Underlying earnings decreased by €71 million to €-20 million. On a constant exchange rate basis, underlying earnings decreased by €65 million, mainly driven by lower gains on the P&C run-off portfolio mainly as a result of lower positive settlements as well as a reserve adjustment on a Life reinsurance run-off portfolio.

Adjusted earnings decreased by €87 million to €-23 million. On a constant exchange rate basis, adjusted earnings decreased by €82 million as a consequence of lower underlying earnings.

Net income decreased by €88 million to €-25 million. On a constant exchange rate basis, net income decreased by €84 million reflecting lower adjusted earnings.

[1] *Gathers both central teams from Life & Savings and Property & Casualty global business lines in addition to Group reinsurance operations.*

[2] *€832 million after intercompany eliminations*

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)

	2012	2011
AllianceBernstein	2,097	2,038
AXA Investment Managers	1,577	1,563
TOTAL	**3,674**	**3,601**
Intercompany transactions	(332)	(332)
Contribution to consolidated gross revenues	**3,343**	**3,269**

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011
AllianceBernstein	159	106
AXA Investment Managers	223	215
UNDERLYING EARNINGS	**382**	**321**
Net realized capital gains or losses attributable to shareholders	(4)	(2)
ADJUSTED EARNINGS	**378**	**318**
Profit or loss on financial assets (under Fair Value option) & derivatives	13	(25)
Exceptional operations (including discontinued operations)	0	(3)
Goodwill and related intangibles impacts	-	-
Integration and restructuring costs	(76)	(137)
NET INCOME	**314**	**153**

AllianceBernstein

(in Euro million)

	2012	2011
Gross revenues	**2,097**	**2,038**
Net investment result	2	(27)
Total revenues	**2,100**	**2,011**
General expenses	(1,737)	(1,738)
Underlying earnings before tax	**363**	**272**
Income tax expenses / benefits	(76)	(68)
Minority interests	(128)	(98)
Underlying earnings Group share	**159**	**106**
Net capital gains or losses attributable to shareholders net of income tax	0	0
Adjusted earnings Group share	**159**	**106**
Profit or loss on financial assets (under FV option) & derivatives	4	(7)
Exceptional operations (including discontinued operations)	0	0
Goodwill and other related intangibles impacts	0	0
Integration and restructuring costs	(74)	(136)
Net income Group share	**88**	**(38)**
Average exchange rate :	*1.2881*	*1.3867*

Assets under Management ("AUM") increased by €14 billion from year-end 2011 to €349 billion at December 31, 2012 as a result of €28 billion market appreciation partly offset by net outflows of €-4 billion (€-10 billion net outflows from Institutional clients and €-7 billion net outflows from Private Clients, partly offset by €13 billion net inflows from Retail clients), €-5 billion unfavorable change in scope due to the sale of AXA Australia and AXA Canada and a €-6 billion unfavorable foreign exchange rate impact.

Gross revenues increased by €60 million (+3%) to €2,097 million. On a comparable basis, gross revenues decreased by €87 million (-4%) primarily due to lower investment management fees resulting from a 3% decrease in average AUM combined with lower average bps (-3.1 bps) reflecting a change in business mix from equity services to fixed income services.

Net investment result increased by €30 million to €2 million. On a constant exchange rate basis, net investment result increased by €30 million due to higher unrealized gains related to deferred compensation obligations, offset in general expenses, combined with a decrease in financing debt expenses.

General expenses decreased by €2 million (0%) to €-1,737 million. On a constant exchange rate basis, general expenses decreased by €125 million (-7%) due to lower compensation expenses resulting from lower revenues, staff reductions as well as lower office and related expenses.

As a result, the **underlying cost income** ratio improved by 4.8 points to 79.7%.

Income tax expenses increased by €8 million (+12%) to €-76 million. On a constant exchange rate basis, income tax expenses increased by €3 million (+4%) due to higher pre–tax underlying earnings and lower positive tax one-offs (€-12 million), partly offset by a decrease in effective tax rate mainly due to lower state taxes and higher foreign earnings.

Underlying and adjusted earnings increased by €53 million (+50%) to €159 million. On a constant exchange rate basis, underlying and adjusted earnings increased by €42 million (+39%).

AXA ownership of AllianceBernstein at December 31, 2012 was 65.5%, up 0.9% from December 31, 2011 due to repurchases of AllianceBernstein units during 2012 to fund deferred compensation plans, partly offset by the granting of units in 2012 for 2011 deferred compensation.

Net income increased by €126 million to €88 million. On a constant exchange rate basis, net income increased by €120 million due to the increase in adjusted earnings and to lower restructuring costs driven by the real estate lease write-off in 2012 (€-68 million) and the non repeat of a restructuring of compensation plans in December 2011 (€+136 million).

AXA Investment Managers ("AXA IM")

(in Euro million)

	2012	2011
Gross revenues	**1,577**	**1,563**
Net investment result	(17)	(20)
Total revenues	**1,560**	**1,543**
General expenses	(1,214)	(1,239)
Underlying earnings before tax	**347**	**304**
Income tax expenses / benefits	(113)	(79)
Minority interests	(11)	(10)
Underlying earnings Group share	**223**	**215**
Net capital gains or losses attributable to shareholders net of income tax	(4)	(2)
Adjusted earnings Group share	**219**	**212**
Profit or loss on financial assets (under FV option) & derivatives	9	(18)
Exceptional operations (including discontinued operations)	0	(3)
Goodwill and other related intangibles impacts	0	0
Integration and restructuring costs	(2)	(1)
Net income Group share	**226**	**191**

Assets under Management ("AUM") increased by €41 billion from year-end 2011 to €554 billion at the end of 2012 as a result of €45 billion favorable market impact, €3 billion net inflows and €2 billion favorable foreign exchange impact, partly offset by €-9 billion negative scope impact, mainly related to the partial sale of the UK Life & Savings operations. Net inflows amounted to €3 billion in 2012 mainly driven by inflows on Retail (€+7 billion) and Institutional (€+3 billion) notably from AXA Fixed Income, Asian joint-ventures, AXA Framlington, AXA Private Equity and AXA Real Estate, partly offset by the voluntary exit from unprofitable employee shareholding schemes (€-4 billion) and Main Fund short term investments (€-2 billion).

Gross revenues increased by €14 million (+1%) to €1,577 million[1]. On a constant exchange rate basis and excluding distribution fees (retroceded to distributors), net revenues increased by €6 million (+1%) to €1,201 million mainly driven by (i) higher management fees (€+53 million), in line with higher average AUM, and (ii) higher performance fees (€+17 million), partly offset by (iii) lower realized carried interests (€-36 million) mainly from AXA Real Estate, and (iv) lower AXA Real Estate transaction fees (€-20 million).

Net investment result increased by €4 million to €-17 million. On a constant exchange rate basis, net investment result decreased by €1 million mainly driven by lower dividends.

General expenses decreased by €25 million to €-1,214 million. On a constant exchange rate basis and excluding distribution fees, general expenses decreased by €28 million (-3%) owing to a €22 million positive impact in 2012 as a result of the closure of AXA Rosenberg coding error issue.

As a result, the **underlying cost income** ratio decreased by 2.9 points to 70.7%

Income tax expenses increased by €34 million (+43%) to €-113 million. On a constant exchange rate basis, income tax expenses increased by €31 million (+40%) mainly due to a higher tax basis and €12 million non-recurring positive tax impacts in 2011.

Underlying earnings increased by €8 million (+4%) to €223 million. On a constant exchange rate basis, underlying earnings increased by €2 million (+1%).

Adjusted earnings increased by €7 million (+3%) to €219 million. On a constant exchange rate basis, adjusted earnings were flat as higher underlying earnings were offset by a higher impairment charge.

Net income increased by €35 million (+18%) to €226 million. On a constant exchange rate basis, net income increased by €30 million (+15%) mainly driven by a more favorable change in fair value of unrealized carried interests (€+18 million) and a more favorable mark-to-market of fixed income funds (€+15 million).

[1] *€1,324 million after intercompany eliminations.*

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)

	2012	2011
AXA Banks (a)	**468**	**523**
Belgium (b)	312	328
France	94	116
Hungary	35	54
Germany	23	23
Switzerland	-	0
Other (c)	4	1
Other	**6**	**6**
TOTAL	**474**	**529**
Intercompany transactions	(8)	(44)
Contribution to consolidated gross revenues	**466**	**485**

(a) Of which AXA Bank Europe and its branches: €351 million.
(b) Includes commercial activities in Belgium and shared services of AXA Bank Europe (treasury and support functions).
(c) Includes Slovakia and Czech Republic.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011
AXA Banks (a)	**8**	**36**
Belgium (b)	31	55
France	(15)	1
Hungary	-	-
Germany	3	4
Switzerland	-	(11)
Other (c)	(12)	(12)
Other	**(3)**	**(4)**
UNDERLYING EARNINGS	**5**	**32**
Net realized capital gains or losses attributable to shareholders	(5)	(5)
ADJUSTED EARNINGS	**(1)**	**27**
Profit or loss on financial assets (under Fair Value option) & derivatives	(3)	(13)
Exceptional operations (including discontinued operations)	(30)	(144)
Goodwill and related intangibles impacts	-	(86)
Integration and restructuring costs	(4)	(21)
NET INCOME	**(38)**	**(237)**

(a) of which AXA Bank Europe and its branches: €19 million.
(b) Includes commercial activities in Belgium for €13 million and shared services of AXA Bank Europe (treasury and support functions) for €18 million.
(c) Includes Slovakia and Czech Republic.

AXA Banks

BELGIUM

Net banking revenues decreased by €16 million (-5%) to €312 million. On a comparable basis[1], net banking revenues increased by €34 million (+13%) mainly driven by higher portfolio revenues (€+25 million) driven by a growing investment portfolio while the lower interest rate environment resulted in lower funding cost (€+21 million) partly offset by lower commission margin (€-7 million). Net New Money collection reached €1.4 billion due to successful marketing campaigns early in the year

Underlying earnings decreased by €24 million (-44%) to €31 million mainly driven by lower commercial margin (€-18 million), higher administrative expense (€-11 million) due to new taxes and new contributions to the financial stability fund, lower commission margin (€-7 million), higher provision for loans losses (€-6 million) and the transfer of an internal business unit (€-6 million), partly offset by a higher transformation margin (€+31 million).

Adjusted earnings decreased by €26 million (-51%) to €25 million mainly due to the decrease in underlying earnings.

Net income increased by €5 million (+20%) to €33 million mainly driven by a higher foreign exchange result (€+14million), the deconsolidation of Switzerland (€+8 million reflecting the transfer of the client portfolio to Bank Zweiplus on January 1st 2012) and lower restructuring costs (€+12 million), partly offset by lower adjusted earnings (€-26 million).

FRANCE

Net banking revenues decreased by €22 million (-19%) to €94 million. On a comparable basis[1], net banking revenues decreased by €27 million (-23%) mainly due to higher interests paid to customers on savings accounts as a result of a promotional campaign during the first half of 2012 which enabled the company to maintain positive net new money in 2012, partly mitigated by higher interest revenues on mortgages as a consequence of an increase in new credit production.

Underlying earnings decreased by €15 million to €-15 million, following the decrease in operating revenues, in a context of stable cost of risk and slightly increasing expenses to support growth.

Adjusted earnings and net income decreased by €15 million in line with underlying earnings.

HUNGARY

The Hungarian government enacted legislation in September 2011 allowing customers to redeem foreign currency denominated mortgages at non-market rates. In this context, the Hungarian credit production has been stopped.

Net banking revenues decreased by €19 million to €35 million. On a comparable basis[1], net banking revenues decreased by €26 million mainly driven by lower interest income following the discontinuation of the lending activity and higher funding cost.

Net income increased by €191 million to €-38 million. Excluding the impact of the provisions and impairments directly related to the Forced Conversion Plan in 2011, net income increased by €2 million mainly due to lower provisions partly offset by higher taxes and a lower interest margin following the discontinuation of the lending activities leading to a declining loan portfolio.

GERMANY

Net banking revenues remained fairly stable (-1%) at €23 million. On a comparable basis[1], net banking revenues increased by €2 million (+7%).

Underlying earnings decreased by 13% to €3 million.

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[1] *In Banking Segment, for net banking revenues, « on a comparable basis » means after intercompany eliminations.*

Adjusted earnings and **net income** remained stable at €4 million.

CZECH REPUBLIC

Underlying earnings as well as **adjusted earnings** and **net income** increased by €2 million to €-6 million mainly driven by higher commercial margin, partly offset by higher distribution commissions.

SLOVAKIA

Underlying earnings as well as **adjusted earnings** and net **income decreased** by €1 million to €-6 million mainly driven by higher administrative expenses following marketing campaigns to support business growth.

SWITZERLAND

AXA Bank Switzerland closed its operations on January 1, 2012 following the transfer of its customer portfolio to Bank Zweiplus.

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 United Kingdom Holdings, AXA Germany Holdings, AXA Belgian Holding, CDOs and real estate companies.

Underlying, Adjusted earnings and Net Income

(in Euro million)

	2012	2011
AXA	(590)	(561)
Other French holding companies	(39)	(47)
Foreign holding companies	(204)	(238)
Other	1	2
UNDERLYING EARNINGS	**(833)**	**(843)**
Net realized capital gains or losses attributable to shareholders	(72)	(224)
ADJUSTED EARNINGS	**(905)**	**(1,067)**
Profit or loss on financial assets (under Fair Value option) & derivatives	(228)	(17)
Exceptional operations (including discontinued operations)	(17)	1,324
Goodwill and related intangibles impacts	0	0
Integration and restructuring costs	(1)	(0)
NET INCOME	**(1,151)**	**240**

AXA[1]

Underlying earnings decreased by €30 million to €-590 million mainly due to an increase in financial charges mainly driven by the result of the amendment of the foreign currency hedging policy (€-56 million) as well as a lower income on the net participation in BNP Paribas (€-32 million), partly offset by €+48 million related to the hedging program on Performance Units at Group holding level.

Adjusted earnings increased by €70 million to €-652 million mainly driven by the end of the premium amortization on equity call options (€-48 million in 2012 vs. €-105 million in 2011), and a €31 million realized capital gain on real estate, partly offset by underlying earnings evolution.

Net Income decreased by €1,430 million to €-883 million. Excluding 2011 exceptional items with (i) €+1,519 million exceptional gain related to disposals of the Australia & New Zealand and Canadian operations, (ii) a loss related to a sale of a tax receivable for €84 million and (iii) a €125 million allowance due to the restructuring of the participation in Bharti AXA Life Insurance Co. Ltd, net income decreased by €120 million mainly driven by:

- €-250 million unfavorable change in fair value of derivatives not eligible to hedge accounting,
- €+67 million linked to the sale of Canadian operations in respect of contingent consideration based on profitability metrics,
- €+70 million increase in adjusted earnings.

The Company continued to reinforce its foreign currency hedging policy through a better balancing in the level of protection of net asset value, financial charge, liquidity and solvency positions. This new framework started to be implemented in 2011 and mainly covered US dollar, Swiss Franc and Yen currencies. The impact of this new policy was €-123 million in 2012 net income.

[1] *All the figures are after tax.*

Other French holding companies

AXA France Assurance

Underlying earnings decreased by €7 million to €-24 million mainly due to higher tax expenses (€-5 million) resulting from higher inter-company dividends received.

Other French holdings

Underlyings earnings increased by €15 million to €-15 million mainly due to an increase in operating profits from non consolidated entities.

Adjusted earnings increased by €16 million to €-15 million mainly driven by underlying earnings.

Net income increased by €57 million to €-21 million as a consequence of a lower allowance due to the restructuring of the participation in Bharti AXA General Insurance (€17 million in 2012 vs. €53 million in 2011), as well as adjusted earnings evolution.

Foreign Holding Companies

AXA Financial Inc.

Underlying earnings decreased by €27 million (-21%), to €-158 million. On a constant exchange rate basis, underlying earnings decreased by €16 million (-12%), mainly reflecting the impact of higher share-based compensation expense.

Adjusted earnings decreased by €27 million (-21%) to €-158 million. On a constant exchange rate basis, adjusted earnings decreased by €16 million (-12%), in line with the underlying earnings evolution.

Net income decreased by €8 million (-8%) to €-113 million. On a constant exchange rate basis, net income remained stable reflecting adjusted earnings evolution offset by a more favorable change in fair value of cross currency swaps.

AXA UK Holdings

Underlying earnings increased by €22 million to €23 million. On a constant exchange rate basis, underlying earnings increased by €21 million. 2012 benefited from a favorable tax one-off of €6 million against a one off provision of €-14 million in 2011.

Adjusted earnings increased by €23million to €23 million. On a constant exchange rate basis, adjusted earnings increased by €22 million in line with underlying earnings evolution.

Net Income increased by €40million to €24 million. On a constant exchange rate basis, net income increased by €39 million due to the improvement in adjusted earnings (+€22 million), favorable change in fair value of derivatives (€+8 million) and reduction of costs relating to exceptional operations (€+9 million).

German Holding companies

Underlying Earnings increased by €11 million to €-6 million mainly due to non recurring items including lower expenses and a higher investment result.

Adjusted Earnings increased by €60 million to €-17 million mainly due to higher underlying earnings and lower impairment charges.

Net Income increased by €43 million to €-26 million mainly driven by adjusted earnings, partly offset by unfavorable change in fair value of derivatives.

Belgian Holding company

Underlying earnings decreased by €1 million (-5%) to €-12 million.

Adjusted earnings decreased by €5 million (-40%) to €-17 million, mainly due to higher impairments.

Net income decreased by €3 million (-20%) to €-16 million, mainly driven by adjusted earnings evolution.

Mediterranean and Latin American Region Holdings

Underlying earnings increased by €17 million (+25%) to €-51 million. On a constant exchange rate basis, underlying earnings increased by €17 million (+25%) reflecting lower financial charges.

Adjusted earnings increased by €16 million (+24%) to €-52 million. On a constant exchange rate basis, adjusted earnings increased by €17 million (+24%) mainly reflecting higher underlying earnings.

Net income decreased by €12 million (-21%) to €-69 million. On a constant exchange rate basis, net income decreased by €12 million (-21%) driven by negative impact of additional litigation charges in Italy and unfavorable change in financing hedges, partly offset by the increase in underlying earnings.

OUTLOOK

In a context of a still uncertain economic outlook and a low interest rates environment, AXA will remain focused on the execution of the three strategic priorities of its Ambition AXA plan: selectivity in mature markets, acceleration in high growth markets and efficiency everywhere.

In Property & Casualty, the technical result should continue to improve, thanks to a combination of underwritting measures and increased productivity. In Life & Savings, a continued focus on the more profitable Protection & Health segment as well as a higher proportion of Unit-Linked business in savings should lead to a more profitable new business mix. In Asset Management, the positive net flows momentum of the last quarter together with a continuing focus on investment performance should drive an improved business performance.

GLOSSARY

The split between high growth market and mature market is detailed below:

The notion of High Growth market includes the following countries: Central & Eastern countries (Poland, Czech Republic, Slovakia, Hungary, Ukraine, Russia), Hong Kong, South-East Asia (Singapore, Indonesia, Thailand, Philippines, Malaysia) India, China, and the Mediterranean and Latin American Region (Morocco, Turkey, Gulf, Mexico), excluding Direct operations.

The notion of Mature Market includes the following countries: the United States, the United Kingdom, Benelux, Germany, Switzerland, Japan, Italy, Spain, Portugal, Greece and France.

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 through 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 undated subordinated debt ("Super Subordinated Debts" TSS / "Undated 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 undated subordinated 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) Loadings charged to policyholders on premiums / deposits and fees on funds under management for separate account (unit-linked) business,

(iii) Loadings 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 net of derivative if any.

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, excluding 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 **enlarged expense ratio** is the sum of the expense ratio and claims handling cost ratio.

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 net of distribution revenues) / (gross revenues excluding distribution revenues).

Assets Under Management (AUM) are defined as the assets whose management has been delegated by their owner to an asset management company such as AXA Investment Managers and AllianceBernstein. AUM only includes funds and mandates which generate fees and exclude double counting.

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.