Document de Référence

Annual Report 2009

redefining / standards

AXA

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DOCUMENT DE RÉFÉRENCE

ANNUAL REPORT 2009

This Annual Report serves as AXA's *Document de Référence* within the meaning of Article 212-13 of the *Autorité des marchés financiers* (AMF) General Regulation.

It was filed with the AMF on March 17, 2010 and may be used in connection with a financing transaction provided it is accompanied by a prospectus registered with the AMF.

This Annual Report also includes (i) all the components of the Annual Financial Report *(Rapport Financier Annuel)* referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code *(Code monétaire et financier)* as well as in Article 222-3 of the AMF General Regulation *(Règlement Général de l'AMF)* (please refer to the table on page 548 of this Annual Report which indicates the relevant sections of this *Document de Référence* corresponding to the various components required under the terms of Article 222-3 of the AMF General Regulation), (ii) all the matters required to be covered in the Management Board's Report to the AXA's Shareholders' Meeting to be held on April 29, 2010, established pursuant to the Articles L.225-100 and L.225-100-2 of the French Commercial Code *(Code de commerce)* (the relevant sections of this *Document de Référence* corresponding to these compulsory matters have been approved by AXA's Management Board and are presented in the table on page 545 of this Annual Report) and (iii) all information required under Article R.225-83 of the French Commercial Code.

CERTAIN PRELIMINARY INFORMATION ABOUT THIS ANNUAL REPORT

Presentation of Information

In this Annual Report unless provided otherwise, (i) the "Company", "AXA" and/or "AXA SA" refer to AXA, a *Société Anonyme* organized under the laws of France which is the publicly traded parent company of the AXA Group, and (ii) "AXA Group", the "Group" and/or "we" refer to AXA SA together with its direct and indirect subsidiaries. The Company's ordinary shares are referred to in this Annual Report as "shares", "ordinary shares" or "AXA ordinary shares". The principal trading market for the Company's ordinary shares is the Compartment A of Euronext Paris, which we refer to in this Annual Report as "Euronext Paris". The Company's American Depositary Shares and American Depositary Receipts are referred to in this Annual Report as "ADSs" and "ADRs", respectively. The ADSs and ADRs are listed on the New York Stock Exchange (referred to in this Annual Report as "NYSE"). Each ADR evidences one ADS which, in turn, represents one AXA ordinary share.

On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter.

This Annual Report includes AXA's consolidated financial statements for the years ended December 31, 2009, 2008 and 2007. AXA's consolidated financial statements, including the notes thereto, are included in Part 4 – "Consolidated Financial Statements" of this Annual Report and have been prepared in accordance with International Financial Reporting Standards (referred to in this Annual Report as "IFRS") and interpretations from the International Financial Reporting Interpretations Committee (referred to in this Annual Report as "IFRIC") that were definitive and effective as at December 31, 2009, as adopted by the European Union prior to the balance sheet date.

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

Various amounts in this document are shown in million for presentation purposes. Such amounts have been rounded. Rounding differences may also exist for percentages.

Exchange Rate Information

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

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

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

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predictions of, or indicate, future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and AXA's plans and objectives to differ materially from those expressed or implied in the forward-looking statements (or from past results). These risks and uncertainties include, without limitation, the risk of future catastrophic events including possible future weather-related catastrophic events or terrorist related incidents. Please refer to Part 3 – "Risk factors, certain disclosures about market risks and related matters" of this Annual Report for a description of certain important factors, risks and uncertainties that may affect AXA's business and/or results of operations. AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

1

THE AXA GROUP

Our global business operations, recent financial performance and financial condition

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1.1 SELECTED CONSOLIDATED FINANCIAL DATA

The selected historical consolidated financial data presented below have been derived from AXA's consolidated financial statements and related notes for the years ended December 31, 2009, 2008, 2007, 2006 and 2005, in accordance with IFRS.

The table of historical data set out below is only a summary. You should read it in conjunction with the consolidated financial statements and related notes for the years ended December 31, 2009, 2008 and 2007 included in Part 4 –"consolidated financial statements" of this Annual Report.

The consolidated financial statements are prepared in compliance with IFRS standards and IFRIC interpretations that are definitive and effective as at December 31, 2009, as adopted by the European Union before the balance sheet date. However, the Group does not use the "carve out" option to avoid applying all the hedge accounting principles required by IAS 39. In addition, the adoption of the new IFRS 9 standard published by the IASB in November 2009 has not been yet formally submitted to the European Union. However, the Group would not have used the earlier adoption option of the standard in 2009. As a consequence, the consolidated financial statements also comply with IFRSs as issued by the International Accounting Standards Board (IASB). The adoption date of IFRS 9, including its different phases and its mode of enforcement are currently being reviewed within the Group.

(in Euro million, except per share data)	2009	2008	2007	2006	2005
Income Statement Data:					
In accordance with IFRS [a]:					
Total revenues	90,124	91,221	93,633	77,966	70,865
Net investment result excluding financing expenses [b]	36,157	(36,068)	25,891	32,555	32,693
Operating income before tax	5,564	406	7,695	7,626	6,163
Income tax	(1,530)	830	(1,783)	(1,991)	(1,454)
Result from discontinued operations, net of tax	-	-	480	123	97
Net Consolidated Income	4,033	1,236	6,391	5,758	4,806
Net income Group Share	3,606	923	5,666	5,085	4,318
Earnings per share: [c]					
- basic [d]	1.51	0.43	2.69	2.58	2.24
- diluted [d]	1.51	0.43	2.67	2.47	2.16
Earnings per share from discontinued operations:					
- basic	-	-	0.23	0.06	0.05
- diluted	-	-	0.23	0.06	0.05
Other data:					
Number of outstanding shares	2,290.0	2,089.2	2,060.8	2,092.9	1,871.6
Dividend per share [e]	0.55	0.40	1.20	1.06	0.88

(in Euro million, except per share data)	2009	2008 Restated (f)	2007	2006	2005
Balance Sheet Data:					
In accordance with IFRS: (a)					
Total assets	708,252	673,560	722,927	727,609	575,974
Shareholders' equity	46,229	37,440	45,642	47,225	36,525
Shareholders' equity per share (c)	20.4	18.2	22.5	22.9	19.9

(a) As described in Notes 1.10, 1.12.2 and 1.13.2 of Part 4 – consolidated financial statements of this Annual Report, these amounts take into account: (i) following clarification of IFRIC agenda Committee following IASB decision, AXA reclassified TSDI instruments (perpetual subordinated debts) into shareholders' equity in 2006 with retrospective application in 2005 with impact on net income, (ii) in line with accounting FRS27, the reclassification in the United Kingdom of some with-profit technical reserves to allow for all future terminal bonuses payable to with-profit policyholders within the allocated policyholder reserves, previously held in the unallocated policyholder bonus reserve, without any impact on earnings, and (iii) the restatement of The Netherlands' activities as discontinued businesses.

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

(c) (i) the calculation of net income per share is based on the weighted average number of outstanding shares for each period presented, and (ii) shareholders' equity per share is calculated based on the actual number of outstanding shares at each period-end presented. The calculations deduct shares held by AXA and its subsidiaries (i.e. treasury shares) in the calculation of weighted average number of outstanding shares (for net income per share) and outstanding shares (for shareholders' equity per share). The calculation of basic and diluted net income per share for the three years ended December 31, 2009, 2008 and 2007 is presented in Note 26 "Net Income per Ordinary Share" to AXA's consolidated financial statements. Since 2008, the net income per share takes into account interest charges and foreign exchange impacts related to perpetual debts classified in shareholders' equity, with retroactive impact on prior years.

(d) Following AXA's rights issue in 4Q09, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009, 47.7 million in 2008, 47.9 million in 2007, 45.2 million in 2006 and 44.1 million in 2005. As of December 31, 2009, total net outstanding number of shares was 2,264 million and average fully diluted number of shares was 2,133 million.

(e) An annual dividend is generally paid each year in respect of the prior year after the Shareholders' Meeting (customarily held in April or May) and before September of that year. Dividends are presented in this table in the year to which they relate and not in the year in which they are declared and paid. A dividend of €0.55 per share will be proposed at AXA's Shareholders' Meeting that will be held on April 29, 2010. The dividend will be payable on May 6, 2010 with an ex-dividend date of May 3, 2010.

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

Exchange Rate Information

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

	Year End Exchange Rate			Average Exchange Rate		
	2009 (for €1)	2008 (for €1)	2007 (for €1)	2009 (for €1)	2008 (for €1)	2007 (for €1)
US Dollar	1.43	1.40	1.47	1.39	1.47	1.37
Japanese Yen (x100)	1.31	1.27	1.64	1.30	1.62	1.58
British Sterling Pound	0.89	0.96	0.73	0.89	0.80	0.68
Swiss Franc	1.48	1.49	1.66	1.51	1.59	1.64

Information on Euro Noon Buying Rates

The following table sets forth, for the periods and dates indicated, certain information concerning the Noon Buying Rate of one Euro to US dollars in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York, which we refer to in this Annual Report as the "Euro Noon Buying Rate". The Euro Noon Buying Rates presented below are for your convenience and were not used by AXA to prepare AXA's consolidated financial statements included in Part 4 of this Annual Report.

US dollar per Euro

Calendar period	Average rate [(a)]
2005	1.2400
2006	1.2661
2007	1.3797
2008	1.4695
2009	1.3955
2010 (through February 28, 2010)	1.3765

(a) The average of the Euro Noon Buying Rates on the last business day of each full month during the relevant period.

US dollar per Euro

Month	High	Low
September 2009	1.4795	1.4235
October 2009	1.5029	1.4532
November 2009	1.5085	1.4658
December 2009	1.5100	1.4243
January 2010	1.4536	1.3870
February 2010	1.3955	1.3476

The Euro Noon Buying Rate on December 31, 2009 was € 1.00 = 1.4332 $.

Dividends

The Company pays dividends in Euro. Future dividends will depend on AXA's earnings, financial condition and various other factors. Proposals for dividend payments are made at the discretion of the Management Board, subject to prior approval by the Supervisory Board, and are submitted for final approval to the General Shareholders' Meeting.

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

A dividend of €0.55 for the fiscal year 2009 will be proposed to General Shareholders' Meeting to be held on April 29, 2010.

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

Fiscal year	Distribution *(in Euro million)*	Number of shares (as of December 31)	Net dividend per share *(in Euro)*	Dividend per share eligible for a tax relief *(in Euro)*	Gross dividend per share *(in Euro)*
2005	1,647	1,871,605,004	0.88 (b)	0.88 (b)	0.88 (b)
2006	2,218	2,092,888,314	1.06 (c)	1.06 (c)	1.06 (c)
2007	2,473	2,060,753,492	1.20 (d)	1.20 (d)	1.20 (d)
2008	836	2,089,158,169	0.40 (e)	0.40 (e)	0.40 (e)
2009	1,259 (a)	2,289,965,124	0.55 (f)	0.55 (f)	0.55 (f)

(a) Proposal to be submitted to the Shareholders' Meeting to be held on April 29, 2010.
(b) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.352 per share for fiscal year 2005.
(c) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.424 per share for fiscal year 2006.
(d) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.48 per share for fiscal year 2007.
(e) Individual shareholders who were residents of France for tax purposes were eligible for a tax relief of 40% on the dividend, i.e. €0.16 per share for fiscal year 2008.
(f) Proposal to be submitted to the Shareholders' Meeting to be held on April 29, 2010. Individual shareholders who are residents of France for tax purposes will be eligible for a tax relief of 40% on the dividend, i.e. €0.22 per share for fiscal year 2009.

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

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

1.2 INFORMATION ON THE COMPANY

Introduction

AXA is a French "*Société Anonyme à Directoire et Conseil de Surveillance*" (a form of limited liability company with a Management Board and a Supervisory Board) existing under the laws of France. The Company's registered office is located at 25 avenue Matignon, 75008 Paris, France and its telephone number is +33 (0) 1 40 75 57 00. For information on the principal trading markets for AXA's ordinary shares, ADSs and ADRs, please see Part 2 – "Corporate governance, executive compensation, major shareholders and related matters", Section 2.5 "The Offer and Listing" included in this Annual Report. AXA was incorporated in 1957 but the origin of its activities goes back to 1852. The Company's corporate existence will continue, subject to dissolution or prolongation, until December 31, 2059. The Company's number in the Paris Trade Registry is 572 093 920.

History and development

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

In 1982, les Mutuelles Unies took control of Groupe Drouot and following this transaction, the new Group began operating under the name of AXA.

In 1986, AXA acquired Groupe Présence.

In 1988, AXA transferred its insurance businesses to Compagnie du Midi which operated under the name of AXA Midi and subsequently changed its name to AXA.

In 1992, AXA acquired a controlling interest in The Equitable Companies Incorporated following the demutualization of Equitable Life. The Equitable Companies Incorporated, based in the United States, changed its name in 1999 to AXA Financial, Inc. ("AXA Financial").

In 1995, AXA acquired a majority interest in National Mutual Holdings following its demutualization. National Mutual Holdings, based in Australia, subsequently changed its name to AXA Asia Pacific Holdings Ltd.

In 1997, AXA merged with its French competitor Compagnie UAP. This transaction enabled AXA to significantly increase its size and reinforce its strategic position in a number of important markets, particularly in Europe.

In 1998, AXA purchased the minority interest in its subsidiary AXA Royale Belge and, in 1999, AXA acquired Guardian Royal Exchange in Great Britain through its subsidiary Sun Life & Provincial Holdings ("SLPH"). The Guardian Royal Exchange acquisition allowed AXA to further strengthen its positions in both the United Kingdom and Germany.

In 2000, AXA (i) acquired a majority interest in a Japanese life insurance company, "Nippon Dantaï Life Insurance Company", through a new Japanese holding company, "AXA Nichidan", (ii) increased its interest in SLPH from 56.3% to 100%, (iii) sold its interest in Donaldson Lufkin & Jenrette ("DLJ") to Credit Suisse Group, (iv) acquired Sanford C. Bernstein through its US asset management subsidiary Alliance Capital (which subsequently changed its name to AllianceBernstein), and (v) acquired the minority interest in AXA Financial, which is now a 100% owned subsidiary of AXA.

In 2001 and 2002, AXA acquired a banking platform in France, Banque Directe. AXA also continued to streamline its portfolio of businesses, selling its Health business in Australia and insurance operations in Austria and Hungary, and reorganizing its reinsurance business.

In 2003, AXA sold all its activities in Argentina and Brazil.

In 2004, AXA acquired the American insurance group MONY, which allowed the expantion of its life insurance distribution capacity in the United States by approximately 25%. In addition, AXA sold (i) its insurance activities in Uruguay (AXA Seguros Uruguay) thereby finalizing its disengagement from South America, (ii) its Dutch insurance broking operations (Unirobe), (iii) its Dutch health insurance operations, and (iv) its mortgage lending activities in Germany (AXA Bausparkasse AG).

In 2005, FINAXA, a listed holding company that was AXA's principal shareholder, was merged into AXA. Prior to the merger, FINAXA owned the "AXA" brand which, upon consummation of the merger, became the property of AXA. This merger resulted in a simplification of AXA's shareholding structure and an increase in the proportion of its publicly traded shares.

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

In 2007, AXA (i) acquired a 90% stake in Kyobo Auto (now called "Kyobo AXA General Insurance Company") which has a leading position in the South Korean motor direct insurance market, (ii) established a joint-venture in the Ukrainian P&C insurance market with UkrSibbank (the Ukrainian banking subsidiary of BNP Paribas) and subsequently acquired (together with UkrSibbank) 99% of the share capital of Vesko, Ukraine's 6th largest P&C insurer, (iii) completed the sale of its principal Dutch operations, comprising 100% of AXA Netherlands, Winterthur Netherlands and DBV Netherlands, (iv) finalized a long-term partnership agreement with the Italian bank BMPS for the distribution of life, non-life and pension business in Italy, and (v) signed an agreement to acquire a 36.7% interest in Reso Garantia ("RESO") representing AXA's entry into the Russian market.

In 2008, AXA (i) completed the acquisition of 36.7% of the share capital of RESO, Russia's 2nd largest P&C insurer (June 2008), (ii) completed the acquisition of Seguros ING (subsequently renamed AXA Seguros, SA de Compañia de Valores), the 3rd largest Mexican insurer with leading positions in key markets such as Motor or Health and also active on the Life market (July 2008), and (iii) acquired OYAK's 50% share in AXA OYAK, Turkey's 1st largest P&C insurer (August 2008).

In 2009, AXA announced (i) the strengthening of its position in Central and Eastern Europe with the acquisition of minority interests held by the European Bank for Reconstruction and Development (EBRD) in AXA's Hungarian, Czech and Polish subsidiaries, and (ii) a transaction, currently under negotiation, pursuant to which AXA would acquire 100% of AXA Asia-Pacific Holding's (AXA APH) Asian businesses while an Australian partner would acquire 100% of AXA APH's Australia and New Zealand businesses. In addition, AXA announced that it (i) intends to submit to the General Shareholders' Meeting on April 29, 2010 a proposed change in its corporate governance structure from a dual board structure (Supervisory Board and Management Boad) to an unitary board structure (Board of Directors) and (ii) will implement a new organization to support a new stage in its development with M. François Pierson, Chairman and Chief Executive Officer of AXA France and member of AXA's Management Board, and M. Christopher Condron, Chief Executive Officer of AXA Financial, Inc. (United States) and member of AXA's Management Board, assuming Group-wide responsibility on an international level for Property & Casualty insurance, and Life & Savings and Health businesses, respectively, in addition to their current operational responsibilities.

Recent developments

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

General information

The Company is the holding company for the AXA Group, a worldwide leader in financial protection. Based on available information at December 31, 2009, the AXA Group was one of the world's largest insurance groups, with consolidated gross revenues of €90.1 billion for the year ended December 31, 2009. The AXA Group was also one of the world's largest asset managers, with total assets under management as at December 31, 2009 of €1,015.1 billion. Based on available information at December 31, 2008 and taking into account companies engaged in the asset management business, notably banks, AXA was the world's 5th largest asset manager [(1)].

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

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

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

(1) Source: Pensions & Investments, Watson Wyatt Global 500 survey. 2008.

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

Set forth below is a simplified organization chart of AXA as of December 31, 2009. For additional information, please see Note 2 "Scope of consolidation" included in Part 4 – "consolidated financial statements" of this Annual Report.

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

PRINCIPAL SUBSIDIARIES AS OF DECEMBER 31, 2009

		Group share of interests	Voting rights percentage
International Insurance			
AXA Assistance SA		100%	100%
AXA Corporate Solutions Assurance		98.75%	98.75%
AXA Corporate Solutions Life Reinsurance Company		100%	100%
Colisée Ré [(a)]		100%	100%
Asset Management			
AXA Investment Managers		95.27%	95.29%
AXA Real Estate Investment Managers		95.25%	100%
AllianceBernstein [(b)]		62.15%	62.15%
AXA Rosenberg		71.45%	75%
NORTH AMERICA			
	United States		
Insurance	AXA Financial, Inc. [(c)]	100%	100%
	Canada		
Insurance	AXA Canada Inc. [(d)]	100%	100%
	Mexico		
Insurance	AXA Seguros, SA de Capital Variable [(e)]	99.94%	99.94%
AFRICA			
	Morocco		
Insurance	AXA Holding Maroc [(f)]	100%	100%
EUROPE			
	Belgium		
Insurance	AXA Holdings Belgium [(g)]	100%	100%
Financial Services	AXA Bank Europe [(g bis)]	100%	100%
	Czech Republic		
Insurance	AXA zivotní pojišt'ovna a.s.	79.49%	79.49%
	AXA penzijni fond a.s.	92.85%	92.85%

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

		Group share of interests	Voting rights percentage
	France		
Insurance	AXA France Assurance (h)	100%	100%
Financial Services	Compagnie Financière de Paris	100%	100%
	AXA Banque	99.89%	100%
	Greece		
Insurance	AXA Insurance AE (i)	99.89%	99.89%
	Hungary		
Insurance	AXA Biztosító Zrt.	67.40%	67.40%
Financial Services	AXA Bank Europe SA Magyarországi Fióktelepe (j)	100%	100%
	Italy		
Insurance	AXA Italia SpA (k)	100%	100%
	AXA MPS Assicurazioni Vita SpA (l)	50%	50% + 1 voting right
	AXA MPS Assicurazioni Danni SpA (m)	50%	50% + 1 voting right
	Ireland		
Insurance	AXA Holdings Ireland Limited (n)	99.99%	100%
	Germany		
Insurance	AXA Konzern AG (o)	100%	100%
	DBV-Winterthur Holding AG (p)	100%	100%
	AXA Versicherungen AG	100%	100%
	AXA Leben AG	100%	100%
Financial Services	AXA Bank AG	100%	100%
	Luxembourg		
Insurance	AXA Luxembourg SA (q)	100%	100%
	Poland		
Insurance	AXA PTE SA	70%	70%
	AXA Zycie TU SA	79.43%	79.43%
	Portugal		
Insurance	AXA Portugal Companhia de Seguros SA	99.49%	99.73%
	AXA Portugal Companhia de Seguros de Vida SA	94.89%	95.09%
	Seguro Directo Gere (r)	100%	100%
	Spain		
Insurance	AXA Mediterranean Holding SA (s)	100%	100%
	Switzerland		
Insurance	AXA Life Ltd	100%	100%
	AXA Insurance Ltd (t)	100%	100%
	Turkey		
Insurance	AXA Holding AS (u)	100%	100%
	United Kingdom		
Insurance	AXA UK plc (v)	99.99%	100%

(h) Holding company that owns AXA France Vie, AXA France IARD, AVENSSUR, AXA Corporate Solutions Assurance, Juridica, AXA Epargne Entreprise and Natio.
(i) Company owned by AXA Mediterranean Holding, SA (Spain).
(j) Formerly ELLA Bank.
(k) Holding company that owns AXA Assicurazioni SpA and AXA Interlife SpA.
(l) Company owned by AXA Mediterranean Holding, SA (Spain). Company that owns Quadrifoglio Vita SpA.
(m) Company owned by AXA Mediterranean Holding, SA (Spain).
(n) Holding company that owns AXA Ireland Limited and AXA Insurance Limited.
(o) Holding company that owns AXA Versicherung AG, AXA Lebensversicherung AG, AXA ART Versicherung AG and AXA Krankenvezsicherung AG.
(p) Holding company that owns DBV-Winterthur Lebensversicherung AG, AXA Krankenversicherung AG and DBV-Winterthur Versicherung AG.
(q) Holding company that owns AXA Assurance Luxembourg and AXA Assurance Vie Luxembourg.
(r) Company owned by AXA Mediterranean Holding, SA (Spain).
(s) Holding company that owns Hilo Direct de Seguros y Reaseguros, AXA Seguros Generales, SA de Seguros y Reaseguros, AXA Vida, SA de Seguros y Reaseguros, AXA MedLa IT & Local Support Services, SA (formerly Winterthur Service, SA), AXA Winterthur Salud SA de Seguros, AXA Aurora Vida, SA de Seguros y Reaseguros and AXA Pensiones, SA E.G.F.P.
(t) Holding company that owns 66.66% of AXA-ARAG Rechtsschutz AG (formerly Winterthur-ARAG).
(u) Holding company that owns 100% of AXA Hayat Sigorta AS and 72.55% of AXA Sigorta AS
(v) Holding company that owns directly AXA Sun Life Holdings plc, Guardian Royal Exchange plc and Bluefin Group Limited (formerly AXA Advisory Holdings Limited) and indirectly AXA Sun Life plc, Winterthur UK Financial Services Group Limited, AXA Insurance plc, Bluefin Advisory Services Limited and AXA PPP healthcare Limited.

		Group share of interests	Voting rights percentage
ASIA-PACIFIC			
	Australia/New Zealand		
Insurance	AXA Asia Pacific Holdings Limited (w)	54.07%	54.08%
	Hong Kong		
Insurance	AXA China Region Limited (x)	54.07%	100%
	Japan		
Insurance	AXA Japan Holding Co. Ltd (y)	98.40%	98.40%
	Singapore		
Insurance	AXA Financial Services (Singapore) Pte Ltd (z)	54.07%	100%
	South Korea		
Insurance	Kyobo AXA General Insurance Co, Ltd	92.73%	92.73%

(w) Holding company that owns The National Mutual Life Association of Australasia Limited, National Mutual Funds Management (Global) Limited and National Mutual International Pty Limited. AXA's ownership interest and voting power in AXA Asia Pacific Group is divided between a direct holding of 44.65% and an additional 9.43% owned by AXA Sun Life PLC.

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

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

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

Ratings

PRINCIPAL RATINGS OF THE GROUP AS AT MARCH 16, 2010

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

At March 16, 2010, the relevant ratings for the Company and its principal insurance subsidiaries were as follows:

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

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

SRI ratings

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

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

(1) EIRIS does not publish public ratings.

Agency	Theme	AXA rating
SAM (2009)	General score	71% (sector avg.: 49%)
	Economy	79% (sector avg.: 58%)
	Social	66% (sector avg.: 43%)
	Environment	68% (sector avg.: 46%)
	"Sustainability Yearbook" category	Bronze
Vigeo [(1)] (2008)	Human Resources	52% (rating: +)
	Human rights	53% (rating: +)
	Community involvement	63% (rating: +)
	Environment	54% (rating: +)
	Business behaviour	59% (rating: +)
	Corporate governance	48% (rating: =)

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

More SRI ratings: www.axa.com/en/responsibility/sri/

Business overview

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

AXA ACTIVITY INDICATORS AND EARNINGS

	Years ended December 31,					
(in Euro million, except percentages)	2009		2008		2007	
Consolidated gross revenues						
– Life & Savings	57,620	64%	57,977	64%	59,845	64%
– Property & Casualty	26,174	29%	26,039	29%	25,016	27%
– International Insurance	2,860	3%	2,841	3%	3,568	4%
– Asset management	3,074	3%	3,947	4%	4,863	5%
– Banking	395	0%	412	0%	339	0%
– Holdings and other companies	0	0%	5	0%	2	0%
Consolidated gross revenues	90,124	100%	91,221	100%	93,633	100%
Annual Premium Equivalent (APE) (a)	**6,188**		**6,789**		**7,694**	
New Business Value (NBV) (b)	**1,113**		**985**		**1,772**	
Underlying earnings (c)						
– Life & Savings	2,336	61%	1,508	37%	2,670	54%
– Property & Casualty	1,670	43%	2,394	59%	1,863	38%
– International Insurance	286	7%	188	5%	218	4%
– Asset management	355	9%	589	15%	590	12%
– Banking	(2)	0%	33	1%	36	1%
– Holdings and other companies	(793)	-21%	(668)	-17%	(414)	-8%
Underlying earnings	**3,854**	**100%**	**4,044**	**100%**	**4,963**	**100%**
Net capital gains	(386)		(345)		1,175	
Adjusted earnings (d)	**3,468**		**3,699**		**6,138**	
Exceptional operations (including discontinued operations)	(202)		(49)		482	
Goodwill and other related intangible impacts	(85)		(99)		(106)	
Profit or loss on financial assets (under fair value option) & derivatives	485		(2,501)		(596)	
Integration costs	(60)		(127)		(252)	
Net income	**3,606**		**923**		**5,666**	
– Life & Savings	2,075	48%	(446)	-47%	2,899	49%
– Property & Casualty	1,516	35%	926	98%	2,218	37%
– International Insurance	326	8%	103	11%	243	4%
– Asset management	409	9%	396	42%	588	10%
– Banking	(17)	0%	(38)	-4%	6	0%
Net income from operating segments	**4,309**	**100%**	**942**	**100%**	**5,953**	**100%**
– Holdings and other companies	(703)		(19)		(287)	
Net income	**3,606**		**923**		**5,666**	

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

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

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

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

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

(ii) integration and restructuring costs related to material newly acquired companies;

(iii) goodwill and other related intangibles; and

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

OTHER FINANCIAL DATA

	2009	2008 Revised (b)	2008	2007 Revised (b)	2007
For the years ended December 31,					
Net income per ordinary share *(in Euro)* (a)					
Basic	1.51	0.43	0.44	2.69	2.76
Diluted	1.51	0.43	0.44	2.67	2.73
Average share price *(in Euro)*	13.8	20.5	20.5	30.9	30.9
At December 31,					
Shareholders' equity *(in Euro million)*	46,229	37,440	37,440	45,642	45,642
Share price *(in Euro)*	16.5	15.8	15.8	27.4	27.4

(a) Since 2008, the net income per share takes into account interest charges and foreign exchange impacts related to undated debts classified in shareholders' equity, with retroactive impact on prior years.

(b) Following AXA's rights issue in 4Q09, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009, 47.7 million in 2008 and 47.9 million in 2007. As of December 31, 2009, total net outstanding number of shares was 2,264 million and average fully diluted number of shares was 2,133 million.

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

AXA'S TOTAL ASSETS UNDER MANAGEMENT

	At December 31,		
(in Euro million)	2009	2008	2007
AXA:			
General account assets	441,928	433,576	439,604
Assets backing contracts with financial risk borne by policyholders (unit-linked)	155,457	131,990	182,827
Sub-total	**597,385**	**565,566**	**622,431**
Managed on behalf of third parties (a)	417,666	415,913	658,921
TOTAL ASSETS UNDER MANAGEMENT	**1,015,050**	**981,479**	**1,281,352**

(a) Includes Mutuelles AXA

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

BREAKDOWN OF AXA'S GROSS REVENUES

	Years ended December 31,					
	2009		2008		2007	
	Segment contribution (%)	Market contribution to total Segment (%)	Segment contribution *(%)*	Market contribution to total Segment *(%)*	Segment contribution *(%)*	Market contribution to total Segment *(%)*
Total gross revenues *(in Euro million)* [(b)]	90,124		91,221		93,633	
Life & Savings	64%		64%		64%	
France		28%		25%		25%
United States		16%		24%		27%
United Kingdom		5%		6%		8%
Japan		9%		8%		9%
Germany		12%		11%		10%
Belgium		4%		4%		5%
Mediterranean & Latin American Region		11%		8%		3%
Switzerland		8%		8%		7%
Other countries		6%		6%		6%
Property & Casualty	29%		29%		27%	
France		22%		21%		21%
Germany		13%		14%		14%
United Kingdom (including Ireland)		15%		17%		20%
Belgium		8%		8%		8%
Mediterranean & Latin American Region		26%		25%		21%
Switzerland		8%		8%		8%
Other countries		8%		7%		7%
International Insurance	3%		3%		4%	
AXA Corporate Solutions Assurance		67%		69%		51%
AXA Cessions		2%		2%		2%
AXA Assistance		27%		26%		20%
Others [(a)]		4%		3%		28%
Asset Management	3%		4%		5%	
AllianceBernstein		61%		64%		64%
AXA Investment Managers		39%		36%		36%
Banking	0%		0%		0%	
AXA Banque (France)		23%		25%		25%
AXA Bank Europe (Belgium)		59%		60%		64%
Others		18%		15%		11%
Holdings and other companies	0%		0%		0%	

(a) Includes business fronted by Colisée Re (ex AXA RE) and fully reinsured by Paris RE (fronting arrangement set in place in the context of the sale of Colisée Re's (ex AXA RE) business to Paris RE).
(b) As described in Note 1.10 of "Part 4 – consolidated financial statements", the contribution of discontinued operations is stated in a separate line of the income statement.

For additional information on AXA's revenues by segments, see Note 20 "Revenues by segment and net revenues from banking activities" included in "Part 4 – consolidated financial statements" of this Annual Report.

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

Segment information

Life & Savings Segment

AXA offers a broad range of Life & Savings products including individual and group savings products, as well as life and Health products for both individual and commercial clients. The Life & Savings segment accounted for €57.6 billion or 64% of AXA's consolidated gross revenues for the year ended December 31, 2009 (2008: €58.0 billion or 64%).

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

LIFE & SAVINGS SEGMENT: GROSS REVENUES BY COUNTRY

	Gross revenues Years ended December 31,						Gross insurance liabilities at December 31, 2009
(in Euro million, except percentages)	2009		2008		2007		
France	16,340	28%	14,271	25%	15,045	25%	113,358
United States	9,384	16%	13,755	24%	16,243	27%	98,583
Japan	5,438	9%	4,628	8%	5,116	9%	33,116
United Kingdom	2,783	5%	3,549	6%	4,628	8%	74,281
Germany	6,694	12%	6,233	11%	6,200	10%	55,597
Belgium	2,515	4%	2,559	4%	3,072	5%	26,153
Mediterranean & Latin American Region [(b)]	6,473	11%	4,813	8%	1,918	3%	35,539
Switzerland	4,437	8%	4,482	8%	4,116	7%	37,070
Others	3,555	6%	3,688	6%	3,507	6%	21,919
of which Australia and New Zealand [(c)]	*1,532*	*3%*	*1,719*	*3%*	*1,384*	*2%*	*8,694*
of which Hong Kong	*1,203*	*2%*	*1,126*	*2%*	*1,257*	*2%*	*6,908*
TOTAL	**57,620**	**100%**	**57,977**	**100%**	**59,845**	**100%**	**495,617**
Of which:							
Gross written premiums	*55,899*		*56,071*		*57,773*		
Fees and charges relating to investment contracts with no participating feature	*547*		*662*		*740*		
Fees, commissions and others revenues [(a)]	*1,174*		*1,244*		*1,332*		

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

(b) Mediterranean & Latin American Region included Spain, Italy, Portugal, Turkey, Greece and Morocco in 2007. Starting from July 2008 it also included Mexico.

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

BREAKDOWN OF AXA'S LIFE & SAVINGS APE AND NBV

	Annual Premium Equivalent [a]			New Business Value [b]		
(in Euro million)	2009	2008	2007	2009	2008	2007
France	1,602	1,347	1,360	145	78	230
United States	994	1,540	2,099	73	73	397
Japan	532	482	567	330	299	440
United Kingdom	926	1,287	1,588	97	125	140
Germany	469	468	457	63	86	166
Belgium	264	260	340	41	29	144
Mediterranean & Latin American Region [c]	497	406	206	79	55	43
Switzerland	255	280	222	84	78	46
Others	649	720	855	201	162	166
of which Australia and New Zealand	269	378	545	38	35	51
of which Hong Kong	123	112	139	78	75	77
TOTAL GROUP SHARE	**6,188**	**6,789**	**7,694**	**1,113**	**985**	**1,772**

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

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

(c) For APE and NBV: Mediterranean & Latin American Region included Spain, Italy, Portugal, Turkey and Greece in 2007. Starting from July 2008 it also included Mexico.

MARKETS AND COMPETITION

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

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

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

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

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

The table below presents the main Life & Savings insurance markets in which AXA operates ranked by worldwide gross revenues in 2008, along with AXA's estimated ranking (by market share):

INSURANCE MARKET - LIFE & SAVINGS

	Based on worldwide gross revenues in 2008			
	Country Statistics [(a)]		AXA [(b)]	
Countries	**Ranking**	**% revenues**	**Ranking**	**Market share**
France [(h)]	4	8%	3 [(e)]	9%
United States [(h)]	1	24%	5 [(c)]	6%
Japan	2	16%	8	3%
United Kingdom	3	12%	6 [(d)]	8%
Germany	5	5%	5 [(g)]	5%
Belgium [(h)]	17	1%	3	13%
Mediterranean & Latin American Region				
- Italy [(f)]	7	3%	8	4%
- Spain [(h)]	14	2%	13	2%
- Portugal	24	1%	8	2%
- Turkey [(h)]	44	0%	8	4%
- Morocco	48	0%	5	8%
- Greece [(h)]	36	0%	9	4%
- Mexico [(h)]	30	0%	6	5%
Switzerland [(h)]	18	1%	2	27%

(a) Source: Swiss Re, Sigma report 2009 “World Insurance in 2008”.
(b) Source: AXA, mainly based on national insurance association data for each specific country.
(c) Relates to Variable Annuity products.
(d) Based on new business Annual Premium Equivalent (APE). Represents 100% of regular premiums + 10% of single premiums, in line with EEV methodology.
(e) Excludes Health.
(f) Includes MPS Financial’s activity (based in Ireland).
(g) Considering all companies part of the Group of Public Insurers independently.
(h) AXA’s ranking and market share are based on updated September 2009 figures.

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

PRODUCTS AND SERVICES

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

PRODUCT TYPES BY NATURE OF RISK

Investment and savings products include:

- Deferred annuities, which may be purchased with either a single premium or regular premiums. A deferred annuity has two distinct periods: an accumulation period and an annuity payment period. Typically, more flexibility is permitted in premium payments for longer deferred periods. The premium generally can be invested either in the general account of the insurer, or in a choice of unit-linked funds. Also known as individual variable annuities in the United States, these products often include optional guarantees (for a fee) such as Guaranteed Minimum Income Benefit (GMIB), Guaranteed Minimum Death Benefit (GMDB) and Guaranteed Minimum Withdrawal Benefit (GMWB) ;
- Pure savings products, which provide investment return to policyholders, while AXA bears the investment risk;
- Universal savings products, which is the same as universal life but has no significant death benefit component. See below for a description of universal life products.

Life products include:

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

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

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

New Product Initiatives

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

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

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

LIFE & SAVINGS SEGMENT

	Gross revenues by main product lines Years ended December 31,						Gross insurance liabilities at December 31,
(in Euro millon, except percentages)	2009		2008		2007		2009 [c]
Investment & Savings	29,376	53%	28,690	51%	31,652	55%	257,138
Individual	*25,410*	*45%*	*25,829*	*46%*	*28,264*	*49%*	*222,112*
Group	*3,966*	*7%*	*2,861*	*5%*	*3,388*	*6%*	*35,026*
Life contracts (including endowment contracts)	17,676	32%	18,661	33%	18,095	31%	143,418
Health contracts	6,653	12%	6,200	11%	5,966	10%	17,387
Other	2,194	4%	2,520	4%	2,059	4%	11,098
Sub-total	**55,899**	**100%**	**56,071**	**100%**	**57,773**	**100%**	**429,042**
Fees and charges relating to investment contracts with no participating features	547		662		740		47,666
Fees, commissions and other revenues [b]	1,174		1,244		1,332		
Liabilities arising from policyholder's participation							16,581
Unearned revenues and unearned fees reserves							2,632
Derivatives relating to insurance and investment contracts							(305)
TOTAL REVENUES AND LIABILITIES	**57,620**		**57,977**		**59,845**		**495,617**
Of which:							
Contracts with financial risk borne by policyholders (unit-linked)	*13,167*	*24%*	*18,435*	*33%*	*21,529*	*37%*	*159,774*
UK with-profit business [a]	*560*	*1%*	*706*	*1%*	*976*	*2%*	*15,967*

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

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

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

DISTRIBUTION CHANNELS

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

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

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

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

Brokers are independent firms who negotiate with insurance companies on behalf of customers. As opposed to exclusive agents, brokers can work with different insurance companies.

Independent financial advisors are individuals or firms that provide financial advice to customers and negotiate related policies with insurance companies on behalf of customers.

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

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

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

The split of distribution channels used by AXA's principal Life & Savings operations, based on consolidated gross revenues for the years ended December 31, 2009 and 2008, is presented below:

BASED ON GROSS REVENUES IN 2009

	Agents, salaried salesforce and direct sales	Intermediaries/ independent advisers/brokers	Other networks, including corporate partnerships and bank networks
France	44%	46%	10%
United States	69%	9%	22%
Japan	50%	36%	14%
United Kingdom	24%	75%	1%
Germany	58%	35%	6%
Belgium	0%	100%	0%
Mediterranean & Latin American Region	19%	9%	71%
Switzerland	57%	38%	5%

BASED ON GROSS REVENUES IN 2008

	Agents, salaried salesforce and direct sales	Intermediaries/ independent advisers/brokers	Other networks, including corporate partnerships and bank networks
France	50%	42%	8%
United States	56%	6%	38%
Japan	43%	46%	11%
United Kingdom	16%	79%	5%
Germany	56%	36%	8%
Belgium	-	100%	-
Mediterranean & Latin American Region	25%	11%	64%
Switzerland	55%	41%	4%

SURRENDERS AND LAPSES

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

Total surrenders and lapses for 2009, and the ratio of surrenders and lapses to gross surrenderable insurance reserves at the beginning of the periods indicated are presented below:

SURRENDERS AND LAPSES

	Years ended December 31,			
	2009	2009	2008	2007
	Total surrenders & lapses	Surrenders & lapses ratio		
	(in Euro million)	%	%	%
France	5,823	6.4%	6.6%	7.1%
United States [(a)]	5,003	6.6%	6.7%	9.1%
Japan [(b)] [(d)]	4,331	12.9%	8.6%	8.4%
United Kingdom	4,898	8.5%	9.2%	10.6%
Germany	674	2.1%	2.6%	2.0%
Belgium	681	2.8%	3.2%	3.2%
Mediterranean & Latin American Region [(c)]	2,457	8.2%	13.0%	11.6%
Switzerland	713	2.7%	1.5%	2.9%

(a) Amounts and percentages reported for the United States operations exclude lapses and corporate separate accounts surrenders.
(b) Includes conversions in Japan.
(c) In 2007, Mediterranean & Latin American Region consisted of Spain, Italy, Portugal, Morocco, Greece and Turkey. In 2008, it also included Mexico.
(d) Surrenders & Lapses in Japan were impacted in 2009 by the bankruptcy of one large independent agent and by the decrease in the guaranteed rate of group pension contracts.

Property & Casualty Segment

AXA's Property & Casualty Segment offers a broad range of products including motor, household property and general liability insurance for both personal and commercial customers, targeting mainly small to medium sized companies. In certain countries, Health products are classified as Property & Casualty products [(1)]. The Property & Casualty segment accounted for €26.2 billion, or 29% of AXA's consolidated gross revenues for the year ended December 31, 2009 (2008: €26.0 billion or 29%).

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

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

PROPERTY & CASUALTY SEGMENT

	Gross revenues - Years ended December 31,						Gross insurance liabilities at December 31,
(in Euro million, except percentages)	2009		2008		2007		2009
France	5,684	22%	5,595	21%	5,330	21%	12,154
Germany	3,501	13%	3,530	14%	3,506	14%	6,244
United Kingdom & Ireland	3,905	15%	4,420	17%	5,076	20%	5,330
Belgium	2,130	8%	2,139	8%	2,112	8%	6,580
Mediterranean & Latin American Region [(a)]	6,697	26%	6,414	25%	5,276	21%	9,137
Switzerland	2,154	8%	2,017	8%	1,974	8%	5,947
Other Countries	2,103	8%	1,925	7%	1,743	7%	2,867
TOTAL	**26,174**	**100%**	**26,039**	**100%**	**25,016**	**100%**	**48,258**
Of which:							
Gross written premiums	*26,097*		*25,937*		*24,937*		
Other revenues	*77*		*102*		*79*		

(a) In 2007, Mediterranean and Latin American Region consisted of Spain, Italy and Portugal, Greece, Morocco and Turkey. In 2008, it also included Mexico and the Gulf Region.

MARKETS AND COMPETITION

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

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

The principal competitive factors are as follows:

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

The table below presents the Property & Casualty markets in which AXA operates ranked by worldwide gross revenues in 2008, along with AXA's ranking (by market share).

PROPERTY AND CASUALTY MARKETS

	Based on worldwide gross revenues in 2008			
	Country Statistics [a]		AXA [b]	
	Ranking	% revenues	Ranking	Market share
France [e]	5	5%	2	15%
Germany	2	7%	3 [f]	6%
United Kingdom [c]	3	6%	3	7%
Belgium [e]	16	1%	1	22%
Mediterranean & Latin American Region				
– *Italy*	*7*	*3%*	*7*	*4%*
– *Spain* [e]	*9*	*3%*	*2*	*8%*
– *Portugal* [e]	*30*	*0%*	*2*	*9%*
– *Turkey* [e]	*27*	*0%*	*1*	*13%*
– *Morocco*	*51*	*0%*	*1*	*18%*
– *Greece* [e]	*42*	*0%*	*9*	*3%*
– *Gulf Region* [d]	*25*	*0%*	*4*	*4%*
– *Mexico* [e]	*22*	*1%*	*2*	*13%*
Switzerland	*15*	*1%*	*1*	*14%*

(a) Source: Swiss Re, Sigma report 2009 "World insurance in 2008".
(b) Source: AXA, mainly based on national insurance association data for each specific country.
(c) United Kingdom: includes Health, but excludes Ireland.
(d) Gulf Region: includes Saudi Arabia, United Arab Emirates, Kuwait, Qatar and Oman.
(e) AXA's ranking and market share based on updated September 2009 figures.
(f) Considering all companies of the Group of Public Insurers independently.

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

PRODUCTS AND SERVICES

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

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

PROPERTY & CASUALTY SEGMENT

in Euro million, except percentages	Gross Written Premiums Years ended December 31, 2009		2008		2007		Gross insurance liabilities at December 31, 2009
Personal lines							
Motor	9,093	35%	9,053	35%	8,709	35%	15,745
Homeowners/household	3,947	15%	3,745	14%	3,564	14%	3,552
Other	2,782	11%	2,875	11%	2,908	12%	6,101
Commercial lines							
Motor	2,091	8%	1,877	7%	1,618	6%	2,939
Property damage	2,590	10%	2,679	10%	2,740	11%	2,922
Liability	1,480	6%	1,662	6%	1,740	7%	6,130
Other	3,746	14%	3,668	14%	3,313	13%	9,829
Other	**368**	**1%**	**378**	**1%**	**345**	**1%**	**739**
TOTAL	**26,097**	**100%**	**25,937**	**100%**	**24,937**	**100%**	**47,957**
Liabilities arising from policyholders' participation							301
TOTAL							**48,258**

To attract and retain clients, new products are designed to add value for the clients and support cross-selling, thus improving client retention.

DISTRIBUTION CHANNELS

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

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

The split of distribution channels used by AXA's Property & Casualty operations, based on gross revenues for the year ended December 31, 2009 and 2008, is presented below:

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

Based on gross revenues in 2008	General agents and salaried salesforce	Intermediaries, independent advisers & brokers	Direct Sales and marketing	Other networks, including corporate partnerships and bank networks
France	70%	24%	5%	1%
Germany	48%	45%	1%	5%
United Kingdom	3%	60%	26%	10%
Belgium	2%	94%	3%	2%
Mediterranean and Latin American Region	47%	41%	3%	8%
Switzerland	77%	21%	0%	3%

CEDED REINSURANCE

AXA's Property & Casualty operations use various types of reinsurance, primarily to limit their maximum exposure to catastrophic events, environmental pollution risks and certain other types of risks, in order to protect Group Solvency and reduce volatility on key financial indicators. A growing portion of AXA's Property & Casualty insurance exposures are ceded internally to AXA Cessions, which organizes external reinsurance programs. total gross premiums ceded by AXA's Property & Casualty operations to third party reinsurers in 2009 amounted to €1,356 million (2008: €1,343 million).

International Insurance Segment

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

The businesses of the International Insurance activities are described below. The International Insurance segment accounted for €2.9 billion, or 3% of AXA's consolidated gross revenues for the year ended December 31, 2009 (2008: €2.8 billion or 3%).

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

AXA Cessions is an intra-group reinsurance company. Most of the companies within the AXA Group cede internally some of their major claims and catastrophic exposure to AXA Cessions which analyzes structures and places reinsurance programs for these risks with third-party reinsurers. It also provides advice in risk management and purchase of reinsurance cover to AXA Group subsidiaries.

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

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

AXA Corporate Solutions Life Reinsurance Company is a reinsurance company in the United States, in run-off, notably managing a book of reinsurance contracts of variable annuities.

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

INTERNATIONAL INSURANCE

(in Euro million, except percentages)	Gross written premiums Years ended December 31, 2009		2008		2007		Gross insurance liabilities at December 31, 2009
AXA Corporate Solutions Assurance	1,930	67%	1,954	69%	1,805	51%	5,763
AXA Cessions	58	2%	50	2%	67	2%	221
AXA Assistance	765	27%	751	26%	699	20%	304
Other international activities	107	4%	86	3%	996	28%	3,849
of which							
Colisée Re (ex AXA RE) [(a)]	*23*	*1%*	*(6)*	*0%*	*896*	*25%*	*1,623*
AXA Liabilities Managers	*13*	*0%*	*17*	*1%*	*18*	*1%*	*1,736*
AXA Corporate Solutions Life Reinsurance	*71*	*2%*	*75*	*3%*	*82*	*2%*	*489*
TOTAL	**2,860**	**100%**	**2,841**	**100%**	**3,568**	**100%**	**10,136**
Gross written premiums	*2,650*		*2,654*		*3,407*		-
Other revenues	*211*		*187*		*161*		-

(a) In 2007, revenues represent business fronted by Colisée Re (ex AXA RE) until October 2007, and fully reinsured by Paris RE (fronting arrangement set in place in the context of the sale of Colisée Re's (ex AXA RE) business to Paris RE in 2006).

MARKET AND COMPETITION

AXA Corporate Solutions Assurance. The competitors in the global risks market are acting at a worldwide level with multinational clients placing their risks far beyond their countries of origin via international programs or in key global marketplaces. After several years of soft underwriting conditions, corporate risks insurance showed the first signs of an upturn in the pricing cycle during 2009. AXA Corporate Solutions Assurance is among the top five largest corporate risks insurers in Europe [(1)].

AXA Assistance is one of the three leading worldwide assistance companies, in a market seeing the emergence of some specialized niche players [(2)].

PRODUCTS AND SERVICES

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

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

(1) Sources: Merrill Lynch, JP Morgan, KBW, Annual Reports.

(2) Source: SNSA (National Syndicate of Insurance Companies).

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

INTERNATIONAL INSURANCE

	Gross revenues Years ended December 31,						Gross insurance liabilities at December 31,
(n Euro million, except percentages)	2009		2008		2007		2009
Property damage	524	20%	526	20%	957	28%	1,449
Motor, Marine, Aviation	788	30%	805	30%	956	28%	2,787
Casualty / Civil Liability	455	17%	410	15%	467	14%	3,578
Other	883	33%	913	34%	1,027	30%	2,338
TOTAL	**2,650**	**100%**	**2,654**	**100%**	**3,407**	**100%**	**10,152**
Derivatives relating to insurance and investment contracts							(16)
TOTAL							**10,136**

DISTRIBUTION CHANNELS

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

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

CEDED REINSURANCE AND RETROCESSION

AXA Corporate Solutions Assurance reviews annually its exposure to ensure that the risks underwritten are diversified geographically and by lines of business in order to manage concentration risk. In 2009, AXA Corporate Solutions Assurance ceded €844 million of premiums (2008: €849 million) to third-party reinsurers.

Also, in 2009, approximately €981 million of premiums were placed externally by **AXA Cessions** on behalf of AXA's insurance subsidiaries (2008 €818 million), mainly for Property & Casualty business but also increasingly in Life & Savings.

Asset Management Segment

Asset Management is important to AXA, from both a strategic and a profitability perspective. The development of Asset Management activities is a key part of AXA's financial services strategy, which seeks to capitalize on existing strengths and expand its client base. This strategy is based on the belief that its asset management expertise will enable AXA to benefit in the future from the expected growth in savings-related products in the markets in which it operates. The Asset Management segment accounted for €3.1 billion, or 3% of AXA's consolidated gross revenues for the year-ended December 31, 2009 (2008: €3.9 billion or 4%).

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

AXA has asset management specialists' teams in each of its major markets: Western Europe, the United States and the Asia-Pacific Region.

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

ASSETS MANAGEMENT SEGMENT

(in Euro million)	2009	2008	2007
Assets managed by AXA's Assets Managers at December 31, [(a)]			
Managed on behalf of third parties [(b)]	415,873	415,035	657,957
Assets backing contracts with financial risk borne by policyholders	74,588	60,955	95,225
Other invested assets	354,186	340,022	338,672
TOTAL	**844,646**	**816,012**	**1,091,853**
Of which			
AllianceBernstein	345,798	331,077	543,465
AXA Investment Managers	498,848	484,935	548,388
Commissions and fees earned for the years ended December 31,			
AllianceBernstein	1,973	2,627	3,277
AXA Investment Managers	1,445	1,716	2,006
SUB-TOTAL	**3,419**	**4,342**	**5,283**
Intercompany eliminations	(344)	(395)	(420)
CONTRIBUTION TO AXA'S CONSOLIDATED GROSS REVENUES	**3,074**	**3,947**	**4,863**

(a) Based on estimated fair value at the dates indicated. Assets under management presented in this table are based on asset management companies only. AXA Group (including insurance companies) assets under management amounted to €1,015,1 billion and €981.5 billion, as of December 31, 2009 and 2008 respectively.

(b) Includes Mutuelles AXA.

MARKET AND COMPETITION, PRODUCTS AND SERVICES, AND DISTRIBUTION CHANNELS

AllianceBernstein

AllianceBernstein, a 62.15% subsidiary, is a leading global investment management firm based in the United States. AllianceBernstein provides diversified investment management and related services to individual investors, private clients and to a variety of institutional clients, including AXA and its insurance company subsidiaries (which collectively are AllianceBernstein's largest client). AllianceBernstein Holding L.P. is listed on the New York Stock Exchange under the ticker symbol "AB".

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

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

At December 31, 2009, AllianceBernstein had €345.8 billion of assets under management, including €270.4 billion of assets managed on behalf of third party clients (2008: €331.1 billion and €263.8 billion, respectively).

AXA Investment Managers ("AXA IM")

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

At December 31, 2009, AXA IM had €498.9 billion of assets under management, including €145.5 billion of assets managed on behalf of third party clients (2008: €484.9 billion and €151.2 billion, respectively).

Banking Segment

The operations in the Banking segment are conducted primarily in Belgium, France, Germany and Eastern Europe. For the years ended December 31, 2009 and 2008, the Banking segment accounted for €0.4 billion each year, or less than 1% of AXA's consolidated gross revenues.

This segment's operations principally include:

AXA BANK EUROPE

AXA Bank Europe is a subsidiary of AXA Holdings Belgium. It offers a complete range of banking products and services: daily banking, loans, short-term savings for retail customers. AXA Bank products and services in Belgium are mainly distributed by a network of 910 tied but independent bank agents. AXA Bank Europe is ranked sixth on the Belgian banking market where the four major banks represent approximately 85% of the market.

AXA BANQUE

Based in Paris, AXA Banque had more than 705,000 registered customers at the end of 2009, with a retail banking product offer (innovative current accounts with advantages on insurance premiums, saving and credit). Directly linked with the Group's insurance business, banking products are offered to AXA France clients through its distribution network. AXA Banque also manages direct clients through internet banking relationships.

GERMAN BANK

AXA Bank targets private customers in retail banking and is an important element of pensions and asset management of AXA Germany. The Bank had approximately 72,000 clients at year-end 2009. The major activities of AXA Bank are deposits, mutual funds and mortgage loans. These products are mainly sold through the tied agent network of AXA Germany.

HUNGARIAN BANK

AXA Bank Hungary (formerly Ella Bank) became a branch of AXA Bank Europe in January 2009. AXA Bank Hungary, acquired in July 2007, works in collaboration with AXA's insurance operations in Hungary. Products such as mortgages loans and saving accounts are offered to clients and are distributed through over 300 insurance agents and by internet.

CZECH REPUBLIC BANK

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

SWISS BANK

The commercial activity of AXA Bank in Switzerland was launched in January 2009 as a branch of AXA Bank Europe. The bank's product offer consists of term account, deposit account and pension savings accounts. This product is distributed through existing AXA sales networks, tied agents and a direct channel. The bank had approximately 14,000 clients at year-end 2009.

Global Business Line Heads

On December 10, 2009 AXA announced that it will implement a new organization to support a new stage in its development. In addition to their current operational responsibilities, (1) François Pierson, Chief Executive Officer of AXA France and member of AXA's Management Board, will assume Group-wide responsibility on a international level for the Group's Property & Casualty businesses, and (2) Christopher Condron, Chief Executive Officer of AXA Financial (United States) and member of AXA's Management Board, will assume Group-wide responsibility on an international level for the Group's Life & Savings and Health businesses.

Additional factors which may affect AXA's business

For information relating to certain additional matters that may affect AXA's business, see the "Risk factors" Section included in Part 3, and Part 4 "consolidated financial statements" included in this Annual Report.

REGULATION

AXA is engaged in regulated business activities on a global basis through numerous operating subsidiaries and the Group's principal business activities of insurance and asset management are subject to comprehensive regulation and supervision in each of the various jurisdictions where the Group operates. AXA SA, the ultimate parent holding company of the AXA Group, is also subject to extensive regulation as a result of its listing on Euronext Paris and on the New York Stock Exchange and its interest in numerous regulated insurance and asset management subsidiaries. Given that the AXA Group is headquartered in Paris, France, this supervision is based to a significant extent on European Union ("EU") directives, discussed more fully below, and on the French regulatory system. The AXA Group's principal regulators in France are the *Autorité des marchés financiers* ("AMF"), which is the French financial market regulator, and the *Autorité de Contrôle des Assurances et des Mutuelles* ("ACAM")(1), which is the principal French insurance regulator.

REGULATORY AND LEGISLATIVE INITIATIVES RELATED TO FINANCIAL CRISIS

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

In 2009, as many emergency government programs slowed or wound down, global regulatory and legislative focus generally moved to a second phase of broader reform and a restructuring of the way in which financial institutions are regulated. While the final nature, scope and extent of this second phase of initiatives are still evolving, many of the principal jurisdictions where the Group does business have considered or enacted major, and in some cases transformational, changes to the way financial institutions are regulated. Management believes that a significant number of these regulatory and legislative proposals currently under discussion may become law during 2010 or 2011. As most changes, if adopted, will require regulatory implementation, their full impact is not likely to become clear until a later stage. While many of these initiatives revolve around common themes and attempts are being made to coordinate and harmonize these reforms internationally, management believes that the multitude of reform initiatives under consideration may ultimately result in the enactment of a series of technically incoherent and inconsistent measures across the various jurisdictions where the Group does business, with broad potential implications for the Group and its business. Management believes that these reforms are likely to revolve around the following areas and themes, among others:

- Potential reforms to regulatory structures and schemes
  - Various proposals designed to optimize regulatory structures and coordination with respect to supervision of the largest "systemically significant" global financial institutions including:
    - proposals to impose new/additional prudential requirements/restrictions on these institutions with respect to capital, liquidity, leverage and/or business activities,
    - the move towards a more cohesive and streamlined European supervisory framework, including adjusting the current insurance regime to include a European Insurance and Occupational Pensions Authority and establishing a European Systemic Risk Board,
    - the move towards the establishment of a systemic regulator in the US, together with increased capital, leverage and liquidity requirements on those financial institutions deemed to be systemically significant by virtue of a combination of their size, leverage and interconnectedness.
  - Proposals to establish new regulatory or judicial "resolution authorities" designed to stabilize, merge, wind-up/liquidate or take other appropriate actions with respect to systemically significant financial institutions that become insolvent or otherwise unable to meet their obligations.
  - Proposals to impose new taxes and/or fees on (1) financial institutions (including, for example, the "financial crisis responsibility" tax proposed by the US administration that would be levied on the largest financial institutions, which may include certain of AXA's US subsidiaries), (2) on financial transactions (e.g. the "Tobin tax"), and/or (3) bonuses or other executive compensation in excess of defined limits.
  - Proposals to establish new national and/or supra-national "guaranty funds" (funded with new taxes or fees similar to those described above) to stabilize insolvent financial institutions, protect customers and ensure stability of the overall financial system.
  - Proposals to create new or additional consumer protection bodies designed to ensure that retail financial services products are suitable for their target markets, understandable by consumers and marketed appropriately (including the proposed Consumer Financial Products Safety Commission in the US).
  - Move towards a federal level "Office of National Insurance" and/or an optional or mandatory Federal charter for insurance companies in the US.

(1) As of March 9, 2010, the Autorité de contrôle des assurances et des mutuelles (ACAM) is replaced by the Autorité de contrôle prudentiel (ACP), a new authority resulting mainly from a merger of the Banking Commission (Commission bancaire) and the ACAM.

- Similar proposals aimed at ensuring the continued stability of the overall financial system and addressing the risk of "regulatory arbitrage" arising from fractured and inconsistent regulation of financial institutions both nationally and internationally.

- Potential legislative initiatives designed to "cure" perceived excessive risk taking and misaligned financial incentives
  - Increased responsibilities of Boards and Board Committees to specifically identify and address financial incentives that may lead to "excessive" risk taking by an institution with broad potential implications for fiduciary duties and liabilities of directors.
  - Increased taxes, restrictions and/or disclosure requirements with respect to executive and employee compensation, including disclosure requirements and restrictions on compensation determined to encourage excessive risk-taking.
  - Increased restrictions on, and new disclosure requirements with respect to, related party transactions including payment of dividends, transfers of assets and/or liabilities and other transactions between related parties.
  - Increased restrictions on, and new disclosure requirements with respect to, conflicts of interest – in particular aimed at misaligned financial incentives.
  - Increased restrictions on, and new disclosure requirements with respect to, securitization transactions – in particular retention of risk by originators/sponsors.
  - Increased restrictions on, and new disclosure requirements with respect to, off-balance sheet arrangements.
  - Attempts to legislate corporate governance standards and principles.
- Potential financial market regulation reforms
  - Potential regulation of CDSs as "credit insurance" requiring licensing of institutions offering these instruments.
  - Regulation of ratings agencies and redefinition of the relationship (including compensation relationship) between agencies and issuers.
  - Regulation of hedge funds, mortgage brokers, non-bank lenders and other participants in the "shadow" financial systems.
  - Tighter regulation of short selling.
  - Review of mark-to-market accounting rules and impairment rules.

Management believes that 2010 is likely to see significant additional regulation in some or all of these areas, among others, and that the massive injection of government funds into a number of major financial institutions during 2008 and 2009 has broad potential implications, the full extent of which is not clear yet, for those institutions (and for the financial services sector more generally) in terms of the extent and nature of continuing government influence and control. The Group will continue to monitor the evolution of these initiatives and their potential impact on our business closely over the coming months.

Financial institutions such as AXA, that have not received any form of government support or backing, find themselves increasingly competing directly against government supported or controlled financial institutions in many of their principal markets. This is an unprecedented situation with broad potential implications for the competitive landscape going forward. In this context, management is concerned about potentially abusive uncompetitive practices by its government supported or controlled competitors, for example, in attempting to use their government backing as a marketing advantage with consumers and/or taking advantage of government injected funds to aggressively "buy" revenues and market share by underwriting risks on an unprofitable basis – in both cases to the detriment of pure private sector players such as AXA. Management is monitoring this situation closely and will act to protect its interests where warranted.

INSURANCE RELATED REGULATION

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

REGULATORY CAPITAL REQUIREMENTS

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

At the consolidated Group level, the Company is required to calculate, in accordance with applicable French "Solvency I" regulations, a consolidated solvency margin ratio which represents the Company's total available capital as compared to its required regulatory capital. Under applicable French regulations, 100% is the minimum required consolidated solvency margin for the Company. As at December 31, 2009 the Company's consolidated solvency margin was 171% (taking into account the proposed 2009 dividend payment of €0.55 per share proposed to the General Shareholders' Meeting to be held on April 29, 2010). The Company's year-end 2009 solvency margin is significantly higher than its consolidated solvency margin at December 31, 2008 (127%) but is lower than the consolidated solvency margin ratios published by certain of the Company's principal competitors.

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

Ratings agencies also take into account the Company's consolidated solvency margin and the regulatory capital position of its insurance subsidiaries in assessing its financial strength and credit ratings. Ratings agencies may make changes to their internal models from time to time that may increase or decrease the amount of capital the Company must hold in order to maintain its current ratings. To the extent that the Company regulatory capital levels are deemed insufficient to meet rating agency criteria, its financial strength and credit ratings may be downgraded.

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

EUROPE

In Europe, AXA operates in most major markets, including France, Germany, the United Kingdom ("UK") and Belgium through free-standing subsidiaries that are subject to a comprehensive regulatory regime based on the EU insurance directives on life insurance and insurance other than life insurance. These directives have been implemented in France, Germany, the UK and other European jurisdictions and are founded on the "home country control" principle, according to which the ongoing regulation of insurance companies, including their non-home country insurance operations (whether direct or through branches), is the responsibility of the home country insurance regulatory authority. The home country insurance regulator monitors compliance with applicable regulations, including regulations governing solvency, actuarial reserves, investment of assets, statutory accounting principles, internal governance and periodic reporting requirements. In France, ACAM monitors compliance with applicable regulations, the insurer's capital base and actuarial reserves, as well as the assets of the insurer that support such reserves. For example, in 2009, ACAM undertook a review of Variable Annuity products sold in France as well as the Group's hedging platforms and processes used to hedge certain risks associated with its Variable Annuity business. ACAM's review raised various issues including with respect to compliance of the French Variable Annuity products with French legal requirements and certain aspects of AXA France's statutory reserving methodology for its Variable Annuity business. Discussions with ACAM on this review and actions to be undertaken by the Group in response are on-going. Selling activities of non-home country insurance operations are generally supervised by the regulator in the country in which the sale of the insurance product takes place. As a result of the implementation of these directives, an insurance company that has been licensed to conduct insurance business in one jurisdiction of the EU may do business directly or through branches in all other jurisdictions of the EU without being subject to additional licensing requirements in the other jurisdictions.

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

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

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

- The European Commission ("Commission"), jointly with Member States, has undertaken a fundamental review of the regulatory capital regime of the insurance industry (the "Solvency II" project) that has updated the existing life, non-life, reinsurance and insurance groups directives. Its principal objective is to establish a solvency system that is better matched to the true risks of insurers, enabling supervisors to protect policyholders' interests as effectively as possible and in accordance with common principles across the EU. The Solvency II project was conceived around three pillars: minimum capital requirements, supervisory review of firms' assessments of risk and enhanced disclosure requirements. Under Solvency II, companies will be encouraged to improve their risk management processes and will be permitted to make use of internal economic capital models to enable a better understanding of risks and appropriate adaptation of the model to each insurer's specific business mix and risks. In 2007, the Commission adopted a draft directive setting forth various policy principles and guidelines that would act as a framework for the development of the Solvency II regime. In 2009, the Commission, the European Parliament and the European Council agreed on a compromise text for the Solvency II Framework Directive that was adopted by the European Parliament in April. The final text of the Solvency II Directive regarding the "taking-up and pursuit of the business of insurance and reinsurance" was adopted by the European Council in November 2009 and includes rules regarding, among other things, valuations, own funds, minimum capital requirements and investments. Following adoption of the Level 1 Directive, the Commission is preparing the said "Level 2" Directive that shall specify the implementing measures of the Directive, based on the technical opinions of the Committee of supervisors (CEIOPS). These opinions of CEIOPS propose tighter calculation measures for solvency margin requirements and for assets admitted to hedge this margin including a proposed reclassification of certain existing subordinated debt that may no longer qualify as regulatory capital following an initial grandfathering period. The Commission should publish the Level 2 measures in autumn 2010 for an adoption by the end of 2011. At the same time, a quantitative impact study among UE insurers will be carried out as of summer 2010. Implementation of Solvency II by the Member States is expected in the 2012-2013 time frame;
- Switzerland has adopted a new directive concerning solvency margin requirements for insurers and insurance groups pursuant to the Insurance Supervision Act adopted in 2005 and associated regulations issued in 2008 by the Swiss financial market supervisory authority. This "Swiss Solvency Test" is designed on the basis of on a risk-based capital approach and is legally applicable since 2008. The capital requirements resulting from the Swiss Solvency Test will be applicable from January 1, 2011.

In addition to these directives governing solvency of insurance companies and groups, in France, Germany, the UK, and certain other European jurisdictions, Property & Casualty insurers are required to maintain equalization reserves to protect themselves against the impact of large claims and catastrophes. The basis on which these equalization reserves are established is set out in the local country regulations based on pre-established formulas applicable to certain lines of business and may be capped at a maximum level.

There have been a number of other initiatives in Europe with implications for AXA's European insurance subsidiaries, and the European insurance sector more generally, including the following:

- The regulatory reform initiatives referred to above;
- Over the past several years a number of European jurisdictions, including France and Belgium, and other jurisdictions have enacted legislation that permits corporate entities to be charged with criminal offenses. The standard for attributing criminal conduct by corporate officers and employees to corporate entities is not clearly defined in many of these jurisdictions and government prosecutors and judges have broad discretion in this area. In recent years, indictments of corporate entities for alleged criminal offenses have become increasingly common. While a criminal indictment of a corporate entity may not pose material financial risk, it has broad potential implications for a regulated financial institution like AXA both from a reputation point of view and from a regulatory perspective because a criminal conviction can have potentially far-reaching negative implications for other Group companies engaged in regulated businesses around the world including for their ability to obtain and/or maintain licenses to engage in certain types of regulated business activities;
- A number of countries in Europe are currently considering legislation that would authorize class action litigation and/or other forms of redress for consumers. For example, in the UK, the Finance Services Bill, which is currently at the committee stage in the House of Lords, seeks to introduce a new ability for the regulator to require authorised firms to establish and operate consumer redress schemes and also to introduce collective actions into the UK legal system. Under the proposed legislation, the regulator could, if there appeared to have been a widespread or regular failure by a firm which caused loss or may cause loss to a consumer, require the firm to establish a consumer redress scheme. It is currently proposed that the collective actions would operate on "opt in" or "opt out" basis and that a representative body with no interest in the proceedings would be able to bring a claim;
- Over the past several months, a number of European jurisdictions, including Germany, have also been considering legislation or regulations designed to better "ring fence" companies in their jurisdiction by imposing prohibitions (or strengthening existing restrictions) on intra-group transactions between local subsidiaries and foreign parent (or other affiliated) companies that may be in financial difficulty.

Finally, there are numerous other legislative and regulatory initiatives within various European jurisdictions relating to a variety of matters, including such matters as distribution practices and changes to tax laws that may affect the attractiveness of certain of our products, which currently have favorable tax treatment.

UNITED STATES

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

Certain of AXA's US insurance, broker-dealer, investment adviser and investment management subsidiaries, including AXA Equitable Life Insurance Company ("AXA Equitable"), and certain life insurance policies and annuity contracts offered by them are subject to regulation under the Federal securities laws administered by the SEC and under certain state securities laws. The SEC conducts regular examinations of the operations of these companies, and from time to time, makes requests for information from them. The SEC, other governmental and regulatory authorities, including state insurance and securities regulators, and the Financial Institutions Regulatory Authority ("FINRA") may institute administrative or judicial proceedings which may result in censures, fines, the issuance of cease-and-desist orders, the suspension or expulsion of a broker-dealer or member, its officers or employees or other similar sanctions. Over time, AXA Financial's broker-dealer subsidiaries and its other subsidiaries have provided and, in certain cases continue to provide, information and documents to the SEC, FINRA, state attorneys general and other regulators on a wide range of issues. Ongoing or future regulatory investigations could result in fines, other sanctions and/or other costs.

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

In the United States Congress, Senator Christopher Dodd and Representative Barney Frank have recently each proposed similar legislation that, if enacted, would significantly impact the current US financial regulatory landscape. While the legislative proposals differ in a number of respects, in general they would, in addition to enhancing consumer protection for various types of financial services and increasing regulation of broker-dealers and derivative transactions, provide for an inter-agency oversight body with power to designate any "financial company" (potentially including foreign companies such as AXA) as systemically significant based on certain enumerated criteria. Such institutions would in turn be subject to heightened prudential standards, including with respect to capital requirements, leverage, liquidity and risk management and may become subject to regulation as bank holding companies. These legislative and regulatory proposals may also result (1) in stricter regulation of consumer financial products through the creation of a separate agency (or a separate division in existing agencies) which might have the authority to regulate certain products provided by AXA, (2) reforms of the over-the-counter (OTC) derivatives markets, (3) higher standards for broker-dealers and investment advisers, (4) increased regulation of compensation arrangements for employees of financial institutions and (5) the establishment of a federal insurance office.

Although the US federal government generally does not directly regulate the insurance business, the financial reform bill recently passed by the US House of Representatives would create a Federal Insurance Office ("FIO") within the US Treasury Department. If adopted into law, the FIO would have the power, among other things, to (1) monitor the insurance industry to gain expertise and advise on International Insurance policy issues; (2) identify issues or gaps in the regulation of insurers that could contribute to a systemic crisis in the insurance industry or the US financial system; (3) monitor the extent to which traditionally underserved communities and consumers, minorities and low- and moderate-income persons have access to affordable insurance products, other than health; (4) recommend to the newly created Financial Services Oversight Council that it designate an insurer, including its affiliates, as an entity subject to stricter standards; (5) assist the US Secretary of the Treasury in administering the Terrorism Insurance Program established under the Terrorism Risk Insurance Act of 2002; (6) coordinate Federal efforts and develop Federal policy on prudential aspects of international insurance matters, including assisting the Secretary of the Treasury in negotiating "covered agreements" with foreign governments and determining whether such agreements preempt state insurance measures; and (7) consult with the states regarding insurance matters of national importance and prudential insurance matters of international importance. The Group will continue to monitor closely the evolution of this and related initiatives, and their potential impact on its business over the coming months.

In addition, many federal laws currently affect the insurance business in a variety of ways, including the Federal Fair Credit Reporting Act related to the privacy of information and the USA Patriot Act of 2001 relating to, among other things, the establishment of anti-money laundering programs. Furthermore, many US federal tax laws affect the business in a variety of ways. There are a number of existing, expiring, newly enacted and previously or currently proposed US federal legislative initiatives, including US federal tax initiatives, that may significantly affect

AXA's US life insurance subsidiaries including, among others, the following:

Estate and Related Taxes. Under federal tax legislation passed in 2001, exemption amounts had been increasing and rates had been decreasing for estate and generation skipping transfer taxes. These taxes have been repealed for 2010 but are scheduled to return to their 2001 levels as of January 1, 2011. It is anticipated that Congress will consider legislation in 2010 that would reinstate estate and generation-skipping transfer taxes for 2010. Such legislation may be made retroactive to January 1, 2010, assuming retroactive application withstands any constitutional challenge. Elimination of or reductions in the estate tax would likely have an adverse impact on life insurance sales since a significant portion of our life insurance sales are made in conjunction with estate planning. Conversely, a continuation or an increase of the estate tax would likely benefit sales and persistency.

Income, Capital Gains and Dividend Tax Rates. Federal tax legislation passed in 2001 and 2003 reduced income tax rates, and tax rates on long-term capital gains and qualifying corporate dividends. Such changes have lessened the tax appeal of cash value life insurance and annuity products. Unless extended, these lower rates are set to expire for long-term capital gains and qualifying corporate dividends that are recognized or paid, respectively, in taxable years beginning after December 31, 2010. The Obama administration has expressed an intention to increase the income tax rates for higher income taxpayers and to reduce income tax rates for middle and lower income taxpayers. The tax advantages of cash value life insurance and annuity products would favorably increase in the event of higher income and capital gains tax rates but would be reduced by lower tax rates.

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

On May 11, 2009, the Obama Administration released the "General Explanations of the Administration's Revenue Proposals" (the "Green Book"). Although the Administration has not released proposed statutory language, the Green Book includes proposals which if enacted, would affect the taxation of life insurance companies and certain life insurance products. In particular, the proposals would change the method used to determine the amount of dividend income received by a life insurance company on assets held in separate accounts established to support variable life insurance and Variable Annuity contracts that is eligible for the DRD. If proposals of this type were enacted, AXA Equitable's actual tax expense could increase, reducing earnings.

Corporate Owned Life Insurance. The Green Book also contained proposals that would affect the treatment of corporate owned life insurance policies ("COLIs") by limiting the availability of certain interest deductions for companies that purchase those policies. If proposals of this type were enacted, AXA Equitable's sale of COLIs, could be adversely affected.

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

On August 25, 1998, AXA, Winterthur Group and certain other European insurers signed a Memorandum of Understanding with certain US insurance regulators and non-governmental Jewish organizations agreeing to the establishment of the International Commission on Holocaust Era Insurance Claims ("ICHEIC"). ICHEIC conducted an investigatory process to determine the status of life insurance policies issued to Holocaust victims between 1920 and 1945 and settled thousands of claims filed with the ICHEIC with respect to policies issued by the European insurers participating in ICHEIC. After having completed its archival researches and audit processes as well as the payment of all valid claims submitted by Holocaust victims and their heirs, the ICHEIC concluded its work in March 2007. As a result of its participation in the ICHEIC process, AXA benefits from a statement of interest issued by the US federal government which provides that ICHEIC should be recognized as the exclusive remedy for all Holocaust era insurance claims. This statement of interest is intended to protect AXA against future civil litigation in the US by Holocaust claimants and to encourage judges handing this type of litigation to dismiss these claims. While this statement of interest provides AXA with a certain level of protection against future lawsuits of this type in the US, it does not offer complete protection and, consequently, AXA could still be subject to litigation in the US brought by Holocaust claimants. Legislation has recently been introduced in the US House of Representatives that is designed to validate the constitutionality of various state laws which impose (1) substantial reporting requirements with respect to insurance policies that were in effect during the World War II era to residents of countries occupied or controlled by Nazi Germany, and (2) significant penalties on US insurers and their affiliates that fail to comply with these reporting requirements.

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

ASIA-PACIFIC AND OTHER JURISDICTIONS

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

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

ASSET MANAGEMENT RELATED REGULATION

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

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

FINANCIAL MARKET REGULATION, EVOLUTION OF ACCOUNTING STANDARDS AND RELATED MATTERS

As a publicly-traded company with its securities listed on both Euronext Paris and the New York Stock Exchange (1), the Company must comply with the relevant rules for listing and trading on each of these exchanges and with a number of other laws and regulations including French and US securities laws administered and enforced by, respectively, the AMF in France and the SEC in the US. These listing rules, other laws and regulations govern a wide variety of matters including (1) timely and accurate disclosure of information to investors, (2) presentation of financial information in accordance with IFRS requirements (as well as in accordance with certain SEC requirements), (3) restrictions on presentation of non-GAAP measures in the US, (4) auditors' independence requirements (including prohibitions on auditors furnishing certain types of non-audit services), (5) numerous corporate governance requirements (including independence requirements for Audit Committee members), (6) certification of certain public reports by AXA's Chief Executive Officer and Chief Financial Officer, and (7) requirements to evaluate, document, and report on AXA's internal controls over financial reporting and disclosure controls and procedures. Management devotes substantial resources to ensure compliance with both the letter and spirit of these laws and anticipates that considerable resources will continue to be devoted to this area in the future.

The Company publishes its accounts in accordance with International Financial Reporting Standards and IFRIC interpretations that were definitive and effective as of December 31, 2009 as adopted by the European Union (the "Standards"). The Company does not use the "carve out" option to avoid applying all the hedge accounting principles required by IAS 39 and, consequently, its consolidated financial statements also comply with IFRS as issued by the International Accounting Standards Board (IASB). Note 1.2 to the Company's consolidated financial statements for the year ended December 31, 2009 included in Part 4 of this Annual Report summarizes the significant amendments and interpretations of the Standards effective in 2009. There are continuing discussions at the IASB concerning possible modifications to the Standards and certain of these modifications may have potentially significant impacts on insurers and other financial institutions, including AXA, that prepare their consolidated accounts in accordance with the Standards. These modifications include, among others, the following:

- Financial assets and liabilities held by the AXA Group are recognised and measured under IAS 39 which is currently the subject of major potential amendments. Mandatory adoption dates range from 2013 to 2014. Optional adoption by issuers may be applicable in 2010 (depending on endorsement by the EU). These amendments, which relate primarily to classification of financial assets and liabilities, impairment and hedge accounting principles, may have potentially significant impacts on the Company's future financial statement presentation, shareholders equity and earnings and may also affect prior year comparatives depending on the adoption date;
- Insurance contracts - Phase II (IFRS 4 amendment) and Consolidation, Derecognition. Insurance contracts - Phase II which amendments may significantly affect policyholders liabilities and related assets such as Deferred Acquisition Costs at the date of adoption by 2013 or 2014.

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

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

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

(1) On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter.

1.3 ACTIVITY REPORT

Insurance and Asset Management markets

LIFE & SAVINGS

France [(1)]**.** Life & Savings market increased by 11% in 2009. This positive market evolution was due to a very competitive position of French Life and Savings insurance contracts (+12% vs. +16% for AXA) in a context of low interest rates and steep yield curve. In 2009, unit-linked contracts represented 13% of premiums, as investors favored general account contracts (87%). In this context, AXA overperformed the market (+16%), and ranked 3rd. The market growth in Health was +8% (vs. +6% for AXA) and +2% in Accident (vs. +9% for AXA).

United States [(2)]**.** 2009 presented a difficult sales environment for the Life insurance and Annuity industry:

- In the Life insurance market, total sales were down 20% for the period as compared to last year. Industry Variable Life product sales declined by 55% as a result of uncertain equity markets. Industry universal life sales declined by 27%, partly attributable to price increases across the industry. Whole Life insurance sales increased by 1% and term insurance sales decreased by 2%;
- In the Annuity market, total sales declined by 8%. Variable Annuity industry sales declined by 23%, negatively impacted by uncertain equity markets and low investor sentiment towards equity-oriented investments. As well, overall industry redesign of Variable Annuity products offering generally lower benefits and higher charges reduced market demand. Offsetting that decline was a 25% increase in sales of Fixed Annuities as consumer preferences continued a shift to more conservative investment vehicles.

In Life, AXA ranked 13th with a 2.6% market share. In Variable Annuities, AXA ranked 5th with a 6.4% market share.

United Kingdom & Ireland. The UK Life insurance market decreased by 26% [(3)] on an Annual Premium Equivalent (APE) basis [(4)], mainly as a result of recessionary pressures and a fall in consumer confidence, particularly in the long term savings market. The UK Protection products market decreased by 2% [(5)] mainly as a result of depressed mortgage related sales. AXA's Protection businesses' APE for 2009 was 8% higher [(3)] than 2008, with market share [(5)] up to 8.4% (7.3% in 2008). The strong performance has been driven by further development of the AXA Protection Account products and new distribution agreements for SunLife Direct. The UK Wealth management market decreased by 34% [(5)] mainly as a result of the difficult economic conditions. Despite these, AXA's Wealth Management Proposition has outperformed the market, with volumes down 27% [(3)] with market share [(5)] up to 8.6% (versus 8.3% in 2008). Fund Supermarkets and Wrap platforms continued to attract advisers and investors alike, and the AXA Distribution Services Wrap platform, Elevate, was starting to see encouraging growth in volumes after being successfully introduced to the UK platform market earlier in 2009. The UK Corporate Pensions business decreased by 16% [(5)] as pay and recruitment freezes limited opportunities to drive up volumes from existing schemes. AXA's volumes were broadly in line with the market trend (-15%) [(3)].

Japan. The Life insurance market experienced a decline of 4.7% in terms of premiums [(6)] due to lower Variable Annuity sales following turbulent market conditions. Bancassurance sales continued to suffer as several major Variable Annuity players exited the market due to insufficient pricing. Term products with tax deductibility also showed the same declining trend as demand notably from small and medium entreprises was significantly impacted by the economic slowdown. Medical sales remained stable and competition intensified with entry of both life & non-life insurers in this market. AXA had a market share of 2.7% and ranked 8th based on premiums (7th in Medical business) [(7)].

Germany [(8)]**.** The Life & Savings market increased by 4.8% in 2009 [(9)] with a 45% increase in single premiums. Short-term and medium-term investment products, which compete directly with banking products, continued to grow strongly in 2009 (+117% for single premiums contracts) [(10)]. The core Retirement products declined by 21% in terms of regular premiums [(10)]. In the "Riester" business, the regular premiums declined by 50% due to the exceptional fiscal incentive in 2008 [(10)]. German Private Health insurance market grew by 4% [(9)]. In 2008, AXA ranked 6th in the Life market and 4th in the Health market.

Switzerland. The Life insurance market was under pressure and negatively impacted by the effects of the financial and

(1) Source: FFSA.

(2) Please note that the numbers quoted for the market data (life and annuity) are for the nine months ended September 30, 2009. Source: LIMRA and MARC (Morningstar).

(3) APE volumes quoted compared 12 months to Q4 2009 against 12 months to Q4 2008 excluding mutual funds.

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

(5) Source: ABI/MSE ©2009 Association of British Insurers, 12 months to Q3 2009 versus 12 months to Q3 2008 (excluding mutual funds).

(6) Sources: Insurance Research Institute (excluding Kampo Life and Yamato Life) and financial statements of the companies. Data are for the twelve months ended September 30, 2009.

(7) Market share and ranking information based on data as of March 2009 (fiscal year 2008 in Japan).

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

(9) Forecast by GDV in November 2009

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

economic crisis, with premiums falling by 3% [1]. In Group Life, premiums fell by 4% [2] driven by absence of salary increases and by the standstill in the market resulting from less new business opportunities. Switch for small and medium entreprises clients to a fully financed Group life foundation set up by Life insurers was very difficult given underfunding of pension institutions. AXA held the leading position in Group Life with a market share remaining above 30% [3]. Individual Life market growth was slightly positive at 0.3% [4] despite a low interest rate level environment. The trend towards unit-linked products especially those with secondary guarantees continued, while traditional products were on a low level of interest and attention. AXA ranked 2nd in Individual Life with a market share of 13% [5].

Belgium [6]. In Life, the market in 2009 weakened compared to 2008 (approximately 14% decline in premiums) but towards year-end, signs of recovery were observed. As in 2008, Individual Life continued to decrease sharply (-18%), with consumers favoring short term banking products while Group Life kept on growing (+7%) driven by the legal requirements on pension contracts. AXA ranked 3rd in the market by revenues with a market share of approximately 13% [7].

Mediterranean and Latin American Region. Italy [8]. The market growth was +40% [9] fuelled by the increase in general account products (+164%) while index-linked products decreased (-62%). The increase in new business (+68%) was driven by a significant contribution from the bancassurance channel (+66%), financial advisers (+252%) and agents (+6%). **Spain**. The market growth was +5% [10], driven by the performance of sales through large bankassurance joint-ventures. **Mexico**. Life insurance market continued to grow at a strong pace (11% [11]) despite adverse economic conditions, driven by traditional insurance companies. **Turkey**. The Life insurance market growth was +13% [12]. The competition between Private Pension Plan players, due to higher tax incentive, continued to drive the market. **Portugal**. Life & Savings insurance market was down 5% [13]. **Greece**. The market decreased by 6% [14] mainly due to lower production in bancassurance channel. **Morocco**. The market evolution in 2008 showed a 12% [15] growth mostly from bancassurance channel.

In Italy, AXA ranked 8th, in Spain 13th, in Mexico 6th, in Turkey 8th, in Portugal 8th, in Greece 9th, and in Morocco 5th. (Italy and Morocco as at December 2008, all other entities as at September 2009).

Australia/New Zealand. In 2009, the total managed funds market increased 10% [16] to AU$ 1.3 trillion, driven by superannuation funds and life insurance offices' assets. AXA ranked 5th for funds under management [17] and 7th for net funds flows [18] [19].The Australian financial protection market was relatively resilient with in-force annual premium increasing by 13,4% [20]. In Australia, AXA ranked 6th for new annual premium and in-force annual premium [20].

The wealth management market in New Zealand only decreased by 5.9% [21] driven by a strong growth of KiwiSaver products. AXA's position in the New Zealand financial protection market remained strong ranking 3rd for in-force annual premium in a market that grew 9.3% from the previous year [22].

Hong Kong. Hong Kong remained a very attractive Life insurance market with high savings ratios and a +2% continued growth despite the impact of the financial crisis. The Life insurance market is relatively concentrated with the top 10 players accounting for about 80% market share [23]. AXA ranked 4th in inforce business and increased its market share by 0.7% from 7.1% in 2008 to 7.8% in 2009 [23].

South East Asia. AXA continued to strengthen its market position in growing markets with a relatively low insurance penetration. **Indonesia**. The market was up by 12% [24] in new business premium and AXA ranked 8th [25] with a 71% growth in APE.

(1) Source: SIA (Swiss Insurance Association)
(2) Source: SIA (Swiss Insurance Association)
(3) Source: FINMA (Swiss Financial Market Supervisory Authority, Market share 2008)
(4) Source: SIA (Swiss Insurance Association)
(5) Source: FINMA (Swiss Financial Market Supervisory Authority, Market share 2008)
(6) Source: Assuralia (Belgian Professional Union of Insurance companies). Derived from the nine months ended September 30, 2009 figures.
(7) Source: AXA Belgium estimates based on Assuralia market figures.
(8) Source: Italian Association of Insurance Companies: ANIA as of December 2009.
(9) Source: Istituto per la vigilanza sulle Assicurazioni Private e di Interesse Collettivo (ISVAP) as of September 2009.
(10) Source: Spanish Association of Insurance Companies: ICEA as of September 2009.
(11) Source: AMIS Asociación Mexicana de instituciones de Seguros as of September 2009.
(12) Source: Turkish Association of Insurance Companies as of Sept 2009.
(13) Source: Instituto de Seguros de Portugal as of Sept 2009.
(14) Source: Hellenic Association of Insurance Companies as of Sept 2009.
(15) Source: Moroccan Association of Insurance Companies as of Dec 2008.
(16) ABS Management Funds 565501 September 2009.
(17) Plan for Life September 2009.
(18) Ambition 2 measure (cumulative NFF since December 2007).
(19) Plan for Life September 2009.
(20) Plan for Life September 2009.
(21) ISI 2009 Annual Review June 2009.
(22) ISI 2009 Annual Review June 2009 Individual risk products.
(23) Source: Office of the Commissioner of Insurance, in-force business 2008Q3YTD and 2009Q3YTD.
(24) Source: AAJI statistics report as at November 30, 2009.
(25) Source: AAJI statistics report as at November 30, 2009.

Thailand. Life insurance market with a relatively low Life insurance penetration rate of 3% (1), continued to grow strongly by 26% (2) in terms of new business. AXA outperformed the market and ranked 6th (3) compared to 7th in 2008. **Singapore** market recorded a decrease in new business sales by 33% (4) in 2009 mainly due to a 50% (5) decrease in single premium products. AXA grew by 7% and ranked 9th (6) for new business. **India**. The pace of growth slowed down, driven by private players declining by 6% (7) in terms of new business. AXA grew by 39% and ranked 15th amongst private players (16th amongst all players). **China**. The pace of growth in the Life insurance industry slowed down in 2009 with the total premium increasing only by 11% (8). AXA outperformed the market growing by 41% and ranked 38th (9) amongst all insurers and 16th (10) amongst foreign insurers.

Central and Eastern Europe. Due to the financial market conditions, Life market decreased by 25% in Poland (with a -20% decrease in short Term products), by -13% in Hungary and increased by +2% in Czech Republic and in Slovakia. AXA's market share in the region increased by 0.5 pt to 2.9%. AXA ranked 10th in Hungary, 10th in Czech Republic and 13th in Poland. In the Pension Funds market, AXA's position improved; AXA ranked 1st in Slovakia, 2nd in Czech Republic and 5th in Poland and Hungary, with a market share of 10% in the region (as compared to 8% in 2008).

PROPERTY & CASUALTY

France (11)**.** In 2009, premiums grew by 1% compared to +2.5% in 2008. Commercial and Personal Motor business decreased by 0.5% (after a 1.0% growth in 2008). Household market increased by 4.5%. Commercial lines (other than Motor) were stable in 2009 notably in Property, whereas Construction declined by 3%, partly offset by a 2% increase in Liability. AXA ranked 2nd in the Property & Casualty market with a market share of 14.5%.

United Kingdom & Ireland. The UK insurance market has been relatively soft in 2009, although lately there have been signs that the Motor market was starting to harden. AXA ranked 5th in the UK Personal lines market, with a market share of 5% (12) (up 0.5 pt). This has been driven by significant growth in the Direct business, especially in Motor. In Commercial lines, AXA ranked 4th and have maintained its share of business in a challenging market at 8%. The UK private medical insurance market has been adversely impacted by the recession. AXA's Healthcare revenues grew by 4%, mostly driven by international markets. In the domestic market, Individual business has declined, while corporate revenues have held up. AXA remains 2nd in the Healthcare market, with its share strengthened at 25% (13). In Ireland, AXA ranked 5th overall with a market share of 11% (14) or 2nd in its core market of Motor with a market share of 18% (14). AXA's market share stabilised and grew marginally in 2008. The Irish market reached the bottom of its pricing cycle in 2008 with average prices 40% lower than in 2002. In 2009, tariff increases started to be applied in the market.

Germany (15)**.** In 2009, market increased by 0.2%, impacted by the economic slowdown (16). Personal and Commercial Motor lines fell by 2% in the context of an intense price competition (16). Personal and Commercial Liability remained stable (16). In Personal Non-Motor the situation was positive: accident slightly increased (+1%) (16), Property increased considerably (+3%), mainly driven by price indexation (16). Industrial commercial and agricultural property premiums increased by 1%, and Engineering was up 2%. AXA ranked 3rd in the Property & Casualty market in 2008 with a market share of 5.8%.

Switzerland. The Property & Casualty market grew by 1% (17). The Swiss market was a saturated and very competitive market with a continuing pressure on prices, especially in Motor business. AXA was the market leader in Property & Casualty with a market share of 14% (18).

Belgium (19)**.** The Property & Casualty market, negatively impacted by the economic slowdown, showed a slower growth of 2% (compared to 3% in 2008). In Motor, growth reached 1%, still impacted by the high competition in this market. Property grew by 4% versus 2% in 2008 partly due to indexation. Liability grew by 3% while Workers Compensation decreased by 1% (compared to 3% growth in 2008). As in 2008, tariff increases continued to fuel the market growth in Health (+7%). In Property & Casualty, AXA remained the leader with a stable market share above 22% (20).

(1) Source: TLAA statistics report as at December 31, 2009.
(2) Source: TLAA statistics report as at at December 31, 2009.
(3) Source: TLAA statistics report as at at December 31, 2009.
(4) Source: LIA statistics report as at September 30, 2009.
(5) Source: LIA statistics report as at September 30, 2009.
(6) Source: LIA statistics report as at September 30, 2009.
(7) Source: IRDA statistics as at December 31, 2009.
(8) Source: CIRC statistics as at December 31, 2009.
(9) Source: CIRC statistics as at December 31, 2009.
(10) Source: CIRC statistics as at December 31, 2009.
(11) Source: FFSA.
(12) Source: Datamonitor analysis of 2008 FSA Returns. Data excludes MAT, Home-foreign business and Lloyd's Premiums.
(13) Source: Lang and Buisson 2008.
(14) Based on data from Irish Financial Regulator's "Insurance Statistical Review".
(15) Source: http://www.gdv.de
(16) Forecast by GDV in November 2009.
(17) Source: SIA (Swiss Insurance Association) estimations for 2009.
(18) Source: FINMA (Swiss Financial Market Supervisory Authority, Market share 2008).
(19) Source: Assuralia (Belgian Professional Union of Insurance companies). Derived from the nine months ended September 30, 2009 figures.
(20) Source: Belgium estimates based on Assuralia market figures.

Mediterranean and Latin American Region. In **Italy** Motor business was still under pressure (-4%), whereas Non-Motor business remained stable (+0.1% as of September 2009) [(1)]. In **Spain**, market decreased by 3% [(2)]. Car sales were -18% below last year [(3)]. In **Mexico**, market increased by 6% [(4)], excluding one large outsourcing insurance contract. In **Turkey**, despite GDP contraction, the market increased by 2% [(5)] following the liberalization of tariffs for Motor Third Party Liability. In **Portugal**, the market decreased by 5% [(6)], reflecting of the economic slowdown and the increasing in price competition, mainly driven by Motor (-8%). In **Greece**, the market increased by 8% [(7)] driven by the increase in premiums in Motor line. In **Morocco**, the market increased by 11% [(8)] driven by (i) an increase in number of cars, and (ii) Group compulsory health insurance. In the Gulf Region, the global financial crisis had adversely affected expatriate population and UAE car sales.

In Italy, AXA ranked 7th, in Spain 2nd, in Mexico 2nd, in Turkey 1st, in Portugal 2nd, in Greece 9th, in Gulf Region 4th, and in Morocco 1st [(9)].

Asia. South Korea [(10)]**.** The insurance market increased by 13%. However, the Motor market only grew by 0.2%, due to the economic slowdown and strong price competition. AXA ranked 1st in the Direct Motor insurance market or 6th in the total Motor market, with a market share of 5%. **Japan** [(11)]. The market declined by 4% in the year ending March 2009. Motor insurance recorded a modest drop in the second half of 2009, while Motor Liability insurance recorded the sharpest drop with 17%. AXA ranked 2nd in the Direct insurance market, with a market share of around 18% and AXA ranked 13th among all insurers for Motor insurance. **Singapore**. [(12)] The insurance market grew by 10% in gross written premium. AXA ranked 3rd in Motor and 1st in Marine Cargo. AXA's market share stood at 9%. **Malaysia**. [(13)] The insurance market grew by 5% driven by Motor and Medical. AXA ranked 15th with a 3% of market share. **Hong Kong**. The insurance market grew by 3% driven by Workers' Compensation. AXA ranked 11th with a 3% of market share in 2008.

Canada. In 2009, overall premiums grew by 2% [(14)] and AXA outperformed the market with a 4% growth. The market continued to be very fragmented and competitive with AXA ranking 7th [(15)] in the Property & Casualty market with a market share of 4.4%.

INTERNATIONAL INSURANCE

The competitors in the global risks market are acting at a worldwide level with multinational clients placing their risks far beyond their countries of origin via international programs or in key global market places. In this market, AXA Corporate Solutions Assurance, AXA Group subsidiary dedicated to worldwide Property & Casualty insurance of large national and multinational corporations, and to Aviation, Marine and Space insurance, is amongst the top five players in Europe. After several years of soft underwriting conditions, corporate risks insurance showed in 2009 first signs of upturn in pricing cycle. In aviation, tariff increased significantly in 2009.

ASSET MANAGEMENT

The early part of 2009 was characterized by significant economic and market uncertainties as the global financial system struggled with illiquid markets, impaired and over leveraged banks, and losses from structured securities. The crisis began to settle in March/April as banks were able to stabilize capital and liquidity conditions improved. While US and European economies had trouble finding their floor, emerging economies in Asia, notably China, and in Latin America, such as Brazil, started to rebound after a sharp deceleration. By year-end 2009, most countries in the world had resumed growth, led by emerging countries. In the asset management market, AXA Investment Managers ranked 11th and AllianceBernstein 18th [(16)]. On a combined basis, AXA ranked 5th [(17)].

(1) Istituto per la vigilanza sulle Assicurazioni Private e di Interesse Collettivo (ISVAP) as of September 2009.
(2) Source: Spanish Association of Insurance Companies. ICEA as of Sept 2009.
(3) January to December 2009.
(4) Source: AMIS Asociación Mexicana de instituciones de Seguros as of September 2009.
(5) Source: Turkish Association of Insurance Companies as of Sept 2009.
(6) Source: Hellenic Association of Insurance Companies as of Sept 2009.
(7) Source: Moroccan Association of Insurance Companies as of Dec 2008.
(8) Italy, Morocco and Gulf Region as of December 2008, all other entities as of September 2009.
(9) Italy, Morocco and Gulf Region as of December 2008, all other entities as of September 2009.
(10) GIAK (General Insurance Association of Korea) website.
(11) Source: web site of General Insurance Association of Japan, Japanese Economy News Paper dated January 20, 2010.
(12) Source: Monetary Authority of Singaporeas of September 2009.
(13) Source: ISM: Insurance Services Malaysia Bhd as of September 2009.
(14) Source: IBC – Insurance Bureau of Canada.
(15) Source: Canadian Insurance – 2009 annual statistical issue.
(16) As of September 2009 asset under management.
(17) AXA Investment Managers ranking based on public market data.

Financial market conditions in 2009

2009 can be qualified as a year of extreme contrasts, for both the capital markets and the real economy. In the first quarter, bank shares plummeted, bringing the world's stock markets down with them, and the interbank market was paralyzed. GDP was off by 1.6% quarter over quarter (qoq) in the United States, by 2.5% qoq in the United Kingdom and in the Euro Zone, and by 3% qoq in Japan. Actions taken to stabilize banking systems, monetary policies from central banks combined with budget stimulus from governments drive positive effects for both markets and the real economy. The large emerging countries confirmed their resilience in the face of this crisis, with industrial production back on track and up for China (GDP growth of +7.9% year over year), India and Brazil. The third quarter of 2009 marked the official exit from recession for the United States, the Euro Zone and Japan but the United Kingdom saw a new decline in its GDP.

With the global economy getting back on track, an improved economic outlook combined with lower OPEC quotas, oil prices recovered. The price of oil ended the year at $79 per barrel, propelled in December by the Northern hemisphere cold spell. The annual rate of inflation moved back into positive territory – both in the Euro Zone (0.5%) and the United States (1.9%) year over year.

Various governments have striven to clean up the situation in their domestic banking systems and to support their economy. In the United States, the stimulus package that was finally adopted by Congress totaled $787 billion, which is equal to 5.5% of GDP. In the Euro Zone and in the United Kingdom, budgetary stimulus were more modest, with plans calling for the injection of amounts equal to 1.1% and 1.5% of GDP announced in late 2008 and early 2009, respectively. What all of these plans shared was their strong support for the automotive and real estate sectors and are executed against a global interest-rate backdrop of close to zero.

Monetary policies generally remained very accommodating and the central banks introduced additional policies to revitalize money and corporate bond markets. In the US, the Fed kept the range of the Fed Funds at between 0 and 0.25% and announced several quantitative easing programs, the main ones being the monetization of Treasury debt ($300 billion) and Mortgage-Backed Securities (up to $1,250 billion and $200 billion in Fannie Mae and Freddie Mac securities), as well as the TALF (Term Asset-Backed Securities Loan Facility) program for financing the purchase of newly issued Asset-Backed Securities. In Japan, the Bank of Japan (BoJ) kept its main rate unchanged at 0.1% and supported the banking sector by underwriting subordinated debt securities, and launched a program for purchasing commercial paper. In Europe, the Bank of England (BoE) also followed the same trend by keeping its main rate at 0.5% and announced a program for purchasing high quality public and private sector assets for an initial amount of £75 billion. The European Central Bank (ECB) kept its main rate at 1% and eased access to its bank refinancing operations. The eligibility criteria for admissible collateral were eased, maturities were extended to twelve months, and auctions offered unlimited supply at fixed rates.

Nevertheless, the Central Banks are beginning to talk about their exit strategies, at least for the quantitative part of their monetary policy. Thus, the BoJ announced that it would stop buying up private debt securities, a measure it adopted in 2008 and that was scheduled to end in December. The ECB said that its last long-term refinancing operations (12 months and 6 months, in December 2009 and March 2010, respectively) would be the last of their kind, but that it would leave its shorter-term operations open.

STOCK MARKETS

Abundant liquidity continued to flood the markets, and the recovery of risky asset prices continued to hold over the year. This increase carried by the strong earnings rebound for banks (market activities) and non-financials (cost cutting more than revenue growth) and an expansion in multiples.

Rising commodity prices also made emerging economies all the more attractive to foreign investors, in addition to their newfound growth.

Over the year, the Dow Jones in New-York and the Nikkei in Japan both increased by 19%. In the same trend, the CAC 40 and the FTSE in London both increased by 22%. The US's leading S&P 500 index went up by 23%. The MSCI World Index increased by 27% and emerging indices (MSCI Emerging +78%) outperformed the MSCI G7 by 40% in common currency terms.

BOND MARKETS

Long-term yields on the government issues of developed economies staged a multi-step rebound over the course of 2009. Overall, the US 10-year T-bond ended the year at 3.84%, an increase of 158 bps compared to December 31, 2008 and the Bund yield rose by 44 bps to 3.38%.

In the bond markets, the spreads on CDS indices narrowed sharply as the appetite for risk returned and liquidity premiums declined. Over the year, the iTRAXX Main (Investment Grade) tightened by 104 bps and moved from 177 bps to 74 bps, while the iTRAXX Crossover (Below Investment Grade) decreased by 596 bps to 432 bps. The CDX Main IG decreased from 99 bps to 86 bps between December 31, 2008 and December 31, 2009.

EXCHANGE RATES

Compared to December 31, 2008, the US Dollar lost 2% against the Euro (closing exchange rate moved from $1.40 at the end of 2008 to $1.43 at the end of 2009). The Yen lost 4% against the Euro (closing exchange rate moved from Yen 126.8 at the end of 2008 to Yen 131.3 at the end of 2009). The Pound Sterling gained 7% against the Euro (closing exchange rate moved from £0.958 at the end of 2008 to £0.888 at the end of 2009). The Swiss Franc gained 1% against the Euro (closing exchange rate moved from CHF 1.49 at the end of 2008 to CHF 1.48 at the end of 2009).

On an average rate basis, the US Dollar gained 5% against the Euro (from $1.47 over 2008 to $1.39 over 2009), the Yen increased by 20% (from Yen 161.7 for the twelve months ending September 2008 to Yen 129.6 for the twelve months ending September 2009) and the Pound Sterling lost 12% (from £0.797 over 2008 to £0.891 over 2009). The Swiss Franc gained 5% against the Euro (from CHF 1.59 over 2008 to CHF 1.51 over 2009).

Operating highlights

SIGNIFICANT ACQUISITIONS

In 2009

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

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

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

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

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

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

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

AXA and NAB entered into discussion since February 7, 2010.

In 2008

On February 6, 2008, AXA announced it had reached an agreement to acquire OYAK's 50% share in **AXA OYAK Holding AŞ** ("**AXA OYAK**"), a joint-venture company established by AXA and OYAK in 1999. Under the terms of the agreement, AXA paid a purchase price of $525 million (€354 million) in cash for OYAK's 50% share in AXA OYAK (in addition, according to the same agreement, AXA OYAK Holding bought, for $15 million (€9 million), the 1.5% interest that Mais Motors, an OYAK joint-venture company, holds in AXA OYAK's non-life subsidiary). The transaction was closed on August 12, 2008. Following this transaction, AXA now operates in Turkey under the brand "AXA Sigorta". The company became in 2008 market leader in P&C with a 12.6% market share in the high-potential P&C Turkish insurance market. Mainly focused on non-life, especially motor and commercial property, the company experienced strong top-line growth over the past years and is one of the most profitable players in the market. In L&S, on a market mainly driven by Private Pension companies, AXA Sigorta is ranked 6th.

On February 12, 2008, AXA announced it had reached an agreement with **ING** for the acquisition of 100% of the share capital of its Mexican insurance subsidiary **Seguros ING,** for a price of $1.5 billion (€959 million). In 2007, Seguros ING was the third largest Mexican insurer (12% total market share, 5.5 million clients), with leading positions in key markets, such as Motor (2nd largest player with a 17% market share) and Health (2nd largest player with a 19% market share). AXA intends to accelerate and complete the initiated turnaround of Seguros ING by dedicating seasoned management capabilities and leveraging the Group's global platforms and expertise, notably in IT and reinsurance. Upon completion of the transaction, Seguros ING was integrated to AXA's Mediterranean and Latin American Region and will

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

benefit from its know-how in underwriting, claims management, client segmentation, service and brand management. AXA financed the transaction with internal resources. This acquisition closed on July 22, 2008.

On March 19, 2008, AXA United Kingdom completed the purchase of 100% of the share capital of **SBJ** Group. The acquisition of SBJ will complement and enhance AXA's United Kingdom advisory and broking capability, bringing a number of strengths to the Group, including increased scale, a wider national presence and access to new market areas. SBJ, with its strong management team and high quality staff, will represent significant progress towards AXA's stated strategic aim of building a leading presence in the advisory and broking markets. The businesses will continue to operate independently from AXA's insurance company interests.

On June 17, 2008, AXA completed the acquisition of 36.7% of the share capital of **RESO GARANTIA**, Russia's 2nd largest P&C insurer for a total cash consideration of around €810 million. As part of the agreement, AXA will have the option to buy out the remaining stake through calls exercisable in 2010 and 2011. Founded in 1991, RESO has built one of the leading P&C insurance franchises in Russia (7% market share), notably focused on retail Motor, and supported by a network of 18,000 agents, the 2nd largest in Russia. Under the terms of the agreement, RESO's current management team will continue to run the company and roll-out its successful strategy. With this acquisition, AXA will further increase its exposure to emerging insurance markets. As part of the agreement, AXA granted a 6-year $1 billion credit facility to RESO's main shareholder, fully secured by his shareholding in the company.

In 2007

On January 12, 2007 (closing date), AXA United Kingdom announced that it had reached an agreement with insurance brokers **Stuart Alexander and Layton Blackham** to acquire both businesses. AXA United Kingdom acquired both firms through its subsidiary Venture Preference Ltd (renamed Bluefin Insurance Group Ltd from December 31, 2008), which already owned 38.9% of Layton Blackham Holdings Ltd. The total cash consideration paid for 61.1% of Layton Blackham Holdings Ltd and 100% of Stuart Alexander Group Ltd amounted to £58.5 million.

On March 22, 2007, AXA United Kingdom acquired the United Kingdom's only 100% online insurer, **Swiftcover**, jointly owned by international insurer Primary Group and Swiftcover's management. The upfront cash consideration for Swiftcover amounted to £75 million, with an additional potential earn-out of £195 million maximum over the next 4 years, based on policy volume and combined ratio level.

In connection with **AllianceBernstein**'s acquisition of the business of Sanford C. Bernstein, Inc. in 2000, AXA Financial, Inc. entered into a purchase agreement under which certain former shareholders of Sanford C. Bernstein have the right to sell ("Put") to AXA Financial, subject to certain restrictions set forth in the agreement, limited partnership interests in AllianceBernstein LP ("AllianceBernstein Units") issued at the time of the acquisition.

As of the end of 2006, AXA Financial, either directly or indirectly through wholly owned subsidiaries, had acquired a total of 24.5 million AllianceBernstein Units for an aggregate price of approximately $885.4 million through several purchases made pursuant to the Put. AXA Financial completed the purchase of another tranche of 8.16 million AllianceBernstein Units pursuant to the Put on February 23, 2007 for a total price of approximately $746 million. This purchase increased the consolidated economic interest of AXA Financial, Inc. and its subsidiaries in AllianceBernstein LP by approximately 3% from 60.3% to 63.2%.

On March 17, 2007, AXA Holdings Belgium SA reached an agreement with ELLA Holdings SA and its main shareholder Royalton Capital Investors to acquire 100% of the Hungarian retail bank **ELLA** and its affiliates. The transaction closed on July 27, 2007 and the purchase price amounted to €123 million.

On March 23, 2007, **AXA** and **Banca Monte dei Paschi di Siena (BMPS)** reached an agreement for the establishment of a long-term strategic partnership in Life and non-Life bancassurance as well as pensions business. On October 19, 2007, AXA acquired 50% of MPS Vita (Life and Savings) and MPS Danni (P&C), as well as 50% of BMPS open pension funds business. total cash consideration paid by AXA in this transaction was €1,165 million and was financed with internal resources.

On April 23, 2007 (closing date), AXA United Kingdom announced the acquisition of a leading independent commercial broker business, Smart & Cook. AXA United Kingdom bought the entire share capital of **Smart & Cook** Holdings Ltd through its subsidiary Venture Preference Ltd, (renamed Bluefin Insurance Group Ltd from December 31, 2008), which also houses recently acquired Stuart Alexander and Layton Blackham businesses, purchased in January 2007.

On May 22, 2007, AXA acquired 75% of **Kyobo Auto** for an amount of KRW 88 billion (€70 million). The Group ownership reached 90% as of the end of December 2007 following the buyback of minority interests.

On June 8, 2007, AXA and BNP Paribas announced they had reached an agreement for the establishment of a partnership on the Ukrainian Property & Casualty insurance market. On November 23, 2007, AXA acquired from BNP Paribas' subsidiary UkrSibbank, a 50% stake in its insurance subsidiary: **Ukrainian Insurance Alliance (UIA)**. The purchase price amounted to €12 million.

On July 5, 2007, AXA finalized definitive settlements with all claimants in litigations seeking nullity and avoidance (Nichtigkeits- und Anfechtungsklagen) of **the squeeze-out resolutions** adopted by the General Meetings of **AXA Konzern AG** and Kölnische Verwaltungs-AG für Versicherungswerte on July 20 and July 21, 2006, respectively. Following the completion of these settlements, the squeeze-out resolutions have been registered in the commercial register of AXA Konzern AG and Kölnische Verwaltungs-AG für Versicherungswerte on July 5, 2007. Thus, these squeeze-out resolutions are now effective and AXA holds 100% of the shares of these two subsidiaries. Following registration of these squeeze-outs, further litigation with minority shareholders on valuation issues is expected in a compensation review procedure (Spruchverfahren) under German law. The total investment to reach a 100% ownership in AXA Konzern, KVAG, AXA Lebensversicherung and Deutsche Arzteversicherung starting from the situation as at January 1, 2006 amounted to €367 million.

On July 27, 2007, AXA and UkrSibbank, the Ukrainian banking subsidiary of BNP Paribas, announced that they reached an agreement to acquire 99% of the share capital of **Vesko**, Ukraine's

6th largest P&C insurer. The transaction closed on November 13, 2007. The purchase price amounted to €17 million for AXA.

On September 12, 2007, AXA and **Bao Minh Insurance Corporation ("Bao Minh")** announced that they reached an agreement to establish a strategic partnership in the Vietnamese insurance market. As part of this agreement, AXA acquired a 16.6% stake of the share capital of Bao Minh for a total amount of VND 1,194 billion (€54 million) on September 26, 2007.

On November 9, 2007, in the context of its strategic partnership with **BMPS**, AXA announced that it held a strategic interest equal to 2.052% of BMPS's total outstanding share capital. The acquisition of this interest was designed to reinforce the long-term relationship between the two companies and to demonstrate AXA's full support for BMPS's proposed acquisition of Banca Antonveneta. AXA would subscribe to its full allocation of BMPS shares as part of the rights issue contemplated by BMPS in connection with this acquisition. In line with the agreement between AXA and BMPS announced in March 2007, the bancassurance agreement between BMPS and AXA-MPS should be extended to Banca Antonveneta, significantly reinforcing AXA-MPS's competitive position on the Italian insurance market. The legal and financial conditions for this extension of the bancassurance agreement are subject to the closing of the acquisition of Banca Antonveneta by BMPS.

On December 21, 2007, AXA announced that it had reached an agreement with **Reso Garantia's ("RESO")** shareholders to acquire a 36.7% stake in the company for a total cash consideration of around €810 million. As part of this agreement, AXA will have the option to buy out the remaining stake through calls exercisable in 2010 and 2011. This transaction closed in the first half of 2008.

SIGNIFICANT DISPOSALS

In 2007

On January 4, 2007, AXA reached an agreement with QBE Insurance Group for the sale of **Winterthur's US operations** for US$1,156 million (€920 million taking into account hedges put in place by AXA for this transaction at 1 Euro = 1.26 US$), and successfully completed the sale on May 31, 2007. In addition, Winterthur US repaid US$636 million, of which US$79 million had already been repaid in Q4 2006 (€506 million taking into account hedges put in place by AXA for this transaction at 1 Euro = 1.26 US$) of intercompany loans to Winterthur Group. This transaction followed AXA's decision to put Winterthur US operations under strategic review, as initially announced on June 14, 2006.

On June 4, 2007, AXA announced that it had entered into a memorandum of understanding with SNS Reaal with a view to finalizing discussions on the sale of its Dutch operations, comprising 100% of **AXA Netherlands**, **Winterthur Netherlands and DBV Netherlands**, for a total cash consideration of €1,750 million, after consultation with trade unions and workers' councils. AXA contemplated exiting the Dutch insurance market given the limited possibilities to reach a leading position through organic growth in the foreseeable future as this market is highly competitive and dominated by large local players. AXA's Dutch operations concerned by this proposed transaction were treated as discontinued operations (held for sale) in AXA's 2007 consolidated financial statements. As a consequence, their earnings until closing were accounted for in net income for all reported years. Their contribution in 2007 amounted to €480 million (of which €406 million gains on disposal and €74 million result up to the closing date), which was accounted in net income. The transaction closed on September 5, 2007.

On July 25, 2007, AXA announced it had reached an agreement with China Life Insurance Co Ltd, a Life insurance company incorporated in Taiwan, for the sale of **Winterthur Life Taiwan Branch (WLTB)**. In 2006, WLTB had a premium volume of circa €100 million (US GAAP) and a 0.35% market share. The transaction closed on October 31, 2007.

CAPITAL OPERATIONS

AXA announced on November 23, 2009 the completion of a €2 billion **capital increase** with preferential subscription rights and with the issue of 174 million new shares.

total demand for this capital increase amounted to approximately €5.6 billion, i.e. a subscription rate of 272%. The settlement and listing of the new shares on Euronext Paris took place on December 4, 2009.

For several years, the AXA Group has been offering to its employees in and outside of France, the opportunity to subscribe for shares issued by way of a capital increase reserved for employees. In 2009, employees invested a total of €0.4 billion leading to a total of 26 million newly issued shares. Employee (including agents) shareholders represented 5.8% of the outstanding share capital as of December 11, 2009.

As of December 31, 2009, AXA total share capital amounted to 2.289.965.124 shares.

Given improved market conditions, AXA issued in June 2009 a €1.0 billion senior debt (maturity 2015, 4.5% annual coupon, all-in issuance spread of 146 bps over Euribor).

During the first half 2009, AXA continued to actively manage its hedging program on its direct equity exposure in Property & Casualty businesses and non participating Life businesses.

In January 2009, AXA unwound €11 billion out of the first €14 billion tranche and the €9 billion second tranche of the 2008 equity hedging program in order to lock in the positive mark-to-market value. In addition, €2.5 billion calls on remaining exposure were bought back. This resulted in a € 46 million profit.

In July 2009, AXA unwound all its residual 2008 equity macro hedging position, resulting in a €34 million profit.

In addition, AXA supplemented its program in March 2009 with a new put spread strategy on €4 billion on Eurostoxx 50 maturing on June 30, 2009 and July 1, 2009. Following the equity market rally between March and May 2009, AXA lengthened its hedging program in June 2009 by an additional €3.5 billion put spread strategy on Eurostoxx 50, maturing as at December 30, 2009. The hedge was effective in a [1,750; 2,000] range. These two hedges resulted in a €103 million loss corresponding to the premium paid.

At December 31, 2009, **AXA Equitable** had $7.6 billion nominal of protection on the S&P index consisting of optional strategies. These positions were implemented to mitigate the impact of a decline in equity markets on AXA Equitable's statutory liabilities. total premium of this program amounted to €351 million. The change in fair value of these derivatives was reflected through earnings with a €-381 million negative impact net of tax recorded in full year 2009 net income.

Events subsequent to December 31, 2009

On January 15, 2010, AXA announced the acquisition of Omniasig Life. With this operation, AXA enters the Romanian Life insurance market, in line with its objective of accelerating the development of its activities in the emerging countries, notably in Central and Eastern Europe. Created in 1997, Omniasig Life sells protection products, representing premiums of €12 million in 2008, through a network of 1,400 agents. Omniasig Life ranks 10th in Romanian Life market and holds a 2.55% market share. Completion of the transaction is subject to customary regulatory approvals and is expected to take place during the first half-year of 2010.

On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter. AXA intends to maintain its US ADR program as a "level one" program which will permit AXA's current ADR holders and other US investors to continue holding and trading AXA ADRs in the US over-the-counter market. The Group intends to maintain financial reporting discipline through an annual program to test the effectiveness of its internal control going forward.

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

The estimated financial impact for AXA of the Xynthia storm in Europe in early 2010 is ranging between €-0.2 billion to €-03 billion before tax, with largest impacts in France, Germany, Belgium and Spain.

Consolidated gross revenues

CONSOLIDATED GROSS REVENUES (a)

(in Euro million)	2009	2008	2007	2009/2008
Life & Savings	57,620	57,977	59,845	-0.6%
Of which Gross written premiums	*55,899*	*56,071*	*57,773*	*-0.3%*
Of which Fees and revenues from investment contracts with no participating feature	*547*	*662*	*740*	*-17.4%*
Property & Casualty	26,174	26,039	25,016	0.5%
International Insurance	2,860	2,841	3,568	0.7%
Asset Management	3,074	3,947	4,863	-22.1%
Banking (b)	395	412	339	-4.1%
Holdings and other companies (c)	0	5	2	-89.5%
TOTAL	**90,124**	**91,221**	**93,633**	**-1.2%**

(a) Net of intercompany eliminations.

(b) Excluding net realized capital gains and change in fair value of assets under fair value option and derivatives, net banking revenues and total consolidated revenues would respectively amount to €392 million and €90,128 million for the period ending December 31, 2009, €473 million and €91,285 million for the period ending December 31, 2008, and €320 million and €93,617 million for the period ending December 31, 2007.

(c) Includes notably CDOs and real estate companies.

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 in this document means including acquisitions, disposals and business transfers, and net of intercompany transactions in both periods.

Consolidated gross revenues for full year 2009 reached €90,124 million, down 1% compared to 2008.

The restatements to a comparable basis were mainly driven by the evolution of Euro against other currencies (€851 million or -1 point). **On a comparable basis, gross consolidated revenues were down 3%**.

Total Life & Savings gross revenues were down 1% to €57,620 million, or down 4% on a comparable basis mainly due to the United States, the United Kingdom, Japan, Switzerland and Australia/New Zealand, partly offset by Mediterranean & Latin American Region, France and Germany.

Total Life & Savings New Business APE [1] amounted to €6,188 million, down 9% compared to 2008. On a comparable basis, APE decreased by 11%, mainly due to the United States, the United Kingdom, Japan and Australia/New Zealand, partly offset by France and Mediterranean & Latin American Region.

The United States APE decreased by €597 million (-39%) to €994 million driven by (i) Variable Annuities APE down 45%, primarily in the Wholesale channel, reflecting uncertain market conditions as well as management repricing and redesign actions, (ii) Life down 31% following product modifications in 2008 and the elimination of certain Universal Life guaranteed features in the first quarter of 2009, and (iii) Mutual Funds down 26% reflecting lower sales under uncertain financial market conditions.

United Kingdom APE decreased by €251 million (-20%) to €926 million, primarily due to (i) lower Investment & Savings volumes (€-111 million or -25%), due to the impact of recessionary market conditions on Onshore and Offshore Bond volumes, (ii) a €87 million decrease (-26%) in Individual and Executive Pensions as economic conditions have reduced the UK pensions market, and (iii) a €62 million decrease (-15%) in Group Pension volumes, mainly due to the impact of economic conditions on incremental contributions from existing company schemes, partly offset by (iv) a €8 million increase (+10%) in Life products reflecting the strengthening of the AXA Protection brand in the market.

Japan APE decreased by €79 million (-16%) to €532 million. Excluding the impact of the bankruptcy of a large independent agent (LINA) (€-38 million sales in Life and Medical), APE decreased by €41 million (-9%). This was driven by a €37 million decrease (-19%) in Life to €192 million mainly due to lower Term products sales and a €8 million decrease (-10%) in Investments & Savings to €91 million following lower sales of Variable Annuity products. This was partly offset by a €4 million increase (+2%) in Health to €249 million, mainly due to higher sales of the new Long Term Care and Cancer products.

Australia/New Zealand APE decreased by €123 million (-32%) to €269 million mainly due to a drop in mutual fund sales following negative market conditions. These negative impacts were partly offset by Variable Annuity product sales.

France APE increased by €255 million (+19%) to €1,602 million, mainly due to Group lines strong performance (+38%) with large contracts in Retirement and higher sales in Protection, as well as a positive contribution in Individual Savings (+10%).

Mediterranean & Latin American Region APE increased by €83 million (+20%) to €497 million mainly driven by higher contribution of general account savings products (€104 million or +57%) mainly in AXA MPS in Italy (Italian bancassurance joint-venture, €105 million or +160%) reinforced by Antonveneta, partly offset by the lower contribution of index-linked and unit-linked products in AXA MPS (€-24 million or -28%).

Property & Casualty gross revenues were up 1% to €26,174 million, or +1% on a comparable basis mainly driven by Personal lines (+2%) especially in France, Belgium, the United Kingdom & Ireland and Canada, partly offset by Germany and the Mediterranean & Latin American Region. Commercial lines decreased by 2% especially in the United Kingdom & Ireland and Belgium, partly offset by Switzerland.

Personal lines (61% of P&C gross revenues) were up 2% on a comparable basis, stemming from both Motor (+2%) and Non-Motor (+2%).

Motor revenues grew by 2% mainly driven by (i) the United Kingdom & Ireland (+19%), due to +43% growth in new business written through the internet platform Swiftcover, (ii) France (+3%) due to a positive price effect and positive net inflows, and (iii) Canada (+13%) due to higher volumes and increased average premium, partly offset by (iv) the Mediterranean & Latin American Region (-3%) driven by difficult market conditions in Spain, Portugal, and the Gulf Region, partly offset by a strong performance in Mexico, and (v) Germany (-3%) as a result of declining average premium in the context of market price pressure.

Non-Motor revenues increased by 2% mainly driven by (i) France (+3%) driven by positive net inflows combined with a positive price effect in Household, (ii) Canada (+17%) in Property mainly driven by both higher volumes and a positive price effect, (iii) the Mediterranean & Latin American Region (+5%) mainly due to Health with positive volumes effect in Mexico and in Italy, as well as positive development in Property across the board, and (iv) Belgium (+2%) mainly due to price indexation in Property, partly offset by (v) the United Kingdom & Ireland (-4%) mainly driven by a more selective underwriting in Travel and declining volumes within Personal Medical Insurance.

Commercial lines (38% of P&C gross revenues) decreased by 2% on a comparable basis with Motor down 1% and Non-Motor down 2%.

Motor revenues were down 1%, driven by (i) the United Kingdom & Ireland (-9%) due to continued focus on profitability with tariff

(1) Annual Premium Equivalent (APE) is new regular premium plus one tenth of single premiums, in line with EEV methodology. APE is Group Share.

increases impacting renewals, (ii) Belgium (-4%) due to economic slowdown, and (iii) France (-3%) due to a negative volume effect.

Non-Motor revenues were down 2%, with notably (i) the United Kingdom & Ireland down 6% in a soft market environment and (ii) Belgium down 2% due to a decrease of Workers' Compensation negatively impacted by the economic slowdown while (iii) Switzerland increased by 2% mainly due to new large Health contracts.

International Insurance revenues were up 1% to €2,860 million or up 2% on a comparable basis mainly driven by (i) **AXA Corporate Solutions Assurance** (up 2% to €1,930 million) driven by portfolio increase in Liability (+11%) and Marine (+8%), and (ii) **AXA Assistance** up 4% to €765 million.

Asset management revenues decreased by 22% or 25% on a comparable basis to €3,074 million mainly driven by lower management fees (-26%) due to lower average Assets under Management (-18%) and lower average management fees (-2.8 bps).

AllianceBernstein revenues were down 29% to €1,887 million due to management fees down 33% in line with 31% lower average assets under management, distribution fees down 27% related to lower average mutual fund assets, and institutional research services down 8% due to lower client trading activity.

Assets under Management increased by €15 billion from year-end 2008 to €346 billion at December 31, 2009 driven by market appreciation of €77 billion, partly offset by net outflows of €-53 billion (€-41 billion from Institutional clients, €-6 billion from Retail and €-5 billion for Private Client) and negative exchange rate impact of €-9 billion.

AXA Investment Managers revenues decreased by €255 million (-18%) to €1,187 million. Excluding distribution fees (retroceded to distributors), net revenues decreased by €193 million (-15%) mainly due to lower management fees (€-131 million), equally driven by lower average asset under management and unfavorable client and product mix.

Assets under Management increased by €14 billion from year-end 2008 to €499 billion at the end of December 31, 2009 mainly as a result of €31 billion positive market impact partly offset by €-19 billion net outflows, including €-13 billion third party business and €-5 billion AXA Group business.

Net banking revenues were down 4%, or down 2% on a comparable basis to €395 million, mainly attributable to AXA Bank Europe (-7% due to (i) a lower net interest and fee income and (ii) a decrease of the net capital gains, including an unfavorable exchange impact) and AXA Banque (-10% mainly due to unfavorable variation in fair value of macro-hedge derivative instruments partly offset by higher commercial margin), partly offset by Hungarian bank (+47% mainly driven by higher interest margin).

CONSOLIDATED UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
Gross written premiums	84,646	84,662	86,116
Fees and revenues from investment contracts with no participating feature	547	662	740
Revenues from insurance activities	**85,193**	**85,324**	**86,857**
Net revenues from banking activities	392	473	320
Revenues from other activities	4,544	5,488	6,441
TOTAL REVENUES	**90,128**	**91,285**	**93,617**
Change in unearned premium reserves net of unearned revenues and fees	**(238)**	**(208)**	**(609)**
Net investment result excluding financing expenses [(a)]	**34,964**	**(27,620)**	**24,572**
Technical charges relating to insurance activities [(a)]	(98,458)	(37,493)	(88,961)
Net result of reinsurance ceded	(919)	(101)	(1,050)
Bank operating expenses	(89)	(59)	(57)
Insurance acquisition expenses	(9,166)	(8,672)	(8,669)
Amortization of value of purchased life business in force	(365)	(473)	(357)
Administrative expenses	(10,006)	(10,076)	(10,089)
Valuation allowances on tangibles assets	(2)	(1)	4
Change in value of goodwill	(3)	(7)	(1)
Other	(151)	(181)	(419)
Other operating income and expenses	**(119,159)**	**(57,063)**	**(109,597)**
INCOME FROM OPERATING ACTIVITIES, GROSS OF TAX EXPENSE	**5,695**	**6,394**	**7,983**
Net income from investments in affiliates and associates	20	23	29
Financing expenses	(452)	(685)	(467)
OPERATING INCOME GROSS OF TAX EXPENSE	**5,262**	**5,732**	**7,545**
Income tax expenses	(1,033)	(1,150)	(1,941)
Non-controlling interests	(375)	(538)	(642)
UNDERLYING EARNINGS	**3,854**	**4,044**	**4,963**
Net realized capital gains or losses attributable to shareholders	(386)	(345)	1,175
ADJUSTED EARNINGS	**3,468**	**3,699**	**6,138**
Profit or loss on financial assets (under fair value option) & derivatives	485	(2,501)	(596)
Exceptional operations (including discontinued operations)	(202)	(49)	482
Goodwill and other related intangible impacts	(85)	(99)	(106)
Integration costs	(60)	(127)	(252)
NET INCOME	**3,606**	**923**	**5,666**

(a) *For the periods ended December 31, 2009, December 31, 2008 and December 31, 2007, the change in fair value of assets backing contracts with financial risk borne by policyholders impacted the net investment result for respectively €+23,861 million, €-43,687 million and €+7,476 million, and benefits and claims by the offsetting amounts respectively.*

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

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
Life & Savings	2,336	1,508	2,670
Property & Casualty	1,670	2,394	1,863
International Insurance	286	188	218
Asset Management	355	589	590
Banking	(2)	33	36
Holdings and other companies [(a)]	(793)	(668)	(414)
Underlying earnings	**3,854**	**4,044**	**4,963**
Net realized capital gains or losses attributable to shareholders	(386)	(345)	1,175
Adjusted earnings	**3,468**	**3,699**	**6,138**
Profit or loss on financial assets (under Fair Value option) & derivatives	485	(2,501)	(596)
Exceptional operations (including discontinued operations)	(202)	(49)	482
Goodwill and related intangibles impacts	(85)	(99)	(106)
Integration costs	(60)	(127)	(252)
NET INCOME	**3,606**	**923**	**5,666**

(a) Includes notably CDO and real estate companies.

Group underlying earnings amounted to €3,854 million. On a constant exchange rate basis, underlying earnings decreased by €249 million (-6%), driven by a drop in Property & Casualty, Asset Management and Holdings, partly offset by an increase in Life & Savings and International Insurance.

Life & Savings underlying earnings amounted to €2,336 million. On a constant exchange rate basis, Life & Savings underlying earnings were up €765 million (+51%) mainly attributable to the United States (€+741 million), Germany (€+114 million) and Belgium (€+95 million), partly offset by France (€-205 million) and Japan (€-69 million).

Excluding the change in scope related to the acquisitions of Seguros ING in Mexico (€6 million), Quadrifoglio Vita (€5 million), the brokerage company SBJ in the United Kingdom (€1 million), and the financial advisor Genesys in Australia (€3 million), as well as the buyout of non-controlling interests in Turkey (€3 million), and on a constant exchange rate basis, Life & Savings **underlying earnings** increased by €747 million (+49%) mainly resulting from:

- **Lower investment margin** (€-361 million or down 14%). Investment margin was impacted by €-12 million reclassification to fees & revenues in the United Kingdom. Excluding this impact, investment margin was down €349 million (-14%) with *Investment income* down €202 million (-2%) mainly driven by lower bond and dividend yields while *Policyholders' participation* was up €160 million (+1%) mainly due to higher policyholder allocation in France, Switzerland and Belgium.

- **Lower Fees & Revenues** (€-146 million or -2%). Fees & Revenues were impacted by €+12 million reclassification from investment margin in the United Kingdom. Excluding this impact, Fees & Revenues decreased by €159 million (-2%) mainly driven by:

  a. *Loadings on premiums and Mutual Funds* were down €6 million (+0%), mainly driven by France (€-32 million mainly due to lower URR amortization, partly offset by lower DAC amortization following the financial market recovery in 2009), Australia/New Zealand (€-39 million driven by lower premiums in 2009 combined with a lower level of assets under management) and the United States (€-24 million), partly offset by Germany (€+78 million due to higher loadings on general account premiums in line with business development) and Japan (€+46 million) due to a shift towards Protection products with higher loadings ratio and to the contribution of Variable Annuity products (higher URR amortization which was fully offset by higher DAC amortization),

  b. *Unit-linked management fees* down €155 million (-8%), mainly driven by lower average asset levels in the United States (€-102 million), and France (€-54 million).

- **Higher net technical margin**, up €2,043 million. Excluding the reclassification from net technical margin to commissions in 2009 reflecting contractual changes in Group Protection contracts in France (€190 million), net technical margin was up €1,853 million mainly driven by (i) €1,411 million improvement in Variable Annuity hedging margin, mostly in the United States, primarly as a result of significant lower basis cost, lower financial market volatility as well as credit spreads tightening and gains from interest rates hedging partly offset by lower lapse assumptions, (ii) €165 million one-off gain in the United Kingdom, mainly as a result of internal restructuring of an annuity portfolio, and (iii) €68 million higher positive prior year reserve developments in Group lines in France, partly offset by (iv) €-103 million in Japan following reserves strengthening.

- **Higher expenses** (up €551 million or +8%). Excluding the reclassification from net technical margin to commissions in 2009 reflecting contractual changes in Group Protection contracts in France (€190 million), expenses increased by €361 million (+5%), *with acquisition expenses* up €277 million (+9%) mainly driven by DAC amortization (up €173 million in the United States) notably reflecting higher GMxB margins, while administrative expenses increased by €84 million (+2%), mainly driven by higher social taxes in France.

- **Higher tax expenses and non-controlling interests** (up €318 million or +62%). Excluding €29 million higher positive tax one-offs (mainly with €66 million in Belgium on "Revenus Définitivement Taxés", €30 million in Japan, €21 million in Switzerland and €12 million in Germany in 2009 compared to €71 million in the United Kingdom and €17 million in the United States in 2008), tax expenses and non-controlling interests increased by €289 million (+57%), driven by higher pre-tax earnings.

Property & Casualty underlying earnings amounted to €1,670 million. On a constant exchange rate basis, Property & Casualty underlying earnings decreased by €723 million (-30%). Excluding the change in scope related to the acquisition of Seguros ING in Mexico (€15 million) and Reso in Russia (€18 million, consolidated under equity method), as well as from the buyout of non-controlling interests in Turkey (€8 million), and on a constant exchange rate basis, Property & Casualty underlying earnings decreased by €769 million (-32%) mainly due to:

- Lower net technical result (including expenses) down €913 million (or down €905 million excluding Mexico) due to:

  a. **an all year loss ratio** increasing by 3.8 points to 70.9%. Excluding the contribution of Mexico, the all year loss ratio increased by 3.7 points to 70.7% mainly due to (i) higher impact of natural events in 2009 (+1.7 points mainly driven by Klaus storm for 0.8 point and other natural events across Europe) than in 2008, as well as (ii) a rise in attritional claims (+1.7 points), mainly due to higher frequency and large claims, and (iii) stable positive prior year development,

  Partly offset by:

  b. **an expense ratio** decreasing by 0.2 point to 28.1%. Excluding the contribution of Mexico, the expense ratio decreased by 0.2 point to 28.2%,

  c. as a result, **the combined ratio** was up 3.6 points to 99.0%.

- **Lower investment result** (€-165 million), or down €191 million (-9%) excluding the contribution of Mexico, mainly driven by lower asset yields in the United Kingdom and Germany, partly offset by France.

- **Lower income tax expense and non-controlling interests** (down €355 million). Excluding Mexico, Reso and the impact of the buyout of non-controlling interests in Turkey, income tax expenses and non-controlling interests decreased by €358 million. Excluding €12 million lower positive tax one-offs (mainly with €39 million in Belgium on "Revenus Définitivement Taxés", €13 million in Germany and €9 million in Switzerland in 2009, versus €25 million in Germany, €13 million in the Mediterranean & Latin American Region and €14 million in the United Kingdom in 2008), tax expenses and non-controlling interests decreased by €370 million in line with lower pre-tax earnings.

International Insurance underlying earnings amounted to €286 million. On a constant exchange rate basis, underlying earnings increased by €102 million (+54%) mainly driven by improved run-off results driven by better market conditions.

Asset Management underlying earnings amounted to €355 million. On a constant exchange rate basis, underlying earnings decreased by €240 million (-41%) mainly due to (i) lower management fees, driven by lower average AUM (-18%) and lower average fees (-2.8 basis points), (ii) the non recurrence of a €74 million carried interest on a real estate fund in 2008, (iii) lower general expenses (€252 million, mainly from lower staff costs), (iv) lower tax expenses (including a one-time tax benefit of €62 million at AllianceBernstein due primarily to the release of reserves relating to the tax treatment of compensation plans in 2009 versus €63 million in 2008), and (v) lower non-controlling interests expenses at AllianceBernstein.

Banking segment's underlying earnings amounted to €-2 million. On a constant exchange rate basis, banking underlying earnings decreased by €34 million (-104%), mainly due to (i) AXA Bank Europe down €45 million (or -66%) due to an increase in expenses, notably to finance expansion in new countries, and lower capital gains, partly offset by (ii) AXA Banque up €12 million to break even in 2009 reflecting improved margins and expenses tightly managed.

Holdings and other companies' underlying earnings amounted to €-793 million. On a constant exchange rate basis, holdings underlying earnings decreased by €120 million mainly due to higher financial charges mainly driven by external growth in the second half of 2008, and lower result on hedging of earnings denominated in foreign currencies, partly offset by lower tax expenses.

Group net capital losses attributable to shareholders amounted to €-386 million. On a constant exchange rate basis, Group net capital gains and losses attributable to shareholders were down €55 million mainly due to:

- €-92 million lower **net realized gains excluding impairments**, to €725 million in 2009, mainly driven by €400 million lower realized gains on equities, partly offset by €341 million higher realized gains on debt securities;

- €1,755 million lower **net impairments**, to €-1,028 million in 2009 mainly driven by lower impairments on equity securities;

- €-1,719 million decrease in impact of equity derivatives mainly driven by the non-recurrence of an exceptional equity hedging profit in 2008.

As a result, **adjusted earnings** amounted to €3,468 million. On a constant exchange rate basis, adjusted earnings were down €306 million (-8%).

Net Income amounted to €3,606 million. On a constant exchange rate basis, net income increased by €2,607 million (+283%) mainly as a result of:

- **Lower adjusted earnings:** €-306 million to 3,468 million,

- **Higher result on change in fair value of financial assets and derivatives including foreign exchange impacts:** €+2,984 million to €+485 million. These €+485 million can be analyzed as follows:

  a. €+1,116 million net positive impact from credit spread tightening (€+738 million from fixed income fund valuation, and €+377 million related to positive impact from credit derivatives, also including the €+106 million reversal of provisional loss for Japan first quarter 2009 which was included in 2008 net income),

  b. €-381 million net change in fair value of equity derivatives related to a statutory liability hedge program in the United States,

c. €-256 million net negative impact from private equity funds valuation, mainly in the United States, France and Germany,

d. €-88 million in the United Kingdom reflecting an undiscounted tax adjustment on unrealized gains attributable to policyholders in unit-linked life fund.

- **Lower exceptional operations result including discontinued operations:** €-152 million to €-202 million. These €-202 million negative impact are mainly driven by:

a. recognition of a €-141 million deferred tax liability related to the probable sale of the Australia & New Zealand business,

b. policyholder bonus related to the share transfer of the Health company to the Holding entity in Germany (€-84 million).

CONSOLIDATED SHAREHOLDERS' EQUITY

As of December 31, 2009, consolidated shareholders' equity amounted to €46.2 billion. The movements in shareholders' equity since December 31, 2008 are presented in the table below:

(in Euro million)	Shareholders' Equity
At December 31, 2008	**37,440**
Share Capital	460
Capital in excess of nominal value	1,971
Equity-share based compensation	74
Treasury shares sold or bought in open market	42
Deeply subordinated debt (including accrued interests)	(291)
Fair value recorded in shareholders' equity	5,004
Impact of currency fluctuations	(30)
Cash dividend	(836)
Other	(179)
Net income for the period	3,606
Actuarial gains and losses on pension benefits	(1,032)
At December 31, 2009	**46,229**

Shareholder Value

EARNINGS PER SHARE ("EPS")

	2009		2008 Restated [b]		2008 Published		2007 Restated [b]		2007 Published		Var. 2009 versus 2008 Restated	
(in Euro million except ordinary shares in million)	Basic [a]	Fully diluted [a]	Basic [a]	Fully diluted [a]	Basic [a]	Fully diluted [a]	Basic [a]	Fully diluted [a]	Basic [a]	Fully diluted [a]	Basic [a]	Fully diluted [a]
Weighted average number of shares	2,127.0	2,133.3	2,083.1	2,091.4	2,035.4	2,043.6	2,090.6	2,108.7	2,042.7	2,060.8		
Net income (Euro per ordinary share)	*1.51*	*1.51*	*0.43*	*0.43*	*0.44*	*0.44*	*2.69*	*2.67*	*2.76*	*2.73*	*250.6%*	*251.0%*
Adjusted earnings (Euro per ordinary share)	*1.50*	*1.49*	*1.63*	*1.63*	*1.67*	*1.66*	*2.80*	*2.77*	*2.86*	*2.84*	*-8.4%*	*-8.3%*
Underlying earnings (Euro per ordinary share)	*1.68*	*1.67*	*1.80*	*1.79*	*1.84*	*1.83*	*2.24*	*2.22*	*2.29*	*2.27*	*-6.7%*	*-6.6%*

(a) EPS calculation takes into account interest payments and foreign exchange rate impacts related to perpetual debts classified in shareholders equity with retrospective application.

(b) Following AXA's rights issue in 4Q09, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009, 47.7 million in 2008 and 47.9 million in 2007.

RETURN ON EQUITY ("ROE")

(in Euro million)	Period ended , December 31, 2009	Period ended , December 31, 2008	Change in % points
ROE	**9.3%**	**2.3%**	**7.0%**
Net income group share	3,606	923	
Average shareholders' equity	38,857	40,615	
Adjusted ROE	**11.0%**	**11.0%**	**0.0%**
Adjusted earnings [a]	3,180	3,400	
Average shareholders' equity [b]	28,887	30,902	
Underlying ROE	**12.3%**	**12.1%**	**0.2%**
Underlying earnings [a]	3,566	3,745	
Average shareholders' equity [b]	28,887	30,902	

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

(b) Excluding change in fair value on invested assets and derivatives (recorded through shareholders' equity), and excluding perpetual debt (recorded through shareholders' equity).

Life & Savings segment

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

LIFE & SAVINGS SEGMENT [(a)]

(in Euro million)	2009	2008	2007
Gross written premiums	55,954	56,127	57,807
Fees and revenues from investment contracts without participating feature	547	662	740
Revenues from insurance activities	**56,501**	**56,789**	**58,548**
Net revenues from banking activities	-	0	-
Revenues from other activities	1,176	1,246	1,332
TOTAL REVENUES	**57,677**	**58,035**	**59,879**
Change in unearned premium reserves net of unearned revenues and fees	**(162)**	**(235)**	**(275)**
Net investment result excluding financing expenses [(b)]	**33,058**	**(30,578)**	**21,857**
Technical charges relating to insurance activities [(b)]	(79,000)	(18,380)	(69,987)
Net result of reinsurance ceded	(74)	913	33
Bank operating expenses	-	-	-
Insurance acquisition expenses	(4,007)	(3,622)	(3,726)
Amortization of value of purchased life business in force	(365)	(473)	(357)
Administrative expenses	(3,685)	(3,481)	(3,382)
Valuation allowances on tangible assets	(1)	0	1
Change in value of goodwill	-	(4)	0
Other	(145)	(117)	(189)
Other operating income and expenses	**(87,277)**	**(25,164)**	**(77,607)**
INCOME FROM OPERATING ACTIVITIES, GROSS OF TAX EXPENSE	**3,295**	**2,058**	**3,855**
Net income from investments in affiliates and associates	3	21	22
Financing expenses	(98)	(63)	(69)
OPERATING INCOME GROSS OF TAX EXPENSE	**3,201**	**2,016**	**3,808**
Income tax expenses	(670)	(314)	(924)
Non-controlling interests	(195)	(193)	(213)
UNDERLYING EARNINGS	**2,336**	**1,508**	**2,670**
Net realized capital gains or losses attributable to shareholders	(73)	(784)	567
ADJUSTED EARNINGS	**2,263**	**725**	**3,238**
Profit or loss on financial assets (under fair value option) & derivatives	(52)	(1,079)	(237)
Exceptional operations (including discontinued operations)	(105)	(29)	(1)
Goodwill and other related intangible impacts	(21)	(25)	(39)
Integration costs	(11)	(38)	(63)
NET INCOME	**2,075**	**(446)**	**2,899**

(a) Before intercompany transactions.

(b) For the periods ended December 31, 2009, December 31, 2008, and December 31, 2007, the change in fair value of assets backing contracts with financial risk borne by policyholders impacted the net investment result for respectively €+23,861 million, €-43,687 million and €+7,476 million, and benefits and claims by the offsetting amounts respectively.

CONSOLIDATED GROSS REVENUES

(in Euro million)	2009	2008	2007
France	16,353	14,298	15,052
United States	9,386	13,757	16,244
United Kingdom	2,783	3,549	4,628
Japan	5,438	4,628	5,116
Germany	6,715	6,233	6,201
Switzerland	4,442	4,495	4,133
Belgium	2,519	2,563	3,075
Mediterranean & Latin American Region [a]	6,483	4,822	1,924
Other countries	3,557	3,690	3,507
TOTAL	**57,677**	**58,035**	**59,879**
Intercompany transactions	(57)	(59)	(35)
Contribution to consolidated gross revenues	**57,620**	**57,977**	**59,845**

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

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
France	470	675	531
United States	545	(225)	883
United Kingdom	186	122	255
Japan	211	238	254
Germany	157	43	182
Switzerland	226	218	165
Belgium	231	136	90
Mediterranean & Latin American Region [a]	115	108	73
Other countries	195	192	237
Underlying earnings	**2,336**	**1,508**	**2,670**
Net realized capital gains or losses attributable to shareholders	(73)	(784)	567
Adjusted earnings	**2,263**	**725**	**3,238**
Profit or loss on financial assets (under Fair Value option) & derivatives	(52)	(1,079)	(237)
Exceptional operations (including discontinued operations)	(105)	(29)	(1)
Goodwill and related intangible impacts	(21)	(25)	(39)
Integration costs	(11)	(38)	(63)
NET INCOME	**2,075**	**(446)**	**2,899**

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

LIFE & SAVINGS OPERATIONS – FRANCE

(in Euro million)	2009	2008	2007
Gross revenues	**16,353**	**14,298**	**15,052**
APE (Group share)	*1,602*	*1,347*	*1,360*
Investment margin	884	1,022	937
Fees & revenues	1,430	1,516	1,463
Net technical margin	762	467	265
Expenses	(2,318)	(2,100)	(1,911)
Amortization of VBI	(77)	(50)	(43)
Other	(0)	8	-
Underlying operating earnings before tax	**680**	**862**	**711**
Income tax expenses/benefits	(208)	(185)	(178)
Non-controlling interests	(1)	(3)	(2)
Underlying earnings Group share	**470**	**675**	**531**
Net capital gains or losses attributable to shareholders net of income tax	91	311	269
Adjusted earnings Group share	**561**	**986**	**800**
Profit or loss on financial assets (under FV option) & derivatives	281	(561)	(91)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	-	-
NET INCOME GROUP SHARE	**842**	**425**	**709**

Gross revenues increased by €2,055 million (+14%) to €16,353 million [(1)]:

- *Group Lines* (41% of gross revenues) increased by 23% due to large contracts in Retirement business and growth in Protection & Health;
- *Individual Lines* (59% of gross revenues) increased by 9% driven by positive performance in both Savings and Health.

APE increased by €255 million (+19%) to €1,602 million mainly due to Group lines strong performance (+38%) with large contracts in Retirement and increased sales in Protection as well as a positive performance in Individual Savings (+10%).

Investment margin decreased by €138 million (-13%) to €884 million due to a higher policyholder charge both attributable to higher investment income and higher unallocated reserve bonus. Excluding the unallocated reserve bonus effect, investment margin would have been stable.

Fees & revenues decreased by €86 million (-6%) to €1,430 million mainly driven by lower revenues on unit-linked contracts with lower average asset base impacted by the adverse financial market evolution.

Net technical margin increased by €295 million (+63%) to €762 million primarily due to (i) €190 million charge reclassified from technical margin to commissions reflecting contractual changes in Group Protection contracts and to (ii) €68 million higher prior year reserve development on Group Lines.

Expenses increased by €218 million (+10%) to €-2,318 million driven by (i) €190 million increased commissions following the reclassification from technical margin to commissions and (ii) €34 million increase in social taxes on Health business financed through increased premiums.

Amortization of VBI increased by €27 million (+53%) to €-77 million mainly due to an update of actuarial assumptions.

As a result, the **underlying cost income ratio** increased by 6.3 points to 77.9%.

Income tax expenses increased by €23 million (+12%) to €-208 million resulting from a lower level of non taxable dividends partly offset by lower pre-tax underlying earnings.

Underlying earnings decreased by €205 million (-30%) to €470 million.

Adjusted earnings decreased by €424 million (-43%) to €561 million mainly resulting from (i) underlying earnings decrease (€-205 million), (ii) €-308 million lower net realized capital gains net of hedging derivatives, partly offset by (iii) €+88 million lower charge of impairments mostly on equities.

Net income increased by €417 million (+98%) to €842 million reflecting (i) €-424 million lower adjusted earnings, more than offset by (ii) €+841 million increase in the fair value of mutual funds and derivatives mainly due to credit spread tightening.

(1) €16,340 million after intercompany eliminations.

LIFE & SAVINGS OPERATIONS - UNITED STATES

(in Euro million)	2009	2008	2007
Gross revenues	**9,386**	**13,757**	**16,244**
APE (Group share)	*994*	*1,540*	*2,099*
Investment margin	450	487	704
Fees & revenues	1,554	1,595	1,792
Net technical margin	500	(984)	466
Expenses	(1,735)	(1,433)	(1,647)
Amortization of VBI	(39)	(64)	(69)
Other	-	-	-
Underlying operating earnings before tax	**729**	**(400)**	**1,247**
Income tax expenses/benefits	(184)	175	(363)
Non-controlling interests	(0)	-	(0)
Underlying earnings Group share	**545**	**(225)**	**883**
Net capital gains or losses attributable to shareholders net of income tax	(16)	(153)	(32)
Adjusted earnings Group share	**529**	**(378)**	**851**
Profit or loss on financial assets (under FV option) & derivatives	(555)	83	40
Exceptional operations (including discontinued operations)	-	2	(7)
Goodwill and other related intangibles impacts	(1)	(2)	(21)
Integration costs	-	-	-
NET INCOME GROUP SHARE	**(28)**	**(296)**	**863**
Average exchange rate: €1.00 = $	*1.3945*	*1.4706*	*1.3699*

Gross revenues decreased by €4,372 million (-32%) to €9,386 million. On a comparable basis, gross revenues decreased by €4,857 million (-35%) mainly driven by:

- *Variable Annuity* premiums (59% of gross revenues) decreased by 44% reflecting a slowdown in sales related to uncertain market conditions as well as management repricing and redesign actions;
- *Life* premiums (26% of gross revenues) decreased by 5% primarily driven by market conditions, the impact on first year life premiums of product modifications in 2008 and the elimination of certain Universal Life guaranteed features in the first quarter of 2009;
- *Mutual Funds gross revenues* (1% of gross revenues) decreased by 19% driven by prevailing uncertain financial market conditions;
- *Fees on Asset Management business* (6% of gross revenues) decreased by 12% driven by lower average separate account balances resulting from stock market declines in the latter part of 2008 and the first quarter of 2009.

APE decreased by €546 million (-35%) to €994 million. On a comparable basis, APE decreased by €597 million (-39%):

- *Variable Annuity* APE decreased by 45% primarily in the Wholesale channel, reflecting uncertain market conditions as well as repricing and redesign actions;
- *Life* APE decreased by 31% following product modifications in 2008 and the elimination of certain Universal Life guaranteed features in the first quarter of 2009;
- *Mutual Funds* APE decreased by 26% reflecting lower sales under uncertain financial market conditions.

Investment margin decreased by €37 million (-8%) to €450 million. On a constant exchange rate basis, investment margin decreased by €61 million (-12%). Investment income decreased by €126 million primarily reflecting lower returns on alternative investments. Interest and bonus credited decreased by €65 million primarily reflecting the favorable reserve adjustment for predemutualization participating annuity business.

Fees & revenues decreased by €41 million (-3%) to €1,554 million. On a constant exchange rate basis, fees & revenues decreased by €121 million (-8%) primarily due to lower fees earned on lower average separate account balances resulting from stock market decline in the latter part of 2008 and the first quarter of 2009.

Net technical margin rose by €1,484 million to €500 million. On a constant exchange rate basis, net technical margin increased by €1,458 million (+148%) primarily due to higher GMxB margin reflecting significant lower basis cost, lower volatility, interest rate hedging gains and credit spread narrowing in 2009 partially offset by reserve adjustment for lower lapse assumptions.

Expenses increased by €302 million (+21%) to €-1,735 million. On a constant exchange rate basis, expenses increased by €212 million (+15%) due to:

- Expenses, net of capitalization (including commissions and DAC capitalization) increased by €39 million primarily due to higher pension plan expenses partially offset by lower commissions and other expense reductions from management initiatives, including headcount reductions;

- DAC amortization increased by €173 million, primarily reflecting higher GMxB margins and higher lapse rates on Variable Life products, partially offset by the non-recurrence of a €-610 million adjustment in 2008 reflecting an unlocking and amortization reset to reflect a long term average Separate Account return of 9%.

Amortization of VBI decreased by €25 million (-39%) to €-39 million. On a constant exchange rate basis, amortization of VBI decreased by €27 million (-42%) due to the non-recurrence of a 2008 financial market impact.

As a result, the **underlying cost income ratio** decreased by 65.6 points to 70.9%.

Income tax expenses increased by €359 million to €-184 million. On a constant exchange rate basis, income tax expenses increased by €350 million. The tax expense increase was due to higher pre-tax underlying earnings partially offset by the beneficial impact of a higher non-taxable investment income.

Underlying earnings increased by €770 million to €545 million. On a constant exchange rate basis, underlying earnings increased by €741 million.

Adjusted earnings increased by €907 million to €529 million. On a constant exchange rate basis, adjusted earnings increased by €880 million reflecting the increase in underlying earnings and lower net impairments.

Net income improved by €269 million (+91%) to €-28 million. On a constant exchange rate basis, net income increased by €270 million (+91%). Net income improved due to the increase in adjusted earnings, partially offset by a decline in the fair value of interest rate hedges (€-224 million, net), and a decline in the fair value of equity derivatives related to the statutory liability hedge (€-365 million, net).

LIFE & SAVINGS OPERATIONS - UNITED KINGDOM

(in Euro million)	2009	2008	2007
Gross revenues	**2,783**	**3,549**	**4,628**
APE (Group share)	*926*	*1,287*	*1,588*
Investment margin	133	244	258
Fees & revenues	609	787	889
Net technical margin	243	46	90
Expenses	(754)	(924)	(967)
Amortization of VBI	(5)	(97)	(46)
Other	-	-	-
Underlying operating earnings before tax	**225**	**57**	**224**
Income tax expenses/benefits	(39)	65	31
Non-controlling interests	(0)	(0)	(0)
Underlying earnings Group share	**186**	**122**	**255**
Net capital gains or losses attributable to shareholders net of income tax	(38)	(71)	(26)
Adjusted earnings Group share	**148**	**50**	**229**
Profit or loss on financial assets (under FV option) & derivatives	(165)	232	21
Exceptional operations (including discontinued operations)	(3)	-	-
Goodwill and other related intangibles impacts	(13)	(14)	(11)
Integration costs	0	(12)	(23)
NET INCOME GROUP SHARE	**(33)**	**257**	**216**
Average exchange rate: €1.00 = £	*0.8913*	*0.7970*	*0.6845*

Gross revenues decreased by €766 million (-22%) to €2,783 million. On a comparable basis, gross revenues decreased by €497 million (-14%):

- *Investment & Savings* (77% of gross revenues):
  - Insurance premiums (62% of gross revenues) reduced by 15% primarily due to lower volumes of Onshore Bond business driven by the recessionary market conditions and the switch to mutual funds following the change of capital gains taxation;
  - Fees on Investment products (15% of gross revenues) reduced by 12%, mainly driven by adverse stock market conditions;
- *Life Insurance Premiums* (19% of gross revenues) reduced by 4%, mainly due to the lower volume of single premium Creditor Insurance, partially offset by an increase in Protection business;
- *Other revenues* (4% of gross revenues) decreased by 1% mainly due to the impact of the economic downturn on mortgage markets, partially offset by increasing mutual fund revenues.

APE decreased by €361 million (-28%) to €926 million. On a comparable basis, APE decreased by €251 million (-20%) primarily due to:

- Decrease in investment and savings volumes of €111 million (-25%) due to the impact of recessionary market conditions on Onshore and Offshore Bond volumes;
- Decrease in Individual and Executive Pensions of €87 million (-26%) as economic conditions have reduced the UK pensions market;
- Decrease in Group Pension volumes of €62 million (-15%) predominantly due to the impact of economic conditions on incremental contributions from existing company schemes;
- Increase in Life products of €8 million (+10%) reflecting the strengthening of the AXA Protection brand in the market, in particular with the IFA community.

Investment margin decreased by €111 million (-46%) to €133 million. On a constant exchange rate basis, investment margin decreased by €96 million (-39%) primarily due to:

- €46 million decrease in shareholder participation in with-profit bonuses as a result of market conditions and lower asset base;
- €38 million decrease in investment return on shareholder assets largely due to lower asset yield mainly on short term investments;
- €12 million decrease as a result of a reclassification into fees & revenues.

Fees & revenues decreased by €179 million (-23%) to €609 million. On a constant exchange rate basis, fees & revenues decreased by €107 million (-14%) mainly due to:

- €75 million lower fees mainly due to lower average account balances;
- €40 million decrease of upfront loadings as a result of lower volumes of Creditor and Offshore cash bonds fully offset in commissions;
- €12 million increase as a result of a reclassification from investment margin.

Net technical margin increased by €196 million (425%) to €243 million. On a constant exchange rate basis, net technical margin increased by €225 million (487%) mainly due to:

- €165 million one-off gain as a result of reduction in liabilities using a higher discount rate related to an internal rest ructuring of an annuity portfolio;
- €38 million increase reflecting a change in investment assumptions on non-profit business;
- €14 million increase mainly reflecting 2008 reserves strengthening not repeated this year.

Expenses decreased by €170 million (-18%) to €-754 million. On a constant exchange rate basis, expenses decreased by €81 million (-9%) due to:

- €46 million decrease as a result of an employee pension scheme one-off;
- €40 million decrease due to lower commissions from reduced volumes of Creditor and Offshore cash bonds fully offset in fees & revenues;
- €21 million decrease mainly as result of cost containment measures taken by management;
- Partially offset by restructuring costs of €26 million.

Amortization of VBI decreased by €92 million (-95%) to €-5 million. On a constant exchange rate basis, amortization of VBI decreased by €91 million (-94%) mainly due to increase in future expectation for with-profit bonuses following the market recovery in the second half of the year, and non-recurrence of the impact of 2008 market conditions.

As a result, the **underlying cost income ratio** decreased by 17.6 points to 77.1%.

Income tax expenses increased by €104 million (-160%) to €-39 million. On a constant exchange rate basis, income tax expenses increased by €108 million (-167%) largely driven by higher pre-tax earnings, along with non-recurrence of one-off tax benefits in 2008.

Underlying earnings increased by €64 million (+53%) to €186 million. On a constant exchange rate basis, underlying earnings increased by €86 million (+71%).

Adjusted earnings increased by €98 million (+194%) to €148 million. On a constant exchange rate basis, adjusted earnings increased by €115 million (229%), largely due to the underlying earnings movement, as well as to €27 million lower net impairments mainly on equity securities.

Net income decreased by €289 million (-113%) to €-33 million. On a constant exchange rate basis, net income decreased by €293 million (-114%). In addition to the changes in adjusted earnings, net income included the following negative adjustments: €247 million undiscounted tax on unrealized gains attributable to policyholders in unit-linked life funds [(1)], €64 million change in fair value on fixed income and equity derivatives, and €105 million on foreign exchange movements mainly on fixed income assets and equities impairments.

(1) Undiscounted deferred tax provided on unit-linked assets while the unit-linked liability reflects the expected timing of the payment of future tax therefore using a discounted basis.

LIFE & SAVINGS OPERATIONS – JAPAN

(in Euro million)	2009	2008	2007
Gross revenues	**5,438**	**4,628**	**5,116**
APE (Group share)	*532*	*482*	*567*
Investment margin	(0)	(1)	3
Fees & revenues	1,326	1,013	992
Net technical margin	16	98	135
Expenses	(851)	(619)	(641)
Amortization of VBI	(178)	(99)	(76)
Other	(2)	-	-
Underlying operating earnings before tax	**311**	**392**	**413**
Income tax expenses/benefits	(97)	(150)	(154)
Non-controlling interests	(4)	(4)	(5)
Underlying earnings Group share	**211**	**238**	**254**
Net capital gains or losses attributable to shareholders net of income tax	20	92	65
Adjusted earnings Group share	**231**	**330**	**319**
Profit or loss on financial assets (under FV option) & derivatives	191	(478)	(96)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	(2)	(3)	(4)
NET INCOME GROUP SHARE	**420**	**(151)**	**219**
Average exchange rate: €1.00 = Yen	*129.6333*	*161.6709*	*158.2554*

Gross revenues increased by €810 million (+18%) to €5,438 million. On a comparable basis, revenues declined by €419 million (-9%):

- *Life revenues* (40% of gross revenues) decreased by €228 million (-12%) notably impacted by the bankruptcy of one large independent agent (LINA);
- *Investment & Savings* (31% of gross revenues) decreased by €163 million (-11%) due to lower sales of Variable Annuity products;
- *Health revenues* (29% of gross revenues) decreased by €29 million (-2%) following the bankruptcy of LINA, partially offset by the new Long Term Care and Cancer products.

APE increased by €50 million (+10%) to €532 million. On a comparable basis and excluding the impact of LINA (€-38 million sales in Life and Medical), APE decreased by €41 million (-9%). This was driven by a €37 million (-19%) decrease in Life to €192 million mainly due to decreasing demand on Term products with tax deductibility and a €8 million (-10%) decline of Investments & Savings sales to €91 million driven by lower sales of Variable Annuity products. This was partially offset by a €4 million (+2%) increase in Health to €249 million following higher sales of the new Long Term Care and Cancer products.

Investment margin remained stable at €0 million.

Fees & revenues increased by €313 million (+31%) to €1,326 million. On a constant exchange rate basis, fees & revenues increased by €50 million (+5%), following the €+23 million impact of last year's change of accounting period at AXA Financial Life (9 months reported in 2008) and the €+14 million higher URR (Unearned Revenue Reserve) amortization on Variable Annuity products (fully offset by higher amortization of deferred acquisition costs). Excluding these impacts, fees and revenues slightly increased driven by the in-force growth.

Net technical margin decreased by €82 million (-84%) to €16 million. On a constant exchange rate basis, net technical margin declined by €85 million (-87%) mainly driven by:

- Surrender margin up €+14 million to €35 million following LINA's shock lapses of Medical Rider and Medical Whole life products (€+21 million) and model refinement (€-8 million);
- GMxB margin up €+4 million to €-13 million, with lower hedging costs on Variable Annuity guarantees;
- Change in assumptions (€-103 million) reflecting, in particular, the impact of new investment assumptions on the legacy book of business to better align with Asset Liability Management policy.

Expenses increased by €231 million (+37%) to €-851 million. On a constant exchange rate basis, expenses increased by €63 million (+10%) driven by (i) €56 million higher DAC amortization mainly driven by the assumption change impact (€-15 million), higher amortization of Variable Annuity products (€-14 million), higher surrenders and model changes (€-26 million), and (ii) €52 million lower DAC capitalization partly offset by €46 million lower commissions. Excluding DAC and commissions, operating expenses remained flat.

VBI Amortization increased by €79 million (+79%) to €-178 million. On a constant exchange rate basis, VBI amortization increased by €43 million (+44%) mainly driven by the assumption change impact (€-38 million) on the legacy book of business.

As a result, the **underlying cost income ratio** increased by 11.9 points to 76.7%.

Income tax expenses decreased by €53 million (-35%) to €-97 million. On a constant exchange rate basis, income tax expenses decreased by €72 million (-48%) attributable to lower pre-tax earnings and a non-recurring tax item in 2009 (€30 million).

Underlying earnings decreased by €27 million (-11%) to €211 million or declined by €69 million (-29%) on a constant exchange rate basis.

Adjusted earnings decreased by €99 million (-30%) to €231 million, or by €144 million (-44%) on a constant exchange rate basis, driven by €38 million higher impairments and €37 million lower realized capital gains, combined with the €69 million decrease in underlying earnings.

Net income increased by €572 million to €420 million. As a reminder, AXA Japan closes its full year accounts at the end of September. According to IFRS principles, full year 2008 accounts were adjusted with a €106 million provisional loss reflecting the increase in credit spreads from October to December 2008. This adjustment was reversed in 2009 and no similar adjustment was needed for October to December 2009. On a constant exchange rate basis and excluding the €+106 million reversal, net income increased by €297 million, mainly due to the impact of the tightening of credit spreads on the corporate bonds and CDS investments.

LIFE & SAVINGS OPERATIONS – GERMANY

(in Euro million)	2009	2008	2007
Gross revenues	**6,715**	**6,233**	**6,201**
APE (Group share)	*469*	*468*	*457*
Investment margin	118	104	139
Fees & revenues	302	221	229
Net technical margin	37	(24)	112
Expenses	(228)	(187)	(136)
Amortization of VBI	(11)	(8)	(23)
Other	-	-	-
Underlying operating earnings before tax	**218**	**106**	**321**
Income tax expenses/benefits	(61)	(63)	(134)
Non-controlling interests	(0)	(1)	(4)
Underlying earnings Group share	**157**	**43**	**182**
Net capital gains or losses attributable to shareholders net of income tax	(145)	(41)	(1)
Adjusted earnings Group share	**12**	**2**	**182**
Profit or loss on financial assets (under FV option) & derivatives	25	(59)	3
Exceptional operations (including discontinued operations)	(84)	(10)	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	(3)	(4)	(6)
NET INCOME GROUP SHARE	**(50)**	**(70)**	**179**

Gross revenues increased by €483 million (+8%) to €6,715 million [(1)] mainly due to:

- *Life* (€+357 million) driven by an increase of single premiums in Investment and Savings business attributable to general account short term investment products and unit-linked products;
- *Health* increased by €105 million stemming from a positive effect of tariff increase and new business.

APE increased by €2 million (+0%) to €469 million. On a comparable basis, APE decreased by €16 million (-3%) due to (i) non-recurring 2008 “Riester step-up effect” (increase in retirement premiums due to higher fiscal incentive for policyholders), (ii) decreasing regular premiums unit-linked annuity business partly offset by (iii) higher single premiums from general account short term investment products and (iv) Health business boosted by legal changes in 2009.

Investment margin increased by €14 million (+14%) to €118 million due to lower policyholder bonus allocation partly offset by a decreasing gross investment income as a result of lower dividends from equities and alternative investments and lower income from certain participating notes.

Fees & revenues increased by €80 million (+36%) to €302 million due to lower policyholder bonus allocation and higher loadings on general account premiums partly offset by lower loadings on unit-linked regular premiums in line with the new business development.

(1) €462 million after intercompany eliminations.

Net technical margin rose by €61 million to €37 million driven by lower hedging costs on Variable Annuity products (€+78 million), better disability result and lower longevity reserve strengthening partly offset by higher policyholder bonus allocation.

Expenses increased by €41 million (+22%) to €-228 million due higher commissions in Health and lower policyholder participation.

Amortization of VBI increased by €3 million (+39%) to €-11 million.

As a result, the **underlying cost income ratio** decreased by 12.4 points to 52.3%.

Income tax expenses decreased by €2 million (-3%) to €-61 million, mainly due to the improvement of the Variable Annuity result taxable in Ireland and some positive non-recurring items, partly offset by a better pre-tax underlying result.

Underlying earnings increased by €114 million (+265%) to €157 million.

Adjusted earnings increased by €9 million (+400%) to €12 million due to higher underlying earnings partly offset by increase in net impairments on fixed income investments.

Net income increased by €20 million (-29%) to €-50 million due to higher adjusted earnings, favorable change in fair value of equity and fixed income investments partly offset by the non-recurring policyholder bonus allocation related to the share transfer of the Health company to the Holding entity.

LIFE & SAVINGS OPERATIONS – SWITZERLAND

(in Euro million)	2009	2008	2007
Gross revenues	**4,442**	**4,495**	**4,133**
APE (Group share)	*255*	*280*	*222*
Investment margin	92	109	61
Fees & revenues	208	190	212
Net technical margin	163	145	137
Expenses	(179)	(153)	(167)
Amortization of VBI	(28)	(11)	(29)
Other	-	-	-
Underlying operating earnings before tax	**256**	**281**	**214**
Income tax expenses/benefits	(30)	(63)	(49)
Non-controlling interests	-	-	-
Underlying earnings Group share	**226**	**218**	**165**
Net capital gains or losses attributable to shareholders net of income tax	(1)	(245)	(15)
Adjusted earnings Group share	**225**	**(27)**	**149**
Profit or loss on financial assets (under FV option) & derivatives	(19)	(56)	(10)
Exceptional operations (including discontinued operations)	(16)	-	7
Goodwill and other related intangibles impacts	(5)	(5)	(5)
Integration costs	-	(5)	(7)
NET INCOME GROUP SHARE	**185**	**(93)**	**135**
Average exchange rate: €1.00 = Swiss Franc	*1.5096*	*1.5866*	*1.6420*

Gross revenues decreased by €54 million (-1%) to €4,442 million. On a comparable basis, gross revenues decreased by €260 million (-6%):

- *Group Life* decreased by €176 million (-5%) to €3,787 million mainly due to lower single premiums (-11%), partly offset by higher regular premiums (+2%) mainly attributable to salary increases on our targeted population;
- *Individual Life* decreased by €94 million (-13%) to €655 million:
  - Insurance premiums decreased by 14% or €102 million as a result of the shift from insurance products to Variable Annuity products (pure investment contracts where only fees are considered as gross revenues). Considering cash inflows of Twinstar Income, Individual Life revenues would have increased by 9% or €68 million,
  - Fees on investment products increased by €8 million driven by Twinstar Income.

APE decreased by €25 million (-9%) to €255 million. On a comparable basis, APE decreased by €37 million (-13%):

- *Group Life* decreased by €47 million (-22%) to €173 million after strong new business in 2008. The slowdown in new business was a consequence of the financial crisis, where less cancellations in the market led to fewer new business opportunities at the end of 2008;
- *Individual Life* increased by €9 million (+14%) to €82 million driven by the success of the Variable Annuity product Twinstar Income (€+17 million).

Investment margin decreased by €17 million (-16%) to €92 million. On a constant exchange rate basis, investment margin decreased by €22 million (-20%) driven by higher investment income allocated to policyholders.

Fees & revenues increased by €17 million (+9%) to €208 million. On a constant exchange rate basis, fees & revenues increased by €7 million (+4%) due to lower fees and revenues allocated to policyholders.

Net technical margin increased by €18 million (+13%) to €163 million. On a constant exchange rate basis, net technical margin increased by €10 million (+7%) mainly driven by Individual Life notably due to the non-recurrence of a 2008 reserve strengthening.

Expenses increased by €26 million (+17%) to €-179 million. On a constant exchange rate basis, expenses increased by €17 million (+11%). Excluding the 2008 one-time positive impact of the change in own pension scheme, expenses remained stable.

Amortization of VBI increased by €17 million (+162%) to €-28 million. On a constant exchange rate basis, amortization of VBI increased by €16 million (+149%) due to both negative unlocking effect and higher net amortization.

As a result, the **underlying cost income ratio** increased by 7.8 points to 44.6%.

Income tax expenses decreased by €33 million (-52%) to €-30 million. On a constant exchange rate basis, income tax expenses decreased by €34 million (-55%) driven by a one-off positive impact of €21 million led by the decrease in tax rate by 1 point to 21%.

Underlying earnings increased by €8 million (+4%) to €226 million. On a constant exchange rate basis, underlying earnings decreased by €3 million (-1%).

Adjusted earnings increased by €252 million to €225 million. On a constant exchange rate basis, adjusted earnings increased by €241 million driven by lower net impairments mainly on equities.

Net income increased by €278 million to €185 million. On a constant exchange rate basis, net income increased by €269 million due to higher adjusted earnings, lower foreign currency losses and a favorable change in fair value mainly on convertible bonds, hedge funds and derivatives.

LIFE & SAVINGS OPERATIONS – BELGIUM

(in Euro million)	2009	2008	2007
Gross revenues	**2,519**	**2,563**	**3,075**
APE (Group share)	*264*	*260*	*340*
Investment margin	228	193	143
Fees & revenues	159	144	162
Net technical margin	95	65	57
Expenses	(256)	(228)	(252)
Amortization of VBI	(0)	(6)	(3)
Other	-	-	-
Underlying operating earnings before tax	**225**	**167**	**107**
Income tax expenses/benefits	6	(30)	(17)
Non-controlling interests	(0)	(0)	(0)
Underlying earnings Group share	**231**	**136**	**90**
Net capital gains or losses attributable to shareholders net of income tax	24	(474)	206
Adjusted earnings Group share	**256**	**(338)**	**297**
Profit or loss on financial assets (under FV option) & derivatives	188	(249)	(93)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	(2)	-
Integration costs	(4)	(10)	(13)
NET INCOME GROUP SHARE	**439**	**(597)**	**191**

Gross revenues decreased by €44 million (-2%) to €2,519 million [(1)]:

- *Individual Life & Savings revenues* decreased by 5% to €1,866 million driven by a 33% drop in the unit-linked investment and savings products while segregated and general account products were more resilient (-2%) (notably Crest products);
- *Group Life & Savings revenues* increased by 8% to €653 million mainly due to an exceptional premium on a large existing contract.

APE increased by €4 million (+2%) to €264 million. Individual Life & Savings increased by 6% to €235 million mainly driven by Crest products. Group Life & Savings decreased by 24% to €28 million as a result of the non recurrence of large contract sales in 2008.

(1) €2,515 million after intercompany eliminations.

Investment margin increased by €36 million (+19%) to €228 million mainly due to the transfer of assets from the Property & Casualty segment (€+16 million) and non-recurring interest arrears received on income tax benefit (€+14 million).

Fees & revenues increased by €15 million (+11%) to €159 million mainly due to higher URR (Unearned Revenues reserves) amortization more than offset by higher deferred acquisition costs amortization.

Net technical margin increased by €29 million (+44%) to €95 million mainly driven by a €47 million non-recurring higher positive prior year reserve development in Individual Life partly offset by a less favorable mortality and disability experience.

Expenses increased by €28 million (+12%) to €-256 million driven by higher acquisition expenses (€31 million) mainly due to higher net amortization of deferred acquisition costs (€-32 million) as a result of margins recovery partly offset by lower administrative expenses (€3 million).

Amortization of VBI decreased by €6 million to €0 million.

As a result, the **underlying cost income ratio** decreased by 5.1 points to 53.3%.

Income tax benefits increased by €37 million to €6 million mainly resulting from the favorable court decision for insurance companies on RDT (Revenus Définitivement Taxés: tax exemption on 95% of dividends on equities) (€+66 million) partly offset by higher pre-tax underlying earnings.

Underlying earnings increased by €95 million (+69%) to €231 million.

Adjusted earnings increased by €593 million (+176%) to €256 million mainly driven by higher underlying earnings (€+95 million), higher net realized capital gains and lower net impairments on equities.

Net income increased by €1,037 million to €439 million mainly driven by higher adjusted earnings (€+593 million) and more favorable impact of mutual funds and derivatives (€+432 million) mainly due to credit spread tightening.

LIFE & SAVINGS OPERATIONS – MEDITERRANEAN AND LATIN AMERICAN REGION

(in Euro million)	2009	2008	2007
Gross revenues	**6,483**	**4,822**	**1,924**
APE (Group share)	*497*	*406*	*206*
Investment margin	225	254	91
Fees & revenues	303	266	172
Net technical margin	98	68	52
Expenses	(406)	(363)	(205)
Amortization of VBI	(30)	(41)	(9)
Other	-	-	-
Underlying operating earnings before tax	**189**	**185**	**100**
Income tax expenses/benefits	(48)	(45)	(21)
Non-controlling interests	(27)	(32)	(6)
Underlying earnings Group share	**115**	**108**	**73**
Net capital gains or losses attributable to shareholders net of income tax	4	(40)	19
Adjusted earnings Group share	**119**	**68**	**92**
Profit or loss on financial assets (under FV option) & derivatives	20	(12)	(0)
Exceptional operations (including discontinued operations)	1	-	-
Goodwill and other related intangibles impacts	(0)	(0)	(0)
Integration costs	(1)	(4)	(8)
NET INCOME GROUP SHARE	**139**	**52**	**84**

The Mediterranean and Latin American Region includes the following changes in scope:

- ***Mexico consolidated from 01/07/2008;***
- ***Turkey buyout of non-controlling interests on 01/07/2008;***
- ***Quadrifoglio Vita consolidated from 31/12/2008.***

Gross revenues increased by €1,662 million (+34%) to €6,483 million. On a comparable basis, gross revenues increased by €1,553 million (+31%) mainly driven by a strong growth in general account savings products (€2,048 million or +86%) mainly in AXA MPS (Italian bancassurance joint-venture, €2,011 million or +160%) reinforced by Antonveneta, partly offset by lower sales of index-linked and unit-linked products in Italy (€-516 million or -31%).

APE increased by €91 million (+22%) to €497 million. On a comparable basis, APE increased by €83 million (+20%) mainly driven by higher contribution of general account savings products (€104 million or +57%) mainly in AXA MPS (€105 million or +160%) reinforced by Antonveneta, partly offset by the lower contribution of index-linked and unit-linked products in AXA MPS (€-24 million or -28%).

Investment margin decreased by €30 million (-12%) to €225 million, of which €24 million from Mexico and Quadrifoglio Vita. On a constant exchange rate basis and excluding Mexico and Quadrifoglio Vita, investment margin decreased by €52 million (-21%) to €194 million mainly due to lower yields on bonds.

Fees & revenues increased by €36 million (+14%) to €303 million, of which €38 million from Mexico and Quadrifoglio Vita. On a constant exchange rate basis and excluding Mexico and Quadrifoglio Vita, fees & revenues were in line with previous year.

Net technical margin rose by €30 million (+44%) to €98 million, of which €5 million from Mexico and Quadrifoglio Vita. On a constant exchange rate basis and excluding Mexico and Quadrifoglio Vita, net technical margin increased by €26 million (+39%) to €93 million due to the release of a risk reserve in Spain.

Expenses increased by €43 million (+12%) to €-406 million, of which €47 million from Mexico and Quadrifoglio Vita. On a constant exchange rate basis and excluding Mexico and Quadrifoglio Vita, expenses decreased by €3 million (-1%) to €-305 million mainly driven by lower administrative expenses.

Amortization of VBI decreased by €11 million (-27%) to €-30 million, of which €1 million from Mexico and Quadrifoglio Vita. On a constant exchange rate basis and excluding Mexico and Quadrifoglio Vita, amortization of VBI decreased by €12 million (-33%) to €-25 million mainly due to the natural decline of VBI balance in AXA MPS.

As a result, the **underlying cost income ratio** increased by 1.1 points to 69.7%. On a constant exchange rate basis and excluding Mexico and Quadrifoglio Vita, underlying cost income ratio increased by 0.5 point to 64.8%.

Income tax expenses increased by €3 million (+7%) to €-48 million, of which €4 million from Mexico and Quadrifoglio Vita. On a constant exchange rate basis and excluding Mexico and Quadrifoglio Vita, income tax expenses were in line with previous year.

Underlying earnings increased by €6 million (+6%) to €115 million, of which €8 million from Mexico, Quadrifoglio Vita and the buyout of non-controlling interests in Turkey. On a constant exchange rate basis and excluding Mexico, Quadrifoglio Vita and the buyout of non-controlling interests in Turkey, underlying earnings decreased by €5 million (-5%) to €106 million.

Adjusted earnings increased by €51 million (+74%) to €119 million, of which €9 million from Mexico, Quadrifoglio Vita and the buyout of non-controlling interests in Turkey. On a constant exchange rate basis and excluding Mexico, Quadrifoglio Vita and the buyout of non-controlling interests in Turkey, adjusted earnings increased by €39 million (+55%) to €110 million due to higher net capital gains on fixed income and lower impairments on equities.

Net income increased by €86 million (+166%) to €139 million, of which €18 million from Mexico, Quadrifoglio Vita and the buyout of non-controlling interests in Turkey. On a constant exchange rate basis and excluding Mexico, Quadrifoglio Vita and the buyout of non-controlling interests in Turkey, net income increased by €76 million (+168%) to €120 million due to adjusted earnings and a positive change in fair value of mutual funds.

Life & Savings operations – Other Countries

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

CONSOLIDATED GROSS REVENUES

(in Euro million)	2009	2008	2007
Australia/New Zealand	1,532	1,719	1,384
Hong Kong	1,203	1,126	1,257
Central and Eastern Europe	470	467	423
Other countries	352	378	443
o/w Canada	115	108	122
o/w Luxembourg	72	60	64
o/w South East Asia [(a)]	164	210	257
TOTAL	**3,557**	**3,690**	**3,507**
Intercompany transactions	(2)	(2)	-
Contribution to consolidated gross revenues	**3,555**	**3,688**	**3,507**

(a) South East Asia earnings include Indonesia and Singapore.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
Australia & New Zealand	46	31	99
Hong Kong	135	133	126
Central & Eastern Europe	16	7	(0)
Other countries	(2)	22	12
o/w Canada	5	7	2
o/w Luxembourg	5	5	4
o/w South-East Asia and China [(a)]	(2)	10	5
Underlying earnings	**195**	**192**	**237**
Net realized capital gains or losses attributable to shareholders	(12)	(161)	83
Adjusted earnings	**183**	**31**	**319**
Profit or loss on financial assets (under Fair Value option) & derivatives	(17)	21	(10)
Exceptional operations (including discontinued operations)	(3)	(21)	(0)
Goodwill and related intangible impacts	(2)	(2)	(2)
Integration costs	0	0	(3)
NET INCOME	**161**	**29**	**304**

(a) South East Asia earnings include Indonesia, Thailand, Philippines, Singapore and India.

Australia and New Zealand (1)

Gross revenues decreased by €187 million (-11%) to €1,532 million. On a comparable basis, gross revenues decreased by €205 million (-12%):

- *Gross written premiums and fees* (77% of gross revenues) decreased by €160 million (-12%) to €1,173 million, mainly driven by single premiums in wealth management guaranteed savings products sold through wholesale channel reflecting the recent investors' trend to seek more conservative investments given financial market volatility;
- *Revenues from mutual fund and advice business* (23% of gross revenues) decreased by €45 million (-14%) to €359 million due to a decline in funds under management levels resulting from financial market volatility, and lower mutual fund net sales, driven by lower inflows partly offset by lower outflows.

APE decreased by €109 million (-29%) to €269 million. On a comparable basis, APE decreased by €123 million (-32%) driven by a drop in mutual fund sales and AllianceBernstein joint-venture sales given the market downturn, slightly offset by sales increase in the Variable Annuity product North.

Underlying earnings increased by €16 million (+51%) to €46 million. On a constant exchange rate basis, underlying earnings increased by €16 million (+54%). The evolution would have been flat excluding non-recurring items. On a 100% ownership basis, the evolution of underlying earnings was as follows:

- **Investment margin** decreased by €22 million (-173%) to €-9 million. On a constant exchange rate basis, investment margin decreased by €22 million (-174%) due to a lower asset base and lower returns;
- **Fees & revenues** decreased by €46 million (-7%) to €652 million. On a constant exchange rate basis, fees & revenues decreased by €35 million (-5%). Excluding Genesys, a financial advice business acquired on June 30, 2008, fees and revenues decreased by €67 million (-10%) mainly due to lower average funds under management driven by the 2008 and early 2009 stock market downturn;
- **Net technical margin** increased by €25 million (93%) to €-2 million. On a constant exchange rate basis, net technical margin increased by €25 million (93%) driven by change in investment assumptions on Individual and Group Income Protection in 2009 offset by less favorable claims experience in these products in 2009;
- **Expenses** decreased by €40 million (-7%) to €-546 million. On a constant exchange rate basis, expenses decreased by €30 million (-5%). Excluding Genesys, expenses decreased by €50 million (-9%) including cost saving initiatives across the business;
- **Amortization of VBI** decreased by €26 million (-70%) to €-11 million. On a constant exchange rate basis, amortization of VBI decreased by €26 million (-69%) mainly due to revision of unit costs in 2009 driven by lower costs and higher asset base;
- As a consequence, the **underlying cost income ratio** decreased by 4.1 points to 86.9%;
- **Income tax expenses** decreased by €6 million (-146%) to €2 million. On a constant exchange rate basis, income tax expenses decreased by €6 million (-147%) driven by non-recurring positive impacts in 2009, partly offset by higher pre-tax underlying earnings.

Adjusted earnings increased by €99 million (142%) to €29 million. On a constant exchange rate basis, adjusted earnings increased by €100 million (143%) reflecting the increased underlying earnings and significantly lower net impairments on equity securities.

Net income increased by €98 million (139%) to €27 million. On a constant exchange rate basis, net income increased by €98 million (139%) in line with adjusted earnings.

Hong-Kong (2)

Gross revenues increased by €77 million (+7%) to €1,203 million. On a comparable basis, gross revenues increased by €9 million (+1%).

APE increased by €11 million (+10%) to €123 million. On a comparable basis, APE increased by €3 million (+3%), mainly driven by Protection products partially offset by lower sales in Investment & Saving products.

Underlying earnings increased by €1 million (+1%) to €135 million. On a constant exchange rate basis, underlying earnings decreased by €6 million (-5%). Excluding non-recurring items (mainly positive impact on change in assumption on DAC and VBI amortization), underlying earnings were broadly in line with 2008.

Adjusted earnings increased by €47 million (+53%) to €137 million. On a constant exchange rate basis, adjusted earnings increased by €39 million (+44%), with higher capital gains and lower impairments partly offset by lower underlying earnings and higher hedging costs.

Net income increased by €35 million (+36%) to €132 million. On a constant exchange rate basis, net income increased by €27 million (+28%), mainly driven by €39 million higher adjusted earnings partially offset by €-15 million higher unrealized loss due to hedging strategies on credit exposures.

Central and Eastern Europe

Gross revenues increased by €3 million (+1%) to €470 million. On a comparable basis, gross revenues increased by €46 million (+10%) mainly driven by life business in Czech Republic and Poland, partly offset by Hungary.

APE increased by €4 million (+3%) to €168 million. On a comparable basis, APE increased by €19 million (+11%) driven by Pension Funds (€+31 million, +42%) partly offset by Life & Savings (€-10 million, -12%), impacted by lower sales of short term Tax Wrapper products in Poland (€-24 million, -90%). The main country contributing to the growth was Hungary

(1) *AXA interest in AXA Asia Pacific Group is 54.08% broken down into 53.92% direct interest holding and an additional 0.15% owned by the AAPH Executive plan trust.*

(2) *AXA interest in AXA Asia Pacific Group is 54.08% broken down into 53.92% direct interest holding and an additional 0.15% owned by the AAPH Executive plan trust.*

(€+12 million, +67%), and to a lower extend Poland (€+4 million) and Czech Republic (€+3 million).

Underlying earnings increased by €10 million to €16 million. On a constant exchange rate basis, underlying earnings increased by €11 million mainly due to an increase in fees and revenues partly offset by higher acquisition expenses to develop proprietary distribution networks.

As a result, the **underlying cost income ratio** decreased by 7.3 points to 85.2%.

Adjusted earnings increased by €22 million to €16 million. On a constant exchange rate basis, adjusted earnings increased by €23 million, mainly due to higher underlying earnings and €12 million lower realized capital losses and impairments on equities and fixed income securities.

Net income increased by €23 million to €14 million. On a constant exchange rate basis, net income increased by €24 million in line with adjusted earnings.

Canada

Gross revenues increased by €7 million (+7%) to €115 million. On a comparable basis, gross revenues increased by €9 million (+9%) mainly reflecting €4 million from Accumulator type product and €4 million from Term insurance & Universal life.

Underlying earnings decreased by €3 million (-35%) to €5 million. On a constant exchange rate basis, underlying earnings decreased by €2 million (-34%) as a result of increased commission expenses related to new business.

Adjusted earnings and **net income** amounted to €7 million.

South East Asia and China

Gross revenues decreased by €46 million (-22%) to €164 million. On a comparable basis, gross revenues decreased by €46 million (-22%) primarily due to the significant decrease in unit linked sales as a result of the uncertain investment market conditions.

APE increased by €22 million (+34%) to €88 million. On a comparable basis, APE increased by €13 million (+18%), mainly driven by the growth in bancassurance channel in Thailand (€4 million), strong increase from agency channels in India (€3 million), multi-distribution capability and increased geographical coverage in China (€2 million) as well as the growth in regular premium sales and new product launches in Singapore (€2 million).

Underlying earnings decreased by €12 million to €-2 million. On a constant exchange rate basis, underlying earnings decreased by €12 million, mainly driven by Indian expansion (€-10 million) and lower fee income in Singapore.

Adjusted earnings decreased by €9 million to €1 million. On a constant exchange rate basis, adjusted earnings decreased by €9 million mainly driven by the decrease in underlying earnings, partly offset by higher net capital gains in Indonesia.

Net income decreased by €19 million to €-13 million. On a constant exchange rate basis, net income decreased by €20 million, mainly driven by adjusted earnings and India's entry in the scope of consolidation (one-time recognition of past losses of €-13 million).

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.

PROPERTY & CASUALTY SEGMENT [a]

(in Euro million)	2009	2008	2007
Gross written premiums	26,291	26,107	25,101
Fees and revenues from investment contracts without participating feature	-	-	-
Revenues from insurance activities	**26,291**	**26,107**	**25,101**
Net revenues from banking activities	-	-	-
Revenues from other activities	77	102	79
TOTAL REVENUES	**26,368**	**26,209**	**25,180**
Change in unearned premium reserves net of unearned revenues and fees	**(103)**	**(244)**	**(362)**
Net investment result excluding financing expenses	**2,068**	**2,263**	**2,057**
Technical charges relating to insurance activities	(17,901)	(16,649)	(16,702)
Net result of reinsurance ceded	(710)	(780)	(599)
Bank operating expenses	-	-	-
Insurance acquisition expenses	(4,863)	(4,776)	(4,634)
Amortization of value of purchased life business in force	-	-	-
Administrative expenses	(2,517)	(2,602)	(2,274)
Valuation allowances on tangible assets	(1)	(1)	4
Other	(7)	(5)	(24)
Other operating income and expenses	**(25,999)**	**(24,812)**	**(24,229)**
INCOME FROM OPERATING ACTIVITIES, GROSS OF TAX EXPENSE	**2,334**	**3,415**	**2,647**
Net income from investments in affiliates and associates	18	5	5
Financing expenses	(5)	(10)	(13)
OPERATING INCOME GROSS OF TAX EXPENSE	**2,347**	**3,410**	**2,639**
Income tax expense	(638)	(967)	(726)
Non-controlling interests	(39)	(49)	(50)
UNDERLYING EARNINGS	**1,670**	**2,394**	**1,863**
Net realized capital gains or losses attributable to shareholders	(264)	(665)	562
ADJUSTED EARNINGS	**1,406**	**1,729**	**2,425**
Profit or loss on financial assets (under fair value option) & derivatives	187	(656)	4
Exceptional operations (including discontinued operations)	32	1	(2)
Goodwill and other related intangible impacts	(64)	(69)	(67)
Integration costs	(46)	(78)	(142)
NET INCOME	**1,516**	**926**	**2,218**

(a) Before intercompany transactions.

CONSOLIDATED GROSS REVENUES

(in Euro million)	2009	2008	2007
France	5,724	5,633	5,377
United Kingdom & Ireland	3,976	4,471	5,111
Germany	3,527	3,554	3,531
Belgium	2,145	2,156	2,130
Mediterranean & Latin American Region [(a)]	6,721	6,437	5,298
Switzerland	2,161	2,024	1,981
Other countries	2,116	1,934	1,752
TOTAL	**26,368**	**26,209**	**25,180**
Intercompany transactions	(194)	(170)	(164)
Contribution to consolidated gross revenues	**26,174**	**26,039**	**25,016**

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

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
France	406	623	426
United Kingdom & Ireland	100	306	262
Germany	283	355	325
Belgium	168	181	216
Mediterranean & Latin American Region [(a)]	326	557	362
Switzerland	260	238	125
Other countries	126	134	147
Underlying earnings	**1,670**	**2,394**	**1,863**
Net realized capital gains or losses attributable to shareholders	(264)	(665)	562
Adjusted earnings	**1,406**	**1,729**	**2,425**
Profit or loss on financial assets (under Fair Value option) & derivatives	187	(656)	4
Exceptional operations (including discontinued operations)	32	1	(2)
Goodwill and related intangibles impacts	(64)	(69)	(67)
Integration costs	(46)	(78)	(142)
NET INCOME	**1,516**	**926**	**2,218**

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

PROPERTY & CASUALTY OPERATIONS – FRANCE

(in Euro million)	2009	2008	2007
Gross revenues	**5,724**	**5,633**	**5,377**
Current accident year loss ratio (net)	81.5%	74.8%	74.3%
All accident year loss ratio (net)	74.2%	68.5%	72.7%
Net technical result	**1,473**	**1,777**	**1,467**
Expense ratio	24.9%	24.5%	24.2%
Net investment result	600	569	495
Underlying operating earnings before tax	**652**	**962**	**657**
Income tax expenses/benefits	(245)	(339)	(230)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(1)	(1)	(0)
Underlying earnings Group share	**406**	**623**	**426**
Net capital gains or losses attributable to shareholders net of income tax	(26)	(83)	93
Adjusted earnings Group share	**380**	**539**	**519**
Profit or loss on financial assets (under FV option) & derivatives	65	(290)	34
Exceptional operations (including discontinued operations)	-	(4)	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	-	-
NET INCOME GROUP SHARE	**445**	**245**	**553**

Gross revenues increased by €90 million (+2%) to €5,724 million [1]:

- *Personal lines* (61% of gross revenues) increased by 3% to €3,476 million resulting from positive net inflows in Motor (+68,000 net new contracts mainly stemming from Direct channel and agents' network) in a competitive market, and positive net new inflows in Household (+58,000) combined with an increase in average premium;
- *Commercial lines* (39% of gross revenues) were stable at €2,208 million. The increase in Property (+5%) and in Liability (+7%) in a context of competitive markets was offset by lower revenues in Construction (-6%) and in Motor (-3%).

Net technical result decreased by €303 million (-17%) to €1,473 million:

- Current accident year loss ratio increased by 6.7 points to 81.5% mainly attributable to Klaus storm (+2.2 points), adverse winter conditions and hail claims (+2.0 points), and Motor higher claims (+1.9 points) mainly due to higher frequency;
- All accident year loss ratio increased by 5.7 points to 74.2% as a result of the increase in current accident year loss ratio partly offset by higher prior year positive reserves development (-1.0 point) mainly in Construction, Transport and Industrial risks partly offset by a decrease in Motor.

Expense ratio rose by 0.4 point to 24.9% as a consequence of an increase in commissions.

As a result, the **combined ratio** increased by 6.1 points to 99.1%.

Net investment result increased by €31 million (+5%) to €600 million mainly driven by a higher net corporate bond yield.

Income tax expenses decreased by €94 million (-28%) to €-245 million mainly explained by lower pre-tax earnings.

Underlying earnings decreased by €216 million (-32%) to €406 million.

Adjusted earnings decreased by €159 million (-29%) to €380 million as a consequence of (i) the decrease in underlying earnings (€-216 million) and (ii) €59 million lower capital gains net of hedging derivatives partly offset by €116 million lower impairment charges.

Net income increased by €200 million (+82%) to €445 million as the adjusted earnings decrease was more than offset by the favorable change in fair value of mutual funds and derivatives (€+318 million) mainly due to credit spread tightening and a €37 million positive impact on foreign exchange.

(1) *€5,684 million after intercompany eliminations.*

PROPERTY & CASUALTY OPERATIONS – UNITED KINGDOM & IRELAND

(in Euro million)	2009	2008	2007
Gross revenues	**3,976**	**4,471**	**5,111**
Current accident year loss ratio (net)	74.1%	69.3%	71.8%
All accident year loss ratio (net)	70.0%	63.3%	66.4%
Net technical result	**1,202**	**1,643**	**1,663**
Expense ratio	32.3%	35.7%	35.0%
Net investment result	216	352	380
Underlying operating earnings before tax	**127**	**397**	**311**
Income tax expenses/benefits	(26)	(90)	(49)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(0)	(1)	(1)
Underlying earnings Group share	**100**	**306**	**262**
Net capital gains or losses attributable to shareholders net of income tax	(58)	(227)	71
Adjusted earnings Group share	**42**	**78**	**333**
Profit or loss on financial assets (under FV option) & derivatives	7	7	(5)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	(6)	(24)	(17)
Integration costs	-	-	(4)
NET INCOME GROUP SHARE	**44**	**62**	**307**
Average exchange rate: €1.00 = £	*0.8913*	*0.7970*	*0.6845*

Gross revenues decreased by €495 million (-11%) to €3,976 million [(1)]. On a comparable basis, gross revenues decreased by €80 million (-2%):

- *Personal lines* (56% of the P&C premiums) were up 3% to €2,201 million. Motor was up 19% to €775 million both from further growth in direct business written through the internet platform Swiftcover (up 43% to €286 million) and in the intermediated business reflecting the successful launch of the AXA Car product, in hardening market conditions. Non-Motor was down 4% to €1,426 million mainly driven by Travel, Creditor and Warranty down 23% to €321 million due to selective underwriting and Health down 2% to €539 million due to declining volumes within Personal Medical Insurance. This was partly offset by Property up 10% to €565 million, resulting from a strong growth with specific intermediaries, the launch of AXA Home Insurance product sold directly to client and new deals with corporate partners;
- *Commercial lines* (43% of the P&C premiums) were down 6% to €1,696 million. Motor was down 9% where the focus on profitability continues with tariff increases affecting renewal retention. Non-Motor was down 6% reflecting the strategy to exit from unprofitable schemes coupled with soft market conditions partially offset by growth in Health (up 9%) from international business.

Net technical result decreased by €441 million (-27%) to €1,202 million. On a constant exchange rate basis net technical result decreased by €311 million (-19%):

- The current accident year loss ratio increased by 4.6 points to 74.1% mainly due to (i) adverse weather events (3.5 points) notably relating to freezing conditions in January and flooding in November and (ii) three large claims (+0.7 point) impacting commercial property and personal motor;
- The all accident year loss ratio increased by 6.6 points to 70.0% reflecting the deterioration in current accident year loss ratio combined with a lower level of positive prior years reserve development.

Expense ratio decreased by 3.4 points to 32.3% with the **acquisition ratio** down 0.9 point to 24.8% mainly due to a decrease in commissions (-1.3 point) driven by renegotiation of broker commission rates, changes in business mix and reductions in profit sharing commissions.

Administrative expense ratio decreased by 2.4 points reflecting cost containment including a positive one-off impact on employee pension scheme (-0.9 point), operational cost savings (-1.3 point), and a decrease in restructuring provisions reflecting the non-recurrence of the Irish redundancy scheme costs in 2008 (-0.2 point).

As a result, the **combined ratio** was up 3.3 points to 102.2%.

Net investment result decreased by €136 million (-39%) to €216 million. On a constant exchange rate basis net investment result decreased by €117 million (-33%) as a result of lower cash, equity and bond yields.

Income tax expenses decreased by €64 million (-71%) to €-26 million. On a constant exchange rate basis income tax expense decreased by €61 million (-68%) reflecting a lower pre-tax result and a €15 million decrease in positive tax one-offs.

(1) €3,905 million after intercompany eliminations.

Underlying earnings decreased by €206 million (-67%) to €100 million. On a constant exchange rate basis, underlying earnings decreased by €200 million (-65%.).

Adjusted earnings decreased by €36 million (-46%) to €42 million. On a constant exchange rate basis, adjusted earnings decreased by €37 million (-47%) reflecting the decrease in underlying earnings partially offset by lower net impairments (€144 million) and increased realized gains (€+19 million) as financial market conditions improved versus 2008.

Net income decreased by €18 million (-30%) to €44 million. On a constant exchange rate basis, net income decreased by €19 million (-31%) reflecting adjusted earnings evolution and €17 million reduced amortization of intangible assets.

PROPERTY & CASUALTY OPERATIONS – GERMANY

(in Euro million)	2009	2008	2007
Gross revenues	**3,527**	**3,554**	**3,531**
Current accident year loss ratio (net)	76.4%	76.2%	78.7%
All accident year loss ratio (net)	67.4%	66.1%	69.0%
Net technical result	**1,148**	**1,198**	**1,094**
Expense ratio	31.4%	32.1%	29.3%
Net investment result	352	394	339
Underlying operating earnings before tax	**397**	**458**	**401**
Income tax expenses/benefits	(112)	(106)	(74)
Net income from investments in affiliates and associates	(0)	5	5
Non-controlling interests	(1)	(2)	(7)
Underlying earnings Group share	**283**	**355**	**325**
Net capital gains or losses attributable to shareholders net of income tax	(105)	(57)	92
Adjusted earnings Group share	**179**	**298**	**416**
Profit or loss on financial assets (under FV option) & derivatives	23	(146)	29
Exceptional operations (including discontinued operations)	26	(1)	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	(21)	(25)	(36)
NET INCOME GROUP SHARE	**207**	**127**	**410**

Gross revenues decreased by €27 million (-1%) to €3,527 million [(1)]:

- *Personal lines* (65% of gross revenues) were down 2% to €2,269 million due to lower production in Motor and Personal Accident;
- *Commercial lines* (28% of gross revenues) were down 1% to €991 million due to cancellations and average premium decline in Liability and Marine;
- *Other lines* (7% of gross revenues) were up 7% to €242 million due to premium increase in pools, treaty business and the development of AXA Art.

Net technical result decreased by €50 million (-4%) to €1,148 million.

- The current accident year loss ratio increased by 0.3 point to 76.4% driven by Liability and Motor;
- The all accident year loss ratio increased by 1.2 points to 67.4% due to lower positive prior year reserve development.

Expense ratio improved by 0.7 point to 31.4%. The non-commission expense ratio improved due to productivity gains and the non-repeat of 2008 non-recurring costs.

As a result, the **combined ratio** increased by 0.5 point to 98.7%.

Net investment result decreased by €42 million (-11%) to €352 million mainly as a result of lower income from fixed income assets mainly due to short term investments and non-recurring 2008 interest arrears on income tax benefits (€+17 million) as well as lower dividends from equities.

Income tax expenses increased slightly by €7 million (+6%) to €-112 million, due to the non-repeat of the 2008 non-recurring tax benefits partly offset by lower pre-tax operating result.

Underlying earnings decreased by €71 million (-20%) to €283 million.

Adjusted earnings decreased by €119 million (-40%) to €179 million due to lower underlying earnings and negative result from equity hedging, partly offset by lower impairments on equities and higher realized gains.

(1) €3,501 million after intercompany eliminations.

Net income increased by €80 million (+64%) due to the favorable change in fair value of mutual funds and derivatives (€+136 million) mainly due to credit spread tightening and non-recurring gain on the sale of legal protection business, partly offset by lower adjusted earnings.

PROPERTY & CASUALTY OPERATIONS – BELGIUM

(in Euro million)	2009	2008	2007
Gross revenues	**2,145**	**2,156**	**2,130**
Current accident year loss ratio (net)	82.1%	80.9%	77.6%
All accident year loss ratio (net)	69.7%	69.0%	67.5%
Net technical result	**651**	**669**	**693**
Expense ratio	30.1%	29.9%	29.8%
Net investment result	196	235	235
Underlying operating earnings before tax	**197**	**255**	**290**
Income tax expenses/benefits	(29)	(75)	(73)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	0	(0)	(0)
Underlying earnings Group share	**168**	**181**	**216**
Net capital gains or losses attributable to shareholders net of income tax	(25)	(41)	119
Adjusted earnings Group share	143	140	335
Profit or loss on financial assets (under FV option) & derivatives	62	(133)	(29)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	(2)	(1)	-
Integration costs	(18)	(24)	(34)
NET INCOME GROUP SHARE	**186**	**(17)**	**272**

Gross revenues decreased by €12 million (-1%) to €2,145 million [(1)]. On a comparable basis, gross revenues were stable:

- *Personal lines* (62% of gross revenues) were up 1% driven by Non-Motor (+2%) of which Property up 3% reflecting the evolution of ABEX household index partly offset by portfolio losses, whereas Motor remained stable;
- *Commercial lines* (38% of gross revenues) were down 3% with Motor down 4% and Non Motor down 2% mainly due to a decrease in Workers' Compensation (-10%) impacted by the economic context and focus on profitability partly offset by Health (+6%) and Property (+3%).

Net technical result decreased by €18 million (-3%) to €651 million:

- Current accident year loss ratio increased by 1.2 points to 82.1% mainly due to climatic event (1.2 points or €-26 million);
- All accident year loss ratio increased by 0.7 point to 69.7% reflecting the deterioration of current loss ratio partly offset by positive prior year reserve developments notably on Workers' Compensation.

Expense ratio increased by 0.3 point to 30.1% mainly driven by slightly higher administrative expenses.

As a result, the **combined ratio** was up 1.0 point to 99.8%.

Net investment result decreased by €39 million (-17%) to €196 million mainly due to lower yield on equities and bonds as well as impact of assets transferred to Life segment (€-16 million).

Income tax expenses decreased by €46 million (-62%) to €-29 million resulting from the favorable court decision for insurance companies on RDT (*Revenus Définitivement Taxés*: tax exemption on 95% of dividends on equities) (€+39 million), and lower pre-tax result.

Underlying earnings decreased by €13 million (-7%) to €168 million.

Adjusted earnings increased by €3 million (+2%) to €143 million driven by lower impairments mainly on equities partly offset by lower realized capital gains on equities and lower underlying earnings.

Net income increased by €202 million to €186 million due to higher adjusted earnings and the favorable net change in fair value mainly on fixed income mutual funds (€+161 million) as a result of 2009 credit spread tightening.

(1) €2,130 million after intercompany elimination.

PROPERTY & CASUALTY OPERATIONS – MEDITERRANEAN AND LATIN AMERICAN REGION

(in Euro million)	2009	2008	2007
Gross revenues	**6,721**	**6,437**	**5,298**
Current accident year loss ratio (net)	79.2%	76.2%	76.5%
All accident year loss ratio (net)	73.3%	68.5%	72.1%
Net technical result	**1,796**	**1,979**	**1,453**
Expense ratio	25.7%	24.8%	23.3%
Net investment result	415	414	351
Underlying operating earnings before tax	**482**	**833**	**591**
Income tax expenses/benefits	(124)	(235)	(195)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(32)	(40)	(34)
Underlying earnings Group share	**326**	**557**	**362**
Net capital gains or losses attributable to shareholders net of income tax	(44)	(43)	172
Adjusted earnings Group share	**281**	**515**	**534**
Profit or loss on financial assets (under FV option) & derivatives	22	(37)	(16)
Exceptional operations (including discontinued operations)	7	6	(2)
Goodwill and other related intangibles impacts	(25)	(16)	(28)
Integration costs	(7)	(20)	(60)
NET INCOME GROUP SHARE	**277**	**447**	**428**

The Mediterranean and Latin American Region includes the following changes in scope:

- ***Mexico consolidated from 07/01/2008;***
- ***Turkey buyout of non-controlling interests on 07/01/2008.***

For volume indicators, the comparable basis reflects 2009 scope.

Gross revenues increased by €283 million (+4%) to €6,721 million [(1)]. On a comparable basis, gross revenues decreased by €40 million (-1%) driven by the difficult economic context in the Southern European countries, partly offset by a positive performance in emerging markets:

- *Personal lines* (63% of the gross revenues) were down 1% to €4,210 million mainly due to Motor, down 3%, driven by difficult market conditions in Spain, Portugal and in the Gulf Region, partly offset by positive performances in Mexico, Morocco and Greece. This negative growth in Motor was partly offset by Non-Motor, up 5%, with Health mainly driven by positive volumes effect in Mexico and in Italy, and Property developing positively in all countries;
- *Commercial lines* (37% of total revenues) were down 1% to €2,475 million, with stability in Motor and a decrease in Liability, directly correlated with the negative economic trend, especially Construction in Spain, partly offset by Health development with new contracts in Mexico and the Gulf Region.

Net technical result decreased by €183 million (-9%) to €1,796 million of which €126 million from Mexico. On a constant exchange rate basis and excluding Mexico, net technical result decreased by €299 million (-16%) to €1,524 million:

- Current accident year loss ratio increased by 2.9 points to 79.2%. Excluding Mexico, the current accident year loss ratio increased by 2.8 points to 79.7% mainly due to the cost of natural events (Klaus storm, Vitoria hail in Spain and floods in Italy and Turkey), and Motor lines in most of the countries (decrease in the average premium combined with a higher claims frequency);
- All accident year loss ratio increased by 4.9 points to 73.3%. Excluding Mexico, the all accident year loss ratio increased by 5.0 points to 72.9% mainly driven by the increase of the current accident year loss ratio and a less favorable prior year reserves development notably in Motor.

Expense ratio rose by 0.9 point to 25.7%. Excluding Mexico, the expense ratio rose by 1.1 points to 25.3% due to (i) an increase of the acquisition ratio (+0.9 point) mainly due to incentive to agents, (ii) the launch of a Direct channel in Italy, (iii) a negative volume effect in Spain, and (iv) a slight increase of administrative expense ratio (+0.2 point) mainly due to IT investment in Italy.

As a result, the **combined ratio** was up 5.8 points to 99.0%. Excluding Mexico, the combined ratio was up 6.2 points to 98.2%.

Net investment result increased by €1 million (+0%) to €415 million of which €18 million from Mexico. On a constant exchange rate basis and excluding Mexico, net investment result decreased by €8 million (-2%) to €363 million due to lower fixed income yield.

(1) €6,697 million after intercompany eliminations.

Income tax expenses decreased by €112 million (-48%) to €-124 million of which €4 million from Mexico. On a constant exchange rate basis and excluding Mexico, income tax expenses decreased by €114 million (-48%) to €-123 million, in line with lower pre-tax earnings.

Underlying earnings decreased by €232 million (-42%) to €326 million of which €28 million from Mexico and the Turkey buyout of non-controlling interests. On a constant exchange rate basis and excluding Mexico and the Turkey buyout of non-controlling interests, underlying earnings decreased by €252 million (-46%) to €298 million.

Adjusted earnings decreased by €233 million (-45%) to €281 million of which €26 million from Mexico and the Turkey buyout of non-controlling interests. On a constant exchange rate basis and excluding Mexico and the Turkey buyout of non-controlling interests, adjusted earnings decreased by €253 million (-50%) to €255 million due to the decrease in underlying earnings and to lower impairments, partly offset by lower capital gains on equities.

Net income decreased by €170 million (-38%) to €277 million of which €31 million from Mexico and the Turkey buyout of non-controlling interests. On a constant exchange rate basis, excluding Mexico and the Turkey buyout of non-controlling interests, net income decreased by €194 million (-44%) to €246 million driven by lower adjusted earnings partly offset by a positive impact of change in fair value on mutual funds (€74 million) and lower Winterthur integration costs (€11 million).

PROPERTY & CASUALTY OPERATIONS – SWITZERLAND

(in Euro million)	2009	2008	2007
Gross revenues	**2,161**	**2,024**	**1,981**
Current accident year loss ratio (net)	76.8%	73.7%	77.6%
All accident year loss ratio (net)	66.3%	69.1%	75.2%
Net technical result	**726**	**627**	**490**
Expense ratio	27.6%	24.5%	24.0%
Net investment result	186	181	142
Underlying operating earnings before tax	**316**	**311**	**159**
Income tax expenses/benefits	(54)	(70)	(33)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(2)	(2)	(1)
Underlying earnings Group share	**260**	**238**	**125**
Net capital gains or losses attributable to shareholders net of income tax	(13)	(170)	(6)
Adjusted earnings Group share	**247**	**68**	**119**
Profit or loss on financial assets (under FV option) & derivatives	5	(52)	(10)
Exceptional operations (including discontinued operations)	(1)	-	(0)
Goodwill and other related intangibles impacts	(25)	(21)	(17)
Integration costs	-	(10)	(7)
NET INCOME GROUP SHARE	**227**	**(14)**	**84**
Average exchange rate: €1.00 = Swiss Franc	*1.5096*	*1.5866*	*1.6420*

Gross revenues increased by €138 million (+7%) to €2,161 million [(1)]. On a comparable basis, gross revenues increased by €32 million (+2%):

- *Personal lines* (51% of gross revenues) were up 1% to €1,112 million mainly driven by Property reflecting price indexation and Legal Protection business. Motor business was stable;
- *Commercial lines* (49% of gross revenues) were up 1% to €1,058 million mainly due to some new large Health contracts.

Net technical result increased by €99 million (+16%) to €726 million. On a constant exchange rate basis, net technical result increased by €64 million (+10%):

- Current accident year loss ratio increased by 3.1 points to 76.8% due to large losses (+1.9 points or €-46 million mainly hail events) and higher attritional losses mainly in both Motor and Property;
- All accident year loss ratio decreased by 2.8 points to 66.3% reflecting positive prior year results (€+121 million) mainly in commercial lines.

Expense ratio increased by 3.1 points to 27.6%. Excluding the non-recurring impacts (i) in 2008 (+2 points) mainly due to a positive change in own pension scheme and (ii) in 2009 mainly

(1) €2,154 million after intercompany eliminations.

due to a negative adjustment on deferred acquisition costs amortization, expense ratio remained stable.

As a result, the **combined ratio** increased by 0.3 point to 94.0%.

Net investment result increased by €4 million (+2%) to €186 million. On a constant exchange rate basis, net investment result decreased by €5 million (-3%) driven by lower income on real estate and loans.

Income tax expenses decreased by €15 million (-22%) to €-54 million. On a constant exchange rate basis, income tax expenses decreased by €18 million (-26%) following the reduction in tax rates by 1 point to 21% in 2009 leading to an one-off positive effect from deferred taxes (€9 million).

Underlying earnings increased by €22 million (+9%) to €260 million. On a constant exchange rate basis, underlying earnings increased by €9 million (+4%).

Adjusted earnings increased by €179 million (+262%) to €247 million. On a constant exchange rate basis, adjusted earnings increased by €167 million (+244%) mainly due to higher capital gains on equity and lower impairments on equity.

Net income increased by €242 million to €227 million. On a constant exchange rate basis, net income increased by €231 million due to higher adjusted earnings, lower foreign currency losses and favorable change in fair value of alternative assets.

Property & Casualty Operations - Other Countries

CONSOLIDATED GROSS REVENUES

(in Euro million)	2009	2008	2007
Canada	1,174	1,076	1,085
Others	941	858	667
o/w Asia (including Japan) [(a)]	819	751	574
o/w Luxembourg	91	88	80
o/w Central and Eastern Europe	31	19	12
TOTAL	**2,116**	**1,934**	**1,752**
Intercompany transactions	(13)	(9)	(9)
Contribution to consolidated gross revenues	**2,103**	**1,925**	**1,743**

(a) Includes Hong Kong, Singapore, South Korea and Malaysia (Malaysia was fully consolidated for the first time in 2007).

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
Canada	87	103	125
Others	40	31	22
o/w Asia (including Japan) [(a)]	20	27	20
o/w Luxembourg	12	13	12
o/w Central and Eastern Europe	(10)	(10)	(10)
o/w Reso	18	0	-
Underlying earnings	**126**	**134**	**147**
Net realized capital gains or losses attributable to shareholders	7	(44)	22
Adjusted earnings	**133**	**90**	**169**
Profit or loss on financial assets (under Fair Value option) & derivatives	3	(6)	1
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and related intangibles impacts	(6)	(7)	(5)
Integration costs	-	-	(1)
NET INCOME	**130**	**77**	**164**

(a) Includes Malaysia, Hong Kong, South Korea and Singapore.

Canada

Gross revenues increased by €99 million (+9%) to €1,174 million [(1)]. On a comparable basis, gross revenues increased by €115 million (+11%) as a result of higher volume and increased average premium in both Motor and Property lines.

Underlying earnings decreased by €17 million (-16%) to €87 million. On a constant exchange rate basis, underlying earnings decreased by €15 million (-15%) reflecting a deterioration of combined ratio by 1.8 points mainly as a result of lower positive prior year reserve developments, lower net investment income and higher effective income tax rate.

Adjusted earnings increased by €30 million (+49%) to €91 million. On a constant exchange rate basis, adjusted earnings increased by €31 million (+51%) due to €31 million lower impairments on equities and €15 million higher realized capital gains partly offset by €15 million lower underlying earnings.

Net income increased by €32 million (+58%) to €87 million. On a constant exchange rate basis, net income increased by €34 million (+61%) to €89 million due to higher adjusted earnings.

Asia (including Japan)

Gross revenues increased by €68 million (+9%) to €819 million. On a comparable basis, gross revenues increased by €55 million (+7%):

- *Personal lines* were up 7% or €42 million benefiting from net new inflows in Motor and tariffs increase mainly in Japan, South Korea and Singapore;
- *Commercial lines* were up 5% or €7 million due to (i) Motor (€9 million) notably following price increase in Singapore and the gain of new motor fleets; and (ii) property (€3 million) benefiting from new clients.

Net technical result increased by €6 million (+3%) to €208 million. On a constant exchange rate basis, net technical result decreased by €3 million (-2%):

- Current accident year loss ratio increased by 2.1 points to 74.9% as a result of a deterioration in motor frequency in South Korea and Singapore, partly offset by an improvement in Japan;
- All accident year loss ratio increased by 2.8 points to 73.9% mainly due to unfavorable prior year reserves developments in Singapore and the 2.1 points deterioration of the current year loss ratio.

Expense ratio decreased by 1.8 points to 25.5% mainly due to a tight control over expenses region wide, despite the marketing investments in South Korea to foster the AXA brand recognition.

As a result, the **combined ratio** increased by +0.9 point to 99.4%

Net investment result decreased by €3 million (-13%) to €21 million. On a constant exchange rate basis, net investment result decreased by €2 million (-9%) reflecting lower interest rates.

Income tax expenses remained stable at €-2 million.

Underlying earnings decreased by €7 million (-25%) to €20 million. On a constant exchange rate basis, underlying earnings decreased by €8 million (-31%).

Adjusted earnings decreased by €6 million (-21%) to €23 million. On a constant exchange rate basis, adjusted earnings decreased by €8 million (-27%) as a result of lower underlying earnings.

Net income decreased by €4 million (-16%) to €21 million. On a constant exchange rate basis, net income decreased by €6 million (-25%) in line with developments of adjusted earnings, partly offset by lower amortization of acquired portfolio in South Korea.

Central and Eastern Europe (Poland)

Gross revenues increased by €12 million (+61% or 67% on a comparable basis) to €31 million reflecting higher net new contracts in Motor (+72,000).

Net technical result improved by €1 million to €5 million with the continuing positive development of the Motor business.

Underlying earnings and adjusted earnings remained stable at €-10 million, as the improvement in technical result was offset by higher expenses driven by business development across the region.

Net income increased by €4 million to €-7 million due to a positive impact on foreign exchange.

(1) €1,167 million after intercompany eliminations.

International Insurance segment

The following tables present the consolidated gross revenues, underlying earnings, adjusted earnings and net income for the International Insurance segment for the periods indicated:

CONSOLIDATED GROSS REVENUES

(in Euro million)	2009	2008	2007
AXA Corporate Solutions Assurance	1,946	1,970	1,823
AXA Cessions	59	51	69
AXA Assistance	883	870	809
Other [(a)]	108	89	1,002
TOTAL	**2,996**	**2,980**	**3,703**
Intercompany transactions	(136)	(139)	(135)
Contribution to consolidated gross revenues	2,860	2,841	3,568

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

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
AXA Corporate Solutions Assurance	132	113	97
AXA Cessions	(3)	14	13
AXA Assistance	16	20	19
Other [(a)]	141	41	89
Underlying earnings	**286**	**188**	**218**
Net realized capital gains or losses attributable to shareholders	19	(16)	23
Adjusted earnings	**306**	**172**	**241**
Profit or loss on financial assets (under Fair Value option) & derivatives	20	(71)	(1)
Exceptional operations (including discontinued operations)	1	1	3
Goodwill and related intangibles impacts	(1)	-	-
Integration costs	-	-	-
NET INCOME	**326**	**103**	**243**

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

AXA CORPORATE SOLUTIONS ASSURANCE

(in Euro million)	2009	2008	2007
Gross revenues	**1,946**	**1,970**	**1,823**
Current accident year loss ratio (net)	87.2%	97.5%	94.1%
All accident year loss ratio (net)	84.0%	88.2%	87.8%
Net technical result	**311**	**227**	**220**
Expense ratio	15.0%	13.2%	12.3%
Net investment result	186	190	163
Underlying operating earnings before tax	**205**	**163**	**161**
Income tax expenses/benefits	(71)	(48)	(63)
Net income from investments in affiliates and associates	-	-	-
Non-controlling interests	(2)	(1)	(1)
Underlying earnings Group share	**132**	**113**	**97**
Net capital gains or losses attributable to shareholders net of income tax	12	(8)	27
Adjusted earnings Group share	**144**	**105**	**124**
Profit or loss on financial assets (under FV option) & derivatives	16	(77)	1
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	-	-
NET INCOME GROUP SHARE	**160**	**27**	**125**

Gross revenues decreased by €24 million (-1%) to €1,946 million. On a comparable basis, gross revenues increased by €46 million (or +2%) driven by portfolio increase in Liability (+11%) and Marine (+8%).

Net Technical Result increased by €84 million (+37%) to €311 million. On a constant exchange rate basis, net technical result increased by €87 million (+38%):

- The current accident year net technical result increased by €193 million to €239 million reflecting a lower level of major losses in Property. Current year loss ratio improved by 10 points to 87.2% (or +8 points excluding reclassified commissions from technical margin to expenses on Assumed business);
- The prior accident year net technical result decreased by €109 million to €72 million due to major losses on aviation line underwritten in 2008.

As a consequence, the all accident year loss ratio decreased by 4.2 points to 84.0% (2.0 points excluding reclassified commissions from technical margin to expenses on Assumed business).

Expense ratio increased by 1.8 points to 15.0%. Excluding reclassified commissions from technical margin to expenses on Assumed business, expense ratio decreased by 0.4 point.

As a result, the **combined ratio** improved by 2.4 points to 99.0%.

Net investment result decreased by €5 million (-2%) to €186 million mainly due to a decrease in asset base.

Income tax expenses increased by €22 million (+47%) to €-71 million reflecting the increased pre-tax underlying earnings and the non-recurrence of a positive one-off in 2008 (€14 million).

As a consequence, **underlying earnings** increased by €19 million (+17%) to €132 million.

Adjusted earnings increased by €39 million (+38%) to €144 million reflecting the increase in underlying earnings and €20 million lower impairment charge net of realized capital gains notably on equities.

Net income increased by €132 million to €160 million reflecting the increase in adjusted earnings and the favorable change in fair value of mutual funds (€+91 million) mainly as a result of credit spread tightening.

AXA CESSIONS

Underlying earnings decreased by €16 million (-119%) to €-3 million impacted by lower positive prior year developments mainly in Group Motor Liability Cover and lower Group Property pool results mainly impacted by Klaus storm.

Net income decreased by €9 million (-72%) to €3 million with lower underlying earnings partly offset by positive impact of foreign exchange rates.

AXA ASSISTANCE

Gross revenues increased by €13 million (+1%) to €883 million [(1)]. On a comparable basis, gross revenues increased by €28 million (+4%) mainly driven by new business on Travel and portfolio increase in Third Party Administration activity in Mexico.

(1) €765 million after intercompany eliminations.

Underlying earnings decreased by €4 million (-21%) to €16 million notably due to a lower investment income.

Adjusted earnings decreased by €2 million (-11%) to €14 million reflecting the decrease in underlying earnings partly offset by €2 million lower impairment charge.

Net income decreased by €2 million (-17%) to €13 million.

OTHER INTERNATIONAL ACTIVITIES

Underlying earnings increased by €99 million (+240%) to €141 million. On a constant exchange rate basis, underlying earnings increased by €101 million (+245%) driven by lower losses on Life run-off portfolio whereas P&C run-off portfolio was stable.

Adjusted earnings increased by €112 million (+295%) to €150 million. On a constant exchange rate basis, adjusted earnings increased by €114 million (+300%).

Net income increased by €102 million (+212%) to €150 million. On a constant exchange rate basis, net income increased by €104 million (+216%).

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)	2009	2008	2007
AllianceBernstein	1,973	2,627	3,277
AXA Investment Managers	1,445	1,716	2,006
TOTAL	**3,419**	**4,342**	**5,283**
Intercompany transactions	(344)	(395)	(420)
Contribution to consolidated gross revenues	**3,074**	**3,947**	**4,863**

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
AllianceBernstein	185	318	314
AXA Investment Managers	171	271	276
Underlying earnings	**355**	**589**	**590**
Net realized capital gains or losses attributable to shareholders	-	-	1
Adjusted earnings	**355**	**589**	**591**
Profit or loss on financial assets (under Fair Value option) & derivatives	49	(163)	3
Exceptional operations (including discontinued operations)	5	(22)	(2)
Goodwill and related intangibles impacts	-	(5)	-
Integration costs	-	(2)	(5)
NET INCOME	**409**	**396**	**588**

ALLIANCEBERNSTEIN

(in Euro million)	2009	2008	2007
Gross revenues	**1,973**	**2,627**	**3,277**
Net investment result	22	(125)	2
General expenses	(1,665)	(1,768)	(2,306)
Underlying operating earnings before tax	**331**	**734**	**973**
Income tax expenses/benefits	(26)	(151)	(313)
Non-controlling interests	(120)	(265)	(346)
Underlying earnings Group share	**185**	**318**	**314**
Net capital gains or losses attributable to shareholders net of income tax	-	-	1
Adjusted earnings Group share	**185**	**318**	**315**
Profit or loss on financial assets (under FV option) & derivatives	20	(45)	-
Exceptional operations (including discontinued operations)	0	(22)	(2)
Goodwill and other related intangibles impacts	-	(5)	-
Integration costs	-	-	-
NET INCOME GROUP SHARE	**205**	**245**	**313**
Average exchange rate: €1.00 = $	*1.3945*	*1.4706*	*1.3699*

Assets under Management ("AUM") increased by €15 billion to €346 billion driven by market appreciation of €77 billion offset by net outflows of €53 billion (€41 billion from Institutional clients, €6 billion from Retail and €5 billion from Private Clients) and negative exchange rate impact of €9 billion.

Gross revenues decreased by €653 million (-25%) to €1,973 million (1). On a comparable basis, gross revenues decreased by €722 million (-29%) due to management fees down 33% due to 31% lower average AUM, distribution fees down 27% related to lower average mutual fund assets, and institutional research services down 8% due to lower client trading activity and lower security valuations in European markets, partly offset by market share gains.

Net investment result increased by €147 million (+118%) to €22 million. On a constant exchange rate basis, net investment result increased by €146 million (+117%) due to higher realized and unrealized gains on investments related to deferred compensation obligations, offset in general expenses.

General expenses decreased by €103 million (-6%) to €-1,665 million. On a constant exchange rate basis, general expenses decreased by €190 million (-11%) primarily due to (i) lower compensation expenses (-9% or €91 million due to workforce reductions and lower commission expense reflecting lower sales volumes) and (ii) lower promotion and servicing expenses (-22% or €85 million) due to lower distribution plan payments (from lower average AUM), lower amortization of deferred sales commission and lower travel and entertainment costs.

As a result, the **underlying cost income ratio** increased by 14.2 points to 81.5%.

Income tax expenses decreased by €125 million (-83%) to €-26 million. On a constant exchange rate basis, income tax expenses decreased by €126 million (-84%) due to lower pre-tax earnings. The 2009 one-time tax benefit of €62 million due primarily to the release of reserves relating to the tax treatment of compensation plans was fully offset by the non-recurrence of the 2008 deferred tax liability release on undistributed foreign earnings from last year.

Underlying and adjusted earnings decreased by €133 million (-42%) to €185 million. On a constant exchange rate basis, underlying earnings decreased by €143 million (-45%).

AXA ownership of AllianceBernstein as of December 31, 2009 was 62.2%, reflecting the increase in ownership interest of approximately 3% due to the exercise of the final Bernstein put, offset by the issuance of 8.3 million restricted units during December 2009 to fund deferred compensation awards.

Net income decreased by €40 million (-16%) to €205 million. On a constant exchange rate basis, net income decreased by €51 million (-21%) as a result of adjusted earnings decrease partly offset by €65 million favorable change in fair value of assets and €28 million favorable change in exceptional operations primarily due to €31 million non-recurring tax impact from AllianceBernstein units transfer in 2008.

(1) €1,887 million after intercompany eliminations.

AXA INVESTMENT MANAGERS ("AXA IM")

(in Euro million)	2009	2008	2007
Gross revenues	**1,445**	**1,716**	**2,006**
Net investment result	(3)	101	38
General expenses	(1,158)	(1,375)	(1,577)
Underlying operating earnings before tax	**284**	**442**	**466**
Income tax expenses/benefits	(87)	(129)	(141)
Non-controlling interests	(26)	(42)	(49)
Underlying earnings Group share	**171**	**271**	**276**
Net capital gains or losses attributable to shareholders net of income tax	-	-	-
Adjusted earnings Group share	**171**	**271**	**276**
Profit or loss on financial assets (under FV option) & derivatives	29	(118)	3
Exceptional operations (including discontinued operations)	5	-	-
Goodwill and other related intangibles impacts	-	-	-
Integration costs	-	(2)	(5)
NET INCOME GROUP SHARE	**204**	**151**	**274**

Assets under management ("AUM") increased by €14 billion from year-end 2008 to €499 billion at the end of December 2009 mainly as a result of €+31 billion favorable market impact and €-19 billion negative net outflows, including €-13 billion 3rd party business and €-5 billion AXA Group business.

Gross revenues decreased by €270 million (-16%) to €1,445 million [(1)]. On a comparable basis and excluding distribution fees (retroceded to distributors), net revenues decreased by €193 million (-15%) mainly due to lower management fees (€-131 million), driven by lower average AUM (-6%) and an unfavorable client and product mix (management fee bp down 7%). Performance fees were down €26 million, real estate transaction fees €19 million and other revenues €18 million, notably due to lower stocklending fees.

Net investment result decreased by €104 million (-103%) (both on current and constant exchange rate basis) to €-3 million, mainly as a result of lower realized carried interest in 2009 (notably €74 million non-recurring carried interest on a real estate fund in 2008) and a €15 million decrease as a result of a reclassification into revenues in 2009.

General expenses decreased by €217 million (-16%) to €-1,158 million. On a constant exchange rate basis, general expenses decreased by €199 million (-14%). Excluding distribution fees (commissions paid to third party distributors), general expenses decreased by €120 million (-13%) as a result of cost monitoring initiatives on staff and non-staff costs.

As a result, the **underlying cost income ratio** increased by 5.9 points to 73.1% (67.2% in 2008).

Income tax expenses decreased by €42 million (-32%) to €87 million (both on current and constant exchange rate basis), in line with lower pre-tax underlying earnings.

Underlying and adjusted earnings decreased by €100 million (-37%) to €171 million. On a constant exchange rate basis, underlying and adjusted earnings decreased by €97 million (-36%).

Net income increased by €53 million (+35%) to €204 million. On a constant exchange rate basis, net income increased by €56 million (+37%), mainly driven by a positive change in fair value of "Libor plus" funds (€+8 million in 2009 versus €-74 million in 2008) and a positive variation in unrealized carried interest, more than offsetting the decrease in adjusted earnings.

(1) €1,187 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)	2009	2008	2007
AXA Bank Europe (Belgium)	301	224	246
AXA Banque (France)	112	118	85
Others [(a)]	67	59	43
TOTAL	**480**	**401**	**374**
Intercompany transactions	(85)	11	(35)
Contribution to consolidated gross revenues	**395**	**412**	**339**

(a) Includes notably German banks.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
AXA Bank Europe (Belgium)	24	69	40
AXA Banque (France)	0	(12)	0
Others [(a)]	(26)	(24)	(4)
Underlying earnings	**(2)**	**33**	**36**
Net realized capital gains or losses attributable to shareholders	(4)	(64)	(5)
Adjusted earnings	**(6)**	**(32)**	**31**
Profit or loss on financial assets (under Fair Value option) & derivatives	(8)	4	(0)
Exceptional operations (including discontinued operations)	-	-	-
Goodwill and related intangibles impacts	(0)	(0)	(0)
Integration costs	(4)	(10)	(25)
NET INCOME	**(17)**	**(38)**	**6**

(a) Includes notably German banks.

AXA BANK EUROPE (BELGIUM)

Net banking revenues increased by €77 million (+34%) to €301 million. On a comparable basis [(1)], net banking revenues decreased by €17 million (-7%) mainly due to a decrease of the net capital gains and lower net interest and fee income.

Underlying earnings decreased by €45 million (-66%) to €24 million mainly due to an increase in expenses (€-26 million) notably from the expansion of the banking activity to other countries, lower net realized capital gains on bonds portfolio (€-19 million), higher distribution commissions (€-12 million) and higher provision on credit losses (€-9 million) partly offset by a higher interest and commission margin (€+15 million).

Adjusted earnings increased by €13 million (+206%) to €20 million mainly due to a decrease of underlying earnings more than offset by an increase in net realized capital gains (€+58 million).

Net income increased by €30 million (125%) to €6 million mainly due to an increase in adjusted earnings, the favorable change in fair value and capital gains of mutual funds and other assets nets of derivatives (€+12 million) and lower integration costs (€+6 million).

(1) In Banking segment "on a comparable basis" means after intercompany eliminations.

AXA BANQUE (FRANCE)

Net banking revenues decreased by €5 million (-5%) to €112 million. On a comparable basis [1], net banking revenues decreased by €10 million (-11%) to €91 million, driven by a €20 million increase in commercial margin net of cost of risk in a context of economic slowdown more than offset by a €31 million negative impact of the macro-hedge derivatives on interest rates.

Underlying and adjusted earnings increased by €12 million to €0 million mainly driven by a commercial margin increase combined with €1 million administrative expenses decrease following a cost control program.

Net income decreased by €8 million to €3 million, reflecting the negative impact of the change in fair value of macro-hedge derivatives instruments (from €23 million to €3 million), partly offset by higher adjusted earnings.

OTHERS

AXA Bank (Germany)

Net banking revenues increased by €2 million (+16%) to €15 million. On a comparable basis [1], net banking revenues decreased by €3 million (-29%) driven by the decrease in interest margin due to higher interest paid for the "pump-in" strategy partly offset by the increase in commission margin.

Underlying earnings decreased by €3 million to €-4 million driven by higher administrative expenses and credit loss allowances partly offset by the positive effect from taxes due to first time integration of AXA Bank in German tax group.

Adjusted earnings and **net income** decreased by €1 million to €-5 million due to lower underlying earnings partly offset by lower bond impairment (€+2 million).

AXA Bank (Switzerland)

Underlying earnings increased by €11 million to €-11 million due to set up costs (€14 million) in 2008.

Holdings and other companies

The Holdings and other companies consist of AXA's non-operating companies, including mainly AXA parent company, AXA France Assurance, AXA Financial, AXA Asia Pacific Holdings, AXA United Kingdom Holdings, AXA Germany Holdings, AXA Belgium Holdings, CDO and real estate companies.

UNDERLYING, ADJUSTED EARNINGS AND NET INCOME

(in Euro million)	2009	2008	2007
AXA	(602)	(437)	(224)
Other French holdings companies	(24)	(4)	(9)
Foreign holdings companies	(194)	(250)	(202)
Others [a]	28	22	20
Underlying earnings	**(793)**	**(668)**	**(414)**
Net realized capital gains or losses attributable to shareholders	(64)	1,185	27
Adjusted earnings	**(857)**	**517**	**(388)**
Profit or loss on financial assets (under Fair Value option) & derivatives	288	(535)	(365)
Exceptional operations (including discontinued operations)	(135)	0	483
Goodwill and related intangibles impacts	0	0	0
Integration costs	0	0	(17)
NET INCOME	**(703)**	**(19)**	**(287)**

(a) Includes notably CDO and real estate entities.

(1) In Banking segment "on a comparable basis" means after intercompany eliminations.

AXA [1]

Underlying earnings decreased by €165 million to €-602 million mainly due to:

- €-121 million higher financial charges mainly due to mid year 2008 external growth financing and internal refinancing;
- €-39 million lower result on hedging of earnings denominated in foreign currencies,

Adjusted earnings decreased by €1,401 million to €-632 million mainly driven by the lower impact of macro hedges equity derivatives from €+1,336 million to €-23 million consistent with stock market recovery and by the underlying earnings evolution.

Net income decreased by €990 million to €-542 million mainly driven by:

- the adjusted earnings evolution €-1,401 million;
- €-141 million deferred tax liability related to the probable sale of the Australia & New Zealand business as IFRS rules require to recognize a tax equal to the difference between the consolidation book value and the tax value of AAPH shares, when a transaction is considered more likely than not;
- €+496 million change in the mark to market on interest rate and foreign exchange derivatives instruments which are not eligible to hedge accounting;
- €+48 million related to the decrease in the time value of equity derivatives.

OTHER FRENCH HOLDING COMPANIES

AXA France Assurance

Underlying earnings, **adjusted earnings** and **net income** decreased by €12 million to €-23 million, mainly due to the increase in income tax (€8 million) resulting from higher dividends (eliminated in consolidation) received from subsidiaries.

Other French holdings

Underlying earnings decreased by €9 million to €-1 million mainly due to lower investment income.

Adjusted earnings decreased by €51 million to €-14 mainly driven by €41 million lower net realized capital gains and the underlying earnings evolution.

Net income decreased by €44 million to €-15 million driven by adjusted earnings evolution partly offset by a favorable change in fair value of derivatives non eligible to hedge accounting (€7 million).

FOREIGN HOLDING COMPANIES

AXA Financial, Inc.

Underlying earnings decreased by €27 million to €-116 million. On a constant exchange rate basis, underlying earnings decreased by €21 million primarily due to a €46 million increase in net financial charges partially offset by a higher income tax benefit (€+24 million) reflecting lower underlying earnings and a lower tax cost on stock based compensation.

Adjusted earnings decreased by €27 million to €-116 million, in line with underlying earnings evolution.

Net income decreased by €29 million to €-123 million. On a constant exchange rate basis, net income decreased by €23 million due to lower adjusted earnings and unfavorable change in fair value of derivatives.

AXA Asia Pacific Holdings [2]

Underlying earnings increased by €8 million to €-11 million. On a constant exchange rate basis, underlying earnings increased by €8 million due to lower financial charges driven by lower interest rates combined with lower debt levels and an appreciation in the Australian Dollars compared to euro.

Adjusted earnings increased by €12 million to €-7 million. On a constant exchange rate basis, adjusted earnings increased by €12 million in line with underlying earnings and driven by a realized internal gain on derivatives.

Net income increased by €49 million to €13 million. On a constant exchange rate basis, net income increased by €49 million, due to higher adjusted earnings combined with foreign exchange gains on USD group debt.

AXA UK Holdings

Underlying earnings increased by €43 million to €-24 million. On a constant exchange rate basis, underlying earnings increased by €40 million due to (i) €25 million lower financial charges on variable interest loans, (ii) €8 million increase in equity income and (iii) €8 million increase in favorable tax one-offs mainly due to the release of a deferred tax provision.

Adjusted earnings increased by €43 million to €-24 million. On a constant exchange rate basis, adjusted earnings increased by €40 million in line with underlying earnings.

Net income increased by €283 million to €31 million. On a constant exchange rate basis, net income increased by €287 million reflecting adjusted earnings evolution together with an increase of €247 million on exchange rate gains primarily arising from the revaluation of Euro-denominated inter-company loans.

(1) All the figures are after tax.

(2) AXA interest in AXA Asia Pacific Group is 54.08% broken down into 53.92% direct interest holding and an additional 0.15% owned by the AAPH Executive plan trust.

German Holding companies

Underlying earnings increased by €11 million to €9 million, mainly due to higher non-recurring tax items partly offset by increased administrative expenses.

Adjusted earnings increased by €25 million to €-19 million mainly driven by the increase of underlying earnings and lower impairments on equities.

Net income increased by €32 million to €-11 million due to higher adjusted earnings and capital gains on the sale of a stake in a sales organization company.

Belgium Holding companies

Underlying earnings increased by €20 million to €4 million due to €10 million lower tax expenses resulting from lower dividends (eliminated in consolidation) received from operational entities as well as income from internal loans set up in 2009.

Adjusted earnings increased by €24 million to €3 million due to higher underlying earnings and lower equity impairments.

Net income increased by €17 million to €-4 million mainly due to higher adjusted earnings.

Mediterranean and Latin American Region Holdings

Underlying earnings increased by €10 million to €-72 million. On a comparable exchange rate basis, underlying earnings increased by €10 million due to lower interest rates partly offset by ING Mexico higher financial charges (acquired in the second half of 2008).

Adjusted earnings increased by €13 million to €-72 million. On a comparable exchange rate basis, adjusted earnings increased by €13 million in line with underlying earnings.

Net income increased by €13 million to €-72 million. On a comparable exchange rate basis, net income increased by €13 million in line with adjusted earnings.

OTHER

CFP

Underlying earnings, **adjusted earnings and net income** increased by €4 million (+15%) to €28 million driven by more favorable run-off developments.

Outlook

In spite of uncertainties around the macro-economic context and taking into account the evolution of the regulatory framework, AXA should benefit from favorable trends in the insurance and asset management markets, its leading brand, innovative products and improving quality of service.

The growth of the Group will be supported by the continued increase in exposure to emerging markets and the synergies generated by the new Life and Property & Casualty global organization.

Our 2010 priorities will also focus on optimizing margins in all business lines, through improvement of business mix in Life, combined ratio in Property & Casualty, and net inflows in Asset Management.

Glossary

COMPARABLE BASIS FOR REVENUES AND ANNUALIZED PREMIUMS EQUIVALENT

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

ADJUSTED EARNINGS

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

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

(ii) integration and restructuring costs related to material newly acquired companies;

(iii) goodwill and other related intangibles; and

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

Derivatives related to invested assets:

- Include all foreign exchange derivatives, except the ones related to currency options in earnings hedging strategies which are included in underlying earnings;
- Exclude derivatives related to insurance contracts evaluated according to the "selective unlocking" accounting policy;
- And also exclude derivatives involved in the economic hedging of realized gains and impairments of equity securities and real estate backing general account and shareholders' funds, for which cost at inception, intrinsic value and pay-off flow though adjusted earnings, and only time value flows through net income when there is no intention to sell the derivatives in the short term (if not, flows through adjusted earnings).

UNDERLYING EARNINGS

Underlying earnings correspond to adjusted earnings excluding net capital gains or losses attributable to shareholders.

Net capital gains or losses attributable to shareholders include the following elements net of tax:

- Realized gains and losses and change in impairment valuation allowance (on assets not designated under fair value option or trading assets);
- Cost at inception, intrinsic value and pay-off of derivatives involved in the economic hedging of realized gains and impairments of equity securities and real estate backing general account and shareholders' funds;
- Related impact on policyholder participation (Life & Savings business);
- DAC and VBI amortization or other reactivity to those elements if any (Life & Savings business) and net of hedging if any.

EARNINGS PER SHARE

Earnings per share **(EPS)** represent AXA's consolidated earnings (including interest charges and foreign exchange impacts related to perpetual 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 and foreign exchange impacts related to perpetual debts recorded through shareholders' equity), divided by the weighted average number of outstanding ordinary shares, on a diluted basis (that is to say including the potential impact of all outstanding dilutive stock options being exercised performance shares, and conversion of existing convertible debt into shares, provided that their impact is not anti-dilutive).

RETURN ON EQUITY ("ROE")

The calculation is prepared with the following principles:

- For net income ROE: Calculation is based on consolidated financial statements, *i.e.* shareholders' equity including perpetual debt ("Super Subordinated Debts" TSS/"Perpetual Subordinated Debts" TSDI) and Other Comprehensive Income "OCI", and net income not reflecting any interest charges on TSS/TSDI;
- For adjusted and underlying ROE:
  - all perpetual debts (TSS/TSDI) are treated as financing debt, thus excluded from shareholders' equity,
  - interest charges on TSS/TSDI are deducted from earnings;
  - OCI is excluded from the average shareholders' equity.

LIFE & SAVINGS MARGIN ANALYSIS

Life & Savings margin analysis is presented on an underlying basis.

Even though the presentation of Margin Analysis is not the same as the Statement of Income (underlying basis), it is based on the same GAAP measures as used to prepare the Statement of Income in accordance with IFRS. As a result, the operating income under the Margin Analysis is equal to that reported in AXA's Statement of Income for the segment.

There are certain material differences between the detailed line-by-line presentation in the Statement of Income and the components of Margin Analysis as set out below.

- For insurance contracts and investment contracts with Discretionary Participation Features (DPF):

(i) gross premiums (net of deposits), fees and other revenues are allocated in the Margin Analysis based on the nature of the revenue between "Fees and Revenues" and "Net Technical Margin",

(ii) Policyholders' interest in participating contracts is reflected as a change in insurance benefits in the Statement of Income. In the Margin Analysis, it is allocated to the related margin, *i.e.* primarily "Investment Margin" and "Net Technical Margin",

(iii) the "Investment margin" represents the net investment result in the Statement of Income and is adjusted to take into account the related policyholders' participation (see above) as well as changes in specific reserves linked to invested assets' returns and to exclude the fees on (or contractual charges included in) contracts with the financial risk borne by policyholders, which are included in "Fees and Revenues",

(iv) change in URR (Unearned Revenue Reserve – capitalization net of amortization) is presented in the line "Change in unearned premiums net of unearned revenues and fees" in the underlying Statement of Income, whereas it is located in the line "Fees & Revenues" in the Margin analysis.

- For investment contracts without DPF:

(i) deposit accounting is applied. As a consequence, fees and charges related to these contracts are presented in the underlying Statement of Income within Gross consolidated revenues on a separate line, and in Margin analysis in the lines "Fees & Revenues" and "Net Technical Margin";

(ii) change in UFR (Unearned Fees Reserve – capitalization net of amortization) is presented in the line "Change in unearned premiums net of unearned revenues & fees" in the underlying Statement of Income, whereas it is located in the line "Fees & Revenues" in the Margin analysis.

Underlying Investment margin includes the following items:

(i) net investment income;

(ii) interests and bonuses credited to policyholders and unallocated policyholder bonuses (and the change in specific reserves purely linked to invested assets returns) related to the net investment income.

Underlying Fees & Revenues include:

(i) revenues derived from mutual fund sales (which are part of consolidated revenues);

(ii) loading charged to policyholders on premiums/deposits and fees on funds under management for separate account (unit-linked) business;

(iii) loading on (or contractual charges included in) premiums/deposits received on all non unit-linked product lines;

(iv) deferral income such as capitalization net of amortization of URR (Unearned Revenue Reserve) and UFR (Unearned Fee Reserve);

(v) other fee revenues, *e.g.*, fees received on financial planning or sales of third party products.

Underlying Net Technical margin includes the following components:

(i) mortality/morbidity margin: The amount charged to the policyholder in respect of mortality/morbidity for the related period less benefits and claims. It is equal to the difference between income for assuming risk and the actual cost of benefits. This margin does not include the claims handling costs and change in claims handling cost reserves;

(ii) surrender margin: The difference between the benefit reserve and the surrender value paid to the policyholder in the event of early contract termination;

(iii) GMxB (Variable Annuity guarantees) Active Financial Risk Management is the net result from GMxB lines corresponding to explicit charges related to these types of guarantees less cost of hedge. It also includes the unhedged business result;

(iv) Policyholder bonuses if the policyholder participates in the risk margin;

(v) Ceded reinsurance result;

(vi) other changes in insurance reserves are all the reserves strengthening or release coming from changes in valuation assumptions, additional reserves for mortality risk and other technical impacts such as premium deficiency.

Underlying Expenses are:

(i) acquisition expenses, including commissions and general expenses allocated to new business, related to insurance products as well as to other activities (*e.g.*, mutual fund sales);

(ii) capitalization of acquisition expenses linked to new business: Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF;

(iii) amortization of acquisition expenses on current year and prior year new business, including the impact of interest capitalized: amortization charge for Deferred Acquisition Costs (DAC) and net rights to future management fees only for investment contracts without DPF;

(iv) administrative expenses;

(v) claims handling costs;

(vi) policyholder bonuses if the policyholder participates in the expenses of the company.

Underlying VBI amortization includes VBI (Value of Purchased Life Business In-force) amortization related to underlying margins, as well as amortization of other intangibles related to the in-force business.

Life & Savings underlying cost income ratio: Underlying expenses plus underlying VBI amortization divided by "underlying" operating margin, where "Underlying" operating margin is the sum of (i) Underlying Investment margin; (ii) Underlying Fees and revenues, and (iii) Underlying Net technical Margin (all items defined above).

PROPERTY & CASUALTY (INCLUDING AXA CORPORATE SOLUTIONS ASSURANCE)

Underlying net investment result includes the net investment income less the recurring interests credited to insurance annuity reserves.

Underlying net technical result is the sum of the following components:

(i) earned premiums, gross of reinsurance;

(ii) claims charges, gross of reinsurance;

(iii) change in claims reserves, including claims handling costs reserves, gross of reinsurance, less the recurring interests credited to insurance annuity reserves;

(iv) claims handling costs;

(v) net result of ceded reinsurance.

Current accident year loss ratio net of reinsurance is the ratio of:

(i) current year claims charge gross of reinsurance + claims-handling costs + result of reinsurance ceded on current accident year excluding the recurring interests credited to the insurance annuity reserves; to

(ii) Earned revenues, gross of reinsurance.

All accident year loss ratio net of reinsurance is the ratio of:

(i) all accident years claims charge gross of reinsurance + claims-handling costs + result of reinsurance ceded on all accident years excluding the recurring interests credited to the insurance annuity reserves; to

(ii) earned revenues, gross of reinsurance.

Underlying expense ratio is the ratio of:

(i) underlying expenses (excluding claims handling costs); to

(ii) earned revenues, gross of reinsurance.

Underlying expenses include two components: expenses (including commissions) related to acquisition of contracts (with the related **acquisition ratio**) and all other expenses (with the related **administrative expense ratio**). Underlying expenses exclude customer intangible amortization and integration costs related to material newly acquired companies.

The **underlying combined ratio** is the sum of the underlying expense ratio and the all accident year loss ratio.

ASSET MANAGEMENT

Net New Money: Inflows of client money less outflows of client money. Net New Money measures the impact of sales efforts, product attractiveness (mainly dependent on performance and innovation), and the general market trend in investment allocation.

Underlying Cost Income Ratio: (general expenses including distribution revenues)/ (gross revenues excluding distribution revenues).

1.4 LIQUIDITY AND CAPITAL RESOURCES

Information in this section should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

Liquidity management is a core part of our financial planning including our debt profile schedule and, more broadly, our capital allocation process. Our liquidity resources result principally from the operations of our Life & Savings, Property & Casualty and Asset Management activities, as well as from capital raising activities.

Over the past several years, AXA has expanded its core operations (insurance and asset management) through a combination of organic growth, direct investments and acquisitions. This expansion has been funded primarily through a combination of (i) dividends received from operating subsidiaries, (ii) proceeds from the issuance of subordinated convertible debt instruments, other subordinated debt instruments and borrowings (including debt issued by subsidiaries), (iii) the issuance of ordinary shares, and (iv) proceeds from the sale of non-core businesses and assets.

The Company and each of its major operating subsidiaries are responsible for financing their operations. The Company, as the holding company for the AXA Group, coordinates these activities and, in this role, participates in financing the operations of certain subsidiaries. Certain of AXA's subsidiaries, including AXA France Assurance, AXA Financial, Inc., AXA Asia Pacific Holdings and AXA UK Plc. are also holding companies and, consequently, are dependent on dividends received from their own subsidiaries to meet their obligations. The Group's operating insurance companies are required to meet multiple regulatory constraints, in particular, a minimum solvency ratio. The level of internal dividends paid by operating entities to the Company (or other Group companies) must therefore take into account these constraints as well as potential future regulatory changes. Cash positions also fluctuate as a result of cash-settled margin calls from banks relating to collateral agreements on derivatives, and the Company's statutory (parent only) results may be impacted by unrealized gains and losses on derivatives used to hedge currency or other risks. The Company anticipates that cash dividends received from operating subsidiaries and other financing sources available to the Company will continue to cover its operating expenses.

Internal sources of liquidity: AXA's subsidiaries

The principal sources of funds for AXA's insurance operations are premiums, investment income and proceeds from sales of invested assets. These funds are mainly used to pay policyholder benefits, claims and claims expenses, policy surrenders and other operating expenses, and to purchase investment assets. The liquidity of the Group's insurance operations is affected by, among other things, the overall quality of AXA's investments and the Group's ability to liquidate its investment assets to meet policyholder benefits and insurance claims as they fall due.

Information on projected payments and surrenders related to Life & Savings and Property & Casualty insurance contracts are disclosed in Note 14.9.1 of Part 4 – consolidated financial statements.

LIFE & SAVINGS

Liquidity needs can be affected by fluctuations in the level of surrenders, withdrawals, maturities and guarantees to policyholders including guarantees in the form of minimum income benefits or death benefits, particularly on variable annuity business (see Part 1.2 – "Information on the Company" Segment Information – Life & Savings – Surrenders and lapses).

The investment strategy of AXA's Life & Savings subsidiaries is designed to match the investment returns and estimated maturity of their investments with expected payments on their insurance contracts. Entities regularly monitor the valuation and duration of their investments and the performance of their financial assets. Financial market performance may affect the level of surrenders and withdrawals on life insurance policies, as well as projected immediate and long-term cash needs. As a result of close monitoring of surrenders rates on a weekly basis, Group subsidiaries are able to adjust their investment portfolios to reflect such considerations and react in a targeted manner.

PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE

Liquidity needs can be affected by actual claims experience. Insurance cash flows are generally positive but can be negative in the case of exceptional events. A portion of these cash flows is invested in liquid, short-term bonds and other listed securities in order to manage the liquidity risk that may arise from such events.

ASSET MANAGEMENT AND BANKING

These subsidiaries' principal sources of liquidity are operating cash flows, proceeds from the issuance of ordinary shares (where applicable), drawings on credit facilities, repurchase agreement and other borrowings from credit institutions or others (including the Company).

The financing needs of asset management subsidiaries arise principally from their activities, which require working capital, in particular to finance prepaid commissions on some mutual fund-type products at AllianceBernstein or to constitute seed money for new funds at both AllianceBernstein and AXA Investment Managers.

Liquidity position and risk management framework

Despite highly volatile financial markets in 2009, AXA continued to manage its liquidity risk carefully and conservatively, proving its resilience in terms of liquidity position.

At year end 2009, AXA's liquidity position remained strong with:

- A large cash position across all business lines (information on cash flows from operations is provided in Note 12 to the Financial Statements included in Part 4 of this Annual Report). As at December 31, 2009, AXA's consolidated statement of financial position included cash and cash equivalents of €18,210 million, net of bank overdrafts of €1,356 million;
- An improved debt profile with (i) a total net financial debt mostly subordinated and maintained with a long maturity profile, with €2.3 billion debt repayments over the next three years out of a total outstanding net amount of €13.5 billion, taking into account the first date of step-up calls on subordinated debt, and (ii) debt ratios consistent with strong rating requirements (debt gearing: 26% [(1)] at year-end 2009, versus 35% at year-end 2008; interest coverage: 7.9x [(2)] at year-end 2009, versus 8.5x at year-end 2008);
- The Group's financial strength giving it broad access to various different markets via standardized debt programs: for example, at the end of 2009, an envelop of €5 billion of French commercial paper, of $1.5 billion of US commercial paper and a €12 billion program under EMTN documentation.

AXA has a robust liquidity risk management framework, including (i) a regular monitoring of the liquidity position in terms of resources (monthly monitoring of liquidity resources including government bonds and a part of the equity and corporate bond portfolio) and requirements (monthly monitoring of surrenders' rate for each local entity and consolidated view at Group level), (ii) confirmed undrawn credit lines for €8.8 billion at year-end 2009, up €2.7 billion from year-end 2008, and (iii) a liquidity emergency plan in place designed to deal with liquidity crises that may arise, which can provide short term liquidity of approximately €27 billion of assets eligible for European Central Bank tenders (of which €25 billion immediately available) at year-end 2009, representing an increase by respectively €8 and €10 billion compared to year-end 2008, creating a very large alternative source of refinancing.

In addition, as part of its risk control system, AXA remains constantly vigilant regarding contractual provisions, such as ratings triggers or restrictive covenants, in financing and other documentation that may give lenders, security holders or other counterparties, rights to accelerate repayment, demand collateral or seek other similar remedies under circumstances that could have a material adverse effect on its consolidated financial position. In particular, AXA currently has no such types of clauses in its bank facilities.

SUBORDINATED DEBT

On a consolidated basis, subordinated debt (including derivative instruments) totaled €6,352 million after taking into account all intra-group eliminations and excluding perpetual debts (TSS/TSDI, which are included in shareholders' equity, as described in Note 1.12.2 of Part 4 – consolidated financial statements), compared to €6,734 million at December 31, 2008.

The decrease of €382 million, or €-379 million on a constant exchange rate basis, mainly resulted from the €-418 million change in market value of currency swaps and interest rate swaps at AXA SA.

From January 2007, AXA's only convertible debt outstanding is AXA's 2017 convertible bonds, (6.6 million bonds at December 31, 2009). To neutralize the dilutive impact of the 2017 convertible bonds, AXA has purchased from a banking counterparty call options on the AXA ordinary share with an automatic exercise feature. This feature is such that one call option is automatically exercised upon each conversion of a convertible bond. Consequently, each issuance of a new ordinary share resulting from the conversion of a bond will be offset by the delivery to AXA of an ordinary share under the call option (which ordinary share AXA intends to cancel in order to avoid any increase of in the number of its outstanding shares and/or dilution).

At December 31, 2009, the number of ordinary shares issuable upon conversion of outstanding bonds was 29.2 million.

Movements in these items are described in Note 16 of Part 4 – "consolidated financial statements".

The contractual maturities of financing debts are detailed in Note 16.3 of Part 4 – "consolidated financial statements".

(1) (Net financing debt + undated subordinated debt) (Shareholders' equity, excluded fair value recorded in shareholders' equity + net financing debt).

(2) Including interest charge on undated subordinated debt.

FINANCING DEBT INSTRUMENTS ISSUED

On a consolidated basis, AXA's total financing debt outstanding amounted to €2,937 million at December 31, 2009, a decrease of €3,627 million from €6,564 million at the end of 2008. On a constant exchange rate basis, the decrease was €3,622 million, mainly due to AXA SA's repayment of commercial paper (€4.6 billion), partly offset by the issuance of a new senior notes of €1,000 million under favorable market conditions.

Movements in this item are described in Note 16 of Part 4 – "consolidated financial statements".

FINANCING DEBT OWED TO CREDIT INSTITUTIONS

At December 31, 2009, the amount of debt owed by AXA and its subsidiaries to credit institutions was €921 million versus €1,216 million at the end of 2008. The decrease of €350 million on a constant exchange rate basis was mainly due to AXA SA's repayment of the credit line of €1,000 million ("club deal" banking pool) partly offset by newly issued debt of €758 million.

OTHER DEBT (OTHER THAN FINANCING DEBT)

Other debt instruments issued

At December 31, 2009,other debt instruments issued totaled €951 million, down from €966 million at the end of 2008. The decrease of €15 million resulted mainly from €30 million decrease of commercial paper from AllianceBernstein and €135 million decrease from Australian and New Zealand business as the contribution of held for sale operations are stated as separate asset and liability in the consolidated statement of financial position as at December 31, 2009, which were partly offset by €98 million increase at AXA SA level and €84 million increase from CDOs.

Other debts owed to credit institutions (including bank overdrafts)

At December 31, 2009, other debts owed to credit institutions totaled €4,266 million (including €1,356 million of bank overdrafts), down €1,444 million compared to €5,710 million at the end of 2008 (including €1,415 million of bank overdrafts). The decrease was attributable primarily to a €1,413 million decrease at AXA SA related to margin calls from banks under collateral agreement.

Movements in this item are described in Note 17 of Part 4 – consolidated financial statements.

ISSUANCE OF ORDINARY SHARES

On December 4, 2009, the Company issued ordinary shares for a net aggregate purchase price of €2,041 million through preferential subscription rights. The proceeds from this rights issue will be used to seize future acquisition opportunities, primarily in high growth markets, including the buyout of minority interests in Central and Eastern Europe and the transaction proposed to AXA Asia Pacific Holdings' board, while maintaining a strong balance sheet.

For several years, the AXA Group has been offering to its employees, the opportunity to subscribe for shares issued through a capital increase reserved for employees. In 2009, employees invested a total of €393 million leading to a total of 26.4 million newly issued shares. Employee (including agent) shareholders represented 5.9% of the outstanding share capital and 6.9% of the voting rights at December 31, 2009.

DIVIDENDS RECEIVED

Dividends paid to the Company by its subsidiaries in 2009 in respect of the 2008 financial year totaled €2,718 million (2008: €2,674 million, 2007: €2,178 million), of which approximately €295 million was in currencies other than the Euro (2008: €392 million, 2007: €213 million). The €44 million increase in dividends in 2009 was mainly driven by a €24 million increase in dividends received from the Group's European subsidiaries to €2,352 million, including a €1,250 million increase from AXA France Assurance to €1,987 million (of which €900 million paid in shares), and partly offset by a €1,053 million decrease from AXA Holding Belgium as no dividends were paid in 2009 (as opposed to €1,053 million in dividends in 2008 arising from the capital gains on the sale of the Netherlands activities in 2007).

As a holding company, AXA SA is not subject to restrictions on dividend payments, provided that its accumulated profits are sufficient to cover them and that the Group solvency ratio does not decrease below 100% after dividend payment in cash. However, many Group subsidiaries, particularly its insurance subsidiaries, are subject to restrictions on the amount of dividends they can pay to their share holders. For more information on these restrictions, see Note 28.3 of Part 4 – consolidated financial statements.

The Company anticipates that cash dividends received from operating subsidiaries and other financing sources available to the Company will continue to cover its operating expenses (including interest payments on its outstanding debts and borrowings) and dividend payments during each of the next three years. AXA expects that anticipated investments in subsidiaries and existing operations, future acquisitions and strategic investments will be funded from available cash flow remaining after payments of dividends and operating expenses, proceeds from the sale of non-strategic assets and businesses as well as future issues of debt and equity instruments.

Uses of funds

Interest paid by the Company in 2009 totaled €1,292 million (2008: €1,275 million 2007: €938 million) or €1,180 million after the impact of hedging derivative instruments (2008: €1,134 million, 2007: €646 million); of which undated debt of €443 million (2008: €468 million, 2007: €421 million). On a consolidated basis, total interest paid in 2009 was €425 million (2008: €653 million, 2007: €554 million).

Dividends paid to AXA SA's shareholders in 2009 in respect of the 2008 financial year totaled €836 million, or €0.40 per share, versus €1.20 per share paid in 2008 in respect of the 2007 financial year (€2,473 million in total). All of these dividends were paid in cash.

Solvency margin

The Company's operating insurance subsidiaries are required by local regulations to maintain a minimum solvency margin. The primary objective of the solvency margin requirements is to protect policyholders. AXA's insurance subsidiaries monitor compliance with these requirements on a continuous basis and are in compliance with the applicable solvency requirements as of December 31, 2009.

The solvency margin calculation is based on a formula that contains variables related to economic, financial and technical parameters.

A European Directive dated October 27, 1998 requires a consolidated solvency margin calculation effective for periods ending on or after December 31, 2001. France transposed this directive under an ordinance dated August 29, 2001, decreed on March 14, 2002 and applicable from 2002. Additional supervision of credit institutions, investment companies and insurance companies belonging to "financial conglomerates" was introduced by the European Parliament and Council Directive 2002/87/EC of December 16, 2002. France transposed this directive through an ordinance dated December 12, 2004, which introduced the notion of financial conglomerate into the French Insurance Code. According to article 20 of the Insurance Code, the provisions of this ordinance applied for the first time to periods starting on or after January 1, 2005.

The various components of what the Group considers as available capital are determined in accordance with these regulatory requirements under Solvency 1, which are not yet harmonized throughout Europe while waiting for Solvency 2. At December 31, 2009, available capital amounted to €37.7 billion (€28.1 billion at December 31, 2008 and €31.0 billion at December 31, 2007) of which:

(i) consolidated shareholders' equity after dividend proposal: €39.4 billion (€34.7 billion at December 31, 2008 and €33.8 billion at December 31, 2007), including minority interests, but excluding reserves relating to changes in fair value through equity (available for sale assets) and undated subordinated debt;

(ii) gross unrealized capital gains and other: €14.0 billion (€10.6 billion at December 31, 2008 and €13.0 billion at December 31, 2007);

(iii) admitted subordinated debt: €11.0 billion (€11.0 billion at December 31, 2008 and €10.1 billion at December 31, 2007);

(iv) locally admitted assets: €3.4 billion (€2.6 billion at December 31, 2008 and €2.9 billion at December 31, 2007);

(v) less intangible assets (excluding goodwill on AllianceBernstein as it is part of its net consolidated book value) of which €24.5 billion (€25.9 billion at December 31, 2008 and €24.5 billion at December 31, 2007) and less the net consolidated book value of its equity interests in credit institutions, investment companies and other financial institutions: €4.4 billion (€4.6 billion at December 31, 2008 and €4.9 billion at December 31, 2007).

AXA is not considered as a financial conglomerate. However, in accordance with the decree of September 19, 2005, if a company is not subject to the additional supervision applicable to a financial conglomerate, its solvency margin is nevertheless reduced by the amount of its equity interests in credit institutions, investment companies or financial institutions if the Group holds more than 20% in the mentioned entities.

Dated and undated subordinated notes issued by the Company qualify for favorable capital treatment from the French insurance regulator, which oversees the Company's consolidated solvency position, and rating agencies.

The Company has issued Dated Subordinated Notes, Undated Subordinated Notes ("TSDI"), and Undated Deeply Subordinated Notes ("TSS"), which include provisions designed to allow the Company to ensure the continuity of its activities in the event its financial position deteriorates.

In particular, the Company's TSS include loss absorption mechanisms which provide that under certain circumstances relating to the consolidated solvency margin of the Group, the principal amount of each of the relevant TSS will be written down following which interest is payable on the reduced principal amount until such time as it is reinstated (following the Company's return to financial health as defined in the TSS).

In addition, subordinated notes include mechanisms to defer or cancel interest payments either on a mandatory or an optional basis.

Pursuant to the terms and conditions of AXA's TSDI, the Company may, at its option, defer interest payment upon the occurrence of certain events (*e.g*. absence of dividend payment voted in the preceding Annual Shareholders' Meeting or receipt by the Company or by certain of its principal subsidiaries of a regulatory demand to restore their applicable minimum solvency margin level). Payment of deferred interest becomes due in certain specified cases (*e.g*. payment of a dividend, notification of the end of a regulatory demand to restore solvency, liquidation or redemption of the TSDI).

In addition, for most of the Company's TSS, upon the occurrence of certain events relating to the Company's consolidated net earnings and shareholders' equity, the Company is required to defer payment of interest. In such event, the Company may satisfy mandatory deferred interest by way of alternative settlement mechanisms (such as, subject to applicable limits, issuance of new shares or other securities including TSS or preference shares, sale of treasury shares, or an increase in the principal amount of the relevant notes) within five years, failing which the interest is forfeited. However, the settlement of deferred interest becomes due, on a best efforts basis, in certain circumstances including redemption of the notes, liquidation, payment of a dividend or interest on any other TSS, any share buy back outside the Company's buy-back program, or any redemption or repurchase of other TSS.

Finally, under its TSS, the Company has an option to cancel payments of interest upon the deterioration of its financial position, unless certain events have occurred in the preceding year (*e.g*. a dividend payment or interest payment on any TSS, any share buy-back outside the Company's share buy-back program or a repurchase or redemption of any TSS). However, upon the occurrence of certain circumstances relating to the consolidated solvency margin of the Company, the Company is required to cancel the payment of interest.

In accordance with the methods of calculation implemented by AXA in line with existing regulations, AXA's consolidated solvency ratio was estimated at 171% at December 31, 2009 compared to 127% at the end of 2008 (154% at the end of 2007). The increase resulted mainly from the 2009 Underlying Earnings financial market improvement and the capital increase in the 4th quarter of 2009. This 2009 solvency margin calculation will be reviewed by the *Autorité de Contrôle des Assurances et des Mutuelles* (ACAM)[1], which governs the application of these directives in France.

In the event of a failure by the Company and/or any of its insurance subsidiaries to meet minimum regulatory capital requirements, insurance regulators have broad authority to require or take various regulatory actions. A failure of any of the Company's insurance subsidiaries to meet their regulatory capital requirements and/or a reduction in the level of their regulatory capital that may negatively impact their competitive position may also result in the Company having to inject significant amounts of new capital into its insurance subsidiaries, which could adversely affect the Company's liquidity position.

Credit rating

Claims paying and credit strength ratings have become increasingly important factors in establishing the competitive position of insurance companies. Rating agencies review their ratings and rating methodologies on a recurring basis and may change their ratings at any time. Consequently, our current ratings may not be maintained in the future. In the context of the 2008-2009 financial market crisis and the associated deterioration in the credit and equity markets, certain rating agencies lowered their outlook on the life insurance sector to negative from stable and have downgraded a growing number of companies. In February 2009, (i) Standard & Poor's affirmed its AA counterparty credit and financial strength ratings on AXA's principal insurance subsidiaries and its A+ counterparty credit ratings on the Company, but revised its outlook on these ratings to negative from stable and indicated that they "believe that AXA's fundamentals are sound and are highly likely to help the Group withstand market conditions and keep ratings in the 'AA' category in the medium term"; and (ii) Moodys' Investors Services reaffirmed the Aa3 counterparty credit and financial strength ratings on AXA's principal insurance subsidiaries and its A2 counterparty credit rating on the Company and maintained its stable outlook. In March 2009, Fitch Ratings downgraded the financial strength ratings of AXA's principal insurance subsidiaries from AA to AA- (one notch) and also downgraded the Company's senior debt from A+ to A- (two notches), subordinated debt from A to BBB+ (two notches) and short term debt from F1+ to F1 (one notch). Fitch Ratings also revised its outlook on these ratings to negative from stable.

Management closely monitors the Group's ratings and currently expects that these ratings should remain at levels sufficient for the Company and its insurance subsidiaries to compete effectively. Given continuing adverse financial market and general economic conditions, however, management cannot predict with any degree of certainty the timing and/or magnitude of future ratings actions.

A downgrade or the potential for a downgrade of our ratings, particularly below the AA range, could have a variety of negative impacts on us including (i) damaging our competitive position, (ii) negatively impacting our ability to underwrite new insurance policies, (iii) increasing the levels of surrenders and termination rates of our in-force policies, (iv) increasing our cost of obtaining reinsurance, (v) negatively impacting our ability to obtain financing and/or increasing our cost of financing, (vi) triggering additional collateral requirements under certain agreements to which we are party, (vii) harming our relationships with creditors or trading counterparties and/or (viii) adversely affecting public confidence in us. Any of these developments could have a material adverse effect on our business, liquidity position, results of operations, revenues and financial condition.

(1) As of March 9, 2010, the Autorité de contrôle des assurances et des mutuelles (ACAM) is replaced by the Autorité de contrôle prudentiel (ACP), a new authority resulting mainly from a merger of the Banking Commission (Commission bancaire) and the ACAM.

These developments could have a material adverse effect on our business, liquidity position, results of operations, revenues and financial condition by, for example, increasing our need for cash in order to meet increased surrender requests and/or collateral calls, causing us to liquidate assets at unattractive prices or to borrow at unattractive rates to raise necessary cash, and/or negatively impacting our ability to sell new insurance policies or other products due to negative publicity associated with a downgrade and the associated impact on public confidence in us.

Subsequent events after December 31, 2009 impacting AXA's liquidity

A dividend per share of €0.55 will be proposed at AXA's Annual Shareholders' Meeting that will be held on April 29, 2010. The dividend will be payable on May 6, 2010 with an ex-dividend date of May 3, 2010. For individuals whose fiscal residence is in France, this dividend gives rise to a 40% tax relief equal to €0.22 per share. These individuals may, barring certain exceptions, opt to have an 18% flat deduction at source, leading to the loss of the 40% tax relief mentioned earlier. The 12.1% welfare taxes (CSG, CRDS and welfare deduction) due by the persons who are deemed to be French residents for tax purposes are, in any case, paid at the date of the dividend payout.

Please refer to Note 31 of Part 4 – "consolidated financial statements" for other subsequent events.

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2

CORPORATE GOVERNANCE

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2.1 DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Implementing sound corporate governance principles has been a priority at AXA for many years. AXA's shares are publicly listed on Euronext Paris and its ADRs and ADSs are publicly listed on the New York Stock Exchange [(1)]. Consequently, AXA is subject to prevailing corporate governance requirements and practices in France and the United States including the Sarbanes-Oxley Act and the French Commercial Code.

In 2008 AXA adopted the AFEP/MEDEF Code (defined below) as its Corporate Governance Code of reference. The AFEP/MEDEF Code consists of recommendations issued by AFEP and MEDEF in a report dated October 2003 and recommendations dated January 2007 and October 2008 with respect to the compensation of executive directors of listed companies (hereafter the "AFEP/MEDEF Code").

Governance

Since 1997, AXA has had a dual corporate governance structure consisting of a Management Board and a Supervisory Board. This governance structure is designed to separate the powers and responsibilities of management from those of supervision. On October 7, 2009, AXA announced that it intends to propose to the General Shareholders' Meeting on April 29, 2010 a change in its corporate governance structure from a dual board structure (Supervisory Board and Management Board) to an unitary board structure (Board of Directors).

In this context, the Supervisory Board approved on February 17, 2010 the proposed amendments of AXA's Charter *(statuts)* required in order to implement this change in governance. The Supervisory Board also decided to recommend the adoption of a structure with a Board of Directors in which Mr. Henri de Castries would exercise the roles of Chairman and CEO *(Président Directeur Général* or PDG). This proposal to combine the posts of Chairman and CEO does not represent a decision of AXA to institutionalize the combination of these posts on a permanent or structural basis going forward. Rather, the Supervisory Board's decision to recommend this change is the result of an analysis of the specific circumstances of the Group at this stage in its development, the unique experience and abilities of Mr. Henri de Castries and the board's desire to optimize the Group's decision-making processes and reactivity going forward.

A detailed description of the proposed governance structure appears in the Management Board's Report to the General Shareholders' Meeting to be held on April 29, 2010 (pages 472 and 473 of this Annual Report).

Supervisory Board

ROLE AND POWERS

The Supervisory Board supervises the Company's activities and reports to the shareholders. It is responsible for appointing members of the Company's Management Board and supervises the management of AXA. Members of the Management Board may also be dismissed directly by the AXA Supervisory Board and the AXA's shareholders pursuant to a resolution duly adopted at a General Shareholders' Meeting.

Article 12 of the Company's Charter specifies that the following types of transactions or decisions require the prior approval of the Supervisory Board:

- Issuance of securities that give direct or indirect access to the Company's registered share capital;
- Proposals for share repurchase programs to be submitted to shareholders at their General Shareholders' Meetings;
- Financial operations that may lead to substantial changes in the financial structure of the Company;
- Mergers and acquisitions, whatever their form;

(1) On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter.

- Strategic partnership agreements;
- Establishment of stock option plans or granting free shares for employees of the Company or related parties, as well as the granting of stock options or free shares (e.g. performance shares) to members of the Company's Management Board;
- Proposals for amending the Charter submitted to the General Shareholders' Meeting;
- Proposals for income allocation and dividend payments for the fiscal year;
- Proposals for the date of dividend distribution and possible advances for dividend payment.

OPERATING PROCEDURES

The guidelines governing the operation, organization and compensation of the Supervisory Board and its Committees are set forth in the Board's Bylaws. The Bylaws detail, in particular, the powers and of the Supervisory Board and its Comittees.

The Supervisory Board meets as often as it deems necessary but not less frequently than once each quarter. Periodically Supervisory Board members may meet among themselves without the attendance of Management Board members. Prior to each meeting, Supervisory Board members receive documentation concerning matters to be reviewed, generally eight days in advance. In accordance with the Supervisory Board's Bylaws, they are also informed by the Management Board or its Chairman on a regular basis about the Company's financial condition, cash position and commitments as well as any significant events or transactions involving the Company or the Group.

The Company's Charter requires each member of the Supervisory Board to own a minimum of 100 AXA shares. In addition, to ensure that their interests and those of the Company are appropriately aligned, the Board's Bylaws provide that each member of the Supervisory Board must hold, within two years following his/her first appointment, AXA shares with a value at least equal to the gross director's fees earned during the previous fiscal year.

COMPOSITION

Pursuant to Article 10 of the Company's Charter, the members of the Supervisory Board are appointed by the General Shareholders' Meeting for four years.

On December 31, 2009, the Supervisory Board was comprised of 14 members appointed by the shareholders. Currently, 5 members of the Supervisory Board are nationals of countries other than France. In accordance with French law, one member of the Supervisory Board is the employee-shareholders' representative who is appointed by shareholders every four years from among a list of candidates selected by the Group's employee-shareholders. No member of the Supervisory Board is appointed by the employees. The Supervisory Board does not have any non-voting members (censor).

Each year the Supervisory Board assesses the independence of all of its members on the basis of the recommendations contained in the AFEP/MEDEF Code and, for the members of the Audit Committee, on the basis of the criteria set forth in the Sarbanes-Oxley Act. As of February 17, 2010, the Supervisory Board determined that eleven of the fourteen Supervisory Board members were independent after assessing the criteria of the AFEP/MEDEF Code: Mrs. Dominique Reiniche, Messrs. Jacques de Chateauvieux, Léo Apotheker, Norbert Dentressangle, Jean-Martin Folz, Anthony Hamilton, François Martineau, Gérard Mestrallet, Giuseppe Mussari, Ramon de Oliveira and Ezra Suleiman. In addition, the Supervisory Board has determined that all the members of the Audit Committee meet the independence criteria set forth in the Sarbanes-Oxley Act.

COMPOSITION OF THE SUPERVISORY BOARD ON DECEMBER 31, 2009

Name (age) and office presently held at AXA	Principal occupation (as of December 31, 2009)	Principal business address	First appointment/ term of office
Jacques de Chateauvieux (58) [(a)] Chairman of the Supervisory Board	Chairman of the AXA Supervisory Board Chairman and CEO of BOURBON	BOURBON 33, rue du Louvre 75002 Paris – France	April 2005/2013 Annual General Meeting
Norbert Dentressangle (55) [(a)] Vice-Chairman of the Supervisory Board	Chairman of Financière de Cuzieu (S.A.S.)	Financière Norbert Dentressangle 30 bis, rue Sainte-Hélène 69287 Lyon Cedex 02 – France	May 2006/2010 Annual General Meeting
Léo Apotheker (56) [(a)] Member of the Supervisory Board	CEO of SAP AG	SAP AG Building Capital 8 32, rue de Monceau 75008 Paris – France	February 2005/2011 Annual General Meeting
Wendy Cooper (59) Member of the Supervisory Board, representing the employee shareholders	Senior Vice President & Associate General Counsel of AXA Financial, Inc. (United States)	AXA Financial, Inc. 1290, Avenue of the Americas New York – NY10104 United States	April 2008/2012 Annual General Meeting
Jean-Martin Folz (62) [(a)] Member of the Supervisory Board	Chairman of the AFEP *(Association Française des Entreprises Privées)*	AFEP 11, avenue Delcassé 75008 Paris – France	May 2007/2011 Annual General Meeting
Jean-René Fourtou (70) Member of the Supervisory Board	Chairman of the Supervisory Board of Vivendi	Vivendi 42, avenue de Friedland 75008 Paris – France	April 1990/2011 Annual General Meeting
Anthony Hamilton (68) [(a)] Member of the Supervisory Board	Non-executive Chairman of AXA UK plc (United Kingdom) and AXA Equity and Law plc (United Kingdom)	AXA UK plc 5 Old Broad Street London EC2N 1AD United Kingdom	January 1996/2013 Annual General Meeting
François Martineau (58) [(a)] Member of the Supervisory Board	Attorney at Law	Lussan & Associés 250 bis, boulevard Saint Germain 75007 Paris – France	April 2008/2012 Annual General Meeting
Gérard Mestrallet (60) [(a)] Member of the Supervisory Board	Chairman and CEO of GDF SUEZ	GDF SUEZ 22, rue du Docteur Lancereaux 75008 Paris – France	January 1997/2011 Annual General Meeting
Giuseppe Mussari (47) [(a)] Member of the Supervisory Board	Chairman of the Board of Banca Monte dei Paschi di Siena S.p.A. (Italy)	Banca Monte dei Paschi di Siena SpA Piazza Salimbeni, 3 53100 Sienna – Italy	May 2007/2011 Annual General Meeting
Ramon de Oliveira (55) [(a)] Member of the Supervisory Board	Managing director of ROC Partners (United States)	ROC Partners 580 Park Avenue New York, NY 10065 United States	April 2009/2013 Annual General Meeting
Michel Pébereau (67) Member of the Supervisory Board	Chairman of the Board of Directors of BNP Paribas	BNP Paribas 3, rue d'Antin 75002 Paris – France	January 1997/2013 Annual General Meeting
Mrs. Dominique Reiniche (54) [(a)] Member of the Supervisory Board	Chairman Europe of The Coca-Cola Company	The Coca-Cola Company Groupe Europe 27, rue Camille Desmoulins 92784 Issy-les-Moulineaux Cedex 9 – France	April 2005/2013 Annual General Meeting
Ezra Suleiman (68) [(a)] Member of the Supervisory Board	Professor of Political Sciences at the University of Princeton – IBM Chair (United States)	EPS/PIIRS Aaron Burr Hall Princeton University Princeton, N.J. 08544 United States	April 2003/2011 Annual General Meeting

(a) Independent.

Mr. Claude Bébéar has been Honorary Chairman of the Supervisory Board since April 22, 2008.

The General Shareholders' Meeting to be held on April 29, 2010 will be asked to vote on a change in the governance of the Company with the adoption of an unitary board structure (Board of Directors). In this context, the Supervisory Board approved on February 17, 2010 the required amendments of AXA's Charter (*statuts*) and recommended, upon advice of its Ethics & Governance Committee, the appointment of the fifteen following persons to the future Board of Directors:

- Mmes. Wendy Cooper (representative of the employee-shareholders) and Dominique Reiniche (independent), Messrs. Henri de Castries, Jacques de Chateauvieux (independent), Norbert Dentressangle (independent), Denis Duverne, Jean-Martin Folz (independent), Anthony Hamilton (independent), François Martineau (independent), Giuseppe Mussari (independent), Michel Pébereau, Ramon de Oliveira (independent) and Ezra Suleiman (independent). Their biographies are presented below in this Section 2.1; and
- Mmes. Isabelle Kocher and Suet-Fern Lee whose statuses have been reviewed by the Supervisory Board on the basis of the AFEP/MEDEF Code. The Supervisory Board concluded that Mmes. Isabelle Kocher and Suet-Fern Lee shall be considered as independent.

  Mrs. Isabelle Kocher, born in 1966, is a graduate of the *École Normale Supérieure* (ENS-Ulm) and member of the *Corps des Mines*. From 1997 to 1999, she was in charge of budget of Telecommunication and Defense at the French Ministry of Economy. From 1999 to 2002, she was Advisor on Industrial Affairs of the French Prime Minister's Office. In 2002, she joined the Suez Group. She then held various positions: from 2002 to 2005, at Strategy & Development; from 2005 to 2007, director of Performance and Organisation; from 2007 to 2008, Deputy CEO of Lyonnaise des Eaux. Since 2009, Mrs. Isabelle Kocher has been CEO of Lyonnaise des Eaux, Head of Water Development in Europe.

  Mrs. Suet-Fern Lee, born in 1958, graduated with a double first in law from Cambridge University in 1980 and qualified as a Barrister-at-Law at Gray's Inn London in 1981. She was admitted to the Singapore Bar in 1982. She is President-Elect of the Inter-Pacific Bar Association (IPBA) and has been a council member of the International Bar Association. She is Chairman of the Asian Civilisations Museum Board, a member of the National Heritage Board, a member of the Advisory Board to the Law School at Singapore Management University, a trustee for Nanyang Technological University and a Fellow of the Singapore Institute of Directors. Since 2000, she has been senior director of Stamford Law Corporation (Singapore).

Subject to the General Shareholders' Meeting approval, the Board of Directors would therefore be comprised of 15 members including 11 members considered independent by the Supervisory Board in accordance with the criteria of the AFEP/MEDEF Code of corporate governance.

SUPERVISORY BOARD ACTIVITIES IN 2009

In 2009, the Supervisory Board met eleven times and the average attendance rate was 83.77%. Within the framework of its principal missions such as described above the Supervisory Board focused, in particular, on the following matters:

- Review of the Group strategy;
- Examination of the 2008 financial statements and the 2009 half year financial statements;
- Review of the reports of the Supervisory Board Committees;
- Authorization of the main projects with respect to acquisitions and disposals;
- Review of the Group's portfolio of businesses and activities;
- Review of the AXA corporate governance and of the proposed change in the Company's governance structure from a dual board structure (Supervisory Board and Management Boad) to an unitary board structure (Board of Directors);
- Review of the appointment of Mr. Henri de Castries as Chairman and CEO (Président Directeur Général) if the change in governance is approved by shareholders;
- Review of the Group's management organization and the proposal to implement global business line heads of the Management Board;
- Supervisory Board's self-assessment.

INFORMATION ON CURRENT MEMBERS OF THE SUPERVISORY BOARD (1)

Jacques de CHATEAUVIEUX,

Chairman and member of the AXA Supervisory Board

58, French nationality.
Business address
BOURBON – 33, rue du Louvre – 75002 Paris, France

Expertise and experience

Mr. Jacques de Chateauvieux is a graduate of the Institut Supérieur de Gestion (Paris) and of Columbia University (New York). In 1975, he joined l'Union des Transports Aériens as a management auditor. From 1977 to 1979, he worked as a consultant for the Boston Consulting Group (BCG). Since 1979, Mr. Jacques de Chateauvieux has been Chairman and Chief Executive Officer of BOURBON. From 1989 to 2001, he developed BOURBON into an international conglomerate and then listed the company on the Paris Stock Exchange in 1998. From 2001, he has refocused BOURBON's strategy on making it a world leader in offshore oil and marine services. Mr. Jacques de Chateauvieux has been a member of the AXA Supervisory Board since 2005 and became Chairman of the Board in April 2008.

Directorships currently held

Chairman and Chief Executive Officer:

- BOURBON
- JACCAR

JACCAR HOLDINGS (Luxembourg), *Chairman and managing director*

(1) *Except otherwise stated, the following information concerning the members of the Supervisory Board is updated as at December 31, 2009.*

SAPMER, *Chairman of the Board of Directors*

SINOPACIFIC Shipbuilding Group (China), *director*

Previous directorships held during the last five years

CBo Territoria, *Chairman of the Board of Directors*

Chairman:

- Vindemia S.A.S.
- Antenne Réunion Télévision

INNODIS (Mauritius), *director*

Norbert DENTRESSANGLE,

Vice-Chairman and member of the AXA Supervisory Board

55, French nationality.
Business address
Financière Norbert Dentressangle – 30 bis, rue Sainte Hélène – 69287 Lyon Cedex 02, France

Expertise and experience

In 1979, Mr. Norbert Dentressangle founded the Norbert Dentressangle Group, a transportation and logistics services specialist, and served as its Chairman until 1998. He is currently Chairman of the Supervisory Board. Mr. Norbert Dentressangle has also been, since its creation in 1988, Chairman of Financière Norbert Dentressangle, the family-owned holding company which, in addition to a majority stake in Groupe Norbert Dentressangle, also holds equity interests in real estate, industrial and business services firms. Mr. Norbert Dentressangle has been Vice-Chairman of the AXA Supervisory Board since April 2008.

Directorships currently held

Financière de Cuzieu (S.A.S.), *Chairman*

Financière Norbert Dentressangle (S.A.S.), *Chairman*

Groupe Norbert Dentressangle, *Chairman of the Supervisory Board*

ND Investissements (S.A.S.), *Chairman*

SOFADE (S.A.S.), *Chief Executive Officer*

Versailles Richaud ND (SARL), *co-manager*

Director:

- SEB
- SOGEBAIL

Previous directorships held during the last five years

FINAIXAM, *Member of the Supervisory Board*

Financière Egnatia, *permanent representative of the company Financière Norbert Dentressangle to the Board of Directors*

Léo APOTHEKER,

Member of the AXA Supervisory Board

56, German nationality.
Business address
SAP AG – Building Capital 8 – 32, rue de Monceau – 75008 Paris, France

Expertise and experience

Mr. Léo Apotheker is a graduate in International Relations and Economics of the Hebrew University of Jerusalem. Before joining ABP Partners, Mr. Apotheker held various positions at McCormack & Dodge Europe and Swift. He also served as founding Chairman and COO of ECsoft, one of the largest European venture capital start-ups from 1992 to 1994. From 1994 to 1995, he was Managing Partner at ABP Partners, a strategic management consulting company specialized in global strategy definition and implementation and in restructuring of ailing software companies. Since joining the SAP Group, Mr. Léo Apotheker has held various positions: from 1995 to 1997, he was CEO and founder of SAP France and SAP Belgium; from 1997 to 1999, Chairman of SAP for the South-West Europe Region; from 1999 to 2002, Chairman of SAP EMEA (Europe, Middle East and Africa) and from 2002 to 2008, worldwide Chairman Customer Solutions & Operations. From April 2008 to May 2009, Mr. Léo Apotheker was co-CEO of SAP AG. Since June 2009, he has been CEO of SAP AG. In February 2010, SAP Group announced that it has accepted the resignation of Mr. Léo Apotheker.

Directorships currently held

Schneider Electric, *member of the Supervisory Board*

Previous directorships held during the last five years

SAP AG, *CEO*

SAP AG, *co-CEO*

SAP AG, *Deputy Chief Executive Officer and President Customer Solutions & Operations*

SAP AG, *Chairman Global Field Operations*

Director:

- SAP America, Inc. (United States)
- SAP Global Marketing Inc. (United States)
- Enigma Inc. (United States)
- SAP Asia Pte. Ltd (Singapore)
- SAP JAPAN Co., Ltd (Japan)
- SAP FRANCE SA
- S.A.P. ITALIA Sistemi, applicazioni, prodotti in data processing S.p.A. (Italy)
- SAP Hellas "Systems Application and Data Processing S.A." (Greece)
- SAP (Beijing) Software System Co., Ltd (China)
- Ginger SA
- SAP Manage Ltd (Israel)
- SAP Systems Integration AG (Germany)
- SAP Finland Oy (Finland)
- SAP Danmark A/S (Denmark)
- SAP Svenska Aktiebolag (Sweden)

Wendy COOPER,

Member of the AXA Supervisory Board, representing the employee shareholders

59, American nationality.
Business address
AXA Financial, Inc. – 1290 Avenue of the Americas – New York – NY 10104, United States

Expertise and experience

Ms. Wendy Cooper is a graduate of Allegheny College and Fordham Law School, New York, NY. From 1981 to 1987, she was Assistant Counsel to New York Governors Carey and Cuomo. From August 1987 to March 1995, she was the First Deputy Superintendent of Insurance of the New York Insurance Department and from January 1990 to June 1990, she held the position of Superintendent of Insurance of the New York Insurance Department. In May 1995, she joined The Equitable, which became AXA Equitable, as Vice-President & Associate General Counsel. Since September 1999, she has been Senior Vice-President & Associate General Counsel of AXA Equitable in charge of the Government Relations function, representing AXA Equitable's legislative and regulatory interests in front of the U.S. Congress, state legislatures, state insurance departments, state and national trade associations and other external audiences. In April 2008, Ms. Wendy Cooper was elected as the employee-shareholder member of the AXA Supervisory Board.

Directorships currently held

None

Previous directorships held during the last five years

None

Jean-Martin FOLZ,

Member of the AXA Supervisory Board

62, French nationality.
Business address
AFEP *(Association Française des Entreprises Privées)* (until March 2010) – 11, avenue Delcassé – 75008 Paris, France

Expertise and experience

Mr. Jean-Martin Folz is a graduate of the *École Polytechnique* and *ingénieur des Mines.* Between 1975 and 1978, he has held various French government cabinet positions with his last position being head of cabinet of the Secretary of State for Industry. In 1978, he joined Rhône-Poulenc to run the Saint-Fons plant, and was then promoted to Senior Executive Vice-President of Rhône-Poulenc for the Specialty Chemicals business unit. In 1984, he became Senior Executive Vice-President and then Chief Executive Officer of Jeumont-Schneider (a Schneider subsidiary). In 1987, he was appointed Chief Executive Officer of Péchiney and Chairman of Carbone Lorraine (in 1988). In 1991, he became Group Chief Executive Officer of Eridania Béghin-Say and Chairman of Béghin-Say. Mr. Jean-Martin Folz joined PSA Peugeot Citroën in 1995 and became Chairman of the Management Board in 1997. He left PSA in February 2007. From June 2007 to March 2010, he was Chairman of the AFEP.

Directorships currently held

AFEP, *Chairman*

Director or member of the Supervisory Board:

- Saint-Gobain
- Société Générale
- Alstom
- Carrefour
- ONF-Participations (S.A.S.)
- Solvay (Belgium)

(1) *AXA Group Company.*

Previous directorships held during the last five years

Peugeot SA, *Chairman of the Management Board*

Chairman:

- Automobiles Peugeot
- Automobiles Citroën

Director:

- Banque PSA Finance
- Peugeot Citroën Automobiles
- Faurecia

Jean-René FOURTOU,

Member of the AXA Supervisory Board

70, French nationality.
Business address
Vivendi – 42, avenue de Friedland – 75008 Paris, France

Expertise and experience

Mr. Jean-René Fourtou is a graduate of the *École Polytechnique.* In 1963, he joined Bossard & Michel as a consultant. In 1972, he became Chief Operating Officer of Bossard Consultants and Chairman and Chief Executive Officer of the Bossard Group in 1977. In 1986, he was appointed Chairman and Chief Executive Officer of the Rhône-Poulenc Group that later merged with and into Hoechst to create Aventis. From December 1999 to May 2002, he served as Vice-Chairman and Chief Operating Officer of Aventis. Chairman of the International Chamber of Commerce in 2003 and 2004, Mr. Fourtou co-chairs the Franco-Moroccan Economic Impetus Group created in September 2005. In July 2002, he became Chairman and Chief Executive Officer of Vivendi Universal and in 2005 Chairman of the Supervisory Board of Vivendi.

Directorships currently held

Vivendi, *Chairman of the Supervisory Board*

Groupe Canal+, *Chairman of the Supervisory Board*

Director or member of the Supervisory Board:

- CapGemini
- Sanofi Aventis
- NBC Universal (United States)
- Maroc Telecom (Morocco)
- Nestlé (Switzerland)

AXA Millésimes [(1)] (S.A.S.), *permanent representative of AXA to the Management Committee*

Previous directorships held during the last five years

Vivendi Universal, *Chairman and Chief Executive Officer*

Vivendi Environnement, *Chairman of the Supervisory Board*

Vice-Chairman of the Board of Directors:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Courtage Assurance Mutuelle

Director:

- EADS (Netherlands)
- Aventis

Anthony HAMILTON,

Member of the AXA Supervisory Board

68, British nationality.
Business address
AXA UK plc – 5 Old Broad Street – London EC2N 1AD – United Kingdom

Expertise and experience

Mr. Anthony Hamilton is a graduate of Oxford University. His early career was spent in London and New York working for the investment banks Schroders, Morgan Grenfell, and Wainwright. In 1978, he joined Fox-Pitt, Kelton and was appointed Chief Executive Officer in 1994. In 1993, he became a non-executive director of AXA Equity and Law plc (Chairman, 1995) and in 1997 a non-executive director of AXA UK plc. Since September 2000, Mr. Anthony Hamilton has been non-executive Chairman of AXA UK plc.

Directorships currently held

Non-executive Chairman:

- AXA UK plc (1) (United Kingdom)
- AXA Equity and Law plc (1) (United Kingdom)

Director or member of the Supervisory Board:

- AXA Financial, Inc. (1) (United States)
- AXA Equitable Life Insurance Company (1) (United States)
- MONY Life Insurance Company (1) (United States)
- MONY Life Insurance Company of America (1) (United States)
- Golf Club of Valderrama (Spain)
- Tawa plc (United Kingdom)
- The Game and Wildlife Conservation Trust (United Kingdom)

Previous directorships held during the last five years

Fox-Pitt, Kelton Group Limited (United Kingdom), *Chairman*

Director or member of the Supervisory Board:

- Pinault-Printemps-Redoute
- Fox-Pitt, Kelton Limited (United Kingdom)
- Swiss Re Capital Markets Limited (United Kingdom)
- CX Reinsurance (United Kingdom)
- Binley Limited (United Kingdom)

François MARTINEAU,

Member of the AXA Supervisory Board

58, French nationality.

Business address

Lussan & Associés – 250bis, boulevard Saint-Germain – 75007 Paris, France

Expertise and experience

Mr. François Martineau is a graduate of the University Paris IV (Philosophy Degree), University Paris I (Law Master), and of l'*Institut d'Études Politiques* de Paris. Mr. François Martineau has been Attorney since 1976. In 1981, he was "*Secrétaire de la Conférence*". In 1985, he was a lecturer at the University Paris I (Civil Procedure). In 1995, he was a Professor at the Paris Bar School (EFB), and since 1998, he is Honorary Professor at the Law and Political Sciences School of Lima (Peru). In 1996, he became an Expert at the Council of Europe and fulfilled various missions in Eastern Europe countries regarding the reform of the Code of the Judicial Organization, the reform of the magistrates' and lawyers' training and the revision of the Code of Civil Procedure. Since 1987, Mr. François Martineau has been a Partner of the law firm SCP Lussan & Associés, and Managing Partner since 1995.

Directorships currently held

SCP Lussan & Associés, *Managing Partner*

Vice-Chairman and director:

- Bred Banque Populaire
- Assurances Mutuelles Le Conservateur
- Associations Mutuelles Le Conservateur

Director:

- Conservateur Finance
- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle

Previous directorships held during the last five years

None

Gérard MESTRALLET,

Member of the AXA Supervisory Board

60, French nationality.
Business address
GDF SUEZ – 22, rue du Docteur Lancereaux – 75008 Paris, France

Expertise and experience

Mr. Gérard Mestrallet is a graduate of the *École Polytechnique* and the *École Nationale d'Administration* (ENA). He joined the Compagnie de Suez in 1984 as Vice-President in charge of Special Projects. In 1986, he was appointed Executive Vice-President in charge of Industrial business and then in February 1991, Executive Director and Chairman of the Management Committee of Société Générale de Belgique. In 1995, he became Chairman and Chief Executive Officer of Compagnie de Suez and in June 1997, Chairman of the Management Board of the Suez Lyonnaise des Eaux. On May 4, 2001, Mr. Gérard Mestrallet was appointed Chairman and Chief Executive Officer of Suez. Since July 22, 2008, Mr. Gérard Mestrallet has been Chairman and Chief Executive Officer of GDF SUEZ.

Directorships currently held

GDF SUEZ, *Chairman and Chief Executive Officer*

Chairman of the Board of Directors:

- Suez Energie Services
- Suez Environnement
- Suez-Tractebel (Belgium)

(1) AXA Group Company.

Vice-Chairman of the Board of Directors:

- Hisusa (Spain)
- Aguas de Barcelona (Spain)
- Electrabel (Belgium)

Director or member of the Supervisory Board:

- Saint-Gobain
- Pargesa Holding SA (Switzerland)

Previous directorships held during the last five years

Suez, *Chairman and Chief Executive Officer*

Chairman:

- Société Générale de Belgique (Belgium)
- Hisusa (Spain)

Sociedad General de Aguas de Barcelona (Spain), *Vice-Chairman*

Director or member of the Supervisory Board:

- Crédit Agricole SA
- Taittinger

Giuseppe MUSSARI,

Member of the AXA Supervisory Board

47, Italian nationality.
Business address
Banca Monte dei Paschi di Siena S.p.A. – Piazza Salimbeni, 3 – 53100 Sienna – Italy

Expertise and experience

Mr. Giuseppe Mussari is a graduate in Law of the University of Sienna (Barrister registered in the Rolls of the Court of Sienna since 1993). In 1998, he became Deputy Chairman of the Criminal Section of the Court of Sienna and then in 2000 Chairman of the Criminal Section of the Court of Sienna. In July 2001, he was appointed Chairman of the Monte dei Paschi di Siena Foundation. Since April 2006, Mr. Giuseppe Mussari has been Chairman of Banca Monte dei Paschi di Siena (BMPS).

Directorships currently held

Banca Monte dei Paschi di Siena S.p.A, *Chairman of the Board*

Italian Bankers' Association, *director and member of the Executive Committee*

Director:

- Rosselli Foundation
- Italy-China Foundation

Member:

- Promoting Committee of Symbola Foundation
- Steering Board of ABI – ANIA
- Steering Board of Assonime

Previous directorships held during the last five years

Cassa dei Depositi e Prestiti (Bank for Deposits and Loans), *Chairman of the Guidance Committee*

Chairman:

- Monte dei Paschi di Sienna Foundation
- Chigiana Music Academy Foundation
- Mecenate 90 Association

Sienna Biotech, *Chairman of the Ethical Monitoring Committee*

ACRI, *Vice-Chairman*

Director:

- Ravello Foundation
- Sansedoni SpA
- Cotec Foundation

Clear Pacts Consortium, *member of the General Council*

Toscana Life Sciences Foundation, *member of the Guidance Committee*

Ramon de OLIVEIRA,

Member of the AXA Supervisory Board

55, French nationality.
Business address
ROC Partners – 580 Park Avenue – New York, NY 10065 – United States

Expertise and experience

Mr. Ramon de Oliveira is a graduate of the University of Paris and of the *Institut d'Études Politiques* (Paris). Starting in 1977, Mr. de Oliveira spent 24 years at JP Morgan & Co. From 1996 to 2001, Mr. de Oliveira was Chairman and CEO of JP Morgan Investment Management. Mr. de Oliveira was also a member of the firm's Management Committee since its inception in 1995. Upon the merger with Chase Manhattan Bank in 2001, Mr. de Oliveira was the only executive from JP Morgan & Co. asked to join the Executive Committee of the new firm with operating responsibilities. Between 2002 and 2006, Mr. de Oliveira was an Adjunct Professor of Finance at Columbia University. Mr. Ramon de Oliveira is the Managing Director of the consulting firm ROC Partners, based in New York city.

Directorships currently held

ROC Partners, *Managing director*

The Kauffman Foundation, *Trustee and Chairman of the Investment Committee*

Fonds de Dotation du Louvre, *Chairman of the Investment Committee*

Taittinger-Kobrand USA (United States), *director*

The Red Cross, *member of the Investment Committee*

Previous directorships held during the last five years

Friends of Education (a New York-based not-for-profit organization), *Chairman of the Board*

Director:

- JP Morgan Suisse (Switzerland)
- American Century Company, Inc. (United States)
- SunGard Data Systems (SDS) (United States)
- The Hartford Insurance Company (United States)

Michel PÉBEREAU,

Member of the AXA Supervisory Board

67, French nationality.
Business address
BNP Paribas – 3, rue d'Antin – 75002 Paris, France

Expertise and experience

Mr. Michel Pébereau is a graduate of the *École Polytechnique* and the *École Nationale d'Administration* (ENA). In 1967, he started his career as auditor at the Treasury (*inspecteur des finances*). He then held various management positions at the direction du Trésor and at the *"Cabinets"* of two Ministers (Valéry Giscard d'Estaing and René Monory). In 1982, he joined Crédit Commercial de France. In 1987, he was in charge of its privatization before becoming Chairman and Chief Executive Officer from 1987 to 1993. In 1993, he became Chairman and Chief Executive Officer of BNP and after the merger with Paribas in 2000, Chairman and Chief Executive Officer of BNP Paribas. Since 2003, Mr. Michel Pébereau has been Chairman of the Board of Directors of BNP Paribas.

Directorships currently held

BNP Paribas, *Chairman of the Board of Directors*

Director or member of the Supervisory Board:

- Saint-Gobain
- Total
- Lafarge
- EADS N.V. (Netherlands)
- Banque Marocaine pour le Commerce et l'Industrie (BMCI) (Morocco)
- Pargesa Holding SA (Switzerland)

Galeries Lafayette, *non-voting member of the board (Censor)*

Académie des Sciences Morales et Politiques, *member*

Previous directorships held during the last five years

BNP Paribas, *Chairman and Chief Executive Officer*

Director or member of the Supervisory Board:

- Dresdner Bank AG (Germany)
- BNP Paribas UK (United Kingdom)

Dominique REINICHE,

Member of the AXA Supervisory Board

54, French nationality.
Business address
The Coca-Cola Company – Groupe Europe – 27, rue Camille Desmoulins – 92784 Issy-les-Moulineaux Cedex 9, France

Expertise and experience

Mrs. Dominique Reiniche is a graduate of the Essec. In 1978, she joined Procter & Gamble and in 1983 became Associate Advertising Manager. In 1986, she joined Kraft Jacobs Suchard and was appointed Marketing & Strategy Manager. In 1992, she joined Coca-Cola Entreprise as a Marketing & Responsible *"Compte-clé"* Manager. In 1998, she was appointed Chairman and Chief Executive Officer of Coca-Cola Entreprise and Vice-Chairman of Coca Cola Enterprises – Europe Group in 2002. From January 2003 to May 2005, she was Chairman of Coca-Cola Enterprises – Groupe Europe. Since May 2005, Mrs. Dominique Reiniche has been Chairman Europe of The Coca-Cola Company.

Directorships currently held

The Coca-Cola Company, *Chairman Europe*

ING Direct, *member of the Advisory Board*

UNESDA (Union of European Beverages Associations), *Vice-Chairman*

CIAA (Confederation of the Food and Drink Industries of the EU), *member of the Executive Committee and member of the Board*

ECR Europe, *member to the Board*

Previous directorships held during the last five years

Coca-Cola Enterprise – Groupe Europe, *Chairman and Chief Executive Officer*

MEDEF, *member of the Executive Committee*

Ezra SULEIMAN,

Member of the AXA Supervisory Board

68, American nationality.
Business address
EPS/PIIRS – Aaron Burr Hall – Princeton University – Princeton, N.J. 08544 – United States

Expertise and experience

Mr. Ezra Suleiman is a graduate of Harvard University and of Columbia University. In 1973, he started his career as a Professor at the University of California, Los Angeles. Since September 1979, Mr. Suleiman has been a Professor of Political Sciences at Princeton University.

Directorships currently held

University of Princeton (United States), *Professor of Political Sciences*

Director:

- Suez Environnement
- AXA Financial, Inc. (1) (United States)
- AXA Equitable Life Insurance Company (1) (United States)
- MONY Life Insurance Company (1) (United States)
- MONY Life Insurance Company of America (1) (United States)

Institut Montaigne, *Chairman of the Orientation Board*

Member of the Editorial Committee:

- Comparative Politics
- La Revue des Deux Mondes
- Politique Internationale
- Politique Américaine

Council on Foreign Relations (New York), *member*

HEC International, *member of Advisory Board*

(1) AXA Group Company.

Previous directorships held during the last five years

Institut d'Etudes Politiques (Paris), *Associate Professor*

European Studies Center at the University of Princeton (United States), *Manager*

SERVICE CONTRACTS BETWEEN THE AXA GROUP AND MEMBERS OF THE SUPERVISORY BOARD

Ms. Wendy Cooper, who is the employee shareholders representative on AXA's Supervisory Board, is an employee of AXA Equitable, which is a subsidiary of AXA in the United States.

FAMILY RELATIONSHIP

To the knowledge of the Company, there are no family relationships among the members of the Supervisory Board or with members of the Management Board.

SELF-ASSESSMENT OF THE SUPERVISORY BOARD ACTIVITY

The Supervisory Board conducts an annual self-assessment in order to review its composition, organization and functioning. The conclusions of this self-assessment are discussed annually during a meeting of the Supervisory Board.

In early 2009, a formal self-assessment of the Board and its Committees was carried out in two steps: (1) a detailed questionnaire was completed by all members of the Supervisory Board, and (2) the corporate secretary of the Supervisory Board and a representative of the Group Legal Department then interviewed each board member to discuss in further detail their responses as well as the Members' views regarding the functioning of the Supervisory Board and areas for improvement. Early 2010, a new questionnaire has been completed by each member of the Supervisory Board. The conclusions of this assessment and the principal areas identified for improvement were discussed at the Supervisory Board meeting on March 10, 2010: almost all members of the Supervisory Board underlined the high quality of corporate governance rules and appreciated the transparency and level of discussions on key issues. The main areas for improvement relate to the diversification of its membership by appointing women and at least one member from Asia, the addition of risk-understanding skills and the stronger involvement in discussing strategic priorities for AXA.

Supervisory Board Committees

The Supervisory Board has four special Committees that review specific matters and report to the board: (1) the Audit Committee, (2) the Finance Committee, (3) the Ethics and Governance Committee, and (4) the Compensation and Human Resources Committee.

The role, organization and operating procedures of each Committee are set forth in the Supervisory Board's Bylaws and in a dedicated Charter for the Audit Committee. Each Committee issues opinions, proposals or recommendations to the Supervisory Board on matters within the scope of its responsibilities and is empowered to undertake or commission specific studies or reviews within the scope of its responsibilities. Each Committee may invite external participants to attend its meetings and Committee Chairmen Report to the Supervisory Board on a regular basis following Committee meetings.

Committees make recommendations to the Supervisory Board on matters within the scope of their responsibility but have no legal decision making authority.

AUDIT COMMITTEE

Composition

On December 31, 2009, the Audit Committee had four members, all of whom were determined by the Supervisory Board to be independent in accordance with the criteria contained in the AFEP/MEDEF Code and the Sarbanes-Oxley Act. In addition to assessing independence, the Supervisory Board also reviewed the qualifications of all Audit Committee members in terms of their financial expertise and business experience and believes that all members have the requisite expertise, experience and qualifications to fulfil their duties as Audit Committee members. The Committee members at December 31, 2009 were Messrs. Anthony Hamilton (Chairman), Jean-Martin Folz, Ramon de Oliveira and Ezra Suleiman.

Missions and activities

The scope of the Audit Committee's responsibilities is set forth in an Audit Committee Charter which defines the Committee's principal missions, including the following:

- Overseeing the activities and systems of internal control over events that expose the Group to significant risk;
- Monitoring the financial reporting process, the systems of internal control over financial reporting and the accuracy and integrity of the Group's financial reporting;
- Providing for recommendations on proposals for appointement of the Statutory Auditors as well as monitoring their independence; and
- Overseeing the performance of the Group's internal audit function.

The Audit Committee Charter is reviewed on a regular basis and updates are submitted to the Supervisory Board for approval.

The Audit Committee met seven times in 2009. The average attendance rate was 96.43%. Within the framework of its principal missions such as described above, the Committee focused, in particular, on the following issues:

- 2008 annual and 2009 half-year financial statements;
- Group Audit strategy;

- 2009 Group Strategic Audit Plan;
- Internal fraud and anti-laundering report;
- Local internal audit plans summary;
- Statutory Auditors fees and actions plan;
- Appointment and renewal of the mandate of the Statutory Auditors;
- Significant litigation and regulatory matters;
- Risk management issues, including IT risk management issues;
- The Group's Annual Reports (*Document de Référence* and Form 20-F);
- Sarbanes Sections 404 and 302 issues;
- Whistleblower and Employees complaints report;
- Review of the Audit Committee Charter and Group Audit Charter;
- Audit Committee self-assessment.

The Committee's review of financial statements by the Audit Committee is accompanied by a presentation from the Company's Statutory Auditors on the Group's consolidated financial position and results of operations which includes the Auditors' views on the accounting choices adopted by management. The Committee also receives a presentation from the Group Chief Financial Officer describing the Company's principal risks exposures and its material off-balance-sheet commitments.

The member of the Management Board in charge of Finance, the Group Chief Financial Officer as well as the head of the Group Internal Audit Department attend each Committee's meeting. The Statutory Auditors of the Group, the Group Chief Accounting Officer as well as the head of the Group Legal Department attend the Committee's meetings on a regular basis.

The Committee may request external consulting expertise in connection with matters falling within the scope of its responsibility.

FINANCE COMMITTEE

Composition

As of December 31, 2009, the Finance Committee had five members, four of whom were determined by the Supervisory Board to be independent in accordance with the criteria set forth in the AFEP/MEDEF Code. At December 31, 2009, those members were: Messrs. Ramon de Oliveira (Chairman), Léo Apotheker, Jacques de Chateauvieux, Jean-Martin Folz and Michel Pébereau.

Missions and activities

The Finance Committee has the following principal missions:

- To examine and issue an opinion on any plan to sell real estate or equity stakes, when their value exceeds the delegations of power granted to the Management Board by the Supervisory Board;
- To examine and issue an opinion on any plan to set up sureties or grant guarantees, endorsements and warrantees in favor of third parties, when their value exceeds the delegations of power granted to the Management Board by the Supervisory Board;
- To examine and issue an opinion on any of the following plans presented by the Management Board:
  - issue of securities granting a claim, whether directly or indirectly, to the Company's capital,
  - proposal of share buy-back schemes to the Ordinary Shareholders' Meeting,
  - financing operations that might substantially change the Company's financial structure,
  - acquisitions, in any form whatsoever, when their value exceeds €500 million each,
  - strategic partnership agreements,
  - proposal of distribution of annual profit and the setting of the dividend for the year elapsed to the Ordinary Shareholders' Meeting;
  - setting the dates of payment of the dividend and, if any, of interim dividends;
- To examine any plan to perform a financial operation of significant size for the AXA Group presented by the Management Board, originating with a company that is directly or indirectly controlled by the Company, as well as the directs given in the management of the assets of the AXA Group and, more generally, any issue involving the financial management of the AXA Group;
- To review the impact on capital and solvency at Group level of all significant investments and the Asset and Liability Management (ALM) decisions submitted to the Committee as well as any significant implications these decisions may have on AXA's principal subsidiaries.

The Finance Committee met six times in 2009. The average attendance rate was 81.48% and focused, in particular, on the following issues:

- Financial risk management;
- Capital and solvency;
- Liquidity and financing;
- Risk appetite and asset allocation;
- Review of the financial resolutions proposed to the AXA General Shareholders' Meeting;
- Proposal for payments of dividends;
- Examination of the project of the issue of preferred shares;
- Acquisitions, restructurings and disposals;
- Review of the financial authorizations;
- Review of the project for share capital increase with preferential subscription rights.

ETHICS AND GOVERNANCE COMMITTEE

Composition

As of December 31, 2009, the Ethics and Governance Committee had six members, four of whom were determined by the Supervisory Board to be independent in accordance with the criteria set forth in the AFEP/MEDEF Code. At December 31, 2009, the Committee members were: Messrs. Jacques de Chateauvieux (Chairman), Jean-René Fourtou, François Martineau, Gérard Mestrallet, Michel Pébereau and Ezra Suleiman.

Missions and activities

The Ethics and Governance Committee has the following principal missions:

- To formulate proposals to the Supervisory Board, for the appointment of:
  - members of the Supervisory Board, its Chairman and its Vice-Chairman,
  - non-voting members,
  - members of a specialised Committee of the Supervisory Board and its Chairman;
- To examine in depth certain governance matters (Supervisory Board assessment…);
- To review the AXA Group Compliance and Ethics Guide.

The Ethics and Governance met four times in 2009. The average attendance rate was 83.33% and the Committee focused, in particular, on the following matters:

- Appointment of the Management Board;
- Evolution of the Group governance;
- Process of selection of the future corporate officers;
- Composition of the Supervisory Board and its Committees;
- Independence of the members of the Supervisory Board.

COMPENSATION AND HUMAN RESOURCES COMMITTEE

Composition

As of December 31, 2009, the Compensation and Human Resources Committee had three members all of whom were determined to be independent by the Supervisory Board in accordance with the criteria set forth in the AFEP/MEDEF Code. At December 31, 2009, the Committee members were: Messrs. Norbert Dentressangle (Chairman), Anthony Hamilton and Gérard Mestrallet.

Missions and activities

The Compensation and Human Resources Committee has the following principal missions:

- To issue proposals to the Supervisory Board for the fixing of:
  - the compensation of the Chairman of the Supervisory Board,
  - the compensation of each member of the Management Board member,
  - the value of the directors' fees to be submitted to the General Shareholders' Meeting,
  - the allocations of Company's stock options and free allotments of shares to the members of the Management Board;
- To formulate an opinion on the proposals of the Management Board concerning:
  - the principles and procedures concerning the setting of the compensation of the managers of the AXA Group,
  - overall allocation of Company's stock options or free allotments of shares to employees of the AXA Group;
- To issue proposals on the appointments of the members of the Management Board and its Chairman. The Committee is also informed of the appointments of the main executives of the Group, and in particular of the members of the Executive Committee. The Committee examines the provisions envisaged by the Chairman of the Management Board in order to prepare the relief of the members of the Management Board;
- To examine in more depth certain Group Human Resources issues (Group training and development policy, international mobility…).

The Compensation and Human Resources Committee met six times in 2009. The average attendance rate was 72.22% and the Committee focused, in particular on the following matters:

- Appointment of the Management Board;
- Compensation paid to members of the Management Board and of the Executive Committee;
- Compensation policy and principles;
- Stock option and performance share allocation;
- Directors' fees for Supervisory Board members;
- Application of the AFEP/MEDEF recommendations of October 2008 concerning the employment contract of the Chairman of the Management Board.

Management Board

The AXA Management Board is currently composed of five members, each of whom serves for a three-year term expiring on October 11, 2012 unless earlier terminated [1].

The Management Board generally holds weekly meetings to discuss Group strategy and operations. It operates in accordance with the Company's Charter and the Management Board's Bylaws.

While the Management Board operates as a collective decision-making body under French law, each Management Board member has been assigned responsibility for a specific area of the Company's management.

In order to facilate coordination among the Group's different businesses and further leverage its size, it has been asked to Messrs. François Pierson and Christopher Condron, members of the AXA Management Board, to assume group-wide responsibility on an international level for Property & Casualty insurance, and Life & Savings and Health businesses, respectively, in addition to their current operational responsibilities.

COMPOSITION OF THE MANAGEMENT BOARD ON DECEMBER 31, 2009 [a]

Name (age)	Principal Office presently held in AXA	Principal business address	First appointment/term of office
Henri de Castries (55)	Chairman of the Management Board	AXA 25, avenue Matignon 75008 Paris – France	January 19, 2000/ October 11, 2012
Alfred Bouckaert [b] (63)	Member of the Management Board, Chief Executive Officer for Northern, Central and Eastern Europe	AXA Belgium Boulevard du Souverain, 25 1170 Brussels – Belgium	October 11, 2006/ October 11, 2012
Christopher Condron (62)	Member of the Management Board, President and CEO of AXA Financial, Inc. (United States) and global business line head for the Group's Life & Savings and Health businesses	AXA Financial, Inc. 1290 Avenue of the Americas New York – NY 10104 United States	July 4, 2001/ October 11, 2012
Denis Duverne (56)	Member of the Management Board, in charge of Finance, Strategy and Operations	AXA 25, avenue Matignon 75008 Paris – France	February 26, 2003/ October 11, 2012
François Pierson (62)	Member of the Management Board, Chairman and CEO of AXA France, responsible for Large Risks, Assistance and AXA Canada and global business line head for the the Group's Property & Casualty insurance businessess	AXA France Terrasse 1 313 Terrasses de l'Arche 92727 Nanterre Cedex – France	November 28, 2001/ October 11, 2012

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

(b) Mr. Alfred Bouckaert will retire at the time of the AXA General Shareholders' Meeting to be held on April 29, 2010. As announced on January 28, 2010, Mr. Jacques de Vaucleroy has been appointed CEO of the Northern, Central and Eastern Europe Region (NORCEE) of AXA as of March 15, 2010 in replacement of Mr. Alfred Bouckaert.

(1) On October 7, 2009, AXA announced that it intends to submit to the General Shareholders' Meeting on April 29, 2010 a proposed change in its corporate governance structure from a dual board structure (Supervisory Board and Management Boad) to an unitary Board structure (Board of Directors). In the event this proposal is approved by shareholders, the term of the existing Management Board members will terminate on April 29, 2010.

Members of the Management Board devote substantially all of their professional time to the management of the Group and do not hold outside directorships or engage in professional activities outside the AXA Group that would interfere with or impede in any material way their availability to focus on the Group and its business.

EXPERTISE AND EXPERIENCE OF THE MANAGEMENT BOARD MEMBERS (1)

Henri de CASTRIES,

Chairman of the AXA Management Board

55, French nationality.

Expertise and experience

Mr. Henri de Castries is a graduate of the *École des Hautes Études Commerciales* (HEC) and obtained a law degree before completing preparatory studies at the *École Nationale d'Administration* (ENA). After graduating from ENA, Mr. de Castries began his career with the French Finance Ministry Inspection Office. Mr. de Castries joined AXA's Corporate Finance Department on September 1, 1989. He was appointed Corporate Secretary in 1991 and Senior Executive Vice-President for the Group's asset management, financial and real-estate businesses in 1993. In 1997, Mr. de Castries was appointed Chairman of The Equitable Companies Incorporated (now AXA Financial, Inc.). Mr. de Castries has been Chairman of the AXA Management Board since May 2000.

Positions currently held in the AXA Group

Chairman of the Management Board: AXA

Chairman of the Board of Directors:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Financial, Inc. (United States)

Director:

- AXA France IARD
- AXA France Vie
- AXA Belgium SA (Belgium)
- AXA Holdings Belgium (Belgium)
- AXA UK plc (United Kingdom)
- AllianceBernstein Corporation (United States)
- AXA Equitable Life Insurance Company (United States)
- AXA America Holdings, Inc. (United States)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

Previous directorships held during the last five years

Chairman of the Board of Directors: AXA Courtage Assurance Mutuelle

Vice-Chairman of the Board of Directors: FINAXA

Member of the Supervisory Board: AXA Konzern AG (Germany)

Alfred BOUCKAERT,

Member of the AXA Management Board

63, Belgian nationality.

Expertise and experience

In 1968, Mr. Alfred Bouckaert started working as a stockbroker with JM Finn & Co in London. In 1970, he joined Arthur Andersen. In 1972, he joined the Chase Manhattan Bank where he held various commercial and credit posts before becoming Chase's Manager of Commercial Banking for Belgium. In 1984, he was appointed General Manager of Chase in Copenhagen (Denmark) and General Manager and Country Manager of Chase in Belgium in 1986. In 1989, when Chase Manhattan Bank's Belgian operations were sold to Crédit Lyonnais France, Mr. Bouckaert was in charge of merging Chase's and Crédit Lyonnais's Belgian Operations. In 1994, he was asked by Crédit Lyonnais to head the bank's European Operations. In 1999, he became Managing Director of AXA Royale Belge and AXA also appointed him Country Manager for the Benelux (Belgium, The Netherlands, Luxembourg). In 2005, Mr. Bouckaert became General Manager of the Group's Northern European Region (Belgium, The Netherlands, Luxembourg, Germany, Switzerland). Since October 2006, Mr. Bouckaert has been a member of the AXA Management Board, in charge of operations in the Northern, Central & Eastern Europe Region (Belgium, The Netherlands, Luxembourg, Germany, Switzerland, Poland (Life insurance), Czech Republic, Slovakia, Hungary, Ukraine and Russia). Since April 2007, he has been Chairman of the Board of Directors of AXA Belgium SA (Belgium) and since December 2007, he has been permanent representative of AXA to the Supervisory Board of AXA Ukraine and AXA Insurance (Ukraine). Since September 2008, he has been a director of RESO (Russia).

Positions currently held in the AXA Group

Member of the Management Board: AXA

Managing Director: AXA Holdings Belgium (Belgium)

Chairman of the Board of Directors:

- AXA Belgium SA (Belgium)
- AXA Participations Belgium (Belgium)
- AXA Bank Europe SA (Belgium)
- AXA Luxembourg (Luxembourg)
- AXA Assurances Luxembourg SA (Luxembourg)
- AXA Assurances Vie Luxembourg (Luxembourg)
- AXA Konzern AG (Germany)
- AXA Service AG (Germany)
- AXA ART Versicherung AG (Germany)
- AXA Lebensversicherung AG (Germany)
- AXA Versicherung AG (Germany)
- AXA Versicherung AG (Switzerland)
- AXA Leben (Switzerland)

Director of member of the Supervisory Board:

- L'Ardenne Prévoyante (Belgium)
- Contere (Luxembourg)

(1) *Except otherwise stated, the following information concerning the members of the Management Board is updated as at December 31, 2009.*

- AXA Insurance SA (Greece)
- RESO (Russia)

Permanent representative of AXA to the Supervisory Board of AXA Ukraine (Ukraine) and AXA Insurance (Ukraine)

Positions currently held outside the AXA Group

Consuco (Belgium), patrimonial family company

De Waere (Belgium), patrimonial family company

Leasinvest (Belgium), Real Estate

Previous directorships held during the last five years

Managing Director: AXA Belgium SA (Belgium)

Chairman of the Board of Directors:

- Winterthur-Europe Assurances (Belgium)
- L'Ardenne Prévoyante (Belgium)
- Viaxis (Belgium)

Chairman Managing Director: Royale Belge Investissements (Belgium)

Director:

- Servis (Belgium)
- Servis-Life (Belgium)
- AXA Nederland BV (The Netherlands)
- AXA Verzekeringen (The Netherlands)
- AXA Bank AG (Germany)

Christopher CONDRON,

Member of the AXA Management Board

62, American nationality.

Expertise and experience

Mr. Christopher Condron has a bachelor's degree in Business Management from the University of Scranton. In 1989, he became head of the Private Client Group of The Boston Company, now Mellon Private Asset Management. In 1993, he was appointed Executive Vice-President of Mellon and, in 1994, became Vice-Chairman. In 1999, Mr. Condron became President & Chief Operating Officer of Mellon Financial Corporation. Since May 2001, Mr. Christopher Condron has been President and CEO of AXA Financial, Inc. and Chairman of the Board, President (since May 2002) and Chief Executive Officer of AXA Equitable Life Insurance Company. Mr. Condron has been a member of the AXA Management Board since July 2001. In January 2010, Mr. Condron assumed global responsibility for the Group's AXA's Life & Savings and Health businesses.

Positions currently held in the AXA Group

Member of the Management Board: AXA

Director, Chairman of the Board, President and Chief Executive Officer:

- AXA Equitable Life Insurance Company (United States)
- AXA Equitable Life Financial Services, LLC (United States)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)
- MONY Financial Services, Inc. (United States)
- AXA Life and Annuity Company (United States)
- AXA Distribution Holding Corporation (United States)

Director, President and Chief Executive Officer: AXA Financial, Inc. (United States)

Director, Chairman and President: ACMC, Inc. (United States)

Director and President: AXA America Holdings, Inc. (United States)

Director: AllianceBernstein Corporation (United States)

Positions currently held outside the AXA Group

Director:

- Central Supply Corp (United States)
- KBW, Inc. (United States)
- Financial Services Roundtable (United States)
- American Council of Life Insurers (ACLI) (United States)

Director and Treasurer: The American Ireland Fund (United States)

Trustee, Chairman of the Board: University of Scranton

Previous directorships held during the last five years

Chairman of the Board, President and Chief Executive Officer: MONY Holdings, LLC (United States)

Director and Chairman:

- U.S. Financial Life Insurance Company (United States)
- Financial Marketing, Inc. (United States)
- AXA Art Insurance Corporation (United States)

Chairman and Member: Financial Services Roundtable (United States)

Denis DUVERNE,

Member of the AXA Management Board

56, French nationality.

Expertise and experience

Mr. Denis Duverne is a graduate of the *École des Hautes Études Commerciales* (HEC). After graduating from the *École Nationale d'Administration* (ENA), he started his career in 1984 as commercial counselor for the French Consulate General in New York before becoming director of the Corporate Taxes Department for the French Ministry of Finance in 1986. In 1988, he became Deputy Assistant Secretary for Tax Policy for the French Ministry of Finance and, in 1991, he was appointed Corporate Secretary of Compagnie Financière IBI. In 1992, he became a member of the Executive Committee of Banque Colbert, in charge of operations. In 1995, Mr. Denis Duverne joined the AXA Group and assumed responsibility for supervision of AXA's operations in the US and the UK and managed the reorganization of AXA companies in Belgium and the United Kingdom. In February 2003, Mr. Denis Duverne become the Management Board member in charge of Finance, Control and Strategy. Since January 2010, Mr. Duverne assumes broader responsibilities within the Management Board as member in charge of Finance, Stragegy and Operations.

Positions currently held in the AXA Group

Member of the Management Board: AXA

Chairman and Chief Executive Officer: AXA America Holdings, Inc. (United States)

Director or member of the Management Committee:

- AXA France IARD
- AXA France Vie
- AXA Millésimes (S.A.S.)
- AXA Belgium SA (Belgium)
- AXA Holdings Belgium (Belgium)
- AXA Assicurazioni S.p.A. (Italy)
- AXA Italia S.p.A. (Italy)
- AXA MPS Assicurazioni Vita S.p.A. (Italy)
- AXA MPS Assicurazioni Danni S.p.A. (Italy)
- AXA UK plc (United Kingdom)
- AXA Financial, Inc. (United States)
- AXA Equitable Life Insurance Company (United States)
- AllianceBernstein Corporation (United States)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

Previous directorships held during the last five years

None

François PIERSON,

Member of the AXA Management Board

62, French nationality.

Expertise and experience

After studies of Sciences and Management at the University Paris Dauphine, Mr. François Pierson joined AGP in 1974 and became Sales Director. In 1990, he became General Manager of the South-East Region of AXA Assurances in France and director of Distribution. In 1995, he was appointed Deputy Chief Executive of AXA Assurances and, in 1997, he became Chief Executive Officer of UAP Vie and of Alpha Assurances. In 1999, he became Chief Executive Officer of AXA Assurances. Since November 2001, Mr. François Pierson has been a member of the AXA Management Board as well as Chief Executive Officer of AXA France and responsible of the Group's Large Risks activities, AXA Assistance and AXA Canada. In January 2010, Mr. Pierson assumed global responsibility for the Group's Property & Casualty insurance businesses.

Positions currently held in the AXA Group

Member of the Management Board: AXA

Chairman and Chief Executive Officer:

- AXA France IARD
- AXA France Vie

Chairman: AXA France Assurance (S.A.S.)

Chairman of the Board of Directors: AXA Corporate Solutions Assurance

Vice-Chairman of the Board of Directors: AXA Canada Inc. (Canada)

Director:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Assurances inc. (Canada)
- AXA Insurance (Canada)
- AXA General Insurance (Canada)
- AXA Pacific Insurance Company (Canada)
- AXA Assurances agricoles inc. (Canada)
- AXA Holding Maroc (Morocco)
- AXA Assurance Maroc (Morocco)
- Kyobo AXA General Insurance Co., Ltd (South Korea)

Permanent representative of AXA to the Board of AXA Cessions

Positions currently held outside the AXA Group

Chairman of the Board of Directors: Euromed (Management School)

Permanent representative of AXA France IARD to the Board of Directors of UCAR

Previous directorships held during the last five years

Chief Executive Officer – non director:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Courtage Assurance Mutuelle

Director: AXA Japan Holdings Ltd (Japan)

SERVICE CONTRACTS BETWEEN THE AXA GROUP AND MEMBERS OF THE MANAGEMENT BOARD

For the year ended December 31, 2009, the French members of the AXA Management Board (Messrs. Henri de Castries, Denis Duverne and François Pierson) were employed by AXA under employment contracts.

Mr. Christopher Condron and Mr. Alfred Bouckaert, also members of the Management Board, have employment contracts, respectively, with AXA Equitable in the United States and AXA Holdings Belgium. For a description of termination provisions of those contracts, please refer to Section 2.2 below.

FAMILY RELATIONSHIPS

To the knowledge of the Company, there are no family relationships among the members of the Management Board or with members of the Supervisory Board.

OTHER INFORMATION ON MEMBERS OF THE MANAGEMENT BOARD AND OF THE SUPERVISORY BOARD

Conflicts of interests

The members of the Management Board do not hold any directorships or other positions with companies outside the AXA Group, except for a limited number of external directorships which do not interfere with or impede in any material way their availability to focus on the Group and its business. Certain members of the Supervisory Board, however, are corporate officers and/or directors of companies that may have agreements or dealings from time to time with the AXA Group including extensions of credit, purchases of securities (for their own account or for third parties), underwriting of securities and/or furnishing of other types of services or goods. These agreements or dealings are generally fully negotiated and performed on arm's length terms and conditions. Consequently, AXA does not believe these agreements or dealings give rise to any conflicts of interests between (i) the duties to AXA of the Supervisory Board and Management Board members and (ii) the private interests and/or other duties of these individuals.

To the best of the Company's knowledge, there are no arrangements or understandings that have been entered into with major shareholders, customers, suppliers or others pursuant to which a member of the Management Board or the Supervisory Board was selected, except for Mr. Giuseppe Mussari who was proposed for appointment to the AXA's Supervisory Board pursuant to the terms of a bancassurance partnership agreement entered into in March 2007 between AXA and Banca Monte dei Paschi di Siena (BMPS), an Italian bank. This agreement, among other matters, provides that the AXA shareholders shall appoint a representative of BMPS on AXA's Supervisory Board. Mr. Giuseppe Mussari was nominated for election consistent with the terms of this agreement and was appointed to the AXA's Supervisory Board at the Company's General Shareholders' Meeting on May 14, 2007.

Absence of any conviction in relation to fraudulent offences, any official public incrimination and/or sanctions, or any responsibility in a bankruptcy for the last 5 years

To the best of the Company's knowledge based on information reported to it, none of the members of its Management Board or Supervisory Board has been, during the last 5 years (i) subject to any conviction in relation to fraudulent offences or to any official public incrimination and/or sanction by statutory or regulatory authorities, (ii) disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer, or (iii) associated as a member of the administrative, management or supervisory bodies with any company that has declared bankruptcy or been put into receivership or liquidation, provided, however, that AXA has from time to time sold, discontinued and/or restructured certain business operations and voluntarily liquidated affiliated companies in connection with these or similar transactions and certain members of AXA's Management Board and/or Supervisory Board may have been associated with other companies that have undertaken similar solvent liquidations.

Executive Committee

The Executive Committee's principal mission is to review and consider the AXA Group's strategy.

AXA has an Executive Committee which is an internal management Committee composed of the members of AXA's Management Board and other key senior executives from across the Group selected on the basis of their role in the organization (central or local). The seven principal business units of the Group represented on the Executive Committee are: Mediterranean and Latin American Region; Northern, Central and Eastern Europe Region; United States; Asia-Pacific Region and Japan; United Kingdom and Ireland; AXA Investment Managers; France/Canada/AXA Corporate Solutions Assurance/AXA Assistance.

The Executive Committee conducts quarterly business reviews (QBRs), during which the performance of the AXA Group is assessed. These QBRs were introduced in 2000 to provide a clear and consistent framework for:

- Reviewing operational performance and monitoring the progress of key projects using quantifiable standards of measurement defined in collaboration with the Management Board;
- Assessing the status of Group transversal projects; and
- Exchanging ideas and information on key Group strategic orientations.

As an internal management Committee, the Executive Committee has no formal decision making authority. The Executive Committee is advisory in nature and serves as an important sounding board for the AXA Management Board in formulating Group strategy and considering key business issues or strategic initiatives. As a team, the members of the Executive Committee also contribute to shape and disseminate AXA's management culture.

As of January 1, 2010, the Executive Committee was comprised of the following sixteen members, including eight non-French nationals:

Henri de Castries	Chairman of the Management Board
Alfred Bouckaert [(a)]	Member of the Management Board, Chief Executive Officer for the Northern, Central and Eastern Europe business unit
Dominique Carrel-Billiard	Chief Executive Officer of AXA Investment Managers
Christopher Condron	Member of the Management Board, President and Chief Executive Officer of AXA Financial, Inc. (United States) and Global Head of Life & Savings and Health
John R. Dacey	Chief Executive Officer for the Japan, Asia-Pacific business unit
Denis Duverne	Member of the Management Board, in charge of Finance, Strategy and Operations
Philippe Egger	Chief Executive Officer of Insurance activities in Switzerland
Jean-Laurent Granier	Chief Executive Officer of the Mediterranean and Latin America Region business unit
Gérald Harlin	Group Chief Financial Officer
Frank Keuper	Chief Executive Officer of AXA Konzern AG (Germany)
Peter Kraus	Chairman and Chief Executive Officer of AllianceBernstein (United States)
Nicolas Moreau	Chief Executive Officer of AXA UK and Ireland and Chairman of the Board of Directors of AXA Investment Managers
Mark Pearson	Chief Executive Officer of AXA Life Japan and AXA Japan Holdings (Japan)
Andrew Penn	Chief Executive Officer of AXA Asia Pacific Holdings (Australia)
François Pierson	Member of the Management Board, Chairman and Chief Executive Officer of AXA France, responsible for Large Risks, Assistance and AXA Canada and Global Head of Property & Casualty
Véronique Weill	Group Chief Operating Officer

(a) Mr. Alfred Bouckaert will retire at the time of the AXA General Shareholders' Meeting to be held on April 29, 2010. As announced on January 28, 2010, Mr. Jacques de Vaucleroy has been appointed CEO of the Northern, Central and Eastern Europe Region (NORCEE) of AXA as of March 15, 2010 in replacement of Mr. Alfred Bouckaert.

AXA Group Subsidiaries

AXA's principal subsidiaries, whether publicly traded or not, are generally governed by:

- A board of directors whose membership includes independent or non-executive directors; and
- Various board Committees including a Compensation Committee and an Audit Committee, whose membership includes independent or non-executive directors.

Over the past years, AXA initiated a process designed to harmonize corporate governance standards throughout the Group. This effort is focused, among other matters, on standardizing, to the extent practicable, principles relating to a number of corporate governance matters including board composition and size, directors' independence criteria, Board Committees' and their roles, and directors' fees.

The Group Governance Standards require the Boards of AXA's principal subsidiaries to establish an Audit Committee and a Compensation Committee in addition to any other Board Committees that they consider necessary or appropriate for their specific businesses. The role, duties, and composition of these Committees (including the requirements for participation of independent directors) are specified in a detailed Audit Committee Standard and Compensation Committee Standard. The Audit Committee Standard requires the Company's Audit Committee to be composed entirely of independent directors and the Audit Committee's of Group subsidiaries to have a significant component of independent directors in order to ensure that this Committee is strongly independent towards the management given its critical role in reviewing financial results and other financial information prepared by management, financial reporting and control processes, critical accounting policies, particular accounting issues, key risks and systems of internal control, fraud and similar issues. In addition, the Group's Compensation Committee Standard requires that the Compensation Committee have a minimum of one independent director to ensure a level of independent review and judgment on all senior executive compensation matters.

Employees

The table below sets forth the number of salaried employees of the AXA Group over the past three years broken down by line of business and geographic region:

Salaried employees (Full Time Equivalent)	At December 31, 2007 Published	At December 31, 2008 Published	At December 31, 2009
Insurance	**87,083**	**92,939**	**88,529**
– France [(a)]	15,580	15,694	16,066
– United States	6,011	5,538	5,185
– Japan	3,441	3,553	3,295
– United Kingdom [(c)] [(d)]	15,425	16,652	12,885
– Germany	10,625	10,197	10,113
– Switzerland	5,237	4,075	4,006
– Belgium (including AXA Bank Belgium) [(b)]	5,762	5,541	5,514
– Mediterranean and Latin American Region	7,544	13,066	12,807
– Other countries and transversal entities:	10,580	10,848	10,681
Of which Australia/New Zealand	*3,029*	*3,028*	*2,582*
Of which Hong Kong	*1,376*	*1,611*	*1,650*
Of which Canada	*2,207*	*2,214*	*2,302*
Of which Luxembourg	*181*	*195*	*184*
Of which Singapore	*423*	*462*	*502*
Of which Indonesia	*305*	*336*	*321*
Of which South Korea	*1,464*	*1,484*	*1,550*
Of which Malaysia	*338*	*361*	*362*
Of which Central and Eastern Europe	*1,257*	*1,157*	*1,190*
Of which AXA Global Distributor	-	-	*38*
– International Insurance	**6,878**	**7,775**	**7,977**
AXA Corporate Solutions Assurance	*1,198*	*1,232*	*1,299*
AXA Cessions	*130*	*140*	*150*
AXA Assistance	*5,084*	*5,986*	*6,137*
Other international activities	*466*	*417*	*391*
Asset management	**8,523**	**8,015**	**7,226**
– AllianceBernstein	5,604	5,016	4,369
– AXA Investment Managers	2,919	2,999	2,857
Banking (excluding AXA Bank Belgium) [(b)]	**675**	**635**	**619**
– France	596	556	536
– Switzerland	0	23	29
– Germany	79	56	54
Services Group	**681**	**566**	**589**
AXA Technology, AXA Consulting, AXA Group Solutions, AXA Business Services and e-business	**6,572**	**7,149**	**6,469**
TOTAL	**103,534**	**109,304**	**103,432**

Employees of non-consolidated companies or companies accounted for using the equity method are not included in the above table. Employees of companies proportionally consolidated are included, pro-rata, in accordance with the percentage of consolidation.

(a) A portion of the employees of AXA' s French affiliates are included in GIEs. In addition, the employees included in insurance and financial services activities in France are included in the "cadre de convention" of four not consolidated "mutuelles".

(b) Employees of AXA Bank Belgium provide services in common for both the insurance activities and the bank activities. Consequently, split is not available.

(c) Including Ireland.

(d) In the United Kingdom, the Property & Casualty brokers were deconsolidated (-1,688 salaried employees).

2.2 FULL DISCLOSURE ON EXECUTIVE COMPENSATION AND SHARE OWNERSHIP

Executive compensation and Supervisory Board members fees

COMPENSATION OF THE MANAGEMENT BOARD AND THE EXECUTIVE COMMITTEE MEMBERS

The general principles of AXA's executive compensation policy are regularly presented to the Compensation & Human Resources Committee of the AXA Supervisory Board. This policy applies to all executives of the Group and is adapted to local regulations under the supervision of the Boards of Directors and compensation committees of the Company's subsidiaries. The effective application of these principles is regularly reviewed by the Compensation & Human Resources Committee of AXA.

The executive compensation policy is designed to:

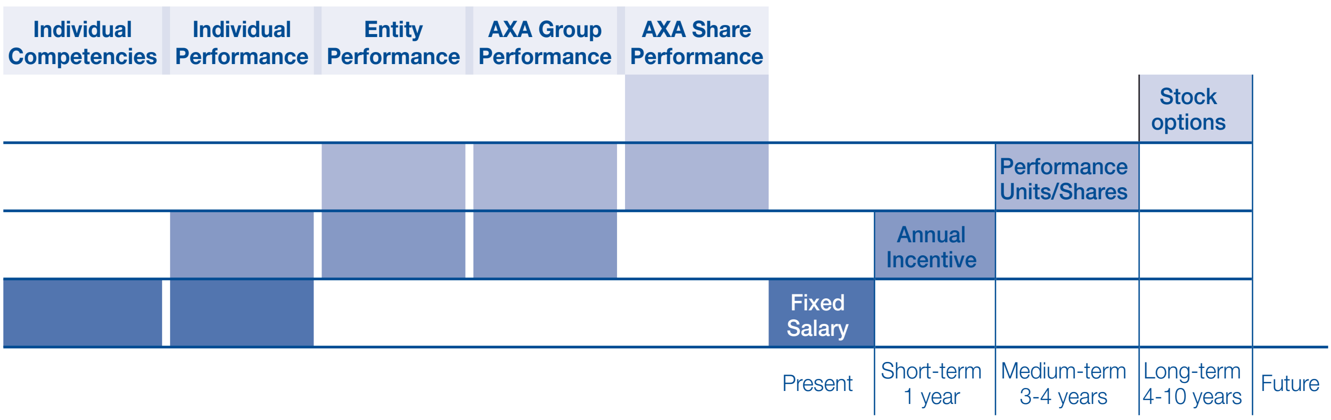
- Attract, retain and motivate the best talents;
- Drive superior performance;
- Align compensation levels with business performance.

It follows 3 guiding principles:

- Compensation competitiveness on international markets;
- Internal equity, based on individual and collective performance;
- Financial capacity of the Company.

Executive compensation is therefore structured so as to foster and reward performance:

- At individual level and collective level (local business entity and AXA Group);
- With a short-term, medium-term and long-term focus.



Executive compensation includes a fixed and a variable component. The fixed component is targeted to fall within the lower quartile of the market. The variable component is linked, with different weightings according to the level of responsibility, to AXA's global performance, local entity performance, and the attainment of the executive's individual objectives. The variable portion is designed to represent the principal component of the executive's annual global compensation such that, in the case of successful attainment of the objectives, the compensation levels of AXA executives will be in the top two quartiles of the benchmark market rate. The variable part of compensation that is effectively paid shall not exceed 150% of the target variable compensation.

The compensation of Management Board members is approved by the Supervisory Board, based on the recommendation of its Compensation & Human Resources Committee.

The fixed annual compensation of the Chairman of the Management Board was €600,000 in 2009.

The variable component of his compensation is determined on the basis of a predefined target amount (€2,700,000 in 2009) and includes two components:

- Group performance, as measured by underlying earnings per share, P&C revenues, New Business Value in Life & Savings and customer scope index;
- Individual performance, which is evaluated by the Compensation & Human Resources Committee on the basis of specific strategic objectives set at the beginning of the year.

The proportion linked to the Group results accounts for 60% and the proportion linked to the individual performance for 40% of the variable compensation.

The variable compensation amounts awarded to the Chairman of the Management Board since he was appointed demonstrate the demanding targets and the genuine variability of this compensation component:

Henri de Castries	Actual	Target	% Target
Variable compensation for the year 2000 paid in 2001	€1,381,373	€1,750,000	79%
Variable compensation for the year 2001 paid in 2002	€719,967	€1,750,000	41%
Variable compensation for the year 2002 paid in 2003	€1,419,277	€2,000,000	71%
Variable compensation for the year 2003 paid in 2004	€1,824,728	€2,000,000	91%
Variable compensation for the year 2004 paid in 2005	€2,304,277	€2,000,000	115%
Variable compensation for the year 2005 paid in 2006	€2,671,626	€2,000,000	134%
Variable compensation for the year 2006 paid in 2007	€3,045,987	€2,500,000	122%
Variable compensation for the year 2007 paid in 2008	€2,644,366	€2,500,000	106%
Variable compensation for the year 2008 paid in 2009	€1,846,304	€2,700,000	68%
Variable compensation for the year 2009 paid in 2010	€2,599,327	€2,700,000	96%

"% Target" corresponds to the achievement of performance objectives related to the year.

For other members of the Management Board, the variable compensation is also determined on the basis of an individually predefined target amount and includes three factors:

- Group performance, as measured by the underlying earnings per share, P&C revenues, New Business Value in Life & Savings and customer scope index;
- Performance of the business unit or functional area of responsibility, measured against objectives set at the beginning of the year;
- Their individual performance, evaluated on the basis of predetermined strategic objectives.

For Management Board members who have an operational role (A. Bouckaert, C. Condron and F. Pierson), the proportion of their variable compensation linked to the Group results accounts for 30%, the proportion linked to results of their operational entity for 40% and the proportion linked to their individual performance for 30%.

For Management Board members who have a functional responsibility (C. Brunet (1) and D. Duverne), the proportion of their variable compensation linked to the AXA Group results accounts for 40%, the proportion linked to the performance of their functional area of responsibility for 30% and the proportion linked to their individual performance for 30%.

The performance of operational entities is determined on the basis of a grid made of the following performance indicators:

- Underlying earnings;
- Technical operating cash flow (Life net inflow);
- P&C revenues;
- New Business Value;
- Combined ratio;
- Expenses;
- Customer scope index.

For each performance indicator that measures both the Group and the operational entities' performance, targets, floors and caps are defined at the beginning of the year:

- A target, aligned with the strategic plan, the attainment of which will deliver 100% of the variable component linked to the indicator;
- A floor, below which no variable component linked to the indicator will be paid;
- A cap, from which the variable component linked to the indicator is capped at 150%.

The individual performance is assessed both on the achievement of results for each predetermined strategic objective (the "what"), and on the demonstrated leadership behaviors (the "how").

The assessment of the leadership behaviors is based on the dimensions of the AXA leadership model:

- Catalyze high performance – Change and Team leadership;
- Build to grow – Strategic vision and Building capability;
- Focus on customers;
- Share to succeed;
- Lead through actions – Results orientation and Living through AXA values.

(1) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

The variable compensation paid to other Management Board members has been:

			Variable compensation for the year 2007			Variable compensation for the year 2008			Variable compensation for the year 2009		
		Country	Actual	Target	% Target	Actual	Target	% Target	Actual	Target	% Target
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	Belgium	€980,000	€900,000	109%	€750,000	€1,000,000	75%	€1,000,000	€1,000,000	100%
Claude Brunet [(a)]	Chief Operating Officer	France	€918,473	€900,000	102%	€793,789	€940,000	84%	€925,112	€980,000	94%
Christopher Condron	President & CEO of AXA Financial, Inc.	USA	$4,566,372	$4,500,000	101%	$0	$4,750,000	0%	$4,750,000	$4,750,000	100%
Denis Duverne	In charge of Finance, Strategy and Operations	France	€1,400,415	€1,250,000	112%	€1,052,337	€1,350,000	78%	€1,485,480	€1,350,000	110%
François Pierson	Chairman & CEO AXA France	France	€1,180,000	€1,150,000	103%	€988,174	€1,200,000	82%	€1,188,967	€1,200,000	99%

"% Target" corresponds to the achievement of performance objectives related to the given year.
(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

In considering variable compensation for 2009 the Compensation & Human Resources Committee and Supervisory Board took into account, in particular, the following four measures that were included among the 2009 objectives of all Management Board members (i) the increase in the Group's P&C revenues (+1% from 2008), (ii) the growth of 5% in New Business Value (NBV) of Life & Savings business written during 2009, (iii) the growth of the client scope index (82% in 2009 versus 81% in 2008), and (iv) the underlying earnings per share for 2009 (€1.67, -7% from 2008). They also considered the significant growth in the Group's net income in 2009 (+283%) as well as in the dividend proposed to shareholders for 2009 (0.55 euro compared to 0.40 euro for 2008).

For the other members of the Executive Committee, the variable component of compensation is also determined based on a predefined individual target amount and depends on the Group performance, the performance of their business unit or area of responsibility and their individual performance.

For Executive Committee members who have an operational responsibility, the proportion of their variable compensation linked to the Group results accounts for 20%, the proportion linked to their operational entity's results for 40% and the proportion linked to their individual performance for 40%.

For Executive Committee members who have a functional responsibility, the proportion of their variable compensation linked to the Group results accounts for 30%, the proportion linked to the results of their area of responsibility for 30% and the proportion linked to their individual performance for 40%.

All the tables included in this section comply with the recommendations from AMF, MEDEF and AFEP on executive directors' compensation as well as on stock options and performance shares.

All the amounts presented in this Section 2.2 are gross amounts.

For the sake of transparency and to carry on the practice developed for several years, the compensation data for each member of the AXA Executive Committee are also reported under the same format.

In the tables below, compensations which are not paid in Euro have been converted on the basis of yearly average exchange rate for 2009 as follows: USD/EUR 0.717115 ; GBP/EUR 1.121946; AUD/EUR 0.563841 ; CHF/EUR 0.662434 ; JPY/EUR 0.0076697.

Due to substantial differences in the tax systems to which AXA's members of the Management Board or the Executive Committee are subject, meaningful comparisons of the compensation and benefits earned are uneasy. For information, the relevant marginal tax rates are as follows: Australia: 46.50%; Belgium: 53%; France: 51% (including an additional 11% for social taxes); Germany: 51.52%; Japan: 50%; Spain: 43%; Switzerland (Zurich): 41.40%; the United Kingdom: 40% and the United States (New York): 43.27%.

SUMMARY OF COMPENSATION, OPTIONS AND PERFORMANCE SHARES/UNITS GRANTED TO MANAGEMENT BOARD MEMBERS

			Year 2008				
Members of the Management Board		Country	Compensation due in respect of the year	Value of options granted during the year	Value of performance shares granted during the year	Value of performance units granted during the year	TOTAL
Henri de Castries	Chairman of the Management Board	France	2,537,980	1,257,100	1,426,320	-	5,221,400
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	Belgium	1,859,002	733,308	-	832,020	3,424,330
Claude Brunet (a)	Chief Operating Officer	France	1,169,208	754,260	855,792	-	2,779,260
Christopher Condron	President & CEO of AXA Financial, Inc.	USA	962,549	1,579,527	-	1,792,137	4,334,213
Denis Duverne	In charge of Finance, Strategy and Operations	France	1,573,277	1,005,680	1,141,056	-	3,720,013
François Pierson	Chairman & CEO AXA France	France	1,447,766	900,922	1,022,196	-	3,370,884
TOTAL			**9,549,782**	**6,230,797**	**4,445,364**	**2,624,157**	**22,850,100**

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

At each date of grant, the fair value of stock options and performance shares/units is determined in accordance with IFRS standards. This is an historical value at the date of grant, calculated for accounting purposes as described in the Note 25.3.1 of the 2009 consolidated financial statements included in Part 4 of the Annual Report. This value does not represent a current market value or other current valuation of these options and performance shares/units or the actual proceeds if and when the options are exercised or the performance shares/units are acquired.

On April 1, 2008, the fair value of one option was €3.39 for options without performance condition and €2.89 for options with performance condition, and the fair value of one performance share/unit was €16.98.

On June 10, 2009, the fair value of one option was €3.43 for options without performance condition, €3.02 for options with performance condition, and the fair value of one performance share/unit was €9.23.

Year 2009				
Compensation due in respect of the year	Value of options granted during the year	Value of performance shares granted during the year	Value of performance units granted during the year	TOTAL
3,284,364	819,848	1,021,189	-	5,125,401
2,151,464	894,098	-	595,695	3,641,257
1,293,018	519,751	646,755	-	2,459,524
4,457,540	1,030,225	-	1,283,293	6,771,058
2,006,420	683,722	850,988	-	3,541,130
1,653,812	587,816	731,856	-	2,973,484
14,846,618	**4,535,460**	**3,250,788**	**1,878,988**	**24,511,854**

SUMMARY OF COMPENSATION, OPTIONS AND PERFORMANCE SHARES/UNITS GRANTED TO EXECUTIVE COMMITTEE MEMBERS (EXCLUDING MANAGEMENT BOARD MEMBERS)

			Year 2008				
Members of the Executive Committee		**Country**	**Compensation due in respect of the year**	**Value of options granted during the year**	**Value of performance shares granted during the year**	**Value of performance units granted during the year**	**TOTAL**
Dominique Carrel-Billiard [(a)] [(b)]	CEO AXA Investment Managers	France	1,003,740	88,642	152,820	500,000	**1,745,202**
John Dacey	CEO Japan-Asia-Pacific Region	France	979,559	230,468	261,492	-	**1,471,519**
Philippe Egger	CEO of Insurance activities in Switzerland	Switzerland	713,564	124,098	-	213,948	**1,051,610**
Jean Laurent Granier [(c)]	CEO Mediterranean and Latin America Region	France	513,711	97,506	168,102	-	**779,319**
Gérald Harlin	Group Chief Financial Officer	France	754,184	141,827	244,512	-	**1,140,523**
Frank Keuper	CEO of AXA Konzern AG	Germany	1,179,707	209,517	-	237,720	**1,626,944**
Peter Kraus [(d)]	Chairman & CEO of AllianceBernstein	United States	-	-	-	-	**-**
Nicolas Moreau	CEO of AXA UK-Ireland	UK	1,208,094	377,130	-	427,896	**2,013,120**
Mark Pearson	CEO of AXA Life Japan and AXA Japan Holdings	Japan	805,659	27,721	67,920	-	**901,300**
Andrew Penn	CEO Asia Pacific Holdings	Australia	1,036,299	52,772	-	-	**1,089,071**
Véronique Weill [(e)]	Group Chief Operating Officer	France	674,420	97,506	168,102	-	**940,028**
TOTAL			**8,868,937**	**1,447,187**	**1,062,948**	**1,379,564**	**12,758,636**

(a) The amounts of 500,000 euros reported in 2008 and 250,000 euros reported in 2009 under "Value of performance units granted during the year" correspond to units of the AXA Investment Managers Long Term Incentive Plan.

(b) D. Carrel-Billiard has been appointed as a member of the Executive Committee as of January 1, 2009.

(c) J.L. Granier has been appointed as a member of the Executive Committee as of January 1, 2010.

(d) P. Kraus has been appointed as a member of the Executive Committee on June 22, 2009.

(e) V. Weill has been appointed as a member of the Executive Committee as of January 1, 2009.

At each date of grant, the fair value of stock options and performance shares/units is determined in accordance with IFRS standards. This is an historical value at the date of grant, calculated for accounting purposes as described in the Note 25.3.1 of the 2009 consolidated financial statements included in Part 4 of the Annual Report. This value not represent a current market value or other current valuation of these options and performance shares or the actual proceeds of and when if and when the options are exercised or ther performance shares are acquired.

On April 1, 2008, the fair value of one option was €3.39 for options without performance condition and €2.89 for options with performance condtion, and the fair value of one performance share/unit was €16.98.

On June 10, 2009, the fair value of one option was €3.43 for options without performance condtion, €3.02 for options with performance condition, and the fair value of one performance share/unit was €9.23.

Year 2009				
Compensation due in respect of the year	Value of options granted during the year	Value of performance shares granted during the year	Value of performance units granted during the year	TOTAL
1,129,753	121,455	166,417	250,000	**1,667,625**
1,134,658	241,223	221,262	-	**1,597,143**
965,421	185,556	-	170,201	**1,321,178**
572,770	34,021	77,616	-	**684,407**
1,080,554	222,669	204,241	-	**1,507,464**
1,345,687	222,669	-	204,241	**1,772,597**
4,664,794	-	-	-	**4,664,794**
1,131,710	334,003	-	306,353	**1,772,066**
1,695,980	113,864	-	156,015	**1,965,858**
1,261,888	67,477	-	-	**1,329,365**
958,880	113,864	156,015	-	**1,228,758**
15,942,095	**1,656,801**	**825,551**	**1,086,810**	**19,511,257**

SUMMARY OF MANAGEMENT BOARD MEMBERS' COMPENSATION FOR THE YEAR 2009

Members of the Management Board		Country	Amounts paid in respect of the year Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	TOTAL
Henri de Castries	Chairman of the Management Board	France	600,000	2,599,327	0	80,887	4,150	3,284,364
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	Belgium	650,000	1,000,000	0	499,263	2,201	2,151,464
Claude Brunet [(a)]	Chief Operating Officer	France	360,000	925,112	0	3,756	4,150	1,293,018
Christopher Condron	President & CEO of AXA Financial, Inc.	USA	705,569	3,406,298	0	0	345,673	4,457,540
Denis Duverne	In charge of Finance, Strategy and Operations	France	480,000	1,485,480	0	36,790	4,150	2,006,420
François Pierson	Chairman & CEO AXA France	France	430,000	1,188,967	0	17,769	17,076	1,653,812
TOTAL			**3,225,569**	**10,605,184**	**0**	**638,465**	**377,400**	**14,846,618**

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

SUMMARY OF MANAGEMENT BOARD MEMBERS' COMPENSATION FOR THE YEAR 2008

Members of the Management Board		Country	Amounts paid in respect of the year Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	TOTAL
Henri de Castries	Chairman of the Management Board	France	600,000	1,846,304	0	87,526	4,150	2,537,980
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	Belgium	650,000	750,000	0	456,887	2,115	1,859,002
Claude Brunet	Chief Operating Officer	France	360,000	793,789	0	11,269	4,150	1,169,208
Christopher Condron	President & CEO of AXA Financial, Inc.	USA	676,854	0	0	0	285,695	962,549
Denis Duverne	In charge of Finance, Strategy and Operations	France	480,000	1,052,337	0	36,790	4,150	1,573,277
François Pierson	Chairman & CEO AXA France	France	430,000	988,174	0	17,743	11,849	1,447,766
TOTAL			**3,196,854**	**5,430,604**	**0**	**610,215**	**312,109**	**9,549,782**

Year 2009

Amounts paid during the year					
Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	TOTAL
600,000	1,834,155	0	80,887	4,150	**2,519,192**
650,000	603,577	0	499,263	2,201	**1,755,041**
360,000	792,746	0	3,756	4,150	**1,160,652**
705,569	0	0	0	345,673	**1,051,242**
480,000	1,003,887	0	36,790	4,150	**1,524,827**
430,000	978,175	0	17,769	17,076	**1,443,020**
3,225,569	**5,212,540**	**0**	**638,465**	**377,400**	**9,453,974**

Year 2008

Amounts paid during the year					
Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	TOTAL
600,000	2,593,190	0	87,526	4,150	**3,284,866**
650,000	818,385	0	456,887	2,115	**1,927,387**
360,000	890,599	0	11,269	4,150	**1,266,018**
676,854	3,105,060	0	0	285,695	**4,067,609**
480,000	1,411,348	0	36,790	4,150	**1,932,288**
430,000	1,181,916	0	17,743	11,849	**1,641,508**
3,196,854	**10,000,498**	**0**	**610,215**	**312,109**	**14,119,676**

Board fees paid for board membership in AXA Group companies or in external companies when representing AXA, are deducted by 70% from the variable compensation of the same year.

The only "Benefits in kind" for H. de Castries, A. Bouckaert, C. Brunet and D. Duverne are a company car.

In addition, C. Condron benefits from a credit of flight hours from use of a private plane and F. Pierson benefits from airplane tickets between Paris and his domicile in Marseille.

SUMMARY OF EXECUTIVE COMMITTEE MEMBERS' COMPENSATION FOR THE YEAR 2009 (EXCLUDING MANAGEMENT BOARD MEMBERS)

			Amounts paid in respect of the year					
Members of the Executive Committee		**Country**	**Fixed compensation**	**Variable compensation**	**Exceptional compensation**	**Board fees**	**Benefits in kind**	**TOTAL**
Dominique Carrel-Billiard	CEO AXA Investment Managers	France	250,000	876,000	0	0	3,753	**1,129,753**
John Dacey [(a)]	CEO Japan-Asia-Pacific Region	France	400,198	712,500	0	0	21,960	**1,134,658**
Philippe Egger	CEO of Insurance activities in Switzerland	Switzerland	364,339	584,082	0	17,000	0	**965,421**
Jean Laurent Granier	CEO Mediterranean and Latin America Region	France	200,000	365,750	0	3,756	3,264	**572,770**
Gérald Harlin	Group Chief Financial Officer	France	350,000	714,005	0	11,269	5,280	**1,080,554**
Frank Keuper	CEO of AXA Konzern AG	Germany	500,000	750,000	0	81,060	14,627	**1,345,687**
Peter Kraus	Chairman & CEO of AllianceBernstein	United-States	197,207	4,302,693	0	0	164,894	**4,664,794**
Nicolas Moreau [(b)]	CEO of AXA UK-Ireland	UK	364,632	729,265	0	0	37,813	**1,131,710**
Mark Pearson [(c)]	CEO of AXA Life Japan and AXA Japan Holdings	Japan	532,679	884,490	0	0	278,811	**1,695,980**
Andrew Penn	CEO Asia Pacific Holdings	Australia	653,929	585,278	0	0	22,681	**1,261,888**
Véronique Weill	Group Chief Operating Officer	France	350,000	605,000	0	0	3,880	**958,880**
TOTAL			**4,162,984**	**11,109,063**	**0**	**113,085**	**556,963**	**15,942,095**

(a) Compensation and benefits in kind paid to J. Dacey include benefits paid in respect of his expatriate status in France.
(b) Compensation and benefits in kind paid to N. Moreau include benefits paid in respect of his expatriate status in the UK.
(c) Compensation and benefits in kind paid to M. Pearson include benefits paid in respect of his expatriate status in Japan.

Year 2009						
	Amounts paid during the year					
	Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	TOTAL
	250,000	688,483	0	0	3,753	942,236
	400,198	572,801	0	0	21,960	994,959
	364,339	441,518	0	17,000	0	822,857
	200,000	338,321	0	3,756	3,264	545,341
	350,000	453,909	0	11,269	5,280	820,458
	500,000	550,000	0	81,060	14,627	1,145,687
	197,207	4,302,693	0	0	164,894	4,664,794
	364,632	693,363	0	0	37,813	1,095,808
	532,679	309,253	0	0	278,811	1,120,743
	653,929	340,795	0	0	22,681	1,017,405
	350,000	412,461	0	0	3,880	766,341
	4,162,984	**9,103,597**	**0**	**113,085**	**556,963**	**13,936,629**

SUMMARY OF EXECUTIVE COMMITTEE MEMBERS' COMPENSATION FOR THE YEAR 2008 (EXCLUDING MANAGEMENT BOARD MEMBERS)

Members of the Executive Committee		Country	Amounts paid in respect of the year					
			Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	TOTAL
Dominique Carrel-Billiard	CEO AXA Investment Managers	France	250,000	750,000	0	0	3,740	**1,003,740**
John Dacey [(a)]	CEO Japan-Asia-Pacific Region	France	397,599	560,000	0	0	21,960	**979,559**
Philippe Egger	CEO of Insurance activities in Switzerland	Switzerland	283,619	420,076	0	9,869	-	**713,564**
Jean Laurent Granier	CEO Mediterranean and Latin America Region	France	190,000	320,447	0	0	3,264	**513,711**
Gérald Harlin	Group Chief Financial Officer	France	275,000	462,635	0	11,269	5,280	**754,184**
Frank Keuper	CEO of AXA Konzern AG	Germany	500,000	550,000	0	115,317	14,390	**1,179,707**
Peter Kraus [(b)]	Chairman & CEO of AllianceBernstein	United-States	-	-	-	-	-	**-**
Nicolas Moreau [(c)]	CEO of AXA UK-Ireland	UK	399,940	775,413	0	0	32,741	**1,208,094**
Mark Pearson [(d)]	CEO of AXA Life Japan and AXA Japan Holdings	Japan	303,917	282,940	0	0	218,802	**805,659**
Andrew Penn	CEO Asia Pacific Holdings	Australia	639,614	346,620	0	0	50,065	**1,036,299**
Véronique Weill	Group Chief Operating Officer	France	250,000	420,540	0	0	3,880	**674,420**
TOTAL			**3,489,689**	**4,888,671**	**0**	**136,455**	**354,122**	**8,868,937**

(a) Compensation and benefits in kind paid to J. Dacey include benefits paid in respect of his expatriate status in France.
(b) P. Kraus was hired in December 2008.
(c) Compensation and benefits in kind paid to N. Moreau include benefits paid in respect of his expatriate status in the UK.
(d) Compensation and benefits in kind paid to M. Pearson include benefits paid in respect of his expatriate status in Hong-Kong and in Japan.

Year 2008

Amounts paid during the year					
Fixed compensation	Variable compensation	Exceptional compensation	Board fees	Benefits in kind	TOTAL
250,000	831,766	0	0	3,740	**1,085,506**
397,599	574,333	0	0	21,960	**993,892**
283,619	424,798	0	9,869	-	**718,286**
190,000	379,522	0	0	3,264	**572,786**
275,000	539,168	0	11,269	5,280	**830,717**
500,000	720,000	0	115,317	14,390	**1,349,707**
-	-	-	-	-	**-**
399,940	878,300	0	0	32,741	**1,310,981**
303,917	309,253	0	0	218,802	**831,972**
639,614	630,828	0	0	50,065	**1,320,507**
250,000	385,736	0	0	3,880	**639,616**
3,489,689	**5,673,704**	**0**	**136,455**	**354,122**	**9,653,970**

SUPERVISORY BOARD MEMBERS FEES

Directors' fees paid to Supervisory Board members

The members of the Supervisory Board, except for its Chairman, do not receive compensation from the Company, with the exception of a fee for attending meetings. The amount of directors' fees paid to each AXA's Supervisory Board member is indicated in the table below.

(Gross amounts, in Euro)	Directors' fees earned in 2010 for 2009	Directors' fees earned in 2009 for 2008
Current members of the Supervisory Board		
Jacques de Chateauvieux – Chairman	136,581.40	134,609.54
Norbert Dentressangle – Vice-Chairman	135,434.82	100,170.65
Léo Apotheker	47,810.77	49,962.56
Ms. Wendy Cooper	68,290.70	41,717.31
Jean-Martin Folz	79,427.14	73,717.74
Jean-René Fourtou	58,788.70	81,563.27
Anthony Hamilton	119,722.11	122,324.31
François Martineau	67,144.12	41,717.31
Gérard Mestrallet	46,499.51	52,801.27
Giuseppe Mussari	48,634.16	46,053.00
Ramon de Oliveira [(a)]	64,364.39	-
Michel Pébereau	63,375.02	70,879.03
Mrs. Dominique Reiniche	44,865.07	46,750.00
Ezra Suleiman	91,222.29	95,356.57
Former members of the Supervisory Board		
Henri Lachmann	27,839.81	85,421.08
Claude Bébéar	-	40,568.84
Jacques Tabourot	-	16,387.53
TOTAL	**1,100,000.00**	**1,100,000.00**

(a) Appointed by the General Shareholders' Meeting of April 30, 2009 replacing Mr. Henri Lachmann whose term of office had expired.

The overall amount of directors' fees to be paid is determined by the shareholders, in accordance with applicable laws, and apportioned by the Supervisory Board to its members in accordance with its Bylaws:

- Half of the amount of directors' fees is distributed evenly among members of the Supervisory Board as a fixed component, with the Chairman and Vice-Chairman each receiving a double fee;
- A portion of the remaining amount is distributed among members of the Supervisory Board in proportion to their actual attendance at the meetings of the Supervisory Board, with the Chairman and Vice-Chairman each receiving a double fee;
- The remaining amount is allocated by the Supervisory Board to the various special committees and distributed among their members in proportion to their actual attendance at committee meetings, with the chairmen of committees receiving a double fee.

Due to the importance of their role and the significant demand on their time, members of the Audit Committee receive a higher proportion of directors' fees.

In addition of its directors' fees, Mr. Jacques de Chateauvieux receives as Chairman of the Supervisory Board an annual gross compensation of €230,000.

Ms. Wendy Cooper, member of the Supervisory Board representing the employee shareholders of the AXA Group, received in 2009 an annual gross compensation of USD 402,494 paid by AXA Equitable in the US in connection with her position as Senior Vice-President and Associate General Counsel of this company. This compensation consists of USD 257,494 of fixed compensation and USD 145,000 of variable compensation.

Stock options

Since 1989, AXA has promoted a stock options program, for its directors, officers and employees in France and abroad, aimed at rewarding their performance and aligning their interests with those of the Group by linking them to AXA's stock performance over the long term.

Within the global cap authorized by the General Shareholders' Meetings, the Supervisory Board approves all stock options programs prior to their implementation.

To date, AXA has opted to grant subscription options, with the exception of options granted until 2005 to certain employees of AXA Financial in the United States, which consisted of purchase options on ADRs.

Stock options are valid for a period of 10 years. They are granted at market value, with no discount, and become exercisable by tranches generally in thirds between 2 and 4 years following the grant date.

Annual grants are made during the first quarter of the year, generally 20 trading days after the date annual earnings of the Group are published. As such, in 2009, the annual consolidated earnings were published on February 19, 2009 and the options grant took place on March 20, 2009. The strike price, which was supposed to be equal to the average of the share price during the 20 trading days before the grant date, was €7.54.

However, considering that this value was historically low, the Management Board has decided, with the approval of the Supervisory Board, to set the strike price at €10.00, representing a 33% premium. Furthermore, for stock options granted to Management Board and Executive Committee members, the strike price has been set at €15.85, representing a 110% premium. These options have been granted on June 10, 2009.

Options may be granted during the year in the United States to newly-hired or newly-promoted employees or when the performance measures that give rise to option grants are available after the first quarter of the year.

Each year, the Management Board proposes the Supervisory Board to approve the grant of a global option pool. The pool of options allocated to each business unit is essentially determined on the basis of their contribution to the Group financial results during the previous year.

Beneficiaries are identified among the Group and business units executive population, technical experts and employees holding key positions within the organization. Selection criteria and individual option grants take into account:

- Importance of the position ➪ role
- Importance of the individual within the position ➪ retention
- Importance of the individual in the future ➪ potential
- Quality of the individual contribution ➪ performance

The recommendations for individual grants of options are made by the CEOs of the business units and by the Group functional department heads. These recommendations are reviewed by the Management Board to ensure coherence and fairness. Individual grants of options are then decided by the Management Board, provided that grants to members of the Management Board shall receive the prior approval of the Supervisory Board, acting on the recommendation of its Compensation & Human Resources Committee.

Since 2006, options granted to Management Board and Executive Committee members, and since 2007 with respect to any beneficiary receiving a minimum of 5,000 options, are associated with a performance condition: the last tranche, i.e. 1/3 of the options granted, will be exercisable only if the AXA share performed at least as well as the DowJones EuroStoxx Insurance index.

If the performance condition has not been met at the expiry date of the options, the last tranche of options will be automatically cancelled.

The Supervisory Board, acting on the recommendation of its Compensation & Human Resources Committee, decided on December 18, 2008 that:

- All options granted to Management Board members from 2009 onwards will be subject to this performance condition measured either since the initial grant date or over the last three-year period;
- The total number of options granted to the Management Board members each year from 2009 onwards may not exceed 20% of the aggregate number of options granted to all beneficiaries during the same year.

In 2009, AXA stock options were granted as follows:

- 7,629,874 subscription or purchase options at a weighted average price of €11.43 granted to 5.491 employees, representing 0.33% of the share capital as at December 31, 2009;
- 28,829 purchase options on ADRs granted by AXA Financial, Inc. at a price of $12.00 to 9 beneficiaries in the United States.

The portion of options granted in 2009 to the members of the Management Board represents 19.6% of the total number of options granted.

As at December 31, 2009, 9,567 AXA employees owned 81,393,880 outstanding options, representing 3.55% of the share capital on the same date (disregarding the dilution related to the exercise of these options), and 1,445 employees in the United States own 10,897,978 outstanding purchase options on ADRs, representing 0.47% of the share capital.

On the basis of the AXA share price on December 31, 2009, i.e. €16.54, only 13,271,194 subscription options are in the money, i.e. 16.3% of the outstanding stock options.

STOCK OPTIONS PLANS SUMMARY

Date of the Shareholders' Meeting		05/05/1999	05/26/1999 [b]	05/05/1999	05/05/1999
Date of the Management Board		07/05/2000	07/05/2000 [b]	07/12/2000	11/13/2000
Total number of beneficiaries		889	5	113	98
Total number [a] of shares to be subscribed, from which to be subscribed by :		7,926,121	813,515	289,532	306,981
Directors:	Henri de Castries	315,434	297,631	-	-
	Alfred Bouckaert	105,145	-	-	-
	Claude Brunet	-	-	-	-
	Christopher Condron	-	-	-	-
	Denis Duverne	126,173	-	-	-
	François Pierson	63,087	-	-	-
	Wendy Cooper	2,103	-	-	-
The first 10 employees beneficiaries		672,928	-	160,253	55,145
Start date of exercise		07/05/2002	07/05/2002	07/12/2002	11/13/2002
Expiry date of options		07/05/2010	07/05/2010	07/12/2010	11/13/2010
Subscription price of options [a]		38.96	41.28	39.06	36.84
Exercise schedule of options		33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	25% after 2 y 50% after 3 y 75% after 4 y 100% after 5 y	33% after 2 y 66% after 3 y 100% after 4 y
Number of options exercised at 12/31/2009		0	0	0	0
Options cancelled at 12/31/2009		2,883,021	257,942	182,356	82,139
Options outstanding at 12/31/2009		5,043,100	555,573	107,176	224,842

Date of the Shareholders' Meeting		05/03/2002	05/21/2002 [b]	05/03/2002	05/03/2002
Date of the Management Board		03/26/2004	04/14/2004 [b]	03/29/2005	03/29/2005
Total number of beneficiaries		2,186	1	2,132	774
Total number [a] of shares to be subscribed, from which to be subscribed by :		10,725,180	496,049	8,854,652	3,697,059
Directors:	Henri de Castries	889,286	-	784,664	-
	Alfred Bouckaert	142,285	-	117,699	-
	Claude Brunet	244,554	-	215,783	-
	Christopher Condron	-	-	-	497,211
	Denis Duverne	346,821	-	329,559	-
	François Pierson	400,178	-	353,099	-
	Wendy Cooper	-	-	-	11,933
The first 10 employees beneficiaries		968,927	-	812,127	646,371
Start date of exercise		03/26/2006	04/14/2006	03/29/2007	03/29/2007
Expiry date of options		03/26/2014	04/14/2014	03/29/2015	03/29/2015
Subscription price of options [a]		16.90	15.00	19.70	19.95
Exercise schedule of options		33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
Number of options exercised at 12/31/2009		1,390,554	0	328,238	116,969
Options cancelled at 12/31/2009		1,108,172	0	913,593	459,827
Options outstanding at 12/31/2009		8,226,454	496,049	7,612,821	3,120,263

(a) Numbers of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) Options that were initially granted by FINAXA that merged into AXA on December 16, 2005.

05/09/2001	05/26/1999 (b)	05/09/2001	05/09/2001	05/03/2002	05/30/2001 (b)
05/09/2001	05/30/2001 (b)	02/27/2002	03/14/2003	03/14/2003	04/02/2003 (b)
1,419	1	1,655	1,721	229	3
10,311,692	892,889	10,321,827	8,405,543	2,975,030	1,825,459
946,300	-	841,156	-	946,300	-
126,173	-	126,173	-	147,202	-
105,145	-	231,318	-	289,148	-
-	-	-	-	-	-
210,289	-	231,318	-	394,292	-
84,116	-	315,434	473,150	-	-
-	-	-	-	-	-
782,276	-	844,314	762,301	675,028	-
05/09/2003	05/30/2003	02/27/2004	03/14/2005	03/14/2005	04/02/2005
05/09/2011	05/30/2011	02/27/2012	03/14/2013	03/14/2013	04/02/2013
30.74	32.57	19.96	10.47	10.47	11.82
33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
94,631	0	2,670,294	4,404,278	1,992,012	560,964
2,880,572	0	1,441,208	832,795	132,692	0
7,336,489	892,889	6,210,325	3,168,470	850,326	1,264,495

05/03/2002	05/03/2002	05/03/2002	04/20/2005	04/20/2005	04/20/2005
06/06/2005	06/27/2005	07/01/2005	09/21/2005	03/31/2006	03/31/2006
5	238	1	6	2,418	861
16,981	240,849	25,039	114,443	7,628,101	2,768,553
-	-	-	-	585,882	-
-	-	-	-	150,655	-
-	-	-	-	200,874	-
-	-	-	-	-	607,190
-	-	-	-	326,420	-
-	-	-	-	326,420	-
-	-	-	-	-	6,640
-	39,049	-	-	830,960	656,518
06/06/2007	06/27/2007	07/01/2007	09/21/2007	03/31/2008	03/31/2008
06/06/2015	06/27/2015	07/01/2015	09/21/2015	03/31/2016	03/31/2016
19.02	19.32	19.91	20.97	27.75	27.93
33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
0	2,171	0	0	2,877	0
3,297	14,821	0	50,415	801,323	254,815
13,684	223,857	25,039	64,028	6,823,901	2,513,738

Date of the Shareholders' Meeting		04/20/2005	04/20/2005	04/20/2005	04/20/2005
Date of the Management Board		03/31/2006	09/25/2006	09/25/2006	11/13/2006
Total number of beneficiaries		1,002	10	29	5
Total number [(a)] of shares to be subscribed, from which to be subscribed by:		1,223,253	53,733	22,805	7,409
Directors:	Henri de Castries	-	-	-	-
	Alfred Bouckaert	-	-	-	-
	Claude Brunet	-	-	-	-
	Christopher Condron	-	-	-	-
	Denis Duverne	-	-	-	-
	François Pierson	-	-	-	-
	Wendy Cooper	-	-	-	-
The first 10 employees beneficiaries		227,593	53,733	36,684	-
Start date of exercise		03/31/2010	09/25/2008	09/25/2010	11/13/2010
Expiry date of options		03/31/2016	09/25/2016	09/25/2016	11/13/2016
Subscription price of options [(a)]		27.93	28.03	28.03	29.59
Exercise schedule of options		100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	100% after 4 y
Number of options exercised at 12/31/2009		0	0	0	0
Options cancelled at 12/31/2009		126,081	22,299	266	0
Options outstanding at 12/31/2009		1,097,172	31,434	22,539	7,409

Date of the Shareholders' Meeting		04/20/2005	04/20/2005	04/20/2005	04/22/2008
Date of the Management Board		11/19/2007	04/01/2008	04/01/2008	05/19/2008
Total number of beneficiaries		6	4,339	1,027	2
Total number [(a)] of shares to be subscribed, from which to be subscribed by:		8,205	8,056,370	1,240,890	6,004
Directors:	Henri de Castries	-	399,526	-	-
	Alfred Bouckaert	-	233,057	-	-
	Claude Brunet	-	239,715	-	-
	Christopher Condron	-	501,998	-	-
	Denis Duverne	-	319,621	-	-
	François Pierson	-	286,327	-	-
	Wendy Cooper	-	4,865	-	-
The first 10 employees beneficiaries		-	592,194	265,967	-
Start date of exercise		11/19/2011	04/01/2010	04/01/2012	05/19/2010
Expiry date of options		11/19/2017	04/01/2018	04/01/2018	05/19/2018
Subscription price of options [(a)]		28.53	21.00	21.00	23.42
Exercise schedule of options		100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
Number of options exercised at 12/31/2009		0	0	0	0
Options cancelled at 12/31/2009		0	359,256	142,215	0
Options outstanding at 12/31/2009		8,205	7,697,114	1,098,675	6,004

(a) Numbers of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) Options that were initially granted by FINAXA that merged into AXA on December 16, 2005.

04/20/2005	04/20/2005	04/20/2005	04/20/2005	04/20/2005	04/20/2005
05/10/2007	**05/10/2007**	**05/10/2007**	**09/24/2007**	**09/24/2007**	**11/19/2007**
2,866	**876**	**1,163**	**4**	**16**	**2**
6,818,292	**1,815,676**	**1,312,233**	**10,681**	**12,587**	**4,689**
-	-	-	-	-	-
204,885	-	-	-	-	-
172,103	-	-	-	-	-
-	448,586	-	-	-	-
327,816	-	-	-	-	-
245,862	-	-	-	-	-
-	5,046	-	-	-	-
645,899	246,161	284,022	-	8,903	-
05/10/2009	05/10/2009	05/10/2011	09/24/2009	09/24/2011	11/19/2009
05/10/2017	05/10/2017	05/10/2017	09/24/2017	09/24/2017	11/19/2017
32.95	**33.78**	**33.78**	**29.72**	**29.72**	**28.53**
33% after 2 y 66% after 3 y 100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y
0	0	0	0	0	0
554,252	184,493	176,056	0	1,842	0
6,264,040	**1,631,183**	**1,136,177**	**10,681**	**10,745**	**4,689**

04/22/2008	04/22/2008	04/22/2008	04/22/2008	04/22/2008	04/22/2008
05/19/2008	**09/22/2008**	**09/22/2008**	**11/24/2008**	**03/20/2009**	**03/20/2009**
10	**3**	**40**	**7**	**4,627**	**759**
12,360	**19,127**	**46,929**	**19,047**	**4,870,844**	**407,692**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	4,597	-
12,360	-	21,250	-	293,954	51,018
05/19/2012	09/22/2010	09/22/2012	11/24/2012	03/20/2011	03/20/2011
05/19/2018	09/22/2018	09/22/2018	11/24/2018	03/20/2019	03/20/2019
23.42	**21.19**	**21.19**	**13.89**	**9.76**	**9.76**
100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y
0	0	0	0	0	0
0	0	0	0	96,153	2,374
12,360	**19,127**	**46,929**	**19,047**	**4,774,691**	**405,318**

Date of the Shareholders' Meeting		04/22/2008	04/22/2008	04/22/2008	04/22/2008
Date of the Management Board		04/02/2009	06/10/2009	06/10/2009	09/21/2009
Total number of beneficiaries		28	29	17	16
Total number [(a)] of shares to be subscribed, from which to be subscribed by:		114,324	22,291	2,137,462	53,237
Directors:	Henri de Castries	-	-	271,473	-
	Alfred Bouckaert	-	-	296,059	-
	Claude Brunet	-	-	172,103	-
	Christopher Condron	-	-	341,134	-
	Denis Duverne	-	-	226,398	-
	François Pierson	-	-	194,641	-
	Wendy Cooper	-	-	-	-
The first 10 employees beneficiaries		84,309	20,317	615,165	47,753
Start date of exercise		04/02/2011	06/10/2013	10/06/2011	09/21/2013
Expiry date of options		04/02/2019	06/10/2019	10/06/2019	09/21/2019
Subscription price of options [(a)]		9.76	13.03	15.47	15.88
Exercise schedule of options		33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y	33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y
Number of options exercised at 12/31/2009		0	0	0	0
Options cancelled at 12/31/2009		0	0	34,516	0
Options outstanding at 12/31/2009		114,324	22,291	2,102,946	53,237

(a) Numbers of options and exercise prices have been adjusted, pursuant to applicable regulation, as a result of operations on the AXA stock.
(b) Options that were initially granted by FINAXA that merged into AXA on December 16, 2005.

In the table above all dates that are indicated shall read day/month/year.

04/22/2008	**04/22/2008**
08/12/2009	**12/08/2009**
2	**13**
3,134	**20,890**
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	18,280
08/12/2011	08/12/2013
08/12/2019	08/12/2019
16.60	**16.60**
33% after 2 y 66% after 3 y 100% after 4 y	100% after 4 y
0	0
0	0
3,134	**20,890**

STOCK OPTIONS GRANTED TO CORPORATE BODIES' MEMBERS DURING 2009

Members of the Management Board		Plan date	Nature of options	Value of options €	Number options granted during the year	% of capital	Exercise price €	Exercise period	Performance conditions
Henri de Castries	Chairman of the Management Board	06/10/2009	subscription or purchase	819,848	271,473	0.013%	15.47	06/10/2011-06/10/2019	100% of options: EuroStoxx Insurance index
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	06/10/2009	subscription or purchase	894,098	296,059	0.014%	15.47	06/10/2011-06/10/2019	100% of options: EuroStoxx Insurance index
Claude Brunet [(a)]	Chief Operating Officer	06/10/2009	subscription or purchase	519,751	172,103	0.008%	15.47	06/10/2011-06/10/2019	100% of options: EuroStoxx Insurance index
Christopher Condron	President & CEO of AXA Financial, Inc.	06/10/2009	subscription or purchase	1,030,225	341,134	0.016%	15.47	06/10/2011-06/10/2019	100% of options: EuroStoxx Insurance index
Denis Duverne	In charge of Finance, Strategy and Operations	06/10/2009	subscription or purchase	683,722	226,398	0.011%	15.47	06/10/2011-06/10/2019	100% of options: EuroStoxx Insurance index
François Pierson	Chairman & CEO AXA France	06/10/2009	subscription or purchase	587,816	194,641	0.009%	15.47	06/10/2011-06/10/2019	100% of options: EuroStoxx Insurance index

Members of the Supervisory Board		Plan date	Nature of options	Value of options €	Number options granted during the year	% of capital	Exercise price €	Exercise period	Performance conditions
Wendy Cooper	Representative of employee shareholders at the Supervisory Board	03/20/2009	subscription or purchase	6,160	4,597	0.000%	9.76	03/20/2011-03/20/2019	-

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

In the table above all dates that are indicated shall read day/month/year.

The fair value of stock options is determined in accordance with IFRS standards. This is an historical value at the date of grant, calculated for accounting purposes as described in Note 25.3.1 to the 2009 consolidated financial statements included in Part 4 of this Annual Report. This value does not represent a current market value or other current valuation of these options or the actual proceeds if and when the options are exercised.

Under the AXA Group Compliance and Ethics Guide, all employees (including all executive officers) are prohibited from engaging in any transaction designed to hedge the value of equity based compensation awards (including stock options, performance units, restricted shares, or similar awards) granted under any plan or arrangement maintained by AXA or any of its subsidiaries. This restriction applies from the date of grant until such time as the beneficiary receives the securities underlying the award upon, for example, the exercise of a stock option, the lapse of restrictions on performance units, restricted shares or similar events.

STOCK OPTIONS EXERCISED BY CORPORATE BODIES' MEMBERS DURING 2009

Members of the Management Board		AXA options: Date of grant	AXA options: Number options exercised during the year	AXA options: Exercise price €	AXA options: Date of exercise	ADR AXA options: Date of grant	ADR AXA options: Number options exercised during the year	ADR AXA options: Exercise price $	ADR AXA options: Date of exercise
Henri de Castries	Chairman of the Management Board	03/14/2003	40,000	10.47	12/28/2009	-	-	-	-
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	-	-	-	-	-	-	-	-
Claude Brunet [(a)]	Chief Operating Officer	-	-	-	-	-	-	-	-
Christopher Condron	President & CEO of AXA Financial, Inc.	-	-	-	-	-	-	-	-
Denis Duverne	In charge of Finance, Strategy and Operations	03/14/2003 03/14/2003	9,000 10,000	10.47 10.47	12/24/2009 12/28/2009	-	-	-	-
François Pierson	Chairman & CEO AXA France	-	-	-	-	-	-	-	-

Members of the Supervisory Board		AXA options: Date of grant	AXA options: Number options exercised during the year	AXA options: Exercise price €	AXA options: Date of exercise	ADR AXA options: Date of grant	ADR AXA options: Number options exercised during the year	ADR AXA options: Exercise price $	ADR AXA options: Date of exercise
Wendy Cooper	Representative of employee shareholders at the Supervisory Board	-	-	-	-	-	-	-	-

a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

In the table above all dates that are indicated shall read day/month/year.

Underlined numbers indicate exercises of options where the AXA shares have been retained by the beneficiaries or donated upon exercise.

STOCK OPTIONS GRANTED AND/OR EXERCISED BY THE TOP 10 BENEFICIARIES (OUTSIDE THE MANAGEMENT BOARD) DURING 2009

Stock options granted or exercised by the top 10 beneficiaries (outside management bodies' members) during the year	Number of options granted or exercised	Weighted average price €
Stock options granted during the year by AXA or any eligible AXA Group's subsidiaries, to the ten employees, outside management bodies' members of the Company or of eligible AXA Group's subsidiaries, who received the highest number of stock options (aggregate information)	617,470	15.13
Stock options on AXA or any eligible AXA Group's subsidiaries, exercised during the year by the ten employees, outside management bodies' members of the Company or of eligible AXA Group's subsidiaries, who exercised the highest number of stock options (aggregate information)	156,010	10.81

STOCK OPTIONS HELD BY CORPORATE BODIES' MEMBERS (OPTIONS GRANTED BUT NOT EXERCISED AS AT DECEMBER 31, 2009)

		Balance of options at 12/31/2009	
Members of the Management Board		**AXA**	**ADR AXA**
Henri de Castries	Chairman of the Management Board	5,502,149	-
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	1,649,333	-
Claude Brunet [(a)]	Chief Operating Officer	1,661,548	-
Christopher Condron	President & CEO of AXA Financial, Inc.	2,396,119	1,544,743
Denis Duverne	In charge of Finance, Strategy and Operations	2,472,931	-
François Pierson	Chairman & CEO AXA France	2,460,597	-

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

		Balance of options at 12/31/2009	
Members of the Supervisory Board		**AXA**	**ADR AXA**
Wendy Cooper	Representative of employee shareholders at the Supervisory Board	35,184	73,900

STOCK OPTIONS HELD BY EXECUTIVE COMMITTEE MEMBERS (OPTIONS GRANTED BUT NOT EXERCISED AS AT DECEMBER 31, 2009)

		Balance of options at 12/31/2009	
Members of the Executive Committee		**AXA**	**ADR AXA**
Dominique Carrel-Billiard	CEO AXA Investment Managers	168,605	-
John Dacey	CEO Japan-Asia-Pacific Region	200,274	-
Philippe Egger	CEO of Insurance activities in Switzerland	134,199	-
Jean Laurent Granier	CEO Mediterranean and Latin America Region	341,964	-
Gerald Harlin	Group Chief Financial Officer	465,790	-
Frank Keuper	CEO of AXA Konzern AG	187,982	-
Peter Kraus	Chairman & CEO of AllianceBernstein	-	-
Nicolas Moreau	CEO of AXA UK-Ireland	713,965	-
Mark Pearson [a]	CEO of AXA Life Japan and AXA Japan Holdings	114,659	-
Andrew Penn [b]	CEO Asia Pacific Holdings	75,926	-
Véronique Weill	Group Chief Operating Officer	95,527	-

(a) Also owns 838,967 stock options on AXA Asia Pacific Holdings.
(b) Also owns 3,041,501 stock options on AXA Asia Pacific Holdings.

Performance shares and performance units

Since 2004, stock options have been partially replaced by Performance Units.

From 2005 onwards, as a result of the new French law related to the grant of free shares, Performance Units have been replaced in France by Performance Shares. Performance Shares are free shares whose final acquisition is subject to performance conditions.

Performance Units/Shares aim at:

- Rewarding and retaining the best talents by associating them to the intrinsic performance of the AXA Group and of their operational business unit as well as to the performance of the AXA share in the medium-term (2 to 4 years);
- Reducing shareholder dilution by granting less subscription options.

Grant criteria for Performance Units/Shares are similar to those used for stock options.

Performance Shares are usually granted to beneficiaries domiciled in France while Performance Units are granted to beneficiaries domiciled outside of France.

The principle of Performance Units/Shares is as follows:

- Each beneficiary receives an initial grant of Performance Units/Shares. This number will be used to calculate the actual number of units or shares that will definitely be acquired at the end of a 2-year acquisition period, under the condition that the beneficiary is still employed by the AXA Group at that date;
- Each year during the acquisition period, half of the Performance Units/Shares initially granted is subject to collective performance conditions measuring both the performance of the AXA Group and the beneficiary's operational business unit performance, based on pre-determined targets;
- For beneficiaries in operating business units, their operational business unit performance carries a weighting of 2/3 while the AXA Group performance carries a weighting of 1/3. For beneficiaries in Group support functions, the performance is measured at AXA Group level only;
- In 2004 and 2005, the performance indicators determined by the Management Board have been:
  - for the operational business units performance: underlying earnings and adjusted earnings,
  - for the AXA Group performance: underlying earnings and adjusted earnings per share;
- In 2006 and 2007, the performance indicators determined by the Management Board have been for both the AXA Group and the operational business units: underlying earnings, P&C revenues and new business value in Life & Savings;
- In 2008 and 2009, the performance indicators determined by the Management Board have been:
  - for the operational business units performance: underlying earnings, P&C revenues and new business value in Life & Savings,
  - for the AXA Group performance: underlying earnings per share, P&C revenues and new business value in Life & Savings;
- The achievement of these performance targets determines the number of Units/Shares that will be acquired by the beneficiary at the end of the acquisition period, subject to the beneficiary being still employed by the AXA Group. The number of Units/Shares acquired may vary between 0% and 130% of the Performance Units/Shares initially granted.

As far as Performance Units are concerned:

- Units acquired at the end of the 2-year acquisition period are valued on the basis of the average closing price of the AXA share during the last 20 trading days of the acquisition period;
- If the number of units acquired is less than 1,000, the amount corresponding to the value of these units is paid in cash to the beneficiary. If the number of units acquired is equal to or higher than 1,000, the beneficiary only receives 70% of the value in cash to allow him/her to pay social contributions and income taxes calculated on 100% of that value, and 30% of these units are reinvested into AXA shares which are restricted from sale during a 2-year period, in order to develop employees' share ownership and align employees and shareholders' interests.

As far as Performance Shares are concerned:

- Shares acquired at the end of the 2-year acquisition period are restricted from sale during a 2-year period.

The amounts corresponding to Performance Units are charged to expenses each year under the variable accounting method, but do not create any dilution for shareholders since no new shares are issued.

Performance Shares, even if shares ultimately delivered to beneficiaries are newly issued shares (until now, AXA has always delivered existing shares), represent less shareholder dilution than stock options, due to smaller volume of the grant.

Within the global cap authorized by the shareholders, the Supervisory Board approves all Performance Shares programs prior to their implementation.

Each year, the Management Board proposes a global Performance Shares pool to the Supervisory Board's approval and the annual grants of Performance Shares are generally made simultaneously with the granting of stock options.

The recommendations for individual grants of Performance Shares and Performance Units are made by the business units CEOs and by the Group functional department heads. These recommendations are reviewed by the Management Board to ensure coherence and fairness. Individual grants of Performance Shares and Performance Units are then decided by the Management Board, provided that grants to members of the Management Board shall receive the prior approval of the Supervisory Board, acting on the recommendation of its Compensation & Human Resources Committee.

The Supervisory Board, acting on the recommendation of its Compensation & Human Resources Committee, decided on December 18, 2008 that the total number of Performance Shares granted to the Management Board members each year as of 2009 may not exceed 20% of the aggregate number of Performance Shares granted to all beneficiaries during the same year.

PERFORMANCE UNITS

The acquisition period of the Performance Unit plan launched on May 10, 2007 with 1,361,869 Performance Units initially granted to 2,342 beneficiaries outside France, ended on May 10, 2009. At that date, a total of 902,288 units had been acquired by 2,046 employees. The settlement of these units was made partly in cash (€9.3 million) and partly in AXA shares (152,364 shares) which are subject to a 2-year restriction period until May 10, 2011.

The acquisition period of the Performance Unit plan launched on April 1, 2008 with 2,441,070 Performance Units initially granted to 2,752 beneficiaries outside France will end on April 1, 2010.

A new Performance Unit plan was launched on March 20, 2009 and 2,957,911 Performance Units were initially granted to 3,608 beneficiaries outside France. These shares are definitively acquired after a 2-year acquisition period which ends on March 20, 2011.

A second Performance Unit plan was launched on April 2, 2009 and 160,025 Performance Units were initially granted to 216 beneficiaries in Japan. These shares are definitively acquired after a 2-year acquisition period which ends on April 2, 2011.

A third Performance Unit plan was launched on June 10, 2009 and 350,792 Performance Units were initially granted to 28 beneficiaries outside France. These shares are definitively acquired after a 2-year acquisition period which ends on June 10, 2011.

PERFORMANCE SHARES

The acquisition period of the Performance Shares plan launched on May 10, 2007 with 782,432 Performance Shares granted to 1,433 beneficiaries in France, ended on May 10, 2009. At that date, a total of 608,296 shares had been acquired by 1,360 employees. These shares are subject to a 2-year restriction period until May 10, 2011.

The acquisition period of the Performance Shares plan launched on April 1, 2008 with a total of 1,401,587 Performance Shares granted to 1,566 beneficiaries in France will end on April 1, 2010. The shares acquired will be subject to a 2-year restriction period until April 1, 2012.

The acquisition period of the Performance Shares plan launched on April 28, 2008 with 51,223 Performance Shares granted to 13 beneficiaries, will end on April 28, 2010 for 28,172 Performance Shares granted to 7 employees in France (the acquired share being restricted for another 2-year period, i.e. until April 28, 2012), and will end on April 28, 2012 for 23,051 Performance Shares granted to 6 employees outside France (the acquired shares will not be subject to any restriction period).

A new Performance Shares plan was launched on March 20, 2009 and 1,528,418 Performance Shares were initially granted to 1,740 beneficiaries in France. The 2-year acquisition period of this plan will end on March 20, 2011 and the acquired shares will be subject to a 2-year restriction period until March 20, 2013.

A second Performance Shares plan was launched on June 10, 2009 and 433,231 Performance Shares were initially granted to 8 beneficiaries in France. The 2-year acquisition period of this plan will end on June 10, 2011 and the acquired shares will be subject to a 2-year restriction period until June 10, 2013.

PERFORMANCE UNITS/SHARES SUMMARY

Performance Units

	Initial grant					Acquisition	
Grant date	Number of beneficiaries	Performance Units granted	Units cancelled	Units acquired at 12/31/2009	Balance at 12/31/2009	Acquisition date	Units acquired
03/26/2004	2,550	1,037,116	484,934	-	-	03/26/2007	645,604 (b)
03/29/2005	1,707	938,880	81,334	-	-	03/29/2007	960,520 (c)
03/31/2006	2,072	1,453,441	150,323	-	-	03/31/2008	1,365,787 (d)
05/10/2007	2,346	1,361,869	152,364	-	-	05/10/2009	902,288 (e)
04/01/2008	2,752	2,441,070	142,360	1,440 (a)	1,729,280	04/01/2010	-
03/20/2009	3,608	2,957,911	34,648	-	2,923,263	03/20/2011	-
04/02/2009	216	160,025	164	-	159,861	04/02/2011	-
06/10/2009	28	350,792	-	-	350,792	06/10/2011	-

(a) The 1,440 Performance Units of the 2008 Plan, acquired by anticipation, related to one deceased beneficiary.
(b) The 645,604 units acquired by 1,537 beneficiaries of the March 26, 2004 plan have been settled as €7.8 million and $12.7 million in cash and 91,997 shares restricted until March 26, 2009.
(c) The 960,520 units acquired by 1,532 beneficiaries of the March 29, 2005 plan have been settled as €25.3 million and 152,379 shares restricted until March 29, 2009.
(d) The 1,365,787 units acquired by 1,838 beneficiaries of the March 31, 2006 plan have been settled as €24.3 million and 238,019 shares restricted until March 31, 2010.
(e) The 902,288 units acquired by 2,046 beneficiaries of the May 10, 2007 plan have been settled as €9.3 million and 152,364 shares restricted until May 10, 2011.

In the table above all dates that are indicated shall read day/month/year.

The numbers of Performance Units indicated from April 1, 2008 plan onwards have been adjusted to take into account the impact of the share capital increase with preferential subscription rights of December 4, 2009.

Performance Shares

	Initial grant					Acquisition	
Grant date	Number of beneficiaries	Performance Shares granted	Shares cancelled	Shares acquired at 12/31/2009	Balance at 12/31/2009	Acquisition date	Shares acquired
04/21/2005	1,154	743,310	19,621	-	-	04/21/2007	793,139
04/21/2005	770	250,306 (a)	4,741	-	-	04/21/2005	268,965
04/21/2005	770	143,630 (b)	2,690	-	-	04/21/2005	140,882
03/31/2006	1,186	893,326	34,582	-	-	03/31/2008	885,312
05/10/2007	1,433	782,432	26,973	461 (c)	-	05/10/2009	608,296
04/01/2008	1,566	1,401,587	42,130	506 (c)	1,090,968	04/01/2010	-
04/28/2008	7	28,172	-	-	23,655	04/28/2010	-
04/28/2008	6	23,051	-	-	18,689	04/28/2012	-
03/20/2009	1,740	1,528,418	19,735	-	1,508,683	03/20/2011	-
06/10/2009	8	433,231	-	-	433,231	06/10/2011	-

(a) Performance Shares granted as a replacement for 250,306 Performance Units 2004 cancelled.
(b) Restricted Shares granted as a replacement for 143,630 Performance Units 2004 cancelled.
(c) The 461 Performance Shares of the May 10, 2007 Plan and the 506 Performance Shares of the April 1, 2008 Plan, acquired by anticipation, concern deceased beneficiaries.

In the table above all dates that are indicated shall read day/month/year.

The numbers of Performance Shares indicated from April 1, 2008 plan onwards have been adjusted to take into account the impact of the share capital increase with preferential subscription rights of December 4, 2009.

Performance units/shares initially granted to the top 10 beneficiaries (outside corporate bodies' members) during 2009

Performance Units/Shares granted to the top 10 beneficiaries (outside management bodies' members)	Number of Performance Units/ Shares initially granted
Performance Units granted during the year by AXA or any eligible AXA Group's subsidiaries, to the ten employees, outside management bodies' members of the Company or of eligible AXA Group's subsidiaries, who received the highest number of Performance Units (aggregate information)	202,054
Performance Shares granted during the year by AXA or any eligible AXA Group's subsidiaries, to the ten employees, outside management bodies' members of the Company or of eligible AXA Group's subsidiaries, who received the highest number of Performance Shares (aggregate information)	237,057

PERFORMANCE SHARES GRANTED TO CORPORATE BODIES' MEMBERS DURING 2009

Members of the Management Board		Plan date	Performance shares granted	% of capital	Value of Performance shares €	Acquisition date	End of restriction	Performance conditions
Henri de Castries	Chairman of the Management Board	06/10/2009	110,638	0.005%	1,021,189	06/10/2011	06/10/2013	- underlying earnings per share - P&C revenue - new business value Life
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	-	-		-	-	-	-
Claude Brunet [(a)]	Chief Operating Officer	06/10/2009	70,071	0.003%	646,755	06/10/2011	06/10/2013	- underlying earnings per share - P&C revenue - new business value Life
Christopher Condron	President & CEO of AXA Financial, Inc.	-	-		-	-	-	-
Denis Duverne	In charge of Finance, Strategy and Operations	06/10/2009	92,198	0.004%	850,988	06/10/2011	06/10/2013	- underlying earnings per share - P&C revenue - new business value Life
François Pierson	Chairman & CEO AXA France	06/10/2009	79,291	0.004%	731,856	06/10/2011	06/10/2013	- underlying earnings per share - P&C revenue - new business value Life

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

Members of the Supervisory Board		Plan date	Performance shares granted	% of capital	Value of Performance shares €	Acquisition date	End of restriction	Performance conditions
Wendy Cooper	Representative of employees shareholders at the Supervisory Board	-	-	-	-	-	-	-

The fair value of Performance Shares is determined in accordance with IFRS standards. This is an historical value at the date of grant, calculated for accounting purposes as described in Note 25.3.1 to the 2009 consolidated financial statements included in Part 4 of this Annual Report. This value does not represent a current market value or other current valuation of these performance shares or the actual proceeds if and when the performance shares are acquired.

Under the AXA Group Compliance and Ethics Guide, all employees (including all executive officers) are prohibited from engaging in any transaction designed to hedge the value of equity based compensation awards (including stock options, performance units, restricted shares, or similar awards) granted under any plan or arrangement maintained by AXA or any of its subsidiaries. This restriction applies from the date of grant until such time as the beneficiary receives the securities underlying the award upon, for example, the exercise of a stock option, the lapse of restrictions on performance units, restricted shares or similar events.

PERFORMANCE SHARES ACQUIRED BY CORPORATE BODIES' MEMBERS DURING 2009

Members of the Management Board		Plan date	Performance shares granted	Acquisition date	Shares acquired during the year	Performance score over the acquisition period	End of restriction period
Henri de Castries	Chairman of the Management Board	-	-	-	-	-	-
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	-	-	-	-	-	-
Claude Brunet [(a)]	Chief Operating Officer	05/10/2007	16,800	05/10/2009	12,576	75%	05/10/2011
Christopher Condron	President & CEO of AXA Financial, Inc.	-	-	-	-	-	-
Denis Duverne	In charge of Finance, Strategy and Operations	05/10/2007	32,000	05/10/2009	23,954	75%	05/10/2011
François Pierson	Chairman & CEO AXA France	05/10/2007	24,000	05/10/2009	20,434	85%	05/10/2011

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

Members of the Supervisory Board		Plan date	Performance shares granted	Acquisition date	Shares acquired during the year	Performance score over the acquisition period	End of restriction period
Wendy Cooper	Representative of employees shareholders at the Supervisory Board	-	-	-	-	-	-

In the table above all dates that are indicated shall read day/month/year.

PERFORMANCE SHARES BECOMING UNRESTRICTED DURING 2009 FOR EACH CORPORATE BODIES' MEMBERS

Members of the Management Board		Plan date	Number shares becoming unrestricted during the year	End of restriction period
Henri de Castries	Chairman of the Management Board	04/21/2005	179,839	04/21/2009
Alfred Bouckaert	CEO North, Central & Eastern Europe Region	-	-	-
Claude Brunet [(a)]	Chief Operating Officer	04/21/2005	49,458	04/21/2009
Christopher Condron	President & CEO of AXA Financial, Inc.	-	-	-
Denis Duverne	In charge of Finance, Strategy and Operations	04/21/2005	73,489	04/21/2009
François Pierson	CEO AXA France	04/21/2005	81,165	04/21/2009

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

Members of the Supervisory Board		Plan date	Number shares becoming unrestricted during the year	End of restriction period
Wendy Cooper	Representative of employee shareholders at the Supervisory Board	-	-	-

PERFORMANCE UNITS GRANTED TO CORPORATE BODIES' MEMBERS DURING 2009

Members of the Management Board		Plan date	Performance units granted	Value of Performance units €	Acquisition date	End of restriction of shares	Performance conditions
Henri de Castries	Chairman of the Management Board	-	-	-	-	-	-
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	06/10/2009	64,539	595,695	10/06/2011	06/10/2013	- underlying earnings per share - P&C revenue - new business value Life
Claude Brunet [(a)]	Chief Operating Officer	-	-	-	-	-	-
Christopher Condron	President & CEO of AXA Financial, Inc.	06/10/2009	139,035	1,283,293	10/06/2011	06/10/2013	- underlying earnings per share - P&C revenue - new business value Life
Denis Duverne	In charge of Finance, Strategy and Operations	-	-	-	-	-	-
François Pierson	Chairman & CEO AXA France	-	-	-	-	-	-

Members of the Supervisory Board		Plan date	Performance units granted	Value of Performance units €	Acquisition date	End of restriction of shares	Performance conditions
Wendy Cooper	Representative of employee shareholders at the Supervisory Board	03/20/2009	3,414	19,596	03/20/2011	03/20/2013	- underlying earnings per share - P&C revenue - new business value Life

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

In the table above all dates that are indicated shall read day/month/year.

PERFORMANCE UNITS ACQUIRED BY CORPORATE BODIES' MEMBERS DURING 2009

Members of the Management Board		Plan date	Perfor-mance units granted	Acquisition date	Perfor-mance units acquired	Perfor-mance score over the period	Cash settlement €	Share settlement	End of restriction period
Henri de Castries	Chairman of the Management Board	-	-	-	-	-	-	-	-
Alfred Bouckaert	CEO North, Central & Eastern Europe Business Unit	05/10/2007	20,000	05/10/2009	17,361	87%	143,405	5,208	05/10/2011
Claude Brunet (a)	Chief Operating Officer	-	-	-	-	-	-	-	-
Christopher Condron	President & CEO of AXA Financial, Inc.	05/10/2007	43,789	05/10/2009	28,867	66%	238,443	8,660	05/10/2011
Denis Duverne	In charge of Finance, Strategy and Operations	-	-	-	-	-	-	-	-
François Pierson	Chairman & CEO AXA France	-	-	-	-	-	-	-	-

(a) On November 17, 2009, Mr. Claude Brunet resigned his mandate as a member of AXA's Management Board.

Members of the Supervisory Board		Plan date	Perfor-mance units granted	Acquisition date	Perfor-mance units acquired	Perfor-mance score over the period	Cash settlement €	Share settlement	End of restriction period
Wendy Cooper	Representative of employee shareholders at the Supervisory Board	05/10/2007	1,970	05/10/2009	1,299	66%	10,726	390	05/10/2011

In the table above all dates that are indicated shall read day/month/year.

Share ownership of Management Board and Supervisory Board members

MEMBERS OF THE MANAGEMENT BOARD

To the best knowledge of the Company, each of the Management Board members held, as at December 31, 2009, the number of AXA shares or ADR, and units of mutual funds invested in AXA shares indicated in the table below.

	Number of shares and number of units of mutual funds owned as of December 31, 2009		
	AXA shares	AXA ADR	Units of mutual fund invested in AXA shares
Henri de Castries (President)	1,487,681	0	42
Alfred Bouckaert (Belgium)	18,827	0	115,444
Christopher Condron (United States)	0	602,536	0
Denis Duverne	666,086	18,734	698
François Pierson	152,343	0	17,824

As proposed by the Management Board, the Supervisory Board has decided to implement as from January 1, 2007 a shareholding policy applicable to all members of the Management Board and of the Executive Committee.

This policy requires each member of the Management Board and the Executive Committee to hold, during the entire duration of his/her functions, a minimum number of AXA shares (the “Minimum Shareholding Requirement”) representing a multiple of his/her annual total cash compensation (fixed salary plus annual variable compensation) received for the previous fiscal year.

- The Chairman of the Management Board is required to hold the equivalent of his total cash compensation multiplied by 3.
- Other Management Board members are required to hold the equivalent of their total cash compensation multiplied by 2.
- Executive Committee members are required to hold the equivalent of their total cash compensation multiplied by 1.5.

AXA shares or ADRs or shares of listed Group subsidiaries, held directly or indirectly through mutual funds or similar investment vehicles, are taken into account for purposes of this Minimum Shareholding Requirement.

Each member of the Management Board and the Executive Committee is required to meet this Minimum Shareholding Requirement within a period of 5 years from (i) January 1, 2007 or (ii) the date of his/her first appointment to the Management Board or Executive Committee.

Pursuant to Articles L.225-197-1 and L.225-185 of the French Commercial Code, the Supervisory Board has decided that, as long as a Management Board member has not met his Minimum Shareholding Requirement, all stock options and performance shares granted to him after January 1, 2007 will be subject to the following restrictions:

- Upon each exercise of these stock options granted after January 1, 2007, the Management Board member must continue to hold in registered form a number of shares obtained upon exercise equal in value to at least 25% of the pre-tax capital gain realized upon exercise (i.e. in France this equals approximately 50% of the post-tax capital gain). These shares will have to be held during the whole term of office of the Management Board’s member;
- For performance shares granted after January 1, 2007, the Management Board member must, at every share acquisition date, hold in registered form at least 25% of the performance shares acquired during the whole term of office of the Management Board’s member.

These restrictions do not apply if a Management Board member is in compliance with his Minimum Shareholding Requirement.

The following table summarizes the current status of each Management Board member in relation to his Minimum Shareholding Requirement as at December 31, 2009, based on the AXA share value at that date (€16.54):

	Annual remuneration 2009			Shareholding requirement		
	Fixed salary	Variable	Total remuneration	Number years	Amount	Target date
Henri de Castries	€600,000	€1,834,155	€2,434,155	3	€7,302,465	01/01/2012
Alfred Bouckaert	€650,000	€603,577	€1,253,577	2	€2,507,154	01/01/2012
Christopher Condron	$983,899	$0	$983,899	2	$1,967,798	01/01/2012
Denis Duverne	€480,000	€1,003,887	€1,483,887	2	€2,967,774	01/01/2012
François Pierson	€430,000	€978,175	€1,408,175	2	€2,816,350	01/01/2012

Pursuant to the AXA Group Compliance and Ethics Guide, executive officers must refrain from any purchase or sale of the AXA securities during specified time periods ("blackout periods") prior to the earnings releases. These blackout periods generally commence about 30 days before its annual and semi-annual earnings releases. Depending upon the circumstances, these blackout periods may be declared at other times or may be changed in length.

MEMBERS OF THE SUPERVISORY BOARD

To the best knowledge of the Company based on information reported to it, each of the Supervisory Board member held, as at December 31, 2009, the number of AXA shares or ADR indicated in the table below.

	Number of shares owned as of December 31, 2009	
	AXA Shares	ADR AXA
Jacques de Chateauvieux – Chairman	17,270	
Norbert Dentressangle – Vice-Chairman	8,517	
Léo Apotheker	3,422	
Ms. Wendy Cooper	-	16,325
Jean-Martin Folz	7,584	
Jean-René Fourtou	9,202	8,163
Anthony Hamilton	4,813	31,477
François Martineau	2,167	
Gérard Mestrallet	3,483	
Giuseppe Mussari	5,026	
Ramon de Oliveira	100	
Michel Pébereau	6,139	
Mrs. Dominique Reiniche	2,720 [(a)]	
Ezra Suleiman	684 [(a)]	5,525 [(a)]

(a) As of March 15, 2010.

Shareholding at 12/31/2009					
Number years	Amount	AXA shares	ADR AXA	AXA Shareplan units	Alliance-Bernstein shares
10.1	€24,646,151	1,487,681	0	42	2,000
1.8	€2,230,078	18,827	0	115,444	0
14.5	$14,268,052	0	602,536	0	0
7.7	€11,377,733	666,086	18,734	698	2,000
2.0	€2,815,988	152,343	0	17,824	0

Transactions involving Company securities completed in 2009 by Management Board and Supervisory Board members

To the best of the Company's knowledge based on information reported to it, the members of the Management Board made the following disclosures in the course of 2009 concerning their transactions involving Company securities in compliance with Article L.621-18-2 of the French Monetary and Financial Code.

Detailed information about all of these transactions, as well as individual disclosures filed in accordance with Articles 223-22 and 223-25 of the AMF's *(Autorité des marchés financiers)* General Regulations, are published on the Company's website (www.axa.com) and on the AMF website (www.amf-france.org).

				Capital increase with shareholders' preferential subscription rights maintained	
Name	**Sale of AXA Shares (Number)**	**Sale of AXA ADR (Number)**	**Purchase of AXA Shares (Number)**	**Sale of preferential subscription rights (Number)**	**Subscription to AXA Shares (Number)**
Henri de Castries	-	-	-	1,027,654	32,494
Alfred Bouckaert	-	-	-	18,827	-
Claude Brunet	63,136 [(a)]	-	-	205,443	-
Christopher Condron	-	-	-	-	-
Denis Duverne	30,000	-	-	391,757	20,333
François Pierson	-	-	-	88,299	4,200

(a) Over-the-counter sale of 61,948 AXA shares through the exercise of put options and sale of 1,188 put options.

TRANSACTIONS INVOLVING COMPANY SECURITIES COMPLETED IN 2009 BY MEMBERS OF THE SUPERVISORY BOARD

To the best of the Company's knowledge based on information reported to it, several members of the Supervisory Board made the following disclosures in the course of 2009 concerning their transactions involving Company securities. Detailed information about all of these transactions, as well as individual disclosures filed in accordance with Articles 223-22 and 223-25 of the AMF *(Autorité des marchés financiers)* General Regulations, are published on the Company's website (www.axa.com) and on the AMF website (www.amf-france.org).

				Capital increase with shareholders' preferential subscription rights maintained	
Name	**Sale of AXA Shares (Number)**	**Sale of AXA ADR (Number)**	**Purchase of AXA Shares (Number)**	**Sale of preferential subscription rights (Number)**	**Subscription to AXA Shares (Number)**
Jacques de Chateauvieux	-	-	12,000	17,270	-
Norbert Dentressangle	-	-	-	-	656
Wendy Cooper	387		-	-	-
Jean-Martin Folz	-	-	-	-	584
Antony Hamilton	-	-	-	-	378
François Martineau	-	-	1,000	-	
Giuseppe Mussari	-	-	3,240	-	386
Michel Pebereau	-	-	-	-	473

Subscription options			Capital increase reserved for employees (SharePlan)	
Subscription to AXA Shares (Number)	Subscription to AXA ADR (Number)	Sale of units of AXA Group mutual funds invested in AXA shares (Number)	Subscription to units of AXA Group mutual funds invested in AXA shares (Number)	Subscription to AXA ADR (Number)
40,000	-	26,796	26,809	-
-	-	-	20,361	-
-	-	-	-	-
-	-	-	-	5,373
19,000	-	6,699	6,702	-
-	-	-	-	-

Subscription options			Capital increase reserved for employees (SharePlan)	
Subscription to AXA Shares (Number)	Subscription to AXA ADR (Number)	Sale of units of AXA Group mutual funds invested in AXA shares (Number)	Subscription to units of AXA Group mutual funds invested in AXA shares (Number)	Subscription to AXA ADR (Number)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	343
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

Commitments made to Management Board and Supervisory Board members

PENSION

The French members of the AXA Management Board (Henri de Castries, Denis Duverne and François Pierson) participate, as all other executive employees *(directeurs)* of AXA Group entities in France, in a supplementary pension scheme pursuant to Article 39 of the French Tax Code *(Code général des impôts).*

This scheme, which has existed since January 1, 1992, has been modified twice with effect from January 1, 2005 and from July 1, 2009.

The current pension scheme's rules were approved by the Supervisory Board on October 7, 2009, after having been presented for advice to all work councils and central work councils in France during the third quarter of 2009.

Under this scheme, a supplementary pension is paid to executives who retire immediately upon leaving the AXA Group, at age of 60 or older, and who have a minimum length of service of 10 years, of which at least 5 years as an executive. May also benefit from the scheme, executives whose employment is terminated by the Company after the age of 55, under the condition that they do not resume any professional activity before retiring.

The amount of the supplementary pension is calculated at the time of retirement and is in addition to the total amount of retirement pensions paid under mandatory schemes (Social Security, ARRCO, AGIRC…) and under any other retirement scheme to which the beneficiary may have participated during his/her career, both within or outside the AXA Group.

The amount of the supplementary pension aims, for a minimum executive seniority of 20 years, at achieving a global pension equivalent to:

- 40% of the average gross compensation of the past 5 years preceding the retirement date, if this average is superior to 12 annual Social Security ceilings[(1)];
- 50% of the average gross compensation of the past 5 years preceding the retirement date, if this average is inferior to 8 annual Social Security ceilings;
- 2.4 Social Security ceilings +20% of the average gross compensation of the past 5 years preceding the retirement date, if this average is between 8 and 12 annual Social Security ceilings.

Reduced rates shall apply for an executive seniority of less than 20 years. As an example, with 10 years of executive seniority, the supplementary pension allows to reach a global pension equivalent to 34% instead of 40%. This rate is reduced to 20% for an executive seniority of 5 years, and no supplementary pension is paid for an executive seniority of less than 5 years.

In case of departure from the Group before retirement, no supplementary pension is paid.

Christopher Condron, member of the Management Board and employee of AXA Equitable in the United States, benefits from a contractual supplementary pension arrangement with this company providing for a payment at the age of 65 of an annual pension equivalent to 2% of his annual gross compensation per year of service within the AXA Group.

The annual gross compensation is defined as the average of the 36 highest monthly compensations received during the past 60 months preceding retirement.

Alfred Bouckaert, member of the Management Board, benefits from a contractual supplementary pension arrangement with AXA Holdings Belgium providing for a capital at the age of 65 equivalent to N/40 x (25% T1 +75% T2) x 12.2221, where:

- N = number of years of service;
- T1 = annual Social Security ceiling in Belgium (€47,172 in 2009);
- T2 = part of the fixed salary exceeding T1.

In case of retirement between 60 and 65, the 25% and 75% coefficients are reduced by 1.6% per year of anticipation.

The financing of this scheme is ensured by an employee contribution of 4% of fixed salary, and a contribution by AXA Holdings Belgium in order to guarantee the capital due at the age of 65.

The Company and its subsidiaries' global commitments as regard to pension or retirement to the aforementioned executives was €36.3 million as at December 31, 2009.

TERMINATION PROVISIONS

As at the date of this Annual Report, the French members of the AXA Management Board (Henri de Castries, Denis Duverne and François Pierson) benefit, as employees and as all other director-level employees of AXA Group companies in France, from the regulations provided for by the Collective Agreement of March 3, 1993 signed by the *Fédération Française des Sociétés d'Assurances* (FFSA), the *Syndicat National des Cadres de Direction de l'Assurance* (CFE-CGC) and the *Syndicat du Personnel de Direction des Sociétés d'Assurances et de Capitalisation* (SDAC). The calculation terms of the indemnities due in case of termination are determined according to a formula that takes into account the age of the employee, his/her seniority within the Group and the amount of his/her compensation.

Christopher Condron, member of the Management Board and Chief Executive Officer of AXA Financial, Inc. and AXA Equitable (together "AXA Equitable") in the United States, benefits from a contractual clause with AXA Equitable stating that in case AXA Equitable terminates his employment for any reason other than gross misconduct, he would continue to receive compensation equivalent to his fixed salary (currently

(1) *For information, the annual Social Security ceiling for 2010 is equal to 34,620€.*

$1.0 million) for a period of two years after his termination. In addition, Mr. Condron would receive a prorated bonus for the year of termination based on his target bonus amount (currently, $4.75 million) and additional payments equal to two annual bonuses at the target bonus amount. In the event Mr. Condron was to start a competitive professional activity during the 2-year period following his termination, the payments based on his fixed salary would cease and the amount of the additional payments would be reduced based on the number of days elapsed from his termination date.

Alfred Bouckaert, member of the AXA Management Board, benefits from a contractual clause with AXA Holdings Belgium stating that in case of termination of his position within AXA Holdings Belgium by this company for any other reason than gross misconduct, he would be given a 24 month notice period. If the notice period is not served, he would receive from AXA Holdings Belgium an indemnity equivalent to 24 months of compensation, calculated on the basis of his fixed salary and variable compensation received during the past 12 months preceding the termination of his contract.

Executive officers concerned by the AFEP/MEDEF recommendation	Employment contract		Supplementary pension scheme		Indemnities or advantages due or likely to be due upon termination of functions		Indemnities due for non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Henri de Castries Chairman of the Management Board Beginning of current mandate: 10/12/2009 Term of office: 10/11/2012 [(a)]	X [(b)]	–	X	–	–	X [(c)]	–	X

(a) On October 7, 2009, AXA announced that it intends to submit to the General Shareholders' Meeting on April 29, 2010 a change in its corporate governance structure from a dual board structure (Supervisory Board and Management Boad) to a unitary board structure (Board of Directors). In the event the General Shareholders' Meeting approves this change, the functions of the standing members of the Management Board would end on April 29, 2010.

(b) Mr. Henri de Castries, Chairman of the Company's Management Board, has been employed by AXA under an employment contract since he joined the Group in 1989. The Supervisory Board acknowledged on February 17, 2010 that Mr. de Castries has decided to renounce his employment contract in compliance with the AFEP/MEDEF recommendations. This renunciation will be effective following the General Shareholders' Meeting on April 29, 2010.

(c) To date, Mr. de Castries, like all other executive employees of AXA Group companies in France, is covered by the sole scheme of indemnities due in case of termination provided for in the Collective Agreement of March 3, 1993 described above, without any other provisions. As of the renunciation to his employment contract following the General Shareholders' Meeting on April 29, 2010, Mr. de Castries would be entitled to the contractual commitments described in the following section "Status of Messrs. Henri de Castries and Denis Duverne – Compliance with the AFEP/MEDEF recommendations".

STATUS OF MESSRS. HENRI DE CASTRIES AND DENIS DUVERNE – COMPLIANCE WITH THE AFEP/MEDEF RECOMMENDATIONS

On February 17, 2010, the Supervisory Board acknowledged that Messrs. Henri de Castries and Denis Duverne have decided to renounce their respective employment contracts in accordance with the AFEP/MEDEF recommendations. This renunciation will be effective following AXA's General Shareholders' Meeting on April 29, 2010 which will consider AXA's proposed change in the Company's corporate governance structure in view of the adoption of a unitary board structure (Board of Directors). Within this new structure, Mr. de Castries would hold the positions of Chairman and Chief Executive Officer *(Président Directeur Général* or PDG) and Mr. Duverne would hold the position of Deputy Chief Executive Officer *(Directeur Général Délégué* or DGD).

In connection with Mr. de Castries' and Duverne's decision to renounce their employment contracts in accordance with the AFEP/MEDEF recommendations, the Supervisory Board undertook a review of the consequences of this renunciation including with respect to the continuity of the social benefits (health insurance, life insurance, disability insurance, retirement, etc.) to which Messrs. de Castries and Duverne are currently entitled as employees of AXA. In this context, the Supervisory Board (i) noted that Messrs. de Castries and Duverne have been long-standing employees of the AXA Group (for 20 years and 14 years, respectively) and currently have the same social benefits as all other director-level employees of AXA in France (with no special benefits or arrangement designed specifically for them), and (ii) was concerned that the decision of Messrs. de Castries and Duverne to renounce their employment contracts in accordance with the AFEP/MEDEF recommendations would not jeopardize the continuity of their accrued and future social benefits.

In this context, the Supervisory Board took the following decisions:

- The Supervisory Board authorized that, following the termination of their employment contracts, Messrs. Henri de Castries and Denis Duverne will continue to have social benefits (health insurance, life insurance, disability insurance, retirement, etc.) on terms equivalent to those of all other director-level employees of the AXA Group in France;
- The Supervisory Board authorized a contractual severance benefit for Messrs. de Castries and Duverne designed to replicate the benefits to which they are currently entitled as AXA employees under the 1993 collective agreement covering director-level employees of the insurance sector, but with the addition of new performance conditions in accordance with the AFEP/MEDEF recommendations. A severance benefit would be applicable, except in the case of gross or willful misconduct, solely in the event of dismissal, non-renewal or resignation within 12 months following a change in the Company's control or strategy that has not been initiated by the beneficiary. The payment of the severance benefit would also be subject to the three following performance conditions: (1) achievement, for at least 2 of the 3 preceding fiscal years, of the objectives set

for the beneficiary's variable compensation and corresponding to the payment of at least 65% of his variable compensation target; (2) evolution of the AXA share price at least equal to the DowJones Eurostoxx Insurance index (in percentage) over a 3-year period preceding the termination of the term of office; (3) financial strength ratings of the AXA Group's principal insurance subsidiaries above or equal to the minimum ratings set by the Supervisory Board with regard to the insurance industry and the ratings of AXA's principal competitors. The amount of severance benefit to be paid to the beneficiary would be adjusted in accordance with the level of achievement against these performance conditions: (1) 100% of the severance benefit will be paid if at least 2 of the 3 performance conditions are met; (2) 40% of the severance benefit will be paid if only 1 performance condition is met; and (3) no severance benefit shall be paid if none of the performance conditions are met. Notwithstanding the foregoing, if only 2 of the 3 performance conditions are met, the amount of severance benefit will be reduced by 50% if the performance condition (1) is not met or if AXA's consolidated net income for the preceding fiscal year was negative.

No severance benefit will be paid if the beneficiary is entitled to an additional pension scheme within the 6 months following his termination.

The initial amount of the severance benefit would be equal to 19 months of the average compensation (fixed and variable) paid during the 24-month period preceding termination for Mr. Henri de Castries, and equal to 12 months of this average for Mr. Denis Duverne. For each beneficiary, one month will be added to the initial amount of the severance benefit for each additional year of future service up to a maximum cap of 24 months.

These commitments shall take effect upon the effective renunciation by Messrs. de Castries and Duverne of their respective employment contracts and will continue so long as they remain executive officers of AXA (including under renewed mandates);

- Messrs. de Castries and Duverne also renounced the indemnities to which they are currently entitled, pursuant to the collective agreement dated 1993, as employees (i) at the time of their retirement *(indemnités de départ en retraite)* and (ii) in case of termination (six month prior notice).

These commitments authorized by the Supervisory Board will be submitted to the approval of the next General Shareholders' Meeting on April 29, 2010.

Employee shareholders

SHAREPLAN

Since 1993, the AXA Group has promoted employee shareholding by offering each year to its employees an opportunity to become shareholders through a special share capital increase reserved exclusively to them ("SharePlan").

By virtue of the authorization granted by the General Shareholders' Meeting of April 30, 2009, the Management Board increased the Company's share capital through the issue of shares reserved to the Group employees under the SharePlan 2009 program. The shareholders waived their preferential subscription rights so that this offering could be made to employees.

In countries that met the legal, regulatory and tax requirements for participation in SharePlan, two investment options were offered in 40 countries in 2009:

- The traditional plan, offered in 39 countries;
- The leveraged plan, offered in 38 countries.

The traditional plan allowed employees to subscribe through a personal investment to AXA shares (either through mutual funds (FCPE) or through direct share ownership) with a 20% discount. The shares are held within the Group Company Savings Plan and are restricted from sale during a period of approximately 5 years (except specific early exit cases allowed by applicable laws). Employees are subject to the share price appreciation, up or down, as compared to the subscription price.

At the end of the 5 year holding period, the employees can, depending on their residence country, do any one of the following: (1) receive the cash value of their assets; (2) receive the value of their assets in the form of AXA shares; or (3) transfer their assets invested in the leveraged plan into the traditional sub-fund.

The leveraged plan allowed employees to subscribe, on the basis of 10 times their personal investment, to AXA shares (either through mutual funds (FCPE) or through direct share ownership) with a 20% discount in 2009. The shares are held within the Group Company Savings Plan and are restricted from sale during a period of approximately 5 years (except specific early exit cases allowed by applicable laws). Employees' personal investment is guaranteed by a bank, and employees also benefit from a portion of the share appreciation, as compared to the non-discounted reference price.

The leveraged plan is not accessible to Management Board and Executive Committee members.

New mutual funds (FCPE) with direct voting rights have been created since 2005 to allow beneficiaries, in most cases, to directly exercise their voting rights.

The SharePlan 2009 program was carried out through a capital increase that took place in December 2009 and was open to almost all Group employees through voluntary contributions:

- 30,995 employees took part in SharePlan 2009, representing 24.8% of eligible employees.
- The total amount invested was €393.7 million, as follows:
  - €26.7 million in the traditional plan, and
  - €367 million in the leveraged plan;
- A total of 26.4 million new shares were issued, each with a par value of €2.29. These shares began earning dividends on January 1, 2009.

As at December 31, 2009, AXA employees and agents held 5.92% of the share capital and 6.84% of the voting rights. These shares are owned through mutual funds or directly, in the form of shares or ADRs.

2.3 DESCRIPTION OF THE COMPANY'S SHARE REPURCHASE PROGRAM

Pursuant to Article 241-2 of the AMF General Regulation, this section constitutes the description of the Company's share repurchase program that will be submitted to the Shareholders for approval at AXA's General Meeting on April 29, 2010.

DATE OF THE SHAREHOLDERS' MEETING CONVENED TO AUTHORIZE THE PROGRAM

April 29, 2010.

TREASURY SHARES (HELD DIRECTLY BY THE COMPANY OR OWNED BY COMPANY SUBSIDIARIES) AS OF JANUARY 31, 2010

The table below sets forth the number of AXA shares and the percentage of shares directly (treasury shares) or indirectly (treasury shares held by the subsidiaries) held by the Company.

	Number of shares	% of share capital (a)	Par value (in Euro)
Treasury shares held directly by the Company	10,271,123	0.45%	23,520,871.67
Treasury shares owned by Company subsidiaries	17,764,637	0.78%	40,681,018.73
TOTAL	**28,035,760**	**1.22%**	**64,201,890.40**

(a) Percentage calculated on the basis of the number of AXA's outstanding ordinary shares as of January 31, 2010 (Source: Euronext Notice of January 26, 2010).

ANALYSIS OF TREASURY SHARES IN TERMS OF OBJECTIVES AS OF JANUARY 31, 2010

	Liquidity contract	Hedging of free shares granted to employees	Cancellation
Number of treasury shares held directly by the Company	4,545,000	5,726,123	–

OBJECTIVES OF THE COMPANY'S SHARE REPURCHASE PROGRAM

Pursuant to the provisions of the European Commission Regulation n° 2273/2003 which came into force on December 22, 2003 and in accordance with market practices permitted by the AMF, the objectives of the Company's share repurchase program that will be submitted to the shareholders' approval on April 29, 2010 are the following:

a) optimizing the liquidity of AXA ordinary shares, and notably to foster regular and liquid trading through a liquidity contract that complies with the AMAFI *(Association Française des Marchés Financiers)* Code of conduct approved by the AMF, and agreed to with an investment service provider, in compliance with market practices accepted by the AMF;

b) (i) hedging stock options offered to some or all employees or corporate officers of the Company and/or affiliated entities or economic interest groups as defined in Article L.225-180 of the French Commercial Code, (ii) granting free shares *(actions gratuites),* in accordance with legal provisions, to some or all present or former employees, corporate officers and general insurance agents pursuant to the discount and/or contribution *(abondement)* within an employee savings plan sponsored by the Company or the AXA Group, (iii) granting free shares *(actions gratuites)* to some or all employees or corporate officers of the Company and/or its affiliated entities or economic interest groups in particular pursuant to Article L.225-197-2 of the French Commercial Code, in connection with the provisions of Articles L.225-197-1 *et seq* of the French Commercial Code, and (iv) assigning shares to some or all present or former employees, corporate officers and general insurance agents of the Company or the AXA Group in connection with the implementation of any employee savings plan complying with the applicable laws and regulations, notably the Articles L.3332-1 *et seq* of the French Labor Code, or all other employee savings plans, as well as carrying out any hedging transaction related to the employee savings plans referred to in (iv);

c) holding shares for the purpose of subsequent payment or exchange in respect of potential external growth acquisitions, in compliance with the market practice accepted by the AMF;

d) delivering shares upon exercise of convertible, exchangeable or other securities giving a claim to the Company's share capital by way of repayment, conversion, exchange, presentation of a warrant or in any other manner;

e) canceling some or all of the repurchased shares, provided that the Management Board is duly authorized by the shareholders, under an extraordinary resolution, to reduce the capital through the cancellation of the shares acquired pursuant to a share repurchase program; or

f) in general, performing all admissible operations, or to be subsequently admitted, by the applicable laws and regulations.

MAXIMUM PERCENTAGE OF SHARE CAPITAL, MAXIMUM NUMBER AND TYPES OF SECURITIES THAT MAY BE REPURCHASED BY THE COMPANY AND MAXIMUM PURCHASE PRICE

	Share repurchase program submitted to shareholders approval on April 29, 2010		
Type of securities	**Maximum % of share capital**	**Maximum number of shares (a)**	**Maximum purchase price (per share)**
Ordinary shares	10%	228,996,507	€35

(a) This number represents the theoretical maximum number of shares that may be purchased by the Company, calculated on the basis of the Company's registered share capital as at February 1, 2010, i.e. €5,244,020,030.91 divided into 2,289,965,079 shares. Based on the number of treasury shares already held directly by the Company on that date, AXA may purchase up to 218,725,429 of its own securities.

DURATION OF THE REPURCHASE PROGRAM

18 months, subject to the approval of the program by the Ordinary Shareholders' Meeting of April 29, 2010.

TABLE OF TRANSACTIONS MADE DURING THE CURRENT SHARE REPURCHASE PROGRAM (UNTIL JANUARY 31, 2010)

Number of shares purchased since the beginning of the program	13,477,626
Number of shares sold since the beginning of the program	9,130,964
Number of shares transferred since the beginning of the program	2,691,693
Number of shares cancelled since the beginning of the program	101,617

TRANSACTIONS COMPLETED IN 2009 BY AXA ON ITS OWN SHARES

In connection with its share repurchase programs, which were approved respectively by AXA's shareholders at their General Meeting held on April 22, 2008 (15th resolution) and at their General Meeting held on April 30, 2009 (10th resolution), AXA, in accordance with the provisions of Article L.225-209 of the French Commercial Code, has continued the liquidity contract dated May 16, 2005 that complies with the AMAFI Code of Conduct approved by AMF. This contract has an initial duration of one year, it is automatically renewed unless terminated by one of the parties and appoints Crédit Agricole Cheuvreux to execute transactions pursuant to the terms of the contract.

Between January 1, 2009 and April 30, 2009, 12,565,388 shares were purchased under this liquidity contract for an average weighted gross unit price of €10.35 and 15,465,388 shares were sold for an average weighted gross unit price of €10.26. Related transaction fees incurred over the same period amounted to approximately €90,000.

Between May 1, 2009 and December 31, 2009, 9,440,964 shares were purchased under this liquidity contract for an average weighted gross unit price of €15.17, and 8,350,964 shares were sold for an average weighted gross unit price of

€15.13. Related transaction fees incurred over the same period amounted to approximately €185,000.

In addition, and in connection with the two share repurchase programs carried out pursuant to Article L.225-209 of the French Commercial Code (liquidity contracts being excluded), between January 1, 2009 and April 30, 2009, AXA repurchased 6,899,477 of its own shares (settlement of futures contracts) for an average weighted gross per share of €15.32, and between May 1, 2009 and December 31, 2009, AXA repurchased 1,500,000 of its own shares on one hand (hedging of the grant of free shares to employees of the Group) and 101,617 of its own shares on the other hand (exercises of call options in consideration of securities' cancellation) for an average weighted gross unit price of €15.52.

As a result, on December 31, 2009 the number of treasury shares held under the liquidity contract was 2,890,000 and the number of treasury shares, allocated for hedging purposes, was 5,726,128, i.e. a total of 8,616,128 shares held directly by the Company, equal to 0.38% of AXA's share capital at the year-end closing date, acquired for an aggregate purchase price of €132,718,176.03 (with a par value of €2.29 per share).

2.4 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Capital Ownership

As of December 31, 2009, AXA's fully paid up and issued share capital amounted to €5,244,020,133.96 divided into 2,289,965,124 shares, each with a par value of €2.29 and eligible for dividends as of January 1, 2009.

To the best of the Company's knowledge, the table below summarizes the ownership of its issued outstanding ordinary shares and voting rights as of December 31, 2009:

	Number of shares	% of capital ownership	% of voting rights [(a)]
Mutuelles AXA [(b)]	323,355,484	14.12%	22.20%
Treasury shares held directly by the Company	8,616,128	0.38%	[0.31%] [(c)]
Treasury shares held by Company subsidiaries (directly or indirectly) [(d)]	17,766,863	0.78%	[1.12%] [(c)]
Employees and agents	135,653,412	5.92%	6.84%
BNP Paribas SA	120,821,662	5.28%	8.29%
General public	1,683,751,575	73.52%	61.24%
TOTAL	**2,289,965,124** [(e)]	**100%**	**100%**

(a) In this table, voting rights' percentages are calculated on the basis that all outstanding ordinary shares are entitled to voting rights, notwithstanding the fact that certain of these shares may be deprived of voting rights by law or otherwise (for example, treasury shares held by AXA or its subsidiaries are deprived of voting rights under French law).

(b) AXA Assurances IARD Mutuelle (11.08% of capital ownership and 17.41% of voting rights) and AXA Assurances Vie Mutuelle (3.05% of capital ownership and 4.79% of voting rights).

(c) These shares will be entitled to vote when they cease to be treasury shares (e.g. upon their sale or other transfer to an unaffiliated third party).

(d) Treasury shares as indicated in Note 13 to "consolidated financial statements" included in Part 4 of this Annual Report.

(e) Source: Euronext Notice of January 7, 2010.

AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle (the "Mutuelles AXA") are parties to agreements pursuant to which they have stated their intention to collectively vote their shares in AXA. As part of these agreements, the Mutuelles AXA have also established a strategy committee *(comité de coordination stratégique)* composed of various members appointed by the Boards of Directors of the Mutuelles AXA. The strategy committee elects a chairman from among its members who, at present, is Claude Bébéar, who is the former Chairman of AXA's Supervisory Board. The strategy committee is generally consulted on all significant matters relating to AXA.

To the best of the Company's knowledge, no shareholder held more than 5% of the Company's share capital or voting rights as of December 31, 2009 except as indicated in the table above.

Certain of the Company's shares are entitled to double voting rights as described in Part 5 – "Certain additional information" – "Voting rights" Section of this Annual Report. Of the Company's 2,289,965,124 outstanding ordinary shares as of December 31, 2009, 510,990,432 shares entitled their holders to double voting rights as of that date.

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SIGNIFICANT CHANGES IN CAPITAL OWNERSHIP

Significant changes in ownership of the Company's share capital between December 31, 2007 and December 31, 2009 are set forth in the table below:

	As of December 31, 2009 [a]			
	Number of shares	Capital ownership (%)	Number of votes	Votingrights (%)
MutuellesAXA [b]	323,355,484	14.12%	621,837,469	22.20%
Treasury shares held directly by the Company	8,616,128	0.38%	[8,616,128] [c]	[0.31%] [c]
Treasury shares held by Company subsidiaries (directly and indirectly) [d]	17,766,863	0.78%	[31,246,043] [c]	[1.12%] [c]
Employees and agents	135,653,412	5.92%	191,670,224	6.84%
General public [e]	1,804,573,237	78.80%	1,947,585,692	69.53%
TOTAL	**2,289,965,124** [f]	**100%**	**2,800,955,556**	**100%**

(a) In this table, voting rights' percentages are calculated on the basis that all outstanding ordinary shares are entitled to voting rights, notwithstanding the fact that certain of these shares may be deprived of voting rights by law or otherwise (for example, treasury shares are deprived of voting rights under French law).
(b) AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle.
(c) These share will be entitled to vote when they cease to be treasury shares (e.g. upon their sale or other transfer to an unaffiliated third party).
(d) Treasury shares as indicated in Note 13 to "consolidated financial statements" included in Part 4 of this Annual Report.
(e) Including BNP Paribas SA.
(f) Source: Euronext Notice of January 7, 2010.

As of December 31, 2009, to the best of the Company's knowledge based on the information available to it, the Company had approximately:

- 10,740 total registered holders of its ordinary shares (i.e. shareholders holding in nominative form); and
- 89,072,633 ADSs outstanding, representing approximately 3.89% of the Company's total outstanding shares.

FULLY DILUTED CAPITAL AS OF DECEMBER 31, 2009

The following table indicates the Company's fully diluted share capital, assuming that the maximum number of new shares is issued following the exercise of all outstanding stock options and warrants.

	Fully diluted capital
Ordinary shares issued on December 31, 2009 [a]	2,289,965,124
Stock options	81,394,793
Stock subscription warrants related to the SharePlan operation in Germany	4,992,114
Maximum total number of shares	2,376,352,031

(a) Source: Euronext Notice of January 7, 2010.

As of December 31, 2008 [a]				As of December 31, 2007 [a]			
Number of shares	Capital ownership (%)	Number of votes	Votingrights (%)	Number of shares	Capital ownership (%)	Number of votes	Voting rights (%)
298,481,985	14.29%	596,963,970	23.10%	298,481,986	14.48%	496,139,340	20.84%
4,719,507	0.23%	[4,719,507] [c]	[0.18%] [c]	9,896,268	0.48%	[9,896,268] [c]	[0.42%] [c]
17,584,586	0.84%	[17,584,586] [c]	[0.68%] [c]	20,859,062	1.01%	[20,859,062] [c]	[0.88%] [c]
122,348,395	5.86%	175,001,141	6.77%	107,755,703	5.23%	143,111,767	6.01%
1,646,023,696	78.78%	1,790,194,985	69.27%	1,623,760,473	78.80%	1,710,668,535	71.85%
2,089,158,169	**100%**	**2,584,464,189**	**100%**	**2,060,753,492**	**100%**	**2,380,674,972**	**100%**

AXA subordinated convertible bonds as of December 31, 2009 (a)

	Subordinated convertible bonds issued on February 17, 2000
Number of bonds initially issued	6,646,524
Issue price	€165.50
Total principal amount	€1,099,999,722
Closing date	February 17, 2000
Maturity date	January 1, 2017
Coupon	3.75%
Conversion	Starting February 17, 2000: 4.41 (b) shares for 1 bond
Maturity of the bonds	Total redemption on January 1, 2017 at €269.16 per bond, i.e. 162.63% of the nominal amount
Early redemption	– The Company may purchase the bonds on any Stock Exchange or otherwise in accordance with applicable law, including by way of tender for purchase or exchange, – At the option of the issuer, in cash, from January 1, 2007 at a price with a gross 6% actuarial yield, if the Company's share average over 10 consecutive days is above 125% of the anticipated repayment price, – At any time, at the option of the issuer, at €269.16 if the number of bonds in circulation is below 10% of the number of bonds issued.
Number of bonds outstanding as of December 31, 2009	**6,613,254**

(a) *AXA's 2017 convertible bonds can still be converted, but any dilutive impact created by the issuance of new shares resulting from the conversion of the bonds is neutralized by the automatic exercise of call options on the AXA shares that were put in place in January 2007.*

(b) *As a result of certain financing transactions (capital increases with preferential subscription rights, reserves distribution), the conversion conditions of AXA 2017 convertible bonds were adjusted on several occasions since their issue in 2000. During 2009, the conversion ratio was increased to 4.41 AXA shares with a par value of €2.29 for one convertible bond (see Euronext notice n° PAR_20091109_05426 published on November 9, 2009 and Euronext notice n° PAR_20091209_05954 published on December 9, 2009).*

Related party transactions, employee shareholders and cross-shareholding agreements

RELATED PARTY TRANSACTIONS

For information concerning related party transactions, please see Part 4 – "consolidated financial statements" – Note 27 "Related Party Transactions" of this Annual Report.

EMPLOYEE SHAREHOLDERS

SharePlan

Since 1993, the AXA Group has promoted employee shareholding by offering each year to its employees an opportunity to become shareholders through a special equity issue reserved exclusively for them ("SharePlan").

By virtue of the authorization granted by the shareholders at the Annual General Meeting of April 30, 2009 (20th resolution), the Management Board increased the Company's share capital in one offering, through the issue of shares to Group employees under the SharePlan 2009 program. The shareholders waived their preferential subscription rights to facilitate this offering to employees. In the countries that met the legal and tax requirements for participation in SharePlan, two investment options were offered in 2009:

- The traditional plan, offered in 39 countries;
- The leveraged plan, offered in 38 countries.

Approximately 31,000 employees in 40 countries took part in SharePlan 2009, and participating employees invested a total of more than €393 million, as follows:

- €26.7 million in the traditional plan; and
- €367 million in the leveraged plan.

On the closing of the 2009 SharePlan offering in December 2009, AXA issued a total of 26.4 million new ordinary shares each with a par value of €2.29, all of which were entitled to dividends for 2009.

As of December 31, 2009, AXA employees and agents held 5.92% of the Company's share capital and 6.84% of the voting rights. These shares are owned through mutual funds or directly, in the form of shares or ADRs in the framework of the Group employee stock purchase plans.

AXA Miles

In order to reward its employees for the results obtained in 2005 and 2006 and to foster their engagement to the success of its "Ambition 2012" project, AXA has implemented a worldwide program of granting free shares to all its employees, called "AXA Miles".

By virtue of the authorization granted by the shareholders at the General Shareholders' Meeting on May 14, 2007, the Management Board granted on July 1, 2007, 50 AXA shares to each employee of the AXA Group, with the exception of Management Board and Executive Committee members.

This broad-based grant to all employees having at least 3 months of service as of July 1, 2007, regardless of their position or compensation level, was designed to underline the important role that all Group employees have in helping the Group to reach its Ambition 2012 objectives.

The AXA Miles program resulted in a grant of 5,586,900 AXA shares to 111,738 employees in 54 countries. While the vesting conditions and compulsory holding periods applicable to these shares vary depending on local regulations, these shares generally are not fully vested and available to employees before the fourth anniversary of the grant date.

CROSS-SHAREHOLDING AGREEMENTS

AXA has entered into cross-shareholding agreements with BNP Paribas and Schneider which are described hereafter.

Agreement with BNP Paribas

On December 15, 2005, and after authorization by the AXA Supervisory Board on June 29, 2005, the AXA Group and the BNP Paribas Group entered into an agreement that replaces a prior agreement between them dated September 12, 2001.

The 2005 agreement maintains the provisions of the prior agreement concerning minimal and stable cross-shareholdings. Pursuant to the agreement, the AXA Group undertakes to hold at least 43,412,598 shares of BNP Paribas and the BNP Paribas Group undertakes to hold at least 61,587,465 shares of AXA. These amounts are subject to adjustment to reflect the impact of certain capital transactions, including, but not limited to: capital increases, free allotments of stock, stock splits or similar transactions. In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of five years starting from December 16, 2005, this agreement is renewable automatically for an initial period of two years and for successive periods of one year thereafter, unless one of the two parties decides to terminate the agreement earlier, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF on December 21, 2005.

Agreement with Schneider

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group, the Mutuelles AXA and the Schneider Group entered into an agreement that provides for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertakes to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertakes to hold at least 8,816,681 AXA ordinary shares. The number of shares held under this cross-shareholding agreement will be adjusted as needed to reflect the impact of certain capital transactions, including, but not limited to: capital increases, free allotments of stock, stock splits or similar transactions. In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of one year from the date of signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case the terminating party is required to give a three months notice prior to the next renewal date.

The agreement was made public by the AMF on May 31, 2006.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Special report of the Statutory Auditors on regulated agreements and commitments

For the period from January 1, 2009 to February 17, 2010

This is a free translation into English of the Statutory Auditors' report issued in French and which is provided solely for the convenience of English readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA**
25, avenue Matignon
75008 Paris

In our capacity as Statutory Auditors of your Company, we hereby submit our report on regulated agreements and commitments.

Agreements and commitments approved during the period from January 1, 2009 and February 17, 2010

In accordance with article L.225-88 of the French Commercial Code, we were advised of regulated agreements and commitments that have been approved by your Supervisory Board.

It does not fall within the scope of our assignment to ascertain the potential existence of other agreements and commitments but rather, on the basis of the information that was supplied to us, to inform you, the shareholders, of the main features of those agreements of which we have been informed. It is not our responsibility to express an opinion on the utility or merits of such agreements. Pursuant to Article R.225-58 of the French Commercial Code, you are asked to form an opinion on the relevance of such agreements for the purpose of approving them.

We performed our work in accordance with the professional standards applicable in France. These standards consisted in the verification of the consistency of the information we received with the basis documentation from which they are extracted.

With the following corporate executives officers: Messrs. Henri de Castries, Denis Duverne and François Pierson, members of the Company's Management Board.

Nature, purpose and conditions:

On October 7, 2009, the Supervisory Board authorized an amendment to the supplementary pension scheme's rule applicable to director-level employees ("Executives") of the AXA Group in France and that includes certain members of the Company's Management Board (Henri de Castries, Denis Duverne and François Pierson).

This scheme, which has existed since January 1, 1992, has been modified twice with effect from January 1, 2005 and from July 1, 2009. This new scheme was approved by the Supervisory Board on October 7, 2009, after having been presented for advice to all work councils and central work councils in France during the third quarter of 2009.

Under this scheme, a supplementary pension is paid to Executives who retire immediately upon leaving the AXA Group, at age of 60 or older, and who have a minimum length of service of 10 years, of which at least 5 years as an executive. May also benefit from the scheme Executives whose employment is terminated by the Company after the age of 55, under the condition that they do not resume any professional activity before retiring.

The amount of the supplementary pension is calculated at the time of retirement and is in addition to the total amount of retirement pensions paid under mandatory schemes (Social Security, ARRCO, AGIRC…) and under any other retirement scheme to which the beneficiary may have participated during his/her career, both within or outside the AXA Group.

The amount of the supplementary pension aims, for a minimum executive seniority of 20 years, at achieving a global pension equivalent to:

- 40% of the average gross compensation of the past 5 years preceding the retirement date, if this average is superior to 12 annual Social Security ceilings;
- 50% of the average gross compensation of the past 5 years preceding the retirement date, if this average is inferior to 8 annual Social Security ceilings;
- 2.4 Social Security ceilings +20% of the average gross compensation of the past 5 years preceding the retirement date, if this average is between 8 and 12 annual Social Security ceilings.

Reduced rates shall apply for an executive seniority of less than 20 years. As an example, with 10 years of executive seniority, the supplementary pension allows to reach a global pension equivalent to 34% instead of 40%. This rate is reduced to 20% for an executive seniority of 5 years, and no supplementary pension is paid for an executive seniority of less than 5 years.

In case of departure from the Group before retirement, no supplementary pension is paid.

With Mr. Henri de Castries

Nature, purpose and conditions:

On February 17, 2010, the Supervisory Board acknowledged that Mr. Henri de Castries has decided to renounce his employment contract. This renunciation will be effective following AXA's General Shareholders' Meeting on April 29, 2010 which will consider AXA's proposed change in the Company's corporate governance structure in view of the adoption of a unitary board structure (Board of Directors). Within this new structure, Mr. de Castries would hold the positions of Chairman and Chief Executive Officer (*Président Directeur Général or PDG*).

The Supervisory Board was concerned that the decision of Mr. de Castries to renounce his employment contract in accordance with the AFEP/MEDEF recommendations do not jeopardize the continuity of his accrued and future social benefits. In this context, the Supervisory Board took the following decisions:

- the Supervisory Board authorized the Company to take necessary commitments so that Mr. Henri de Castries continues, as executive corporate officer, to have social benefits (health insurance, life insurance, disability insurance, retirement, etc.) on terms equivalent to those of all other director-level employees of the AXA Group in France, and notably to amend accordingly the Group collective agreements for life, disability and retirement insurance and health insurance;
- the Supervisory Board authorized a contractual severance benefit for Mr. de Castries designed to replicate the benefits to which he is currently entitled as AXA employee under the 1993 collective agreement covering director-level employee of the insurance sector, but with the addition of new performance conditions in accordance with the AFEP/MEDEF recommendations.

  A severance benefit would be applicable, except in the case of gross or wilful misconduct, solely in the event of dismissal, non-renewal or resignation within 12 months following a change in the company's control or strategy that has not been initiated by the beneficiary.

  The payment of the severance benefit would also be subject to the three following performance conditions: (1) achievement, for at least 2 of the 3 preceding fiscal years, of the objectives set for the beneficiary's variable compensation and corresponding to the payment of at least 65% of his variable compensation target; (2) evolution of the AXA share price at least equal to the DowJones Eurostoxx Insurance index (in percentage) over a 3-year period preceding the termination of the term of office; (3) financial strength ratings of the AXA Group's principal insurance subsidiaries above or equal to the minimum ratings set by the Supervisory Board with regard to the insurance industry and the ratings of AXA's principal competitors.

  The amount of severance benefit to be paid to the beneficiary would be adjusted in accordance with the level of achievement against these performance conditions: (1)100% of the severance benefit will be paid if at least 2 of the 3 performance conditions are met; (2) 40% of the severance benefit will be paid if only 1 performance condition is met; and (3) no severance benefit shall be paid if none of the performance conditions are met. Notwithstanding the foregoing, if only 2 of the 3 performance conditions are met, the amount of severance benefit will be reduced by 50% if the performance condition (1) is not met or if AXA's consolidated net income for the preceding fiscal year was negative.

  No severance benefit will be paid if the beneficiary is entitled to an additional pension scheme within the 6 months following his termination.

  The initial amount of the severance benefit would be equal to 19 months of average compensation (fixed and variable) paid during the 24-month period preceding termination for Mr. Henri de Castries. One month will be added to the initial amount of the severance benefit for each additional year of future service up to a maximum cap of 24 months.

  These commitments shall take effect upon the effective renunciation by Mr. de Castries of his employment contract and will continue so long as they remain executive officers of AXA (including under renewed mandates).

With Mr. Denis Duverne

Nature, purpose and conditions:

On February 17, 2010, the Supervisory Board acknowledged that Mr. Denis Duverne has decided to renounce his employment contract. This renunciation will be effective following AXA's General Shareholders' Meeting on April 29, 2010 which will consider AXA's proposed change in the Company's corporate governance structure in view of the adoption of an unitary board structure (Board of Directors). Within this new structure, Mr. Duverne would hold the position of Deputy Chief Executive Officer (*Directeur Général Délégué or DGD*).

The Supervisory Board was concerned that the decision of Mr. Duverne to renounce his employment contract in accordance with the AFEP/MEDEF recommendations do not jeopardize the continuity of his accrued and future social benefits. In this context, the Supervisory Board took the following decisions:

- the Supervisory Board authorized the Company to take necessary commitments so that Mr. Duverne continues, as executive corporate officer, to have social benefits (health insurance, life insurance, disability insurance, retirement, etc.) on terms equivalent to those of all other director-level employees of the AXA Group in France, and notably to amend accordingly the Group collective agreements for life, disability and retirement insurance and health insurance;
- the Supervisory Board authorized a contractual severance benefit for Mr. Duverne designed to replicate the benefits to which he is currently entitled as AXA employees under the 1993 collective agreement covering director-level employees of the insurance sector, but with the addition of new performance conditions in accordance with the AFEP/MEDEF recommendations.

  The grant conditions for severance benefit and its calculation would be identical to those described for Mr. Henri de Castries except on the initial amount of compensation that would be equal for Mr. Denis Duverne to 12 months of his average compensation (fixed and variable) paid during the 24-months period preceding the termination of his duties.

  These commitments shall take effect upon the effective renunciation by Mr. Duverne of his employment contract and will continue so long as he remains executive officer of AXA (including under renewed mandates).

Agreements and commitments approved in prior fiscal years that remained in force in 2009

In accordance with French Commercial Code, we have been informed that the following commitments and regulated agreements, approved in prior fiscal years, remained in force in 2009:

With the BNP Paribas Group

On December 15, 2005 and after authorization by the AXA Supervisory Board on June 29, 2005, the AXA Group (AXA and its subsidiaries) and the BNP Paribas Group entered into an agreement that replaces the one in force since September 12, 2001, modified by amendment as of October 26, 2004.

The new agreement contains provisions in terms of minimal and stable cross-shareholdings (the AXA Group undertakes initially to hold at least 43,412,598 shares of BNP Paribas stock; the BNP Paribas Group undertakes initially to hold at least 61,587,465 shares of AXA stock; these amounts will be adjusted thereafter in order to reflect the impact of capital transactions, including but not limited to free allotments of stock or share tenders involving the same company (stock splits or regrouping, etc.), and capital increases involving either BNP Paribas or AXA, and also provides for a reciprocal repurchase option in the event of a hostile takeover on either AXA or BNP Paribas.

In force for a period of five years as from December 16, 2005, this agreement is renewable automatically for an initial period of two years and for successive periods of one year thereafter, unless one of the two parties decides to terminate beforehand, in which case it is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF *(Autorité des marchés financiers)* on December 21, 2005.

With Schneider

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group (the AXA Mutuelles, AXA and its subsidiaries) and the Schneider Group entered into an agreement that provides for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertakes to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertakes to hold at least 8,816,681 shares of AXA stock. The number of shares held under this cross-shareholding agreement will be adjusted as needed in order to reflect the impact of capital transactions, including but not limited to free allotments of stock or share tenders involving the same company (stock splits or regrouping, etc.). In addition, the parties have consented to a reciprocal repurchase option in the event of a hostile takeover on either AXA or Schneider.

In force for a period of one year as of the date of its signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case it is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF *(Autorité des marchés financiers)* on May 31, 2006.

Neuilly-sur-Seine and Courbevoie, March 16, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Coll – Eric Dupont

Mazars
Philippe Castagnac – Jean-Claude Pauly

2.5 THE OFFER AND LISTING

Markets

The principal trading market for the Company's ordinary shares is the Compartment A of Euronext Paris. The AXA ADSs, each representing one AXA ordinary share, are listed on the New York Stock Exchange [(1)].

TRADING ON EURONEXT PARIS

Official trading of listed securities on Euronext Paris, including the Company's ordinary shares, is transacted through French stockbrokers (*sociétés de bourse*) and takes place continuously on each business day in Paris from 9:00 a.m. to 5:30 p.m. (Paris time), with a fixing of the closing price at 5:35 p.m.

In France, the Company's ordinary shares are included in the principal index published by Euronext Paris (the "CAC 40 Index"). The Company's ordinary shares are also included in Euronext 100, the index representing Euronext's blue chip companies based on market capitalization. The Company's ordinary shares are also included in the Dow Jones STOXX 50 and Dow Jones EURO STOXX 50, blue chip indices comprised of the 50 most highly capitalized and most actively traded equities throughout Europe and within the Eurozone, respectively. In addition, the Company's ordinary shares are also included in the Dow Jones EURO STOXX Insurance, the insurance related index for companies within the Eurozone.

The table below sets forth, for the periods indicated, the reported high and low prices (closing and intraday) in Euro for the Company's ordinary shares on Euronext Paris:

Calendar Period	Closing High (€) [(a)]	Closing Low (€) [(a)]	Intraday High (€)	Intraday Low (€)
2004	**18.325**	**15.115**	**18.555**	**14.952**
2005	**26.798**	**17.309**	**26.913**	**17.156**
2006	**30.417**	**22.878**	**30.544**	**22.475**
2007				
First quarter	33.631	28.853	33.690	28.824
Second quarter	33.817	30.290	34.081	29.850
Third quarter	31.970	27.143	32.195	26.928
Fourth quarter	31.540	24.750	31.745	24.544
Annual	33.817	24.750	34.081	24.544
2008				
First quarter	26.362	19.004	26.968	18.740
Second quarter	24.857	18.428	25.092	17.636
Third quarter	24.085	16.825	24.373	15.707
Fourth quarter	23.675	11.442	23.733	10.855
Annual	26.362	11.442	26.968	10.855

(a) Following the issue of new shares with preferential subscription rights closed by AXA in December 2009 (see Euronext notice n° PAR-20091109-05426-EUR published on November 9, 2009). Share prices prior to the listing of new shares were adjusted on the basis of the theoretical value of the right (see Euronext notice n° 2009-252 published on November 9, 2009).

(1) On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter.

Calendar Period	Closing High (€) [(a)]	Closing Low (€) [(a)]	Intraday High (€)	Intraday Low (€)
2009				
First quarter	16.757	5.743	16.952	5.583
Second quarter	14.432	9.320	14.705	8.677
Third quarter	18.076	11.491	18.198	11.261
Fourth quarter	19.263	15.620	19.366	15.400
Annual	19.263	5.743	19.366	5.583
2009 and 2010				
August 2009	15.770	14.852	16.097	14.324
September 2009	18.076	14.813	18.198	14.686
October 2009	19.263	16.625	19.366	16.327
November 2009	17.230	15.870	17.390	15.400
December 2009	16.805	15.620	16.850	15.500
January 2010	17.255	15.000	17.485	14.820
February 2010	15.640	14.280	15.870	13.965

(a) Following the issue of new shares with preferential subscription rights closed by AXA in December 2009 (see Euronext notice n° PAR-20091109-05426-EUR published on November 9, 2009). Share prices prior to the listing of newly issued shares were adjusted on the basis of the theoretical value of the right (see Euronext notice n° 2009-252 published on November 9, 2009).

TRADING ON THE NEW YORK STOCK EXCHANGE

The Bank of New York Mellon serves as depositary with respect to the Company's ADSs traded on the NYSE. Each ADS represents the right to receive one ordinary share.

The table below sets forth, for the periods indicated, the reported high and low prices (closing and intraday) in US dollars for the Company's ADSs on the NYSE:

Calendar Period	Closing High ($)	Closing Low ($)	Intraday High ($)	Intraday Low ($)
2004	**24.82**	**19.18**	**24.94**	**19.00**
2005	**33.33**	**23.40**	**33.35**	**23.35**
2006	**40.55**	**30.13**	**40.70**	**29.81**
2007				
First quarter	45.33	39.82	45.39	38.95
Second quarter	47.01	41.19	47.10	41.17
Third quarter	44.96	37.51	45.25	36.57
Fourth quarter	45.55	37.72	45.85	37.68
Annual	47.01	37.51	47.10	36.57
2008				
First quarter	39.69	30.67	40.17	30.09
Second quarter	39.57	29.42	40.00	29.42
Third quarter	35.95	27.19	36.00	26.28
Fourth quarter	34.30	13.86	34.75	13.78
Annual	39.69	13.86	40.17	13.78

Calendar Period	Closing High ($)	Closing Low ($)	Intraday High ($)	Intraday Low ($)
2009				
First quarter	24.13	7.25	24.20	7.20
Second quarter	20.82	12.56	21.04	11.73
Third quarter	27.05	16.42	27.35	16.07
Fourth quarter	29.40	22.92	29.50	22.60
Annual	29.40	7.25	29.50	7.20
2009 and 2010				
August 2009	23.11	21.64	23.26	21.24
September 2009	27.05	21.59	27.35	21.37
October 2009	29.40	24.80	29.50	24.75
November 2009	26.36	24.45	26.47	23.80
December 2009	24.73	22.92	25.23	22.60
January 2010	24.89	20.59	25.04	20.54
February 2010	21.90	19.25	21.98	19.10

No guarantee of the market price of the Company's ordinary shares or ADSs can be given and past price is no indication of future performance. You are urged to obtain current market quotations for these securities.

3

RISK FACTORS

Certain disclosures about market risk and related matters

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3.1 RISK FACTORS

You should carefully consider the following risks. These risks could materially affect our business, results of operations or financial condition, cause the trading price of our ordinary shares and/or ADSs to decline materially or cause our actual results to differ materially from those expected or those expressed in any forward looking statements made by or on behalf of the Company. The risks described below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, results of operations or cash flows.

Many of the risks described below are inherent to the nature of our business and the economic, competitive and regulatory environment in which we operate. Given the multiple contingencies and the inherent uncertainties involved with many of these risks, management is not able to quantify the impact of many of these risks with any level of precision, however, it has put in place numerous risk management processes, procedures and controls to monitor and manage these risks on an on-going basis. These risk management processes, procedures and controls are described in detail in Section 3.2 of this Annual Report and this Section 3.1 should be read in conjunction with Section 3.2. In those cases where the risks described in this Section 3.1 have given rise to quantifiable and material financial impacts and/or material contingent liabilities, those financial impacts and/or contingent liabilities are reflected in the Group's consolidated financial statements in accordance with applicable IFRS accounting standards. In presenting the risks set forth in this Section 3.1, management has prioritized the four categories of risks presented and the individual risks within each of these categories in a manner that corresponds to management's current view as to the potential impact (from higher to lower) of the risk for the AXA Group. While the management devotes very substantial resources to risk management on an on-going basis as described in Section 3.2 of this Annual Report, the Group's risk management activities, like all control systems, are subject to inherent limitations and cannot provide absolute assurance or render the Group immune in any respect from the risks described in this Section 3.1.

RISKS RELATING TO THE FINANCIAL MARKETS, OUR FINANCIAL STRENGTH RATINGS AND FINANCIAL CONDITION, THE VALUATION OF OUR ASSETS AND RELATED MATTERS

Continuing difficult conditions in the global financial markets and the economy may materially adversely affect our business and profitability, and these conditions may continue

Our results of operations are materially affected by conditions in the global financial markets and the economy generally. We have been affected by the financial crisis and its aftermath during each of our last two fiscal years. A wide variety of factors including concerns over the availability and cost of credit, the stability and solvency of financial institutions and other companies, future inflation, energy costs, and geopolitical issues have contributed to increased volatility and diminished expectations for the economy in general and the markets going forward. These factors, combined with volatile oil prices, depressed real estate markets, volatile equity market values, declining business and consumer confidence and the risks of increased future inflation and unemployment, have precipitated a significant economic slowdown in many of the countries where we do business. While there are some signs of a recovery in some countries, management believes we are in a period of slow growth and it is not yet certain whether the recovery is sustainable.

The global fixed-income markets continue to experience both volatility and limited market liquidity conditions, which have affected a broad range of asset classes and sectors. As a result, the market for fixed income instruments has continued to experience increased price volatility, credit downgrade events, and increased probability of default. Global equity markets, while improved from 2008, continue to be volatile, with many major markets ending the year still down significantly from their peak.

These events and the continuing market upheavals, have had and may continue to have an adverse effect on our revenues and results of operations in part because we have a large investment portfolio and are also dependent upon customer behavior and confidence. In our Life & Savings business, these conditions could affect the sales of our participating life insurance and pension products, mutual funds, asset management services and products with financial risk borne by the policyholders (unit-linked), including Variable Annuity products and Variable Life products. In particular, protracted or steep declines in the stock or bond markets typically reduce the popularity of unit-linked products. Also, the account value of these products will be affected by a downturn in financial markets and decreased account values will decrease the fees generated by these products. In our Asset Management business, these adverse market conditions may impact the flow of investment capital into or from assets under management or supervision and could negatively impact the way customers allocate capital among money market, equity, fixed income, or other investment alternatives.

Our ability to make a profit on insurance products and investment products, including fixed and guaranteed products, depends in part on the returns on investments supporting our obligations under these products, and the value of specific investments may fluctuate substantially depending on the foregoing conditions. Certain types of insurance and investment products that we offer expose us to risks associated with fluctuations in financial markets, including certain types of interest sensitive or variable products such as guaranteed annuities or variable annuities, which have crediting or other guaranteed rates or guaranteed minimum benefits not necessarily related to prevailing market interest rates or investment returns on underlying assets. Although we use hedging techniques to manage our exposure under certain of these guarantees, volatility in the financial markets, combined with unanticipated policyholder behavior, may increase the cost of these hedges and/or negatively affect our ability to hedge certain of these risks, which may adversely affect our profitability. For further risks related to our hedging techniques, see "Risks relating structure of our Group, the scope and nature of our business, and the products we offer – Our hedging programs may be inadequate to protect us against the full extent of the exposure or losses we seek to mitigate which may negatively impact our business, results of operations and financial condition."

Factors such as consumer spending, business investment, government spending, the volatility and strength of the capital markets, and inflation all affect the business and economic environment and, ultimately, the amount and profitability of our business. In an economic downturn characterized by higher unemployment, lower family income, lower corporate earnings, lower business investment and lower consumer spending, the demand for our financial and insurance products could be adversely affected. In addition, we may experience an elevated incidence of lapses or surrenders of policies, and our policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. These developments could have a material adverse effect on our business, results of operations and financial condition.

Adverse capital and credit market conditions may significantly affect our ability to meet liquidity needs, access to capital and cost of capital

The capital and credit markets have continued to experience volatility and disruption, significantly limiting the availability of additional liquidity in the markets and credit capacity for most issuers including AXA.

We need liquidity to pay our operating expenses (including claims and surrenders), interest on our debt, dividends on our capital stock and to refinance certain maturing debts and other liabilities. In addition, we need liquidity in connection with certain derivatives transactions to which we are party which require us to post cash collateral and/or subject us to margin calls in certain circumstances. A lack of sufficient liquidity and/or access to financing over a prolonged period may have a material adverse effect on our business, results of operations and consolidated financial position. The principal sources of our liquidity are insurance premiums, annuity considerations, deposit funds, asset management fees, cash flows from our investment assets and cash/cash-equivalents on our balance sheet. Sources of liquidity in normal markets also include a variety of short-and long-term instruments, including repurchase agreements, commercial paper, medium and long-term debt, junior subordinated debt securities, capital securities and shareholders' equity.

In the event our current resources do not satisfy our needs, we may have to seek additional financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the volume of trading activities, the overall availability of credit to the financial services industry, our credit ratings and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of our long-term or short-term financial prospects if we incur large investment losses or if the level of our business activity decreased due to a market downturn. Similarly, our access to funds may be impaired if regulatory authorities or rating agencies take negative actions against us. While management has in place a liquidity risk management framework that includes active monitoring of the Group's liquidity position and contingency plans for accessing liquidity, if our internal sources of liquidity prove to be insufficient or if our liquidity requirements change so as to require additional funding, we may not be able to successfully obtain additional financing on favorable terms, or at all.

Our consolidated solvency margin and the regulatory capital requirements of our insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors, which could have a material adverse effect on our business, liquidity, credit ratings, results of operations and financial position

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

At the consolidated Group level, the Company is required to calculate, in accordance with applicable French "Solvency I" regulations, a consolidated solvency margin ratio which represents the Company's total available capital as compared to its required regulatory capital. Under applicable French regulations, 100% is the minimum required consolidated solvency margin for the Company. As at December 31, 2009 the Company's consolidated solvency margin was 171% (taking into account the proposed 2009 dividend payment of €0.55 per share) which represented a €15.6 billion capital surplus at that date: (i) €22.1 billion of required capital [(1)], versus (ii) €37.7 billion of available capital [(2)]. The Company's year-end 2009 solvency margin is significantly higher than its consolidated solvency margin at December 31, 2008 (127%) and at December 31, 2007 (154%). While management believes that consolidated solvency calculation methodologies and calculations are not entirely uniform and comparable across markets and between companies, the Company's consolidated solvency margin is lower than the consolidated solvency margin ratios published by certain of the Company's principal competitors. The Company's consolidated solvency margin ratio is sensitive to capital market conditions (including the level of interest rates, the level of equity markets and foreign exchange impacts) as well as a variety of other factors. Adverse financial market conditions would further negatively impact the Company's consolidated solvency margin.

Management monitors the Company's consolidated solvency margin and the regulatory capital requirements of its insurance subsidiaries on an on-going basis both for regulatory compliance purposes and to ensure that the Company and its subsidiaries are appropriately positioned from a competitive point of view. Insurance regulators have broad discretion in interpreting, applying and enforcing their rules and regulations with respect to solvency and regulatory capital requirements and, during periods of extreme financial market turmoil of the type we have experienced over the past two years, regulators may become more conservative in the interpretation, application and enforcement of these rules which may involve them, for example, imposing increased reserving requirements for certain types of risks, greater liquidity requirements, higher discounts/ "haircuts" on certain assets or asset classes, more conservative calculation methodologies or taking other similar measures which may significantly increase regulatory capital requirements. For example, in 2009, ACAM (*Autorité de Contrôle des Assurances et des Mutuelles*) undertook a review of Variable Annuity products sold in France as well as the Group's hedging platforms and processes used to hedge certain risks associated with its Variable Annuity business. ACAM's review raised various issues including with respect to compliance of the French Variable Annuity product with French legal requirements and certain aspects of AXA France's statutory reserving methodology for its Variable Annuity business. Discussions with ACAM[(3)] on this review and actions to be undertaken by the Group in response are on-going. In the event of a failure by the Company and/or any of its insurance subsidiaries to meet minimum regulatory capital requirements, insurance regulators have broad authority to require or take various regulatory actions including limiting or prohibiting the issuance of new business, prohibiting payment of dividends, and/or, in extreme cases, putting a company into rehabilitation or insolvency proceedings. A failure of any of the Company's insurance subsidiaries to meet their regulatory capital requirements and/or a reduction in the level of their regulatory capital that may negatively impact their competitive position may also result in the Company having to inject significant amounts of new capital into its insurance subsidiaries which could adversely affect the Company's liquidity position, results of operations and financial position. For example, in 2008, the Company provided significant amounts to its subsidiaries through loans, capital contributions or other mechanisms including approximately €2.44 billion loaned to its US subsidiary AXA Financial Inc.that was used to enhance the capitalization of AXA Financial's insurance subsidiaries. In the current financial market environment, management believes that its insurance subsidiaries may become increasingly dependent on the Company for capital resources and funding over the coming months.

Ratings agencies also take into account the Company's consolidated solvency margin and the regulatory capital position of its insurance subsidiaries in assessing our financial strength and credit ratings. Ratings agencies may make changes to their internal models from time to time that may increase or decrease the amount of capital we must hold in order to maintain our current ratings. For example, certain rating agencies are currently considering adjusting their criteria for recognizing certain subordinated debt as regulatory capital which may negatively impact the Company's regulatory capital position and consolidated solvency margin. To the extent our regulatory capital levels are deemed insufficient to meet rating agency criteria, our financial strength and credit ratings may be downgraded.

In the context of the financial crisis, management has developed various contingency plans designed to ensure that the Company's consolidated solvency margin and the regulatory capital levels of its insurance subsidiaries remain well in excess of regulatory minimum requirements and at levels that leave the Company and its subsidiaries well positioned from a competitive point of view. These plans may involve use of reinsurance, sales of investment portfolio and/or other assets, measures to reduce capital strain of new business, issuance of preference shares or other measures. There can be no assurance, however, that these plans will be effective to achieve their objectives and any failure by the Company and/ or its insurance subsidiaries to meet minimum regulatory capital requirements and to maintain regulatory capital at competitive levels could have a material adverse affect on our business, liquidity, credit ratings, results of operations and financial position.

A downgrade in our claims paying ability and credit strength ratings could adversely impact our business, results of operations and financial condition

Claims paying and credit strength ratings have become increasingly important factors in establishing the competitive position of insurance companies. Rating agencies review their ratings and rating methodologies on a recurring basis and may change their ratings at any time. Consequently, our current ratings may not be maintained in the future. In the context of

(1) *For this purpose, required capital is calculated based on formulas that take into account a variety of factors including (i) for Life & Savings business: specified percentages of mathematical reserves (4% of mathematical reserves for business where investment risk is borne by the insurer and 1% of mathematical reserves for business where investment risk is borne by policyholders) adjusted by an entity specific retention rate plus an amount of capital at risk; and (ii) for Property & Casualty business, the highest amount of the following two results: 23% of the average cost of claims or 16% of the gross premiums written or earned, in each case, subject to various adjustments.*

(2) *For this purpose, available capital represents (i) tangible net asset value, i.e. consolidated shareholders equity less intangible assets (including DAC), perpetual debt and certain other items, plus (ii) subordinated debt, unrealized capital gains, minority interests and certain other items.*

(3) *As of March 9, 2010, the Autorité de contrôle des assurances et des mutuelles (ACAM) is replaced by the Autorité de contrôle prudentiel (ACP), a new authority resulting mainly from a merger of the Banking Commission (Commission bancaire) and the ACAM.*

the current financial market crisis and the deterioration in the credit and equity markets over the past months, certain rating agencies have lowered their outlook on the life insurance sector to negative from stable and have downgraded a growing number of companies. In February 2009, (i) Standard & Poor's affirmed its AA counterparty credit and financial strength ratings on AXA's principal insurance subsidiaries and its A+ counterparty credit ratings on the Company, but revised its outlook on these ratings to negative from stable and indicated that they "believe that AXA's fundamentals are sound and are highly likely to help the Group withstand market conditions and keep ratings in the 'AA' category in the medium term"; and (ii) Moodys' Investors Services reaffirmed the Aa3 counterparty credit and financial strength ratings on AXA's principal insurance subsidiaries and its A2 counterparty credit rating on the Company and maintained its stable outlook. In March 2009, Fitch Ratings downgraded the financial strength ratings of AXA's principal insurance subsidiaries from AA to AA- (one notch) and also downgraded the Company's senior debt from A+ to A- (two notches), subordinated debt from A to BBB+ (two notches) and short term debt from F1+ to F1 (one notch). Fitch Ratings also revised its outlook on these ratings to negative from stable. A downgrade or the potential for a downgrade of our ratings, particularly below the AA range, could have a variety of negative impacts on us including (i) damaging our competitive position, (ii) negatively impacting our ability to underwrite new insurance policies, (iii) increasing the levels of surrenders and termination rates of our in-force policies, (iv) increasing our cost of obtaining reinsurance, (v) negatively impacting our ability to obtain financing and/or increasing our cost of financing, (vi) triggering additional collateral requirements under certain agreements to which we are party, (vii) harming our relationships with creditors or trading counterparties and/or (viii) adversely affecting public confidence in us. Any of these developments could have a material adverse effect on our business, liquidity position, results of operations, revenues and financial condition.

Losses due to defaults by financial institution counterparties and other third parties, impairment of our investment assets and unrealized losses could all negatively affect the value of our investments and reduce our profitability

Third parties that owe us money, securities or other assets may not perform under their obligations. These parties include issuers whose securities we hold in our investment portfolios (including mortgage-backed, asset-backed and other types of securities), borrowers under mortgages and other loans that we extend, reinsurers to which we have ceded insurance risks, customers, trading counterparties, counterparties under swap and other derivative contracts, other counterparties including brokers and dealers, commercial and investment banks, hedge funds, other investment funds, clearing agents, market exchanges, clearing houses and other financial institutions. Many of our transactions with these third parties expose us to credit risk in the event of default of our counterparty. In secured transactions, our credit risk may be exacerbated when the collateral held by us cannot be realized upon or is liquidated at prices not sufficient to cover the full amount of the loan, derivative or other secured obligation. We have also entered into contractual outsourcing arrangements with third party service providers for a wide variety of services required in connection with the day-to-day operation of our insurance and Asset Management businesses (including policy administration, claims related services, securities pricing and other services) which expose us to operational, financial and reputational risk in the event of a default of our counterparty service providers. In addition, defaults by parties with which we have no direct contractual relation, such as a default by a credit insurer that has insured bonds, structured finance products or other securities we may hold in our investment portfolios, may adversely impact the value of those securities and potentially adversely affect the financial markets more generally. These parties may default on their obligations due to bankruptcy, lack of liquidity, downturns in the economy or real estate market, operational failure or other reasons. Negative trends and investment climates in our major markets, such as those experienced in the course of the last two years, may result in an increase in impairments on our invested assets. There can be no assurance that any such losses or impairments of these assets would not materially and adversely affect our business and results of operations. For further risks relating to impairments taken on our investment assets, see "The determination of the amount of allowances and impairments taken on our investments requires use of significant management judgment in certain cases, particularly for debt instruments, and could materially impact our results of operations or financial position". The default of a major market participant could disrupt the securities markets or clearance and settlement systems in our major markets, which could in turn cause market declines or volatility. A failure of a major market participant could also cause some clearance and settlement systems to assess members of that system or could lead to a chain of defaults that could adversely affect us. Even in the absence of an actual default, a perceived lack of creditworthiness of a major market participant may result in market-wide illiquidity or other disruptions that may adversely impact us and the financial intermediaries (such as clearing agencies, clearing houses, banks, securities firms and exchanges) with whom we interact on a daily basis. For risks relating to defaults by reinsurers and retrocessionaires to which we have transferred part of our risks, see "Reinsurance may not be adequate to protect us against losses and we may incur losses due to the inability of our reinsurers to meet their obligations".

Reinsurance may not be adequate to protect us against losses and we may incur losses due to the inability of our reinsurers to meet their obligations

In the normal course of business, AXA seeks to reduce losses that may arise from catastrophes or other events that cause unfavorable underwriting results through reinsurance. Under the reinsurance arrangements, other insurers assume a portion of the losses and related expenses; however, we remain liable as the direct insurer on all risks reinsured. Consequently, ceded reinsurance arrangements do not eliminate our obligation to pay claims and we are subject to our reinsurers' credit risk with respect to our ability to recover amounts due from them. We evaluate periodically the financial condition of our reinsurers to minimize our exposure to significant losses from reinsurer insolvencies, our reinsurers may become financially unsound by the time their financial obligation becomes due. The reinsurance market has become increasingly concentrated following recent mergers and acquisitions, which have reduced the number of major reinsurance providers. The inability of any reinsurer to meet its financial obligations to us could negatively impact our results of operations. In addition, the availability, amount and cost of reinsurance depend on general market conditions and may fluctuate significantly. Reinsurance may not be available to us in the future at commercially reasonable rates and any decrease in the amount of our reinsurance will increase our risk of loss. In certain cases, the price of reinsurance for business already insured may also increase, adversely affecting our results of operations.

The determination of the amount of allowances and impairments taken on our investments requires use of significant management judgment in certain cases, particularly for debt instruments, and could materially impact our results of operations or financial position

Our accounting principles and policy with respect to the determination of allowances and impairments on our investments is set forth in Note 1.7.2 "Financial instruments classification" in the 2009 consolidated financial statements included in this Annual Report. The determination of the amount of allowances and impairments vary by investment type and is based upon our periodic evaluation and assessment of known and inherent risks associated with the respective asset class. Such evaluations and assessments are revised as conditions change and new information becomes available. In considering impairments, management considers a wide range of factors including those described in Note 1.7.2 and uses its best judgment in evaluating the cause of the decline in the estimated fair value of the security and the prospects for near-term recovery. For certain asset classes, particularly debt instruments, management's evaluation involves a variety of assumptions and estimates about the operations of the issuer and its future earnings potential. Management updates its evaluations regularly and reflects changes in allowances and impairments as such evaluations are revised. There can be no assurance, however, that management has accurately assessed the level of impairments taken and allowances reflected in our financial statements and additional impairments and/or allowances may have a material adverse effect on our consolidated results of operations and financial position.

Market conditions and other factors could adversely affect the carrying value of our goodwill, cause us to accelerate amortization of our DAC and VBI and/or to derecognize deferred tax assets and deferred participation assets which could have a material adverse effect on our consolidated results of operations and financial position

Our accounting principles and policies with respect to intangibles (including goodwill) are set forth in Note 1.6 "Intangible Assets" (including Note 1.6.1 "Goodwill and impairment of goodwill") and an analysis of the goodwill asset reflected on our consolidated balance sheet is set forth in Note 5 "Goodwill" to the 2009 Consolidated financial statements included in this Annual Report. Business and market conditions may impact the amount of goodwill we carry in our consolidated balance sheet as well as our pattern of DAC and VBI amortization and the value of our deferred tax assets. The value of certain of our businesses including, in particular, our US asset management and US unit-linked life insurance and annuity businesses, is significantly impacted by such factors as the state of the financial markets and ongoing operating performance. For the year ended December 31, 2009, management concluded that no impairment to the carrying value of our goodwill asset was required, however, to the extent that the operating performance of our businesses or market condition falls below expectation (including, in particular, our US life insurance business), we may be required to significantly impair our goodwill, accelerate our amortization of DAC and VBI and/or derecognise our deferred tax assets which, individually or in the aggregate, could have a material adverse effect on our consolidated results of operations and financial position.

Our valuation of certain investments may include methodologies, estimations and assumptions which are subject to differing interpretations and could result in changes to investment valuations that may materially adversely affect our results of operations and financial condition

Our accounting principles and policy with respect to valuation of our investments is set forth in Note 9.9 "Financial Assets Recognized at Fair Value" in the 2009 Consolidated financial statements included in this Annual Report. The determination of fair values in the absence of quoted market prices is based on a variety of factors including those described in Note 9.9. Certain of our investment assets, for which there is no active trading market or other observable market data, are valued using models and methodologies that involve estimates, assumptions and significant management judgment. During periods of market disruption of the type we have experienced over the past two years, an increasing portion of our investment assets may be valued using these models and methodologies as a result of less frequent trading or less observable market data with respect to certain asset classes that were previously actively traded in liquid markets. There can be no assurance that our valuations on the basis of these models and methodologies represent the price for which a security may ultimately be sold or for which it could be sold at any specific point in time. Use of different models, methodologies and/or assumptions may have a material impact on the estimated fair value amounts and could have a material adverse effect on our results of operations and financial condition. In addition, rapidly changing and unprecedented credit and equity market conditions could materially impact the valuation of securities as reported in our Consolidated financial statements and the period-to-period changes in value could vary significantly. Decreases in value may have a material adverse effect on our results of operations and financial position.

Interest rate and credit spread volatility may adversely affect our profitability

Our exposure to interest rate risk relates primarily to the market price and cash flow variability associated with changes in interest rates.

During periods of declining interest rates, life insurance and annuity products may be relatively more attractive to consumers, resulting in increased premium payments on products with flexible premium features, and a higher percentage of insurance policies remaining in force from year-to-year, creating asset liability duration mismatches. During a low interest rate period, our investment earnings may be lower because the interest earnings on our fixed income investments will likely have declined in parallel with market interest rates. In addition, mortgages and fixed maturity securities in our investment portfolios will be more likely to be prepaid or redeemed as borrowers seek to borrow at lower interest rates. Consequently, we may be required to reinvest the proceeds in securities bearing lower interest rates. Accordingly, during periods of declining interest rates, our profitability may suffer as the result of a decrease in the spread between interest rates credited to policyholders and returns on our investment portfolios.

Conversely, in periods of increasing interest rates, surrenders of life insurance policies and fixed annuity contracts may increase as policyholders choose to forego insurance protection and seek higher investment returns. Obtaining cash to satisfy these obligations may require us to liquidate fixed maturity investments at a time when market prices for those assets are depressed because of increases in interest rates. This may result in realized investment losses. Regardless of whether we realize an investment loss, these cash payments would result in a decrease in total invested assets, and may decrease our net income. Accelarated withdrawals may also cause us to accelerate amortization of deferred policy acquisition costs, which would also reduce our net income.

Our mitigation efforts with respect to interest rate risk are primarily focused on maintaining an investment portfolio with diversified maturities that has a weighted average duration that is approximately equal to the duration of our estimated liability cash flow profile. However, our estimate of the liability cash flow profile may be inaccurate and we may be forced to liquidate investments prior to maturity at a loss in order to cover the liability. Although we take measures to manage the economic risks of investing in a changing interest rate environment, we may not be able to mitigate the interest rate risk of our assets relative to our liabilities.

Our exposure to credit spreads primarily relates to market price and cash flow variability associated with changes in credit spreads. A widening of credit spreads will generally reduce the value of fixed income securities we hold (including credit derivatives where we assume credit exposure) and increase our investment income associated with purchases of new fixed income securities in our investment portfolios. Conversely, credit spread tightening will generally increase the value of fixed income securities we hold and reduce our investment income associated with new purchases of fixed income securities in our investment portfolios.

Ongoing volatility in interest rates and credit spreads, individually or in tandem with other factors such as lack of pricing transparency, market illiquidity, declines in equity prices and the strengthening or weakening of foreign currencies against the Euro, could have a material adverse effect on our consolidated results of operations, financial position or cash flows through realized losses, impairments, and changes in unrealized gains and loss positions.

Fluctuations in currency exchange rates may affect our reported earnings

AXA publishes its consolidated financial statements in Euro. For the year ended December 31, 2009, a significant portion of AXA's insurance gross premiums and financial services revenues, as well as AXA's benefits, claims and other deductions were denominated in currencies other than the Euro, primarily US Dollars, Pounds Sterling, Japanese Yen, Swiss Francs and Australian Dollars. AXA's obligations are denominated either in Euro or other currencies, the value of which is subject to foreign currency exchange rate fluctuations.

While AXA seeks to manage its exposure to foreign currency fluctuations through hedging, fluctuations in the exchange rates may have a significant impact on AXA's results of operations and cash flows. For example, a strengthening of the Euro against the US Dollar and/or certain other currencies in 2010 and future periods may adversely affect AXA's results of operations and the price of its securities. In addition, the currency hedges used by AXA to manage foreign exchange rate risk may significantly impact the statutory results (parent only) of the Company and the amounts available for distribution as dividends to its shareholders because unrealized exchange rate gains and losses under these derivatives are recognized in the Company's income statement (unlike in the Group's consolidated accounts where hedge accounting is applied to net investments in subsidiaries such that these exchange rate movements have no income statement impact at the consolidated Group level).

A sustained increase in the inflation rate in our principal markets would have multiple impacts on AXA and may negatively affect our business, solvency position and results of operations

In certain of our principal markets, inflation, as measured by consumer price indices or other means, is a continuing risk. A sustained increase in the inflation rate in our principal markets would have multiple impacts on AXA and may negatively affect our business, solvency position and results of operations. For example, a sustained increase in the inflation rate may result in an increase in market interest rates which may (i) decrease the value of certain fixed income securities we hold in our investment portfolios resulting in reduced levels of unrealized capital gains available to us which could negatively impact our solvency margin position and net income, (ii) result in increased surrenders of certain Life & Savings products, particularly, those with fixed rates below market rates, and (iii) require us, as an issuer of securities, to pay higher interest rates on debt securities we issue in the financial markets from time to time to finance our operations which would increase our interest expenses and reduce our results of operations. A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may (i) result in impairment charges to equity securities that we hold in our investment portfolios and reduced levels of unrealized capital gains available to us which would reduce our net income and negatively impact our solvency position, (ii) negatively impact performance, future sales and surrenders of our unit-linked products where underlying investments are often allocated to equity funds, and (iii) negatively impact the ability of our asset management subsidiaries to retain and attract assets under management, as well as the value of assets they do manage, which may negatively impact their results of operations. In addition, in the context of certain Property & Casualty risks underwritten by our insurance subsidiaries (particularly “long-tail” risks), a sustained increase in inflation with a resulting increase in market interest rates may result in (i) claims inflation (i.e. an increase in the amount ultimately paid to settle claims several years after the policy coverage period or event giving rise to the claim), coupled with (ii) an underestimation of corresponding claims reserves at the time of establishment due to a failure to fully anticipate increased inflation and its effect on the amounts ultimately payable to policyholders, and, consequently, (iii) actual claims payments significantly exceeding associated insurance reserves which would negatively impact our results of operations. In addition, a failure to accurately anticipate higher inflation and factor it into our product pricing assumptions may result in a systemic mispricing of our products resulting in underwriting losses which would negatively impact our results of operations. For additional information, please see Section 3.2 “Quantitative and qualitative disclosures about market risk and risk factors” in this Annual Report.

RISKS RELATING TO THE STRUCTURE OF OUR GROUP, THE SCOPE AND NATURE OF OUR BUSINESS, AND THE PRODUCTS WE OFFER

As a holding company, we are dependent on our subsidiaries to cover our operating expenses and dividend payments

Our insurance and financial services operations are generally conducted through direct and indirect subsidiaries. As a holding company, our principal sources of funds are dividends from subsidiaries and funds that may be raised from time to time through the issuance of debt or equity securities or through bank or other borrowings.

We expect that dividends received from subsidiaries and other sources of funding available to us will continue to cover our operating expenses, including (i) interest payments on our outstanding financing arrangements and (ii) dividend payments with respect to our outstanding ordinary shares. We expect that future acquisitions and strategic investments will be funded from available cash flow remaining after the payment of dividends and operating expenses (including interest expenses), cash on hand from previous securities offerings, proceeds of future offerings of securities, and proceeds from the sale of non-core assets. Certain of our significant subsidiaries, including AXA France Assurance, AXA Financial, AXA UK Holdings, AXA Japan Holding, AXA Asia-Pacific Holdings, and AXA Germany, are also holding companies and are dependent on dividends from their respective subsidiaries for funds to meet their obligations. Regulatory and other legal restrictions may limit our ability to transfer funds freely, either to or from all our subsidiaries. In particular, our principal insurance subsidiaries are subject to restrictions on the amount of dividends and debt repayments that can be paid to us and our affiliates. In 2010, certain of our principal subsidiaries may pay reduced (or no) dividends and we expect that some of our subsidiaries will be dependent on the Company for capital resources and funding which may require us to provide significant amounts to our subsidiaries through loans, capital injections or other mechanisms. In addition, as noted above, currency hedges used by AXA to manage foreign exchange rate risk may significantly impact the statutory results (parent only) of the Company and the amounts available for distribution as dividends to its shareholders because unrealized exchange rate gains and losses under these derivatives are recognized in the Company’s income statement. These factors may adversely impact the Company’s liquidity position and capacity to pay dividends on its ordinary shares. For further details, see the Section “Liquidity and capital resources” included in Part 1 and the Part 4 – Note 28.3 “Other items: Restrictions on Dividend Payments to Shareholders”, and of this Annual Report. See also “Risks relating to the financial markets, our financial strength ratings and financial condition, the valuation of our assets and related matters – Our consolidated solvency margin and the regulatory capital requirements of our insurance subsidiaries may be negatively impacted by adverse capital market conditions, evolving regulatory interpretations and other factors, which could have a material adverse effect on our business, liquidity, credit ratings, results of operations and financial position”.

Our hedging programs may be inadequate to protect us against the full extent of the exposure or losses we seek to mitigate which may negatively impact our business, results of operations and financial condition

We use derivatives, including, among others, exchange traded equity futures contracts, treasury futures contracts, to hedge certain risks under guarantees provided to our clients, including Guaranteed Minimum Death Benefits (“GMDB”), Guaranteed Minimum Income Benefits (“GMIB”) and/or Withdrawal for Life Benefits (“GMWB”), available under our Accumulator series of Variable Annuity products (the “accumulator guarantees”). These hedging techniques are designed to reduce the economic impact of unfavorable changes to our exposures under the accumulator guarantees due to movements in the equity and fixed income markets and other factors. In certain cases, however, we may not be able to apply these techniques to effectively hedge our risks because the derivative market(s) in question may not be of sufficient size or liquidity. The operation of our hedging program is based on models involving numerous estimates and management judgments, including among others, mortality, lapse rates, election rates, volatility and interest rates and correlation among various market movements. There can be no assurance that ultimate actual experience will not differ materially from our assumptions, which could adversely impact results of operations and financial condition. In 2008, for example, we incurred substantial losses under the Accumulator guarantees principally because (i) the assumptions underlying our hedging models did not adequately anticipate the extreme levels of market volatility and the rapid decline of interest rates experienced in 2008 and early 2009; and (ii) indices used in our hedging program did not adequately reflect the underlying separate account investment options available under these annuity contracts (basis risk).

The profitability of AXA's flagship Accumulator series of Variable Annuity products depends, among other factors, on AXA's ability to effectively hedge the Accumulator guarantees. The Company has implemented and continues to pursue a number of initiatives, including re-design and re-pricing of certain product features, designed to improve the profitability of these products and avoid future hedging losses on the Accumulator guarantees of the type experienced in 2008. There can be no assurance, however, that these initiatives will succeed in meeting their objective or that the re-designed and re-priced products will continue to be attractive to their target markets which, in either case, could have an adverse impact on AXA's business, competitive position, results of operations and financial condition.

We use numerous assumptions to determine the appropriate level of insurance reserves and deferred acquisition costs (DAC) and to calculate certain widely used industry measures of value such as Life & Savings New Business Value (NBV) and European Embedded Value (EEV), which involve a significant degree of management judgment and predictions about the future that are inherently uncertain; if these assumptions are not correct, it may have adverse impact on our results of operations and/or performance indicators, such as NBV, that may adversely affect the price of our securities

The establishment of insurance reserves, including the impact of minimum guarantees which are contained within certain of our Variable Annuity products, the adequacy test performed on the reserves for life policies (which encompasses the recoverability of DAC, Value of Business Inforce and deferred participations assets) and the establishment of DAC, NBV and EEV are inherently uncertain processes involving assumptions about factors such as policyholder behavior (e.g. lapses, persistency, etc.), court decisions, changes in laws and regulations, social, economic and demographic trends, inflation, investment returns and other factors, and, in the life insurance business, assumptions concerning mortality and morbidity trends. The use of different assumptions about these factors could have a material effect on insurance reserves and underwriting expenses as well as on our DAC, NBV and EEV. In addition, insurance reserves for minimum guarantees contained within certain of our Variable Annuity products, DAC balances, EEV and NBV may be significantly impacted by the state of the financial markets and significant declines could have a material adverse effect on our consolidated results of operations and financial position. Furthermore, certain of these assumptions can be volatile. While AXA's NBV and EEV calculations are done on a market consistent basis which is more conservative in many respects than traditional NBV and EEV calculations, changes in assumptions used in calculating these measures may have a material adverse effect on the level of our NBV and/or EEV. For example, our NBV is sensitive to interest rate movements and, consequently, incorrect assumptions about future interest rates may have a significant impact on our NBV and a corresponding impact on the trading price of our securities.

If our established loss reserves for our Property & Casualty and International Insurance businesses are insufficient, our earnings will be adversely affected

In accordance with industry practices and accounting and regulatory requirements, we establish reserves for claims and claims expenses related to our Property & Casualty and International Insurance businesses. With the exception of disability annuities and workers compensation liabilities that are deemed structured settlements, the claims reserves are not discounted. Reserves do not represent an exact calculation of liability, but instead represent estimates, generally using actuarial projection techniques at a given accounting date. These reserve estimates are expectations of what the ultimate settlement and administration of claims will cost based on our assessment of facts and circumstances then known, review of historical settlement patterns, estimates of trends in claims severity, frequency, legal theories of liability and other factors. The process of estimating the insurance claims reserves is based on the most current information available at the time the reserves are originally established. However, claims reserves are subject to change due to the number of variables which affect the ultimate cost of claims, such as:

- Development in claims (frequency, severity and pattern of claims) between the amount estimated and actual experience;
- Changes arising due to the time lag between the occurrence of the insured event, notification of the claim (from the insured party, a third party or a ceding company) and the final settlement (payment) of the claim, primarily attributable to long-tail casualty claims that may take several years to settle due to the size and nature of the claim, and the occurrence of large natural catastrophes late in the financial year for which limited information may be available at year-end;
- Judicial trends;
- Expenses incurred in resolving claims;
- Regulatory and legislative changes;
- Changes in economic conditions, including inflation and foreign currency fluctuations; and
- Changes in costs of repairs and medical costs.

Many of these items are not directly quantifiable, particularly on a prospective basis. As a result, actual losses may significantly differ from the original gross reserves established. Consequently, the reserves may need to be re-estimated reflecting those changes resulting in loss reserve redundancies (in cases where the original gross claims reserve was overstated) or deficiencies (in cases where the original gross claims reserve was understated). Adjustments to reserves are reflected in current results of operations.

We continually review the adequacy of the established claims reserves, including emerging claims development, and actual claims compared to the original assumptions used to estimate gross claims reserves. Based on current information available, we believe that our claims reserves are sufficient; however, because the establishment of claims reserves is an inherently uncertain process involving numerous estimates, there can be no assurance that ultimate losses will not materially exceed our claims reserves and have a material adverse effect on our results of operations. For example, there is a high degree of uncertainty with respect to future exposure from asbestos claims because of significant issues surrounding the liabilities of insurers, diverging legal interpretations and judgments in different jurisdictions and aggressive asbestos related litigation, particularly in the US and increasingly in the UK and other European countries. These uncertainties include the extent of coverage under insurance policies, whether or not particular claims are subject to an aggregate limit, the number of occurrences involved in particular claims and new theories of insured and insurer liability. We have established reserves for insurance and reinsurance contracts related to environmental pollution and asbestos at December 31, 2009, which represent our best estimate of ultimate claims exposure at December 31, 2009, based on our current knowledge of facts and law. However, given uncertainties surrounding the related claims, there can be no assurance that ultimate losses will not materially exceed our claims reserves and have a material adverse effect on our earnings. For additional information, see "Environmental Pollution and Asbestos" in Note 14 to AXA's Consolidated financial statements included in Part 4 of this Annual Report.

The claims experience in our Life & Savings businesses could be inconsistent with the assumptions we use to price our products and establish our reserves and adversely affect our earnings

In our Life & Savings businesses, our earnings depend significantly upon the extent to which our actual claims experience is consistent with the assumptions we use in setting the prices for our products and establishing the liabilities for obligations for technical provisions and claims. AXA uses both its own experience and industry data to develop estimates of future policy benefits, including information used in pricing the insurance products and establishing the related actuarial liabilities. However, there can be no assurance that actual experience will match these estimates. To the extent that our actual benefits paid to policyholders are less favorable than the underlying assumptions used in initially establishing the future policy benefit reserves, or events or trends cause us to change the underlying assumptions, we may be required to increase our liabilities, which may reduce our net income. For example, certain Variable Annuity products issued or reinsured by certain of our subsidiaries contain various types of minimum guaranteed benefits such as GMDB, GMIB and/or GMWB. The determination of GMDB, GMIB and GMWB liabilities is based on models that involve numerous estimates and management judgments, including those regarding expected market rates of return and volatility, GMIB election rates, contract surrender rates and mortality experience. Determination of liabilities for our other lines of Life & Savings business, such as our annuity business also involve numerous assumptions and subjective judgments as to mortality and morbidity experience, investment returns, expenses, policy surrender rates, policy lapse rates, and other matters. There can be no assurance that the actual experience on these products will not differ, upwards or downwards, from management's estimates. In addition, certain acquisition costs related to the sale of new policies and the purchase of policies already in force have been recorded as assets on our balance sheet and are being amortized into income over time. If the assumptions relating to various factors, including the future profitability of these policies (such as future claims, investment income and expenses) and policy lapses and surrenders are not realized, the amortization of these costs could be accelerated and may even require write-offs due to unrecoverability. These factors could have a material adverse effect on our business, results of operations and financial condition.

Our operating results may be materially adversely affected by the occurrence of natural or man-made disasters and by the consequences of emerging risks such as pandemic diseases and global warming that are unpredictable by nature

Unpredictable events, such as hurricanes, windstorms, hailstorms, earthquakes, fires, explosions and floods, as well as other natural or man-made disasters, including acts of terrorism, have the potential to adversely affect our operating results. Over the past several years, changing weather patterns and climatic conditions, including global warming, have added to the unpredictability and frequency of natural disasters in certain parts of the world and created additional uncertainty as to future trends and exposures. While experts may disagree on its magnitude and projections, global warming is now proven beyond doubt and has broad potential implications for the AXA and the insurance sector generally. In addition to the immediate destruction caused by flooding (and to a lesser extent by drought), global warming will likely have major implications for many human activities (particularly agriculture, timber production, healthcare and water activities) and for the insurers that cover these risks (i.e property, agricultural, business interruption, civil liability, marine & aviation, life, health, etc.). The evolution of these risks poses major challenges for the insurance sector over the coming years and could adversely affect our business and operating results due to potential increases in claims, the emergence of new types of liability and growing uncertainties about the size of maximum potential losses, which have become harder to assess and to predict on the basis of past events.

Other risks, such as an outbreak of a pandemic disease, like the Avian Influenza A Virus (H5N1), or the A Flu H1N1, could also adversely affect our business and operating results. While outbreaks of the Avian Flu have occurred among poultry or wild birds in a number of countries in Asia, parts of Europe, and in Africa, transmission to humans has been rare. If the virus mutates to a form that can be transmitted from human to human, it has the potential to spread rapidly worldwide and result in mortality and morbidity rates that far exceed the assumptions that we have used in pricing certain of our products. Both the contagion and mortality rates regarding any mutated H5N1 virus that can be transmitted from human to human are highly speculative at this point in time and we continue to monitor this situation. A significant global outbreak could have a material adverse effect on our life insurance business, operating results and liquidity due to increased mortality and morbidity rates.

We follow the evolution of these risks closely and generally seek to manage our exposure to them through individual risk selection, monitoring risk accumulation, purchase of reinsurance and use of available data in estimating potential catastrophic risks. However, we have experienced in the past and could experience in the future material losses from the types of risks discussed above and these losses could have a material adverse effect on our financial position and results of operations. For additional information, please see Section 3.2 of this Annual Report "Quantitative and qualitative disclosures about market risk and risk factors".

The Property & Casualty insurance business is cyclical, which may impact our results

The Property & Casualty insurance business is cyclical. Although no two cycles are the same, these cycles have typically lasted for periods ranging from two to six years. Periods of intense price competition due to excessive underwriting capacity, periods of shortages of underwriting capacity permitting more favorable rates, consequent fluctuations in underwriting results and the occurrence of other losses characterize the conditions in these cycles. Historically, Property & Casualty insurers have experienced significant fluctuations in operating results due to volatile and sometimes unpredictable developments, many of which are beyond the direct control of the insurer, including competition, frequency or severity of catastrophic events, levels of capacity, general economic conditions and other factors. This may cause a decline in revenues during certain cycles if we choose not to reduce our Property & Casualty product prices in order to maintain our market position and profitability. We may therefore experience the effects of such cyclicality, changes in customer expectations of appropriate premium levels, the frequency or severity of claims or other loss events, or other factors affecting the Property & Casualty insurance business, which could have an adverse effect on our results of operations and financial condition.

We may not be able to sustain the growth of our insurance and Asset Management businesses

The strong growth of our insurance and Asset Management businesses in recent years, both organically and through acquisitions, may not be sustainable in future years. Continued volatility in the financial markets and reduced availability of credit coupled with recession and increasingly negative consumer sentiment in many of our major markets pose significant risks to our ability to achieve continued growth at rates consistent with the recent past and our ability to continue growing through acquisitions. In addition, our ability to sustain growth consistent with rates we have achieved in the recent past may be adversely affected by regulatory changes, including changes in the tax laws applicable to our Life & Savings products and operations. The Group has implemented global product "reuse" and distribution initiatives designed to drive product innovation and reuse of successful products, such as our "Accumulator" line of Variable Annuity products, across major markets where we operate around the world. Our Life & Savings products, including our Accumulator line of annuities, often involve complex features and guarantees that are not easily translated and transposed into the legal, regulatory and tax regimes across multiple jurisdictions. Our inability to successfully execute these product reuse initiatives and/or to develop new distribution channels and partnerships for these products in a timely manner could adversely affect the growth of our Life & Savings business. See also "Risks relating to the financial markets, our financial strength ratings and financial condition, the valuation of our assets and related matters – Continuing difficult conditions in the global financial markets and the economy may materially adversely affect our business and profitability, and these conditions may continue "

Inadequate or failed processes or systems, human factors or external events may adversely affect our profitability, reputation or operational effectiveness

Operational risk is inherent in our business and can manifest itself in various ways, including business interruption, poor vendor performance, information systems malfunctions or failures, regulatory breaches, human errors, employee misconduct, and external fraud. We also face the risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses or other financial intermediaries we use to facilitate our securities transactions.

These events can potentially result in financial loss, an impairment to our liquidity, a disruption of our businesses, regulatory sanctions or damage to our reputation. Management attempts to control these risks and keep operational risk at low levels by maintaining a sound and well controlled environment in light of the characteristics of our business, markets and regulatory environment in which we operate. Notwithstanding these measures, operational risk is part of the business environment in which we operate and we may incur losses from time to time due to these types or risks.

We may have contingent liabilities from discontinued, divested and run-off businesses and may incur other off-balance sheet liabilities that may result in charges to the income statement

We may, from time to time, retain insurance or reinsurance obligations and other contingent liabilities in connection with our divestiture, liquidation or run-off of various businesses. For example, on December 21, 2006, we completed the disposition of AXA RE's (now called "Colisée Re") business, our reinsurance subsidiary, but retained the risk related to adverse deviation of claims reserves for all accident years prior to January 1, 2006.

Our reserves for these types of obligations and liabilities may be inadequate which could cause us to take additional charges that could be material to our results of operations. We may also, from time to time and in the course of our business provide guarantees and enter into derivative and other types of off-balance sheet transactions that could result in income statement charges. For additional information, see Part 4 – Note 28 "Contingent assets and liabilities and unrecognized contractual commitments" and also Note 19 "Derivative instruments" of this Annual Report.

The failure to maintain and modernize our information systems could adversely affect our business

Our business depends significantly on effective information systems, and we have many different information systems for our various businesses. We must commit significant resources to maintain and enhance our existing information systems, and develop new ones in order to keep pace with the evolving information technology, industry and regulatory standards and customer preferences. If we do not maintain adequate information systems, we may not be able to gather and rely on adequate information to base our pricing, underwriting and reserving decisions. We may also have difficulties in attracting new customers and preserving our existing customer base.

In addition, underperforming information systems could cause us to become subject to a higher number of customer, provider and agent disputes, may increase our litigation and regulatory exposure and make us incur higher administrative expenses, including remediation costs.

RISK RELATING TO THE EVOLVING REGULATORY AND COMPETITIVE ENVIRONMENT IN WHICH WE OPERATE

We face strong competition in all of our business segments and competition may intensify as a result of current global market conditions which could adversely impact our results of operations and financial condition

We face strong and increasing competition in all our business lines. Our competitors include mutual fund companies, asset management firms, private equity firms, hedge funds, commercial and investment banks and other insurance companies, many of which are regulated differently than we are and offer alternative products or more competitive pricing than we do. In addition, development of alternative distribution channels for certain types of insurance and securities products, including through the internet, may result in increasing competition as well as pressure on margins for certain types of products. These competitive pressures could result in increased pricing pressures on a number of our products and services, particularly as competitors seek to win market share, and may harm our ability to maintain or increase our profitability. The financial crisis resulted in a number of AXA's direct competitors receiving substantial capital injections from government authorities. While certain of these institutions have taken steps to repay the public assistance they received, many others continue to benefit from direct or indirect government support or are either majority or fully controlled by government authorities. This unprecedented situation, including the risk of government supported or controlled competitors attempting to use this support/control as a marketing advantage, may negatively impact the competitive position of AXA in certain markets and adversely affect its results of operations and financial condition.

Financial crisis related legislative and regulatory initiatives designed to reform the regulation of financial institutions may adversely impact AXA's business, results of operations and financial condition

The financial crisis of 2008-2009 gave rise to numerous legislative and regulatory initiatives across many of the principal jurisdictions where the Group does business. Please see Section 1.2 "Information on the Company – Additional factors which may affect AXA's business" for a description of these initiatives. While many of these initiatives revolve around common themes and attempts are being made to coordinate and harmonize these reforms internationally, management believes that the multitude of reform initiatives under consideration may ultimately result in the enactment of a series of technically incoherent and inconsistent measures across the various jurisdictions where the Group does business, with broad potential implications for the Group and its business. In particular, the question of whether the AXA Group and/or certain of its principal subsidiaries may be designated as "systemically significant" and the potential implications of being so designated are unclear at the present time and have potentially significant implications for the Group and its business. While management cannot predict with certainty at this time whether or when these future legislative or regulatory proposals may ultimately be enacted and the final form they will take, certain of these proposals, if enacted, could have a material adverse impact on our business activities, results of operations and financial condition.

Our business is subject to extensive laws and regulation and to significant litigation risks in the various countries where we operate; changes in existing or new laws and government regulations in these countries and/or an adverse outcome in any significant pending or future litigation or regulatory investigation may have an adverse effect on our business, financial condition, results of operations, reputation or image in the market place

We are subject to detailed and comprehensive regulation and supervision in all the jurisdictions in which we operate. Our insurance operations are subject to insurance laws and regulations, which are generally intended to protect policyholders, not our shareholders or creditors. Changes in existing insurance laws and regulations may materially affect the way in which we conduct our business and the products we offer. In addition, changes in pension and employee benefit regulation, social security regulation, financial services regulation, taxation and the regulation of securities products and transactions may also adversely affect our ability to sell new policies or our claims exposure on existing policies. Our asset management operations are also subject to extensive regulation in their respective jurisdictions. These regulations are primarily intended to protect investors in the securities markets or investment advisory clients and generally grant supervisory authorities broad regulatory powers. Changes to these laws and regulations may adversely affect our asset management operations. We are also subject to increasing regulation under various laws and regulations governing the solvency of insurers and other financial institutions including with respect to such matters as capital adequacy, intra-group transactions, "double-gearing" of capital at multiple levels within a consolidated group (e.g. at the consolidated Group, holding company and operating company levels). As a large, multinational financial services provider we are also increasingly subject to detailed and comprehensive regulations governing such matters as money laundering, "know your customer," prohibited transactions with countries or counterparties subject to sanctions, and bribery and other anti-corruption measures.

We are faced with significant compliance challenges due to the fact that our regulatory environment is evolving rapidly and supervisory authorities around the world are assuming an increasingly active and aggressive role in interpreting and enforcing regulations in the jurisdictions where we do business. We have been and may become in the future subject to regulatory investigations which, together with the civil actions often following these investigations, may affect our image, brand, relations with regulators and/or results of operations. We cannot predict with any certainty the potential effects that any change in applicable laws or regulations, their interpretation or enforcement, or that any enactment of new regulation or legislation in the future may have on the business, financial condition or results of operations of our various businesses.

We have been named as defendants in numerous lawsuits (both class actions and individual lawsuits) and involved in various regulatory investigations and examinations and may be involved in more in the future. These actions arise in various contexts including in connection with our activities as an insurer, securities issuer, employer, investment advisor, investor and taxpayer. Any one or a combination of this lawsuits or regulatory investigations could have a material adverse effect on our financial condition or results of operations or cause us significant reputational harm, which could seriously harm our business. Certain of these lawsuits and investigations seek significant or unspecified amounts of damages, including punitive damages, and certain of the regulatory authorities involved in these proceedings have substantial powers over the conduct and operations of our business. Due to the nature of certain of these lawsuits and investigations, we cannot make an estimate of loss or predict with any certainty the potential impact of these suits or investigations on our business, financial condition or results of operations.

Please see Part 4 – Note 30 “Litigation” and the “Additional Factors which may affect AXA’s business” included in the Part 1, Section 1.2 of this Annual Report for additional information on these matters.

Changes in tax laws and regulations, including elimination of tax benefits for our products, may adversely affect sales of our insurance and investment advisory products, and also impact our deferred tax assets and liabilities

Changes to tax laws may affect the attractiveness of certain of our products, which currently have favorable tax treatment. From time to time, governments in the jurisdictions in which we operate, have considered or implemented proposals for changes in tax law that could adversely affect our products. These projects have included proposals to levy tax on the undistributed increase in value of life insurance policies or annuities or similar proposals that affect the tax-favored status of life insurance products and annuities in certain jurisdictions as well as other changes that could adversely affect the attractiveness of the insurance, asset management and other products we offer. For example, in the UK, recently adopted modifications to the capital gains tax regime are expected to reduce the attractiveness of certain products we sell including life insurance bonds and adversely impact sales of these products. In addition legislation enacted in the United States in the spring of 2001 increased the size of estates exempt from the federal estate tax. This legislation is phasing in reductions in the estate tax rate between 2002 and 2009 and repeals the estate tax entirely in 2010. Under the legislation, however, the estate tax will be reinstated, without the increased exemption or reduced rate, in 2011 and will be in effect thereafter. This legislation, and possible future changes to it such as extending or making permanent its repeal or reform to reduce the impact of estate taxes, could have a negative impact on the sales of estate planning products by US life insurance companies, including our US subsidiaries. The enactment of these or other similar types of legislation in the various countries where we operate, including proposals in the US to create or favor alternative tax-favored long-term savings vehicles, could result in a significant decrease in sales of our currently tax-favored products. In addition, sales of certain of our asset management products may be negatively impacted to the extent that future legislative or regulatory proposals create tax incentives or disincentives to investing in certain asset classes or product types or affect investor sentiment towards or risk-appetite for certain asset classes or products generally.

In addition, changes in tax laws or regulations or an operating performance below currently anticipated levels may lead to a significant impairment of deferred tax assets, in which case we could be obligated to write off certain tax assets. Tax assets may also need to be written down if certain assumptions of profitability prove to be incorrect, as losses incurred for longer than expected will make it more unlikely that we would be able to use our tax assets. Any such development may have a material adverse impact on our results of operations and financial condition.

Potential changes to International Financial Reporting Standards as adopted by the European Union may adversely affect our consolidated results of operations and financial condition.

The Company publishes its accounts in accordance with International Financial Reporting Standards and IFRIC interpretations that were definitive and effective as of December 31, 2009 as adopted by the European Union (the “Standards”). The Company does not use the “carve out” option to avoid applying all the hedge accounting principles required by IAS 39 and, consequently, its consolidated financial statements also comply with IFRS as issued by the International Accounting Standards Board (IASB). Note 1.2 to the Consolidated financial statements for the year ended December 31, 2009 included in Part 4 of this Annual Report summarizes the significant amendments and interpretations of the Standards effective in 2009. There are continuing discussions at the IASB concerning possible modifications to the Standards and certain of these modifications may have potentially significant impacts on insurers and other financial institutions, including AXA, that prepare their consolidated accounts in accordance with the Standards. These modifications include, among others, the following:

- Financial assets and liabilities held by the AXA Group are recognised and measured under IAS 39 which is currently the subject of major potential amendments. Mandatory adoption dates range from 2013 to 2014. Optional adoption by issuers may be applicable in 2010 (depending on endorsement by the European Union). These amendments, which relate primarily to classification of financial assets and liabilities, impairment and hedge accounting principles, may have potentially significant impacts on the Company’s future financial statement presentation, shareholders equity and earnings and may also affect prior year comparatives depending on the adoption date.
- Insurance contracts – Phase II (IFRS 4 amendment) and Consolidation, Derecognition. Insurance contracts – Phase II which amendments may significantly affect policyholders liabilities and related assets such as Deferred Acquisition Costs at the date of adoption by 2013 or 2014.

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

Increased geopolitical risks and any future terrorist attacks may have a continuing negative impact on certain of our businesses

We cannot assess with any degree of certainty the future effects on our businesses of terrorist attacks that have occurred and may occur in the future throughout the world, and other responsive actions, including war.

The terrorist attacks and responsive actions in recent years have significantly adversely affected general economic, financial and political conditions, increasing many of the risks in our businesses. Such attacks and actions may have a continuing negative effect on our businesses and results of operations over time. Our general account investment portfolios include investments in industries that we believe may be adversely affected by the terrorist attacks and responsive actions, including airlines, lodging and entertainment companies and non-life insurance companies. The effect of these events on the valuation of these investments is uncertain and could lead to impairments due to lasting declines in the value of investments. The cost, and possibly, the availability, in the future, of reinsurance coverage against terrorist attacks for our various insurance operations is uncertain. In addition, the rating agencies could reexamine the ratings affecting the insurance industry generally, including our companies.

As a global business, we are exposed to various local political, regulatory and economic conditions, business risks and challenges which may affect the demand for our products and services, the value of our investment portfolios and the credit quality of local counterparties

We offer our products and services in Europe, North America, the Asia/Pacific Region, the Middle East and Africa through wholly-owned and majority-owned subsidiaries, joint ventures, companies in which we hold non-controlling equity stakes, agents and independent contractors. Our international operations expose us to different local political and regulatory, business, and financial risks and challenges which may affect the demand for our products and services, the value of our investment portfolios, the required levels of capital and surplus, and the credit quality of local counterparties. These risks include, for example, political, social or economic instability in countries in which we operate, including the risk of nationalization, expropriation, price controls, capital controls, fluctuations in foreign currency exchange rates, credit risks of our local borrowers and counterparties, lack of local business experience in certain markets, risks associated with exposure to insurance industry insolvencies through policyholder guarantee funds or similar mechanisms set up in foreign markets and, in certain cases, risks associated with the potential incompatibility with foreign partners, especially in countries in which we are conducting business through entities we do not control. Our expansion in emerging markets requires us to respond to rapid changes in market conditions in these countries. Our overall success as a global business depends, in part, upon our ability to succeed in different economic, social and political conditions. We may not continue to succeed in developing and implementing policies and strategies that are effective in certain locations where we do business.

Finally, our results of operations and financial condition may be materially affected, from time to time, by the general economic conditions such as the levels of employment, consumer lending or inflation, in the countries in which we operate.

We increasingly operate in markets with less developed judiciary and dispute resolution systems; in the event of disputes in these markets, the quality and the effectiveness of such systems could have an adverse effect on our operations and results of operations

In the less developed markets in which we operate, judiciary and dispute resolution systems may be less developed. As a result in case of a breach of contract, regulatory enforcement action or other dispute we may have difficulties in making and enforcing claims against contractual counterparties and, if claims are made against us, we might encounter difficulties in defending such claims. If we become party to legal or regulatory proceedings in a market with an insufficiently developed judiciary system, it could have an adverse effect on our operations and results of operations.

RISKS RELATED TO OWNERSHIP OF AXA ADSs [(1)] OR ORDINARY SHARES

We may, in the future, offer rights, warrants or similar securities at prices below the then-current market price which may adversely affect the market price of our ordinary shares, and our ADSs, and dilute the positions of existing shareholders.

Current difficult market conditions may require us to offer rights, warrants or similar securities at prices much below the then-current market price in order to help fund acquisitions and other expansion plans, as well as improvements to our existing infrastructure and other business activities. This may adversely affect the market price of our ordinary shares and our ADSs and have a dilutive effect on the ownership and voting percentages of existing shareholders.

Significant shareholders of AXA may have interests conflicting with your interests

The Mutuelles AXA, two French mutual insurance companies, acting as a group, owned at December 31, 2009, approximately 14.12% of the issued ordinary shares of AXA representing approximately 22.20% of the voting power of AXA's shares. Many of the shares owned by the Mutuelles AXA have double voting rights pursuant to the provisions of AXA's charter (*statuts*), see Section "Voting rights" included in the Part 5 of this Annual Report. The Mutuelles AXA have stated their intention to collectively vote their shares in AXA. We cannot assure you that the interests of the Mutuelles AXA will not, from time to time, conflict with your interests as a shareholder. For example, even though the Mutuelles AXA do not hold a majority of the total voting power in AXA, efforts by the Mutuelles AXA to decline or deter a future offer to acquire control of AXA, which other shareholders may find attractive, may prevent other shareholders from realizing a premium for their AXA ordinary shares or ADRs. The Mutuelles AXA may decide to increase their interest in AXA or to sell all or a portion of the ordinary shares they own at some future date.

The trading price of AXA ADSs and dividends paid on AXA ADSs may be materially adversely affected by fluctuations in the exchange rate for converting Euro into US dollars

Fluctuations in the exchange rate for converting Euro into US dollars may affect the value of AXA ADSs. Specifically, as the relative value of the Euro against the US dollar declines, each of the following values will also decline:

- The US dollar equivalent of the Euro trading price of AXA ordinary shares on Euronext Paris which may consequently cause the trading price of AXA ADSs in the United States to also decline;
- The US dollar equivalent of the proceeds that a holder of AXA ADSs would receive upon the sale in France of any AXA ordinary shares withdrawn from the depositary; and
- The US dollar equivalent of cash dividends paid in Euro on the AXA ordinary shares represented by the AXA ADSs.

The holders of AXA ADSs may not be able to exercise their voting rights due to delays in notification to and by the depositary

The depositary for the AXA ADSs may not receive voting materials for AXA ordinary shares represented by AXA ADSs in time to ensure that holders of AXA ADSs can instruct the depositary to vote their shares. In addition, the depositary's liability to holders of AXA ADSs for failing to carry out voting instructions or for the manner of carrying out voting instructions is limited by the Deposit Agreement governing the AXA ADRs facility. As a result, holders of AXA ADSs may not be able to exercise their right to vote and have limited recourse against the depositary or AXA if their shares are not voted according to their request.

Holders of AXA ADSs will have limited recourse if AXA or the depositary fails to meet its obligations under the Deposit Agreement and they wish to involve AXA or the depositary in a legal proceeding

The Deposit Agreement expressly limits the obligations and liability of AXA and the depositary. Neither AXA nor the depositary will be liable if they:

- Are prevented from or delayed in performing any obligation by circumstances beyond their control;
- Exercise or fail to exercise discretion under the Deposit Agreement; or
- Take any action based upon the advice of, or information from, legal counsels, accountants, any person presenting ordinary shares for deposit, any holder or owner of an AXA ADR or any other person believed by AXA or the depositary in good faith to be competent to give such advice or information. In addition, the depositary and AXA have the obligation to participate in any action, suit or other proceeding with respect to the AXA ADSs which may involve them in expense or liability only if they are indemnified.

These provisions of the Deposit Agreement will limit the ability of holders of AXA ADSs to obtain recourse if AXA or the depositary fails to meet their obligations under the Deposit Agreement or if they wish to involve AXA or the depositary in a legal proceeding.

(1) On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter. Following delisting and deregistration AXA currently expects that its ADSs will continue to trade in the United States in the over-the-counter market.

The holders of AXA ADSs in the United States may not be able to participate in offerings of rights, warrants or similar securities to holders of our ordinary shares on the same terms and conditions as holders of our ordinary shares

In the event that we offer rights, warrants or similar securities to the holders of our ordinary shares or distribute dividends payable, in whole or in part, in securities, the Deposit Agreement provides that the depositary (after consultation with AXA) shall have discretion as to the procedure to be followed in making such rights or other securities available to ADR holders including disposing of such rights or other securities and distributing the net proceeds in US dollars to ADR holders. Given the significant number of AXA ADR holders in the US, AXA generally would be required to register with the SEC any public offering of rights, warrants or other securities made to its ADR holders unless an exemption from the registration requirements of the US securities laws is available. Registering such an offering with the SEC can be a lengthy process which may be inconsistent with the timetable for a global capital raising operation. Consequently, we have in the past elected and may in the future elect not to make such an offer in the US, including to our ADR holders in the US and rather only conduct such an offering in an "offshore" transaction in accordance with "Regulation S" under the US Securities Act of 1933, as amended. Therefore, there can be no assurance that our ADR holders will be able to participate in such an offering in the same manner as our ordinary shareholders.

Our ADSs and ordinary share price could be volatile and could drop unexpectedly and you may not be able to sell your ADRs or ordinary shares at or above the price you paid

The price at which our ADSs and ordinary shares will trade may be affected by a large number of factors, some of which will be specific to us and our operations and some of which will be related to the insurance industry and equity markets generally. As a result of these factors, you may not be able to resell your ADSs or ordinary shares at or above the price which you paid for them. In particular, the following factors, in addition to other risk factors described in this Section, may have a significant impact on the market price of our ADSs or ordinary shares:

- Investor perception of our Company, including actual or anticipated variations in our revenues, earnings or other operating results;
- Announcement of intended acquisitions, disposals or financings or speculations of such acquisitions, disposals or financings;
- Changes in our dividend policy, which could result from changes in our cash flow and capital position;
- Sales of blocks of our shares by significant shareholders;
- Hedging activities on our shares;
- A downgrade of our credit or financial strength ratings, including placement on credit watch, or rumors of such downgrades;
- Actual or potential litigation involving us or the insurance or asset management industries generally;
- Changes in financial estimates and recommendations by securities research analysts;
- Fluctuations in foreign exchange rates and interest rates;
- The performance of other companies in the financial services' sector;
- Regulatory developments in the principal markets in which we operate;
- International or local political, economic and market conditions; and
- Unforeseen events such as natural disasters or terrorist attacks and other developments stemming from such events and the uncertainty related to these developments.

As a "foreign private issuer" in the United States, AXA is exempt from certain rules under the US securities laws and is permitted to file less information with the SEC than US companies

As a "foreign private issuer," AXA is exempt from certain rules under the US Securities Exchange Act of 1934, as amended (the "Exchange Act"), that impose certain disclosure obligations and procedural requirements for proxy solicitations under Section 14 of the Exchange Act. In addition, AXA's officers, directors and principal shareholders are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of AXA ordinary shares and ADRs. Moreover, AXA is not required to file periodic reports and financial statements with the SEC as frequently or as promptly as US companies whose securities are registered under the Exchange Act, and for years ended December 31, 2007 and thereafter, AXA will no longer be required to reconcile its IFRS financial statements to US GAAP provided that AXA continues to publish its primary IFRS financial statements in accordance with IFRS as published by the IASB. In addition, AXA is not required to comply with Regulation FD, which restricts the selective disclosure of material information. Accordingly, there may be less publicly available information concerning AXA than there is for US public companies.

Judgments of United States courts may not be enforceable against us

Judgments of United States courts, including those predicated on the civil liability provisions of the Federal securities laws of the United States, may not be enforceable in French courts. As a result, our shareholders who obtain a judgment against us in the United States may not be able to require us to pay the amount of the judgment.

3.2 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK AND RISK FACTORS

The Risk Management organization

Information in this Section should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

As an integrated part of all of our business processes, our Risk Management is responsible for:

- Ensuring that the second line of defense is effective on all significant risks;
- Identifying, measuring and managing financial, insurance and operational risks;
- Defining and monitoring risk appetite on these risks – which strengthens risk reporting, limits and decision processes across four dimensions: earnings, value, capital, liquidity;
- Implementing an internal capital model and leading the approval process with regulators for future Solvency II;
- Building a favorable environment – in terms of models/ metrics/ standards but also culture - for business lines to write risks within a risk appetite validated locally and by the Group.

Within the AXA Group, Risk Management is coordinated by a central team, supported by local Risk Management teams within each operational entity.

RISK GOVERNANCE WITHIN AXA

In order to manage efficiently our local and global risks, the decision process within our risk governance structure is divided into 4 levels:

- The Management Board defines business objectives and capital allocation with respect to investment return and risk. It also defines the Group appetite for risks in terms of impact on key financial indicators;
- Group Risk Committees integrate various existing Committees (such as the Asset-Liability Management Supervisory Committee, Risk & Compliance Committee, Risk Insurance Supervisory Committee), co-chaired by the Group Chief Financial Officer together with other members of the Management Board or CEOs of local entities. Based on risk reports presented by the Group Risk Management together with other central teams, including AXA Cessions for insurance risks, they recommend actions to mitigate risks;
- Group Risk Management (GRM), which reports to the Management Board member in charge of Finance, Strategy, and Operations, develops the risk framework in terms of limits/ thresholds (financial, insurance and operational risks), standards, minimum requirements or processes, and oversees the operating entities' adherence to the framework, supported by the local risk management teams;
- Local Risk Management teams within each operational entity report to a member of their Executive Committee (CEO/ CFO). These teams are responsible for controlling and managing risks within Group policies and limits, validating investment or underwriting decisions through Local Risk Committees.

The risk governance structure is further enhanced by Group Audit, which performs, on a periodic basis, as part of its role, an assessment of Group's risk and governance processes.

RISK MANAGEMENT MISSIONS AND STRUCTURE AT GROUP LEVEL

The missions of the Group Risk Management Department are:

- Conduct, at local level, regular reviews of the technical reserves established by the operating units and regular reviews of models implemented throughout the Group in order to ensure the consistency between actuarial and financial standards;
- Define and propose to the Management Board, with the support of AXA Cessions, the main features of the Group's reinsurance coverage program;
- Challenge the Group asset allocation: (i) monitor risk concentration in assets, (ii) perform regular studies and reporting on exposure and performance, and (iii) define standards in terms of Asset Liability Management (see Section Market Risks);
- Define and coordinate a decentralized review of risk-adjusted pricing and profitability for new products prior to launch (the Product Approval Process) in Life & Savings and Property & Casualty. For Variable Annuity products with guarantees, the review is centralized, and submitted to the Management Board;
- Define and run the Group risk appetite process (framework, limits) and monitor the consistency between group and local frameworks;

- Implement Economic Capital measures and co-lead the validation of the Group's internal model for Solvency II;
- Develop and deploy models/metrics to measure risks and monitor the profitability of the business lines (please see the Section "Insurance risk");
- Steer the Risk Management family and develop a risk culture throughout the Group.

The Group's risk management structure is also reinforced by AXA Cessions, which advises and supports local entities in their reinsurance strategy (Property & Casualty; Life & Savings), centralizes the Group's purchasing of reinsurance. Please refer to the Section "controlling exposure and insurance risk" for further details on our reinsurance strategy.

LOCAL RISK MANAGEMENT TEAMS

Risk management is a local responsibility, subject to Group standards, guidelines and monitoring of the risk exposure, and within a clearly defined local Risk Appetite consistent with the Group's Risk Appetite.

The Risk Management Departments of operational entities are managed by local Chief Risk Officers, who report directly to a member of their Executive Committee (CEO/CFO). The roles and responsibilities of local Risk Management Departments are approved jointly by the Executive Committees of local entities and the Group Chief Risk Officer to ensure a better alignment of Group and local interests. The missions of local Risk Management are set in accordance with the responsibilities stated above. The minimum missions required for all Risk Management teams are:

- Performing a systematic second opinion on P&C reserves, ALM studies & asset allocation, reinsurance;
- Coordinating pre-launch product approval procedures, and regular pricing reviews after launch;
- Coordinating operational risk framework in the Company;
- Implementing risk appetite on all risks, with strengthened reporting, risk limits and decision processes;
- Performing the calculation of an internal capital model;
- Carrying out the risk reporting.

Market risk

Information in this Section should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

AXA is exposed to financial market risks through its core business of financial protection (i.e. insurance and asset management) and through the financing of its activities as part of its equity and debt management. These two distinct sets of risks can be summarized as follows:

MARKET RISK AND ASSET LIABILITY MANAGEMENT OF INSURANCE PORTFOLIOS

Local operating units have the primary responsibility for managing their financial risks (market risk, credit risk, liquidity risk), while abiding by the risk framework defined at Group level in terms of limits/ thresholds and standards. This approach allows operating units to react swiftly in an accurate and targeted manner to changes in financial markets, political and economic environment in which they operate.

- A wide variety of risk management techniques are used to control and mitigate the market risks to which the AXA Group's operating units and the Group itself are exposed. These techniques include:
- A regular monitoring of the financial risks on the statutory, solvency, and economic position of the company;
- Asset Liability Management (ALM), i.e the definition of optimal strategic asset allocations with respect to the liabilities they are supporting, to reduce the risk to a desired level. Please refer to next paragraphs for further details on ALM;
- Hedging of financial risks when they exceed the tolerance levels set by the Group. Operational management of derivatives is performed by the Group's specialist asset management teams (AXA Investment Managers and AllianceBernstein) as well as AXA Bank Europe and AXA Equitable for the heldging program of GMxB Guarantees;
- Reinsurance also offers solutions to mitigate certain risks; it is for instance used to de-risk part of the in-force GMIB products.

AXA's exposure to market risk is reduced by:

- Its broad range of operations and geographical positions, which provides good diversification; and
- Some natural hedging between different products and jurisdictions.

Furthermore, a large portion of AXA's Life & Savings portfolios is made of unit-linked products, in which most of the financial risks are borne directly by policyholders (the shareholder's value is however still sensitive to financial market evolution and volatility).

Description of Life & Savings insurance reserves

The market risks to which Life & Savings operating units are exposed arise from a variety of factors including:

- A decline in returns on assets (linked to a sustained fall in yields on fixed income investments or to lower equity markets) could reduce investment margins or fees on unit-linked;

- A rise in yields on fixed-income investments (linked to interest rates or in spreads) reduces the market value of fixed-income investments and could impact adversely the solvency margin, and increase the number of surrenders on some policies with competitive pressures;
- A decline in asset market value (equity, real estate, alternatives, etc.) could impact adversely the solvency margin, as well as available surplus;
- A rise in financial market volatility may increase the cost of hedging the guarantees associated with some Variable Annuity products and decrease the Embedded Value;
- A change on the foreign-exchange rates would have limited impact for the operating units since foreign-currency commitments are matched to a large extent by assets in the same currencies, except that it could decrease earnings contribution.

The Group policies put in place to manage these risks are tailored to each product type and the risks relating to it.

The breakdown of life insurance reserves by product type and thus by AXA's obligations to its policyholders, is as follows:

- 25% at the end of 2009 (23% at the end of 2008 and 30% at the end of 2007) of the Group's Life & Savings technical reserves cover separate-account (unit-linked) products that do not materially affect AXA's risk exposure. This category includes products that provide a guarantee on invested capital in the event of death. On these products, the underlying financial market performance is mostly passed on to the policyholders. Overall, therefore, they present only a limited market risk for the Group through reduction of shareholders' value;
- 9% at the end of 2009 (7% at the end of 2008 and 8% at the end of 2007) of the Group's Life & Savings technical reserves cover separate-account products with related interest-rate or equity guarantees provided by the insurance company, called Variable Annuities with guaranteed benefits. Suitable risk management policies have been put in place with respect to these products:
  - derivatives are used as part of the dynamic management of risks related to guaranteed benefits, in order to cover some market risks linked to Guaranteed Minimum Death Benefits, Guaranteed Minimum Income Benefits, Guaranteed Minimum Accumulation Benefits and Guaranteed Minimum Withdrawal Benefits. Derivatives are used to help reduce the economic impact of, among other things, unfavorable changes in GMDB, GMIB, GMAB and GMWB exposures due to movements in the equity, fixed income and foreign exchange markets. Two hedging platforms located in AXA Equitable for the US business and AXA Bank Europe for the European and Asian business manage the market risks on these products,
  - policyholders' behavior on these products, notably lapses, longevity/ mortality and election rates, are closely monitored and the risk of deviations of these items from our underlying assumptions is limited through updating the dynamic management programs that are in place,
- 16% at the end of 2009 (18% at the end of 2008 and 17% at the end of 2007) of the Group's Life & Savings technical reserves cover products without guaranteed cash values upon surrender:
  - the in-force with-profit policies of AXA UK are managed with a significant surplus of free assets, used to adjust performance over the duration of such policies, while at the same time reflecting financial market performance in policyholders' revenues,
  - annuities in the payout phase are usually backed by fixed-income assets with maturities that match the underlying payout schedules, thereby avoiding reinvestment and liquidity risks,
  - in the UK, surrender options on fixed-rate annuities are monitored through specific analyses and partially covered by interest-rate options;
- 17% at the end of 2009 (16% at the end of 2008 and 14% at the end of 2007) of the Group's Life & Savings technical reserves are related to products offering one-year guaranteed rates that are updated every year. The risks arising from a sustained fall in interest rates in the financial markets are limited for these types of products, as most concern policies in France and group annuity policies in Japan. Hedging programs have been implemented to cover long-term fixed maturities from the risk of an increase in interest rates;
- 33% at the end of 2009 (36% at the end of 2008 and 32% at the end of 2007) of the Group's Life & Savings technical reserves cover other products. These reserves cover surrender guarantees and, in some cases, a guaranteed long-term rate. Related risks are managed in the following ways:
  - products that are not surrender-sensitive are usually backed by fixed-income investments with maturities and interest rates generally sufficient to cover guaranteed benefits, so as to reduce as much as possible the reinvestment risk,
  - other products are managed with the surplus required to cover guarantees,
  - hedging programs that make use of derivatives may be set up to hedge the risk of a fall (floor) or a rise (cap) in interest rates.

Description of Property & Casualty and International Insurance reserves

Property & Casualty and International Insurance technical reserves break down as follows:

	Technical liabilities		
(in Euro million)	December 31, 2009 [(a)]	December 31, 2008 Revised [(b)]	December 31, 2007
Personal lines – Motor	15,745	15,349	15,446
Personal lines – Physical damage	3,552	3,240	3,219
Personal lines – Health	1,108	896	1,442
Personal lines – Other	4,993	4,575	4,075
Sub-total Personal lines	**25,398**	**24,060**	**24,182**
Commercial lines – Motor	2,939	2,885	2,698
Commercial lines – Physical damage	2,922	3,012	3,075
Commercial lines – Professional liability	6,130	6,717	6,950
Commercial lines – Health	3,237	3,054	2,799
Commercial lines – Other	6,592	6,896	6,494
Sub-total Commercial lines	**21,821**	**22,565**	**22,016**
Other	739	742	873
TOTAL – PROPERTY & CASUALTY INSURANCE EXCLUDING INTERNATIONAL INSURANCE	**47,957**	**47,366**	**47,072**
International Insurance – Physical damage	1,449	1,604	1,943
International Insurance – Motor, Marine, Aviation	2,787	2,980	3,144
International Insurance – Professional liability	3,578	3,649	3,846
International Insurance – Other	2,338	2,751	2,013
TOTAL – INTERNATIONAL INSURANCE	**10,152**	**10,985**	**10,946**
TOTAL – PROPERTY & CASUALTY INSURANCE INCLUDING INTERNATIONAL INSURANCE	**58,109**	**58,351**	**58,018**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3 of Part 4).

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

For Property & Casualty insurance business, the financial risk is borne directly by the shareholders. Long-tail activities, such as certain Third Party Liability lines, are sensitive to movements in financial markets.

The market risks to which Property & Casualty operating units are exposed to arise from:

- Inflation may increase the compensation payable to policyholders, so that the actual payments may exceed the associated reserves set aside. This risk can be significant for long-tail businesses but is managed through regular pricing adjustments or specific protections against peaks of inflation;
- A sustained fall in yields on fixed-income investments would generally not present a material risk. The exceptions would be policies implicitly providing a guaranteed rate (disability income, workers' compensation) – but the risk is mitigated by duration management;
- A rise in yields on fixed-income investments (linked to interest rates or spreads) reduces the market value of fixed-income investments and could impact adversely the solvency margin;
- A decline in asset market values (equity, real estate, alternatives, etc.) could impact adversely the Group's solvency margin, as well as available surplus;
- A change on the foreign-exchange rates would have limited impact for the operating units since foreign-currency commitments are matched to a large extent by assets in the same currencies, except that it could decrease earnings contribution.

The investments of Property & Casualty insurance companies are managed so as to optimize the return on assets while considering all of the aforementioned risks and the requirements in terms of regulatory solvency. A large portion of investments is made in liquid fixed maturities to secure the capacity to pay unexpected exceptional benefits and claims. The capacity to have diversified investments (real estate or equity securities) also offers a partial natural hedge against inflation.

Processes in place and related Governance for Asset & Liability management

AXA manages its financial risks through a disciplined investment and reporting process within an appropriate governance structure.

As stated previously, local insurance operating units are responsible for identifying, measuring, managing and monitoring their risk positions. Strategic asset allocations are based on thorough analyses and are implemented by asset management companies through investment mandates.

At Group level, an ALM coordination Committee, chaired by the Management Board member in charge of Finance, Strategy, and Operations, determines the Group asset liability management policies, ensures that the Group exposures are within the Group risks limits and evaluates the investment results. A regular communication is performed to the Management Board and to the Finance Committee of AXA's Supervisory Board.

REPORTING: MONTHLY CONCENTRATION RISK REPORTING

Operating units produce an asset allocation statement every month, to ensure that strategic allocations are being implemented. This allows regular monitoring of certain key ALM indicators such as the duration and convexity of fixed income portfolios.

This work is carried out by local teams and then consolidated by Group Risk Management to give an overview for the whole Group and to allow any required action to be taken.

ALM PROCESS

The ALM process of a local insurance operating unit can be defined as a sequence of six steps:

- A detailed analysis of the liability structure;
- the proposal of a strategic asset allocation that factors in long-term outlook as well as short-term constraints (the ALM study: see below);
- The validation of this allocation by the unit's ALM Committee, subject to risk management opinion;
- The implementation of the allocation through the set-up of a mandate with asset management companies;
- A tactical allocation and stocks selection by asset management companies;
- A performance reporting and analysis.

ALM STUDY

ALM studies are based on the modeling of commitments resulting from insurance policies, and aim to define asset allocation so that these commitments can be met with a high degree of confidence while maximizing the expected investment return. This work is carried out by local ALM Departments and takes the form of detailed analyses that use consistent methods based on deterministic and stochastic scenarios. The aim of these analyses is to maximize the expected investment return, net of the cost of the economic capital required to support the strategy, while complying with a series of constraints: stability of earnings, protection of the solvency margin, and preservation of the liquidity. Due care is given to monitoring and analyzing local and consolidated capital adequacy and solvency margin requirements. It is intended to ensure that AXA complies with its regulatory commitments and makes optimum use of capital resources at all times.

These studies are carried out by all significant insurance operating units.

In addition, AXA's insurance operation units are subject to local regulatory requirements in all juridictions in which AXA operates. These local regulations may prescribe:

- The required category, nature and diversification (by issuer, geographical zone and type) of investments;
- The minimum proportion of assets invested in the local currency, considering commitments denominated in this currency (congruence rule).

As part of an ongoing capital allocation process, local insurance operating units perform at least twice-yearly simulations of the impact, on the various regulatory constraints, of severe scenarios for assets (in terms of both the market value of equity securities and interest rate trends). The Group Central Finance Department consolidates these results, enabling it to assess operating units' financial flexibility. The results are presented to the Finance Committee of AXA's Supervisory Board on a regular basis.

ALM constraints are also taken into account when new products are being designed as part of the product approval process (see Section "Insurance risk – Product approval").

TACTICAL ALLOCATION DUTIES OF GROUP ASSET MANAGEMENT COMPANIES (AXA INVESTMENT MANAGERS AND ALLIANCEBERNSTEIN)

Asset management specialists, primarily AXA subsidiaries (AXA Investment Managers and AllianceBernstein) are responsible for the day-to-day management of investments. Processes have been put in place in these companies to manage investments without exceeding agreed risk tolerance thresholds imposed by their client insurance companies in the investment management agreements. This organization makes the skills required in these activities available for the benefit of all Group insurance companies.

Group CIO function has been created in 2009 to improve AXA's risk-adjusted investment performance (centralized credit team, relationship with the asset managers) and strengthen checks and balances in the investment & ALM function through the clarification of the roles of CIOs and CROs.

Products that involve hedging programs using derivative instruments are designed with the help of dedicated teams at AXA Bank Europe, AXA IM and AllianceBernstein. This organization means that all entities benefit from the best possible expertise and a high level of legal and operational security in these transactions, which are sometimes complex.

FOCUS ON THE MAIN FINANCIAL RISKS

The main financial risks for the AXA Group are as follows:

- Interest-rate and equity risk related to the operating activities of Group subsidiaries;
- Credit risk. Please read the next part "Credit risk" included in the Part 3 – Section 3.2 – "Quantitative and Qualitative Disclosures about Market Risk and Risk Factors";
- Exchange-rate risk related to the operating activities of Group subsidiaries;
- Risks relating to the management of holding companies' foreign exchange exposure and debt;
- Liquidity risk. Please read "Liquidity position and risk management framework" included in Part 1 – Section 1.4 – "Liquidity and capital resources".

INTEREST RATES & EQUITY RISK RELATED TO THE OPERATING ACTIVITIES OF GROUP SUBSIDIARIES

AXA performs sensitivity analyses to estimate Group exposure to movements in interest rates and equity markets. These analyses quantify the potential impact on the Group of positive and adverse changes in financial markets.

The AXA Group analyzes sensitivity to movements in interest rates and equity markets in two main ways:

- Sensitivities of European Embedded Value (EEV) in the Life & Savings business, as described below;
- Sensitivities of the Tangible Net Asset Value (TNAV) for other-than-life businesses.

These analyses cover AXA SA, which carries most of the Group's debt, along with the largest subsidiaries in France, the United States, the United Kingdom, Belgium, Switzerland, Germany, the Mediterranean and Latin American Region (Spain, Portugal, Italy, Mexico, Morocco, Turkey, the Gulf Region and Greece), Australia, Hong Kong and Japan. At December 31, 2009, these subsidiaries represented 98% of AXA's consolidated invested assets within its insurance operations.

"Embedded Value" (EV) is a valuation methodology often used for long term insurance business. It attempts to measure the present value of cash available to shareholders now and in the future and accordingly is presented net of taxes and non controlling interests. "European Embedded Value" (EEV) is a refinement of this methodology based on Principles issued by the CFO Forum of European insurers, which AXA adopted during 2005. AXA publishes EEV only for its Life & Savings business.

In addition to Life & Savings EEV, AXA calculates a "Group EV" which adds to the Life & Savings EEV the Tangible Net Asset Value (TNAV) other-than-life businesses.

It is noteworthy that in 2008, for other-than-life businesses, the presentation had been designed to align with the Group EV standard proposed by the Market Consistent Embedded Value (MCEV) Principles©, issued by the CFO Forum in June 2008. A comparison between both methodologies for 2008 figures is provided hereafter:

Group EV

	2009			2008 restated			2008 published (CFO Forum methodology)		
(in Euro million)	Life & Savings	Other businesses	Total	Life & Savings	Other businesses	Total	Life & Savings	Other businesses	Total
IFRS shareholders' equity at December 31	38,018	8,211	46,229	33,513	3,927	37,440	33,513	3,927	37,440
Net unrealized capital gains/ losses, not included in IFRS shareholders' equity	906	1,656	2,561	1,846	1,535	3,381	1,846		1,846
Excluded TSS/TSDI		(7,383)	(7,383)		(7,360)	(7,360)			
Mark-to-market debt		1,389	1,389		2,864	2,864			
Excluded Intangibles	(18,946)	(9,196)	(28,142)	(19,643)	(9,574)	(29,217)	(19,643)		(19,643)
Unrealized capital gains projected in VIF & other stat-GAAP adjustments	(2,687)		(2,687)	(965)		(965)	(965)		(965)
Life & Savings Adjusted Net Asset Value (ANAV) and Other Businesses Tangible Net Asset Value (TNAV)	17,290	(5,323)	11,967	14,750	(8,609)	6,141	14,750	3,927	18,677
Life & Savings Value of Inforce (VIF)	18,456		18,456	12,459		12,459	12,459		12,459
Group EV = AXA Life & Savings EEV + Other Businesses TNAV at December 31	**35,745**	**(5,323)**	**30,422**	**27,209**	**(8,609)**	**18,600**	**27,209**	**3,927**	**31,136**

The Group EV is not an estimate of AXA's «fair value», regardless of how one might define "fair value". It does not include the value of business to be sold in the future, nor does it include any value for future profits from existing business of other-than-life businesses (Property & Casualty, International Insurance, Asset Management, Banking and Holdings and other companies). However, the Life & Savings EEV is a key management metric measuring the risk-adjusted value of the business and tracking its evolution over time, and the Group EV provides a crucial link to processes that impact total Group value but cannot be seen within the Life & Savings segment, such as hedging strategies executed at the Group level and also the impact of leverage on the Group.

The table above shows the reconciliation of IFRS shareholders' equity to the Group EV.

The Life & Savings "Adjusted Net Asset Value" (ANAV) is derived by aggregating the local regulatory (statutory) balance sheets and reconciling with the Life & Savings IFRS shareholders' equity on the following main adjustments:

- Addition of unrealized capital gains/losses not included in shareholders' equity;
- Elimination of the value of intangibles;
- Elimination of unrealized capital gains/losses included in the projection of future cash-flows (VIF);
- Adjustment for the differences between AXA's consolidated accounting basis and local regulatory bases.

Adding the Life & Savings VIF to the Life & Savings ANAV completes the Life & Savings EEV.

The Group EV equals the Life & Savings EEV plus the other businesses TNAV. The TNAV for other-than-life businesses is reflecting the consolidated IFRS shareholders' equity adjusted for:

- The elimination of all intangible assets and all undated debt (TSS/TSDI) that are treated as equity in IFRS;
- The addition of unrealized capital gains or losses not already included in equity;
- The mark-to-market of debt.

The Life & Savings VIF calculation by nature involves many assumptions about the future. For Life & Savings EEV, AXA has adopted a "market-consistent" approach to setting asset return assumptions. Each cash flow is discounted at an appropriate discount factor, so that starting with Euro 1 of bond or of equity, projecting expected cash flows and discounting, will simply give Euro 1 of value. Mechanically, this can be described in a shortcut as assuming that, in the future, all assets will earn the risk-free rate (referred to as the "reference rate" in the Embedded Value methodology) defined by the current market. However, cash flows are projected not only in a single scenario, but rather a stochastic set of scenarios is created, with the set maintaining the market-consistent condition that Euro 1 of any asset projected into the future gives a present value of Euro 1. Future earnings available to shareholders are assessed across this range of stochastic scenarios, with the present value being the Life & Savings VIF. Our major assumptions include:

- Actuarial assumptions reflect best estimates based on recent experience;
- No productivity gains in the future are assumed, while a 2.1% average inflation rate was assumed in 2009 (2.0% in 2008);
- Expenses are adjusted for non-recurring expenses and one-time strategic spending;
- Some benefit from future mortality improvement on Life business is included, while annuity business does have an allowance for the costs of longevity increasing in all markets;
- Non-financial risks are provided for through the cost of holding capital consistent with the necessary amount to obtain a AA rating at each entity level;
- A weighted average tax rate of 31.8% was assumed in 2009 (31.7% in 2008);
- In 2009, a premium over the swap rate (50 bps in the US and the UK, 30 bps in other European countries, and 20 bps in Japan) is included in the reference rate. This premium reflects the nature of certain types of long term insurance liabilities, which allow insurers to capture, either fully or partially, liquidity premia on credit assets such as corporate bonds. In 2008 the premia used were 100 bps in the US and 50 bps in other countries (except Japan).

As described above, the Life & Savings VIF valuation under AXA's market-consistent framework does not depend on assumed future asset returns, but rather on the reference rate described above. The Life & Savings VIF valuation depends on stochastic projections of multiple scenarios, rather than a single scenario.

The sensitivities of the Group EV to changes in major economic assumptions were calculated as follows for the 2008 and 2009 values:

- **Upward parallel shift of 100 basis points (bps) in reference interest rates** simulates a sudden shock to the initial conditions. This means changes to: 1) the current market values of fixed-interest assets, with related possible changes to projected capital gains/losses and/or fee revenues, 2) future reinvestment rates for all asset classes, and 3) risk-discount rates. Inflation rates are not changed. Policyholder and management behaviors are adjusted following normal behavioral modeling. As noted in the definitions, these calculations reflect discount rate changes in Life & Savings and for other-than-life discounted reserves, as well as changes to the value of fixed-income assets, but no changes in value for asset classes such as equities or real estate are assumed to accompany the reference interest rate movements (although for Life & Savings future returns are impacted as these equal the risk-free rate on average across scenarios in the market consistent valuation). In reality, changes in value of other asset classes would probably lead to different results than shown here. It is also possible that a gradual movement in interest rates would produce different results than a sudden shock, especially for dynamically hedged variable annuities business where a sudden shock tends to overestimate the sensitivities (as in real life the rebalancing of hedging assets would at least partly offset the impact of the shock).
- **Downward parallel shift of 100 basis points in reference interest rates** is the same as above but with a shift downward. Where the shift of 100 basis points would drop rates below 0%, they are floored at zero.

- **10% higher value of equity markets at the start of the projection** simulates a shock to the initial conditions just for equities. This means changes to current market values of equities, with related possible changes to projected capital gains/losses and/or fee revenues. Policyholder and management behaviors are adjusted to be consistent with these conditions. As noted in the definitions, these calculations reflect a shock to the initial conditions for equities, but no changes in value for asset classes such as fixed maturities or real estate are assumed to accompany the equity change. In reality, changes in value of other asset classes would probably lead to different results than shown here. It is also possible that a gradual movement in equity would produce different results than a sudden shock.
- **10% lower value of equity markets at the start of the projection** same as above but a decrease.

	2009						2008 (a)					
	Life & Savings		Other businesses		Group		Life & Savings		Other businesses		Group	
	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV	Euro million	% Group EV
Upward parallel shift of 100 bps in risk-free rates	831	3%	(1,321)	-4%	(490)	-2%	1,293	4%	(1,814)	-6%	(521)	-2%
Downward parallel shift of 100 bps in risk-free rates	(2,253)	-7%	1,273	4%	(980)	-3%	(2,639)	-8%	1,948	6%	(692)	-2%
10% higher value of equity markets at start of projection	1,118	4%	575	2%	1,693	6%	1,085	3%	264	1%	1,348	4%
10% lower value of equity markets at start of projection	(1,140)	-4%	(567)	-2%	(1,707)	-6%	(1,047)	-3%	(317)	-1%	(1,364)	-4%

(a) 2008 sensitivities are different from the ones disclosed last year for other businesses in order to reflect the change in methodology for the Group EV.

All sensitivities are presented net of tax and non controlling interests, and where applicable, net of policyholders' participation.

2009 interest rate sensitivities (% of Group EV) for Life & Savings business of 3% to upward 100 bps and -7% to downward 100 bps (2008: 4% and -8%) show an asymmetry predominantly driven by guaranteed interest rates having higher value when interest rates decrease, while higher reinvestment rates would need to be shared with policyholders limiting shareholders' gains in a higher rate environment. However this classical pattern is not followed in some entities (e.g., the UK and the Mediterranean and Latin American Region), where the business has significantly less interest rate guarantees and the EEV behaves more like a portfolio of fixed-income assets. In addition, higher interest rates affect the value both positively through higher investment rate and negatively through lower starting value of fixed income assets and higher discount rates for future profits. For different product types these interactions produce different results.

2009 interest rate sensitivities (% of Group EV) for other-than-life businesses of -4% to upward 100 bps and 4% to downward 100 bps (2008: -6% and 6%) reflect mainly the impacts on fixed-income assets, offset somewhat by derivatives. The majority of other-than-life reserves are not sensitive to interest rate changes.

2009 equity market sensitivities (% of Group EV) for Life & Savings business of 4% to upward 10% or -4% to downward 10% (2008 3% and -3%) are more nearly symmetrical, with no complicating effects from changes of discount rates. The limited asymmetries reflect the impact of guarantees and profit-sharing rules, along with some hedging programs to limit potential losses. The impacts of equity market value changes can come through general account exposures or through changing asset balances impacting future fee revenue on separate account business.

2009 equity market sensitivities (% of Group EV) for other-than-life businesses of 2% to upward 10% or -2% to downward 10% (2008: 1% and -1%) reflect the impacts on equities including derivatives on equities.

EXCHANGE RATE RISK RELATED TO THE OPERATING ACTIVITIES OF GROUP SUBSIDIARIES

In the insurance companies, which accounted for 90% of Group assets at December 31, 2009 (89% in 2008 and 90% in 2007), assets and liabilities with foreign currency exposure were generally matched or hedged.

- **Life & Savings business**: 78% of Group assets at the end of 2009 (77% in 2008 and 79% in 2007):

In France, AXA is exposed to exchange-rate risk through the units it owns in certain investment funds partly invested in foreign currencies (particularly US dollar: €1,323 million vs. €483 million in 2008 and €1,645 million in 2007, pound sterling: €148 million vs. €72 million in 2008 and €338 million in 2007, and Japanese yen: €104 million vs. €136 million in 2008 and €335 million in 2007). AXA France owns these units in order to diversify its investments and enable policyholders to benefit from the performance of international financial markets. AXA France controls and limits its exposure to exchange-rate risk by using foreign exchange forwards and derivatives (notional of €1,759 million vs. €1,046 million in 2008 and €2,915 million in 2007).

In the United Kingdom, the Life & Savings segment is exposed to exchange-rate risk in both non-profit and with-profit funds.

The exposure in the non-profit funds arises through:

i. Foreign-currency investments in Group companies with a market value of €878 million (€569 million in 2008 and €868 million in 2007), of which €79 million of Mortgage loan with AXA Financial is hedged. In prior years, an investment in AXA Belgium was exposed to foreign exchange risk but the loan was reissued in 2009 and denominated in Sterling;

ii. Other foreign-currency investments with a market value of €283 million (€443 million in 2008 and €161 million in 2007), of which (a) €178 million are hedged through foreign exchange derivative instruments, and (b) €105 million represent strategic investments that are not hedged.

In addition, the UK non-profit funds have Euro denominated Credit Default Swaps in place with a nominal value of €75 million (€76 million in 2008 and €199 million in 2007).

The exposure in with-profit funds arises on assets with a market value of €1,426 million (€1,232 million in 2008 and €2,770 million in 2007), while foreign currency liabilities in the fund amount to €51 million (€86 million in 2008 and €136 million in 2007). The UK with-profits funds hold some foreign exchange derivative instruments (including swaptions held in connection with Guaranteed Annuity Options).

AXA Japan's investment strategy is to invest when relevant outside the Japanese market in order to diversify investments. At the end of 2009, the total assets denominated in foreign currencies (mainly US dollar) represented an amount of €7,942 million (€5,725 million in 2008 and €6,083 million in 2007). Excluding assets backing unit-linked contracts, the corresponding exchange rate risk was fully hedged through the use of derivatives.

Companies in the German Life & Savings segment hold investments denominated in foreign currencies (€3,642 million in 2009, €3,688 million in 2008, and €3,558 million in 2007), both directly and indirectly through investment funds, with the aim of diversifying their investments and taking advantage of foreign markets' performance. These investments are mainly in US dollars (€3,200 million in 2009, €3,001 million in 2008, and €2,629 million in 2007), but also in pound sterling (€288 million in 2009, €371 million in 2008, and €674 million in 2007) and Japanese yen (€46 million in 2009, €103 million in 2008, and €178 million in 2007). Exchange-rate risk exposure is hedged using forwards (notional €3,071 million vs. €3,146 million in 2008 and 2,542 million in 2007) and currency swaps (notional of €681million vs. €314 million in 2008 and €430 million in 2007).

Swiss entities are exposed to exchange rate risk through their investments in foreign currencies (mainly Euro and US Dollar) due to limited investment possibilities in Switzerland. As a result, they have foreign exchange exposure on equity securities as well as on fixed maturities denominated in currencies other than Swiss Francs. However, the main part of the exposure is hedged back into Swiss Francs with foreign exchange forwards. Switzerland Life & Savings foreign exchange exposure amounted to €16.7 billion (circa 41% of assets) at the end of 2009, of which €11.9 billion were hedged (€12 billion in 2008 and €10.7 billion in 2007).

In Belgium, in the United States, and in the Mediterranean and Latin American Region, the Group's Life & Savings companies do not have any significant exposure to exchange-rate risk.

These countries accounted for 96% at the end of 2009 (96% at the end of both 2008 and 2007) of the Group's Life & Savings companies' assets.

- **Property & Casualty business**: 9% of Group assets at the end of 2009 (10% at the end of 2008 and 9% at the end of 2007):

In France, AXA is exposed to exchange-rate risk through the units it owns in certain investment funds partly invested in foreign currencies mainly US dollar (€207 million vs. €151 million in 2008 and €492 million in 2007) and to a much lesser extent Pound Sterling and Japanese Yen in order to diversify its investments. France controls and limits its exposure to exchange-rate risk by using forwards in all these currencies (notional of €210 million vs. €301 million in 2008 and €867 million in 2007).

In Belgium, parts of AXA Belgium's reinsurance portfolio liabilities are in USD. The foreign exchange risk associated to these liabilities is fully hedged through investments in USD. The US dollar exposure was €100 million at the end of 2009 (€106 million in 2008 and €110 million in 2007).

Germany is exposed to US dollar exchange-rate risk on certain investment funds for €1,143 million (€808 million in 2008 and €829 million in 2007). Remaining exchange-rate risk exposure, mainly concerning the pound sterling for €126 million (€57 million in 2008 and €211 million in 2007) and the Japanese yen for €29 million (€22 million in 2008 and €62 million in 2007), is incurred for the purpose of diversifying investments. Germany controls and limits its exchange-rate risk by using forwards (notional €688 million vs. €836 million in 2008 and €785 million in 2007) and currency swaps (notional of €175 million vs. €194 million in 2008 and €124 million in 2007).

In the United Kingdom and Ireland, AXA is exposed to exchange-rate risk through its AXA Insurance and AXA PPP healthcare subsidiaries, which operate in pounds sterling, and AXA Ireland but have diversified their investment portfolios in line with asset liability management objectives as follows:

i. directly owned foreign-currency investments and cash of €389 million (€203 million in 2008 and €86 million in 2007), of which €111 million of Mortgage loan with AXA Financial is hedged,

ii. investments totaling €103 million (€97 million in 2008 and €184 million in 2007) of CDO equity funds and investment funds which predominately invest in foreign-currency investments,

iii. Euro denominated Credit Default Swaps are in place with a nominal value of €143 million (€144 million in 2008 and €285 million in 2007) and there are foreign exchange forward contracts with a nominal value of €212 million (nil in 2008),

iv. AXA Ireland also operates in Northern Ireland, and so manages a portfolio of pounds sterling policies in an amount of €167 million (€122 million in 2008 and €140 million in 2007), hedged with investments in the same currency of €139 million (€131 million in 2008 and €150 million in 2007).

In Switzerland, foreign exchange exposure amounted to €3.8 billion (circa 36% of assets) at the end of 2009, of which €3.5 billion were hedged with foreign exchange forwards (€3.0 billion in 2008 and €1.7 billion in 2007).

In the Mediterranean and Latin American Region, the Group's **Property & Casualty** companies do not have any significant exposure to exchange-rate risk.

These countries accounted for 95% at the end of 2009 (95% in both 2008 and 2007) of the Group's Property & Casualty companies' assets.

- **International Insurance business** (2% of Group assets at the end of 2009 vs. 3% in 2008 and 2% in 2007): In the course of its business, AXA Corporate Solutions Assurance carries some insurance liabilities, denominated in foreign currencies, particularly in US dollar (€1,343 million at the end of 2009 vs. €1,319 million in 2008 and €1,075 in 2007) and, to a lesser extent, pound sterling (€539 million at the end of 2009 vs. €474 million in 2008 and €590 million in 2007). The Company carries assets denominated in foreign currencies to ensure the balance sheet congruence. The congruence between the company's foreign-currency assets and liabilities is regularly adjusted, but is subject to unpredictable loss occurrence and the corresponding movements in reserves.
- **As regards holding companies** (6% of Group assets at the end of 2009, 2008 and 2007), AXA SA has, since 2001, adopted a hedging policy on net investments denominated in foreign currencies, which aims at protecting the Group's consolidated shareholders' equity against currency fluctuations, notably using cross-currency swaps and foreign-currency debt.

At December 31, 2009, the main hedging positions were as follows:

	Amount in currency *(in billion)*			Amount in Euro *(in billion)*			
Foreign currency hedging	**2009**	**2008**	**2007**	**2009**	**2008**	**2007**	**Comments**
US Dollar	13.5	13.2	11.3	9.4	9.5	7.7	In respect of the US activities
of which	*4.9*	*9.6*	*7.7*	*3.4*	*6.9*	*5.2*	*Via cross-currency swaps*
Japanese Yen	956.3	1,036.0	599.0	7.1	8.2	3.6	In respect of the Japan activities, mainly in the form of cross-currency swaps
British Sterling Pound	1.9	1.9	1.9	2.1	2.0	2.6	In respect of the UK business, mainly in the form of debt
Canadian Dollar	1.7	1.7	1.7	1.1	1.0	1.2	In respect of the Canadian business in the form of cross-currency swaps
Swiss Franc	8.8	8.3	5.0	5.9	5.6	3.0	In respect of the Swiss business, in the form of cross-currency swaps
Australian Dollar	1.3	n/a	n/a	0.8	n/a	n/a	Mainly in form of currency options and swaps

AXA SA's assets accounted for most of the assets of Group holding companies at the end of 2009.

RISKS RELATING TO THE MANAGEMENT OF HOLDING COMPANIES' FOREIGN EXCHANGE EXPOSURE AND DEBT

For the purpose of optimizing the financial management and control of financial risks linked to holding companies, the Group Central Finance Department has defined and implemented formal management standards, as well as guidelines for monitoring and assessing financial risks. These standards, which have been approved by the Management Board, are designed to permit the positions of each affiliate to be measured in a consistent manner.

The Group Central Finance Department is in charge of producing reporting data that consolidate interest rate, foreign exchange and liquidity exposures, as well as the interest expenses of the Company. This reporting also includes medium-term forecasts.

These reports, together with information about hedging strategies, are sent to and reviewed by the Finance Committee of AXA's Supervisory Board on a quarterly basis.

In addition, the Group Central finance Department closely monitors risks resulting from regulatory or other restrictions on dividend payments from the Group's operating subsidiaries or limitations on AXA's ability to reduce these subsidiaries' shareholders' equity. The Group's operating subsidiaries must comply with local regulations in the various countries where they operate, including minimum solvency requirements and restrictions on related party transactions. These regulations impose a variety of restrictions and may restrict the ability of the Company's operating subsidiaries to pay dividends to the Company or other Group companies, reduce their shareholders' equity, incur debt, engage in certain types of transactions with affiliates (including loans, sales of assets and other financial transactions) or take certain other actions. As a result, internal cash flow projections (including dividend pay-outs) must take into account these constraints and possible future regulatory changes.

Interest-rate risk

DEFINITION: interest-rate risk may result from:

- A mismatch between types of interest rates (fixed versus floating);
- A mismatch between floating rate benchmarks;
- A mismatch between floating rate renewal dates.

POLICY: the policy is defined in order to monitor and limit the potential medium-term variation in interest expenses and consequently to protect future levels of interest expenses, regardless of movements in interest rates.

ASSESSMENT:

- Variability analyses assess the change in interest expenses over the duration of the strategic plan resulting from a 100bp rise in interest rates;
- Interest rate sensitivity analyses assess changes in the value of interest rate positions by currency and by maturity following a 100bp upward shift in the yield curves.

Exchange-rate risk

DEFINITION: exchange-rate risk results from a mismatch between the currency of an asset (particularly net foreign currency investments in subsidiaries) and the currency in which it is financed.

POLICY: the objective is to limit variations in net foreign currency-denominated assets resulting from movements in exchange rates. The purpose of the policy is therefore to protect partially or in full the value of AXA's net foreign-currency investments in its subsidiaries and thus reduce the variability of Group consolidated shareholders' equity against currency fluctuations, but also of other key indicators such as adjusted net asset value, European Embedded Value and solvency ratios.

ASSESSMENT: exchange rate sensitivity analyses measure the annual change in interest expenses resulting from a 10% appreciation in the Euro against all other currencies together with the impact on shareholders' equity, gearing ratio and European solvency margin.

Credit risk

Information in this Section (except the Credit Derivatives pie chart) should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

Counterparty credit risk is defined as the risk that a third party in a transaction will default on its commitments. Given the nature of its core business activities, AXA monitors two major types of counterparties, using methods suitable to each type:

- Investment portfolios held by the Group's insurance operations (excluding assets backing separate-account products where the financial risk is borne by policyholders) as well as by banks and holding companies. These portfolios give rise to counterparty risk through the debt securities and derivative products held within them;
- Receivables from reinsurers resulting from reinsurance ceded by AXA.

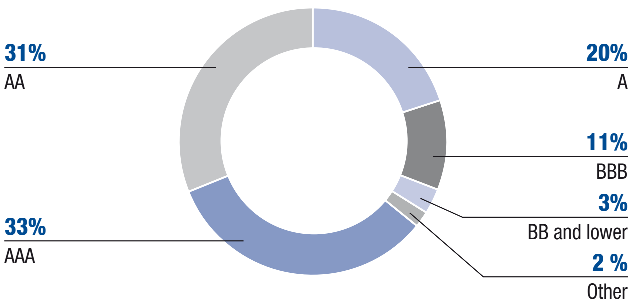
INVESTED ASSETS

AXA has a database consolidating the Group's assets and analyzing them by issuer, credit rating, sector and geographic region, in order to assess the risk of concentration in its equity and debt security portfolios. This database allows AXA to monitor, on a monthly basis, exposure to the default risk of a given issuer, particularly through holding of its debt securities. It also allows the monitoring of equity exposure.

As regards debt securities issues, total issuer-specific exposure limits are set at Group level and at the level of each subsidiary. These limits depend on the issuer's risk, based on the computation of the weighted average credit rating of all the bonds pertaining to this issuer (corporate, government, state-owned companies and agencies). Note 9.4 of Part 4 – "consolidated financial statements" sets out the debt securities portfolio by issuer type.

These tools allow Group Risk Management to ensure compliance with limits defined by the Group, among which asset allocation, credit risk concentration or counterparty risk for derivatives. The ALM Supervisory Committee is regularly kept informed of the work performed. These tools also enable coordinated contingency measures to be taken for the most sensitive counterparties.

At December 31, 2009, the breakdown of the debt security portfolio (€325.3 billion, including €9.6 billion of debt securities held through with-profit funds) by credit rating category was as follows:



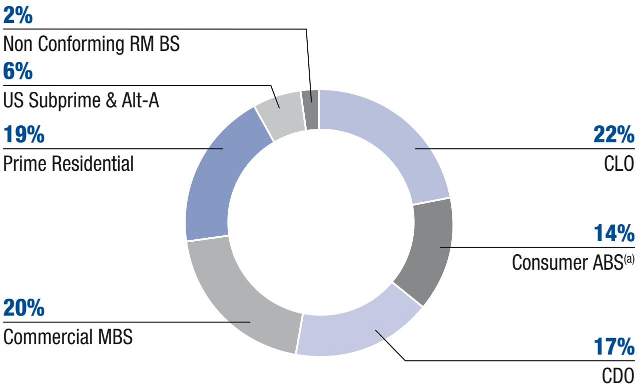
At December 31, 2008, the breakdown of the debt security portfolio (€305.5 billion, including €10.7 billion held through with-profit funds) by rating was: 37% in AAA, 33% in AA, 19% in A, 8% in BBB, 2% in BB and lower, and 2% in other.

At December 31, 2007, the breakdown of the debt security portfolio (€303.2 billion, including €15.5 billion held through with-profit funds) by rating was: 37% in AAA, 30% in AA, 19% in A, 9% in BBB, 1% in BB and lower, and 4% in other.

Credit risk diversification and analysis policies, particularly using credit ratings, are implemented by investment departments and monitored by Risk Management teams.

ASSET BACKED SECURITIES BY UNDERLYING TYPE OF ASSET (EXCLUDING COLLATERALIZED MORTGAGE OBLIGATIONS (CMOS))

At December 31, 2009, the economic breakdown of the total value of ABS (€10.4 billion excluding Australia, CMOs and ABS held through with-profit funds) was:

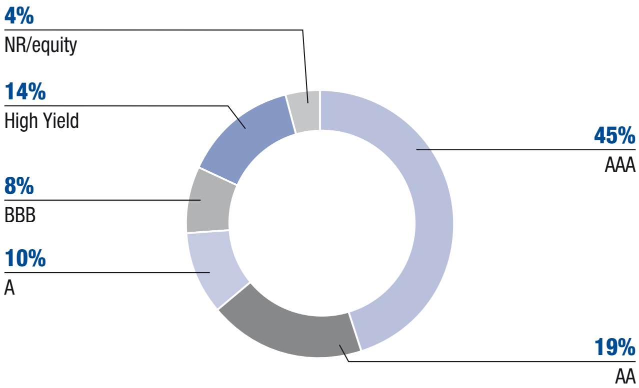


At December 31, 2009, AXA's invested assets included an exposure to US subprime residential and Alt-A mortgage loans of approximately €0.7 billion (30% equaling or above AA rating and 59% estimated policyholders' participation).

At December 31, 2008, the economic breakdown of the total value of ABS (€11.8 billion excluding CMOs and ABS held through with-profit funds) was: 23% in CLO, 15% in Consumer ABS, 12% in CDO, 21% in Commercial MBS, 21% in Prime Residential, 7% in US Subprime & Alt-A, and 3% in Non conforming RMBS. At December 31, 2008, AXA's invested assets included an exposure to US subprime residential and Alt A mortgage loans of approximately €0.8 billion (68% equaling or above AA rating and 56% estimated policyholders' participation).

At December 31, 2007, the economic breakdown of the total value of ABS (€16.2 billion excluding CMOs and ABS held through with-profit funds) was: 18% in CLO, 15% in Consumer ABS, 11% in CDO, 18% in Commercial MBS, 23% in Prime Residential, 10% in US Subprime & Alt-A, and 5% in Non conforming RMBS. At December 31, 2007, AXA's invested assets included an exposure to US subprime residential and Alt A mortgage loans of approximately €1.6 billion (84% equaling or above AA rating and 54% estimated policyholders' participation).

At December 31, 2009, the analysis by rating of the ABS portfolio was as follows and showed that 64% were AAA & AA.



At December 31, 2008, the breakdown of the ABS portfolio by rating was: 60% in AAA, 9% in AA, 13% in A, 11% in BBB, 2% in high yield, and 4% in NR/equity.

At December 31, 2007, the breakdown of the ABS portfolio by rating was: 63% in AAA, 6% in AA, 14% in A, 10% in BBB, 1% in high yield, and 6% in NR/equity.

The positive gross fair value evolution of the ABS assets over the year 2009 was evaluated at €0.5 billion, of which €0.2 billion was recognized in the income statement and €0.4 billion was recognized in shareholders' equity (versus €-3.5 billion in 2008, of which €-2.7 billion in the income statement and €-0.7 billion in shareholders' equity).

Net of policyholders participation, tax and VBI/DAC reactivity, the positive fair value evolution of the ABS assets over the year 2009 was evaluated at €0.1 billion, of which €0 billion was recognized in the income statement and €0.1 billion was recognized in shareholders' equity (versus €-1.3 billion in 2008, of which €-1.0 billion in the income statement and €-0.3 billion in the shareholders' equity).

CREDIT DERIVATIVES

The AXA Group, as part of its investment and credit risk management activities, may use strategies that involve credit derivatives (Credit Default Swaps or CDS), which are mainly used as an alternative to corporate debt security portfolios, when coupled with government debt securities, but also as a protection on single corporate names or specific portfolios. In addition, throughout 2009, the major part of the protection bought via CDS has been taken to build up Negative Basis Trades, which allows AXA to capture the excess spread of the physical instrument over the corresponding CDS.

At December 31, 2009, the nominal amount of positions taken through credit derivatives was €32.3 billion [(1)] (cumulated notional amounts of protections bought and protections sold), of which €30.8 billion of CDS, which can be broken down as follows:

i. €7.4 billion held through consolidated CDOs;

(1) *This figure represents an accounting view i.e.100% of assets held directly and in consolidated "core block" and "satellite" funds.*

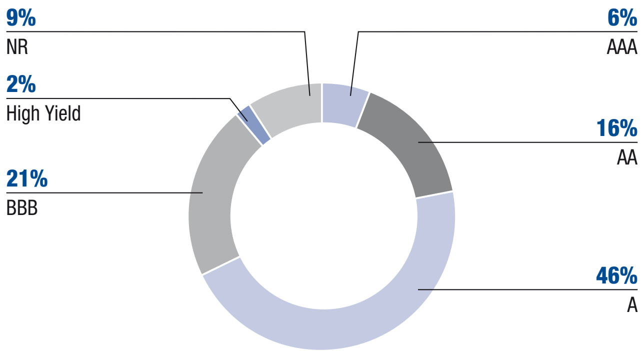
(a) *Mainly consumer loans ABS (plus some leases and operating ABS assets).*

ii. €4.4 billion of CDS protections bought to hedge credit risk with regard to certain investments in corporate bonds mainly in Japan (€2.5 billion) and Switzerland (€1.2 billion);

iii. €19.0 billion of CDS protections sold and bought to manage our credit exposure, which corresponds to a €13.0 billion [(1)] net credit overlay.

For these €13.0 billion CDS, the credit risk taken by the AXA Group through these instruments is included in analyses of debt security portfolios as described in the previous Section "Invested assets". Limits applied to issuers take into account these credit derivative positions.

The breakdown of these net CDS's underlying debt securities by rating is as follows:



Credit risk relating to CDOs is monitored separately, depending on the tranches held, and regardless of the type of assets held (debt securities or credit derivatives). Note that the CDOs are consolidated in AXA's balance sheet, in line with IFRS rules, even though AXA's investments in these CDOs assets are limited.

Counterparty Risk arising from Over-The-Counter (OTC) Derivatives

AXA actively manages counterparty risk generated by OTC derivatives through a specific Group-wide policy. This policy includes a limit framework and an exposure monitoring process. Limits are set specifically for each authorized counterparty, based on an internal scoring system. This policy also includes daily to weekly collateralization for the majority of the Group's exposure.

Monolines

At December 31, 2009, the direct general account exposure (excluding the UK with-profit) to monoline credit insurers ("Monolines") was insignificant and the indirect exposure (debt securities enhanced by Monoline reinsurers) in the general account (excluding the UK with-profit) was €454 million, of which €149 million to Ambac and €151 million to MBIA (versus €306 million indirect exposure at the end of 2008, of which €113 million to Ambac and €135 million to MBIA).

The diversified portfolio of wrapped US municipal bonds underwritten by Colisée RE (formerly AXA RE) and its subsidiaries prior to its run-off and reinsured by MBIA was fully commuted with effect on September 30, 2009. As a consequence, Colisée RE and its subsidiaries have no exposure left to this portfolio and no credit exposure to MBIA.

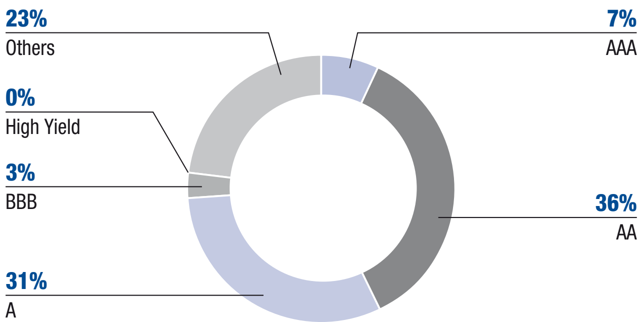
RECEIVABLES FROM REINSURERS: RATING PROCESSES AND FACTORS

To manage the risk of reinsurers' insolvency, a Security Committee is in charge of assessing reinsurers' quality and acceptable commitments. The Committee is under co-joined authority of GRM and AXA Cessions. This risk is monitored to avoid any excessive exposure to any specific reinsurer. The Security Committee meets monthly – and more frequently during renewal periods – and decides on any action to be taken with the aim of limiting AXA's exposure to the risk of default by any of its reinsurers.

In addition, AXA summarizes and analyzes its exposure to all reinsurers by factoring in all positions with reinsurers (claims, premiums, reserves, deposits, pledges and security deposits).

The Group's top 50 reinsurers accounted for 77% of reinsurers' share of insurance and investment contract liabilities in 2009 (versus 80% in 2008 and 78% in 2007).

The breakdown of all reserves ceded to reinsurers by reinsurer rating as at December 31, 2009 (€11.3 billion) was as follows:



The "others" caption relates to reserves ceded to reinsurance pools, reserves ceded to reinsurers with which the AXA Group does limited business (not in the top 50) and reinsurers not rated by the main rating agencies.

At December 31, 2008, the breakdown of reserves ceded to reinsurers (€11.7 billion) by reinsurer rating was: 9% in AAA, 43% in AA, 25% in A, 2% in BBB/BB/B, and 21% in other.

At December 31, 2007, the breakdown of reserves ceded to reinsurers (€11.3 billion) by reinsurer rating was: 9% in AAA, 31% in AA, 36% in A, 1% in BBB/BB/B, and 22% in other.

BANK CREDIT ACTIVITIES

At year end 2009, the total balance sheet of the bank activities (Belgium, France, Germany, Hungary, Switzerland and Czech Republic and Slovakia) was at €25 billion (€23 billion in 2008).

(1) This figure represents an economic view i.e. 100% of assets held in consolidated "core block" and "satellite" funds and assets held by non consolidated funds.

Credit risks in the banks are:

- Retail credit risk, resulting from the commercial activity - sales of mortgages and other type of loans to clients. Credit risk management is done through careful risk selection (scoring models frequently reviewed to ensure a risk selection consistent with each bank's risk appetite, "Retail Credit Committee" that meets every month) and a continuous monitoring of portfolios by product management teams and risk management teams;
- Other than retail credit risk, resulting from the investment activity. This activity is limited with strong control processes in place: a limit framework (by country, currency, ratings, and individual issuer – based on internal rating system), a dedicated Risk Committee meets every two weeks to validate new credit investments, to review the portfolios, and steer limits.

Credit risks are reviewed regularly by the Management Board of each bank, and are subject to regulation.

Insurance risk

Information in this Section should be read in conjunction with Note 4 to the consolidated financial statements included in Part 4 of this Annual Report which is covered by the Statutory Auditor's Report on the consolidated financial statements.

The Group's insurance subsidiaries have the primary responsibility to manage their insurance risks linked to underwriting, pricing and reserving, using a set of actuarial tools. They are also responsible for managing appropriately in response to changes in insurance cycles and to the political and economic environments in which they operate.

Insurance risks for both Life & Savings and Property & Casualty businesses are covered through 5 major processes, defined at Group level but performed jointly by central and local teams:

- Profitability analysis mainly through procedures governing pre-launch product approval (new product risk control) that complement strong and basic underwriting rules;
- Regular exposure analysis to ensure that the Group's current exposure is within our risk appetite at Group level;
- Optimization of reinsurance strategies to mitigate the risks in order to cap the Group's peak exposures to protect our Solvency and reduce volatility of key financial indicators;
- Reviews of technical reserves;
- Emerging risks initiative to share expertise within the underwriting and risk communities.

PRODUCT APPROVAL

In its Life & Savings activities, the AXA Group has set up pre-launch product approval procedures in each subsidiary, to ensure that new risks underwritten by the Group undergo a rigorous approval process before the products are offered to customers. This harmonized approach also facilitates the sharing of product innovation within the Group.

These procedures are defined and implemented locally, and are structured and harmonized using the minimum requirements defined by GRM. The main characteristics of these procedures are as follows:

- Although the decision to launch a new product is taken locally, it must be the result of a documented approval process that complies with local governance practices and AXA Group standards. For Variable Annuity products with guarantees, this review is centralized, and submitted to the Management Board;
- All significant Life & Savings products must go through this process;
- Guarantees and options embedded in the product must be quantified using stochastic methods defined by GRM in order to ensure that they are correctly reflected in pricing. This work also gives a better understanding of any asset-liability mismatch risk and the actual economic capital requirement at the product design stage. Where significant financial risks exist, an ALM study must be performed to confirm the hedging strategy for the product;
- Stress tests are required on key assumptions to ensure that appropriate 'what if' scenarios are considered in the development process;
- Pricing reports are sent to GRM prior to launch.

This profitability analysis framework is also used in Property & Casualty as a regular technical & risk audit with methods adapted to the underwriting of risks, while maintaining the principle of local decision-making based on a documented approval procedure. The aim is twofold:

- For pre-launch business, to ensure that new risks underwritten by the Group have undergone a rigorous process before the products are offered to customers and show adequate profitability adjusted for the cost of capital;
- For post-launch business, to ensure the appropriate profitability and risks control of the in-force P&C underwritings;
- This profitability framework complements strong and basic underwriting rules to ensure that no risks are taken outside the Group tolerances and that value is created by adequately pricing the risk.

EXPOSURE ANALYSIS

In order to ensure a consolidated view of insurance risks, GRM has developed and deployed common models/metrics to measure risks homogeneously throughout the Group. This is designed to check that the Group's current exposure is within the Group's consolidated risk appetite limits.

This framework includes pricing control systems used by insurance operations as part of their product development process, such as those described in the previous section. This type of analysis quantifies and demonstrates the benefits of the diversification created by AXA's wide range of businesses and regional operations.

In the Life & Savings business, these tools allow mortality/longevity risks to be analyzed on a multi-country basis. The AXA Group regularly monitors its exposure to these risks (mortality, longevity, long-term care, etc.) and uses the results of this work to enhance the structure of its product ranges and its reinsurance coverage. These exposure analyses are completed by risk models in Life & Savings (mortality, longevity, dependance,…).

In addition, in the Property & Casualty business, the above mentioned tools permit analysis on a worldwide basis of market cycle, price elasticity, reinsurers' counterparty risk, claims frequency deviation, reserves adverse development and natural catastrophes. The results of this exercise are mainly used to optimize the Group's protection (through reinsurance or securitization) and business-mix.

REINSURANCE

Definition of reinsurance requirements

Reinsurance purchasing is an important part of the Group's insurance activities and risk management.

For the Property & Casualty and Life & Savings operations, reinsurance programs are set up as follows:

- Reinsurance placement is mainly handled centrally by AXA Cessions;
- Prior to ceding risks, in-depth actuarial analyses and modeling are conducted on each portfolio by AXA Cessions and GRM to optimize the quality and cost of reinsurance cover. These analyses are performed in collaboration with the technical and reinsurance departments of Group operational entities. They measure frequency risks as well as specific severity risks (natural catastrophes, storms, floods, earthquakes). They provide guidance for determining the most appropriate reinsurance cover (retention levels and scope of cover) for each portfolio and for each type of risk, in accordance with objectives and capital allocation constraints;
- Estimates of catastrophic risks are carried out on the basis of several pieces of modeling software available in the market. Although these software products are key to allow objective discussions with reinsurers, they are regularly assessed within GRM and adjusted to the specific features of AXA's portfolio. Experience shows that these software products give imperfect estimates of real exposure, and can underestimate some important factors such as inflation following a major catastrophe or the effects of climate change. In addition, they do not factor in risks relating to legal developments requiring an insurer retrospectively to cover a risk that, it believed, was excluded from its policies.

Since 2006, this work has been extended to the Life & Savings business based on the same procedures as in the Property & Casualty business. Certain Group companies now arrange reinsurance through AXA Cessions, which has set up a retention pool protected by Group covers placed on the Reinsurance Market.

Implementation of the reinsurance strategy: role of AXA Cessions

In order to build adjusted and optimized protection, the Group's various operating entities place 100% of their reinsurance treaties with AXA Cessions. Only a small part (10-20%) of most local treaties is placed directly on the reinsurance market through AXA Cessions with the remainder is retained and combined at AXA Cessions level to build internal Group reinsurance pools by line of business.

The retention rate and the level of these pools are designed to effectively protect the Group within the risk appetite framework. Coverage is arranged through the reinsurance market or potentially in the financial market through securitization (cat or mortality bonds).

In 2009, four pools were managed by AXA Cessions:

- Property (Catastrophe and per risk + Personal Accident);
- General Liability;
- Marine;
- Life.

For the motor liability segment, AXA Cessions has arranged Group protection for all entities.

All local Group companies ceding reinsurance are collectively protected by this Group coverage. The net financial results of this Group protection are then retroceded to these entities.

Finally, in addition to the analyses described above, AXA regularly monitors its exposure to its main reinsurers, to ensure that consolidated limits remain within Group risk tolerance (please see the Section "Credit Risk – Receivables from reinsurers")

TECHNICAL RESERVES

In addition to controlling upstream risks through prior product approval and analyzing the reinsurance strategy, operational entities specifically monitor reserve risks, both in Life & Savings and Property & Casualty businesses. Reserves have to be booked for claims as they are incurred or reported. These reserves are measured individually for each file by the claims departments. Additional reserves for incurred but not reported (IBNR) claims, along with reserves for incurred but not enough reported (IBNER) claims are also booked. Various statistical and actuarial methods are used in these calculations. Calculations are initially carried out locally by the technical departments in charge, and are then reviewed for a second opinion by local risk management teams or external technical experts.

For Property & Casualty business, the Group Risk Management, together with Group P&C Insurance Operations, Group Claims Department and other entity specialists, performs in-depth reviews on specific portfolios to re-assess all underlying assumptions, methods and processes driving the exercise (claims management, actuarial, underwriting, etc.) and to check the compliance with the Group standard on reserving, which covers, among other matters, the independency of opinions, the documentation of the escalation process (meant to solve significant differences of opinion between first and second assessments) and the reconciliation process.

The Group's methods for Property & Casualty reserves are based on applicable accounting and actuarial standards as well as internal and industry best practice.

Actuaries in charge of assessing reserves for claims payable do not use a single method but a selection of approaches such as:

- Methods based on the development of claims (paid or incurred) using triangulation methods (e.g. chain ladder and link ratio) for which past experience is applied to each loss occurrence or underwriting year, in order to make reserves projections until their estimated final development;
- Methods based on claims ratios (such as the ultimate claims ratio or the additional claims ratio);
- Hybrid methods (such as Bornhuetter-Ferguson and Cape Cod);
- Methods based on frequency and severity estimates.

The analysis is segmented differently depending on product type, geographical location, distribution channel, local regulation and other factors, in order to obtain a homogeneous claims base and ensure an appropriate analysis of reserves.

Assumptions depend on available data relating to reported losses at the time of the estimates, as well as local regulations, claims management procedures, pricing, underwriting information and the type of activities and claims (coverage type, attritional or major claims, recent or old occurrence). They also depend on economic, social and environmental factors, as well as on the legislative and political context, which are important variables in terms of reserves. Assumptions are made following discussions with claims managers, pricing actuaries, underwriters and other specialized departments. These discussions lead to the definition of reasonable estimate ranges.

However, it must be kept in mind that estimates are based mainly on assumptions that may prove different from subsequent experience, particularly in the event of changes in the economic environment (e.g. a rise in inflation), in the legal environment (case law) and in the social environment (class action suits), and especially if they affect the Group's main portfolios simultaneously.

EMERGING RISKS

Through its Emerging Risks initiative, AXA has established processes to qualify and quantify emerging risks which could develop over-time and become significant. These processes are designed to ensure that the Group's exposure is within its risk tolerance. This initiative also allows expertise to be shared within the underwriting and risk communities and adequate underwriting policies to be defined.

Natural risks: climate change

The changing and growing risks caused by climate change and, more specifically, by global warming, represent a major challenge for all human activities and particularly insurance operations.

Global warming is now proven beyond doubt, although experts may disagree on its magnitude and projection. Even if it remains very difficult to estimate the local effect of climate change due to the large number of local geographical factors to be taken into account (sea currents, topography, etc.), some results are now available at regional level and used in our catastrophe risk estimations. However, it is still very difficult to estimate the consequences of extreme events (heat waves, droughts and floods, high winds and intense precipitation caused by cyclones), which are of particular concern to insurance companies. This led the Group to launch in 2007 the AXA Research Fund, which supports academic research projects on Climate.

Aside from the immediate destruction caused mainly by flooding, and to a lesser extent by drought, climate change will have major implications for most human activities, particularly agriculture, timber production, healthcare and water activities, and therefore for the insurance used to protect them (property, agricultural, business interruption, civil liability, marine and aviation, life, health, etc.). The insurance sector thus faces major challenges in the coming years in the form of potential increases in Property & Casualty claims, the emergence of new liability claims and growing uncertainties about the size of maximum possible losses, which have become harder to assess and to predict on the basis of past events. Furthermore, certain key economic sectors, which work together with the insurance sector, are set to undergo radical changes, due in particular to greenhouse gas emission constraints, following the Copenhagen Climate conference in December 2009.

Gradual premium rate adjustments will be required to widely reflect these risk factors, but are not likely to be sufficient to cover risks underwritten in the most exposed areas to flood or cyclone. By seeking to develop new solutions and actively contributing to the overall debate about the issues involved – particularly as part of the Carbon Disclosure Project – AXA, along with other major market players, intends to promote a better understanding and better forecasting of the risks resulting from global warming.

Pandemic / extreme mortality risk

In past years developments relating to bird flu attracted increasing attention across governments and industry to the risks associated with pandemics. After a lowering of the level of public attention in 2008, 2009 saw the emergence of a new influenza virus strain which spread very quickly but fortunately has so far been relatively mild compared to other major influenzas. Although assessing pandemic risks involves a significant amount of various assumptions, it requires the development and implementation of an appropriate risk management strategy.

As part of its mortality risk management, AXA issued in 2006 a "mortality" bond which provided the Group with some protection against mortality shocks. The redemption amount of this bond depended on general mortality thresholds. This instrument was transformed, where needed, by AXA Cessions into reinsurance capacity for AXA Group subsidiaries. This bond matured in January 2010, and AXA continues to monitor conditions while considering whether to issue another bond.

Operational risk

AXA has defined a framework to identify and measure its operational risks that may arise from a failure in its organization, systems and resources or from external events. Ensuring an adequate mitigation of these risks across the Group is a key pillar of the risk management functions.

GENERAL PRINCIPLES

Guided by the principles set forth by the Basel Committee on banking supervision, AXA defines operational risk as the risk of loss resulting from inadequate or failed processes, people or systems. This inadequacy or failure may come from internal or external causes. It includes legal risk and considers reputation risk as an impact, and excludes risk arising from strategic decisions.

Responsibility for managing day-to-day operational risks lies mainly within operating subsidiaries, which are best positioned to take the appropriate measures to mitigate the risks faced by their organizations. However, AXA has defined a single Group framework for identifying, quantifying and monitoring the main operational risks, involving the deployment of a common system, and dedicated operational risk teams are in place in all the major entities of the Group.

AXA has developed a common operational risk typology listing around a hundred risks classified in the following seven risk categories:

- Internal fraud;
- External fraud;
- Employment practices and workplace safety;
- Clients and business practices;
- Damage to physical assets;
- Business disruption and system failures;
- Execution, products, delivery and process management.

At Group level, both quantitative and qualitative requirements have been defined.

- Across the Group, the most critical operational risks of each entity are identified and assessed following a forward-looking and expert opinion approach. These risks are then aggregated using actuarial methods to estimate the capital allocation needed to cover operational risks based on models inspired by those proposed by the Basel Committee for banking supervision. Moreover, Operational Risk profile is embedded into local governance through senior management validation to ensure adequate corrective and pre-emptive action of the main risks.
- In addition, a loss data collection process has been initiated in most companies of the Group in order to track and mitigate appropriately actual operational losses. This process is also used as a valuable source of information to back-test the assumptions taken in local risk assessments.

MANAGING POTENTIAL RISK ON REPUTATION

In the light of the 2008-2009 global financial crisis, AXA reinforced measures in place to protect its reputation, and communicated to shareholders, customers, staff, and more broadly the financial community, on its strength and financial soundness through:

- A tailored and daily basis communication at both internal and external levels (AXA's intranet and specific hotline to answer questions of shareholders and staff, letters sent to customers and articles posted on AXA's Web site);
- A continuous monitoring of our online reputation (web and media monitoring system);
- An extensive communication of our management team to international media.

PROFESSIONAL ETHICS

AXA adopted the AXA Group Compliance and Ethics Guide ("the Guide") in February 2004. The Guide, which was updated in 2006, covers all of the Group's worldwide employees. It defines rules for day-to-day professional conduct and covers a variety of matters including specific rules concerning conflicts of interest, transactions involving AXA securities and those of its listed subsidiaries, anti-money laundering, confidentiality and control of sensitive information.

MONEY LAUNDERING AND TERRORIST FINANCING RISK

AXA is firmly committed to combating money laundering and terrorist financing. This commitment is embodied in a specific Anti-Money Laundering charter that was initially adopted in 2002. In line with this charter, each AXA Group company is required to maintain procedures based on Group standards and principles, in addition to those required by applicable local regulations, and to appoint an anti-money laundering officer. The "know your customer" principle is crucial in this respect, and is fundamental to all transactions. The Group Charter is reviewed and updated on a regular basis by taking into account international legal and regulatory developments.

REGULATORY RISKS

AXA is engaged in regulated business activities on a global basis through numerous operating subsidiaries and the Group's principal business activities of insurance and asset management are subject to comprehensive regulation and supervision in each of the various jurisdictions where the Group operates. AXA SA, the ultimate parent holding company of the AXA Group, is also subject to extensive regulation as a result of its listing on Euronext Paris and on the New York Stock Exchange and its interest in numerous regulated insurance and asset management subsidiaries. Given that the AXA Group is headquartered in Paris, France, this supervision is based to a significant extent on European Union ("EU") directives and on the French regulatory system. The AXA Group's principal regulators in France are the *Autorité des marchés financiers* ("AMF"), which is the French financial market regulator, and the *Autorité de Contrôle des Assurances et des Mutuelles* ("ACAM") [(1)], which is the principal French insurance regulator.

For further information on the regulatory environment in which AXA operates including regulatory risks, please see Section 1.2 "Additional factors which may affect AXA's business" of this Annual Report.

LEGAL AND ARBITRATION PROCEEDINGS

AXA SA and/or some of its subsidiaries are involved in lawsuits (both class actions and individual litigations), investigations, and other actions arising in the various jurisdictions where they do business. For AXA SA, these lawsuits include actions brought by former shareholders of two German subsidiaries, AXA Konzern AG ("AKAG") and Kölnische Verwaltungs-AG für Versicherungswerte ("KVAG") following the squeeze-out in July 2007 of the minority shareholders of these two companies. In the United States, several AXA subsidiaries (including AXA Equitable Life Insurance Company and AllianceBernstein) are involved in lawsuits (both class actions and individual litigations), investigations, and other actions arising in the various states and jurisdictions where they do business. For further information, please see Part 4 "consolidated financial statements" – Note 30 "Litigations" of this Annual Report.

SOCIAL AND ENVIRONMENTAL RISKS

With respect to its employment practices, AXA's key challenge is to retain employees and position itself as an employer that is able to attract top talent.

Environmental risks are limited because AXA's core business activities are generally non-polluting.

INSURANCE COVER FOR THE GROUP'S PROPRIETARY RISK

The purchase of insurance on the Group's proprietary assets and risks is largely decentralized with Group subsidiaries responsible for identifying risks and purchasing their own insurance, such as property damage and public liability insurance, according to their local exposures and market conditions. As part of the general governance principles, subsidiaries may arrange protection with external insurers or with an internal AXA Group insurer.

AXA Cessions, however, is mandated to buy certain types of Group-wide insurance programs for risks shared by all AXA Group companies. These policies cover directors and officers' liability, professional liability and fraud and are:

- Group-wide insurance programs covering all AXA Group entities with the exception of AXA Asia Pacific Holdings and AXA Financial and their subsidiaries, which traditionally arrange cover within their local market;
- Reviewed and approved annually by the Management Board to ensure that AXA has achieved competitive terms and conditions. The insurers used by the Group are acknowledged international leaders and financially solid.

(1) As of March 9, 2010, the Autorité de contrôle des assurances et des mutuelles (ACAM) is replaced by the Autorité de contrôle prudentiel (ACP), a new authority resulting mainly from a merger of the Banking Commission (Commission bancaire) and the ACAM.

3.3 CERTAIN FINANCIAL INFORMATION

Please see Part 4 – “consolidated financial statements” of this Annual Report.

LEGAL PROCEEDINGS

Please see Part 4 – “consolidated financial statements” – Note 30 “Litigation” of this Annual Report.

DIVIDEND POLICY

The Company has paid dividends on its shares for the past five years. The Company pays dividends in Euro. Future dividends will depend on AXA’s earnings, financial conditions and various other factors. Proposals for dividend payments are made at the discretion of the Management Board, subject to prior approval by the Supervisory Board, and are submitted for final approval to the General Shareholders’ Meeting.

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

For further information on the dividends declared and paid in the most recent five years and on the Company’s dividend policy, see Part 1 – “The AXA Group: Our global business operations, recent financial performance and financial condition”, Section 1.1 “Dividends” and Part 5 – “Certain additional information – Description of AXA’s Capital Stock”, Section “Dividends” of this Annual Report.

SIGNIFICANT CHANGES

For a description of certain developments since the date of the annual financial statements included in this Annual Report, please see Part 4 – “consolidated financial statements” – Note 31 “Subsequent events” of this Annual Report.

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CONSOLIDATED FINANCIAL STATEMENTS

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4.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Notes	*(in Euro million)*	December 31, 2009 [(a)]	December 31, 2008 Revised [(d) (e)]	December 31, 2007
5	Goodwill	16,469	16,998	16,308
6	Value of purchased business in force [(b)]	3,617	4,405	4,373
7	Deferred acquisition costs and equivalent	18,789	18,756	16,757
8	Other intangible assets	3,143	3,156	3,288
	Intangible assets	**42,019**	**43,315**	**40,726**
	Investments in real estate properties	15,603	15,256	16,182
	Financial investments	363,768	341,170	360,051
	Loans	25,199	25,706	25,177
	Assets backing contracts where the financial risk is borne by policyholders [(c)]	155,457	131,990	182,827
9	**Investments from insurance activities**	**560,027**	**514,123**	**584,237**
9	**Investments from banking and other activities**	**12,323**	**12,615**	**13,703**
10	**Investments in associates - Equity method**	**1,044**	**1,018**	**147**
	Reinsurers' share in insurance and investment contracts liabilities	**11,320**	**11,745**	**11,315**
	Tangible assets	1,458	1,496	1,470
	Other long-term assets	386	548	564
14	Deferred policyholders' participation assets	678	2,232	965
18	Deferred tax assets	3,709	5,396	3,151
	Other assets	**6,231**	**9,672**	**6,150**
	Receivables arising from direct insurance and inward reinsurance operations	12,687	12,629	12,140
	Receivables arising from outward reinsurance operations	1,116	1,142	913
	Receivables arising from banking activities	18,478	18,604	17,260
	Receivables - current tax	1,789	2,524	1,314
	Other receivables	10,094	13,531	15,658
11	**Receivables**	**44,163**	**48,430**	**47,285**
	Assets held for sale including discontinued operations	**11,559**	**415**	**680**
12	**Cash and cash equivalents**	**19,565**	**32,227**	**18,684**
	TOTAL ASSETS	**708,252**	**673,560**	**722,927**

All invested assets are shown net of related derivative instruments impact.

(a) *Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).*

(b) *Amounts gross of tax.*

(c) *Includes assets backing contracts where the financial risk is borne by policyholders with Guaranteed Minimum features.*

(d) *AXA Japan closes its book at September 30. To reflect exceptional market condition in 2008, AXA Japan's accounts were adjusted accordingly and translated using December 31, 2008 exchange rates. No adjustment was booked at the end of September 2009.*

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

Notes *(in Euro million)*		December 31, 2009 [(a)]	December 31, 2008 Revised [(e) (f)]	December 31, 2007
	Share capital and capital in excess of nominal value	24,339	22,077	21,366
	Reserves and translation reserve	18,285	14,440	18,609
	Net consolidated income - Group share [(d)]	3,606	923	5,666
	Shareholders' equity – Group share	**46,229**	**37,440**	**45,642**
	Non-controlling interests	**3,693**	**3,058**	**3,272**
13	**TOTAL SHAREHOLDERS' EQUITY**	**49,922**	**40,498**	**48,913**
	Liabilities arising from insurance contracts	330,016	330,561	310,709
	Liabilities arising from insurance contracts where the financial risk is borne by policyholders [(b)]	103,281	85,916	113,654
	Total liabilities arising from insurance contracts	**433,297**	**416,476**	**424,363**
	Liabilities arising from investment contracts with discretionary participating features	39,650	38,081	40,121
	Liabilities arising from investment contracts with no discretionary participating features	917	1,295	1,452
	Liabilities arising from investment contracts with discretionary participating features and where the financial risk is borne by policyholders	5,767	7,840	10,414
	Liabilities arising from investment contracts with no discretionary participating features and where the financial risk is borne by policyholders	46,750	38,680	59,173
	Total liabilities arising from investment contracts	**93,083**	**85,896**	**111,161**
	Unearned revenue and unearned fee reserves	2,610	2,454	2,232
	Liabilities arising from policyholders' participation	16,648	13,859	19,322
	Derivative instruments relating to insurance and investment contracts	(321)	(1,176)	(187)
14	**LIABILITIES ARISING FROM INSURANCE AND INVESTMENT CONTRACTS**	**545,317**	**517,509**	**556,892**
15	**Provisions for risks and charges**	**9,538**	**9,348**	**8,654**
	Subordinated debt	6,352	6,734	6,146
	Financing debt instruments issued	2,937	6,564	4,535
	Financing debt owed to credit institutions	921	1,216	175
16	**Financing debt [(c)]**	**10,210**	**14,514**	**10,856**
18	**Deferred tax liabilities**	**4,934**	**3,609**	**5,534**
	Non-controlling interests of controlled investment funds and puttable instruments held by non-controlling interest holders	6,516	5,108	7,751
	Other debts instruments issued, notes and bank overdrafts [(c)]	5,217	6,676	6,260
	Payables arising from direct insurance and inward reinsurance operations	6,761	7,167	7,033
	Payables arising from outward reinsurance operations	5,571	6,211	6,024
	Payables arising from banking activities [(c)]	22,902	20,890	18,713
	Payables – current tax	1,314	2,130	2,394
	Derivative instruments relating to other financial liabilities	108	23	140
	Other payables [(d)]	30,343	39,876	43,693
17	**Payables**	**78,731**	**88,082**	**92,008**
	Liabilities held for sale including discontinued operations	**9,599**	**-**	**70**
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**708,252**	**673,560**	**722,927**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Also includes liabilities arising from contracts where the financial risk is borne by policyholders with Guaranteed Minimum features.

(c) Amounts are shown net of related derivative instruments impact.

(d) AXA Japan closes its full year accounts at September 30. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognised with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009. No other adjustement was recorded in 2009.

(e) AXA Japan closes its book at September 30. To reflect exceptional market condition in 2008, AXA Japan's accounts were adjusted accordingly and translated using December 31, 2008 exchange rates. No adjustment was booked at the end of September 2009.

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

(in Euro million)	December 31, 2009 [(a)]	December 31, 2008 Revised [(b)]	December 31, 2007
Liabilities arising from insurance contracts where the financial risk is borne by policyholders	103,281	85,916	113,654
Liabilities arising from investment contracts with discretionary participating features and where the financial risk is borne by policyholders	5,767	7,840	10,414
Liabilities arising from investment contracts with no discretionary participating features and where the financial risk is borne by policyholders	46,750	38,680	59,173
Total Liabilities arising from contracts where the financial risk is borne by policyholders	**155,797**	**132,436**	**183,241**
Liabilities arising from insurance contracts	330,016	330,561	310,709
Liabilities arising from investment contracts with discretionary participating features	39,650	38,081	40,121
Liabilities arising from investment contracts with no discretionary participating features	917	1,295	1,452
Total Liabilities arising from other insurance and investment contracts	**370,583**	**369,936**	**352,283**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

4.2 CONSOLIDATED STATEMENT OF INCOME

Notes *(in Euro million, except EPS in Euro)*		December 31, 2009	December 31, 2008	December 31, 2007
	Gross written premiums	84,646	84,662	86,116
	Fees and charges relating to investment contracts with no participating features	547	662	740
	Revenues from insurance activities	**85,193**	**85,324**	**86,857**
	Net revenues from banking activities	388	409	336
	Revenues from other activities	4,544	5,488	6,441
20	**Revenues** [(a)]	**90,124**	**91,221**	**93,633**
	Change in unearned premiums net of unearned revenues and fees	**(192)**	**(321)**	**(612)**
	Net investment income [(b)]	11,562	21,762	17,470
	Net realized investment gains and losses [(c)]	(349)	(173)	5,264
	Change in fair value of other investments designated as at fair value through profit or loss [(h)]	27,148	(51,994)	4,084
	of which change in fair value of assets with financial risk borne by policyholders [(e)]	*23,861*	*(43,687)*	*7,476*
	Change in investments impairment [(d)]	(2,205)	(5,663)	(927)
21	**Net investment result excluding financing expenses**	**36,157**	**(36,068)**	**25,891**
	Technical charges relating to insurance activities [(e)]	(98,672)	(34,338)	(89,592)
22	Net result from outward reinsurance	(919)	(97)	(1,046)
	Bank operating expenses	(89)	(59)	(57)
24	Acquisition costs	(9,144)	(8,653)	(8,705)
	Amortization of the value of purchased business in force	(394)	(393)	(357)
24	Administrative expenses	(10,135)	(10,238)	(10,462)
	Change in tangible assets impairment	(2)	(5)	2
	Change in goodwill impairment and other intangible assets impairment	(113)	(126)	(148)
	Other income and expenses	(496)	148	(397)
	Other operating income and expenses	**(119,964)**	**(53,761)**	**(110,760)**
	Income from operating activities before tax	**6,124**	**1,070**	**8,152**
10	Income arising from investments in associates - Equity method	8	21	13
23	Financing debts expenses [(f)]	(569)	(685)	(471)
	Operating income before tax	**5,564**	**406**	**7,695**
18	Income tax [(g)]	(1,530)	830	(1,783)
	Net operating income	4,033	1,236	5,911
	Result from discontinued operations net of tax	-	-	480
	Net consolidated income	**4,033**	**1,236**	**6,391**
	Split between:			
	Net consolidated income - Group share	3,606	923	5,666
	Net consolidated income - Non-controlling interests	428	313	725
26	**Earnings per share** [(i)]	**1.51**	**0.43**	**2.69**
	Fully diluted earnings per share [(i)]	**1.51**	**0.43**	**2.67**

(a) Gross of reinsurance.
(b) Net of investment management costs.
(c) Includes impairment releases on investments sold.
(d) Excludes impairment releases on investments sold.
(e) Offset by a balancing entry in technical charges relating to insurance activities.
(f) Includes net balance of income and expenses related to derivatives on financing debt (however excludes change in fair value of these derivatives).
(g) The Income tax line item in 2008 includes an out-of-period adjustment related to the prior years' double recognition of Deferred tax liabilities in relation with the changes in fair values of assets held by some consolidated investment funds (€188 million). The Group evaluated the impact for each individual year and in aggregate and concluded that they were immaterial to the financial statements for all years in which they were included. The prior years' Income tax expense recognised since the transition to IFRS was overstated by €13 million as at December 31, 2004, €51 million as at December 31, 2005, €36 million as at December 31, 2006, €88 million as at December 31, 2007.
(h) AXA Japan closes its full year accounts at September 30. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognised with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009. No adjustment was booked at the end of September 2009.
(i) Following AXA's rights issue in 4Q09, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009, 47.7 million in 2008 and 47.9 million in 2007. As at December 31, 2009, total net outstanding number of shares was 2,264 million and average fully diluted number of shares was 2,133 million.

4.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Reserves relating to changes in fair value through shareholders' equity	5,116	(5,173)	(3,016)
Translation reserves	1	(1,253)	(1,571)
Employee benefits actuarial gains and losses through CI	(1,021)	(731)	628
Net gains and losses recognized directly through shareholders' equity	**4,096**	**(7,158)**	**(3,959)**
Net consolidated income [(a)]	4,033	1,236	6,391
TOTAL COMPREHENSIVE INCOME (CI)	**8,129**	**(5,922)**	**2,433**
Split between:			
CI - Group share	7,548	(6,094)	1,942
CI - Non-controlling interests	581	172	490

(a) AXA Japan closes its full year accounts at September 30. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognized with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009. No adjustment was booked at the end of September in 2009.

Amounts are presented net of tax, policyholders' participation and other shadow accounting related movements. Tax, policyholders' participation and related effects are detailed further in the notes to the financial statements.

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4.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in Euro million, except for number of shares and nominal value)	Share Capital				
	Number of shares (in thousands)	Nominal value (in euros)	Share Capital	Capital in excess of nominal value	Treasury shares
Shareholders' equity as at January 1, 2009	**2,089,157**	**2.29**	**4,784**	**17,840**	**(547)**
Capital	200,807	2.29	460	-	-
Capital in excess of nominal value	-	-	-	1,971	-
Equity - share based compensation	-	-	-	74	-
Change in scope or method of consolidation (b) (c)	-	-	-	-	-
Treasury shares	-	-	-	-	42
Equity component of compound financial instruments	-	-	-	-	-
Undated subordinated debt	-	-	-	-	-
Accrued interests - Undated subordinated debt	-	-	-	-	-
Other	-	-	-	-	-
Dividends paid	-	-	-	-	-
Impact of transactions with shareholders	**200,807**	**2.29**	**460**	**2,046**	**42**
Reserves relating to changes in fair value through shareholders' equity	-	-	-	-	-
Translation reserves	-	-	-	-	-
Employee benefits actuarial gains and losses through CI (d)	-	-	-	-	-
Net consolidated income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME (CI)	**-**	**-**	**-**	**-**	**-**
Shareholders' equity as at December 31, 2009	**2,289,965**	**2.29**	**5,244**	**19,886**	**(505)**

NB: amounts are presented net of impacts of shadow accounting and of its effects on policyholders' participation, deferred acquisition costs, and value of business in force.

(a) Undated subordinated debts (TSS, TSDI), and equity components of compounded financial instruments (e.g convertible bonds) (see Note 13.1.1.c).

(b) Including changes in ownership interest in consolidated subsidiaries without losing control.

(c) Including the relution impact on internal AllianceBernstein units sales transactions €-62 million, and the dilution impact on 2009 AllianceBernstein deferred compensation plans (€+186 million) which are offset in group share.

(d) Actuarial gains and losses accrued since opening January 1, 2009.

Attributable to shareholders							
Other reserves							
Reserves relating to the change in fair value of financial instruments available for sale	Reserves relating to the change in fair value of hedge accounting derivatives (cash flow hedge)	Reserves relating to revaluation of tangible assets	Other [a]	Translation reserves	Undistributed profits and other reserves	Shareholders' Equity Group share	Non-controlling interests
(353)	**100**	**4**	**6,500**	**(2,712)**	**11,824**	**37,440**	**3,058**
-	-	-	-	-	-	460	-
-	-	-	-	-	-	1,971	-
-	-	-	-	-	-	74	-
-	-	-	-	-	-	-	522
-	-	-	-	-	-	42	-
-	-	-	-	-	-	-	-
-	-	-	(4)	-	-	(4)	-
-	-	-	(288)	-	-	(288)	-
-	-	-	-	-	(179)	(179)	(468)
-	-	-	-	-	(836)	(836)	-
-	**-**	**-**	**(291)**	**-**	**(1,014)**	**1,242**	**54**
5,044	(40)	-	-	-	-	5,004	112
-	-	-	-	(30)	-	(30)	31
-	-	-	-	-	(1,032)	(1,032)	11
-	-	-	-	-	3,606	3,606	428
5,044	**(40)**	**-**	**-**	**(30)**	**2,574**	**7,548**	**581**
4,691	**61**	**4**	**6,208**	**(2,742)**	**13,383**	**46,229**	**3,693**

(in Euro million, except for number of shares and nominal value)	Share Capital				
	Number of shares (in thousands)	Nominal value (in euros)	Share Capital	Capital in excess of nominal value	Treasury shares
Shareholders' equity as at January 1, 2008	**2,060,753**	**2.29**	**4,719**	**17,363**	**(716)**
Capital	28,404	2.29	65	-	-
Capital in excess of nominal value	-	-	-	370	-
Equity - share based compensation	-	-	-	107	-
Change in scope or method of consolidation	-	-	-	-	-
Treasury shares	-	-	-	-	169
Equity component of compound financial instruments	-	-	-	-	-
Undated subordinated debt	-	-	-	-	-
Accrued interests - Undated subordinated debt	-	-	-	-	-
Other	-	-	-	-	-
Dividends paid	-	-	-	-	-
Impact of transactions with shareholders	**28,404**	**2.29**	**65**	**477**	**169**
Reserves relating to changes in fair value through shareholders' equity	-	-	-	-	-
Translation reserves	-	-	-	-	-
Employee benefits actuarial gains and losses through CI (b)	-	-	-	-	-
Net consolidated income (c)	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME (CI)	**-**	**-**	**-**	**-**	**-**
Shareholders' equity as at December 31, 2008	**2,089,157**	**2.29**	**4,784**	**17,840**	**(547)**

NB: amounts are presented net of impacts of shadow accounting and of its effects on policyholders' participation, deferred acquisition costs, and value of business in force.

(a) Undated subordinated debts (TSS, TSDI), and equity components of compounded financial instruments (e.g convertible bonds) (see Note 13.1.1c).

(b) Actuarial gains and losses accrued since opening January 1, 2008.

(c) Includes €-106 million loss recognized against Other payables. As a reminder, AXA Japan closes its books at September 30. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognized with a closing date aligned on the AXA Group, AXA Japan's 2008 accounts were adjusted with the provisional loss from October to December 2008. This adjustment reflects mainly the further increase of the credit spreads during this period.This adjustment was reversed in 2009.No adjustment was booked at the end of September 2009.

(in Euro million, except for number of shares and nominal value)	Share Capital				
	Number of shares (in thousands)	Nominal value (in euros)	Share Capital	Capital in excess of nominal value	Treasury shares
Shareholders' equity as at January 1, 2007	**2,092,888**	**2.29**	**4,793**	**18,398**	**(521)**
Capital	(32,135)	2.29	(74)	-	-
Capital in excess of nominal value	-	-	-	(1,126)	-
Equity - share based compensation	-	-	-	92	-
Change in scope or method of consolidation	-	-	-	-	-
Treasury shares	-	-	-	-	(195)
Equity component of compound financial instruments	-	-	-	-	-
Undated subordinated debt	-	-	-	-	-
Accrued interests - Undated subordinated debt	-	-	-	-	-
Other	-	-	-	-	-
Dividends paid	-	-	-	-	-
Impact of transactions with shareholders	**(32,135)**	**2.29**	**(74)**	**(1,035)**	**(195)**
Reserves relating to changes in fair value through shareholders' equity	-	-	-	-	-
Translation reserves	-	-	-	-	-
Employee benefits actuarial gains and losses through CI (b)	-	-	-	-	-
Net consolidated income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME (CI)	**-**	**-**	**-**	**-**	**-**
Shareholders' equity as at December 31, 2007	**2,060,753**	**2.29**	**4,719**	**17,363**	**(716)**

NB: amounts are presented net of impacts of shadow accounting and of its effects on policyholders' benefit, deferred acquisition costs, and value of business in force.

(a) Undated subordinated debts (TSS, TSDI), and equity components of compounded financial instruments (e.g convertible bonds) (see Note 13.1.1c).

(b) Actuarial gains and losses accrued since opening January 1, 2007.

Attributable to shareholders							
Other reserves							
Reserves relating to the change in fair value of financial instruments available for sale	Reserves relating to the change in fair value of hedge accounting derivatives (cash flow hedge)	Reserves relating to revaluation of tangible assets	Other [(a)]	Translation reserves	Undistributed profits and other reserves	Shareholders' Equity Group share	Non-controlling interests
4,846	**(11)**	**4**	**7,219**	**(1,478)**	**13,697**	**45,642**	**3,272**
-	-	-	-	-	-	65	-
-	-	-	-	-	-	370	-
-	-	-	-	-	-	107	-
-	-	-	-	-	-	-	(9)
-	-	-	-	-	-	169	-
-	-	-	-	-	-	-	-
-	-	-	(420)	-	-	(420)	-
-	-	-	(299)	-	-	(299)	-
-	-	-	-	-	373	373	(376)
-	-	-	-	-	(2,473)	(2,473)	-
-	**-**	**-**	**(719)**	**-**	**(2,100)**	**(2,108)**	**(385)**
(5,199)	112	-	-	-	-	(5,087)	(86)
-	-	-	-	(1,234)	-	(1,234)	(19)
-	-	-	-	-	(695)	(695)	(36)
-	-	-	-	-	923	923	313
(5,199)	**112**	**-**	**-**	**(1,234)**	**227**	**(6,094)**	**172**
(353)	**100**	**4**	**6,500**	**(2,712)**	**11,824**	**37,440**	**3,058**

Attributable to shareholders							
Other reserves							
Reserves relating to the change in fair value of financial instruments available for sale	Reserves relating to the change in fair value of hedge accounting derivatives (cash flow hedge)	Reserves relating to revaluation of tangible assets	Other [(a)]	Translation reserves	Undistributed profits and other reserves	Shareholders' Equity Group share	Non-controlling interests
7,763	**55**	**4**	**7,090**	**(86)**	**9,730**	**47,226**	**2,940**
-	-	-	-	-	-	(74)	-
-	-	-	-	-	-	(1,126)	-
-	-	-	-	-	-	92	-
(36)	-	-	-	(4)	-	(40)	449
-	-	-	-	-	-	(195)	-
-	-	-	(109)	-	-	(109)	-
-	-	-	528	-	-	528	-
-	-	-	(290)	-	-	(290)	-
-	-	-	-	-	(93)	(93)	(608)
-	-	-	-	-	(2,218)	(2,218)	-
(36)	**-**	**-**	**129**	**(4)**	**(2,312)**	**(3,526)**	**(159)**
(2,880)	(67)	-	-		-	(2,947)	(69)
-	-	-	-	(1,388)	-	(1,388)	(182)
-	-	-	-	-	612	612	16
-	-	-	-	-	5,666	5,666	725
(2,880)	**(67)**	**-**	**-**	**(1,388)**	**6,278**	**1,942**	**490**
4,846	**(11)**	**4**	**7,219**	**(1,478)**	**13,697**	**45,642**	**3,272**

4.5 CONSOLIDATED STATEMENT OF CASH FLOWS

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Operating income before tax	**5,564**	**406**	**7,695**
Net amortization expense [a]	780	539	855
Change in goodwill impairment and other intangible assets impairment [c]	113	126	4
Net change in deferred acquisition costs and equivalent	(884)	(1,474)	(1,911)
Net increase/(write back) in impairment on investments, tangible and other intangible assets	2,210	5,732	963
Change in fair value of investments at fair value through profit or loss [k]	(27,451)	49,759	(4,547)
Net change in liabilities arising from insurance and investment contracts [b]	31,467	(33,001)	22,940
Net increase/(write back) in other provisions [d]	23	(45)	26
Income arising from investments in associates – Equity method	(8)	(21)	(13)
Adjustment of non cash balances included in the operating income before tax	**6,251**	**21,615**	**18,317**
Net realized investment gains and losses	1,144	(62)	(6,257)
Financing debt expenses	569	685	471
Adjustment for reclassification to investing or financing activities	**1,714**	**624**	**(5,786)**
Dividends recorded in profit or loss during the period	(1,022)	(2,048)	(2,543)
Investment income & expense recorded in profit or loss during the period	(11,704)	(20,790)	(16,237)
Adjustment of transactions from accrued to cash basis	**(12,726)**	**(22,838)**	**(18,780)**
Net cash impact of deposit accounting	(776)	(136)	1,474
Dividends and interim dividends collected	1,640	2,235	2,737
Investment income	18,558	22,941	18,155
Investment expense (excluding interests on financing and undated subordinated debts, margin calls and others)	(6,413)	(1,903)	(1,959)
Change in operating receivables and payables [e]	643	(943)	(1,978)
Net cash provided by other assets and liabilities [g]	1,106	(1,043)	430
Tax expenses paid	229	(1,670)	(2,292)
Other operating cash impact and non cash adjustment	988	2,032	1,401
Net cash impact of transactions with cash impact not included in the operating income before tax	**15,974**	**21,513**	**17,967**
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	**16,777**	**21,319**	**19,413**
Purchase of subsidiaries and affiliated companies, net of cash acquired	(443)	(2,273)	(3,275)
Disposal of subsidiaries and affiliated companies, net of cash ceded	8	(150)	2,735
Net cash related to changes in scope of consolidation	**(434)**	**(2,424)**	**(540)**
Sales of debt instruments [g]	68,635	55,064	72,633
Sales of equity instruments and non controlled investment funds [f] [g]	14,387	26,251	34,258
Sales of investment properties held directly or not [g]	1,112	1,794	2,802
Sales and/or repayment of loans and other assets [g] [h]	39,784	44,507	35,262
Net cash related to sales and repayments of investments [f] [g] [h]	**123,917**	**127,616**	**144,955**
Purchases of debt instruments [g]	(86,579)	(59,705)	(88,785)
Purchases of equity instruments and non controlled investment funds [f] [g]	(13,230)	(21,939)	(33,114)
Purchases of investment properties held direct or not [g]	(1,815)	(1,575)	(1,292)
Purchases and/or issues of loans and other assets [g] [h]	(40,722)	(48,155)	(44,917)
Net cash related to purchases and issuance of investments [f] [g] [h]	**(142,346)**	**(131,375)**	**(168,108)**
Sales of tangible and intangible assets	43	20	174
Purchases of tangible and intangible assets	(355)	(359)	(486)

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Net cash related to sales and purchases of tangible and intangible assets	**(311)**	**(339)**	**(312)**
Increase in collateral payable / Decrease in collateral receivable	8,656	3,287	5,766
Decrease in collateral payable / Increase in collateral receivable	(13,633)	(4,994)	(289)
Net cash impact of assets lending/borrowing collateral receivables and payables	**(4,977)**	**(1,707)**	**5,477**
Other investing cash impact and non cash adjustment	**(673)**	**809**	**(15)**
NET CASH PROVIDED/(USED) BY INVESTING ACTIVITIES	**(24,826)**	**(7,421)**	**(18,543)**
Issuance of equity instruments	2,698	718	2,547
Repayments of equity instruments	(194)	(84)	(1,046)
Transactions on treasury shares	(98)	(8)	(1,913)
Dividends payout	(1,090)	(2,887)	(2,714)
Interests on undated subordinated debts paid	(443)	(468)	(421)
Net cash related to transactions with shareholders	**874**	**(2,727)**	**(3,547)**
Cash provided by financial debts issuance	1,832	3,278	1,112
Cash used for financial debts repayments	(5,758)	(306)	(179)
Interests on financing debt paid [i]	(425)	(653)	(554)
Net cash related to Group financing	**(4,350)**	**2,319**	**379**
Other financing cash impact and non cash adjustment	**(53)**	**100**	**4**
NET CASH PROVIDED/(USED) BY FINANCING ACTIVITIES	**(3,529)**	**(308)**	**(3,164)**
NET CASH PROVIDED BY DISCONTINUED OPERATIONS	**-**	**-**	**105**
CASH AND CASH EQUIVALENT AS AT JANUARY 1 [j]	**30,811**	**17,192**	**19,831**
Net cash provided by operating activities	16,777	21,319	19,413
Net cash provided by investing activities	(24,826)	(7,421)	(18,543)
Net cash provided by financing activities	(3,529)	(308)	(3,164)
Net cash provided by discontinued operations	-	-	105
Impact of change in consolidation method	361	190	43
Net impact of foreign exchange fluctuations and reclassification on cash and cash equivalents [l]	(1,384)	(161)	(494)
Cash and cash equivalent as at December 31 [j]	**18,210**	**30,811**	**17,192**

(a) Includes premium/discount capitalization and relating amortization, amortization of investment and owner occupied properties (held directly).
(b) Includes impact of reinsurance and change in liabilities arising from contracts where the financial risk is borne by policyholders.
(c) Includes impairment and amortization of intangible assets booked during business combinations.
(d) Mainly includes change in provisions for risks & charges, for bad debts/doubtful receivables and change in impairment of assets held for sale.
(e) Includes impact of asset lending/borrowing and equivalent relating to banking activities.
(f) Includes equity instruments held directly or by controlled investment funds as well as non controlled investment funds.
(g) Includes relating derivatives.
(h) Includes sales/purchases of assets backing insurance & investment contracts where the financial risk is borne by policyholders.
(i) Includes net cash impact of interest margin relating to hedging derivatives on financing debt.
(j) Net of bank overdrafts.
(k) AXA Japan closes its full year account at September 30. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognized with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the Credit spreads from October to December 2008. This adjustment was reversed in 2009. No adjustment was booked at the end of September in 2009.
(l) The assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

Cash and cash equivalents are presented in Note 12.

4.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Accounting principles

1.1. GENERAL INFORMATION

AXA SA, a French "Société Anonyme" (the "Company" and, together with its consolidated subsidiaries, "AXA" or the "Group"), is the holding (parent) company for an international financial services group focused on financial protection. AXA operates principally in Europe, North America and Asia-Pacific. The list of the main entities included in the scope of the AXA's consolidated financial statements is provided in Note 2 of the notes to the consolidated financial statements.

AXA operates in the following primary business segments:

- Life & Savings,
- Property & Casualty,
- International Insurance,
- Asset Management,
- Banking.

AXA has its primary listing on Euronext Paris (Compartment A) and has been listed since June 25, 1996 on the New York Stock Exchange (NYSE). On January 25, 2010, AXA announced its intention to voluntarily delist its American Depositary Shares (ADS) from the NYSE and to voluntarily deregister with the U.S. Securities and Exchange Commission (SEC). See Note 31 Subsequent Events for further information.

These consolidated financial statements including all Notes were finalized by the Management Board on March 8, 2010.

1.2. GENERAL ACCOUNTING PRINCIPLES

1.2.1. Basis for preparation

AXA's consolidated financial statements are prepared as at December 31. However, certain entities within AXA have a different reporting year end, in particular AXA Life Japan, which has a September 30 financial year end.

The consolidated financial statements are prepared in compliance with IFRS standards and IFRIC interpretations that are definitive and effective as at December 31, 2009, as adopted by the European Union before the balance sheet date. However, the Group does not use the "carve out" option allowing not to apply all hedge accounting principles required by IAS 39. In addition, the adoption of the new IFRS 9 standard published by the IASB in November 2009 has not been yet formally submitted to the European Union. However, the Group would not have used the earlier adoption option of the standard in 2009. As a consequence, the consolidated financial statements also comply with IFRSs as issued by the International Accounting Standards Board (IASB). The adoption date of IFRS 9, including its different phases and its method of enforcement are currently being reviewed within the Group.

AMENDMENTS TO STANDARDS AND INTERPRETATIONS PUBLISHED AND ADOPTED ON JANUARY 1, 2009

The application of the following standards, amendments to standards and interpretations as at January 1, 2009, had no significant impact on the Group's consolidated financial statements:

- IFRS 8 – Operating Segments, published in November 2006 and the amendment to IFRS 8, published in April 2009, replaces IAS 14 – Segment Reporting. The new standard requires disclosed operating segments to be based on the segmentation used in the entity's internal reporting, on the basis of which operational heads allocate capital and resources to the various segments and assess the segments' performance. The standard requires the entity to explain the basis on which segments are determined, and provide a reconciliation between consolidated balance sheet and income statement amounts. The segmental information provided by AXA in its previous consolidated financial statements already complied, for the major part, with IFRS 8 requirements;
- The amendment to IAS 23 – Borrowing Costs, published on March 29, 2007, makes it compulsory to capitalize borrowing costs and removes the option to expense these costs. The amendment excludes eligible assets measured at fair value from the revised standard's scope of application;
- Revised IAS 1 – Presentation of financial statements, published on September 6, 2007, represents the first step in the IASB's comprehensive project on reporting financial information. The new standard requires to present the statement of changes in equity as a primary statement and all non-owner changes in equity either in one statement of comprehensive income or in two statements. A statement of financial position (balance sheet) is also required as at the beginning of the earliest comparative period in a complete set of financial statements when the entity applies an accounting policy retrospectively or makes a retrospective restatement. Furthermore, income tax relating to each component of other comprehensive income and reclassification adjustments relating to components of other comprehensive income should be disclosed. Finally, revised IAS 1 changes the titles of financial statements;
- Revised IFRS 3 – Business Combinations and amendments to IAS 27 – Consolidated and Separate Financial Statements, published on January 10, 2008 and effective for financial years beginning on or after July 1, 2009 with earlier adoption

permitted, represent the second phase of the IASB business combination project. In the context of its 2009 annual consolidated financial statements, the Group decided to early adopt it from January 1, 2009. The decision was not yet taken for the interim consolidated financial statements at June 30, 2009. Revised IFRS 3 introduces a number of changes in the accounting of business combinations that can impact the amount of goodwill to be recognized, the net income of the period of the acquisition and future results. The amendments to IAS 27 require that a change in the ownership interest of a subsidiary be accounted for as an equity transaction, with no impact on goodwill or net income. In addition, they introduce changes in the accounting for losses incurred by subsidiaries and the loss of control of an entity. These new principles are detailed in § 1.3.2. The changes apply prospectively for combinations (including step acquisition transactions) on or after January 1, 2009. Additionally, the new rules regarding the accounting for additional purchases and sales of non-controlling interests in a controlled subsidiary and the treatment of realizable deferred taxes subsequent to acquisition date are effective for transactions occurring after January 1, 2009 (even if the related original business combination was prior to that date);

- The amendment of IFRS 2 – Share based payments, published on January 17, 2008 clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment;
- The amendments to IAS 32 – Financial Instruments: Presentation and IAS 1 – Presentation of Financial Statements – Puttable Financial Instruments with Obligations Arising on Liquidation, published on February 14, 2008 respectively require i) certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met and ii) disclosure on these instruments;
- The Improvements to IFRSs, published on May 22, 2008, include amendments that are not part of a major project. They are presented in a single document rather than as a series of piecemeal changes. They involve accounting changes for presentation, recognition or measurement purposes and terminology or editorial changes with minimal effect on accounting;
- IFRIC 15, Agreements for the Construction of Real Estate, published on July 3, 2008, applies to the accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. IFRIC 15 provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11, Construction Contracts or IAS18, Revenue, and when revenue from the construction should be recognized;
- IFRIC 16, Hedges of a Net Investment in a Foreign Operation, published on July 3, 2008, provides guidance to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and wishes to qualify for hedge accounting in accordance with IAS 39. IFRIC 16 does not apply to other types of hedge accounting. The interpretation provides guidance on identifying the foreign currency risks that qualify for hedge accounting and where within a group, the hedging instrument can be held. The guidance is to be applied prospectively to transactions and hedging arrangements after the adoption date;
- The amendment to IFRS 7 Improving Disclosures about Financial Instruments, published on March 5, 2009, introduces a three-level fair value disclosure hierarchy that distinguishes fair value measurements by the significance of the inputs used (such as quoted prices, observable market data, and other inputs). It also enhances disclosure requirements on the nature and extent of liquidity risk arising from financial instruments to which the entity is exposed;
- The amendments to IFRIC 9 and IAS 39 related to Embedded Derivatives, published on March 12, 2009, clarify that, on reclassification of a financial asset out of the "at fair value through profit or loss" category, all embedded derivatives have to be assessed and, if necessary, separately accounted for in the financial statements. No reclassification of financial assets, such as allowed by the amendments to IAS39 published in 2008, was made by the Group.

STANDARDS AND INTERPRETATIONS PUBLISHED BUT NOT YET EFFECTIVE

Eligible Hedged Items (an amendment to IAS 39 Financial Instruments: Recognition and Measurement), published on July 31, 2008 and applicable for the Group from January 1, 2010, clarifies how the existing principles underlying hedge accounting should be applied. Additional guidance is given to illustrate how hedge accounting should be applied in (a) a one-sided risk in a hedge item, and (b) inflation in a financial hedged item. These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

IFRIC 17. Distribution of Non-cash Assets to Owners, published on November 27, 2008 and applicable to the Group from January 1, 2010, provides guidance on how an entity should measure distribution of assets other than cash when it pays dividends to its owners. The interpretation also requires an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation. The guidance is to be applied prospectively to distributions after the adoption date.

The Improvements to IFRSs, published on April 16, 2009, include amendments that will not be part of another major project. They are presented in a single document rather than as a series of piecemeal changes. They are generally applicable from January 1, 2010 unless otherwise specified. These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

Revised IAS 24 – Related party disclosures, published on November 4, 2009 and effective for annual periods beginning on or after January 1, 2011, with earlier application permitted, simplifies the disclosure requirements for government-related entities and clarifies the definition of a related party. These changes are not expected to have a significant impact on the Group's consolidated financial statements.

IFRIC 19 – Extinguishing financial liabilities with equity instruments, published on November 26, 2009 and effective for financial years beginning on or after July 1, 2010, with earlier application permitted, clarifies the requirements when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. This interpretation is not expected to have a significant impact on the Group's consolidated financial statements.

IFRS 9 – Financial instruments, published on November 12, 2009 and applicable to the Group from January 1, 2013 with earlier application permitted, represents the completion of the first part of a three-part project to replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value. A financial asset is measured at amortized cost if both a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding At initial recognition, an entity can use the option to designate a financial asset at fair value through profit or loss if doing so eliminates or significantly reduce an accounting mismatch. For equity instruments that are not held for trading, an entity can also make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the instruments (including realized gains and losses), dividends being recognized in profit or loss. The adoption date of IFRS 9 including its different phases (the second and third phases respectively relate to the impairment methodology and the hedge accounting), its method of enforcement and its impact are currently examined within the Group.

PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions. It requires a degree of judgment in the application of Group accounting principles described below. The main balance sheet captions concerned are goodwill (in particular impairment tests described in section 1.6.1), intangible assets acquired in a business combination, the value of acquired business in force, deferred acquisition costs and equivalent, certain assets accounted at fair value, liabilities relating to the insurance business, pension benefit obligations and balances related to share-based compensation. The principles set out below specify the measurement methods used for these items. These methods, along with key assumptions where required, are discussed in greater depth in the notes relating to the asset and liability items concerned where meaningful and useful.

As recommended by IAS 1, assets and liabilities are generally classified globally on the balance sheet in increasing order of liquidity, which is more relevant for financial institutions than a classification between current and non-current items. As for most insurance companies, expenses are classified by destination in the income statement.

All amounts in the consolidated statement of financial position, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and in the notes are expressed in Euro million, and rounded up to the nearest whole unit, unless otherwise stated.

1.2.2. First time adoption of IFRS

The AXA Group's transition date is January 1, 2004. The Group prepared its opening IFRS balance sheet at that date. The Group's IFRS adoption date is January 1, 2005.

The major options elected in accordance with IFRS 1 were the following:

PURCHASE ACCOUNTING, GOODWILL AND OTHER INTANGIBLES RELATED TO PAST BUSINESS COMBINATIONS PERFORMED PRIOR TO JANUARY 1, 2004

AXA chose not to restate past business combinations based on the option available in IFRS 1. As a result, past business combinations prior to January 1, 2004 are accounted for on a previous GAAP basis in the IFRS financial statements, except:

- Goodwill has been denominated in the functional currency of the acquired entity under IFRS since January 1, 2004 (transition to IFRS), and
- Any item recognized under previous GAAP that did not qualify for recognition as an asset or liability under IFRS was reclassified into goodwill.

As a result, the goodwill gross value disclosed in Note 5 represents the gross value of these goodwills net of cumulated amortization recognized in French GAAP as at December 31, 2003.

CURRENCY TRANSLATION DIFFERENCES

AXA elected the option to reset to zero all past cumulative currency translation differences for all foreign operations as at January 1, 2004.

PENSION ACCOUNTING

All cumulative past actuarial gains and losses on all employee benefit plans were recognized in retained earnings as at January 1, 2004.

Unless otherwise stated, the AXA's accounting policies have been consistently applied to all the periods presented in its financial statements, including policies relating to the classification and measurement of insurance contracts, investment contracts and other financial investments and liabilities including derivatives.

1.3. CONSOLIDATION

1.3.1. Scope and basis of consolidation

Companies in which AXA exercises control are known as subsidiaries. Under the current definition of IAS 27, control is the power to govern the financial and operating policies of a company so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control according to the IAS 27/SIC 12 current model is transferred to AXA. Control is presumed to exist when AXA directly or indirectly holds more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are also considered when assessing whether AXA controls another entity.

Entities that are controlled in substance, even without any ownership interest, are also consolidated, as well as entities that are controlled in substance because of a specific statute or an agreement, even without any ownership interest. In particular this relates to special purpose entities, such as securitization vehicles.

Companies over which AXA exercises a joint controlling influence alongside one or more third parties are consolidated proportionately.

Companies in which AXA exercises significant influence are accounted for under the equity method. Significant influence is presumed when AXA directly or indirectly holds 20% or more of the voting rights or, for example, when significant influence is exercised through an agreement with other shareholders. AXA's share of equity associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is stated under "Other reserves".

Investment funds and real estate companies are either fully consolidated or proportionately consolidated or accounted for under the equity method, depending on which conditions of IAS 27/SIC 12 listed above they satisfy. For fully consolidated investment funds, non-controlling interests are recognized at fair value and shown as liabilities in the balance sheet if the companies' instruments can be redeemed at any time by the holder at fair value. Investment funds accounted by equity method are shown under the balance sheet caption "Financial investments".

1.3.2. Business combinations and subsequent changes in the Group ownership interest

In accordance with the option made available by *IFRS 1 – First-time adoption of IFRS*, business combinations prior to 2004 were not restated with respect to French accounting principles in force at the time.

As Group decided to early adopt Revised IFRS 3 – Business Combinations and amendments to IAS 27 – Consolidated and Separate Financial Statements from January 1, 2009, the principles described below are those that apply from that date. The resulting impacts are disclosed in the relevant notes.

VALUATION OF ASSETS ACQUIRED AND LIABILITIES ASSUMED OF NEWLY ACQUIRED SUBSIDIARIES AND CONTINGENT LIABILITIES

Upon first consolidation, all assets, liabilities and contingent liabilities (unless they are not present obligations) of the acquired company are estimated at their fair value. However, in compliance with an exemption permitted by IFRS 4, liabilities related to life insurance contracts or investment contracts with discretionary participating features are maintained at the carrying value prior to the acquisition date to the extent that this measurement basis is consistent with AXA's accounting principles. The fair value of acquired business in force relating to insurance contracts and investment contracts with discretionary participating features is recognized as an asset corresponding to the present value of estimated future profits emerging on acquired business in force at the date of acquisition (also referred to as value of acquired business in force or VBI). The present value of future profits takes into consideration the cost of capital and is estimated using actuarial assumptions based on projections made at purchase date but also using a discount rate that includes a risk premium.

Investment contracts with no discretionary participating features do not benefit from the exemption permitted by IFRS 4 in phase I of the IASB's insurance project such as described above, i.e. the fair value of acquired liabilities is booked through the recognition of an asset corresponding to the value of acquired business in force. Liabilities relating to investment contracts with no discretionary participating features are measured directly at fair value. In accordance with IAS 39, the fair value of these contracts cannot be less than surrender value when they contain a demand feature.

Other identifiable intangible assets such as the value of customer relationships should be recognized. The value of customer relationships intangible represents the value of future cash flows expected from renewals and the cross-selling of new products to customers known and identified at the time of the acquisition. These projections include assumptions regarding claims, expenses and financial revenues, or they can be estimated on the basis of the new business value. In line with accounting practices in force before the adoption of IFRS, which may continue to be applied under IFRS 4, future premiums relating to acquired business may be recognized in the "Value of acquired business in force" item.

To the extent that these other intangible assets can be estimated separately, they can also be measured by looking at the purchased marketing resources that will allow to generate these future cash flows.

The nature of the intangible assets recognized is consistent with the valuation methods used when purchasing the acquired entity.

In the context of a business combination, only restructuring costs that can be measured reliably and which correspond to an existing liability of the acquired company prior to the acquisition date are included in restructuring provisions recognized in the acquired company's balance sheet at acquisition date.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, the liabilities incurred by the Group to former owners of the acquiree and the equity interests issued by the Group.

Purchase consideration includes any contingent element (adjustment in the acquisition price conditional upon on one or more events). In the estimate of the contingent element, attention is paid to use assumptions that are consistent with the assumptions used for the valuation of intangible assets such as VBI. For business combinations that occurred before January 1, 2009, any contingent element was included in the cost of the combination to the extent the adjustment was probable and could be measured reliably. If the future events do not occur or the estimate needs to be revised, the cost of the business combination continues to be adjusted accordingly, taking account of the impact in terms of additional goodwill and/or adjustments of the valuation of acquired assets and liabilities. For business combinations on or after January 1, 2009, any change to the estimate of the contingent element between the acquisition date and the amount actually subsequently paid is recognized in the income statement.

Direct transaction costs related to a business combination are charged in the income statement when incurred.

In step acquisitions, any previously non-controlling interest held by the Group is measured at fair value and the resulting adjustment is recognized through the net income. Similarly, when an additional purchase changes the control from significant influence or joint control to control, any investment pre-existing in a former associate/joint venture is re-measured to its fair value with the gain or loss through net income (consequently also resulting in a change in the previous recognized amount of goodwill).

According to a decision taken for each acquisition, any non-controlling interest may be measured at fair value or as its proportionate interest in the acquiree's identifiable net assets.

If the transaction is denominated in a foreign currency, the exchange rate used is that in force on the date of the transaction or on the starting date of the transaction (if it occurs over a period).

GOODWILL

Goodwill is measured as the excess of (a) the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and in a business combination achieved in stages, the acquisition-date fair value of the Group's previously held equity interest in the acquiree over (b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill arising from the acquisition of a foreign entity is recorded in the local currency of the acquired entity and is translated into Euro at the closing date.

If the cost of acquisition is less than the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed, the difference is directly recorded in the consolidated statement of income.

Adjustments can be made to goodwill within twelve months of the acquisition date, if new information becomes available to complete the initial accounting. In this case, comparative information is presented as if the initial accounting had been completed from the acquisition date.

If, after the period of twelve months, a deferred tax asset, initially considered as not recoverable, finally meets the recognition criteria, the corresponding tax benefit is recorded in the consolidated statement of income without a corresponding adjustment in goodwill.

Goodwill is allocated across operating segments (Life & Savings, Property & Casualty, International Insurance, Asset Management and Banking) to cash generating units corresponding (i) to the companies acquired or portfolios of business acquired according to their expected profitability, and (ii) to the entities already within the AXA Group that will benefit from the synergies of the combination with the activities acquired. This allocation of goodwill is used both for segment reporting and for impairment testing.

PURCHASE AND SALE OF NON-CONTROLLING INTERESTS IN A CONTROLLED SUBSIDIARY

Purchase and sale transactions of non-controlling interests in a controlled subsidiary that do not change the conclusion of control are recorded through shareholders' equity (including direct acquisition costs).

If control in a subsidiary is lost, any gain or loss is recognized in net income. Furthermore, if an investment in the entity is retained by the Group, it is re-measured to its fair value and any gain or loss is also recognized in net income.

PUT OVER NON-CONTROLLING INTERESTS

When control over a subsidiary is acquired, a put option may be granted to non-controlling shareholders. However, the recognition of the puttable instruments as a liability depends on the contractual obligations.

When the contract involves an unconditional commitment exercisable by the option holder, it is recognized as a liability. Since the balancing entry to this liability is not specified by current IFRS, and since IFRIC's Agenda Committee decided in 2006 not to take any position on the accounting treatment of these transactions, the Group's method is (i) to reclassify non-controlling interests from equity to liability, (ii) to re-measure this liability at the present value of the option price and (iii) to recognize the difference either as an increase in goodwill for puts existing before January 1, 2009 or as a decrease in equity (Group share) for a put granted after January 1, 2009, to the extent there is no immediate transfer or risks and rewards. Similarly, subsequent changes in the liability are recorded against goodwill for puts existing before January 1, 2009 and against equity (Group share) for puts granted after that date.

INTRA-GROUP TRANSACTIONS

Intra-group transactions, including internal dividends, payables/receivables and gains/losses on intra-group transactions are eliminated:

- In full for controlled subsidiaries, and;
- To the extent of AXA's interest for entities consolidated by equity method or proportionate consolidation.

The effect on net income of transactions between consolidated entities is always eliminated, except for permanent losses, which are maintained.

In the event of an internal sale of an asset that is not intended to be held on the long term by the Group, deferred tax is recognized as the current tax calculated on the realized gain or loss is eliminated. The income statement impact of the potential policyholders' participation resulting from this transaction is also eliminated, and a deferred policyholders' participation asset or liability is posted to the balance sheet.

In addition, the transfer of consolidated shares, between two consolidated subsidiaries but held with different ownership percentages, should not impact the Group net income. The only exception would be any related tax and policyholders' participation recorded in connection to the transaction, which are maintained in the consolidated financial statements. These transfers also have an impact on Group shareholders' equity (with a balancing entry recorded in non-controlling interests). This impact is identified in the "other" changes of the consolidated statement of shareholders' equity.

1.4. FOREIGN CURRENCY TRANSLATION OF FINANCIAL STATEMENTS AND TRANSACTIONS

The consolidated financial statements are presented in Euro million, the Euro being the Group's presentational currency.

The results and financial position of all Group entities that have a functional currency (i.e. the currency of the primary economic environment in which the entity operates) different from the Group presentational currency are translated as follows:

- Assets and liabilities of entities in a functional currency different from Euro are translated at the closing rate;

- Revenues and expenses are translated at the average exchange rates over the period;
- All resulting foreign exchange differences are recognized as a separate component of equity (translation differences).

At the local entity level, foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at closing rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except where hedge accounting is applied as explained in section 1.9.

As mentioned in section 1.3.2, goodwill arising on the acquisition of a foreign entity is recorded in the local currency of the acquired entity and is translated into Euro at the closing date.

Foreign exchange differences arising from the translation of a net investment in a foreign subsidiary, borrowings and other currency instruments qualifying for hedge accounting of such investment are recorded in shareholders' equity under translation differences and are recycled in the income statement as part of the realized gain or loss on disposal of the hedge net investment.

Foreign exchange differences arising from monetary financial investments available for sale are recognized as income or expense for the period in respect of the portion corresponding to amortized cost. The residual translation differences relating to fair value changes are recorded in shareholders' equity.

1.5. SEGMENT REPORTING

The segmental analysis provided in AXA's Annual Report and Financial Statements reflects operating business segments; it is based on five business lines: Life & Savings, Property & Casualty, International Insurance, Asset Management and Banking. An additional "Holdings" segment includes all non-operational activities.

1.6. INTANGIBLE ASSETS

1.6.1. Goodwill and impairment of goodwill

Goodwill is considered to have an indefinite useful life and is therefore not amortized. Impairment tests are performed at least annually. Impairment of goodwill is not reversible.

AXA performs an impairment test of goodwill at least annually based on cash generating units, using a multi-criterion analysis with parameters such as the value of assets, future operating profits and market share, in order to determine any significant adverse changes. It also considers the interdependence of transactions within sub-groups. Within each cash generating unit, a comparison is made between net book value and the recoverable value (equal to the higher of fair value less costs to sell and value in use). Value in use consists of the net assets and expected future earnings from existing and new business, taking into account the cash generating units' future cash flows. The value of future expected earnings is estimated on the basis of the life insurance and investment contracts embedded value figures published by AXA or similar calculations for other activities. Fair values less costs to sell are based on various valuation multiples.

1.6.2. Value of purchased life insurance business in force (VBI)

The value of purchased insurance contracts and investment contracts with discretionary participating features recognized in a business combination (see section 1.3.2) is amortized as profits emerge over the life of the contracts' portfolio. In conjunction with the liability adequacy test (see section 1.13.2), VBI is subject to annual recoverability testing based on actual experience and expected changes in the main assumptions.

1.6.3. Other intangible assets

Other intangible assets include softwares developed for internal use for which direct costs are capitalized and amortized on a straight-line basis over the assets' estimated useful lives.

They also include customer relationships intangibles as well as distribution agreements recognized as a result of business combinations, provided that their fair value can be measured reliably and it is probable that future economic benefits attributable to the assets will benefit to the Group. If these assets have a finite useful life, they are amortized over their estimated life. In all cases, they are subject to impairment tests, at each closing for assets with a finite useful life and at least annually for other assets. In the event of a significant decline in value, an impairment is booked corresponding to the difference between the value on the balance sheet and the higher of value in use and fair value less costs to sell.

1.6.4. Deferred acquisition costs (DAC) relating to insurance contracts and investment contracts with discretionary participating features – Deferred origination costs (DOC) relating to investment contracts with no discretionary participating features

The variable costs of writing insurance contracts and investment contracts with discretionary participating features, primarily related to the underwriting of new business, are deferred by recognizing an asset. This asset is amortized based on the estimated gross profits emerging over the life of the contracts. In conjunction to the liability adequacy test (see section 1.13.2) this asset is tested for recoverability: any amount above future estimated gross profits is not deemed recoverable and expensed.

For investment contracts with no discretionary participating features, a similar asset is recognized (DOC) but limited to costs directly attributable to the provision of investment management services. This asset is amortized by taking into account projections of fees collected over the life of the contracts. The amortization of DOC is reviewed at each closing date to reflect changes in assumptions and experience. This asset is also tested for recoverability.

DAC and DOC are reported gross of unearned revenues and fees reserves.

These unearned revenues and fees reserves are separately recognized as liabilities and are amortized over the contract term using the same amortization approach used for DAC and DOC.

1.7. INVESTMENTS FROM INSURANCE, BANKING AND OTHER ACTIVITIES

Investments include investment in real estate properties and financial instruments including equity instruments, debt instruments securities and loans.

1.7.1. Investment in real estate properties

Investment in real estate properties (excluding investment in real estate properties totally or partially backing liabilities arising from contracts where the financial risk is borne by policyholders and from "with-profit" contracts) are recognized at cost. The properties components are depreciated over their estimated useful lives, also considering their residual value if it may be reliably estimated.

In case of unrealized loss over 15%, an impairment is recognized for the difference between the net book value of the investment property and the fair value of the asset based on an independent valuation. Furthermore, at the level of each reporting entity, if the cumulated amount of unrealized losses under 15% (without offsetting with unrealized gains) represents more than 10% of the cumulated net cost of real estate assets, additional impairment are booked on a line-by-line approach until the 10% threshold is reached.

If, in subsequent periods, the appraisal value rises to at least 15% more than the net carrying value, previously recorded impairment is reversed to the extent of the difference between a) the net carrying value and b) the lower of the appraisal value and the depreciated cost (before impairment).

Investment in real estate properties that totally or partially back liabilities arising from:

- Contracts where the financial risk is borne by policyholders;
- "with-profit" contracts where dividends are based on real estate assets;

are recognized at fair value with changes in fair value through profit or loss.

1.7.2. Financial instruments classification

Depending on the intention and ability to hold the invested assets, financial instruments are classified in the following categories:

- Assets held to maturity, accounted for at amortized cost;
- Loans and receivables (including unquoted debt instruments) accounted for at amortized cost;
- Assets held for trading and assets designated as at fair value with change in fair value through profit or loss;
- Available-for-sale assets accounted for at fair value with changes in fair value recognized through shareholders' equity.

At inception, the option to designate financial investments and liabilities at fair value with change in fair value recognized through income statement is mainly used by the Group in the following circumstances:

- Financial investments when electing the fair value option allows the Group to solve accounting mismatch, and in particular:
  - Assets backing liabilities arising from contracts where the financial risk is borne by policyholders;
  - Assets included in hedging strategies set out by the Group for economical reasons but not eligible for hedge accounting as defined by IAS 39;
  - Debts held by structured bond funds controlled and consolidated by the Group and made up of CDOs (Collateralized Debt Obligations);
- Portfolios of managed financial investments whose profitability is valued on a fair value basis: mainly securities held by consolidated investment funds, managed according to the Group Risk Management policy ("Satellite Investment Portfolio", see definition below).

In practice, assets held through consolidated investment funds are classified:

- Either as assets of the "Core Investment Portfolios" which include assets backing liabilities arising from insurance and investment contracts, managed according to AXA's ALM strategy;
- Or as assets of the "Satellite Investment Portfolios", reflecting the strategic asset allocation based on a dynamic asset management aimed at maximizing returns.

Underlying financial instruments held in the "Core Investment Portfolios" are classified as available-for-sale unless involved in a qualifying hedge relationship or more broadly when electing the fair value option reduces accounting mismatch. As specified above, the financial instruments held in the "Satellite Investment Portfolios" are accounted for at fair value with changes in fair value recognized through income statement.

Assets designated as available-for-sale, trading assets, investments designated as at fair value through P&L and all derivatives are measured at fair value, i.e. the amount for which an asset could be exchanged, between knowledgeable, willing parties in an arm's length transaction. The Group applies the IAS 39 fair value hierarchy as detailed in Note 9.9.

Loans which are not designated under the fair value option are accounted at amortized cost using the effective interest rate method.

IMPAIRMENT OF FINANCIAL INSTRUMENTS

AXA assesses at each balance sheet date whether a financial asset or a group of financial investments at (amortized) cost or designated as "available for sale" is impaired. A financial asset or group of financial investments is impaired when there is objective evidence of impairment as a result of one or more events and this event has an impact on the estimated future cash flows of the asset(s) that can be reliably estimated.

For debt instruments classified as "held to maturity" or "available for sale", an impairment based respectively on future cash flows discounted using the initial effective interest rate or on fair value is recorded through the income statement if future cash flows may not be fully recoverable due to a credit event relating to the instrument issuer. A downgrade of an entity's credit rating is not, of itself, evidence of impairment. If the credit risk is eliminated or improves, the impairment may be released. The amount of the reversal is also recognized in the income statement.

For equity instruments classified as available for sale, a significant or prolonged decline in the fair value below its carrying value is considered as indication for potential impairment, such as equity instruments showing unrealized losses over a 6 months period or more (prior to the closing date), or unrealized losses in excess of 20% of the net carrying value at the closing date. If such evidence exists for an available for sale financial asset, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment on that financial asset already booked in the income statement – is removed from shareholders' equity and an impairment is recognized through the income statement. Equity instruments impairment recognized in the income statement cannot be reversed through the income statement until the asset is sold or derecognized.

Impairments of loans available for sale are based on the present value of expected future cash flows, discounted at the loan's effective interest rate (down to the loan's observable market price), or on the fair value of the collateral.

For financial investments accounted for at amortized cost, including loans and assets classified as "held to maturity" or assets designated as "Loans and receivables", the impairment test is first performed at the asset level. A more global test is then performed on groups of assets with similar risk profile.

Methods for calculating the net book value of assets sold (average cost, first-in first-out, etc.) depend on local ALM strategies as these strategies have been set up to take into account specific commitments to policyholders. These methods may differ within the Group provided that they are used consistently at each entity level.

1.8. ASSETS BACKING LIABILITIES ARISING FROM CONTRACTS WHERE THE FINANCIAL RISK IS BORNE BY POLICYHOLDERS

Assets backing liabilities arising from insurance or investment contracts where the financial risk is borne by policyholders are presented in a separate aggregate of the balance sheet so that they are shown in a symmetrical manner to the corresponding liabilities. This presentation is considered more relevant for the users and consistent with the liquidity order recommended by IAS 1 for financial institutions, since the risks are borne by policyholders, whatever the type of assets backing liabilities (investment in real estate properties, debt instruments or equity instruments, etc.). Details of these assets are provided in the notes.

1.9. DERIVATIVE INSTRUMENTS

Derivatives are initially recognized at fair value at purchase date and are subsequently re-measured at their fair value. Unrealized gains and losses are recognized in the statement of income unless they relate to a qualifying hedge relationship as described below. The Group designates certain derivatives as either: (i) hedging of the fair value of recognized assets or liabilities or of a firm commitment (fair value hedge); or (ii) hedging of highly probable expected future transactions (cash flow hedge); or (iii) hedging of net investments in foreign operations.

The Group documents, at inception, the hedge relationship, as well as its risk management hedging objectives and strategy. The Group also documents the hedge effectiveness, both at inception and on an ongoing basis, indicating the actual or expected efficiency level of the derivatives used in hedging transactions in offsetting changes in the fair values or cash flows of hedged underlying items.

FAIR VALUE HEDGE

Changes in the fair value of derivatives designated and qualifying as fair value hedge are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability.

CASH FLOW HEDGE

The effective portion of changes in the fair value of derivatives designated and qualifying as cash flow hedge is recognized in shareholders' equity. The gain or loss relating to any ineffective portion is recognized in the income statement. Cumulative gain or loss in shareholders' equity is recycled in the income statement when the hedged underlying item impacts the profit or loss for the period (for example when the hedged future transaction is recognized). When a hedging instrument reaches its maturity date or is sold, or when a hedge no longer qualifies for hedge accounting, the cumulative gains or losses in shareholders' equity are held until the initially hedged future transaction ultimately impacts the income statement.

NET INVESTMENT HEDGE

The accounting of net investments in foreign operations hedge is similar to the accounting of cash flow hedge. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in shareholders' equity; the gain or loss relating to the ineffective portion is recognized in the income statement. Cumulative gains and losses in shareholders' equity impact the income statement only on disposal of the foreign operations.

DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING

Changes in the fair value of all other derivative instruments that do not qualify for hedge accounting are recognized in the income statement.

The Group holds financial investments that include embedded derivatives. Such embedded derivatives are separately recorded and measured at fair value through profit or loss if the impact is deemed significant.

For balance sheet presentation, derivatives are presented alongside with the underlying assets or liabilities for which they are used, regardless of whether these derivatives meet the criteria for hedge accounting.

The purpose and condition of the use of derivatives within the Group are detailed in Note 19.

1.10. ASSETS/LIABILITIES HELD FOR SALE AND ASSETS/LIABILITIES INCLUDING DISCONTINUED OPERATIONS

These comprise assets, particularly buildings or operations, intended to be sold or discontinued within twelve months.

Subsidiaries held for sale remain within the scope of consolidation until the date on which the Group loses effective control. The assets and activities (assets and liabilities) concerned are measured at the lower of net carrying value and fair value net of selling costs. They are presented in separate asset and liability items on the balance sheet. The liabilities of subsidiaries (excluding shareholders' equity) held for sale are entered separately on the liability side of the consolidated balance sheet, with no netting against assets.

In the event of a discontinuation of operations representing either a business line, a main and distinct geographical region or a subsidiary acquired solely with a view to reselling, their after-tax contribution is stated on a separate line of the income statement. For comparison purposes, the same applies to the presentation of income statements relating to previous periods that are included in the financial statements. This separate line also includes the post-tax gain/loss recognized on the disposal of the discontinued operation at the date of loss of control.

Details on information presented in the balance sheet and income statement are provided in the notes to the consolidated financial statements.

1.11. CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits while cash equivalents are short-term, liquid investments that are readily convertible to cash and which are subject to low volatility.

1.12. SHARE CAPITAL AND SHAREHOLDERS' EQUITY

1.12.1. Share capital

Ordinary shares are classified in shareholders' equity when there is no obligation to transfer cash or other assets to the holders.

Additional costs (net of tax) directly attributable to the issue of equity instruments are shown in shareholders' equity as a deduction to the proceeds.

1.12.2. Undated subordinated debts

Undated subordinated debts and any related interest charges are classified either in shareholders' equity (in the "other reserves" aggregate) or as liabilities depending on contract clauses without taking into consideration the prospect of redemption under economic constraints (e.g. step up clauses or pressure from shareholders to pay a dividend).

1.12.3. Compound financial instruments

Any financial instrument issued by the Group with an equity component (for example an option granted to convert the debt instrument into an equity instrument of the company) and a liability component (a contractual obligation to deliver cash) is classified separately on the liability side of the balance sheet with the equity component reported in Group shareholders' equity (in the "other reserves" aggregate). Gains and losses relating to redemptions or refinancing of the equity component are recognized as changes to shareholders' equity.

1.12.4. Treasury shares

Treasury shares and any directly related costs are recorded as a deduction to consolidated shareholders' equity. Where treasury shares are subsequently sold or reissued, any consideration received is included in consolidated shareholders' equity, net of any directly related costs and tax effects.

However, treasury shares held by controlled investment funds backing contracts where the financial risk is borne by policyholders are not deducted as all risks and income resulting from holding these shares are attributable to policyholders.

1.13. LIABILITIES ARISING FROM INSURANCE AND INVESTMENT CONTRACTS

1.13.1. Contracts classification

The Group issues contracts that transfer an insurance risk or a financial risk or both.

Insurance contracts, including assumed reinsurance contracts, are contracts that carry significant insurance risks. Such contracts may also transfer financial risk from the policyholders to the insurer. Investment contracts are contracts that carry financial risk with no significant insurance risk.

A number of insurance and investment contracts contain discretionary participating features. These features entitle the contract holder to receive additional benefits or bonuses on the top of these standard benefits:

- They are likely to represent a significant portion of the overall contractual benefits;
- Their amount or timing is contractually at the discretion of the Group; and
- They are contractually based on the performance of a group of contracts, the investment returns of a financial asset portfolio or the company profits, a fund or another entity that issues the contract.

In some insurance or investment contracts, the financial risk is borne by policyholders. Such contracts are usually unit-linked contracts.

The Group classifies its insurance and investment contracts into six categories:

- Liabilities arising from insurance contracts;
- Liabilities arising from insurance contracts where the financial risk is borne by policyholders;
- Liabilities arising from investment contracts with discretionary participating features;
- Liabilities arising from investment contracts with no discretionary participating features;
- Liabilities arising from investment contracts with discretionary participating features where the financial risk is borne by

policyholders; these relate to unit-linked contracts or multi-funds contracts containing a non-unit-linked fund with discretionary participating features;

- Liabilities arising from investment contracts with no discretionary participating features where the financial risk is borne by policyholders.

1.13.2. Insurance contracts and investment contracts with discretionary participating features

According to IFRS 4, recognition and derecognition are based on the AXA accounting policies existing prior to IFRS and are described below, except for the elimination of equalization provisions, selective changes as permitted by IFRS 4 (see below), the extension of shadow accounting and except where IAS 39 applies.

The main characteristics of the accounting principles applied prior to IFRS and retained after the conversion to IFRS are as follow:

- Reserves must be sufficient;
- Life reserves cannot be discounted using a discount rate higher than prudently estimated expected assets yield;
- Acquisition costs are deferred to the extent recoverable and amortized based on the estimated gross profits emerging over the life of the contracts;
- Claims reserves represent estimated ultimate costs. Post claims reserves are generally not discounted, except in limited cases (a detail of discounted reserves is shown in Note 14.9).

PRE-CLAIMS RESERVES

Unearned premium reserves represent the prorated portion of written premiums that relates to unexpired risks at the balance sheet date.

For traditional life insurance contracts (that is, contracts with significant mortality or morbidity risk), the future policy benefits reserves are calculated on a prospective basis according to each country regulation provided methods used are consistent with the Group's policies and using assumptions on investment yields, morbidity/mortality and expenses.

Additional reserves are booked if there are any adverse impacts on reserves level caused by a change in mortality table.

Future policy benefits reserves relating to investment contracts with discretionary participation features (previously called "savings contracts" in AXA's accounting principles) that carry low mortality and morbidity risk are calculated using a prospective approach based on discount rates set at inception (similar to the retrospective approach, i.e. "account balance" methodology).

The discount rates used by AXA are less or equal to the expected future investment yields (assessed on prudent basis).

Part of the policyholders participation reserve is included in future policy benefits reserves, according to contractual clauses.

The "Liabilities arising from policyholders participation" caption includes the entire "Fund for Future Appropriation" (FFA) relating to UK with-profit contracts, which principally covers future terminal bonuses according to the terms of these contracts. The combination of provisions on with-profit contracts and the FFA varies in line with the market value of the assets supporting the participating with-profit funds. Technical reserves are measured on a "realistic" basis in accordance with UK accounting standard FRS 27 and in line with the practice used by UK insurance companies with respect to these contracts.

Liabilities within the UK with-profit funds are supported by assets designated as investments at fair value through profit or loss. When liabilities are transferred out of the UK with-profit fund along with the supporting assets, the group is not permitted to reclassify the assets as available for sale assets, which would represent the relevant category to match the traditional valuation of non profits UK liabilities. These assets instead retain their previous designation of fair value through profit and loss. In order to minimize the accounting mismatch between liabilities and supporting assets, the Group has elected to use the option allowed under IFRS 4.24 to re-measure its provision. This revaluation is carried out at each reporting date based on guarantee benefit projections and takes into account interest rates and other market assumptions.

For insurance and investment contracts with discretionary participating features, if the contracts include a minimum guaranteed rate, any potential reserve deficiency caused by insufficient future investment return is immediately booked.

Except when these guarantees are covered by a risk management program using derivative instruments (see next paragraph), guaranteed minimum benefits reserves relating to contracts where the financial risk is borne by policyholders (insurance contracts because they include such guarantees or investment contracts with discretionary participating features), are build over the life of the contract based on a prospective approach: the present value of future benefit obligations to be paid to policyholders in relation to these guarantees is estimated on the basis of reasonable scenarios. These scenarios are based on assumptions including investment returns, volatility, surrender and mortality rates. This present value of future benefit obligations is reserved as fees are collected over the life of the contracts.

Some guaranteed benefits such as Guaranteed Minimum Death or Income Benefits (GMDB or GMIB), or certain guarantees on return proposed by reinsurance treaties, are covered by a risk management program using derivative instruments. In order to minimize the accounting mismatch between liabilities and hedging derivatives, AXA has chosen to use the option allowed under IFRS 4.24 to re-measure its provisions: this revaluation is carried out at each accounts closing based on guarantee level projections and takes into account interest rates and other market assumptions. The liabilities revaluation impact in the current period is recognized through income, symmetrically with the impact of the change in value of hedging derivatives. This change in accounting principles was adopted on the first time application of IFRS on January 1, 2004 for contracts portfolios covered by the risk management program at that date. Any additional contracts portfolios covered by the risk management program after this date are valued on the same terms as those that applied on the date the program was first applied.

POST CLAIMS RESERVES

Claims reserves (life and non life contracts)

The purpose of claims reserves is to cover the ultimate cost of settling an insurance claim. Claims reserves are not discounted, except when relating to disability annuities.

Claims reserves include the claims incurred and reported, claims incurred but not reported (IBNR) as well as claim handling costs. Claims reserves are based on historical claim data, current trends, actual payment patterns for all insurance business lines as well as expected changes in inflation, regulatory environment or anything else that could impact amounts to be paid.

Unearned revenues reserves

Revenues received at contract inception to cover future services are deferred and recognized in the income statement using the same amortization pattern as the one used for deferred acquisition costs (see section 1.6.4).

Shadow accounting and Deferred policyholders Participation Asset (DPA) or Liability (DPL)

In compliance with IFRS 4 option, shadow accounting is applied to insurance and investment contracts with discretionary participating features. Shadow accounting is applied to technical liabilities, acquisition costs and value of business in force to take into account unrealized gains or losses on insurance liabilities or assets in the same way as it is done for a realized gain or loss of invested assets. When unrealized gains or losses are recognized, a deferred participating liability (DPL) or asset (DPA) is recorded. The DPL or DPA corresponds to the discretionary participation available to the policyholders and is generally determined by applying on the basis of estimated participation of policyholders in unrealized gains and losses and any other valuation difference with the local contractual basis. Jurisdictions where participating business is significant are Switzerland (for example “legal quote” for group insurance policies), Germany and France where minimum are set to respectively 90%, 90% and 85% of a basis which may include not only financial income but also other components such as in Germany or Switzerland. Participating business is less developed in the US or in Japan.

The estimated discretionary participating feature of such contracts is fully recognized in the liabilities. As a consequence, there is no component recognized as an equity component and AXA does not need to ensure the liability recognized for the whole contract is not less than the amount that would result from applying IAS 39 to the guaranteed element.

When a net unrealized loss (unrealized change in fair value, impairment, expense related, …) is accounted, a deferred participating asset (DPA) may be recognized only to the extent that it is highly probable that it can be charged to policyholders, by entity, in the future. This could be the case if the DPA can be offset against future participation either directly through deduction of the DPL from future capital gains or the DPL netted against value of businesses in force or indirectly through deduction of future fees on premiums or margins.

Unrealized gains and losses on assets classified as trading or designated at fair value through profit and loss, along with any other entry impacting the income statement and generating a timing difference, are accounted in the income statement of the income with a corresponding shadow entry adjustment in the statement of income. The shadow accounting adjustments relating to unrealized gains and losses on assets available-for-sale (for which change in fair value is taken to shareholders’ equity) are booked through shareholders’ equity.

Recoverability tests and liability adequacy test (LAT)

Deferred participation

When net deferred participation asset is recognized, the Group uses liquidity analyses performed by the entities to assess the capacity to hold assets showing unrealized loss position, if any, generating such debits. The Group then performs projections to compare the value of assets backing policyholders contracts with expected payments to be made to policyholders.

Liability Adequacy Test

In addition, at each balance sheet date, liability adequacy tests are performed in each consolidated entity in order to ensure the adequacy of the contract liabilities net of related DAC and VBI assets and deferred policyholders’ participation liability or asset. To perform these tests, entities group contracts together according to how they have been acquired, are serviced and have their profitability measured. Entities use current best estimates of all future contractual cash flows as well as claims handling and administration expenses, and take into account guarantees and investment yields relating to assets backing these contracts.

- Such tests are based on the intention and capacity of entities to hold financial assets according to various sets of scenarios, excluding the value of new business;
- They include projections of future investments sales according to estimated surrender patterns;
- And the extent to which resulting gains/losses may be allocated/charged to policyholders, i.e. profit sharing between policyholders and shareholders.

These tests therefore include the capacity to charge estimated future losses to policyholders on the basis of the assessment of the holding horizon and potential realization of losses among unrealized losses existing at closing date.

Contract specific risks (insurance risk, asset return risk, inflation risk, persistency, adverse selection, etc.) directly related to the contracts that might make the net liabilities inadequate, are also considered.

Depending on the type of business, the future investment cash flows and discounting may be based on a best estimate and risk free rates, with corresponding participation, or in the case of Guaranteed Minimum Benefits, stochastic scenarios. Testing is performed either by a comparison of the reserve booked net of related assets (DAC, VBI) to a reserve directly by discounting the cash flows, or by ensuring that the discounted profit net of participation from release of the technical provisions exceeds net related assets.

Any identified deficiency is charged to the income statement, initially by respectively writing off DPA, DAC or VBI, and subsequently by establishing a LAT provision for losses arising from the liability adequacy test for any amount in excess of DAC and VBI. For non-life insurance contracts, an unexpired risk provision is accounted for contracts on which the premiums are expected to be insufficient to cover expected future claims and claims expenses.

Sensitivities of:

- Financial assets and liabilities;
- Insurance and investment contracts related assets and liabilities including the value of Life & Savings business inforce;

to interest rate risk and equity risk are disclosed in Note 4.2.

EMBEDDED DERIVATIVES IN INSURANCE AND INVESTMENT CONTRACTS WITH DISCRETIONARY PARTICIPATING FEATURES

Embedded derivatives that meet the definition of an insurance contract or correspond to options to surrender insurance contracts for a set amount (or based on a fixed amount and an interest rate) are not separately measured. All other embedded derivatives are bifurcated and booked at fair value when material (with change in fair value recognized through income statement) if they are not considered as closely related to the host insurance contract and/or do not meet the definition of an insurance contract.

1.13.3. Investment contracts with no discretionary participating features

In accordance with IAS 39, these contracts are accounted for using "deposit accounting", which mainly results in not recognizing the cash flows corresponding to premiums, benefits and claims in the statement of income (see "Revenue recognition" section below). These cash flows shall rather be recognized as deposits and withdrawals.

This category includes mainly unit-linked contracts that do not meet the definition of insurance or investment contracts with discretionary participating features. For these unit-linked contracts, the liabilities are valued at current unit value, i.e. on the basis on the fair value of the financial investments backing those contracts at the balance sheet date together with deferred origination costs (see section 1.6.4).

UNEARNED FEES RESERVES

Fees received at inception of an investment contract with no discretionary participating features to cover future services are recognized as liabilities and accounted in the income statement based on the same amortization pattern as the one used for deferred origination costs (see section 1.6.4).

1.14. REINSURANCE: CEDED REINSURANCE

Transactions relating to reinsurance assumed and ceded are accounted in the balance sheet and income statement in a similar way to direct business transactions provided that these contracts meet the insurance contracts classification requirements and in agreement with contractual clauses.

1.15. FINANCING DEBTS

Financing debts issued to finance the solvency requirements of an operational entity or to acquire a portfolio of contracts are isolated in a specific balance sheet aggregate.

1.16. OTHER LIABILITIES

1.16.1. Income taxes

The current income tax expense (benefit) is recorded in the income statement on the basis of net amounts estimated to be payable (or recoverable) in relation to taxable operations recorded during the year and based on the local tax regulation.

Deferred tax assets and liabilities emerge from temporary differences between the accounting and fiscal values of assets and liabilities, and when applicable from tax loss carryforwards. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to offset the temporary differences.

In particular, a deferred tax liability is recognized for any taxable temporary difference relating to the value of shares in a consolidated company held, unless the Group controls at what date the temporary difference will reverse and it is probable that the temporary difference will not reverse in the foreseeable future. If a group company decides to sell its stake in another consolidated entity, the difference between the carrying value and the tax value of these shares for the company that holds them leads to the recognition of a deferred tax (including as part of a business combination when the Group as the buyer intends to sell or carry out internal restructuring of the shares following the acquisition). The same approach applies to dividend payments that have been voted or deemed likely, to the extent that a tax on dividends will be due.

Deferred taxes for taxable temporary differences relating to tax deductible goodwill are recognized to the extent they do not arise from the initial recognition of goodwill. These deferred taxes are only released if the goodwill is impaired or if the corresponding consolidated shares are sold.

The measurement of deferred tax liabilities and deferred tax assets reflects the expected tax impact, at the balance sheet date. That would follow the way the Group expects to recover or settle the carrying amount of its assets and liabilities. When income taxes are calculated at a different rate if dividends are paid, deferred taxes are measured at the tax rate applicable to undistributed profits. The income tax consequences of dividends are only accounted when a liability to pay the dividend is recognized.

1.16.2. Pensions and other post-retirement benefits

Pensions and other post-retirement benefits include the benefits payable to AXA Group employees after they retire (retirement compensation, additional pension benefit, Health insurance). In order to meet those obligations, some regulatory framework have allowed or enforced the set up of dedicated funds (plan assets).

Defined contribution plans: payments are made by the employer to a third party (e.g. pension trusts). These payments free the employer of any further commitment, and the obligation to pay acquired benefits to the employees is transferred. The contributions paid by the employer are recorded as an expense in the income statement and no liability needs to be recorded once contributions are made.

Defined benefit plans: an actuarial assessment of the commitments based on each plan's internal rules is performed. The present value of the future benefits paid by the employer, known as the DBO (Defined Benefit Obligation), is calculated annually on the basis of long-term projections of rate of salary increase, inflation rate, mortality, staff turnover, pension indexation and remaining service lifetime. The amount recorded in the balance sheet for employee benefits is the difference between the Defined Benefit Obligation and the market value at the balance sheet date of the corresponding invested plan assets after adjustment at fair value. If the net result is negative, a provision is recorded in the balance sheet under the provision for risks and charges heading. If the net result is positive, a prepaid asset is recorded in the balance sheet. **Actuarial gains and losses** arising from experience adjustments and changes in actuarial assumptions are recognized in shareholders' equity (in the Statement of Comprehensive Income) in full in the period in which they occur. Similarly, any adjustment arising from the asset ceiling is recognized in shareholders' equity. Unrecognized past service cost represents non-vested benefits on the date of a change in the amount of benefits following an amendment to the plan. It is amortized on a straight-line basis over the average vesting period. The impact in the income statement mainly relates to the service cost (annually accruing employee benefit) and the interest cost (unwinding of discount applied to the liability), reduced by the expected return on assets dedicated to the plan. Past service costs, settlements and curtailments also have an impact in the income statement.

1.16.3. Share-based compensation plans

Group's share-based compensation plans are predominantly equity-settled plans.

All equity-settled share-based compensation plans granted after November 7, 2002 and not fully vested as at January 1, 2004 are accounted for at fair value at the date they were granted and the fair value is expensed over the vesting period.

Cash-settled share-based compensation plans are recognized at fair value, which is remeasured at each balance sheet date with any change in fair value recognized in the statement of income.

The AXA Shareplan issued under specific French regulatory framework includes two options: traditional and leveraged option.

The cost of the traditional option Shareplan is valued according to the specific guidance issued in France by the ANC (*Autorité des Normes Comptables*). The cost of the leveraged option plan is valued by taking into account the five-year lock-up period for the employees (as in the traditional plan) but adding the value of the advantage granted to the employees by enabling them to benefit from an institutional derivatives-based pricing instead of a retail pricing.

1.17. PROVISIONS FOR RISKS, CHARGES AND CONTINGENT LIABILITIES

1.17.1. Restructuring costs

Restructuring provisions other than those that may be recognized on the balance sheet of an acquired company on the acquisition date are recorded when the Group has a present obligation evidenced by a binding sale agreement or a detailed formal plan whose main features are announced to those affected or to their representatives.

1.17.2. Other provisions and contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when the provision can be reliably estimated. Provisions are not recognized for future operating losses. The same applies to contingent liabilities, except if identified at the time of a business combination (see section 1.3.2).

Provisions are measured at management's best estimate, at the balance sheet date, of the expenditure required to settle the obligation, discounted at the market risk-free rate of return for long term provisions.

1.18. REVENUE RECOGNITION

1.18.1. Gross written premiums

Gross written premiums correspond to the amount of **premiums written** by insurance and reinsurance companies on business incepted in the year with respect to both insurance contracts and investment contracts with discretionary participating features, net of cancellations and gross of reinsurance ceded. For reinsurance, premiums are recorded on the basis of declarations made by the ceding company, and may include estimates of gross written premiums.

1.18.2. Fees and revenues from investment contracts with no discretionary participating features

Amounts collected as premiums from investment contracts with no discretionary participating features are reported as deposits net of any loadings and policy fees. Revenues from these contracts consist of loadings and policy fees relating to underwriting, investment management, administration and surrender of the contracts during the period. Front-end fees collected corresponding to fees for future services are recognized over the estimated life of the contract (see "Unearned fees reserves" section 1.13.3).

1.18.3. Deposit accounting

Investment contracts with no discretionary participating features fall within the scope of IAS 39. Deposit accounting applies to these contracts, which involves the following:

- The Group directly recognizes the consideration received as a deposit financial liability rather than as revenues;
- Claims paid are recognized as withdrawals with no posting in the income statement apart from potential fees.

1.18.4. Unbundling

The Group unbundles the deposit component of contracts when required by IFRS 4, i.e. when both the following conditions are met:

- The Group can measure separately the "deposit" component (including any embedded surrender option, i.e. without taking into account the "insurance" component);
- The Group accounting methods do not otherwise require to recognize all obligations and rights arising from the "deposit" component.

No such situation currently exists within the Group. In accordance with IFRS 4, the Group continues to use the accounting principles previously applied by AXA to insurance contracts and investment contracts with discretionary participating features. According to these principles, there are no situations in which all rights and obligations related to contracts are not recognized.

1.18.5. Change in unearned premiums reserves net of unearned revenues and fees

Changes in unearned premiums reserves net of unearned revenues and fees include both the change in the unearned premium reserve reported as a liability (see "Unearned premium reserves" in section 1.13.2) and the change in unearned revenues and fees. Unearned revenues and fees correspond to upfront charges for future services recognized over the estimated life of insurance and investment contracts with discretionary participating features (see "Unearned revenues reserves" in section 1.13.2) and investment contracts with no discretionary participating features (see section 1.13.3 "Unearned fees reserves").

1.18.6. Net revenues from banking activities

Net revenues from banking activities include all revenues and expenses from banking operating activities, including interests and banking fees.

They exclude bank operating expenses and change in bad debts provisions, doubtful receivables or loans, which are recorded in the item "Bank operating expenses".

1.18.7. Revenues from other activities

Revenues from other activities mainly include:

- Insurance companies revenues from non insurance activities, notably commissions received on sales or distribution of financial products;
- Commissions received and fees for services relating to asset management activities; and
- Rental income received by real estate management companies.

1.18.8. Net investment result excluding financing expenses

The net investment result includes:

- Investment income from investments from non banking activities, net of depreciation expense on real estate investments (depreciation expense relating to owner occupied properties is included in the "administrative expenses" aggregate); this item includes interest received calculated using the effective interest method for debt instruments and dividends received on equity instruments;
- Investment management expenses (excludes financing debt expenses);
- Realized investment gains and losses net of releases of impairment following sales;
- The change in unrealized gains and losses on invested assets measured at fair value through profit or loss;
- The change in impairment of investments (excluding releases of impairment following sales).

In respect of banking activities, interest income and expenses are included in the "Net revenue from banking activities" item (see section 1.18.6).

Any gain or loss arising from a decrease in AXA's ownership interest in a consolidated entity is recorded in the net investment result, to the extent it does not result from an internal restructuring within the Group. The gain or loss corresponds to the change in AXA's share of the subsidiary's shareholders' equity before and after the subsidiary equity transaction.

1.19. SUBSEQUENT EVENTS

Subsequent events relate to events that occur between the balance sheet date and the date when the financial statements are authorized for issue:

- Such events lead to an adjustment of the consolidated financial statements if they provide evidence of conditions that existed at the balance sheet date;
- Such events result in additional disclosures if indicative of conditions that arose after the balance sheet date, and if relevant and material.

Note 2 Scope of consolidation

2.1. CONSOLIDATED COMPANIES

2.1.1. Main fully consolidated companies

		December 31, 2009		December 31, 2008	
Parent and Holding Companies	**Change in scope**	**Voting rights percentage**	**Group share of interests**	**Voting rights percentage**	**Group share of interests**
France					
AXA		Parent company		Parent company	
AXA China		100.00	77.50	100.00	77.18
AXA France Assurance		100.00	100.00	100.00	100.00
Colisée Excellence		100.00	100.00	100.00	100.00
AXA Participations II		100.00	100.00	100.00	100.00
Oudinot Participation		100.00	100.00	100.00	100.00
Société Beaujon		100.00	100.00	100.00	100.00
AXA Technology Services		100.00	99.99	100.00	99.99
United States					
AXA Financial, Inc.		100.00	100.00	100.00	100.00
AXA America Holding Inc.		100.00	100.00	100.00	100.00
United Kingdom					
Guardian Royal Exchange Plc		100.00	99.99	100.00	99.99
AXA UK Plc		100.00	99.99	100.00	99.99
AXA Equity & Law Plc		99.96	99.96	99.96	99.96
Asia/Pacific (excluding Japan)					
National Mutual International Pty Ltd [(a)]		100.00	54.07	100.00	53.42
AXA Life Singapore Holding [(a)]		100.00	54.07	100.00	53.42
AXA Asia Pacific Holdings Ltd [(c)]		54.08	54.07	53.42	53.42
AXA India Holding		100.00	77.04	-	-
Japan					
AXA Japan Holding		98.40	98.40	98.40	98.40
Germany					
Kölnische Verwaltungs AG für Versicherungswerte		100.00	100.00	100.00	100.00
AXA Konzern AG		100.00	100.00	100.00	100.00
DBV-Winterthur Holding AG	Non-controlling interest buyout	100.00	100.00	98.81	98.81
WinCom Versicherungs-Holding AG		100.00	100.00	100.00	100.00
Winterthur Beteiligungs-Gesellschaft mbH		100.00	100.00	100.00	100.00
Belgium					
AXA Holdings Belgium		100.00	100.00	100.00	100.00
Luxembourg					
AXA Luxembourg SA		100.00	100.00	100.00	100.00
Finance Solutions SARL		100.00	100.00	100.00	100.00
The Netherlands					
Vinci BV		100.00	100.00	100.00	100.00

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) "MedLA" country is part of the Mediterranean and Latin American Region.
(c) AXA interest in AXA Asia Pacific Holding Ltd is 54.08% broken down into 53.92% direct interest holding and an additional 0.15% owned by the AAPH executive plan trust.

Parent and Holding Companies	Change in scope	December 31, 2009 Voting rights percentage	December 31, 2009 Group share of interests	December 31, 2008 Voting rights percentage	December 31, 2008 Group share of interests
Spain (MedLA) (b)					
AXA Mediterranean Holding SA		100.00	100.00	100.00	100.00
Italy (MedLA) (b)					
AXA Italia SpA		100.00	100.00	100.00	100.00
Morocco (MedLA) (b)					
AXA Holding Maroc S.A.		100.00	100.00	100.00	100.00
Turkey (MedLA) (b)					
AXA Holding A.S.		100.00	100.00	100.00	100.00

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) "MedLA" country is part of the Mediterranean and Latin American Region.
(c) AXA interest in AXA Asia Pacific Holding Ltd is 54.08% broken down into 53.92% direct interest holding and an additional 0.15% owned by the AAPH executive plan trust.

Life & Savings and Property & Casualty	Change in scope	December 31, 2009 Voting rights percentage	December 31, 2009 Group share of interests	December 31, 2008 Voting rights percentage	December 31, 2008 Group share of interests
France					
AXA France Iard		99.92	99.92	99.92	99.92
Avanssur (formerly Direct Assurances Iard)		100.00	100.00	100.00	100.00
AXA France Vie		99.77	99.77	99.77	99.77
AXA Protection Juridique		98.51	98.51	98.51	98.51
United States					
AXA Equitable Life Insurance Company		100.00	100.00	100.00	100.00
Mony Life Insurance Company		100.00	100.00	100.00	100.00
AXA Financial (Bermuda) Ltd		100.00	100.00	100.00	100.00
Canada					
AXA Canada Inc. (sub group including Citadel)		100.00	100.00	100.00	100.00
United Kingdom					
AXA Insurance Plc		100.00	99.99	100.00	99.99
AXA Sun Life Plc		100.00	99.99	100.00	99.99
AXA PPP Healthcare Limited		100.00	99.99	100.00	99.99
Bluefin Advisory Services Limited		100.00	99.99	100.00	99.99
Bluefin Insurance Group Ltd	Deconsolidated	-	-	97.84	97.83
Winterthur Life UK Limited		100.00	99.99	100.00	99.99
Ireland					
AXA Insurance Limited		100.00	99.99	100.00	99.99
AXA Life Europe		100.00	100.00	100.00	100.00
Asia/Pacific (excluding Japan)					
AXA Life Insurance Singapore (a)		100.00	54.07	100.00	53.42
AXA Australia New Zealand		100.00	54.07	100.00	53.42
AXA China Region Limited (including MLC Hong-Kong) (a)		100.00	54.07	100.00	53.42
AXA General Insurance Hong Kong Ltd.		100.00	100.00	100.00	100.00
AXA Insurance Singapore		100.00	100.00	100.00	100.00
PT AXA Life Indonesia		100.00	54.08	80.00	42.74
MLC Indonesia		100.00	54.07	100.00	53.42

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) "MedLA" country is part of the Mediterranean and Latin American Region.

Life & Savings and Property & Casualty	Change in scope	December 31, 2009 Voting rights percentage	December 31, 2009 Group share of interests	December 31, 2008 Voting rights percentage	December 31, 2008 Group share of interests
Kyobo Automobile Insurance	Non-controlling interest buyout	92.73	92.73	92.36	92.36
PT AXA Service Indonesia		100.00	54.07	100.00	53.42
AXA Affin General Insurance Berhad		50.48	50.48	50.48	50.48
IPAC Portfolio Management (Dublin) Limited		100.00	54.07	100.00	53.42
SINOPRO Securities Investment Consulting Enterprise		100.00	54.07	100.00	53.42
Japan					
AXA Life Insurance		100.00	98.40	100.00	98.40
AXA Non Life Insurance Co. Ltd.		100.00	98.40	100.00	98.40
AXA Financial Life Insurance Co. Ltd.		100.00	98.40	100.00	98.40
Germany					
AXA Versicherung AG		100.00	100.00	100.00	100.00
AXA Art		100.00	100.00	100.00	100.00
AXA Leben Versicherung AG		100.00	100.00	100.00	100.00
Pro Bav Pensionskasse		100.00	100.00	100.00	100.00
Deutsche Aerzteversicherung		100.00	100.00	100.00	100.00
AXA Kranken Versicherung AG		100.00	100.00	100.00	99.33
DBV-Winterthur Lebensversicherung AG	Non-controlling interest buyout	100.00	99.74	99.74	98.55
Winsecura Pensionskasse AG	Non-controlling interest buyout	100.00	99.74	100.00	98.55
Rheinisch-Westfälische Sterbekasse Lebensversicherung AG	Non-controlling interest buyout	100.00	100.00	100.00	98.81
DBV Deutsche Beamten-Versicherung AG	Non-controlling interest buyout	100.00	100.00	100.00	98.81
DBV-Winterthur Versicherung AG (DWS)	Merged with AXA Versicherung AG	-	-	100.00	98.81
DBV-WinSelect Versicherung AG	Merged with AXA Versicherung AG	-	-	100.00	98.81
Belgium					
Ardenne Prévoyante		100.00	100.00	100.00	100.00
AXA Belgium SA		100.00	100.00	100.00	100.00
Servis (formerly Assurance de la Poste)		100.00	100.00	100.00	100.00
Assurances de la Poste Vie		100.00	100.00	100.00	100.00
Les Assurés Réunis		99.93	99.93	99.93	99.93
Touring Assurances SA		100.00	100.00	100.00	100.00
Luxembourg					
AXA Assurances Luxembourg		100.00	100.00	100.00	100.00
AXA Assurances Vie Luxembourg		100.00	100.00	100.00	100.00
Spain (MedLA) (b)					
Hilo Direct SA de Seguros y Reaseguros		100.00	100.00	100.00	100.00
AXA Vida, S. A. de seguros		99.81	99.81	99.79	99.79
AXA Seguros Generales, S. A.		99.89	99.89	99.89	99.89
AXA Salud, S. A.		100.00	100.00	100.00	100.00

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) "MedLA" country is part of the Mediterranean and Latin American Region.

Life & Savings and Property & Casualty	Change in scope	December 31, 2009		December 31, 2008	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
Italy (MedLA) (b)					
AXA Interlife		100.00	99.99	100.00	100.00
AXA Assicurazioni e Investimenti		100.00	99.99	100.00	99.99
AXA-MPS Vita		50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
AXA-MPS Danni		50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
Quadrifoglio		50.00 + 1 voting right	50.00	50.00 + 1 voting right	50.00
Portugal (MedLA) (b)					
AXA Portugal Companhia de Seguros SA		99.73	99.49	99.73	99.49
AXA Portugal Companhia de Seguros de Vida SA		95.09	94.89	95.09	94.89
Seguro Directo		100.00	100.00	100.00	100.00
Morocco (MedLA) (b)					
AXA Assurance Maroc		100.00	100.00	100.00	100.00
Turkey (MedLA) (b)					
AXA Hayat Sigorta AS (Life)		100.00	100.00	100.00	100.00
AXA Sigorta AS (P&C)		72.55	72.55	72.55	72.55
Gulf Region (MedLA) (b)					
AXA Cooperative Insurance Company (Saudi Arabia)		50.00	34.00	50.00	34.00
AXA Insurance (Gulf) B.S.C.c.		50.00	50.00	50.00	50.00
Greece (MedLA) (b)					
AXA Insurance Life		99.89	99.89	99.89	99.89
AXA Insurance P&C		99.89	99.89	99.89	99.89
Mexico (MedLA) (b)					
Seguros ING		99.94	99.94	99.94	99.94
Switzerland					
AXA Life (previously Winterthur Life)		100.00	100.00	100.00	100.00
AXA-ARAG Legal Assistance		66.67	66.67	66.67	66.67
AXA Insurance (previously Winterthur Swiss Insurance P&C)		100.00	100.00	100.00	100.00
Central and Eastern Europe					
AXA Czech Republic Pension Funds		92.85	92.85	92.85	92.85
AXA Czech Republic Insurance		79.49	79.49	79.49	79.49
AXA Hungary		67.40	67.40	65.00	65.00
AXA Poland	Capital increase	79.43	79.43	65.00	65.00
AXA Poland Pension Funds		70.00	70.00	70.00	70.00
AXA Slovakia		100.00	100.00	100.00	100.00

(a) Wholly owned by AXA Asia Pacific Holdings Limited.
(b) "MedLA" country is part of the Mediterranean and Latin American Region.

International Insurance (entities having worldwide activities)	Change in scope	December 31, 2009		December 31, 2008	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
AXA Corporate Solutions Assurance (sub group)		98.75	98.75	98.75	98.75
AXA Cessions		100.00	100.00	100.00	100.00
AXA Assistance SA (sub group)		100.00	100.00	100.00	100.00
Portman Insurance Ltd. (previously AXA Global Risks UK)		100.00	100.00	100.00	100.00
Colisée Ré (previously AXA Ré Paris)		100.00	100.00	100.00	100.00
Saint-Georges Ré		100.00	100.00	100.00	100.00
AXA Corporate Solution Reinsurance Life company		100.00	100.00	100.00	100.00

Asset Management (entities having worldwide activities)	Change in scope	December 31, 2009		December 31, 2008	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
AXA Investment Managers (sub group)		95.29	95.27	95.06	95.05
AllianceBernstein (sub group)		62.15	62.15	62.38	62.38

Banking	Change in scope	December 31, 2009		December 31, 2008	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
AXA Banque		100.00	99.89	100.00	99.89
AXA Banque Financement		65.00	64.93	65.00	64.93
Germany					
AXA Bank AG		100.00	100.00	100.00	100.00
Belgium					
AXA Bank Europe (including sub group)		100.00	100.00	100.00	100.00

Other	Change in scope	December 31, 2009		December 31, 2008	
		Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Compagnie Financière de Paris		100.00	100.00	100.00	100.00
Sofinad	Deconsolidated	-	-	100.00	100.00

CONSOLIDATED INVESTMENTS AND INVESTMENT FUNDS

At December 31, 2009, consolidated investment funds represented total invested assets of €104,097 million (€89,139 million at the end of 2008 and €110,162 million at the end 2007), corresponding to 298 investment funds mainly in France, the United Kingdom, Germany, Japan and the Mediterranean and Latin American Region and in majority relating to the Life & Savings segment.

At December 31, 2009, the 27 consolidated real estate companies corresponded to total invested assets of €7,145 million (€7,740 million at the end of 2008 and €7,643 million at the end 2007), mainly in Germany and France.

At December 31, 2009, the 7 consolidated CDOs represented total investments of €393 million (€417 million at the end of 2008 and €1,024 million at the end 2007). These CDOs are consolidated in AXA's statement of financial position in line with IFRS rules even though AXA's investments in these CDO's assets represented only approximately €63 million out of the €393million.

In most investment funds (particularly open-ended investment funds), non-controlling interests do not meet the definition of shareholders' equity. They are therefore presented as liabilities under "Non-controlling interests of controlled investment funds and puttable instruments held by non-controlling interest holders". At December 31, 2009, non-controlling interests in controlled investment funds amounted to €6,370 million (€4,847 million at December 31, 2008 and €7,116 million at the end 2007).

2.1.2. Proportionately consolidated companies

		December 31, 2009		December 31, 2008	
Life & Savings and Property & Casualty	Change in scope	Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Natio Assurances		50.00	49.96	50.00	49.96
Fonds Immobiliers Paris Office Funds		50.00	49.91	50.00	49.91

2.1.3. Investments in companies accounted for using the equity method

Companies accounted for using the equity method listed below exclude investment funds and real estate entities:

		December 31, 2009		December 31, 2008	
	Change in scope	Voting rights percentage	Group share of interests	Voting rights percentage	Group share of interests
France					
Argovie		100.00	95.77	95.23	95.01
Banque de Marchés et d'Arbitrages	Deconsolidated	-	-	27.71	27.70
Neuflize Vie (previously NSM Vie)		40.00	39.98	39.98	39.98
Asia/Pacific					
Philippines AXA Life Insurance Corporation		45.00	24.34	45.00	24.04
Krungthai AXA Life Insurance Company Ltd		50.00	27.04	50.00	26.71
AXA Minmetals Assurance Co Ltd (a)		51.00	39.52	51.00	39.36
PT AXA Mandiri Financial Services (a)		51.00	27.58	51.00	27.25
Bharti AXA Life	Newly consolidated	22.22	17.12	-	-
Russia					
RESO GARANTIA (RGI Holdings B.V.)		39.34	39.34	39.34	39.34
Asset Management					
AXA IM Asia Holding Private Ltd		50.00	47.63	50.00	47.53
Kyobo AXA Investment Managers Company Limited		50.00	47.63	50.00	47.53

(a) "AXA Minmetals Assurance Co Ltd" and "PT AXA Mandiri Financial Services" are accounted for using the equity method as their shareholders' agreements don't provide the Group with sufficient controlling power.

INVESTMENT FUNDS AND REAL ESTATE ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD

At December 31, 2009, real estate companies accounted for using the equity method represented total assets of €371 million (€430 million at the end of 2008 and €338 million at the end 2007) and investment funds accounted for using the equity method represented total assets of €3,824 million (€3,036 million at the end of 2008 and €1,234 million at the end 2007), mainly in France, Germany and the United States.

2.2. CONSOLIDATED ENTITIES RELATING TO SPECIFIC OPERATIONS

ACACIA

The Acacia SPV is consolidated within the operations of AXA France Vie. This structure was put in order to improve AXA France Vie assets/liabilities adequacy ratio by ceding receivables resulting from eligible insurance operations against cash. The main impact is a €234 million increase in the AXA Group's other liabilities, and a parallel increase in receivables.

SECURITIZATION OF MOTOR INSURANCE PORTFOLIOS

On July 6, 2007, AXA announced the closing of the €450 million securitization of its pan-European motor insurance portfolio (diversified portfolio spread across 4 countries: Belgium, Germany, Italy and Spain). AXA consolidated its €192 million stake in the vehicle carrying the junior tranches.

Through securitization, AXA transferred to the financial markets the potential deviation of the cost of claims on the securitized insurance portfolios above certain thresholds.

ARCHE FINANCE

In 2008, AXA France invested in Arche Finance, an investment vehicle dedicated to credit investment, which entered the scope of consolidation in June 2008 with a loan of €200 million. The fair value of the vehicle was assessed at €1,078 million as at December 31, 2009.

HORDLE

In 2009, AXA set up a new intra-group financing and cash management company which benefited from a loan of £673 million.

Note 3 Segmental information

Given the activities of AXA, the operating results that are regularly reviewed by the Management Board of the Group for the assessment of the performance and for decisions purposes are presented on the basis of five operating business segments: Life & Savings, Property & Casualty, International Insurance, Asset Management and Banking. An additional "Holding companies" segment includes all non-operational activities. The financial information relating to AXA's business segments and holding company activities is consistent with the presentation provided in the consolidated financial statements.

Life & Savings: AXA offers a broad range of Life & Savings products including individual and group savings retirement products, life and Health products. They comprise traditional term and whole life insurance, immediate annuities and investment products (including endowments, savings-related products, such as variable life and variable annuity products). The Life & Savings segment aggregates nine geographical operating components: France, the United States, the United Kingdom, Japan, Germany, Switzerland, Belgium, the Mediterranean and Latin American Region, and Other countries.

Property & Casualty: This segment includes a broad range of products including mainly motor, household, property and general liability insurance for both personal and commercial customers (commercial customers being mainly small to medium-sized companies). In some countries, this segment includes Health products. The Property & Casualty segment aggregates seven geographical operating components: France, Germany, the United Kingdom and Ireland, Switzerland, Belgium, the Mediterranean and Latin American Region, and Other countries.

International Insurance: This segment's operations include insurance products that specifically relate to AXA Corporate Solutions Assurance. These products provide coverage to large national and international corporations. This segment also includes assistance activities, life reinsurance activities in run-off primarily AXA Corporate Solutions Reinsurance Life, and the group's run-off managed by AXA Liabilities Managers, including risks underwritten by Colisée RE (ex AXA RE) relating to 2005 and prior underwriting years. Years after 2005 are covered by a treaty ceding 100% of the reinsurance business to Paris Ré. It also includes reinsurance activity managed by AXA Cessions, which writes reinsurance treaties of AXA entities after a selection of reinsurers based on strict standards. AXA Cessions activity is mainly driven by its Property pool which provides AXA entities with cover on natural catastrophes.

The **Asset Management** segment includes diversified asset management (including investment fund management) and related services offered by AXA Investment Managers and AllianceBernstein entities, which are provided to a variety of institutional investors and individuals, including AXA's insurance companies.

The **Banking** segment includes banking activities (mainly retail banking, mortgages loans, savings) conducted primarily in France, Belgium, Switzerland, Germany and Central and Eastern Europe (Hungary, Slovakia and Czech Republic).

The **Holding companies** segment (that includes all non-operational activities), also includes some investment vehicles including certain Special-Purpose Entities (SPE) such as consolidated CDOs.

The inter-segment eliminations include only operations between entities from different segments. They mainly relate to reinsurance treaties, assistance guarantees recharging, asset management fees and interests on loans within the Group.

In this document, "Insurance" covers the three insurance segments: Life & Savings, Property & Casualty and International Insurance. The term "Financial Services" includes both the Asset Management segment and the Banking segment.

3.1. SEGMENTAL CONSOLIDATED STATEMENT OF INCOME

	December 31, 2009							
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [(a)]	Inter-segment eliminations	Total
Gross written premiums	55,954	26,291	2,724	-	-	-	(323)	84,646
Fees and charges relating to investment contracts with no participating features	547	-	-	-	-	-	-	547
Revenues from insurance activities	**56,501**	**26,291**	**2,724**	**-**	**-**	**-**	**(323)**	**85,193**
Net revenues from banking activities	-	-	-	-	472	1	(86)	388
Revenues from other activities	1,176	77	272	3,419	8	-	(408)	4,544
TOTAL REVENUES	**57,677**	**26,368**	**2,996**	**3,419**	**480**	**1**	**(817)**	**90,124**
Change in unearned premiums net of unearned revenues and fees	**(117)**	**(103)**	**19**	**-**	**-**	**-**	**8**	**(192)**
Net investment income	9,554	2,068	136	41	(2)	495	(729)	11,562
Net realized investment gains and losses	(418)	195	68	(358)	-	165	-	(349)
Change in fair value of other investments at fair value through profit or loss [(b)]	25,744	262	5	494	-	642	1	27,148
of which change in fair value of assets with financial risk borne by policyholders	*23,870*	-	-	-	-	-	*(9)*	*23,861*
Change in investments impairment	(1,620)	(470)	(13)	-	-	(102)	-	(2,205)
Net investment result excluding financing expenses	**33,260**	**2,054**	**197**	**176**	**(2)**	**1,200**	**(728)**	**36,157**
Technical charges relating to insurance activities	(79,201)	(17,913)	(1,939)	-	-	-	381	(98,672)
Net result from outward reinsurance	(74)	(710)	(84)	-	-	-	(50)	(919)
Bank operating expenses	**-**	**-**	**-**	**-**	**(102)**	**13**	**-**	**(89)**
Acquisition costs	(3,975)	(4,874)	(315)	-	-	-	20	(9,144)
Amortization of the value of purchased business in force	(394)	-	-	-	-	-	-	(394)
Administrative expenses	(3,734)	(2,561)	(420)	(2,618)	(390)	(685)	273	(10,135)
Change in tangible assets impairment	(1)	(1)	-	-	-	-	-	(2)

(a) Includes SPEs and CDOs.

(b) AXA Japan closes its full year accounts at the end of September. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognised with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009.

	December 31, 2009							
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [(a)]	Inter-segment eliminations	Total
Change in goodwill impairment and other intangible assets impairment	(25)	(84)	(1)	-	(3)	-	-	(113)
Other income and expenses	(175)	30	25	(200)	14	(176)	(15)	(496)
Other operating income and expenses	**(87,579)**	**(26,114)**	**(2,734)**	**(2,818)**	**(480)**	**(848)**	**610**	**(119,964)**
Income from operating activities before tax	**3,241**	**2,206**	**477**	**777**	**(3)**	**354**	**(927)**	**6,124**
Income arising from investments in associates – Equity method	(8)	18	-	(2)	-	-	-	8
Financing debts expenses	(105)	(5)	(4)	(32)	(21)	(1,329)	927	(569)
Operating income before tax	**3,127**	**2,219**	**473**	**744**	**(24)**	**(976)**	**-**	**5,564**
Income tax	(855)	(664)	(144)	(158)	8	282	-	(1,530)
Net operating result	**2,272**	**1,555**	**329**	**587**	**(16)**	**(693)**	**-**	**4,033**
Result from discontinued operations net of tax	-	-	-	-	-	-	-	-
Net consolidated income	**2,272**	**1,555**	**329**	**587**	**(16)**	**(693)**	**-**	**4,033**
Split between:								
Net consolidated income - Group share	2,075	1,516	326	409	(17)	(703)	-	3,606
Net consolidated income - Non-controlling interests	197	39	3	177	2	10	-	428

(a) Includes SPEs and CDOs.

	December 31, 2008							
(in Euro million)	**Life & Savings**	**Property & Casualty**	**International Insurance**	**Asset Management**	**Banking**	**Holding companies [a]**	**Inter-segment eliminations**	**Total**
Gross written premiums	56,127	26,107	2,744	-	-	-	(316)	84,662
Fees and charges relating to investment contracts with no participating features	662	-	-	-	-	-	-	662
Revenues from insurance activities	**56,789**	**26,107**	**2,744**	**-**	**-**	**-**	**(316)**	**85,324**
Net revenues from banking activities	-	-	-	-	388	9	13	409
Revenues from other activities	1,246	102	236	4,342	13	-	(451)	5,488
TOTAL REVENUES	**58,035**	**26,209**	**2,980**	**4,342**	**401**	**9**	**(754)**	**91,221**
Change in unearned premiums net of unearned revenues and fees	**(348)**	**(244)**	**272**	**-**	**-**	**-**	**(1)**	**(321)**
Net investment income	18,533	2,261	593	285	(1)	816	(724)	21,762
Net realized investment gains and losses	(558)	472	31	(13)	-	(104)	-	(173)
Change in fair value of other investments at fair value through profit or loss [b]	(51,579)	(775)	(77)	(543)	-	1,000	(19)	(51,994)
of which change in fair value of assets with financial risk borne by policyholders	*(43,687)*	-	-	-	-	-	-	*(43,687)*
Change in investments impairment	(3,923)	(1,543)	(64)	-	-	(133)	-	(5,663)
Net investment result excluding financing expenses	**(37,528)**	**414**	**483**	**(272)**	**(1)**	**1,578**	**(743)**	**(36,068)**
Technical charges relating to insurance activities	(15,213)	(16,662)	(2,691)	-	-	-	227	(34,338)
Net result from outward reinsurance	913	(780)	(362)	-	-	-	132	(97)
Bank operating expenses	-	-	-	-	(64)	5	-	(59)
Acquisition costs	(3,574)	(4,806)	(293)	-	-	-	20	(8,653)
Amortization of the value of purchased business in force	(393)	-	-	-	-	-	-	(393)
Administrative expenses	(3,573)	(2,677)	(389)	(2,924)	(367)	(651)	342	(10,238)
Change in tangible assets impairment	(3)	(1)	-	-	-	-	-	(5)
Change in goodwill impairment and other intangible assets impairment	(32)	(91)	-	-	(3)	-	-	(126)

(a) Includes SPEs and CDOs.

(b) AXA Japan closes its full year accounts at the end of September. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognised with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009.

	December 31, 2008							
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [(a)]	Inter-segment eliminations	Total
Other income and expenses	(147)	(5)	87	(203)	21	409	(14)	148
Other operating income and expenses	**(22,022)**	**(25,021)**	**(3,647)**	**(3,127)**	**(413)**	**(237)**	**707**	**(53,761)**
Income from operating activities before tax	**(1,863)**	**1,358**	**87**	**943**	**(13)**	**1,349**	**(791)**	**1,070**
Income arising from investments in associates – Equity method	18	5	-	(2)	-	-	-	21
Financing debts expenses	(74)	(10)	(21)	(45)	(27)	(1,299)	791	(685)
Operating income before tax	**(1,919)**	**1,353**	**66**	**896**	**(40)**	**50**	**-**	**406**
Income tax	1,499	(373)	38	(241)	4	(98)	-	830
Net operating result	**(420)**	**980**	**104**	**656**	**(36)**	**(48)**	**-**	**1,236**
Result from discontinued operations net of tax	-	-	-	-	-	-	-	-
Net consolidated income	**(420)**	**980**	**104**	**656**	**(36)**	**(48)**	**-**	**1,236**
Split between:								
Net consolidated income - Group share	(446)	926	103	396	(38)	(19)	-	923
Net consolidated income - Non-controlling interests	26	54	2	259	1	(29)	-	313

(a) Includes SPEs and CDOs.

(b) AXA Japan closes its full year accounts at the end of September. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognised with a closing date aligned with the AXA Group, AXA Japan's 2008 accounts were adjusted by €-106 million with the provisional loss reflecting the further increase of the credit spreads from October to December 2008. This adjustment was reversed in 2009.

	December 31, 2007							
(in Euro million)	**Life & Savings**	**Property & Casualty**	**International Insurance**	**Asset Management**	**Banking**	**Holding companies [(a)]**	**Inter-segment eliminations**	**Total**
Gross written premiums	57,807	25,101	3,497	-	-	-	(289)	86,116
Fees and charges relating to investment contracts with no participating features	740	-	-	-	-	-	-	740
Revenues from insurance activities	**58,548**	**25,101**	**3,497**	**-**	**-**	**-**	**(289)**	**86,857**
Net revenues from banking activities	-	-	-	-	369	6	(39)	336
Revenues from other activities	1,332	79	205	5,283	5	1	(465)	6,441
TOTAL REVENUES	**59,879**	**25,180**	**3,703**	**5,283**	**374**	**7**	**(793)**	**93,633**
Change in unearned premiums net of unearned revenues and fees	**(278)**	**(362)**	**28**	**-**	**-**	**-**	**-**	**(612)**
Net investment income	14,898	2,059	353	78	4	675	(598)	17,470
Net realized investment gains and losses	4,196	953	-	8	-	107	-	5,264
Change in fair value of other investments at fair value through profit or loss	4,691	(75)	38	(22)	-	(550)	3	4,084
of which change in fair value of assets with financial risk borne by policyholders	*7,468*	-	-	-	-	-	*8*	*7,476*
Change in investments impairment	(655)	(251)	(6)	-	-	(14)	-	(927)
Net investment result excluding financing expenses	**23,129**	**2,687**	**385**	**64**	**4**	**217**	**(595)**	**25,891**
Technical charges relating to insurance activities	(70,595)	(16,723)	(2,527)	-	-	-	254	(89,592)
Net result from outward reinsurance	32	(599)	(553)	-	-	-	74	(1,046)
Bank operating expenses	-	-	-	-	(55)	(2)	-	(57)
Acquisition costs	(3,744)	(4,652)	(319)	-	-	-	10	(8,705)
Amortization of the value of purchased business in force	(357)	-	-	-	-	-	-	(357)
Administrative expenses	(3,514)	(2,452)	(351)	(3,647)	(322)	(529)	351	(10,462)
Change in tangible assets impairment	-	3	-	-	-	-	-	2
Change in goodwill impairment and other intangible assets impairment	(58)	(89)	-	-	(1)	-	-	(148)
Other income and expenses	(231)	(24)	31	(251)	33	(70)	114	(397)

(a) Includes SPEs and CDOs.

	December 31, 2007							
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Asset Management	Banking	Holding companies [(a)]	Inter-segment eliminations	Total
Other operating income and expenses	**(78,465)**	**(24,536)**	**(3,718)**	**(3,898)**	**(344)**	**(601)**	**803**	**(110,760)**
Income from operating activities before tax	**4,265**	**2,969**	**396**	**1,449**	**34**	**(377)**	**(584)**	**8,152**
Income arising from investments in associates – Equity method	6	5	1	-	-	2	-	13
Financing debts expenses	(91)	(13)	(22)	(39)	(26)	(864)	583	(471)
Operating income before tax	**4,180**	**2,961**	**375**	**1,411**	**8**	**(1,239)**	**(1)**	**7,695**
Income tax	(994)	(693)	(129)	(424)	(1)	458	1	(1,783)
Net operating result	**3,186**	**2,267**	**245**	**987**	**7**	**(781)**	**(0)**	**5,911**
Result from discontinued operations net of tax	-	-	-	-	-	480	-	480
Net consolidated income	**3,186**	**2,267**	**245**	**987**	**7**	**(301)**	**-**	**6,391**
Split between:								
Net consolidated income - Group share	2,899	2,218	243	588	6	(287)	-	5,666
Net consolidated income - Non-controlling interests	287	49	3	399	1	(14)	-	725

(a) Includes SPEs and CDOs.

Note 4 Financial and insurance risk management

All of the following paragraphs form an integral part of the Group financial statements. They appear in Section 3.2 “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” and Section 1.4 “Liquidity and capital resources” sections of this Annual Report:

4.1. RISK MANAGEMENT ORGANIZATION

Please refer to pages 193 to 194 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section.

4.2. MARKET RISKS (INCLUDING SENSITIVITY ANALYSES)

Please refer to pages 194 to 203 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section.

4.3. CREDIT RISK

Please refer to pages 203 to 206 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section, except for the breakdown of CDS by underlying debt instruments’ rating on page 205.

4.4. INSURANCE RISK

Please refer to pages 206 to 208 of the “Quantitative and Qualitative Disclosures About Market Risk and Risk Factors” section.

4.5. LIQUIDITY AND CAPITAL RESOURCES

Please refer to pages 94 to 99, “Liquidity and capital resources” section.

Note 5 Goodwill

5.1. GOODWILL

An analysis of goodwill is presented in the table below:

(in Euro million)	Transaction year	Gross value December 31, 2009 [a]	Accumulated impairment December 31, 2009	Net value December 31, 2009 [a]
Oyak (AXA Turkey)	2008	248	-	248
Seguros ING (AXA Mexico)	2008	512	-	512
Quadrifoglio Vita	2008	68	-	68
Montepaschi (AXA MPS)	2007	656	-	656
Alpha Insurance (AXA Greece)	2007	123	-	123
ELLA Bank (AXA Bank Hungary)	2007	59	-	59
Bluefin Insurance Group Ltd (previously Venture Preference limited) [d]	2007 & 2008	-	-	-
Swiftcover	2007	235	-	235
Bluefin Advisory Services Limited (previously Thinc Group) [d]	2006 & 2008	130	-	130
Winterthur	2006	2,636	-	2,636
MLC	2006	107	-	107
Framlington	2005	67	-	67
Seguro Directo	2005	31	-	31
MONY	2004	187	-	187
IPAC	2002	-	-	-
AXA Equity & Law	2001	287	-	287
Sterling Grace	2001	-	-	-
AXA Financial, Inc.	2000	2,640	-	2,640
Sanford C. Bernstein (SCB Inc) [c]	2000	2,983	-	2,983
SLPH (AXA UK Holdings)	2000	1,180	-	1,180
Nippon Dantaï [e]	2000	1,406	73	1,333
AXA China Region	2000	228	-	228
AXA Aurora	2000	120	-	120
Rosenberg and other AXA IM transactions	1999	101	-	101
Guardian Royal Exchange (Albingia)	1999	641	-	641
Royale Belge (AXA Belgium)	1998	452	-	452
UAP	1997	661	-	661
Others		783	1	782
TOTAL		**16,543**	**74**	**16,469**
of which:				
Life & Savings		7,872	73	7,799
Property & Casualty		4,525	1	4,524
International Insurance		32	1	31
Asset Management		3,987	-	3,987
Others		127	-	127

In this table, goodwills exclude goodwills related to entities accounted for using the equity method (see Note 10).

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are reclassified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

(c) Includes the goodwill in connection with the put to re-purchase units of the former shareholders of Sanford C. Bernstein until 2008.

(d) Includes the goodwill of SBJ group.

(e) Following a revaluation of deferred tax assets booked at the time of the Nippon Dantaï acquisition, goodwill was reduced by an equivalent amount (€70 million in 2005, equivalent to €73 million at December 31, 2009 due to change in foreign exchange).

	Gross value December 31, 2008 Revised (b)	Accumulated impairment December 31, 2008	Net value December 31, 2008 Revised (b)	Gross value December 31, 2007	Accumulated impairment December 31, 2007	Net value December 31, 2007
	247	-	247	-	-	-
	512	-	512	-	-	-
	68	-	68	-	-	-
	487	-	487	465	-	465
	123	-	123	123	-	123
	59	-	59	53	-	53
	241	-	241	246	-	246
	218	-	218	321	-	321
	122	-	122	58	-	58
	2,649	-	2,649	2,574	-	2,574
	110	-	110	103	-	103
	68	-	68	87	-	87
	31	-	31	31	-	31
	192	-	192	182	-	182
	174	-	174	210	-	210
	266	-	266	348	-	348
	103	-	103	128	-	128
	2,712	-	2,712	2,571	-	2,571
	3,055	-	3,055	3,219	-	3,219
	1,109	-	1,109	1,388	-	1,388
	1,456	76	1,381	1,119	59	1,060
	234	-	234	218	-	218
	120	-	120	120	-	120
	99	-	99	93	-	93
	629	-	629	676	-	676
	452	-	452	452	-	452
	646	-	646	705	-	705
	893	1	892	878	1	878
	17,075	**76**	**16,998**	**16,367**	**59**	**16,308**
	8,242	76	8,166	7,576	59	7,517
	4,644	1	4,643	4,352	1	4,352
	14	-	14	7	-	7
	4,047	-	4,047	4,199	-	4,199
	128	-	128	233	-	233

At December 31, 2009, the main contributors in terms of cash generating units to the:

- Life & Savings net goodwill of €7,799 million were the United States (€2,447 million), Japan (€1,745 million), the United Kingdom (€1,436 million) and the Mediterranean and Latin American Region (€889 million);
- Property & Casualty net goodwill (€4,524 million) were the Mediterranean and Latin American Region (€1,501 million), the United Kingdom (€1,077 million), Germany (€902 million) and Belgium (€563 million);
- Asset Management net goodwill (€3,987 million) was AllianceBernstein (€3,624 million);

  Goodwill presented in the table above also includes the balancing entry for the revaluation of non-controlling interests relating to buyout commitments recognized as liabilities under the "Minorities of controlled investments funds and puttable instruments held by non-controlling interest holders" caption:

- The amount relating to the puts owned by non-controlling interests in former Winterthur subsidiaries in Central and Eastern Europe and presented in the Winterthur item of the above table totaled €65 million at December 31, 2009 (€81 million at December 31, 2008 and December 31, 2007);
- The amount relating to the puts owned by non-controlling interests in Sanford C. Bernstein and presented in the Sanford C. Bernstein item of the above table totaled €0 million as at December 31, 2009 following the purchase of the last puttable tranche of AllianceBernstein units on January 6, 2009, pursuant to the final installment of the put agreement exercized by certain former shareholders (€7 million at December 31, 2008 and €328 million at December 31, 2007).

5.2. CHANGE IN GOODWILL

5.2.1. Goodwill – Change in gross value

(in Euro million)	Gross value January 1, 2009 Revised [(a)]	Acquisitions during the period	Disposals during the period	Goodwill adjustments	Currency translation adjustment	Other changes [(b)]	Gross value December 31, 2009 [(c)]
Oyak (AXA Turkey)	247	-	-	-	1	-	248
Seguros ING (AXA Mexico)	512	-	-	-	-	-	512
Quadrifoglio	68	-	-	-	-	-	68
Montepaschi (AXA MPS)	487	169	-	-	-	-	656
Alpha Insurance (AXA Greece)	123	-	-	-	-	-	123
ELLA Bank (AXA Bank Hungary)	59	-	-	-	-	-	59
Bluefin Insurance Group Ltd (previously Venture Preference limited) [(d) (e)]	241	-	-	-	-	(241)	-
Swiftcover	218	-	-	-	17	1	235
Bluefin Advisory Services Limited (previously Thinc Group) [(d)]	122	-	(2)	-	10	-	130
Winterthur	2,649	-	-	-	2	(15)	2,636
MLC	110	-	-	-	(3)	-	107
Framlington	68	-	-	-	5	(5)	67
Seguro Directo	31	-	-	-	-	-	31
Mony	192	-	-	-	(5)	-	187
IPAC	174	-	-	-	43	(218)	-
AXA Equity & Law	266	-	-	-	21	-	287
Sterling Grace	103	-	-	-	28	(131)	-
AXA Financial, Inc.	2,712	-	-	-	(72)	-	2,640
Sanford C. Bernstein (SCB Inc)	3,055	-	-	-	(81)	9	2,983
SLPH (AXA UK Holdings)	1,109	-	-	-	71	-	1,180
Nippon Dantaï	1,456	-	-	-	(50)	-	1,406
AXA China Region	234	-	-	-	(6)	-	228
AXA Aurora	120	-	-	-	-	-	120
Rosenberg and other AXA IM transactions	99	-	-	-	(3)	5	101
Guardian Royal Exchange	629	-	-	-	12	-	641
Royale Belge (AXA Belgium)	452	-	-	-	-	-	452
UAP	646	-	-	-	15	-	661
Others	893	16	-	(2)	50	(174)	783
TOTAL	**17,075**	**185**	**(2)**	**(1)**	**56**	**(768)**	**16,543**
Of which:							
Life & Savings	8,242	109	(2)	(1)	69	(544)	7,872
Property & Casualty	4,644	36	-	-	81	(236)	4,525
International Insurance	14	15	-	-	-	3	32
Asset Management	4,047	25	-	-	(94)	9	3,987
Others	128	-	-	-	-	(1)	127

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

(b) Includes the impact of exercises and revaluations of non-controlling interest buyout commitments.

(c) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(d) Includes the goodwill of SBJ group.

(e) The Bluefin Insurance Group was deconsolidated from the Property & Casualty segment of AXA UK.

(in Euro million)	Gross value January 1, 2008	Acquisitions during the period	Disposals during the period	Goodwill adjustments	Currency translation adjustment	Other changes [(a)]	Gross value December 31, 2008 Revised [(b)]
Oyak (AXA Turkey - minority buyout)	-	278	-	-	(31)	-	247
Seguros ING (AXA Mexico)	-	599	-	-	(88)	-	512
Quadrifoglio	-	68	-	-	-	-	68
Montepaschi (AXA MPS)	465	22	-	-	-	-	487
Alpha Insurance (AXA Greece)	123	-	-	-	-	-	123
ELLA Bank (AXA Bank Hungary)	53	7	-	2	(3)	-	59
Bluefin Insurance Group Ltd (previously Venture Preference limited) [(c)]	246	63	-	1	(68)	-	241
Swiftcover	321	-	-	(34)	(70)	-	218
Bluefin Advisory Services Limited (previously Thinc Group) [(c)]	58	94	-	-	(29)	-	122
Winterthur	2,574	19	-	11	44	-	2,649
MLC	103	-	-	-	7	-	110
Framlington	87	-	-	-	(20)	-	68
Seguro Directo	31	-	-	-	-	-	31
Mony	182	-	-	-	10	-	192
IPAC	210	-	-	-	(33)	(2)	174
AXA Equity & Law	348	-	-	-	(81)	-	266
Sterling Grace	128	-	-	-	(26)	-	103
AXA Financial, Inc. (minority buyout)	2,571	-	-	(2)	143	-	2,712
Sanford C. Bernstein (SCB Inc)	3,219	-	-	(3)	161	(322)	3,055
SLPH (AXA UK Holdings) (minority buyout)	1,388	-	-	-	(279)	-	1,109
Nippon Dantaï	1,119	10	-	-	327	-	1,456
AXA China Region (minority buyout)	218	-	-	-	16	-	234
AXA Aurora (minority buyout)	120	-	-	-	-	-	120
Rosenberg and other AXA IM transactions	93	-	-	-	6	-	99
Guardian Royal Exchange	676	-	-	-	(47)	-	629
Royale Belge (AXA Belgium)	452	-	-	-	-	-	452
UAP	705	-	-	-	(59)	-	646
Others	878	19	-	5	(57)	47	893
TOTAL 2008	**16,367**	**1,180**	**-**	**(20)**	**(175)**	**(277)**	**17,075**
TOTAL 2007	**16,213**	**1,573**	**(261)**	**14**	**(1,209)**	**38**	**16,367**
TOTAL 2008	**16,367**	**1,180**	**-**	**(20)**	**(175)**	**(277)**	**17,075**
Of which:							
Life & Savings	7,576	422	-	125	71	48	8,242
Property & Casualty	4,353	742	-	(34)	(414)	(3)	4,644
International Insurance	7	8	-	(1)	-	-	14
Asset Management	4,199	-	-	(5)	175	(322)	4,047
Others	233	8	-	(105)	(7)	-	128

(a) Includes the impact of exercises and revaluations of non-controlling interest buyout commitments.

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

(c) Includes the goodwill of SBJ group.

5.2.2. Goodwill – Change in impairment

(in Euro million)	Cumulative impairment January 1, 2009	Increase in Impairment during the period	Increase in Impairment relating to goodwill created on acquisitions during the period	Write back of impairment of goodwill sold during the period	Accumulated impairment losses transferred out relating to goodwill transferred in the "held for sale" category	Currency translation adjustment	Other changes	Cumulative impairment December 31, 2009
Nippon Dantaï	76	-	-	-	-	(3)	-	73
Others	1	1	-	-	-	-	-	1
TOTAL	**76**	**1**	**-**	**-**	**-**	**(3)**	**-**	**74**
Of which:								
Life & Savings	76	-	-	-	-	(3)	-	73
Property & Casualty	1	-	-	-	-	-	-	1
International Insurance	-	1	-	-	-	-	-	1
Asset Management	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-

(in Euro million)	Cumulative impairment January 1, 2008	Increase in Impairment during the period	Increase in Impairment relating to goodwill created on acquisitions during the period	Write back of impairment of goodwill sold during the period	Accumulated impairment losses transferred out relating to goodwill transferred in the "held for sale" category	Currency translation adjustment	Other changes	Cumulative impairment December 31, 2008
Nippon Dantaï	59	-	-	-	-	17	-	76
Others	1	-	-	-	-	-	-	1
TOTAL 2008	**59**	**-**	**-**	**-**	**-**	**17**	**-**	**76**
TOTAL 2007	**112**	**-**	**-**	**(33)**	**-**	**(6)**	**(13)**	**59**
TOTAL 2008	**59**	**-**	**-**	**-**	**-**	**17**	**-**	**76**
Of which:								
Life & Savings	59	-	-	-	-	17	-	76
Property & Casualty	1	-	-	-	-	-	-	1
International Insurance	-	-	-	-	-	-	-	-
Asset Management	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-

An impairment loss is recognized for a cash-generating unit if, and only if, the recoverable amount of the unit or group of units is less than the carrying amount of the unit or group of units. The recoverable amount of each cash generating unit or group of units is the higher of

(i) the cash generating unit or group of units' fair value less costs to sell and (ii) its value in use.

Fair value includes quotations when available and/or relevant or valuation techniques incorporating observable market data, adjusted when necessary to take into account control premia. Value in use calculations are also based on valuation techniques.

For Life & Savings businesses, such valuation techniques include discounted cash flows taking into account:

- The current shareholders' net asset value plus future profitability on business in force.
  Such techniques (embedded value types of methodologies) are industry specific valuation methods which are consistent with the principles of discounted earnings approaches as the value of business in force results from the projection of distributable earnings. The current shareholders' net asset value is adjusted to take into account any difference between the basis of cash flows projections used in the value of business in force calculations and IFRS;
- And profitability on future new business.
  The value of new business is computed either on the basis of multiples of a standardized year of new business contribution (present value of projected future distributable profits generated from business written in a year) or on a projection of each of the expected annual future earnings when multiples are not appropriate because of future growth specific patterns.

Key assumptions include expected growth, expenses, cost of capital, future investment margins, financial market volatility, first assessed on a risk free basis (basic test) and then on the basis of illustrative investment assumptions suitable for a traditional embedded value approach if the previous recoverable value is lower than the carrying amount.

For each group of units of the Property & Casualty and Asset Management businesses, the calculation uses cash flow projections based on business plans approved by management covering a three to five year period and a risk adjusted discount rate. Cash flows beyond that period have been extrapolated using a steady growth rate and terminal value.

Discount rates used in these tests range from 8% to 12% and growth rates where applicable from 2% to 4%.

The results of these projections exceed the carried amount of each of the generating unit or group of units. However, the estimated amount of excess in the US Life & Savings markets (goodwill noted above) using a value in use approach is €0.9 billion which remains lower than before the global financial crisis. To the extent that securities valuations remain depressed for prolonged periods of time and market conditions stagnate or worsen as a result of the global financial crisis, revenues, profitability, new business volumes, financial market volatility, assets under management would likely be adversely affected. In addition, the future cash flow expectations and other assumptions underlying management's current business plans could be negatively impacted by other risks to which the Group's business is subject. As a result, subsequent impairment tests may be based upon different assumptions and future cash flow projections, which may result in an impairment of these assets in the foreseeable future.

5.3. OTHER INFORMATION RELATING TO GOODWILL

Goodwill is mainly attributable to the following business combinations and entities:

5.3.1. Acquisitions during the period

The main acquisition of the year 2009 was the following:

- On February 10, 2010, AXA and Banca Monte dei Paschi di Siena (BMPS) announced the extension of their bancassurance agreement in Italy to the 1,000 branches of former Banca Antonveneta following its acquisition by BMPS. This gave rise to an adjustment of the acquisition price of MPS that has been controlled by the Group since 2007. This adjustment was recognised at December 31, 2009 as it was probable and reliably measurable, resulting in an additional goodwill of €169 million, of which €144 million in AXA MPS and €25 million in AXA IM.

  At December 31, 2009, the total goodwill of AXA MPS had a net value of €656 million.

5.3.2. Movements of the period

- Bluefin Insurance Group Ltd (previously Venture Preference limited).

  The Bluefin Insurance Group, AXA's network of insurance brokers in the United Kingdom, was deconsolidated from the Property & Casualty segment of AXA UK.

  This lead to a decrease in goodwill of €241 million.

5.3.3. Assets and liabilities held for sale

On November 8, 2009, AXA announced an offer to the AXA APH board whereby AXA would acquire 100% of AXA APH's Asian businesses while AMP would acquire 100% of AXA APH's Australia & New Zealand businesses under an exclusive arrangement.

After the Independent Committee of AXA APH's Board of Directors rejected this joint proposal on November 9, 2009, AXA announced a revised joint offer to the AXA APH committee of independent directors on December 13, 2009.

On December 17, 2009, the revised proposal was rejected by the same Independent Committee. At the same time, AXA took note of an offer made by National Australia Bank Limited (NAB), which has been recommended by the AXA APH committee of independent directors.

AXA and NAB entered into discussion on February 7, 2010.

The assets (including goodwill) and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009, with no impact on shareholders' equity. AXA SA also booked €141 million deferred tax expense on the temporary difference between the consolidated value and the tax base of the shares that it holds.

The major classes of assets and liabilities of the Australian and New Zealand operations that are classified as held for sale include the following (amounts are presented net of inter-company balances with other AXA entities):

(in Euro million)	December 31, 2009
Goodwill	536
Other intangible assets	571
Investments	7,957
Other assets	2,311
TOTAL ASSETS HELD FOR SALE	**11,374**

(in Euro million)	December 31, 2009
Shareholders' equity - Group share [(a)]	555
Non-controlling interests	1,220
TOTAL SHAREHOLDERS' EQUITY FROM AUSTRALIA/NEW ZEALAND OPERATIONS	**1,775**
Liabilities arising from insurance and investment contracts	8,694
Provisions for risks and charges	151
Other liabilities	754
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES HELD FOR SALE	**11,374**

(a) of which €332 million of comprehensive income.

5.3.4. Transactions of recent past periods

ACQUISITION OF AXA OYAK HOLDING A.Ş. ("AXA OYAK") (2008)

On February 6, 2008, AXA announced it had reached an agreement to acquire OYAK's 50% share in **AXA OYAK Holding A.Ş. ("AXA OYAK")**, a joint-venture company established by AXA and OYAK in 1999. Under the terms of the agreement, AXA paid a purchase price of $525 million (approximately €354 million) in cash for OYAK's 50% share in AXA OYAK (in addition, according to the same agreement, AXA OYAK Holding bought, for $15 million (approximately €9 million), the 1.5% interest that Mais Motors, an OYAK joint venture company, holds in AXA OYAK's non-life subsidiary. The transaction closed on August 12, 2008.

At December 31, 2009, the goodwill had a net value of €248 million.

ACQUISITION OF SBJ GROUP (2008)

On March 19, 2008, AXA UK completed the purchase of 100% of the share capital of **SBJ Group**. The acquisition of SBJ will complement and enhance AXA's UK advisory and broking capability, bringing a number of strengths to the Group, including increased scale, a wider national presence and access to new market areas.

At December 31, 2009, the goodwill had a net value of €72 million.

ACQUISITION OF QUADRIFOGLIO VITA (2008)

On June 30, 2008 the agreement on the sale by Banca MPS to AXA MPS Assicurazioni Vita, of 100% of **Quadrifoglio Vita**'s shares, was concluded (purchase price of €142 million). The closing of the transaction occurred on December 12, 2008. The purchase accounting was completed with an opening balance sheet as at December 31, 2008 and gave rise to a goodwill of €68 million. No other material intangibles were recognized.

At December 31, 2009, the goodwill had a net value of €68 million.

ACQUISITION OF SEGUROS ING (2008)

On July 22, 2008, AXA acquired 100% of the share capital of **Seguros ING**, the Mexican insurance subsidiary of ING, for $1.5 billion (€959 million). The purchase accounting was completed with an opening consolidated statement of financial position as at July 1, 2008 and gave rise to a goodwill and an intangible (VBI) of respectively to €564 million and €48 million. In accordance with IFRS 3, i.e. within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of the purchase price, resulting in a €33 million increase in the goodwill to €512 million as at December 31, 2008. Most of the increase in goodwill was due to adjustments to provisions for liabilities and claims reserves.

At December 31, 2009, the goodwill had a net value of €512 million.

ACQUISITION OF ALPHA INSURANCE (2007)

On March 28, 2007, AXA and Alpha Bank, Greece's second largest bank, signed a long-term exclusive agreement to pursue and strengthen the existing bancassurance partnership. AXA acquired Alpha Bank's insurance subsidiary for €255 million.

At December 31, 2009, the goodwill had a net value of €123 million.

ACQUISITION OF THINC GROUP (RENAMED BLUEFIN ADVISORY SERVICES LIMITED FROM DECEMBER 31, 2008) (2007)

On November 10, 2006, AXA UK completed the acquisition of **Thinc Group**, by increasing its stake to 100% for €51 million. This company's main business is brokerage of Life & Savings products.

At December 31, 2009, the goodwill had a net value of €45 million.

ACQUISITION OF SWIFTCOVER (2007)

On March 22, 2007, AXA UK acquired the UK's only 100% online insurer, **Swiftcover**, jointly owned by international insurer Primary Group and Swiftcover's management for €359 million.

At December 31, 2009, the goodwill had a net value of €235 million.

ACQUISITION OF KYOBO AUTO (2007)

On May 22, 2007, AXA acquired 75% of **Kyobo Auto** for an amount of KRW 88 billion (€70 million). At the end of 2007, the Group's ownership had reached 90% following the buyback of non-controlling interests.

At December 31, 2009, the goodwill had a net value of €46 million.

ACQUISITION OF ELLA BANK (2007)

On July 27, 2007, AXA Holdings Belgium SA acquired 100% of the Hungarian retail bank **ELLA** and its affiliates for €123 million.

At December 31, 2009, the goodwill had a net value of €59 million.

ACQUISITION OF MPS VITA AND MPS DANNI (2007)

On October 19, 2007, AXA, as part of a long-term agreement with BMPS in life and non-life bancassurance as well as in pension business in Italy, acquired 50% of **MPS Vita** (Life & Savings) and **MPS Danni** (Property & Casualty), and 50% of **BMPS open pension funds business**.

At December 31, 2009, the goodwill had a net value of €656 million.

BUYOUT OF MINORITIES – AXA KONZERN AG (2007 AND 2006)

On July 5, 2007, AXA finalized definitive settlements with all claimants in litigations seeking nullity and avoidance (Nichtigkeits- und Anfechtungsklagen) of **the squeeze-out resolutions** adopted by the General Meetings of **AXA Konzern AG** and Kölnische Verwaltungs-AG für Versicherungswerte AG on July 20 and July 21, 2006, respectively. In parallel, AXA Konzern finalized in 2007 the squeeze-out of the non-controlling interests of its life insurance companies AXA Lebensversicherung AG (0.86% of the share capital) and Deutsche Ärzteversicherung AG (2.13% of the share capital). These squeeze-out resolutions are now effective and AXA holds 100% of the shares of these four subsidiaries.

Following registration of these squeeze-outs, further litigation with non-controlling interests on valuation issues were concluded in a court review procedure (Spruchverfahren) under German law.

The total investment to reach a 100% ownership in AXA Konzern, KVAG, AXA Lebensversicherung and Deutsche Ärzteversicherung starting from the situation as at January 1, 2006 amounted to €367 million.

At December 31, 2009, the goodwill had a net value of €188 million.

Note 6 Value of purchased life business in-force

The change in Value of Business In-force ("VBI") in the Life & Savings segment was as follows:

(in Euro million)	2009 [(a)]	2008 Revised [(b)]	2007
Gross carrying value as at January 1	7,843	7,449	8,110
Accumulated amortization and impairment	(3,292)	(2,809)	(2,686)
Shadow accounting on VBI	(146)	(266)	(394)
Net carrying value as at January 1	**4,405**	**4,373**	**5,030**
VBI capitalization	-	6	7
Capitalized interests	130	134	155
Amortization and impairment for the period	(524)	(533)	(519)
Changes in VBI amortization, capitalization and impairment	**(394)**	**(393)**	**(357)**
Change in shadow accounting on VBI	(231)	155	111
Currency translation	25	174	(278)
Acquisitions and disposals of subsidiaries and portfolios	(188)	97	(133)
Net carrying value as at December 31	**3,617**	**4,405**	**4,373**
Gross carrying value as at December 31	7,250	7,843	7,449
Accumulated amortization and impairment	(3,264)	(3,292)	(2,809)
Shadow accounting on VBI	(369)	(146)	(266)

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

The impact of acquisitions and disposals of subsidiaries and portfolios amounted to:

- €-188 million in 2009, due to the classification of the Australian and New Zealand operations as held for sale;
- €97 million in 2008, driven by the acquisitions of Seguros ING in Mexico (€50 million) and of the financial advisor Genesys in Asia/Pacific (€46 million);
- €-133 million in 2007 as the acquisition of AXA-MPS Vita and Danni (€105 million) was more than offset by the disposal of the Netherlands operations (€-238 million).

Note 7 Deferred acquisition costs and equivalent

7.1. BREAKDOWN OF DEFERRED ACQUISITION COSTS (DAC) AND EQUIVALENT

(in Euro million)	December 31, 2009 [(a)]	December 31, 2008 Revised [(b)]	December 31, 2007
Net deferred acquisition costs relating to Life & Savings [(c)]	16,202	15,867	14,045
Net rights to future managements fees [(d)]	1,225	1,074	1,236
Shadow accounting on DAC	(377)	85	(291)
Deferred acquisition costs and equivalent relating to Life & Savings	**17,050**	**17,026**	**14,990**
Deferred acquisition costs and equivalent relating to Property & Casualty and International Insurance	**1,739**	**1,729**	**1,767**
Net deferred acquisition costs and equivalent	**18,789**	**18,756**	**16,757**

(a) *Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).*

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

(c) *Applicable to Life & Savings insurance contracts and investment contracts with discretionary participation features according to IFRS 4. Amounts are net of accumulated amortization.*

(d) *Applicable to investment contracts with no discretionary participation features.*

7.2. ROLLFORWARD OF DEFERRED ACQUISITION COSTS AND EQUIVALENT – LIFE & SAVINGS

Changes in deferred acquisition costs and equivalent for Life & Savings were as follows:

	December 31, 2009 [(a)]		December 31, 2008		December 31, 2007	
(in Euro million)	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]
Life & Savings deferred acquisition costs and equivalent net carrying value as at January 1	**15,952**	**1,074**	**13,754**	**1,236**	**13,047**	**1,152**
Amortization and impairment for the period	(2,248)	(84)	(2,000)	(125)	(2,121)	(180)
Capitalized interests for the period	684	1	650	-	639	-
DAC and similar costs capitalization for the period	2,392	184	2,667	250	3,104	362
Changes in amortization, capitalization and impairment	**828**	**100**	**1,317**	**126**	**1,622**	**183**
Shadow accounting on DAC	(465)	-	368	-	306	-
Currency translation	(149)	83	521	(291)	(940)	(98)
Acquisitions and disposals of subsidiaries and portfolios	(340)	(33)	(7)	3	(281)	-
Life & Savings deferred acquisition costs and equivalent net carrying value as at December 31	**15,825**	**1,225**	**15,952**	**1,074**	**13,754**	**1,236**
TOTAL	**17,050**		**17,026**		**14,990**	

(a) *Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).*

(b) *Relating to contracts subject to IFRS 4, i.e. insurance contracts and investment contracts with discretionary participating features.*

(c) *Applicable to investment contracts with no discretionary participation features.*

7.3. DEFERRED ACQUISITION COSTS AND EQUIVALENT, NET OF AMORTIZATION, UNEARNED REVENUE RESERVES AND UNEARNED FEE RESERVES – LIFE & SAVINGS

The value of Life & Savings deferred acquisition costs and equivalent, net of amortization, unearned revenue reserves and unearned fee reserves, was as follows:

	December 31, 2009 [(a)]		December 31, 2008		December 31, 2007	
(in Euro million)	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]	Life & Savings Deferred Acquisition Costs [(b)]	Rights to future management fees [(c)]
DAC and equivalent	**15,825**	**1,225**	**15,952**	**1,074**	**13,754**	**1,236**
of which shadow DAC	*(377)*	-	*85*	-	*(291)*	-
Unearned revenues and unearned fees reserves	**2,109**	**501**	**2,072**	**382**	**1,823**	**409**
of which shadow unearned revenues reserves	*(151)*	-	*(162)*	-	*(138)*	-
DAC net of unearned revenues and unearned fees reserves	13,716	725	13,880	692	11,931	827
TOTAL FOR ALL TYPES OF CONTRACTS	**14,440**		**14,572**		**12,758**	

DAC = Deferred Acquisition Costs.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Relating to contracts subject to IFRS 4, i.e. insurance contracts and investment contracts with discretionary participating features.

(c) Applicable to investment contracts with no discretionary participation features (IAS 39).

Note 8 Other intangible assets

8.1. BREAKDOWN OF OTHER INTANGIBLE ASSETS

Other intangible assets represented €3,143 million net value as at December 31, 2009 and mainly included:

(in Euro million)	Gross value [(a)]	Accumulated amortization	Impairment	Net Value December 31, 2009 [(a)]	Net Value December 31, 2008	Net Value December 31, 2007
Software capitalized	1,998	1,479	14	505	491	465
Intangible assets recognized in business combinations	2,942	344	-	2,598	2,572	2,718
Other intangible assets	98	57	1	40	93	105
TOTAL INTANGIBLE ASSETS	**5,038**	**1,880**	**14**	**3,143**	**3,156**	**3,288**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

8.2. BREAKDOWN OF INTANGIBLE ASSETS RECOGNIZED IN BUSINESS COMBINATIONS

	December 31, 2009 [(a)]			
(in Euro million)	Gross value	Accumulated amortization	Impairment	Net value
Montepaschi (AXA MPS)	939	-	-	939
ELLA Bank (AXA Bank Hungary)	41	(7)	-	34
Alpha insurance (AXA Greece)	97	(10)	-	87
Bluefin Insurance Group Ltd (previously Venture Preference limited)	-	-	-	-
Bluefin Advisory Services Limited (previously Thinc Group)	64	(21)	-	43
Winterthur	1,135	(246)	-	890
Framlington	201	(6)	-	195
Citadel	20	(8)	-	12
MONY	18	(9)	-	9
Swiftcover	28	(12)	-	16
Other	399	(26)	-	373
TOTAL	**2,942**	**(344)**	**-**	**2,598**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

	December 31, 2008			
(in Euro million)	Gross value	Accumulated amortization	Impairment	Net value
Montepaschi (AXA MPS)	785	-	-	785
ELLA Bank (AXA Bank Hungary)	41	(4)	-	37
Alpha insurance (AXA Greece)	97	(7)	-	91
Bluefin Insurance Group Ltd (previously Venture Preference limited)	94	(21)	-	72
Bluefin Advisory Services Limited (previously Thinc Group)	59	(13)	-	47
Winterthur	1,126	(160)	-	965
Framlington	186	(5)	-	181
Citadel	18	(5)	-	13
MONY	21	(7)	(2)	11
Swiftcover	26	(7)	-	19
Other	367	(16)	-	352
TOTAL	**2,820**	**(246)**	**(2)**	**2,572**

	December 31, 2007			
(in Euro million)	Gross value	Accumulated amortization	Impairment	Net value
Montepaschi (AXA MPS)	785	-	-	785
ELLA Bank (AXA Bank Hungary)	43	(1)	-	42
Alpha insurance (AXA Greece)	97	(3)	-	94
Bluefin Insurance Group Ltd (previously Venture Preference limited)	88	(10)	-	77
Bluefin Advisory Services Limited (previously Thinc Group)	42	(6)	-	36
Winterthur	1,095	(76)	-	1,019
Framlington	250	(7)	-	243
Citadel	21	(4)	-	17
MONY	73	(23)	(34)	16
Swiftcover	34	(3)	-	30
Other	368	(9)	-	359
TOTAL	**2,896**	**(143)**	**(34)**	**2,718**

8.3. CHANGE IN INTANGIBLE ASSETS RECOGNIZED IN BUSINESS COMBINATIONS

(in Euro million)	Net value at January 1, 2009	Acquisition during the period	Purchase increases following adjustments	Amortization and impairment allowance
Montepaschi (AXA MPS)	785	154	-	-
ELLA Bank (AXA Bank Hungary)	37	-	-	(3)
Alpha insurance (AXA Greece)	91	-	-	(4)
Bluefin Insurance Group Ltd (previously Venture Preference limited)	72	-	-	-
Bluefin Advisory Services Limited (previously Thinc Group)	47	-	-	(7)
Winterthur	965	-	-	(83)
Framlington	181	-	-	-
Citadel	13	-	-	(2)
MONY	11	-	-	(2)
Swiftcover	19	-	-	(4)
Other	352	25	-	(9)
TOTAL	**2,572**	**179**	**-**	**(113)**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

In 2009, acquisition during the period was mainly related to the purchase of branches of former Banca Antonveneta by AXA MPS.

(in Euro million)	Net value at January 1, 2008	Acquisition during the period	Purchase increases following adjustments	Amortization and impairment allowance
Montepaschi (AXA MPS)	785	-	-	-
ELLA Bank (AXA Bank Hungary)	42	-	-	(3)
Alpha insurance (AXA Greece)	94	-	-	(4)
Bluefin Insurance Group Ltd (previously Venture Preference limited)	77	32	-	(16)
Bluefin Advisory Services Limited (previously Thinc Group)	36	33	-	(9)
Winterthur	1,019	-	-	(82)
Framlington	243	-	-	-
Citadel	17	-	-	(2)
MONY	16	-	-	(3)
Swiftcover	30	-	-	(6)
Other	359	18	-	(10)
TOTAL	**2,718**	**83**	**-**	**(135)**

(in Euro million)	Net value at January 1, 2007	Acquisition during the period	Purchase increases following adjustments	Amortization and impairment allowance
Montepaschi (AXA MPS)	-	785	-	-
ELLA Bank (AXA Bank Hungary)	-	44	-	(1)
Alpha insurance (AXA Greece)	-	97	-	(3)
Bluefin Insurance Group Ltd (previously Venture Preference limited)	-	94	-	(11)
Bluefin Advisory Services Limited (previously Thinc Group)	-	45	-	(7)
Winterthur	1,142	(16)	-	(77)
Framlington	265	-	-	-
Citadel	18	-	-	(2)
MONY	81	-	-	(33)
Swiftcover	-	36	-	(4)
Other	312	58	-	(7)
TOTAL	**1,817**	**1,142**	**-**	**(145)**

Disposal during the period	Purchase decreases following adjustments	Amortization and impairment write back following disposal	Currency impact	Change in scope and transfer of portfolio	Net value at December 31, 2009 [(a)]
-	-	-	-	-	939
-	-	-	(1)	-	34
-	-	-	-	-	87
-	-	-	6	(78)	-
-	-	-	4	-	43
-	-	-	7	-	890
-	-	-	14	-	195
-	-	-	2	-	12
-	-	-	-	-	9
-	-	-	1	-	16
-	-	-	5	-	373
-	**-**	**-**	**38**	**(78)**	**2,598**

Disposal during the period	Purchase decreases following adjustments	Amortization and impairment write back following disposal	Currency impact	Change in scope and transfer of portfolio	Net value at December 31, 2008
-	-	-	-	-	785
-	-	-	(2)	-	37
-	-	-	-	-	91
-	-	-	(21)	-	72
-	-	-	(12)	-	47
-	-	-	29	-	965
-	(6)	-	(56)	-	181
-	-	-	(2)	-	13
(54)	-	52	1	-	11
-	-	-	(6)	-	19
-	-	-	(11)	(5)	352
(54)	**(6)**	**52**	**(81)**	**(5)**	**2,572**

Disposal during the period	Purchase decreases following adjustments	Amortization and impairment write back following disposal	Currency impact	Change in scope and transfer of portfolio	Net value at December 31, 2007
-	-	-	-	-	785
-	-	-	-	-	42
-	-	-	-	-	94
-	-	-	(5)	-	77
-	-	-	(3)	-	36
-	(8)	-	(21)	-	1,019
-	-	-	(22)	-	243
-	-	-	1	-	17
(27)	-	-	(4)	-	16
-	-	-	(2)	-	30
-	-	-	(3)	-	359
(27)	**(8)**	**-**	**(60)**	**-**	**2,718**

Note 9 Investments

Certain investment properties (see Note 1), available-for-sale investments, trading assets, instruments designated as at fair value through P&L and all derivatives are measured at fair value in the financial statements. In addition, this note also discloses the fair value of investment properties and financial assets held at cost. Principles applied in measuring fair value generally described in Note 1 are further detailed in Note 9.2 (investment in real estate properties) and 9.9 (financial assets recognized at fair value).

(in Euro million)	Insurance		
	Fair value	**Carrying value**	**% (value balance sheet)**
Investment in real estate properties at amortized cost	16,919	13,406	2.39%
Investment in real estate properties designated as at fair value through profit or loss [(b)]	2,197	2,197	0.39%
Macro hedge and other derivatives	-	-	-
Investment in real estate properties	**19,116**	**15,603**	**2.79%**
Debt instruments held to maturity	-	-	-
Debt instruments available for sale	275,487	275,487	49.19%
Debt instruments designated as at fair value through profit or loss [(b)]	43,606	43,606	7.79%
Debt instruments held for trading	490	490	0.09%
Debt instruments (at cost) that are not quoted in an active market	1,758	1,804	0.32%
Debt instruments	**321,341**	**321,387**	**57.39%**
Equity instruments available for sale	15,212	15,212	2.72%
Equity instruments designated as at fair value through profit or loss [(b)]	10,329	10,329	1.84%
Equity instruments held for trading	27	27	0.00%
Equity instruments	**25,569**	**25,569**	**4.57%**
Non controlled investment funds held for sale	5,588	5,588	1.00%
Non controlled investment funds designated as at fair value through profit or loss [(b)]	2,096	2,096	0.37%
Non controlled investment funds held for trading	71	71	0.01%
Non controlled investment funds	**7,755**	**7,755**	**1.38%**
Other assets designated as at fair value through profit or loss, held by controlled investment funds	**9,350**	**9,350**	**1.67%**
Macro hedge and other derivatives	**(294)**	**(294)**	**-0.05%**
Financial investments	**363,722**	**363,768**	**64.96%**
Loans held to maturity	-	-	-
Loans available for sale	749	749	0.13%
Loans designated as at fair value through profit or loss [(b)]	-	-	-
Loans held for trading	-	-	-
Mortgage loans	14,600	14,186	2.53%
Other loans [(c)]	10,366	10,264	1.83%
Macro hedge and other derivatives	-	-	-
Loans	**25,715**	**25,199**	**4.50%**
Assets backing contracts where the financial risk is borne by policyholders	**155,457**	**155,457**	**27.76%**
INVESTMENTS	**564,010**	**560,027**	**100.00%**
Investments (excluding those backing contracts where the financial risk is borne by policyholders)	**408,553**	**404,570**	**72.24%**
Life & Savings	347,023	343,644	61.36%
Property & Casualty	53,291	52,680	9.41%
International Insurance	8,240	8,246	1.47%

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Use of fair value option.

(c) Mainly includes policy loans.

9.1. BREAKDOWN OF INVESTMENTS

Each investment item is presented net of the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges) except derivatives related to macro hedges shown separately.

Details of the effect of derivatives are provided in section 19.3.

December 31, 2009 [(a)]					
Other activities			Total		
Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)
2,896	2,456	19.93%	19,815	15,863	2.77%
-	-	-	2,197	2,197	0.38%
-	-	-	-	-	-
2,896	**2,456**	**19.93%**	**22,011**	**18,059**	**3.16%**
-	-	-	-	-	-
4,352	4,352	35.31%	279,839	279,839	48.89%
84	84	0.68%	43,690	43,690	7.63%
450	450	3.65%	940	940	0.16%
-	-	-	1,758	1,804	0.32%
4,886	**4,886**	**39.65%**	**326,228**	**326,274**	**57.01%**
2,730	2,730	22.16%	17,943	17,943	3.13%
216	216	1.76%	10,546	10,546	1.84%
251	251	2.03%	278	278	0.05%
3,197	**3,197**	**25.95%**	**28,766**	**28,766**	**5.03%**
153	153	1.24%	5,741	5,741	1.00%
84	84	0.68%	2,181	2,181	0.38%
-	-	-	71	71	0.01%
237	**237**	**1.93%**	**7,993**	**7,993**	**1.40%**
7	**7**	**0.05%**	**9,357**	**9,357**	**1.63%**
634	**634**	**5.15%**	**340**	**340**	**0.06%**
8,962	**8,962**	**72.72%**	**372,684**	**372,730**	**65.12%**
-	-	-	-	-	-
-	-	-	749	749	0.13%
-	-	-	-	-	-
8	8	0.06%	8	8	-
2	2	0.02%	14,602	14,188	2.48%
867	865	7.02%	11,233	11,129	1.94%
31	31	0.25%	31	31	0.01%
908	**906**	**7.35%**	**26,623**	**26,104**	**4.56%**
			155,457	**155,457**	**27.16%**
12,765	**12,323**	**100.00%**	**576,775**	**572,350**	**100.00%**

	Insurance		
(in Euro million)	**Fair value**	**Carrying value**	**% (value balance sheet)**
Investment in real estate properties at amortized cost	18,165	12,859	2.50%
Investment in real estate properties designated as at fair value through profit or loss [(a)]	2,398	2,398	0.47%
Macro hedge and other derivatives	-	-	-
Investment in real estate properties	**20,563**	**15,256**	**2.97%**
Debt instruments held to maturity	-	-	-
Debt instruments available for sale	255,465	255,465	49.69%
Debt instruments designated as at fair value through profit or loss [(a)]	44,199	44,199	8.60%
Debt instruments held for trading	102	102	0.02%
Debt instruments (at cost) that are not quoted in an active market	1,132	1,212	0.24%
Debt instruments	**300,898**	**300,978**	**58.54%**
Equity instruments available for sale	15,468	15,468	3.01%
Equity instruments designated as at fair value through profit or loss [(a)]	10,503	10,503	2.04%
Equity instruments held for trading	89	89	0.02%
Equity instruments	**26,060**	**26,060**	**5.07%**
Non controlled investment funds held for sale	5,336	5,336	1.04%
Non controlled investment funds designated as at fair value through profit or loss [(a)]	2,187	2,187	0.43%
Non controlled investment funds held for trading	147	147	0.03%
Non controlled investment funds	**7,670**	**7,670**	**1.49%**
Other assets designated as at fair value through profit or loss, held by controlled investment funds	**6,353**	**6,353**	**1.24%**
Macro hedge and other derivatives	**110**	**110**	**0.02%**
Financial investments	**341,090**	**341,170**	**66.36%**
Loans held to maturity	-	-	-
Loans available for sale	743	743	0.14%
Loans designated as at fair value through profit or loss [(a)]	45	45	0.01%
Loans held for trading	-	-	-
Mortgage loans	14,056	13,751	2.67%
Other loans [(b)]	11,189	11,168	2.17%
Macro hedge and other derivatives	-	-	-
Loans	**26,033**	**25,706**	**5.00%**
Assets backing contracts where the financial risk is borne by policyholders	**131,990**	**131,990**	**25.67%**
INVESTMENTS	**519,676**	**514,123**	**100.00%**
Investments (excluding those backing contracts where the financial risk is borne by policyholders)	**387,685**	**382,133**	**74.33%**
Life & Savings	330,132	325,240	63.26%
Property & Casualty	49,109	48,448	9.42%
International Insurance	8,444	8,445	1.64%

(a) Use of fair value option.
(b) Mainly includes policy loans.

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Other activities			Total		
Fair value	**Carrying value**	**% (value balance sheet)**	**Fair value**	**Carrying value**	**% (value balance sheet)**
2,332	2,306	18.28%	20,497	15,165	2.88%
-	-	-	2,398	2,398	0.46%
-	-	-	-	-	-
2,332	**2,306**	**18.28%**	**22,895**	**17,562**	**3.33%**
-	-	-	-	-	-
3,894	3,894	30.87%	259,359	259,359	49.24%
57	57	0.45%	44,256	44,256	8.40%
875	875	6.94%	977	977	0.19%
-	-	-	1,132	1,212	0.23%
4,826	**4,826**	**38.26%**	**305,725**	**305,805**	**58.06%**
3,959	3,959	31.38%	19,427	19,427	3.69%
259	259	2.05%	10,761	10,761	2.04%
179	179	1.42%	268	268	0.05%
4,396	**4,396**	**34.85%**	**30,456**	**30,456**	**5.78%**
76	76	0.61%	5,412	5,412	1.03%
63	63	0.50%	2,250	2,250	0.43%
-	-	-	147	147	0.03%
140	**140**	**1.11%**	**7,810**	**7,810**	**1.48%**
13	**13**	**0.10%**	**6,365**	**6,365**	**1.21%**
4	**4**	**0.03%**	**114**	**114**	**0.02%**
9,380	**9,380**	**74.35%**	**350,470**	**350,550**	**66.55%**
-	-	-	-	-	-
64	64	0.51%	807	807	0.15%
-	-	-	45	45	0.01%
7	7	0.06%	7	7	-
1	1	0.01%	14,057	13,752	2.61%
854	849	6.73%	12,043	12,017	2.28%
8	8	0.06%	8	8	-
934	**929**	**7.37%**	**26,966**	**26,635**	**5.06%**
			131,990	**131,990**	**25.06%**
12,645	**12,615**	**100.00%**	**532,321**	**526,738**	**100.00%**

	Insurance		
(in Euro million)	**Fair value**	**Carrying value**	**% (value balance sheet)**
Investment in real estate properties at amortized cost	17,778	12,045	2.06%
Investment in real estate properties designated as at fair value through profit or loss [(a)]	4,137	4,137	0.71%
Macro hedge and other derivatives	-	-	-
Investment in real estate properties	**21,915**	**16,182**	**2.77%**
Debt instruments held to maturity	-	-	-
Debt instruments available for sale	241,766	241,766	41.38%
Debt instruments designated as at fair value through profit or loss [(a)]	55,152	55,152	9.44%
Debt instruments held for trading	120	120	0.02%
Debt instruments (at cost) that are not quoted in an active market	-	-	-
Debt instruments	**297,039**	**297,039**	**50.84%**
Equity instruments available for sale	33,350	33,350	5.71%
Equity instruments designated as at fair value through profit or loss [(a)]	19,322	19,322	3.31%
Equity instruments held for trading	127	127	0.02%
Equity instruments	**52,799**	**52,799**	**9.04%**
Non controlled investment funds held for sale	3,449	3,449	0.59%
Non controlled investment funds designated as at fair value through profit or loss [(a)]	2,298	2,298	0.39%
Non controlled investment funds held for trading	135	135	0.02%
Non controlled investment funds	**5,882**	**5,882**	**1.01%**
Other assets designated as at fair value through profit or loss, held by controlled investment funds	**4,358**	**4,358**	**0.75%**
Macro hedge and other derivatives	**(27)**	**(27)**	**N/A**
Financial investments	**360,051**	**360,051**	**61.63%**
Loans held to maturity	-	-	-
Loans available for sale	926	926	0.16%
Loans designated as at fair value through profit or loss [(a)]	39	39	0.01%
Loans held for trading	-	-	-
Mortgage loans	12,738	12,817	2.19%
Other loans [(b)]	11,310	11,395	1.95%
Macro hedge and other derivatives	-	-	-
Loans	**25,013**	**25,177**	**4.31%**
Assets backing contracts where the financial risk is borne by policyholders	**182,827**	**182,827**	**31.29%**
INVESTMENTS	**589,806**	**584,237**	**100.00%**
Investments (excluding those backing contracts where the financial risk is borne by policyholders)	**406,979**	**401,410**	**68.71%**
Life & Savings	343,656	338,623	57.96%
Property & Casualty	54,650	54,115	9.26%
International Insurance	8,673	8,672	1.48%

(a) Use of fair value option.
(b) Mainly includes policy loans.

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Other activities			Total		
Fair value	Carrying value	% (value balance sheet)	Fair value	Carrying value	% (value balance sheet)
1,867	1,776	12.96%	19,645	13,821	2.31%
-	-	-	4,137	4,137	0.69%
-	-	-	-	-	-
1,867	**1,776**	**12.96%**	**23,782**	**17,958**	**3.00%**
-	-	-	-	-	-
4,935	4,935	36.01%	246,701	246,701	41.26%
822	822	6.00%	55,974	55,974	9.36%
1,019	1,019	7.44%	1,139	1,139	0.19%
-	-	-	-	-	-
6,775	**6,775**	**49.44%**	**303,814**	**303,814**	**50.81%**
2,546	2,546	18.58%	35,896	35,896	6.00%
271	271	1.98%	19,593	19,593	3.28%
325	325	2.37%	452	452	0.08%
3,141	**3,141**	**22.92%**	**55,940**	**55,940**	**9.36%**
142	142	1.03%	3,591	3,591	0.60%
134	134	0.98%	2,433	2,433	0.41%
8	8	0.06%	143	143	0.02%
284	**284**	**2.07%**	**6,166**	**6,166**	**1.03%**
166	**166**	**1.21%**	**4,524**	**4,524**	**0.76%**
1,312	**1,312**	**9.58%**	**1,285**	**1,285**	**0.21%**
11,679	**11,679**	**85.23%**	**371,730**	**371,730**	**62.17%**
-	-	-	-	-	-
41	41	0.30%	968	968	0.16%
1	1	0.01%	40	40	0.01%
77	77	0.56%	77	77	0.01%
1	1	0.01%	12,740	12,818	2.14%
121	121	0.88%	11,430	11,515	1.93%
7	7	0.05%	7	7	-
248	**248**	**1.81%**	**25,261**	**25,425**	**4.25%**
			182,827	**182,827**	**30.58%**
13,793	**13,703**	**100.00%**	**603,599**	**597,939**	**100.00%**

9.2. INVESTMENT IN REAL ESTATE PROPERTIES

Investment in real estate properties include buildings owned directly and through real estate subsidiaries. Investment in real estate properties measured at fair value on the balance sheet mainly consist of assets backing UK with-profit contracts.

Breakdown of the carrying value and fair value of investments in real estate properties at amortized cost, excluding the impact of all derivatives:

	December 31, 2009 (a)				
(in Euro million)	Gross value	Amortization (b)	Impairment	Carrying value	Fair value
Investment in real estate properties at amortized cost					
Insurance	15,199	(1,396)	(430)	13,373	16,886
Other activities	2,883	(200)	(227)	2,456	2,896
All activities	18,082	(1,596)	(657)	15,829	19,781

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) The amortization increase in other activities corresponds to the transfer of a building to the US holding.

Fair value is generally based on valuations performed by qualified property surveyors. They are based on a multi-criteria approach and their frequency and terms are often based on local regulations.

Change in impairment and amortization of investments in real estate properties at amortized cost (all activities):

	Impairment - Investment in real estate properties			Amortization - Investment in real estate properties		
(in Euro million)	December 31, 2009 (a)	December 31, 2008	December 31, 2007	December 31, 2009 (a)	December 31, 2008	December 31, 2007
Opening value	**250**	**166**	**197**	**1,484**	**1,358**	**1,490**
Increase for the period	483	144	55	255	226	246
Write back following sale	(3)	(25)	(50)	(117)	(80)	(208)
Write back following recovery in value	(48)	(7)	(17)			
Others (b)	(25)	(28)	(20)	(26)	(20)	(171)
CLOSING VALUE	**657**	**250**	**166**	**1,596**	**1,484**	**1,358**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Mainly includes change in scope and the effect of changes in exchange rates.

In 2009, the impairment increase for the period amounted to €483 million, of which €227 million corresponding to some third party real estate funds operated by AXA Investment Managers but consolidated in AXA invested assets under IFRS rules and for which the Group holds non-controlling interests (no impact on AXA net income Group Share).

	December 31, 2008					December 31, 2007				
	Gross value	Amor-tization	Im-pairment	Carrying value	Fair value	Gross value	Amor tization	Im-pairment	Carrying value	Fair value
	14,526	(1,483)	(250)	12,793	18,099	13,548	(1,357)	(166)	12,025	17,758
	2,307	(1)	-	2,306	2,332	1,777	(1)	-	1,776	1,867
	16,833	(1,484)	(250)	15,099	20,431	15,325	(1,358)	(166)	13,801	19,625

9.3. UNREALIZED GAINS AND LOSSES ON FINANCIAL INVESTMENTS

Excluding the effect of derivatives, unrealized capital gains and losses on financial investments, when not already reflected in the income statement, are allocated as follows:

Insurance

	December 31, 2009 (a)				
(in Euro million)	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses
Debt instruments available for sale	266,931	274,530	274,530	12,169	4,569
Debt instruments (at cost) that are not quoted in an active market	1,804	1,758	1,804	12	58
Equity instruments available for sale	10,539	14,789	15,250	4,390	140
Non controlled investment funds held for sale	5,005	5,595	5,595	899	310

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) Net of impairment - including premiums/discounts and related accumulated amortization.
(c) Net of impairment (details in Note 9.8).

Other activities

	December 31, 2009 (a)				
(in Euro million)	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses
Debt instruments available for sale	4,567	4,344	4,344	16	239
Debt instruments (at cost) that are not quoted in an active market	-	-	-	-	-
Equity instruments available for sale	2,938	3,125	2,664	188	1
Non controlled investment funds held for sale	153	153	153	1	-

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) Net of impairment - including premiums/discounts and related accumulated amortization.
(c) Net of impairment (details in Note 9.8).

Total

	December 31, 2009 (a)				
(in Euro million)	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses
Debt instruments available for sale	271,498	278,875	278,875	12,184	4,807
Debt instruments (at cost) that are not quoted in an active market	1,804	1,758	1,804	12	58
Equity instruments available for sale	13,477	17,915	17,915	4,578	141
Non controlled investment funds held for sale	5,158	5,748	5,748	900	310

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) Net of impairment - including premiums/discounts and related accumulated amortization.
(c) Net of impairment (details in Note 9.8).

See also table 9.8.1 Breakdown of financial assets subject to impairment.

	December 31, 2008					December 31, 2007				
	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses
	254,174	254,720	254,720	10,405	9,858	242,608	241,220	241,220	4,762	6,150
	1,212	1,132	1,212	-	80	-	-	-	-	-
	12,509	14,768	14,768	1,753	478	24,320	33,249	33,249	9,413	484
	5,153	5,336	5,336	346	163	3,109	3,446	3,446	368	31

	December 31, 2008					December 31, 2007				
	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses
	4,155	3,913	3,913	43	285	5,037	4,933	4,933	2	106
	-	-	-	-	-	-	-	-	-	-
	2,638	1,457	1,457	117	314	2,575	2,550	2,550	133	158
	77	76	76	-	-	142	142	142	1	1

	December 31, 2008					December 31, 2007				
	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses	Amortized cost (b)	Fair value	Carrying value (c)	Unrealized gains	Unrealized losses
	258,328	258,633	258,633	10,448	10,142	247,645	246,153	246,153	4,764	6,256
	1,212	1,132	1,212	-	80	-	-	-	-	-
	15,147	16,226	16,226	1,871	792	26,896	35,799	35,799	9,545	642
	5,230	5,413	5,413	346	163	3,251	3,588	3,588	369	33

9.4. DEBT INSTRUMENTS BY TYPE OF ISSUER

The table below sets out the debt instruments portfolio by issuer type, excluding macro hedging derivatives and other derivatives but including the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges). Details of the effect of derivatives are provided in section 19.3.

	December 31, 2009 [(a)]	December 31, 2008	December 31, 2007
(in Euro million)	Carrying value	Carrying value	Carrying value
Government Debt instruments	132,317	126,752	128,583
Government-related debt instruments	33,856	25,221	26,574
Corporate Debt instruments [(b)]	150,308	140,046	132,800
Debt instruments guaranteed by a mortgage	5,907	10,026	9,629
Debt instruments issued by other issuers [(c)]	2,929	3,461	5,661
Hedging derivatives and other derivatives	958	299	569
DEBT INSTRUMENTS	**326,274**	**305,805**	**303,814**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Includes Debt instruments issued by companies in which a State now holds interests following the 2008 financial crisis.

(c) Includes fixed maturity investment funds.

Additional information on the credit risk associated with debt instruments is provided in Note 4 “Financial and insurance risks management”.

9.5. CONTRACTUAL MATURITIES AND EXPOSURE TO INTEREST RATE RISK

The tables below set out the contractual maturities of debt instruments held by the Group. Effective maturities may differ from those presented, mainly because some assets include clauses allowing early redemption, with or without penalty or duration extention features.

Debt instruments (at cost) that are not quoted in an active market, the effect of derivatives (detailed in section 19.3) and loans and debt instruments backing contracts where the financial risk is borne by policyholders are excluded from the tables below. The effect of derivatives modifies in certain cases the profile of the assets below. Most of the debt instruments and loans held by the Group are fixed-rate debt instruments (i.e. exposed to fair value interest rate risk).

	December 31, 2009 (a) Net carrying amount by maturity			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total net carrying value
Debt instruments available for sale	12,425	71,914	184,152	268,491
Debt instruments designated as at fair value through profit or loss (b)	3,890	12,390	19,870	36,150
Sub-total Debt instruments	**16,315**	**84,304**	**204,022**	**304,641**
Loans at amortized cost	3,169	4,277	14,443	21,889
Loans available for sale	11	1	-	12
Loans designated as at fair value through profit or loss (b)	-	8	-	8
Sub-total Loans	**3,180**	**4,285**	**14,443**	**21,909**
TOTAL - FINANCIAL INVESTMENTS EXPOSED TO FAIR VALUE INTEREST RATE RISK	**19,495**	**88,590**	**218,465**	**326,550**
Debt instruments available for sale	749	1,653	7,981	10,384
Debt instruments designated as at fair value through profit or loss (b)	1,683	1,750	5,053	8,487
Sub-total Debt instruments	**2,433**	**3,403**	**13,035**	**18,871**
Loans at amortized cost	344	1,131	1,396	2,871
Loans available for sale	-	393	344	737
Loans designated as at fair value through profit or loss (b)	-	-	-	-
Sub-total Loans	**344**	**1,523**	**1,740**	**3,608**
TOTAL - FINANCIAL INVESTMENTS EXPOSED TO CASH FLOW INTEREST RATE RISK	**2,777**	**4,927**	**14,775**	**22,479**
TOTAL FINANCIAL INVESTMENTS EXPOSED TO INTEREST RATE RISK	**22,272**	**93,516**	**233,240**	**349,028**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Corresponds to financial assets held for trading purposes and financial assets recognized designated as at fair value through profit or loss.

(in Euro million)	December 31, 2008 Net carrying amount by maturity 12 months or less	More than 1 year up to 5 years	More than 5 years	Total net carrying value
Debt instruments available for sale	15,387	66,778	166,166	248,331
Debt instruments designated as at fair value through profit or loss [(a)]	3,709	10,405	18,183	32,296
Sub-total Debt instruments	**19,096**	**77,182**	**184,349**	**280,627**
Loans at amortized cost	2,610	3,976	15,109	21,695
Loans available for sale	73	12	4	89
Loans designated as at fair value through profit or loss [(a)]	2	1	42	45
Sub-total Loans	**2,684**	**3,989**	**15,155**	**21,829**
TOTAL - INVESTED FINANCIAL ASSETS EXPOSED TO FAIR VALUE INTEREST RATE RISK	**21,780**	**81,172**	**199,504**	**302,456**
Debt instruments available for sale	646	1,882	7,774	10,303
Debt instruments designated as at fair value through profit or loss [(a)]	5,490	3,940	3,933	13,364
Sub-total Debt instruments	**6,136**	**5,823**	**11,708**	**23,666**
Loans at amortized cost	779	1,224	1,609	3,612
Loans available for sale	6	83	614	703
Loans designated as at fair value through profit or loss [(a)]	-	7	-	7
Sub-total Loans	**785**	**1,314**	**2,224**	**4,322**
TOTAL - FINANCIAL INVESTMENTS EXPOSED TO CASH FLOW INTEREST RATE RISK	**6,920**	**7,137**	**13,932**	**27,989**
TOTAL FINANCIAL INVESTMENTS EXPOSED TO INTEREST RATE RISK	**28,700**	**88,308**	**213,436**	**330,444**

(a) Corresponds to financial assets held for trading purposes and financial assets recognized designated as at fair value through profit or loss.

	December 31, 2007 Net carrying amount by maturity			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total net carrying value
Debt instruments available for sale	13,160	56,197	163,514	232,871
Debt instruments designated as at fair value through profit or loss(a)	17,739	8,883	22,698	49,320
Sub-total Debt instruments	**30,899**	**65,080**	**186,212**	**282,191**
Loans at amortized cost	2,920	5,459	12,712	21,091
Loans available for sale	46	5	913	963
Loans designated as at fair value through profit or loss [a]	5	39	(4)	40
Sub-total Loans	**2,971**	**5,502**	**13,621**	**22,094**
TOTAL - FINANCIAL INVESTMENTS EXPOSED TO FAIR VALUE INTEREST RATE RISK	**33,870**	**70,583**	**199,833**	**304,286**
Debt instruments available for sale	430	2,783	10,069	13,282
Debt instruments designated as at fair value through profit or loss [a]	380	5,332	2,060	7,772
Sub-total Debt instruments	**810**	**8,115**	**12,129**	**21,054**
Loans at amortized cost	422	341	1,251	2,015
Loans available for sale	3	2	-	5
Loans designated as at fair value through profit or loss [a]	-	17	59	77
Sub-total Loans	**425**	**360**	**1,311**	**2,096**
TOTAL - FINANCIAL INVESTMENTS EXPOSED TO CASH FLOW INTEREST RATE RISK	**1,235**	**8,475**	**13,440**	**23,150**
TOTAL FINANCIAL INVESTMENTS EXPOSED TO INTEREST RATE RISK	**35,105**	**79,057**	**213,273**	**327,436**

(a) Corresponds to financial assets held for trading purposes and financial assets recognized designated as at fair value through profit or loss.

9.6. EXPOSURE TO PRICE RISK

Excluding the effect of derivatives (detailed in section 19.3) and equity instruments of real estate companies, the breakdown by industry of equity instruments (including Private Equity instruments) owned across the Group is as follows:

December 31, 2009 [(a)] *(in Euro million)*	Finance	Consumer goods	Energy	Communications
Equity instruments available for sale	7,881	1,801	1,480	948
Equity instruments designated as at fair value through profit or loss	1,167	1,515	608	439
Sub-total: Equity instruments held directly	**9,048**	**3,316**	**2,088**	**1,387**
Equity instruments held by controlled investment funds [(b)]	1,775	833	269	247
TOTAL EQUITY INSTRUMENTS AS AT DECEMBER 31, 2009	**10,823**	**4,149**	**2,357**	**1,633**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Designated as at fair value through profit or loss.

December 31, 2008 *(in Euro million)*	Finance	Consumer goods	Energy	Communications
Equity instruments available for sale	5,435	1,342	2,091	1,116
Equity instruments designated as at fair value through profit or loss	1,253	1,458	642	36
Sub-total: Equity instruments held directly	**6,687**	**2,800**	**2,733**	**1,153**
Equity instruments held by controlled investment funds [(a)]	1,514	753	718	197
TOTAL EQUITY INSTRUMENTS AS AT DECEMBER 31, 2008	**8,202**	**3,553**	**3,451**	**1,349**

(a) Designated as at fair value through profit or loss.

December 31, 2007 *(in Euro million)*	Finance	Consumer goods	Energy	Communications
Equity instruments available for sale	12,819	2,765	5,056	1,808
Equity instruments designated as at fair value through profit or loss	2,739	2,243	388	730
Sub-total: Equity instruments held directly	**15,558**	**5,008**	**5,443**	**2,538**
Equity instruments held by controlled investment funds [(a)]	5,519	433	218	139
TOTAL EQUITY INSTRUMENTS AS AT DECEMBER 31, 2007	**21,077**	**5,440**	**5,662**	**2,677**

(a) Designated as at fair value through profit or loss.

Industrial	Services	Raw material	Technology	Other	Total
2,051	820	804	1,171	959	17,915
427	197	563	154	424	5,494
2,477	**1,017**	**1,368**	**1,325**	**1,383**	**23,408**
328	161	124	221	1,313	5,271
2,806	**1,178**	**1,492**	**1,545**	**2,695**	**28,679**

Industrial	Services	Raw material	Technology	Other	Total
2,108	1,273	712	1,067	1,082	16,226
403	299	308	599	174	5,171
2,511	**1,573**	**1,020**	**1,666**	**1,256**	**21,397**
576	297	175	339	1,181	5,750
3,087	**1,869**	**1,195**	**2,005**	**2,437**	**27,148**

Industrial	Services	Raw material	Technology	Other	Total
4,663	2,910	1,885	1,819	2,074	35,799
1,503	1,314	1,074	324	636	10,952
6,165	**4,224**	**2,959**	**2,144**	**2,711**	**46,750**
396	51	168	82	2,087	9,093
6,561	**4,275**	**3,127**	**2,226**	**4,797**	**55,843**

9.7. NON CONTROLLED INVESTMENT FUNDS

Non-controlled investment funds break down as follows:

	December 31, 2009 [(a)]					
	Insurance		Other activities		Total	
(in Euro million)	Fair value [(b)]	Amortized Cost	Fair value [(b)]	Amortized Cost	Fair value [(b)]	Amortized Cost
Non controlled investment funds available for sale mainly holding equity instruments [(c)]	1,405	1,187	-	-	1,405	1,187
Non controlled investment funds designated as at fair value through profit or loss mainly holding equity instruments	643	-	13	-	656	-
Non controlled investment funds trading mainly holding equity instruments	10	-	-	-	10	-
Non controlled investment funds mainly holding equity instruments	**2,058**	**-**	**13**	**-**	**2,071**	**-**
Non controlled investment funds available for sale mainly holding debt instruments [(c)]	1,218	1,080	-	-	1,218	1,080
Non controlled investment funds mainly designated as at fair value through profit or loss mainly holding debt instruments	136	-	-	-	136	-
Non controlled investment funds trading mainly holding debt instruments	-	-	-	-	-	-
Non controlled investment funds mainly holding debt instruments	**1,354**	**-**	**-**	**-**	**1,354**	**-**
Other non controlled investment funds available for sale [(c)]	2,972	2,739	153	152	3,125	2,891
Other non controlled investment funds designated as at fair value through profit or loss	149	-	-	-	149	-
Other non controlled investment funds held for trading	61	-	-	-	61	-
Other non controlled investment funds	**3,182**	**-**	**153**	**-**	**3,335**	**-**
Non controlled investment funds - Equity method [(d)]	**1,160**	**-**	**72**	**-**	**1,231**	**-**
Derivatives (hedge accounting) and other derivatives	**2**	**(6)**	**-**	**-**	**2**	**(6)**
TOTAL	**7,755**	**-**	**237**	**-**	**7,993**	**-**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Amounts are presented excluding macro hedging and other derivatives but including the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges).

(c) As at December 31, 2009, in Switzerland, non controlled Private Equity funds and hedge funds were classified as "Other non controlled funds available for sale", and fixed maturity funds as "Non controlled funds mainly holding debt instruments" whereas they were classified as "Non controlled funds mainly holding equities" as at December 31, 2008.

(d) The carrying value of non controlled investment funds - Equity method is disclosed in the fair value column.

December 31, 2008						December 31, 2007					
Insurance		Other activities		Total		Insurance		Other activities		Total	
Fair value (b)	Amortized Cost	Fair value (b)	Amortized Cost	Fair value (b)	Amortized Cost	Fair value (b)	Amortized Cost	Fair value (b)	Amortized Cost	Fair value (b)	Amortized Cost
3,171	3,016	-	-	3,171	3,016	1,512	1,349	29	29	1,541	1,379
808	-	5	-	813	-	660	-	108	-	768	-
11	-	-	-	11	-	135	-	8	-	143	-
3,990	**-**	**5**	**-**	**3,996**	**-**	**2,307**	**-**	**145**	**-**	**2,451**	**-**
1,095	1,071	-	-	1,095	1,071	931	856	-	-	931	856
137	-	-	-	137	-	51	-	-	-	51	-
136	-	-	-	136	-	-	-	-	-	-	-
1,368	**-**	**-**	**-**	**1,368**	**-**	**982**	**-**	**-**	**-**	**982**	**-**
1,071	1,066	76	77	1,147	1,143	1,003	903	113	113	1,116	1,016
98	-	-	-	98	-	389	-	26	-	415	-
-	-	-	-	-	-	-	-	-	-	-	-
1,169	**-**	**76**	**-**	**1,246**	**-**	**1,392**	**-**	**139**	**-**	**1,531**	**-**
1,134	**-**	**58**	**-**	**1,192**	**-**	**1,160**	**-**	**-**	**-**	**1,160**	**-**
9	**(3)**	**-**	**-**	**9**	**(3)**	**42**	**40**	**-**	**-**	**42**	**40**
7,670	**-**	**140**	**-**	**7,810**	**-**	**5,882**	**-**	**284**	**-**	**6,166**	**-**

9.8. FINANCIAL ASSETS SUBJECT TO IMPAIRMENT

9.8.1. Breakdown of financial assets subject to impairment (excluding investment in real estate properties)

Each investment item is presented net of the effect of related hedging derivatives (IAS 39 qualifying hedges or economic hedges) except derivatives related to macro hedges shown separately. Details of the effect of derivatives are provided in section 19.3.

	December 31, 2009 [(a)]				
(in Euro million)	Cost before impairment and revaluation to fair value [(b)]	Impairment	Cost after impairment but before revaluation to fair value [(c)]	Revaluation to fair value	Carrying value
Debt instruments available for sale	274,000	(1,551)	272,449	7,390	279,839
Debt instruments (at cost) that are not quoted in an active market	1,804	-	1,804	-	1,804
Debt instruments	**275,804**	**(1,551)**	**274,253**	**7,390**	**281,643**
Equity instruments available for sale	**17,137**	**(3,659)**	**13,478**	**4,464**	**17,943**
Non controlled investment funds available for sale	**6,229**	**(1,077)**	**5,152**	**589**	**5,741**
Loans held to maturity	-	-	-	-	-
Loans available for sale	818	(17)	801	(53)	749
Mortgage loans	14,215	(23)	14,193	(5)	14,188
Other loans [(d)]	11,113	(33)	11,080	49	11,129
Loans	**26,147**	**(73)**	**26,074**	**(9)**	**26,066**
TOTAL	**325,318**	**(6,360)**	**318,958**	**12,435**	**331,393**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Asset value including impact of discounts/premiums and accrued interests, but before impairment and revaluation to fair value of assets available for sale.

(c) Asset value including impairment, discounts/premiums and accrued interests, but before revaluation to fair value of assets available for sale.

(d) Including policy loans.

December 31, 2008					December 31, 2007				
Cost before impairment and revaluation to fair value (b)	Impairment	Cost after impairment but before revaluation to fair value (c)	Revaluation to fair value	Carrying value	Cost before impairment and revaluation to fair value (b)	Impairment	Cost after impairment but before revaluation to fair value (c)	Revaluation to fair value	Carrying value
260,469	(1,389)	259,080	279	259,359	248,507	(373)	248,133	(1,433)	246,701
1,212	-	1,212	-	1,212	-	-	-	-	-
261,681	**(1,389)**	**260,292**	**279**	**260,572**	**248,507**	**(373)**	**248,134**	**(1,433)**	**246,701**
20,287	**(5,019)**	**15,268**	**4,159**	**19,427**	**29,287**	**(2,307)**	**26,980**	**8,916**	**35,896**
6,060	**(834)**	**5,226**	**186**	**5,412**	**3,352**	**(97)**	**3,254**	**337**	**3,591**
-	-	-	-	-	-	-	-	-	-
1,130	(6)	1,124	(317)	807	1,014	-	1,014	(46)	968
13,762	(9)	13,752	-	13,752	12,831	(13)	12,818	-	12,818
12,008	(51)	11,957	60	12,017	11,546	(53)	11,493	23	11,515
26,899	**(66)**	**26,833**	**(257)**	**26,576**	**25,391**	**(66)**	**25,325**	**(23)**	**25,301**
314,927	**(7,307)**	**307,620**	**4,367**	**311,987**	**306,536**	**(2,843)**	**303,693**	**7,796**	**311,489**

9.8.2. Change in impairment on invested assets (excluding investment in real estate properties)

(in Euro million)	January 1, 2009	Increase for the period	Write back following sale or reimbursement	Write back following recovery in value	Other [(a)]	December 31, 2009 [(b)]
Impairment - Debt instruments	1,389	746	(549)	(28)	(6)	1,551
Impairment - Equity instruments	5,019	856	(2,079)	-	(136)	3,659
Impairment - non controlled investment funds	834	386	(156)	-	13	1,077
Impairment - loans	66	51	(10)	(9)	(25)	73
TOTAL	**7,307**	**2,038**	**(2,794)**	**(38)**	**(154)**	**6,360**

(a) Changes in the scope of consolidation and impact of changes in exchange rates.

(b) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(in Euro million)	January 1, 2008	Increase for the period	Write back following sale or reimbursement	Write back following recovery in value	Other [(a)]	December 31, 2008
Impairment - Debt instruments	373	1,193	(142)	(59)	23	1,389
Impairment - Equity instruments	2,307	3,719	(1,146)	-	139	5,019
Impairment - non controlled investment funds	97	723	(61)	-	75	834
Impairment - loans	66	18	(6)	(11)	-	66
TOTAL	**2,843**	**5,652**	**(1,354)**	**(71)**	**237**	**7,307**

(a) Changes in the scope of consolidation and impact of changes in exchange rates.

(in Euro million)	January 1, 2007	Increase for the period	Write back following sale or reimbursement	Write back following recovery in value	Other [(a)]	December 31, 2007
Impairment - Debt instruments	138	401	(181)	(4)	19	373
Impairment - Equity instruments	2,504	465	(511)	-	(151)	2,307
Impairment - non controlled investment funds	77	38	(24)	-	7	97
Impairment - loans	99	8	(39)	(15)	14	66
TOTAL	**2,817**	**911**	**(755)**	**(19)**	**(112)**	**2,843**

(a) Changes in the scope of consolidation and impact of changes in exchange rates.

9.9. FINANCIAL ASSETS RECOGNIZED AT FAIR VALUE

9.9.1. Fair value measurement

(A) ACTIVE MARKET: QUOTED PRICE

The Group applies the IAS 39 fair value hierarchy as described below for both assets measured at fair value (and assets at cost for which fair value is disclosed in the previous notes).

Fair values of financial assets traded on active markets are determined using quoted market prices when available. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis between a willing seller and a willing buyer. For assets traded in active markets, quotes received from external pricing services represent consensus prices, i.e. using similar models and inputs resulting in a very limited dispersion.

The amount of assets for which fair value is determined in whole directly by reference to an active market is disclosed in column (1) of the table shown below in section 9.9.2.

(B) ACTIVE VERSUS INACTIVE MARKETS

Equity instruments quoted on exchange traded markets and bonds actively traded on liquid markets for which prices are regularly provided by external pricing services that represent consensus with limited dispersion and for which quotes are readily available are generally considered as being quoted in an active market. Liquidity may be defined as the possibility to sell or dispose of the asset in the ordinary course of business within a certain limited time period at approximately the price at which the investment is valued. Liquidity for debt instruments is assessed using a multi criteria approach including the number of quotes available, the place of issuance and the evolution of the widening of bid ask spreads.

A financial instrument is regarded as not quoted in an active market if there is little observation of transaction prices as an inherent characteristic of the instrument, when there is a significant decline in the volume and level of trading activity, in case of significant illiquidity or if observable prices cannot be considered as representing fair value because of dislocated market conditions. Characteristics of inactive markets can therefore be very different in nature, inherent to the instrument or indicative of a change in the conditions prevailing in certain markets.

(C) ASSETS NOT QUOTED IN AN ACTIVE MARKET

The fair values of financial instruments that are not traded in an active market are estimated:

- Using external and independent pricing services; or
- Using valuation techniques.

The amount of assets which are not traded in an active market is disclosed in column (2) of the table shown below in section 9.9.2.

No active market: use of external pricing services

External pricing services may be fund asset managers in the case of non consolidated investments in funds or brokers. To the extent possible, the Group collects quotes from external pricing providers as inputs to measure the fair value of assets held. Prices received may form tight clusters or dispersed quotes which may then lead to the use of valuation techniques. The dispersion of quotes received may be an indication of the large range of assumptions used by external pricing providers given the limited number of transactions to be observed or reflect the existence of distress transactions. In addition, given current market conditions and the persistency of complete inactivity of some markets, many financial institutions closed their desks dedicated to structured assets deals and are no longer in a position of delivering meaningful quotes.

No active market: use of valuation techniques

Valuation techniques are subjective in nature and significant judgment is involved in establishing fair values for financial assets. They include recent arm’s length transactions between knowledgeable willing parties on similar assets if available and representative of fair value and involve various assumptions regarding the underlying price, yield curve, correlations, volatility, default rates and other factors. Unlisted equity instruments are based on cross checks using different methodologies such as discounted cash flows techniques, price earning ratios multiples, adjusted net asset values, taking into account recent transactions on instruments which are substantially the same if concluded at arm’s length between knowledgeable willing parties, if any. The use of valuation techniques and assumptions could produce different estimates of fair value. However, valuations are determined using generally accepted models (discounted cash flows, Black&Scholes models, etc.) based on quoted market prices for similar instruments or underlyings (index, credit spread, etc.) whenever such directly observable data are available and valuations are adjusted for liquidity and credit risk.

Valuation techniques may be used when there is little observation of transaction prices as an inherent characteristic of the market, when quotes made available by external pricing providers are too dispersed or when market conditions are so dislocated that observed data can not be used or need significant adjustments. Internal mark to model valuations are therefore normal market practices for certain assets inherently scarcely traded or exceptional processes implemented due to specific market conditions.

Use of valuation techniques in dislocated markets

The dislocation of certain markets may be evidenced by various factors, such as very large widening of bid ask spreads which maybe helpful indicators in understanding whether market participants are willing to transact, wide dispersion in the prices of the small number of current transactions, varying prices over time or among market participants, inexistence of secondary markets, disappearance of primary markets, closing down of dedicated desks in financial institutions, distress and forced transactions motivated by strong needs of liquidity or other difficult financial conditions implying the necessity to dispose of assets immediately with insufficient time to market the assets to be sold, and large bulk sales to exit such markets at all costs that may involve side arrangements (such as sellers providing finance for a sale to a buyer). Specific measures following the financial crisis such as the TALF program in the US resulted in government support, with resulting transactions prices not representing fair value. Transactions do not meet the definition of a forced or distress sale if the seller had a reasonable amount of time to market the assets or there were a number of parties competing to buy under normal market conditions. However, in an inactive market, a transaction price for the same instrument might not represent fair value if the transaction involved a seller that needed to sell the assets and there was one or very few buyers.

In such cases, the Group uses valuation techniques including observable data whenever possible and relevant, adjusted if needed to develop the best estimate of fair value, including adequate risk premium or develops a valuation model based on unobservable data representing estimates of assumptions that willing market participants would use when prices are not current, relevant or available without undue costs and efforts: in inactive markets, transactions may be inputs when measuring fair value, but would likely not be determinative and unobservable data may be more appropriate than observable inputs. The objective of these models is to arrive at the price at which an orderly transaction would take place between market participants (a willing buyer and a willing seller) at the measurement date.

For those assets for which the Group used mark to model valuations because of dislocated market conditions, sensitivities are disclosed in section 9.9.2 below, even when such techniques are based on a majority of observable inputs.

9.9.2. Financial assets recognized at fair value excluding derivatives

Amounts presented exclude the impact of all derivatives (set out in Notes 19.3 and 19.5) and investment funds accounted for using the equity method. Investment funds accounted for using the equity method represented assets of €1,231 million at December 31, 2009 (€1,192 million at December 31, 2008 and €1,160 million at December 31, 2007).

The breakdown by valuation method of financial assets recognized at fair value is as follows:

	December 31, 2009 [(a)]		
(in Euro million)	Fair value determined directly by reference to an active market (1)	Fair value Assets not quoted in an active market/ No active market (2)	Total
Debt instruments	179,384	99,491	278,875
Equity instruments	14,961	2,954	17,915
Non controlled investment funds	2,195	3,553	5,748
Loans	660	88	749
Financial investments and loans available for sale	**197,200**	**106,086**	**303,286**
Investments in real estate properties	-	2,197	2,197
Debt instruments	25,895	17,774	43,669
Equity instruments	7,202	3,285	10,486
Non controlled investment funds	362	579	941
Other assets held by controlled investment funds designated as at fair value through profit or loss	4,304	5,044	9,348
Loans	-	-	-
Financial investments and loans designated as at fair value through profit or loss	**37,762**	**28,879**	**66,641**
Debt instruments	155	812	968
Equity instruments	275	3	278
Non controlled investment funds	41	30	71
Loans	8	-	8
Financial investments and loans held for trading	**480**	**845**	**1,325**
TOTAL FINANCIAL INVESTMENTS AND LOANS ACCOUNTED FOR AT FAIR VALUE	**235,442**	**135,810**	**371,252**

N.B.: This table excludes assets backing contracts where the financial risk is borne by policyholders with guaranteed minimum features.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

Methods applied to determine the fair value of held assets measured at fair value in the financial statements are described in section 9.9.1 above. The group applies the IAS 39 fair value hierarchy.

ASSETS CLASSIFICATION

Fair values determined in whole directly by reference to an active market (column (1)) relate to prices which are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis, i.e. the market is still active. Such assets are categorized in the Level 1 of the IAS 39 fair value hierarchy.

Fair values for assets not quoted in an active market/No active market (column (2)) include:

- Values provided at the request of the Group by pricing services and which are not readily publicly available or values provided by external parties which are readily available but relate to assets for which the market is not always active; and
- Assets measured on the basis of valuation techniques including a varying degree of assumptions supported by market transactions and observable data.

Such assets are categorized in the Level 2 and 3 of the IAS 39 fair value hierarchy. The Level 3 category is detailed further below.

a) Fair values determined in whole directly by reference to an active market (column (1))

Most of the equity instruments traded on exchange markets, government debt instruments, government related debt instruments and corporate debt instruments were considered in 2007 as quoted in an active market, with quotes or consensus prices readily available. Quotes provided by external pricing services are presented in column (1) if readily, regularly and publicly available and if related markets are considered as active. Brokers and vendors quotes are presented in column (2) if there is no active market due to the inherent characteristic of the instrument or if the market is no longer active. As at December 31, 2008, a significant portion of debt instruments (mainly corporate debt instruments), although still measured using the same valuation

December 31, 2008			December 31, 2007		
Fair value determined directly by reference to an active market (1)	Fair value Assets not quoted in an active market/ No active market (2)	Total	Fair value determined directly by reference to an active market (1)	Fair value Assets not quoted in an active market/ No active market (2)	Total
149,419	109,214	258,633	207,030	39,123	246,153
14,090	2,136	16,226	32,075	3,723	35,799
2,387	3,026	5,413	2,182	1,406	3,588
595	198	792	5	963	968
166,491	**114,574**	**281,065**	**241,292**	**45,215**	**286,508**
193	2,204	2,398	2,667	1,469	4,137
15,608	28,910	44,518	44,288	11,639	55,927
7,804	2,911	10,715	14,435	5,158	19,593
464	584	1,049	436	798	1,234
2,143	4,143	6,286	2,152	2,366	4,518
-	45	45	-	40	40
26,213	**38,798**	**65,011**	**63,978**	**21,471**	**85,448**
628	513	1,141	723	442	1,165
202	5	207	452	-	452
106	41	147	118	25	143
7	-	7	77	-	77
944	**559**	**1,502**	**1,369**	**467**	**1,836**
193,648	**153,930**	**347,578**	**306,639**	**67,153**	**373,792**

sources (mainly quotes from external pricing providers) were no longer considered to be quoted in an active market and were therefore presented in column (2) because of the increasing illiquidity of such markets leading to markets which were no longer active. Liquidity for debt instruments is assessed using a multi criteria approach including the number of quotes available, the place of issuance of such instruments and the evolution of the widening of bid ask spreads. Such bid ask spreads narrowed down through out the year 2009, leading to a significant although still only partial transfer of corporate debt instruments back in the first column.

b) Fair values of assets not quoted in an active market – no active markets (column (2))

Overview of the nature of such investments

Amounts presented in column (2) represent a variety of circumstances. A financial instrument is regarded as not quoted in an active market if there is little observation of transaction prices as an inherent characteristic of the instrument, when there is a significant decline in the volume and level of trading activity, in case of significant illiquidity or if observable prices can not be considered as representing fair value because of dislocated market conditions. Characteristics of inactive markets can therefore be very different in nature, inherent to the instrument or be indicative of a change in the conditions prevailing in certain markets.

Assets such as certain unquoted debt instruments, instruments issued on private markets such as Private Equity instruments or private loans were always considered as not quoted in active markets as an inherent characteristic of these investments and were included in column (2) in all periods presented. Valuations are based either on external pricing providers or internal models using techniques commonly used by market participants. Valuation teams make the maximum use of current transaction prices if any and observable data but some of the underlying sectors to which the investment relate may be so particular that significant adjustments are performed or unobservable data are used. Private Equity funds of funds are measured on the basis of the latest Net Asset Values of funds provided to the Group.

As mentioned in 9.9.2.(a), many corporate debt instruments held by the Group were presented in column (2) as at December 31, 2008 as opposed to December 31, 2007 because of the significant illiquidity of such markets at the end of the period. Valuation sources were however unchanged, even if market participants recognize that available quotes include more than expected credit defaults and an adequate associated risk premium, i.e. such prices/spreads reflect liquidity premiums in excess of credit risks and funding costs associated with the inherent characteristics of the instruments. As at December 31, 2009, a significant portion of such corporate debt instruments were categorized back in the first column following the narrowing of bid ask spreads over the period.

A significant portion of ABS (Asset Backed Securities) and CDOs (Collaterized Debt Obligations) held by the Group were transferred to column (2) as at December 2007 when markets became no longer active while still measured using the same valuation approaches (mainly external valuations and indices). As at December 31, 2008, the turmoil reached a further point of dislocation. Many financial institutions closed their desks dedicated to structured assets deals and were no longer in a position of delivering meaningful quotes with the appropriate knowledge and dedication at the end of year 2008. The lack of activity with very few prices representing arm's length transactions between willing market participants restricted the possibility and the relevance to refer to the very limited number of observed deals. As a result, more valuation techniques were introduced at year end based on a maximum use of observable inputs whenever possible. Such modeled based valuation were maintained at the end of the year 2009 because of the continued inexistence of primary markets and the lack of transactions representing fair values during the period on the secondary market.

Such models incorporate factors that market participants would consider in setting a price and are consistent with accepted economic methodologies for pricing financial instruments. They were applied except when the uncertainty surrounding valuation was assessed as being too significant to exercise an adequate judgment in setting the appropriate risk margins (in which case assets remained measured on the basis of available quotes). For the purpose of the modeling, ABS and CDOs were ranked according to their underlying risks characteristics such as their underwriting and origination year for example to determine the appropriate set of assumptions to be used, giving consideration to market conditions in pricing these instruments. Cash flows were developed based on current observable inputs reflecting the credit metrics of each type of underlying assets: for example weighted average rating factors – WARF – provided by rating agencies, historical default rates or third parties credit defaults studies, with loss severity assumptions and recovery lag, adjusted with adequate risk margins to reflect the uncertainty related to these inputs and the historical dimension of some of these data. Risk adjusted discount rates have been based on interest rates and discount margins derived from observations of implied rates of return adjusted considering the current evolution of available quotes which reflect spreads widening due to increased liquidity risks. The objective of these models is to arrive at the price at which an orderly transaction would take place between market participants (a willing buyer and a willing seller) at the measurement date.

For ABS and CDOs measured as at December 31, 2009 using the valuation techniques described above (€7,492 million):

- Using alternative credit risks assumptions higher by 25% would impact net income by €-7.4 million, net of tax and policyholders' participation related adjustments, and the Statement of Comprehensive Income by €-5.6 million net of tax and policyholders' participation related adjustments;
- Using alternative discount margins higher by 25% would impact net income by €-20.8 million, net of tax and policyholders' participation related adjustments, and the Statement of Comprehensive Income by €-50.6 million, net of tax and policyholders' participation related adjustments.

Assets for which fair value is not based on observable market data (unobservable inputs) – Level 3

Among amounts presented in column (2) (€135.8 billion as at December 31, 2009, €153.9 billion as at December 31, 2008 and €67.2 billion as at December 31, 2007), fair values determined in whole or in part using a valuation technique based on assumptions that are not supported by a majority of prices from observable current market transactions in the same instrument or a majority of available observable market data represented as at December 31, 2009 less than 2.6% (3.4% as at December 31, 2008 and 2.2% [(1)] as at December 31, 2007) of financial invested assets held by the Group excluding assets backing contracts where the financial risk is borne by policyholders (including an estimation of the extent to which external quotes on inactive markets are based on observable data). The identification of such assets among column (2) representing assets not quoted in an active market involves a significant level of judgment. Are considered as observable: inputs provided by external pricing services, information observable on data providers screens, rating agencies, external surveys. The extent to which such data are external to the Group and not assessed by internal valuation teams is one of the main criteria applied in assessing whether data are observable or not. Should those data be significantly adjusted or would they be outdated because of the lack of new available factors, such inputs would be deemed unobservable. Another area of judgment is the assessment of the significance of an input against the fair value measurement in its entirety. As a result, a different cut between observable and unobservable data and variances in the weighting of the significance of each input against the fair value measurement in its entirety could produce a different categorization.

From January 1, 2009 to December 31, 2009, the amount of such Level 3 assets moved from €12.0 billion to €9.5 billion.

Among such assets, the amount of Private Equity investments moved from €4.6 billion as at January 1, 2009 to €4.2 billion as at December 31, 2009. Private Equity investments held directly through consolidated mutual funds categorized in Level 3 represent mainly shares of funds based on values determined

(1) *Restated in 2008 in comparison with 2007 in order to take into account a change in the way the amount of such assets based on a limited number of observable data was estimated: at the end of 2008, the two proportions disclosed for 2008 and 2007 were based on an estimation of the weight of observable data used by external pricing services when setting their quotes, while such estimated look through exercize was not performed at the date of issuance of December 31, 2007 financial statements.*

by funds managers. As the valuation of these underlying Private Equity investments is often based on observable data but with significant adjustments performed by funds managers, such assets were allocated to Level 3. The decrease in the value in such held assets mainly relate to gross changes in fair value through income (€-0.6 billion) and new acquisitions (€0.3 billion).

Other main movements related to Level 3 assets to be noted are:

- €+0.2 billion of changes in fair value through equity and €-0.2 billion of changes in fair value through income;
- €-0.4 billion following the reclassification of Australian Level 3 assets in the Held for Sale category;
- €+0.4 billion of new acquisitions/new entries (deconsolidated participations);
- €-0.5 billion following a mispresentation of real estate loans measured at cost previously presented under the available for sale category in 2008, and therefore out of the assets levelling scope;
- €-0.5 billion of sales and redemptions of hedge funds and structured assets.

Given the deteriorating market conditions over the past two years, the Group anticipated the requirements to disclose an estimation of Level 3 assets and provided an indication of assets measured according to valuation techniques using a limited number of observable data. The sometimes existing lack of information led the Group to classifying €0.9 billion into Level 3 which, on the basis of further investigations are deemed to be reclassified into other Levels.

9.10. INVESTMENTS BACKING CONTRACTS WHERE THE FINANCIAL RISK IS BORNE BY POLICYHOLDERS

	Fair Value (a)		
(in Euro million)	December 31, 2009 (b)	December 31, 2008	December 31, 2007
Investment in real estate properties	1,773	2,350	3,733
Equity instruments & non controlled investment funds	127,366	103,698	155,397
Debt instruments	20,203	20,258	15,321
Others	6,116	5,684	8,377
TOTAL INSURANCE ACTIVITIES	**155,457**	**131,990**	**182,827**

(a) Fair value equals carrying value.

(b) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

These investments (including investment in real estate properties) are measured at fair value through profit or loss. Financial assets included in these investments are stated at fair value through profit or loss under the fair value option.

As described in Note 4 (Financial and insurance risks management), the financial risk associated with these contracts is borne by policyholders, except for contracts that offer some investment-related guarantees.

Note 10 Investments in associates accounted for using the equity method

	2009 [a]					
(in Euro million)	January 1	Acquisitions & disposals	Contribution to net income	Currency translation impact	Other changes [b]	December 31
SBI AXA	19	-	(2)	(1)	-	17
Kyobo AXA Investment Managers Company Limited	22	-	1	1	(1)	24
AXA Mandiri Financial Services	8	-	7	1	(5)	12
Argovie	26	(1)	2	-	1	27
Bharti AXA Life Insurance Company Limited	-	-	(30)	(13)	50	7
Banque de marchés et d'arbitrage	1	-	-	-	(1)	-
AXA Canada associates	-	-	1	2	27	29
Aragon AG	40	-	-	-	(40)	-
Roland Rechtsschutz Versicherung AG	30	-	-	-	-	29
Krungthai AXA Life Insurance Company Ltd	22	-	7	(3)	3	29
AXA Asia Pacific Holdings associates [a]	17	-	2	-	(19)	-
Neuflize Vie (previously NSM Vie)	93	-	4	-	3	100
Philippines AXA Life Insurance Corporation	17	-	6	(2)	(1)	20
Reso Garantia	692	-	18	(6)	11	715
Other	30	(4)	(7)	(1)	18	35
TOTAL	**1,018**	**(6)**	**8**	**(22)**	**45**	**1,044**

(a) The assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) Includes dividend distributions and changes in consolidation method.

In 2009, "other changes" notably included:

- The change in consolidation method of Bharti AXA Life Insurance Company Limited. This company is newly consolidated;
- The change in consolidation method of Aragon AG (€-40 million). This company is now deconsolidated;
- The reclassification of AXA Canada associates (€27 million) investments from equity instruments available for sale to investments in associates accounted for using the equity method;
- The capital increase of AXA Minmetals (€16 million), included in the line "Other".

	2008					
(in Euro million)	January 1	Acquisitions & disposals	Contribution to net income	Currency translation impact	Other changes [a]	December 31
Kyobo AXA Investment Managers Company Limited	-	24	1	(2)	-	22
SBI AXA	-	19	(3)	4	-	19
Aragon AG	-	40	-	-	-	40
Neuflize Vie (previously NSM Vie)	-	-	4	-	89	93
Reso Garantia	-	800	-	(107)	(2)	692
AXA Mandiri Financial Services	8	-	5	(2)	(3)	8
Argovie	27	-	2	-	(2)	26
Banque de marchés et d'arbitrage	7	-	2	-	(7)	1
AXA Asia Pacific Holdings associates	20	1	6	(3)	(7)	17
Roland Rechtsschutz Versicherung AG	27	-	5	-	(2)	30
Krungthai AXA Life Insurance Company Ltd	18	-	6	2	(4)	22
Philippines AXA Life Insurance Corporation	14	-	4	(1)	-	17
Other	27	(1)	(9)	-	13	30
TOTAL	**147**	**884**	**21**	**(109)**	**76**	**1,018**

(a) Includes dividend distributions and changes in consolidation method.

In 2008, "other changes" notably included:

- The capital increase (€23 million) and the change in consolidation method (€66 million) of Neuflize Vie (previously NSM Vie). This company was proportionately consolidated and is now consolidated by equity method;
- The capital increase of AXA Minmetals (€11 million), included in the line "Other";
- The capital reduction of Banque de Marchés et d'Arbitrage (€-6 million).

In 2008, "Acquisitions & disposals" notably included:

- Reso Garantia, with a goodwill of €588 million at December 31, 2008 and a Property & Casualty renewals intangible of €20 million;

  At December 31, 2009, the goodwill of Reso Garantia had a net value of €582 million.

- Kyobo AXA Investment Managers Company Limited, with a goodwill of €7 million at December 31, 2008.

  At December 31, 2009, the goodwill Kyobo AXA Investment Managers Company Limited had a net value of €8 million.

	2007					
(in Euro million)	**January 1**	**Acquisitions & disposals**	**Contribution to net income**	**Currency translation impact**	**Other changes (a)**	**December 31**
AXA Affin General Insurance Berhad	29	-	-	-	(29)	-
Pt AXA Mandiri Financial Services	6	-	4	(1)	(1)	8
Argovie	27	-	2	-	(2)	27
Banque de marchés et d'arbitrage	7	-	-	-	-	7
AXA Asia Pacific Holdings associates	14	2	9	-	(5)	20
Roland Rechtsschutz Versicherung AG	25	-	5	-	(2)	27
Winterthur Life (Hong Kong) Ltd. (b)	1	-	-	-	-	-
Krungthai AXA Life Insurance Company Ltd	13	-	3	1	-	18
Philippines AXA Life Insurance Corporation	11	-	5	(1)	-	14
Other	11	3	(14)	-	27	27
TOTAL	**144**	**5**	**13**	**(2)**	**(13)**	**147**

(a) Includes dividend distributions and changes in consolidation method.
(b) Following its sale to AXA Asia Pacific Holdings, this entity is now fully consolidated.

In 2007, "other changes" notably included:

- The change in consolidation method of AXA Affin General Insurance Berhad. This company is now fully consolidated (€-29 million);
- The entry in the scope of consolidation of AXA Minmetals at December 31, 2007 (€16 million).

In the years ended December 31, 2009, 2008 and 2007, AXA received cash dividends from companies accounted for using the equity method totaling, respectively, €3 million, €3 million and €5 million.

This excludes investment funds and real estate companies consolidated by equity method, which are presented under financial investments.

Note 11 Receivables

	December 31, 2009 [(a)]		
(in Euro million)	Gross value	Impairment	Carrying value
Deposits and Guarantees	1,313	-	1,313
Current accounts receivable from other companies	1,122	(12)	1,111
Receivables from policyholders, brokers and general agents	3,944	(335)	3,609
Premiums earned but not written	1,553	-	1,553
Other receivables	5,131	(30)	5,102
Receivables arising from direct insurance and inward reinsurance operations	**13,063**	**(376)**	**12,687**
Deposits and Guarantees	111	(10)	101
Receivables from reinsurers	887	(67)	820
Other receivables	210	(16)	195
Receivables arising from outward reinsurance operations	**1,208**	**(92)**	**1,116**
Receivables arising from banking activities [(c)]	18,909	(432)	18,478
Receivables – current tax	1,789	-	1,789
Receivables relating to investments under lending agreements and equivalent	114	-	114
Others [(d)]	10,348	(369)	9,980
Other receivables	**31,161**	**(800)**	**30,360**
TOTAL RECEIVABLES	**45,432**	**(1,269)**	**44,163**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

(c) At December 31, 2007, carrying value was €84 million higher than fair value on receivables arising from banking activities, mainly due to bank customer loans in Belgium. For these loans, the fair value is an estimation of the exit price in the case of an emergency sale to cover liquidity needs. However, clients have a contractual obligation to reimburse the capital borrowed.

(d) Includes separate assets related to employee benefits (see Note 25.2).

Credit risk exposure, mainly relating to receivables from mortgage activities in banks and reinsurers, is covered in Note 4 “Financial and insurance risk management”.

	December 31, 2008 Revised (b)				December 31, 2007	
Fair value	**Gross value**	**Impairment**	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
1,313	1,320	-	1,320	1,320	1,310	1,310
1,111	1,111	(12)	1,099	1,099	956	956
3,609	3,762	(307)	3,455	3,455	3,338	3,338
1,553	1,601	-	1,601	1,601	1,812	1,812
5,102	5,180	(27)	5,153	5,153	4,724	4,724
12,687	**12,975**	**(346)**	**12,629**	**12,629**	**12,140**	**12,140**
101	97	(4)	92	92	63	63
820	992	(85)	907	907	762	762
195	148	(5)	143	143	87	87
1,116	**1,237**	**(95)**	**1,142**	**1,142**	**913**	**913**
19,500	19,007	(404)	18,604	19,120	17,260	17,176
1,789	2,524	-	2,524	2,524	1,314	1,314
114	2,160	-	2,160	2,160	4,462	4,462
9,982	11,670	(299)	11,371	11,378	11,196	11,196
31,385	**35,361**	**(702)**	**34,658**	**35,182**	**34,232**	**34,148**
45,188	**49,573**	**(1,143)**	**48,430**	**48,953**	**47,285**	**47,201**

Note 12 Cash and cash equivalents

(in Euro million)	December 31, 2009 Carrying value [(a)] [(b)]	December 31, 2008 Carrying value [(a)]	December 31, 2007 Carrying value [(a)]
Arising from insurance activities	13,873	25,520	14,211
Arising from banking activities	402	265	178
Arising from other activities [(c)]	5,290	6,442	4,295
Cash and cash equivalents	**19,565**	**32,227**	**18,684**

(a) Fair value is equal to net carrying value.
(b) The assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statemend of financial position as at December 31, 2009 (See Note 5.3.3). Thus the cash held by Australia and New Zealand (€988 million) is excluded from cash and cash equivalents.
(c) Includes SPEs and CDOs.

The table above excludes cash held by consolidated investment funds in the "Satellite Investment Portfolio", as defined in section 1.7.2.

(in Euro million)	December 31, 2009 [(a)]	December 31, 2008	December 31, 2007
Cash and cash equivalents as at December 31	19,565	32,227	18,684
Bank overdrafts [(b)]	(1,356)	(1,415)	(1,493)
NET CASH AND CASH EQUIVALENTS AS AT DECEMBER 31 [(C)]	**18,210**	**30,811**	**17,192**

(a) The assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statemenf of financial position as at December 31, 2009 (See Note 5.3.3). Thus the cash held by Australia and New Zealand (€988 million) is excluded from cash and cash equivalents.
(b) Included in "Other debt instruments issued and bank overdrafts".
(c) The "Cash and cash equivalents" balances shown in the statement of consolidated cash flows do not include cash balances of consolidated investment funds from the Satellite Investment Portfolio (see Note 1.7.2). The "Cash and cash equivalents" item in the statement of consolidated cash flows excludes cash backing contracts where the financial risk is borne by policyholders (unit-linked contracts).

At December 31, 2009, total consolidated net cash and cash equivalents amounted to €18,210 million, net of €1,356 million bank overdrafts classified under "Other debt instrument issued and bank overdrafts" in the consolidated statement of financial position.

According to the specific market condition in 2008, the cash position was high compared to other years. Net cash and cash equivalents decreased by €12,601 million compared to 2008 mainly due to:

- The US Life & Savings (€-5,159 million) notably reflecting to cash margin calls transferred on GMxB hedging (€-4,025 million) in line with market evolution;
- AXA SA (€-1,432 million) following repayment of commercial paper (€-4,565 million), partly offset by €+2,421 million capital increases;
- France Life & Savings (€-1,076 million) due to investments operations (€-7,957 million), including reinvestment in debt instruments, offset by cash collected from operating activities (€+6,669 million);
- Japan Life & Savings (€-710 million) mainly due to group pension products outflows following a reduction of guarantee interest rate from 1.25% to 0.8%;
- Cash in Australia/New Zealand (€-988 million) reclassified as "Held for sale" (see Note 5.3.3).

Regarding to the consolidated statement of cash flows, net cash provided by operating activities totaled €16,777 million in 2009, as compared to €21,319 million in 2008, mainly due to cash margin calls transferred on GMxB hedging (€-4,025 million) in line with market evolution.

Net cash used in investing activities was €24,826 million in 2009 and mainly due to:

- €-18,429 million of net cash used in the purchase and sale of financial invested assets;
- €-443 million of cash used in the purchase of subsidiaries and affiliated companies (net of cash acquired) and principally consisted in the extension of the bancassurance agreement between AXA and BMPS, following the acquisition of Banca Antonveneta by BMPS.

Net cash used in investing activities was €7,421 million in 2008 and mainly consisted in:

- Net cash used in the purchase and sale of financial invested assets amounted to €3,760 million;
- Cash used in the purchase of subsidiaries and affiliated companies (net of cash acquired) amounted to €2,273 million and principally consisted in the acquisitions of Seguros ING, SBJ Group and RESO Garantia, and in the non-controlling interests' buyout of AXA OYAK.

Net cash relating to financing activities totaled €-3,529 million in 2009 mainly due to:

- Dividends payments of €-1,090 million;
- Capital increases of €+2,698 million including €2,421million in AXA SA;
- €-4,350 million of net cash related to Group financing, including €-4,565 million repayment of commercial paper by the Company.

Net cash relating to financing activities totaled €-308 million in 2008 mainly due to:

- Dividends payments of €-2,887 million, partly offset by;
- €2,319 million of net cash related to Group financing, including €2.3 billion issue of commercial paper by the Company.

Note 13 Shareholders' equity and non-controlling interests

13.1. IMPACT OF TRANSACTIONS WITH SHAREHOLDERS

The consolidated statement of shanges in equity is presented as a primary financial statement following the amendment to IAS 1 as described in Note 1.

13.1.1. Change in shareholders' equity Group share in 2009

A) SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

In 2009, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- Capital increase of €2,041 million by issuing shares (including €+399 million in nominal share capital);
- Employee share offering (December 2009) for €393 million (including €60 million in nominal share capital).

B) TREASURY SHARES

At December 31, 2009, the Company and its subsidiaries owned approximately 26.4 million AXA shares, representing 1.15% of the share capital, a decrease of 2.8 million shares or €42 million compared to December 31, 2008.

At December 31, 2009, the carrying value of treasury shares and related derivatives was €409 million. This figure included €0.3 million relating to AXA shares held by consolidated mutual funds (15,492 shares) not used to back contracts where financial risk is borne by policyholders.

This caption also included €96 million premium paid in 2007 for call options on AXA shares.

At December 31, 2009, 2.1 million treasury shares backing contracts where financial risk is borne by policyholders held in controlled funds were not deducted from shareholders' equity. Their total estimated historical cost was €51 million and their market value €34 million at the end of December 2009.

C) UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

As described in paragraph 1.12.2 of the accounting principles, undated subordinated notes issued by the Group do not qualify as liabilities under IFRS.

Undated subordinated debt instruments are classified in shareholders' equity at its historical value as regards interest rates and its closing value as regards exchange rates. The corresponding exchange differences are cancelled out through the translation reserve.

In 2009, the change in other reserves was due to the redemption of undated subordinated debt (€-151 million) in accordance with the redemption option granted to the issuer ten years after the issue date, €-288 million in interest expense on the undated subordinated debt (net of tax), and €+147 million in exchange rate differences.

At December 31, 2009, 2008 and 2007, undated subordinated debt recognized in shareholders' equity broke down as follows:

	December 31, 2009		December 31, 2008		December 31, 2007	
(in Euro million)	Value of the undated subordinated debt in currency of issuance	Value of the undated subordinated debt in Euro million	Value of the undated subordinated debt in currency of issuance	Value of the undated subordinated debt in Euro million	Value of the undated subordinated debt in currency of issuance	Value of the undated subordinated debt in Euro million
October 29, 2004 – 375 M€ 6%	375	375	375	375	375	375
December 22, 2004 – 250 M€ 6%	250	250	250	250	250	250
January 25, 2005 – 250 M€ 6%	250	250	250	250	250	250
July 6, 2006 – 1000 M€ 5.777%	1,000	994	1,000	994	1,000	994
July 6, 2006 – 500 M£ 6.666%	500	558	500	520	500	676
July 6, 2006 – 350 M£ 6.6862%	350	394	350	367	350	477
October 26, 2006 – 600 M A$ (of which 300M A$ 7.5%)	600	372	600	293	600	355
November 7, 2006 – 150 M A$ 7.5%	150	93	150	74	150	89
December 14, 2006 – 750 M US$ 6.4630%	750	518	750	536	750	507
December 14, 2006 – 750 M US$ 6.3790%	750	518	750	536	750	507
October 5, 2007 – 750 M€ 6.211%	750	746	750	746	750	746
October 16, 2007 – 700 M£ 6.772%	700	786	700	732	700	952
Undated notes – variables rates in €	693	693	844	844	844	844
Undated notes – 3.29% in JPY	27,000	203	27,000	214	27,000	164
Undated notes – (of which 500 M US$ at 7.1%) in US$	875	607	875	629	875	594
Net Related Financial Expenses	-	(1,243)		(956)		(657)
Sub-total undated subordinated debt	**-**	**6,114**		**6,405**		**7,124**
Equity component of convertible debt (2017)	95	95	95	95	95	95
TOTAL	**-**	**6,208**	**-**	**6,500**	**-**	**7,219**

Undated subordinated debt often contains the following features:

- Early redemption clauses (calls) at the Group's option, giving AXA the ability to redeem the principal amount before settlement without penalty on certain dates;
- Interest rate step-up clauses with effect from a given date.

D) DIVIDENDS PAID

At the April 30, 2009 Shareholders' Meeting, shareholders approved a dividend distribution of €836 million with respect to the 2008 financial year.

13.1.2. Change in shareholders' equity Group share in 2008

A) SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

In 2008, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- Employee share offering (November 2008) for €460 million (including €57 million in nominal share capital);
- Exercise of stock options and share subscription rights for a total of €72 million (including €8 million in nominal share capital).

B) TREASURY SHARES

At December 31, 2008, the Company and its subsidiaries owned approximately 29 million AXA shares, representing 1.40% of the share capital, a decrease of 1.6 million shares or €169 million compared to December 31, 2007.

At December 31, 2008, the carrying value of treasury shares and related derivatives was €451 million. This figure included €2.1 million relating to AXA shares held by consolidated mutual funds (0.1 million shares) not used to back contracts where financial risk is borne by policyholders.

This caption also included a €96 million premium paid in 2007 for call options on AXA shares.

At December 31, 2008, 2.6 million treasury shares backing contracts where financial risk is borne by policyholders held in controlled funds were not deducted from shareholders' equity. Their total estimated historical cost was €53 million and their market value was €41 million at the end of December 2008.

C) UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

In 2008, the change in other reserves was due to €-299 million in interest expense on the undated subordinated debt, and €-420 million in exchange rate differences.

D) DIVIDENDS PAID

At the April 22, 2008 Shareholders' Meeting, shareholders approved a dividend distribution of €2,473 million with respect to the 2007 financial year.

13.1.3. Change in shareholders' equity Group share in 2007

A) SHARE CAPITAL AND CAPITAL IN EXCESS OF NOMINAL VALUE

In 2007, the following transactions had an impact on AXA's share capital and capital in excess of nominal value:

- Capital reduction of €1.899 million by cancelling shares acquired under the share buyback program (including €-145 million in nominal share capital);
- Employee share offering (November 2007) for €552 million (including €51 million in nominal share capital), and
- Exercise of stock options and share subscription rights for a total of €152 million (including €20 million in nominal share capital).

B) TREASURY SHARES

At December 31, 2007, the Company and its subsidiaries owned approximately 31 million AXA shares, representing 1.49% of the share capital, an increase of 1 million shares or €99 million compared to December 31, 2006.

During the year, AXA pursued its share purchase program to control dilution arising from share-based compensation and employee Shareplan program, and purchased 70.4 million shares for a total amount of €2,125 million (including "AXA Miles"). Of these €2,125 million, €1,899 million were cancelled by a decrease in share capital.

In addition, AXA paid a €96 million premium for call options on AXA shares with an automatic exercise feature, to fully neutralize the dilutive impact of the 2017 convertible bonds.

At December 31, 2007, the carrying value of treasury shares and related derivatives was €620 million. This figure included €18 million relating to AXA shares held by consolidated mutual funds (0.9 million shares) not used to back contracts where the financial risk is borne by policyholders.

At December 31, 2007, 2.7 million treasury shares backing contracts where the financial risk is borne by policyholders held in controlled funds were not deducted from shareholders' equity. Their total estimated historical cost was €74 million and their market value €75 million at the end of December 2007.

C) UNDATED SUBORDINATED DEBT AND RELATED FINANCIAL EXPENSES

In 2007, the change in other reserves was due to:

- (i) a €1,749 million issue of undated subordinated note, a €-833 million repayment of undated subordinated debt, €-289 million in interest expense, and €-388 million in exchange differences. The undated deeply subordinated notes were issued to finance the repayment of maturing borrowings, and comprised the following:
  - a €750 million undated subordinated note placed on October 5, 2007, and
  - a £700 million undated subordinated note (approximately €1.0 billion) placed on October 16, 2007;
- (ii) a €109 million decrease in equity component of financial instruments issued: following the decision taken during the meeting of holders of the 2014 AXA convertible bonds to have a final conversion date of the bonds on January 26, 2007 in exchange for a cash payment in respect of the value of the conversion option, the equity component of the bond (i.e. the conversion option), representing an amount of €109 million, has been cancelled as a counterpart to the payment.

D) DIVIDENDS PAID

At the May 14, 2007 Shareholders' Meeting, shareholders approved a dividend distribution of €2,218 million with respect to the 2006 financial year.

13.2. COMPREHENSIVE INCOME FOR THE PERIOD

The statement of comprehensive income, presented as primary financial statements, includes net income for the period, the reserve relating to the change in fair value of available for sale financial instruments, the translation reserve, and actuarial gains and losses on employee benefit obligations.

13.2.1. Comprehensive income for 2009

A) RESERVE RELATED TO CHANGES IN FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL INSTRUMENTS INCLUDED IN SHAREHOLDERS' EQUITY

The change in reserves for unrealized gains and losses on assets available for sale totaled €+5,044 million (net Group share), mainly attributable to the United States (€+1,092 million), Switzerland (€+862 million), the Mediterranean & Latin American region (€+458 million), France (€+451 million), and Belgium (€+425 million).

The increase of gross unrealized gains and losses on assets available for sale totaled €+11,102 million, mainly due to debt instruments (€+7,072 million) resulting from the strong credit spread tightening and by improvement of the equity markets (€+3,359 million).

The following table shows reconciliation between gross unrealized gains and losses on available for sale financial assets and the corresponding reserve recognized in shareholders' equity:

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Gross unrealized gains and losses [a]	**12,352**	**1,250**	**7,702**
Less unrealized gains and losses attributable to:			
Shadow accounting on policyholders' participation [b]	(5,685)	(1,894)	(1,832)
Shadow accounting on Deferred Acquisition Costs [c]	(227)	246	(152)
Shadow accounting on Value of purchased Business In force	(369)	(146)	(266)
Unallocated unrealized gains and losses before tax	**6,071**	**(544)**	**5,452**
Deferred tax	(1,395)	102	(698)
Unrealized gains and losses (net of tax) – Assets available for sale	**4,676**	**(441)**	**4,753**
Unrealized gains and losses (net of tax) – Equity accounted companies [d]	11	(1)	-
UNREALIZED GAINS AND LOSSES (NET OF TAX) – 100% – TOTAL	**4,687**	**(443)**	**4,753**
Non-controlling interests' share in unrealized gains and losses [e]	**(75)**	**35**	**(48)**
Translation reserves [f]	79	55	140
UNREALIZED GAINS AND LOSSES (NET GROUP SHARE) [d]	**4,691**	**(353)**	**4,846**

(a) Unrealized gains and losses on total available for sale invested assets including loans.
(b) Including shadow accounting impact on premium deficiency liabilities, after revaluation of available for sale investments.
(c) Net of shadow accounting on unearned revenues and fees reserves.
(d) Including unrealized gains and losses on assets held for sale.
(e) Including foreign exchange impact attributable to non-controlling interests.
(f) Group share.

At the end of 2009, most of the unrealized gains on assets available for sale related to the Life & Savings segment, leading to significant movements in shadow policyholders' participation. In jurisdictions where participating business represents an important portion of contracts in force and where required minimum local policyholders' share in the entities' results (limited to investment or not) are significant, the reconciliation between gross unrealized gains and losses on available for sale financial assets and the corresponding net reserve recognized in shareholders' equity were as follows as at December 31, 2009:

	December 31, 2009		
(in Euro million)	France Life & Savings	Germany Life & Savings	Switzerland Life & Savings
Gross unrealized gains and losses [a]	**5,876**	**380**	**1,118**
Less unrealized gains and losses attributable to:			
Shadow accounting on policyholders' participation [b]	(3,670)	(327)	(294)
Shadow accounting on Deferred Acquisition Costs [c]	(93)	-	(2)
Shadow accounting on Value of purchased Business In force	(37)	-	(16)
Unallocated unrealized gains and losses before tax	**2,077**	**53**	**806**
Deferred tax	(231)	(17)	(169)
Unrealized gains and losses (net of tax) – Assets available for sale	**1,845**	**36**	**637**
Unrealized gains and losses (net of tax) – Equity accounted companies	-	-	-
UNREALIZED GAINS AND LOSSES (NET OF TAX) – 100% – TOTAL	**1,845**	**36**	**637**
Non-controlling interests' share in unrealized gains and losses [d]	**(5)**	**-**	**-**
Translation reserves [e]	-	-	(14)
UNREALIZED GAINS AND LOSSES (NET GROUP SHARE)	**1,840**	**37**	**623**

(a) Unrealized gains and losses on total available for sale invested assets including loans.
(b) Including shadow accounting impact on premium deficiency liabilities, after revaluation of available for sale investments.
(c) Net of shadow accounting on unearned revenues and fees reserves.
(d) Including foreign exchange impact attributable to non-controlling interests.
(e) Group share.

The change in reserves related to changes in fair value of available for sale financial instruments included in shareholders' equity relating to changes in fair value of assets in 2009, 2008, and 2007 broke down as follows:

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Unrealized gains and losses (net of tax) 100%, as at January 1	**(443)**	**4,753**	**7,966**
Transfer in the income statement on the period [(a)]	(214)	1,665	(1,309)
Investments bought in the current accounting period and changes in value	5,538	(7,026)	(1,659)
Foreign exchange impact	(56)	152	(76)
Change in scope and other changes	(139)	14	(168)
UNREALIZED GAINS AND LOSSES (NET OF TAX) 100%, AS AT DECEMBER 31	**4,687**	**(443)**	**4,753**

(a) *Transfer induced by disposal of financial assets, impairment write-back following reevaluation, or transfer of expenses following impairment charge during the period, and debt instruments discount premium impacts.*

B) TRANSLATION RESERVE

The total impact of foreign exchange rate movements was €+1 million (of which group share was €-30 million and non-controlling interest was €+31 million).

The translation reserve for group share (€-30 million) mainly correspond to the United States (€-228 million), the Company (€-131 million mainly driven by change in fair value of derivatives hedging net investments in foreign operations), Japan (€-182 million), partially offset by the United Kingdom (€+293 million), Australia/New Zealand (€+75 million), Canada (€+68 million) and Switzerland (€+54 million).

C) EMPLOYEE BENEFITS ACTUARIAL GAINS AND LOSSES

The total impact of employee benefits actuarial gains and losses was €-1,021 million (of which group share was €-1,032 million and non-controlling interest was €+11 million).

The main contributors to the €-1,032 million (group share) decrease in actuarial gains and losses on employee benefit obligations were the United Kingdom (€-539 million), Switzerland (€-226 million) and Germany (€-134 million).

Additional information on pension benefits is provided in Note 25.2.

13.2.2. Comprehensive income for 2008

A) RESERVE RELATED TO CHANGES IN FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL INSTRUMENTS INCLUDED IN SHAREHOLDERS' EQUITY

The change in reserves for unrealized gains and losses on assets available for sale totaled €-5,200 million (net Group share), mainly attributable to the United States (€-1,120 million), Belgium (€-1,064 million), France (€-605 million), the Mediterranean & Latin American region (€-417 million) and the Company (€-1,099 million).

The reduction in gross unrealized gains and losses on assets available for sale totaled €-6,452 million, mainly due to equity instruments (€-7,825 million) resulting from the accelerated market declines in January and September 2008, partly offset by a €+1,797 million increase from debt instruments following the reduction of interest rates and despite corporate spread widening.

B) TRANSLATION RESERVE

The impact of foreign exchange rate movements (€-1,234 million) was mainly due to the United Kingdom (€-1,206 million) and the Company (€-1,213 million driven by change in fair value of currency hedges set up to hedge net investments in foreign operations), partially offset by Japan (€+890 million), Switzerland (€+537 million) and the United States (€+468 million).

C) EMPLOYEE BENEFITS ACTUARIAL GAINS AND LOSSES

The main contributors to the €-695 million decrease in actuarial gains and losses on employee benefit obligations were the United States (€-489 million), and the United Kingdom (€-122 million).

Additional information on pension benefits is provided in Note 25.2.

13.2.3. Comprehensive income for 2007

A) RESERVE RELATED TO CHANGES IN FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL INSTRUMENTS INCLUDED IN SHAREHOLDERS' EQUITY

The change in reserves for unrealized gains totaled €-2,917 million (net Group share), mainly relating to France (€-750 million), Belgium (€-674 million), Germany (€-375 million), the United Kingdom (€-182 million), the United States (€-174 million) and the Company (€-240 million). The reduction in gross unrealized gains of available for sale financial assets totaled €-10,048 million, mainly due to debt instruments (€-8,128 million) following a rise in interest rates during the year, and equity instruments (€-1,798 million).

B) TRANSLATION RESERVE

The impact of foreign exchange rate movements (€-1,392 million) was mainly due to the United States (€-1,242 million, principally due to the difference between the 2006 and 2007 closing $/€ exchange rates: $1.32 for €1 at the end of 2006 compared to $1.47 for €1 at the end of 2007), the United Kingdom (€-470 million), and Japan (€-311 million), partially offset by the change in fair value of currency hedges set up by the Company to hedge net investments in foreign operations (€638 million).

C) EMPLOYEE BENEFITS ACTUARIAL GAINS AND LOSSES

The main contributors to the €612 million increase in actuarial gains and losses on employee benefit obligations were the United Kingdom (€+299 million), Germany (€+137 million), the United States (€+53 million) and France (€+51 million). Pension liabilities often have longer duration that the assets held. In the 2007 context of rising interest rates and stability of equity markets, pension liabilities declined more that the corresponding assets, leading to a positive impact on Group shareholders' equity.

13.3. CHANGE IN NON-CONTROLLING INTERESTS

Under IFRS, non-controlling interests in most investment funds in which the Group invests consist of instruments that holders can redeem at will at fair value, and qualify as a liability rather than shareholders' equity items. Please refer to Note 17 – Debt (other than financing debt). The same is true for puttable instruments held by non-controlling interest holders.

13.3.1. Change in non-controlling interests in 2009

The €635 million increase in non-controlling interests to €+3,693 million was mainly due to:

- Net income attributable to non-controlling interests for €+428 million;
- Change in the scope of consolidation mainly due to a capital increase in AXA Asia Pacific Holding (€+290 million) and a dilution impact on a deferred compensation in AllianceBernstein (€+186 million), and partly offset by;
- Dividends paid to non-controlling interest holders for €-263 million.

13.3.2. Change in non-controlling interests in 2008

The €213 million decrease in non-controlling interests to €+3,058 million was mainly due to:

- Dividends paid to non-controlling interest holders for €-427 million;
- Change in the scope of consolidation mainly buy out of non-controlling interests in Turkey (€-82 million) and in Germany (€-30 million), partly offset by the consolidation of AXA Gulf (€+42 million);
- Net income attributable to non-controlling interests for €+313 million.

13.3.3. Change in non-controlling interests in 2007

The €+331 million increase in non-controlling interests to €3,272 million was mainly due to:

- Positive net income for the period (€+725 million);
- Changes in the scope of consolidation (€+449 million), mainly due to the acquisition of 50% of MPS Vita and Danni (€+700 million), partly offset by the buyout of non-controlling interests in Morocco (€-256 million);
- Change in translation reserve (€-182 million);
- Other movements (€-608 million), mainly including dividends paid to non-controlling interests (€-544 million).

Note 14 Liabilities arising from insurance and investment contracts

14.1. LIABILITIES ARISING FROM INSURANCE CONTRACTS (GROSS AND REINSURERS' SHARE)

Liabilities arising from insurance contracts, including those where the financial risk is borne by policyholders, were split by segment as follows:

	December 31, 2009 [(a)]			
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Total
Future policy benefit reserves	257,982	1	579	258,562
Unearned premium reserves	271	8,844	497	9,612
Claim reserves [(c)]	9,927	34,916	9,017	53,860
of which IBNR [(f)]	*3,338*	*6,590*	*3,871*	*13,798*
Liability adequacy test reserves	-	-	-	-
Other reserves [(d)]	3,727	4,196	59	7,983
Liabilities arising from insurance contracts	**271,907**	**47,957**	**10,152**	**330,016**
Of which measured at current assumptions [(e)]	*4,881*	-	*46*	*4,927*
Future policy benefit reserves	103,144	-	-	103,144
Claim reserves [(c)]	71	-	-	71
of which IBNR [(f)]	-	-	-	-
Other reserves	66	-	-	66
Liabilities arising from insurance contracts where the financial risk is borne by policyholders	**103,281**	**-**	**-**	**103,281**
Of which measured at current assumptions [(e)]	*7*	-	-	*7*
Reinsurers' share in future policy benefit reserves	5,182	-	(17)	5,165
Reinsurers' share in unearned premium reserves	-	362	128	490
Reinsurers' share in claim reserves [(c)]	525	1,935	2,854	5,314
of which IBNR [(f)]	*217*	*387*	*1,448*	*2,052*
Reinsurers' share in other reserves	258	-	-	258
Reinsurers' share in liabilities arising from insurance contracts	**5,966**	**2,296**	**2,966**	**11,227**
Of which measured at current assumptions [(e)]	-	-	-	-
Reinsurers' share in future policy benefit reserves	26	-	-	26
Reinsurers' share in claim reserves [(c)]	1	-	-	1
of which IBNR [(f)]	-	-	-	-
Reinsurers' share in other reserves	-	-	-	-
Reinsurers share in liabilities arising from insurance contracts where the financial risk is borne by policyholders	**27**	**-**	**-**	**27**
Of which measured at current assumptions [(e)]	-	-	-	-
TOTAL LIABILITIES ARISING FROM INSURANCE CONTRACTS, NET OF REINSURANCE CEDED	**369,195**	**45,661**	**7,187**	**422,043**

NB: Liabilities relating to unearned revenues and fees (see Note 7.3), to policyholders participation (see Note 14.8), and derivative instruments (see Note 19.4) are excluded from the table above.

Reinsurer's share in insurance contracts liabilities relating to policyholders' participation (€46 million in 2009, €34 million in 2008 and €62 million in 2007), as well as derivatives instruments (none in 2009, 2008 and 2007) are excluded from the table above.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

(c) Includes reserves for claim-handling costs.

(d) Notably includes non-life annuities mathematical reserves.

(e) See Note 1.13.2 – Reserves measured according to the option offered by IFRS 4.24 for selective re-measurement of reserves at current market assumptions.

(f) For the detail of P&C and International Insurance IBNR, see Note 20.2.4.

At the end of 2009, insurance liabilities relating to UK with-profit insurance contracts excluding the FFA (Fund for Future Appropriation) amounted to €10,613 million versus €12,122 million at the end of 2008, and €17,761 million at the end of 2007.

December 31, 2008 Revised (b)				December 31, 2007			
Life & Savings	**Property & Casualty**	**International Insurance**	**Total**	**Life & Savings**	**Property & Casualty**	**International Insurance**	**Total**
258,302	-	804	259,105	239,649	-	228	239,877
306	8,547	513	9,366	254	8,239	798	9,291
9,975	34,701	9,614	54,290	9,460	34,813	9,860	54,132
3,228	*6,547*	*4,008*	*13,783*	*2,729*	*6,672*	*4,218*	*13,620*
-	-	-	-	-	-	-	-
3,627	4,118	54	7,800	3,329	4,020	61	7,410
272,210	**47,366**	**10,985**	**330,561**	**252,691**	**47,072**	**10,946**	**310,709**
6,377	-	*46*	*6,423*	*19*	-	*33*	*52*
85,806	-	-	85,806	113,559	-	-	113,559
59	-	-	59	76	-	-	76
1	-	-	*1*	-	-	-	-
50	-	-	50	18	-	-	18
85,916	**-**	**-**	**85,916**	**113,654**	**-**	**-**	**113,654**
1	-	-	*1*	-	-	-	-
4,941	-	5	4,946	3,994	-	6	4,000
3	400	164	567	6	317	472	795
529	1,988	3,418	5,935	455	1,964	3,861	6,280
168	*313*	*381*	*862*	*174*	*279*	*1,345*	*1,798*
236	(7)	-	229	158	16	-	174
5,710	**2,381**	**3,586**	**11,677**	**4,613**	**2,298**	**4,340**	**11,250**
-	-	-	-	-	-	-	-
13	-	-	13	18	-	-	18
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
13	**-**	**-**	**13**	**18**	**-**	**-**	**18**
11	-	-	*11*	*11*	-	-	*11*
352,402	**44,985**	**7,398**	**404,785**	**361,715**	**44,774**	**6,607**	**413,095**

14.2. LIABILITIES ARISING FROM INVESTMENT CONTRACTS (GROSS AND REINSURERS' SHARE)

The following table shows a segmental breakdown of liabilities arising from investment contracts, including those where the financial risk is borne by policyholders:

(in Euro million)	December 31, 2009 [(a)]		December 31, 2008		December 31, 2007	
	Life & Savings	Total investment contracts	Life & Savings	Total investment contracts	Life & Savings	Total investment contracts
Future policy benefit reserves	39,425	39,425	37,839	37,839	39,906	39,906
Unearned premium reserves	-	-	-	-	-	-
Claim reserves [(b)]	218	218	235	235	208	208
Liability adequacy test reserves	-	-	-	-	-	-
Other reserves	7	7	7	7	7	7
Liabilities arising from investment contracts with discretionary participating features	**39,650**	**39,650**	**38,081**	**38,081**	**40,121**	**40,121**
Of which measured at current assumptions [(c)]	-	-	-	-	-	-
Future policy benefit reserves	882	882	1,245	1,245	1,350	1,350
Claim reserves [(b)]	30	30	45	45	98	98
Other reserves	5	5	5	5	5	5
Liabilities arising from investment contracts with no discretionary participating features	**917**	**917**	**1,295**	**1,295**	**1,452**	**1,452**
Future policy benefit reserves	52,431	52,431	46,436	46,436	69,472	69,472
Claim reserves [(b)]	19	19	15	15	15	15
Other reserves	67	67	70	70	100	100
Liabilities arising from investment contracts where the financial risk is borne by policyholders	**52,516**	**52,516**	**46,520**	**46,520**	**69,587**	**69,587**
Reinsurers' share in future policy benefit reserves	14	14	15	15	13	13
Reinsurers' share in unearned premium reserves	-	-	-	-	-	-
Reinsurers' share in claim reserves (b)	-	-	-	-	-	-
Reinsurers' share in other reserves	-	-	-	-	-	-
Reinsurers' share in liabilities arising from investment contracts with discretionary participating features	**14**	**14**	**15**	**15**	**13**	**13**
Of which measured at current assumptions [(c)]	-	-	-	-	-	-
Reinsurers' share in future policy benefit reserves	-	-	-	-	-	-
Reinsurers' share in claim reserves [(b)]	-	-	-	-	-	-
Reinsurers' share in other reserves	-	-	-	-	-	-
Reinsurers share in liabilities arising from investment contracts with no discretionary participating features	**-**	**-**	**-**	**-**	**-**	**-**
Reinsurers' share in future policy benefit reserves	6	6	6	6	9	9
Reinsurers' share in claim reserves [(b)]	-	-	-	-	-	-
Reinsurers' share in other reserves	-	-	-	-	-	-
Reinsurers share in liabilities arising from investment contracts where the financial risk is borne by policyholders	**6**	**6**	**6**	**6**	**9**	**9**
TOTAL LIABILITIES ARISING FROM INVESTMENT CONTRACTS – NET OF REINSURANCE CEDED	**93,063**	**93,063**	**85,876**	**85,876**	**111,138**	**111,138**

NB: Liabilities relating to unearned revenues and fees (see Note 7.3), to policyholders' participation (see Note 14.8), and derivative instruments (see Note 19.4), are excluded from the table above. Reinsurance's share in investments contracts liabilities relating to policyholders' participation (none in 2009, 2008, and 2007), as well as derivatives instruments (none in 2009, 2008, and 2007) are excluded from the table above.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Includes reserves for claim-handling costs.

(c) See Note 1.13.2. – Reserves measured according to the option opened by IFRS 4.24 for selective re-measurement of reserves at current market assumptions.

At the end of 2009, investment liabilities relating to UK with-profit investment contracts excluding the FFA (Fund for Future Appropriation) amounted to €5,354 million versus €5,374 million at the end of 2008, and €8,515 million at the end of 2007.

14.3. CHANGE IN CLAIM RESERVES FOR PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE (INSURANCE CONTRACTS)

14.3.1. Change in gross of reinsurance claim reserves

	2009			2008 Revised [a]			2007		
(in Euro million)	Property & Casualty	International Insurance	Total	Property & Casualty	International Insurance	Total	Property & Casualty	International Insurance	Total
Claim reserves as at January 1	33,306	9,365	42,672	33,426	9,598	43,024	33,733	10,275	44,007
Claim handling cost reserves as at January 1	1,395	249	1,644	1,387	262	1,649	1,306	259	1,566
Gross claim reserves as at January 1 [b]	**34,701**	**9,614**	**44,315**	**34,813**	**9,860**	**44,673**	**35,039**	**10,534**	**45,573**
Current year change	18,371	1,738	20,109	17,370	2,101	19,470	16,823	2,203	19,027
Loss reserves development (prior years)	(2,076)	45	(2,031)	(2,173)	(279)	(2,452)	(1,531)	(157)	(1,687)
Total claim expenses [c]	**16,295**	**1,783**	**18,078**	**15,197**	**1,822**	**17,019**	**15,293**	**2,047**	**17,339**
Claim payments (current year)	(8,943)	(823)	(9,766)	(8,206)	(1,214)	(9,421)	(7,552)	(1,182)	(8,734)
Claim payments (prior years)	(7,425)	(1,239)	(8,664)	(7,054)	(1,177)	(8,230)	(6,614)	(1,035)	(7,649)
Claim payments [c]	**(16,368)**	**(2,062)**	**(18,430)**	**(15,260)**	**(2,391)**	**(17,651)**	**(14,167)**	**(2,217)**	**(16,383)**
Change in scope of consolidation and change in accounting method	(74)	(31)	(105)	587	226	813	(919)	(275)	(1,195)
Impact of foreign currency fluctuation	362	(288)	74	(636)	97	(539)	(432)	(529)	(961)
Claim reserves as at December 31	33,678	8,776	42,454	33,306	9,365	42,672	33,426	9,598	43,024
Claim handling cost reserves as at December 31	1,239	241	1,479	1,395	249	1,644	1,387	262	1,649
GROSS CLAIM RESERVES AS AT DECEMBER 31 [b]	**34,916**	**9,017**	**43,933**	**34,701**	**9,614**	**44,315**	**34,813**	**9,860**	**44,673**

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

(b) Excluding "other policy benefits liabilities" (mainly mathematical annuity reserves), which totaled €3.3 billion in 2007, €4.1 billion in 2008 and €4.2 billion in 2009.

(c) Excluding claim handling cost reserves.

14.3.2. Change in reinsurers' share in claim reserves

	2009			2008			2007		
(in Euro million)	Property & Casualty	International Insurance	Total	Property & Casualty	International Insurance	Total	Property & Casualty	International Insurance	Total
Reinsurers' share in claim reserves as at January 1	**1,988**	**3,436**	**5,424**	**1,964**	**3,861**	**5,825**	**1,964**	**4,348**	**6,312**
Reinsurers' share in total claim expenses	618	466	1,084	510	488	998	573	784	1,357
Reinsurers' share in claim payments	(639)	(763)	(1,401)	(618)	(1,245)	(1,863)	(576)	(1,151)	(1,727)
Change in scope of consolidation, portfolio transfers and change in accounting principles	(35)	(44)	(79)	199	57	256	22	(44)	(22)
Impact of foreign currency fluctuation	2	(224)	(222)	(67)	276	208	(19)	(323)	(341)
Reinsurers' share in claim reserves as at December 31	**1,935**	**2,871**	**4,806**	**1,988**	**3,436**	**5,424**	**1,964**	**3,861**	**5,825**

14.4. CHANGE IN LIABILITIES ARISING FROM INSURANCE AND INVESTMENT CONTRACTS – LIFE & SAVING

14.4.1. Change in liabilities arising from insurance and investment contracts – gross of reinsurance

The table below includes liabilities arising from insurance and investment contracts for the Life & Savings segment, whether or not the risk is borne by policyholders (i.e. including unit-linked business), except unearned revenue and unearned fees reserves, liabilities arising from policyholders' participation and derivative instruments relating to insurance and investment contracts.

(in Euro million)	December 31, 2009 [(a)] Insurance contracts	Investment contracts	Total	December 31, 2008 Revised [(b)] Insurance contracts	Investment contracts	Total	December 31, 2007 Insurance contracts	Investment contracts	Total
Opening technical reserves [(c)]	**358,125**	**85,896**	**444,021**	**366,345**	**111,161**	**477,506**	**374,374**	**100,856**	**475,230**
Collected premiums net of loadings on premiums (+)	43,244	13,060	56,304	46,880	13,027	59,907	49,145	13,927	63,073
Surrenders, maturities and other claims and benefits paid net of charges and penalties (-)	(41,591)	(11,170)	(52,762)	(40,910)	(15,740)	(56,650)	(42,418)	(14,200)	(56,618)
Unit-linked technical reserves value adjustment (+/-)	16,442	7,009	23,452	(32,396)	(9,943)	(42,338)	5,473	3,953	9,426
Change in reserves relating to technical and actuarial items (+/-) [(d)]	2,306	479	2,785	11,393	(322)	11,071	6,533	(55)	6,477
Transfers following technical reserves/contract reclassification	-	-	-	3	(3)	-	364	(364)	-
Change in scope of consolidation, portfolio transfers and change in accounting principles	(1,738)	(6,604)	(8,342)	(2,103)	1,767	(336)	(8,734)	12,689	3,955
Variation of exchange rate	(1,601)	4,413	2,813	8,912	(14,051)	(5,138)	(18,393)	(5,644)	(24,037)
Closing technical reserves [(c)]	**375,187**	**93,083**	**468,270**	**358,125**	**85,896**	**444,021**	**366,345**	**111,161**	**477,506**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

(c) Includes: future policy benefits reserves (including shadow accounting reserves), unearned premium reserves, unexpired risk reserves, claims reserves, claims expense reserves, other policy benefits reserves. Excludes: unearned revenues and unearned fees reserves, liabilities from policyholders' participation.

(d) Notably includes interests credited and policyholders' participation credited to reserves, fees on account balance and investment management fees and change in reserves relating to other technical and actuarial items.

In 2009, changes in the scope of consolidation totaled €-8,342 million, of which €8,438 million due to the classification of the Australian and New Zealand operations as held for sale.

In 2008, changes in the scope of consolidation totaled €-336 million, mainly due to:

- In France, €-3,297 million corresponding to the change in consolidation method of Neuflize Vie (previously NSM Vie) (equity-method instead of proportionately consolidated);
- In Italy, the entry of Quadrifoglio and Open Pension Funds in the scope of consolidation (€2,237 million and €341 million, respectively);
- In Mexico, the entry of Seguros ING Life in the scope of consolidation (€647 million).

In 2007, changes in the scope of consolidation totaled €3,955 million, mainly due to:

- The entries in the scope of consolidation of AXA-MPS Vita (€3,664 million insurance liabilities and €12,696 million investment liabilities) and Alpha Insurance (€188 million), partly offset by:
- The disposal of the Netherlands (€-9,890 million).
- The transfer of €-2,495 million towards pension liabilities in Switzerland.

14.4.2. Change in reinsurers' share in liabilities arising from insurance and investment contracts

(in Euro million)	December 31, 2009 [(a)]			December 31, 2008			December 31, 2007		
	Insurance contracts	Investment contracts	Total	Insurance contracts	Investment contracts	Total	Insurance contracts	Investment contracts	Total
Opening reinsurers' share in technical reserves [(b)]	**5,723**	**20**	**5,744**	**4,630**	**22**	**4,653**	**4,840**	**20**	**4,861**
Reinsurers' share in collected premiums net of loadings on premiums (+)	1,150	-	1,150	983	1	983	937	2	939
Reinsurers' share in surrenders, maturities and other claims and benefits paid net of charges and penalties (-)	(921)	(2)	(923)	(885)	-	(885)	(863)	(1)	(864)
Reinsurers' share in change in reserves relating to technical and actuarial items (+/-) [(c)]	(248)	2	(246)	938	(3)	936	(11)	1	(10)
Change in scope of consolidation and change in accounting principles	330	-	330	(7)	-	(7)	45	-	45
Variation of exchange rate	(42)	-	(42)	64	-	64	(318)	-	(318)
Reinsurers' share in closing technical reserves [(b)]	**5,992**	**20**	**6,012**	**5,723**	**20**	**5,744**	**4,630**	**22**	**4,653**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Includes: future policy benefits reserves (including shadow accounting reserves), unearned premium reserves, unexpired risk reserves, claims reserves, claims expense reserves, other policy benefits reserves. Excludes: unearned revenues and unearned fees reserves, liabilities from policyholders participation.

(c) Notably includes interests credited and policyholders' participation credited to reserves, fees on account balance and investment management fees and change in reserves relating to other technical and actuarial items.

14.5. LIABILITIES ARISING FROM INVESTMENT CONTRACTS BY ACCOUNTING METHOD

	Carrying value		
(in Euro million)	December 31, 2009 [(a)]	December 31, 2008	December 31, 2007
(Non unit-linked) – Liabilities arising from:			
Investment contracts with Discretionary Participation Features (DPF) measured according to existing accounting policies [(b) & (e)]	39,650	38,081	40,121
Investment contracts with Discretionary Participation Features (DPF) measured with current assumptions [(c)]	-	-	-
Investment contract with no Discretionary Participation Features (DPF) measured at amortized cost	917	1,238	911
Investment contract with no Discretionary Participation Features (DPF) measured at fair value	-	57	541
(Unit-linked) – Liabilities arising from contracts where financial risk is borne by policyholders:			
Investment contract with Discretionary Participation Features (DPF) measured according to existing accounting policies [(b) & (d)]	5,767	7,840	10,414
Features in investment contracts with Discretionary Participation Features (DPF) measured with current assumptions [(c)]	-	-	-
Investment contract with no Discretionary Participation Features (DPF) measured at current unit value [(e)]	46,750	38,680	59,173
TOTAL LIABILITIES ARISING FROM INVESTMENT CONTRACTS	**93,083**	**85,896**	**111,161**

N.B.: This information is presented net of the impact of derivatives, which is described in Note 19.4.1.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) In accordance with IFRS 4 standards which allow, under certain conditions, to continue to use a previous system of reference to liabilities arising from contracts with discretionary participating features.

(c) See Note 1.13.2. – Reserves measured according to IFRS 4.24 option which allows to evaluate certain portfolios with current assumptions.

(d) & (e) As unit-linked contracts, they share the same reserves measurement determined on the basis of held assets units fair value ("current unit value"). Only the valuation of related assets is different:

- *for unit-linked contracts with a discretionary participating feature (d), an asset representing the deferred acquisition costs is recognized in continuity with French GAAP;*
- *for unit-linked contracts with no discretionary participating feature (e), an asset representing the rights to future management fees is recognized in accordance with IAS 18 ("DOC") – see section 1.6.4.*

The recognition of investment contracts with discretionary participating features is subject to IFRS 4, which allows, under certain conditions, the use of accounting principles applied prior to the adoption of IFRS. However, these contracts must be treated in accordance with IFRS 7 with regards to the disclosures to be provided in the notes to the financial statements. IFRS 7 requires the reporting of fair value or value ranges for these contracts, unless the Group cannot reliably measure the participating features.

In Phase I, the IAS Board acknowledged the difficulties involved in the recognition and the measurement of discretionary participating features. In addition, the IAS Board has numerous projects underway that could influence the definition of fair value of discretionary participating features. Discussions on these issues are highly complex, and are not yet sufficiently advanced, particularly with regard to other projects also currently being discussed. Phase II discussions regarding insurance and investment contracts with a discretionary participating features, even if re-activated at the IASB level soon after the issuance of IFRS 4, are still insufficiently developed. Even though the Phase II Discussion Paper was published in May 2007, there are too many remaining uncertainties and AXA cannot reliably disclose fair value or value ranges for investment contracts with a discretionary participating features.

14.6. LOSS RESERVE DEVELOPMENT TABLE

The loss reserves development table shows movements in loss reserves between 1999 and 2009, based on previously applied accounting standards, in accordance with IFRS 4. All contracts concerned are insurance contracts as defined by IFRS.

The first line entitled "Gross reserves for unpaid claims and claim expenses developed initially at the booking date" represents the loss reserves developed in the balance sheet on the reporting date for the year indicated in the column heading. For example, the amount of €31,168 million appearing in the first line of the table in the 2005 column represents all loss reserves developed in all years of occurrence prior to and including 2005, recognized on the company's balance sheet at December 31, 2005.

The second line entitled "Gross reserves for unpaid claims and claim expenses developed in 2009 adjusted for changes in exchange rates and scope of consolidation" indicates the amount that would have been developed initially at the booking date, had the exchange rates for the current year been used (for reserves recognized by AXA Group entities that do not use the Euro as their functional currency) and assuming an identical scope of consolidation to that used for the last diagonal of the table.

Preparation of the last diagonal reflects the fact that, following the merger of some newly-acquired portfolios with the AXA Group's existing portfolios, it is not always technically possible to distinguish, within payments made in a given year in respect of prior occurrence years, between those relating to the historical portfolio and those relating to the recently-acquired portfolio. In these cases, the merged scope is used to prepare the last diagonal of the table, even in the columns corresponding to years before the one in which the most recent portfolio was acquired.

With effect from the development of loss reserves at end of 2006, however, AXA uses the method which consists in completing each column of the table using the same scope as that used for "Gross reserves for unpaid claims and claim expenses developed initially at the booking date". In practice, therefore, with effect from the 2006 column, the differences between the first and second lines are mainly due to exchange rate impacts and only marginally to changes in scope of consolidation.

Also with effect from year end 2006, IBNR reserves related to construction insurance in France (so called "PSNEM") and the annuity reserves for the Property & Casualty segment have been included in the loss reserve development table for Property & Casualty and the International Insurance (excluding Colisée RE (ex AXA RE)).

The first section of the table entitled "Cumulative payments" shows, for a given column N, the cumulative amount of payments related to years of occurrence prior to and including N, made since December 31 of year N.

The second part of the table entitled "Reserve re-estimated" shows, for a given column N, an estimate of the final cost of liabilities carried at December 31 of year N in respect of all years of occurrence prior to and including N, at each future period end. The final cost estimate varies year on year as information relating to losses still outstanding becomes more reliable.

The surplus (shortfall) of the initial reserve with respect to the re-estimated (gross) final cost for each year represents, for a given year N, the difference between the amount shown in the second line (gross reserves for unpaid claims and claims expenses developed in 2009 adjusted for changes in exchange rates and scope of consolidation) and the amount shown in the final diagonal under "Reserve re-estimated".

A) LOSS RESERVES DEVELOPMENT TABLE: PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE (EXCLUDING COLISÉE RE (EX AXA RE))

(in Euro million except percentages)	1999 (b)	2000	2001	2002	2003	2004 (c)	2005	2006 (d)	2007	2008 (e)	2009
Gross reserves for unpaid claims and claims expenses developed initially at the booking date (c)	**26,656**	**26,916**	**28,636**	**28,465**	**27,825**	**29,128**	**31,168**	**41,301**	**44,020**	**44,046**	**44,470**
Gross reserves for unpaid claims and claims expenses developed in 2009 adjusted for changes in exchange rates and scope of consolidation (c)	**23,173**	**23,922**	**25,296**	**25,937**	**26,677**	**27,509**	**28,914**	**42,435**	**44,086**	**44,711**	**44,470**
Cumulative payments at:											
One year later	7,727	6,807	6,715	6,371	6,075	6,180	6,084	7,652	8,312	9,145	
Two years later	11,184	10,302	9,900	9,554	9,233	8,871	8,700	11,243	12,395		
Three years later	13,474	12,378	12,440	11,846	11,332	10,580	10,314	14,036			
Four years later	14,798	14,220	14,140	13,411	12,518	11,590	12,239				
Five years later	16,239	15,297	15,410	14,159	13,131	13,133					
Six years later	16,554	16,420	15,816	14,414	14,383						
Seven years later	17,667	16,646	15,831	15,450							
Eight years later	17,742	16,483	16,756								
Nine years later	17,302	17,052									
Ten years later	17,542										
Reserve re-estimated at:											
One year later	23,041	27,069	27,425	26,856	27,527	29,179	29,878	40,966	41,371	42,610	
Two years later	26,294	25,919	25,718	26,219	26,791	27,833	27,084	38,406	39,471		
Three years later	25,542	24,864	25,610	25,835	26,920	25,572	24,595	37,019			
Four years later	24,409	24,665	25,542	25,783	24,994	23,455	24,048				
Five years later	24,304	24,658	25,756	24,076	23,153	23,050					
Six years later	24,174	25,093	24,112	22,458	22,822						
Seven years later	24,720	23,585	22,577	22,196							
Eight years later	23,387	22,226	22,582								
Nine years later	22,102	22,295									
Ten years later	22,206										
Cumulative redundancy (deficiency) from the initial gross reserves in excess of re-estimated gross reserves: (a)											
Amount	968	1,627	2,714	3,741	3,855	4,460	4,866	5,417	4,615	2,090	
Percentages	4.2%	6.8%	10.7%	14.4%	14.5%	16.2%	16.8%	12.8%	10.5%	4.7%	

(a) It is not appropriate to extrapolate future redundancies or future deficiencies based on the loss reserves development presented in the table, as conditions and trends that have affected development of the liability in prior periods may not necessarily occur in the future periods. Redundancy / deficiency disclosed includes forex impact between one year and the next. This line also includes the impact of the unwind of discount rate on annuities (which are developed from 2006 on) for an amount of €136 million for 2008 and €230 million for 2007.

(b) AXA acquired GRE in May 1999. GRE's operations have been integrated within AXA. At the time of acquisition, GRE's gross reserves totaled €5.6 billion.

(c) In 2004, AXA Corporate Solutions Assurance US, AXA RE P&C Insurance Company and AXA RE P&C Reinsurance were transferred from Colisée RE (ex AXA RE) to "other international activities". The reserves of AXA Corporate Solutions Assurance US were presented on an occurrence year basis and included in the Property & Casualty loss reserves development table. The reserves of AXA RE P&C Insurance Company and Coliseum RE (ex AXA CS Reinsurance Company) were presented on an underwriting year basis and included in the Colisée RE (ex AXA RE) loss reserves development table.

(d) In 2006, Winterthur's operations were integrated within AXA. Total loss reserves developed amounted to €41.3 billion including €8.7 billion in respect of Winterthur (final figure after PGAAP re-opening).

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

B) LOSS RESERVES DEVELOPMENT TABLE: COLISÉE RE (EX AXA RE)

On December 21, 2006, the AXA Group finalized an agreement to sell the AXA RE reinsurance business to Paris Ré Holding. Under the terms of the agreement, AXA retains exposure to any changes in the final cost of claims occurring before December 31, 2005. However, the proportional treaty set in place as part of the agreement between AXA RE and Paris Ré protects AXA entirely from any claims occurring after January 1, 2006. Consequently, the table below shows the development of loss reserves recognized in AXA RE's balance sheet at each year-end until December 31, 2005. Reserves recognized after that, which correspond to exposure assumed fully by Paris Ré, have not been developed.

(in Euro million except percentages)	1999	2000	2001 [c]	2002	2003	2004 [d]	2005
Gross reserves for unpaid claims and claims expenses developed initially at the booking date [a]	**3,396**	**3,455**	**5,868**	**4,778**	**4,200**	**3,314**	**4,523**
Gross reserves for unpaid claims and claims expenses developed in 2009 [d]	**3,396**	**3,453**	**5,868**	**4,778**	**3,742**	**3,314**	**4,253**
Initial retroceded reserves	(430)	(393)	(1,652)	(1,020)	(853)	(410)	(1,048)
Retroceded reserves in 2009 [d]	(430)	(393)	(1,652)	(1,020)	(461)	(502)	(1,048)
Initial net claims reserves	2,966	3,060	4,216	3,758	3,281	2,812	3,205
Cumulative payments at:							
One year later	1,165	1,218	1,987	1,441	950	1,127	1,191
Two years later	1,893	1,860	3,198	2,113	1,543	1,574	1,688
Three years later	2,265	2,449	3,603	2,570	1,784	1,812	2,123
Four years later	2,779	2,549	3,978	2,768	1,953	2,289	2,298
Five years later	2,726	2,770	4,140	2,899	2,352	2,225	
Six years later	2,894	2,874	4,242	3,239	2,313		
Seven years later	2,966	2,939	4,538	3,205			
Eight years later	3,011	3,148	4,538				
Nine years later	3,099	3,084					
Ten years later	3,121						
Reserve re-estimated at:							
One year later	3,969	4,199	5,922	5,012	3,438	3,797	4,061
Two years later	4,105	4,061	6,183	4,163	3,642	3,621	3,745
Three years later	3,955	4,034	5,314	4,374	3,514	3,399	3,884
Four years later	4,027	3,817	5,536	4,281	3,332	3,664	3,629
Five years later	3,755	3,944	5,466	4,107	3,553	3,282	
Six years later	3,845	3,887	5,308	4,326	3,248		
Seven years later	3,797	3,766	5,451	4,050			
Eight years later	3,713	3,895	5,302				
Nine years later	3,723	3,716					
Ten years later	3,656						
Cumulative redundancy (deficiency) from the initial gross claims reserves in excess of (less than) re-estimated gross claim reserves	**(260)**	**(263)**	**566**	**728**	**494**	**32**	**624**
Re-estimated retroceded reserves	448	413	1,216	818	452	688	1,148
Premium adjustment [b]	1,034	1,281	1,387	1,289	580	374	404
Re-estimated net claims reserves	-	-	-	-	-	-	-
Initial net claims reserves in excess of (less than) re-estimated net claims reserves as at December 31, 2009							
Amount [a]	792	1,038	1,517	1,815	1,065	592	1,128
Percentages of original net reserve [a]	26.7%	33.9%	36.0%	48.3%	32.5%	21.1%	35.2%

(a) The loss reserves development table is presented on an underwriting year basis for Colisée RE (ex AXA RE) business. Accordingly reserves re-estimated and the excess of re-estimated reserves of the initial reserves include reserves for losses occurring up to twelve months subsequent to the original year-end. It is not appropriate to extrapolate future redundancies or future deficiencies based on the loss reserves development presented in the table, as conditions and trends that have affected the development of the liability in prior periods may not necessarily occur in future periods.

(b) Represents premiums earned subsequent to the accounting year end and premium reinstatements / experience-rated premiums received and accrued from the ceding insurers as assumed losses were incurred.

(c) In 2001, Colisée RE's (ex AXA RE) claims reserves were adversely affected by the September 11 attacks.

(d) In 2004, AXA Corporate Solutions Assurance US, AXA RE P&C Insurance Company and AXA RE P&C Reinsurance were transferred from Colisée RE (ex AXA RE) to the "other international activities". The reserves of AXA Corporate Solutions Assurance US were presented on an occurrence year basis and included in the Property & Casualty loss reserves development table. The reserves of AXA RE P&C Insurance Company and Coliseum RE (ex AXA CS Reinsurance Company) were presented on an underwriting year basis and included in the Colisée RE (ex AXA RE) loss reserves development table.

C) RECONCILIATION BETWEEN DEVELOPED RESERVES AND TOTAL RECOGNIZED CLAIM RESERVES

(in Euro million)	December 31, 2009	December 31, 2008 Revised [(a)]	December 31, 2007
Gross claims and other reserves developed			
Property & Casualty and International Insurance (excluding Colisée RE (ex AXA RE)) [(b)]	44,470	44,046	44,020
■ *of which future policy benefits annuity reserves*	*3,629*	*3,530*	*3,321*
■ *of which construction reserves (PSNEM)*	*1,657*	*1,592*	*1,418*
Total gross claims and other reserves developed	**44,470**	**44,046**	**44,020**
Other reserves non developed [(c)]	**3,719**	**4,442**	**4,734**
TOTAL GROSS CLAIM RESERVES AND OTHER RESERVES FOR PROPERTY & CASUALTY AND INTERNATIONAL INSURANCE	**48,189**	**48,488**	**48,754**

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

(b) Total gross claims and other reserves developed are presented on the basis of the loss reserves development table. The reserves of AXA Corporate Solutions Insurance US were included in Property & Casualty and International Insurance loss reserves. The reserves of AXA RE P&C Insurance Company and Coliseum RE (ex AXA CS Reinsurance Company) (€135 million in 2009, €165 million in 2008 and €203 million in 2007) were included in Colisée RE's (ex AXA RE) loss reserves development table.

(c) Includes reserves inward reinsurance (€694 million in 2009, €798 million in 2008 and €699 million in 2007).

14.7. ENVIRONMENTAL POLLUTION AND ASBESTOS

AXA continues to receive claims from policies written in prior years asserting damages from asbestos-related and environmental-related exposures. These asbestos claims relate primarily to bodily injuries suffered by those who came in contact with asbestos, while environmental claims relate primarily to pollution related clean-up costs.

AXA's exposure to asbestos and environmental ("A&E") claims originates primarily from the following contracts:

- Insurance or reinsurance of US-originated risks: this exposure arises primarily from the reinsurance of US cedants or from direct policies written in the London Market (excess of primary covers). The underlying exposure is made-up of both asbestos and pollution claims;
- Employers Liability insurance in Europe: this created exposure to asbestos-related claims, in particular on the UK market.

There is considerable uncertainty as to the future cost of A&E claims. The ultimate cost of claims is very much dependent on legal factors that are difficult to predict with any certainty. There have been in the past, and continue to be, frequent occurrences of inconsistent court decisions and judicial interpretations regarding the extent of liability and the level of damages awarded.

It is common to have issues of allocation of responsibility among potentially responsible parties, as well as involvement of multiple insurers and multiple policy periods. Such issues raise considerable coverage issues.

Asbestos-related claims typically have very long latency periods. For instance, mesothelioma can take in excess of 40 years to develop after inhalation of asbestos fibres. This latency period makes it difficult to estimate accurately the future number of asbestos-related claims, the future potential liability associated with such claims and creates unusual sensitivity to future legal and economic developments.

AXA actively manages its exposure to A&E claims. Most of the Group's A&E claims are managed by AXA Liabilities Managers, a specialized unit in charge of managing the Group's non-life run-offs.

AXA Liabilities Managers manages these risks in a proactive manner, with a view to reducing AXA's exposure to the uncertainties in these claims. All A&E claims are thus managed by dedicated teams of experts who use a variety of claims-resolution techniques including settlements, policy buy-backs and, in certain cases, litigation. In addition, AXA Liabilities Managers focuses specifically on final resolutions of exposures, either through commutations or other solutions.

The calculation of reserves for A&E risks raises specific difficulties as conventional reserving techniques cannot be used for evaluating IBNR. As a result, AXA evaluates the future cost of those claims using a range of specific methods based either on exposure analysis, frequency/cost projections or reserving benchmarks. A&E reserves are reviewed on a yearly basis to ensure that they adequately reflect the latest claims experience, as well as legal and economic developments. Consistent with AXA's reserving practices, and despite the particularly long-tail nature of those risks, reserves for A&E are undiscounted.

Due to the uncertainty surrounding A&E claims, it is not possible to determine their future cost with the same degree of certainty as for other types of claims. Although AXA considers its reserves for A&E claims to be adequate, it is possible that, under some adverse scenarios, they may turn out to be insufficient to cover future losses.

AXA has taken good note of the most recent developments in the UK legal environment with regards to the pleural plaques, and is carefully monitoring any impact on the level of claims reserves.

At year-end 2009, key data relating to A&E claims were as follows:

Key reserves data for asbestos

Data in € million, unless otherwise stated	2009 Gross	2009 Net	2008 Gross	2008 Net	2007 Gross	2007 Net
Evolution of reserves						
Claims reserves at beginning of year [a]	1,005	961	1,172	1,124	1,176	1,123
Change in scope [b]	-	-	-	-	(37)	(27)
Impact of change in exchange rates	20	20	(109)	(112)	(86)	(90)
Claims incurred [a]	76	82	(1)	(1)	157	146
Claims paid [a]	(37)	(35)	(56)	(50)	(38)	(28)
Claims reserves at end of year	***1,064***	***1,027***	***1,005***	***961***	***1,172***	***1,124***
of which Reported claims	*219*	*189*	*220*	*193*	*251*	*216*
of which IBNR claims	*845*	*838*	*785*	*768*	*921*	*908*
Reserves adequacy ratios	-	-	-	-	-	-
3 - Year survival ratio excluding commutations [c]	36 years	38 years	32 years	33 years	36 years	38 years
IBNR / Case Reserves	385%	443%	356%	398%	367%	421%
Cumulative Payments to date / Projected Ultimate Cost	36%	34%	36%	33%	31%	29%

(a) Includes claims expense reserves.
(b) Includes sale of the Netherlands operations in 2007.
(c) Reserves at the end of the year / Average yearly payments over the last 3 years (excluding in respect of commutations).

Key reserves data for environmental pollution

Data in € million, unless otherwise stated	2009 Gross	2009 Net	2008 Gross	2008 Net	2007 Gross	2007 Net
Evolution of reserves						
Claims reserves at beginning of year [a]	82	69	82	68	102	92
Change in scope [b]	-	-	-	-	(4)	(4)
Impact of change in exchange rates	(3)	(3)	5	4	(4)	(7)
Claims incurred [a]	1	(3)	4	3	(8)	(10)
Claims paid [a]	(10)	(9)	(9)	(6)	(4)	(3)
Claims reserves at end of year	***71***	***54***	***82***	***69***	***82***	***68***
of which Reported claims	32	30	39	33	40	34
of which IBNR claims	38	24	42	36	42	34
Reserves adequacy ratios	-	-	-	-	-	-
3 - Year survival ratio excluding commutations [c]	10 years	8 years	14 years	16 years	20 years	21 years
IBNR / Case Reserves	119%	80%	109%	111%	103%	100%
Cumulative Payments to date / Projected Ultimate Cost	68%	70%	65%	63%	61%	61%

(a) Includes claims expense reserves.
(b) Includes sale of the Netherlands operations in 2007.
(c) Reserves at the end of the year / Average yearly payments over the last 3 years (excluding in respect of commutations).

In 2009, AXA paid an amount of €44 million for claims and legal costs (including €35 million in respect of asbestos and €9 million in respect of environmental pollution). This was lower than last year (€56 million) as last year was impacted by large settlements in both asbestos and environmental liabilities.

During the year, AXA incurred losses and loss expenses of €79 million net of reinsurance (respectively €82 million in respect of asbestos and €-3 million in respect of environmental pollution). This is primarily due to the implementation of the revised market model for estimating the future costs of our asbestos claims in the United Kingdom, in accordance with the Asbestos Working Party recommendations issued in late 2009.

As a result of those various changes and after allowing for movements in exchange rates, AXA held total reserves for A&E (net of reinsurance) of €1,081 million at December 31, 2009.

As can be seen from the above chart, the main reserves adequacy ratios for asbestos claims improved compared to their 2008 levels due to increase in IBNR.

Conversely, reserve adequacy ratios have slightly worsened this year for environmental liabilities due to a few exceptional claims settlements. The ultimate estimate for environmental pollution claims remains nevertheless stable.

14.8. LIABILITIES AND ASSETS ARISING FROM POLICYHOLDERS’ PARTICIPATION

(in Euro million)	December 31, 2009 (a)	December 31, 2008	December 31, 2007
Policyholders’ participation reserves	9,741	10,294	11,450
Fund for Future Appropriation (FFA) – UK with-profit contracts	1,938	1,335	3,629
Policyholders’ deferred participation liabilities	4,969	2,230	4,244
TOTAL LIABILITIES ARISING FROM POLICYHOLDERS’ PARTICIPATION	**16,648**	**13,859**	**19,322**
TOTAL ASSETS ARISING FROM POLICYHOLDERS’ PARTICIPATION	**678**	**2,232**	**965**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

The deferred policyholders’ participation liability and asset include the impact of shadow accounting (see definition in 1.13.2) mainly in relation to unrealized gains and losses on invested financial assets available for sale as described in 13.2.1, but also with regard to other temporary differences not necessarily linked to financial assets. Note 13.2.1 also contains a focus jurisdictions with significant portions of participating business and where required minimum local polycyholders’ share in the entities’ results are significant. This note disclose for such jurisdictions unrealized gains and losses related to available for sale investments and related shadow accounting adjustments.

14.9. PAYMENT AND SURRENDER PROJECTIONS AND INSURANCE AND INVESTMENT CONTRACT LIABILITIES DISCOUNT RATES

In the tables presented in section 14.9.1 and 14.9.2, liabilities arising from Life & Savings and Property & Casualty insurance and investment contracts exclude contracts where the financial risk is borne by policyholders. These liabilities are not exposed to interest-rate or duration risk, except unit-linked contracts with performance guarantees. Subsidiaries hold unit-linked assets backing the corresponding liabilities arising from these contracts. Occasional mismatches result mainly from administrative timing differences in the processing of day-to-day operations.

14.9.1. Payment and surrender projections

The table below shows the breakdown of projected payments and surrenders related to Life & Savings and Property & Casualty insurance and investment contracts excluding contracts where the financial risk is borne by policyholders. Actual maturities may differ significantly from the estimates set out below, mainly because some of the contracts contain a surrender option controlled by the policyholder that may reduce their duration.

The projections shown below cannot be compared with the reserves carried on the balance sheet and are higher than the published balance sheet figures because they represent expected cash flows without any discounting element. They are also shown net of inflows of periodical premiums payable by policyholders.

The figures shown in the first line of the table below represent estimated undiscounted cash outflows in connection to death, incapacity and disability claims, surrenders, annuities, minimum guaranteed benefits for unit-linked contracts, Property & Casualty and Health claims, net of premiums due from policyholders under contracts in-force. These cash flows are based on assumptions regarding mortality, incapacity and disability, surrender and settlement frequency for Property & Casualty, which are consistent with past experience in the Group’s business. They are gross of reinsurance. Given the strong use of estimates, it is likely that actual payments will differ.

(in Euro million)	2009 [(a)] 12 months or less	2009 More than 1 year up to 5 years	2009 More than 5 years	2009 Total	2008 12 months or less	2008 More than 1 year up to 5 years	2008 More than 5 years	2008 Total
Liabilities arising from insurance and investment contracts	24,708	72,466	425,131	522,305	25,772	77,813	406,587	510,172
of which Life & Savings liabilities relating to contracts including a surrender option with some surrender benefit before maturity	*13,398*	*53,104*	*308,279*	*374,781*	*13,032*	*56,341*	*310,085*	*379,458*

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

The surrender value of contracts including a surrender option as at December 31, 2009 amounted to approximately €221 billion, the main difference between expected cash flows shown above and such value reflecting the impact of discount and surrender penalties.

14.9.2. Insurance and investment contract liabilities – discount rates

The table hereafter and related comments exclude contracts where the financial risk is borne by policyholders (unit-linked contracts).

The general principles for establishing insurance liabilities are set out in Note 1 of the consolidated financial statements. Liabilities are based on estimates, and one of the key assumptions used in these estimates is the discount rate.

As shown in the table below, as at December 31, 2009: 90% of Life & Savings reserves (excluding unit-linked contracts) were discounted, of which 13% were subject to a revision of the discount rate and 77% retained the rate set at inception, subject to the liability adequacy test described in Note 1.

By convention, contracts with zero guaranteed rates are deemed not-discounted, except for products offering guaranteed rates updated annually and for one year: these contracts are presented in discounted reserves. Reserves for savings contracts with non-zero guaranteed rates are discounted at the technical interest rate. Contracts for which the assumptions are revised in the financial statements at closing mainly consist of certain UK with-profit contracts and reserves for guarantees (Guaranteed Minimum Death Benefits, etc.).

In the Property & Casualty and International Insurance business, most reserves (92% at December 31, 2009) are not discounted, with the exception of disability annuities and worker's compensation liabilities that are deemed structured settlements and where the discount rate is revised regularly. Such reserves are not sensitive to interest rate risks in financial statements.

The rates presented in the table below are weighted average rates for all the portfolios under consideration. They should be analyzed with care. For contracts with guaranteed rates that are revised annually, rates are crystallized at the closing date. The risk factors associated with the contracts are set out in Note 4.

(in Euro million)	December 31, 2009 Carrying value	December 31, 2009 Average discount rate%	December 31, 2008 Revised [(a)] Carrying value	December 31, 2008 Revised [(a)] Average discount rate%	December 31, 2007 Carrying value	December 31, 2007 Average discount rate%
Life & Savings – locked-in discount rate [(c)]	239,573	2.60%	241,016	2.76%	225,765	2.82%
Life & Savings – unlocked discount rate	40,722	3.23%	37,968	3.34%	39,094	3.19%
Life & Savings – undiscounted reserves	32,178	-	32,601		29,406	
Sub-total Life & Savings	**312,473**	**-**	**311,585**		**294,264**	
Non Life – locked-in discount rate [(c)]	3,958	3.99%	4,407	4.18%	2,385	4.25%
Non Life – unlocked discount rate	799	1.94%	822	2.05%	1,490	2.64%
Non Life – undiscounted reserves	53,353	-	53,122		54,143	
Sub-total – Non Life and International Insurance	**58,110**	**-**	**58,351**		**58,018**	
TOTAL INSURANCE AND INVESTMENT CONTRACTS	**370,583**	**-**	**369,936**		**352,283**	

Amounts are presented excluding the impact of derivatives on insurance and investment contracts (presented in section 19.4) and excluding liabilities related to unearned revenues and fees, and to policyholders' participations. Liabilities relating to contracts where the financial risk is borne by policyholders are also excluded.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

(c) Subject to liability adequacy tests (not systematic but reviewed on a regular basis).

In accordance with IFRS 7, the Group discloses, in Note 4 of its consolidated financial statements, quantitative sensitivities of the Group "Embedded Value" (as defined in the "market risks" section) to interest risk and equity price risk.

The estimated impact of the unlocking of discount rates relating to Life & Savings reserves was €1,738 million for 2009 (compared to €-2,218 million for 2008 and €142 million for 2007) gross of policyholders' participation and tax impacts and was included in the income statement of the period.

14.9.3. Major business areas

The tables in Note 20 set out the Group's major insurance business areas, and reflect the Group's high level of diversification.

14.10. EMBEDDED DERIVATIVES MEETING THE DEFINITION OF AN INSURANCE CONTRACT

AXA sells insurance contracts that contain a variety of options and guarantees for contract-holders. These features are described in Note 4. They are not embedded derivatives which AXA reports separately at fair value because:

- Many of the features would be considered clearly and closely related to the host contract, and
- Many of the features themselves would qualify as insurance contracts under phase I.

This note describes the features that are embedded derivatives and meet the definition of an insurance contract on a stand-alone basis. The primary features can be divided into two main categories: Guaranteed Minimum Death Benefits (GMDBs) or Guaranteed Minimum Income Benefits (GMIBs) offered on unit-linked contracts and guaranteed annuity purchase rates.

GMDB features provide a guaranteed death benefit which may be higher than the contract account balances of the unit-linked contract, depending on performance of the unit-linked assets. GMIB features provide a guaranteed lifetime annuity which may be elected by the contract-holder after a stipulated waiting period, and which may be larger than what the contract account balance could purchase at then-current annuity purchase rates.

The risk of GMDB and GMIB features to AXA is that protracted under-performance of the financial markets could result in benefits being higher than the accumulated policyholder account balances could support. Reserves are established for these features on the basis of actuarial assumptions related to projected benefits and related contract charges. The determination of estimated GMDB and GMIB liabilities is based on models which involve numerous estimates and subjective judgments, including those regarding expected market rates of return and volatility, contract surrender rates and GMIB election rates. There can be no assurance that ultimate experience will not differ from management's estimates. In addition to providing for risk through establishing reserves, AXA also manages the risk through a combination of reinsurance programs and active financial risk management programs including investment in exchange-traded futures contracts and other instruments.

Guaranteed annuity purchase rates provide contract-holders with a guarantee that at a future date the accumulated balance on their contract will be sufficient to purchase a lifetime annuity at currently defined rates. The risk to AXA in these features is either that longevity will improve significantly so that contract-holders electing to exercise this benefit will live longer than assumed in the guaranteed purchase rates, or that investment returns during the payout period will be lower than assumed in the guaranteed purchase rates. Reserves are established for these features on the basis of actuarial assumptions related to projected benefits and related contract charges. The determination of this estimated liability is based on models which involved numerous estimates and subjective judgments, including those regarding expected rates of return and volatility, contract surrender rate, mortality, and benefit election rates. There can be no assurance that ultimate experience will not differ from management's estimates. In addition to providing for risk through establishing reserves, AXA also manages these risks through asset-liability management programs including interest rate floors to protect against a decline in interest rates.

Note 15 Provisions for risks and charges

15.1. BREAKDOWN OF PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges included the following items:

(in Euro million)	December 31, 2009 (a)	December 31, 2008 Revised (b)	December 31, 2007
Employee benefits	8,117	7,714	6,954
Share-based compensation	82	113	184
Restructuring provisions	133	166	166
Lawsuits contingency provisions	269	299	319
Liability warranty provisions	14	10	19
Contingent liabilities relating to business combinations	10	-	-
Other provisions for risks and charges	913	1,047	1,012
TOTAL PROVISIONS FOR RISKS AND CHARGES	**9,538**	**9,348**	**8,654**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

Comments on provisions relating to employee benefits can be found in Note 25 “Employees”.

At December 31, 2009, the “Other Provisions for risks and charges” were composed of the following elements:

- Provision for tax liability of €519 million notably driven by a reclassification of current tax to provision for tax liability in the United States as the timing and amount related to these liabilities are uncertain;
- Other provisions for risks and charges for €395 million, including various amounts, in particular run offs management reserves, reinsurance agreements, or past ceded activities.

15.2. CHANGE IN PROVISIONS FOR RISKS AND CHARGES (EXCLUDING EMPLOYEE BENEFITS AND SHARE-BASED COMPENSATION)

Changes in provisions for risks and charges (excluding employee benefits and share-based compensation) are set out below:

	2009 (a)					
(in Euro million)	Restructuring provisions	Lawsuits contingency provisions	Liability warranty provisions	Contingent liabilities relating to business combinations	Other provisions for risks and charges	Total
Carrying value – January, 1	**166**	**299**	**10**	**-**	**1,047**	**1,521**
Impact of change in scope of consolidation and changes in accounting method	14	21	-	-	(158)	(123)
Increase in provisions	51	46	6	10	281	395
Write back after use	(81)	(41)	(1)	-	(155)	(278)
Write back after final cost review	(15)	(51)	(1)	-	(29)	(97)
Impact of foreign exchange fluctuations	(1)	-	1	-	(1)	-
Carrying value – December, 31	**133**	**269**	**14**	**10**	**913**	**1,339**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(in Euro million)	2008 Revised [(a)]						2007
	Restructuring provisions	Lawsuits contingency provisions	Liability warranty provisions	Contingent liabilities relating to business combinations	Other provisions for risks and charges	Total	Total
Carrying value – January, 1	**166**	**319**	**19**	**-**	**1,012**	**1,516**	**1,201**
Impact of change in scope of consolidation and changes in accounting method	13	40	1	-	402	456	342
Increase in provisions	49	18	-	-	240	307	365
Write back after use	(46)	(32)	(6)	-	(463)	(548)	(262)
Write back after final cost review	(19)	(41)	(1)	-	(91)	(151)	(76)
Impact of foreign exchange fluctuations	2	(5)	(3)	-	(53)	(58)	(56)
Carrying value – December, 31	**166**	**299**	**10**	**-**	**1,047**	**1,521**	**1,516**

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

Note 16 Financing debt

16.1. FINANCING DEBT BY ISSUANCE

	Carrying value		
(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
AXA	**5,685**	**5,998**	**5,381**
Debt component of subordinated notes due 2014 (€)	1,835	1,773	1,714
Debt component of subordinated notes, 3.75% due 2017 (€)	1,306	1,259	1,212
Subordinated convertible notes due 2020 (€)	180	180	180
U.S. registered redeemable subordinated debt, 8.60% 2030 (US$)	820	848	797
U.S. registered redeemable subordinated debt, 7.125% 2020 (£)	366	341	443
U.S. registered redeemable subordinated debt, 6.75% 2020 (€)	1,070	1,070	1,062
Derivatives on debts instruments issued [a]	108	527	(27)
AXA Financial	**141**	**145**	**137**
Surplus notes, 7.70%, due 2015	139	143	136
MONY Life 11.25% Surplus Notes due 2024	1	1	1
AXA Bank Europe	**392**	**423**	**466**
Subordinated notes, 2.80% to 6.90%, due 2016	-	-	466
Subordinated undated notes, variable	392	423	-
AXA-MPS Vita and Danni	**108**	**135**	**134**
Subordinated notes, euribor 6 months + 81bp	108	135	134
Other subordinated debt (under €100 million)	**26**	**34**	**28**
Subordinated debt	**6,352**	**6,734**	**6,146**
AXA	**1,859**	**5,496**	**3,163**
Euro Medium Term Notes, 6.0% due through 2013, and BMTN	894	912	955
Commercial paper	-	4,635	2,311
Euro Medium term Notes, due through 2015	1,000	-	-
Derivatives on financing debt instruments issued [a]	(36)	(50)	(103)
AXA Financial	**789**	**817**	**949**
Senior notes, 7.75%, due 2010	335	344	325
Senior notes, 7%, due 2028	243	250	236
Senior notes, 6.5%, due 2008	-	-	170
Senior notes MONY, 8.35%, due 2010	211	223	218
AXA UK Holdings	**173**	**160**	**210**
GRE: Loan Notes, 6.625%, due 2023	173	160	210
AXA Equitable	**-**	**-**	**238**
Mortgage notes, floating rate	-	-	238
Other financing debt instruments issued (less than €100 million)	**116**	**91**	**(25)**
Other financing debts instruments issued under euro 100 million	143	143	36
Derivatives relating to other financing debts instruments issued [a]	(27)	(52)	(60)
Financing debt instruments issued	**2,937**	**6,564**	**4,535**
AXA	**758**	**1,000**	**-**
Morocco	**97**	**113**	**124**
Other financing debts owed to credit institutions (under €100 million)	**66**	**103**	**51**
Financing debt owned to credit institutions	**921**	**1,216**	**175**
TOTAL FINANCING DEBT	**10,210**	**14,514**	**10,856**

(a) Hedging instruments according to IAS 39 and economic hedge derivatives which are not acting as hedge under IAS 39.

Total financing debt decreased by €4,304 million between December 31, 2008 and December 31, 2009, or by €4,351 million at constant exchange rates, to €10,210 million. The decrease at constant exchange rates was mainly due to AXA SA:

i. a €4,635 million decrease from commercial paper repayment;

ii. a repayment of a €1,000 million credit line ("club deal" banking pool) issued in 2008 to finance AXA development;

iii. a €418 million decrease from the change in fair value of currency swaps and interest rate swaps.

Partly offset by:

iv. a €1,000 million increase in financing debt instruments issued arising from AXA's new senior notes under more favorable market conditions;

v. a €758 million new issued loan.

Derivative instruments hedging financing debts are commented in Note 19.

16.2. FAIR VALUE MEASUREMENT OF FINANCING DEBT

	December 31, 2009		December 31, 2008		December 31, 2007	
(in Euro million)	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Subordinated debt at cost	6,244	6,815	6,208	5,841	6,173	6,698
Derivatives on subordinated debt [(a)]	108	108	527	527	(27)	(27)
Subordinated debt	**6,352**	**6,923**	**6,734**	**6,368**	**6,146**	**6,671**
Financing debt instruments issued at cost	2,999	3,213	6,666	6,643	4,698	4,722
Derivatives on financing debt instruments issued [(a)]	(62)	(62)	(103)	(103)	(163)	(163)
Financing debt instruments issued	**2,937**	**3,150**	**6,564**	**6,540**	**4,535**	**4,559**
Financing debts owed to credit institutions at cost	921	797	1,216	1,227	175	175
Financing debt owed to credit institutions	**921**	**797**	**1,216**	**1,227**	**175**	**175**
FINANCING DEBT	**10,210**	**10,870**	**14,514**	**14,135**	**10,856**	**11,405**

(a) Hedging instruments according to IAS 39 and economic hedge derivatives which are not acting as hedge under IAS 39.

The Group does not hold any financing debt designated as at fair value through profit or loss (fair value option or trading instruments).

Information on the fair value figures presented in this note is provided in addition to information on carrying values and should be used with caution. On the one hand, these estimates are based on snapshots taking into account closing dates of parameters such as interest rates and spreads, which in fact fluctuate over time, and resulting in instantaneous values, and on the other hand because there are many possible methods of making these estimates.

Data used when calculating the fair value of financing debt (financing debt instruments issued or financing debt owed to credit institutions) are period-end market data that reflect (i) market interest rates by currency, (ii) AXA's average spread by maturity and currency, distinguishing subordinated and senior debt and (iii) options included in issued contracts, such as issuer redemption options.

The fair value of subordinated convertible bonds is equal to the quoted price for these instruments at the end of the period. Therefore, reported fair value includes the value of the conversion option, which is included as a component of equity.

The fair value of financing debt at December 31, 2009, excluding accrued interests, was €10,870 million, including related hedging derivative instruments. The fair value was €660 million above the carrying value mainly due to the decrease of AXA's own credit spread.

16.3. EXPOSURE TO INTEREST-RATE RISK AND CONTRACTUAL MATURITIES

The table below sets out the contractual maturities of financing debt (excluding the impact of derivatives). Effective maturities may differ from those presented, mainly because some instruments include clauses allowing early redemption, with or without penalty.

	Carrying value of financing debt by contractual maturity as at December 31,			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
2009	617	4,858	4,688	10,164
2008	4,753	2,863	6,474	14,090
2007	2,829	1,654	6,563	11,046

Excludes the impact of derivatives (detailed in section 19.4).

Note 17 Payables

17.1. BREAKDOWN OF PAYABLES

	Carrying value		
(in Euro million)	December 31, 2009 (a)	December 31, 2008 (b)	December 31, 2007
Non-controlling interests of controlled investment funds and other puttable instruments held by non-controlling interest holders	6,516	5,108	7,751
Other debt instrument issued and bank overdrafts	5,217	6,676	6,260
Payables arising from direct insurance and inward reinsurance operations	6,761	7,167	7,033
Payables arising from outward reinsurance operations	5,571	6,211	6,024
Payables arising from banking operations	22,902	20,890	18,713
Payables – current tax position	1,314	2,130	2,394
Derivatives relating to other financial liabilities (c)	108	23	140
Debts relating to investments under lending agreements and equivalent	18,436	25,522	29,068
Other payables	11,906	14,354	14,626
PAYABLES	**78,731**	**88,082**	**92,008**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) In accordance with IFRS 3, i.e. within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of Seguros ING (Mexico) purchase price.
(c) Also includes speculative derivatives relating to other financial liabilities.

Movements in the "**Non-controlling interests in controlled investment funds and other puttable instruments held by non-controlling interest holders"** caption depend on:

- Changes in non-controlling interests in controlled investment funds and changes in their fair value. An identical change in invested assets held by these funds is also recorded;
- Buyouts of non-controlling interests for which the Group holds an unconditional commitment and changes in value of related puttable instruments. Entries balancing these movements are recorded in goodwill.

Non-controlling interests in funds under this caption, totaled €6,370 million at December 31, 2009 (€4,847 million at December 31, 2008 and €7,192 million at December 31, 2007).

Other puttable instruments held by non-controlling interest holders totaled €146 million at December 31, 2009 (€261 million at December 31, 2008 and €559 million at December 31, 2007). They represented the put option held by the non-controlling interests of former Winterthur subsidiaries in Central and Eastern Europe.

"**Debts relating to investments under lending agreements and equivalent"** totaled €18,436 million at December 31, 2009, a decrease of €7,086 million mainly due to less short-term repurchase agreement transactions.

17.2. OTHER DEBT INSTRUMENTS ISSUED, NOTES AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT) BY ISSUANCE

	Carrying value		
(in Euro million)	December 31, 2009 [(a)]	December 31, 2008	December 31, 2007
AXA SA debts subscribed on behalf of French, English and German subsidiaries	**140**	**42**	**86**
Australia/New Zealand	**-**	**137**	**184**
CRL deposits held by Sterling Grace NZ on behalf of clients	-	137	184
AXA Banque (France)	**146**	**112**	**-**
AllianceBernstein	**174**	**204**	**362**
Short term commercial paper, 4.3%	174	204	362
CDO (Collateralized Debt Obligations)	**417**	**333**	**827**
ARIA2 tranche U-21E7	-	-	31
Aria A-1E5	-	129	176
Aria C-1E5	-	29	42
Aria P-2G7	211	103	226
Concerto 2	5	7	124
Jazz 1	166	64	227
Derivatives on other debt instruments issued (other than financing debt) – CDO (Collateralized Debt Obligations)	35	-	-
Others	**75**	**133**	**101**
Derivatives on other debt instruments issued (other than financing debt) – Other	**-**	**6**	**-**
OTHER DEBT INSTRUMENTS ISSUED (OTHER THAN FINANCING DEBT)	**951**	**966**	**1,560**
Collateral (AXA SA)	**-**	**1,413**	**453**
Activities in France	**208**	**204**	**10**
AXA Banque	8	4	10
Arche Finance – convertible loans due 2014	200	200	-
Banks	**880**	**959**	**1,290**
AXA Bank AG	63	62	64
AXA Bank Europe	271	324	702
AXA Bank Hungary	517	548	525
Derivatives on other issued debt (excluding financing debts) – Other financial services in Belgium	28	26	-
CDO (Collateralized Debt Obligations)	**-**	**-**	**94**
Real estate investment funds	**1,814**	**1,717**	**1,356**
ERIV: amortizing loan – Euribor 3M + 145 bps, due 2011	199	200	203
ERIV: mortgage loan based on Euribor 3M + 85bps, due 2013 + 2x1 year	105	100	100
ERIV2: Euribor3M + 85 bps, due 2014	104	104	104
Vendome Commerce: mortgage loan based on Euribor 3M + 145bps, due 2011	195	200	203
REOF2: mortgage loan based on Euribor 3M + 65bps, due 2012	118	122	124
APIV+EHV: mortgage loan based on Euribor 3M + 120bps, due 2015	94	44	-
APIV+EHV: mortgage loan based on Libor 3M + 120bps, due 2015	56	48	-
APIV+EHV: amortizing loan based on Euribor 3M + 160bps, due 2015	43	57	-
Other debts	900	842	623
Other	**9**	**1**	**1**
Derivatives on other issued debt (other than financing debt) – Other	**-**	**-**	**2**
OTHER DEBT (OTHER THAN FINANCING DEBT) – OWED TO CREDIT INSTITUTIONS	**2,910**	**4,294**	**3,207**
Bank overdrafts	**1,356**	**1,415**	**1,493**
OTHER DEBT INSTRUMENTS ISSUED, NOTES (OTHER THAN FINANCING DEBT) AND BANK OVERDRAFTS	**5,217**	**6,676**	**6,260**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

At December 31, 2009, other debt instruments issued (other than financing debt) and bank overdrafts totaled €5,217 million, a decrease of €1,459 million compared to December 31, 2008, mainly due to a €1,413 million decrease at AXA SA related to margin calls from banks under collateral agreement.

17.3. FAIR VALUE MEASUREMENT OF OTHER DEBT INSTRUMENTS ISSUED AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT)

The fair value of other debt instruments issued and bank overdrafts (other than financing debt) was €5,266 million at December 31, 2009. Among the elements included in the preceding table, fair value is only calculated for other debt instruments issued. Other items mainly comprise repository agreements balances or short-term interbank liabilities carried by Group banks. By nature, their fair value is very similar to their nominal value.

17.3.1. Other debt instruments issued and bank overdrafts (other than financing debt) by accounting method

	Carrying value		
(in Euro million)	**December 31, 2009 [(a)]**	**December 31, 2008**	**December 31, 2007**
Other debt instruments issued at cost	461	557	666
Other debt instruments issued held as trading	-	-	-
Other debt instruments issued designated as at fair value through profit or loss	490	403	895
Other debt instruments issued	**951**	**960**	**1,560**
Other debt owed to credit institutions held at cost	2,882	4,268	3,205
Other debt owed to credit institutions held as trading	-	-	-
Other debt owed to credit institutions designated as at fair value through profit or loss	-	-	-
Other debt owed to credit institutions	**2,882**	**4,268**	**3,205**
Bank overdrafts	**1,356**	**1,415**	**1,493**
OTHER DEBT INSTRUMENTS ISSUED AND BANK OVERDRAFTS (OTHER THAN FINANCING DEBT) [(b)]	**5,188**	**6,644**	**6,258**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Excludes the impact of derivatives.

17.3.2. Other debt instruments issued, notes and bank overdrafts measured at fair value

	December 31, 2009			December 31, 2008			December 31, 2007		
(in Euro million)	Fair value determined directly by reference to an active market (1)	Fair value Instruments not quoted in an active market/ No active Market (2)	Total	Fair value determined directly by reference to an active market (1)	Fair value Instruments not quoted in an active market/ No active Market (2)	Total	Fair value determined directly by reference to an active market (1)	Fair value Instruments not quoted in an active market/ No active Market (2)	Total
Other debt instruments issued held as trading	-	-	-	-	-	-	-	-	-
Other debt instruments issued designated as at fair value through profit or loss	-	490	490	-	403	403	202	693	895
Other debt instruments issued (other than financing debt) (a)	**-**	**490**	**490**	**-**	**403**	**403**	**202**	**693**	**895**
Other debt owed to credit institutions held as trading	-	-	-	-	-	-	-	-	-
Other debt owed to credit institutions designated as at fair value through profit or loss	-	-	-	-	-	-	-	-	-
OTHER DEBT OWED TO CREDIT INSTITUTIONS (OTHER THAN FINANCING DEBT) (a)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(a) Excludes the impact of derivatives.

The fair value option is used to measure debt other than financing debt designated as at fair value through profit or loss included in the table above. The increase in debt measured at fair value through profit or loss is mainly due to the CDO's market value increase.

Such fair values are based on a majority of observable data (see Note 9.9 for a description of observable data) and are therefore considered as level 2 instruments.

17.4. PAYABLES ARISING FROM DIRECT INSURANCE, INWARD REINSURANCE OPERATIONS AND DIRECT OUTWARD REINSURANCE OPERATIONS

	December 31, 2009 (a)		December 31, 2008		December 31, 2007	
(in Euro million)	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Deposit and guarantees	197	197	261	261	183	183
Current accounts payable to other companies	2,380	2,380	2,156	2,156	1,842	1,842
Payables to policyholders, brokers and general agent	3,660	3,660	4,314	4,314	4,116	4,116
Other payables	524	524	436	436	891	891
Payables arising from direct insurance and inward reinsurance operations	**6,761**	**6,761**	**7,167**	**7,167**	**7,033**	**7,033**
Deposit and guarantees	1,317	1,318	1,562	1,565	1,805	1,805
Current accounts payable to other companies (b)	4,053	4,053	4,324	4,330	4,128	4,128
Other payables	201	200	326	325	90	90
Payables arising from direct outward reinsurance operations	**5,571**	**5,571**	**6,211**	**6,220**	**6,024**	**6,024**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) Includes a quota share reinsurance treaty between Colisée RE (ex AXA RE) and Paris Ré (€2,036 million in 2009, €2,518 million in 2008 and €2,431 million in 2007) as part of the Group's sale of AXA RE's business in 2006.

At December 31, 2009, payables arising from direct insurance and inward reinsurance operations totaled €6,761 million, a decrease of €406 million compared to December 31, 2008.

At December 31, 2009, payables arising from direct outward reinsurance operations totaled €5,571 million, a decrease of €640 million compared to December 31, 2008.

17.5. EXPOSURE TO INTEREST-RATE RISK AND CONTRACTUAL MATURITIES

The table below sets out the contractual maturities of other debt instruments issued, notes and bank overdrafts (excluding the impact of derivatives). Effective maturities may differ from those presented, mainly because some instruments include clauses allowing early redemption, with or without penalty.

	Carrying value of other debt instrument issued, notes and bank overdrafts by contractual maturity as at December 31, 2009			
(in Euro million)	12 months or less	More than 1 year up to 5 years	More than 5 years	Total carrying value
2009 [(a)]	2,339	1,846	1,003	5,188
2008	3,851	1,227	1,567	6,644
2007	3,373	973	1,912	6,258

Excludes the impact of derivatives (detailed in section 19.4).

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

Note 18 Tax

18.1. TAX EXPENSE

18.1.1. Breakdown of tax expense between current and deferred tax

The income tax charge was split as follows:

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Income tax – France	**513**	**608**	**396**
Current	362	874	598
Deferred	151	(266)	(202)
Income tax – Foreign countries	**1,017**	**(1,438)**	**1,387**
Current	(79)	1,208	1,732
Deferred	1,096	(2,646)	(344)
TOTAL INCOME TAX FROM CONTINUED OPERATIONS	**1,530**	**(830)**	**1,783**
Income tax on discontinued activities (current)	-	-	23
Income tax on discontinued activities (deferred)	-	-	4
TOTAL INCOME TAX FROM DISCONTINUED OPERATIONS	**-**	**-**	**28**
TOTAL INCOME TAX	**1,530**	**(830)**	**1,811**

The current tax amount due on foreign income amounted to €-79 million in 2009 (€1,208 million in 2008 and €1,732 million in 2007), including €65 million related to policyholders' tax (€69 million in 2008 and €283 million in 2007).

A deferred tax expense of €1,096 million in 2009 (€-2,646 million in 2008 and €-344 million in 2007), corresponding to tax due on foreign income is disclosed in the table above, including €+346 million related to policyholders' tax (€-1,249 million in 2008 and €-189 million in 2007).

Policyholders' tax is a specific tax levied on the life business of the United Kingdom and Australian insurance companies charged to policyholders.

18.1.2. Tax proof

The reconciliation between the theoretical tax charge (pre-tax profit multiplied by the applicable tax rate in France for the period concerned) and the effective tax charge was as follows:

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Income from operating activities, gross of tax expenses (excluding discontinued activities and result from investments consolidated using equity method)	5,555	385	7,681
Notional tax rate	34.43%	34.43%	34.43%
Notional tax charge	**1,913**	**133**	**2,645**
Impact of rate differences on notional tax charge	(243)	(3)	(118)
Impact of the change in tax rates	(24)	(6)	(25)
Impact of differences in tax rate and impact of taxes not linked to pre-tax income [b]	289	(932)	(45)
Impact of differences in tax rates and tax basis	**22**	**(941)**	**(188)**
Tax losses of prior years used in the current year without DTA recognized previously	(15)	(22)	(45)
Deferred tax assets recognized on tax losses of prior years	(95)	(95)	(9)
Deferred tax assets not recognized on tax losses of the year	4	74	13
Derecognition of deferred tax assets on tax losses of prior years [a]	1	1	1
Tax losses impact	**(104)**	**(42)**	**(39)**
Permanent differences on financial incomes and expenses	(65)	166	(555)
Permanent differences on other incomes and expenses	(25)	109	135
Impact of permanent differences	**(90)**	**275**	**(420)**
Corrections and adjustments of tax relating to prior years	(215)	(393)	(170)
Derecognition/Recognition of DTA on temporary differences of prior years (other than tax losses) [a]	1	27	(32)
Other	3	112	(13)
Impact of adjustments, decrease in value and other items	**(210)**	**(254)**	**(215)**
EFFECTIVE TAX CHARGE	**1,530**	**(830)**	**1,783**
EFFECTIVE TAX RATE (%)	**27.54%**	**-215.57%**	**23.22%**

(a) Derecognition of DTA (Deferred Tax Assets) arising on tax losses is shown in "Tax losses impact".
(b) Including the effect of policyholders' tax.

Excluding policyholders' tax, the effective tax rate would have been 22% as at December, 31 2009 (same as 2008 and 2007).

The -215.57% effective tax rate as at December 31, 2008 was mainly due to the significant effect of the policyholders' tax (€-843 million in 2008 versus €284 million in 2009 and €82 million in 2007), mainly in the United Kingdom.

The impact of rate differences on notional tax charge represents the difference between the expected tax calculated at each entity level with the applicable standard rate and the tax calculated using the 34.43% AXA SA holding rate. As at December 31, 2009, the blended standard rate was 30% versus 34% in 2008 and 33% in 2007.

The tax loss impact as at December 31, 2009 mainly included the recognition of deferred tax assets in the context of the early adoption of Revised IFRS 3 – Business Combinations (€74 million).

Permanent differences on financial income and expenses mainly represented the impact in some countries of non-deductible financial impairments and realized capital losses on equity instruments, or non taxable dividends and realized capital gains on equity instruments.

The income from operating activities gross of tax break down as follows:

(in Euro million)	December 31, 2009		December 31, 2008		December 31, 2007	
	Income from operating activities, gross of tax expenses [(a)]	Standard tax rate	Income from operating activities, gross of tax expenses [(a)]	Standard tax rate	Income from operating activities, gross of tax expenses [(a)]	Standard tax rate
France	1,554	34.43%	1,616	34.43%	1,243	34.43%
United States	74	35.00%	(17)	35.00%	2,027	35.00%
United Kingdom [(b)]	354	28.00%	(963)	28.50%	409	30.00%
Japan	585	36.21%	(163)	36.21%	353	36.21%
Germany	233	32.00%	(15)	32.00%	687	40.00%
Belgium	805	33.99%	(683)	33.99%	409	33.99%
Switzerland	489	21.00%	(155)	22.00%	280	22.00%
Other Countries	1,462	-	765	-	2,273	-
TOTAL	**5,555**		**385**	**-**	**7,681**	**-**

(a) Excluding discontinued activities and contribution from equity-accounted companies.
(b) Income including Ireland. Standard tax rate applicable for the UK only.

18.2. DEFERRED TAX

Net deferred tax balances broke down as follows:

(in Euro million)	December 31, 2009 [(a)]			December 31, 2008 Revised [(b)]	December 31, 2007
	Deferred tax assets	Deferred tax liabilities	Net deferred tax position	Net deferred tax position	Net deferred tax position
Deferred tax Assets/(Liabilities) concerning:					
■ Deferred tax through profit or loss	9,414	9,624	(210)	1,369	(725)
■ Deferred tax through reserves relating to the fair value adjustment of available for sale assets	2,143	3,542	(1,399)	99	(701)
■ Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	3	33	(31)	(44)	(3)
■ Deferred tax through reserves relating to the revaluation of tangible assets	-	1	(1)	(1)	(1)
■ Deferred tax through reserves relating to gains and losses on defined benefits pension plans	692	8	684	298	(67)
■ Deferred tax through reserves relating to stock options	11	1	10	16	97
Net deferred tax excluding policyholders' tax	**12,262**	**13,209**	**(947)**	**1,737**	**(1,401)**
Policyholder tax – Net deferred tax assets/ (liabilities)	**246**	**524**	**(279)**	**50**	**(982)**
TOTAL NET DEFERRED TAX	**12,508**	**13,734**	**(1,226)**	**1,788**	**(2,383)**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) In accordance with IFRS 3, i.e. within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of Seguros ING (Mexico) purchase price, resulting in a €33 million increase in the goodwill to €512 million. Most of this increase in goodwill was due to adjustments to provisions for liabilities and claims reserves.

In the table above, the "net deferred tax position" column corresponds to the difference between deferred tax assets (DTA) and deferred tax liabilities (DTL) carried on the Group's consolidated statement of financial position. Note that the breakdown of DTA/ DTL disclosed in these tables corresponds to the deferred tax before the netting that occurs for balance sheet presentation purpose.

The change from a net asset position in 2008 to a net liability position in 2009 was mainly due to the recovery of the market value of investments.

	2009 [a]					
(in Euro million)	Opening Revised [b]	Move-ments through profit or loss	Move-ments through share-holders' equity	Forex impact	Change in scope and other variations	Closing
Deferred tax through profit or loss	1,369	(926)	-	118	(771)	(210)
Deferred tax through reserves relating to the fair value adjustment of available for sale assets	99	-	(1,516)	15	2	(1,399)
Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	(44)	12	2	-	-	(31)
Deferred tax through reserves relating to the revaluation of tangible assets	(1)	-	-	-	-	(1)
Deferred tax through reserves relating to gains and losses on defined benefits pension plans	298	-	412	-	(26)	684
Deferred tax through reserves relating to stock options	16	-	6	-	(11)	10
Net deferred tax assets/(liabilities) excluding policyholders' tax	**1,737**	**(915)**	**(1,096)**	**132**	**(806)**	**(947)**
Policyholder tax – Deferred tax through profit or loss	47	(332)	-	2	-	(282)
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of available for sale assets	3	-	1	-	-	4
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	-	-	-	-	-	-
Policyholder tax – Net deferred tax assets/ (liabilities)	**50**	**(332)**	**1**	**3**	**-**	**(279)**
TOTAL NET DEFERRED TAX ASSETS/ (LIABILITIES)	**1,788**	**(1,247)**	**(1,095)**	**135**	**(806)**	**(1,226)**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

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

The change in scope mainly corresponded to the reclassification in held for sale of Australian operations.

	2008					
(in Euro million)	Opening	Move-ments through profit or loss	Move-ments through share-holders' equity	Forex impact	Change in scope and other variations	Closing Revised [a]
Deferred tax through profit or loss	(725)	1,950	-	(54)	198	1,369
Deferred tax through reserves relating to the fair value adjustment of available for sale assets	(701)	-	839	(42)	2	99
Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	(3)	-	(41)	-	-	(44)
Deferred tax through reserves relating to the revaluation of tangible assets	(1)	-	-	-	-	(1)
Deferred tax through reserves relating to gains and losses on defined benefits pension plans	(67)	-	361	8	(4)	298
Deferred tax through reserves relating to stock options	97	-	(70)	1	(12)	16
Net deferred tax assets/(liabilities) excluding policyholder tax	**(1,401)**	**1,950**	**1,090**	**(87)**	**185**	**1,737**
Policyholder tax – Deferred tax through profit or loss	(984)	962	-	69	-	47
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of available for sale assets	2	-	2	(1)	-	3
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	-	-	-	-	-	-
Policyholder tax – Net deferred tax assets/ (liabilities)	**(982)**	**962**	**2**	**69**	**-**	**50**
TOTAL NET DEFERRED TAX ASSETS/ (LIABILITIES)	**(2,383)**	**2,912**	**1,092**	**(18)**	**185**	**1,788**

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

	2007					
(in Euro million)	Opening	Move-ments through profit or loss	Move-ments through share-holders' equity	Forex impact	Change in scope and other varia-tions	Closing
Deferred tax through profit or loss	(897)	363	-	53	(244)	(725)
Deferred tax through reserves relating to the fair value adjustment of available for sale assets	(1,833)	-	1,048	31	53	(701)
Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	(28)	-	26	-	(1)	(3)
Deferred tax through reserves relating to the revaluation of tangible assets	(1)	-	-	-	-	(1)
Deferred tax through reserves relating to gains and losses on defined benefits pension plans	224	-	(283)	(1)	(7)	(67)
Deferred tax through reserves relating to stock options	142	-	1	(13)	(34)	97
Net deferred tax assets/(liabilities) excluding policyholder tax	**(2,395)**	**363**	**792**	**70**	**(232)**	**(1,401)**
Policyholder tax – Deferred tax through profit or loss	(1,268)	183	-	94	7	(984)
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of available for sale assets	-	-	3	-	-	2
Policyholder tax – Deferred tax through reserves relating to the fair value adjustment of cash flow hedge derivatives	-	-	-	-	-	-
Policyholder tax – Net deferred tax assets/ (liabilities)	**(1,268)**	**183**	**3**	**94**	**7**	**(982)**
TOTAL NET DEFERRED TAX ASSETS/ (LIABILITIES)	**(3,663)**	**547**	**795**	**164**	**(226)**	**(2,383)**

Recognized Deferred Tax Assets (DTA) by maturity and expiration date

The tables below break down: (i) in the first part the maturity by which the Group expects to use the Deferred Tax Assets (DTA) accounted at year end; (ii) in the second part, the "expiration date" of the DTA, i.e. the latest date at which the Group could use them.

	2009 [(a)]									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
DTA recognized on tax loss carryforward	739	230	139	154	96	39	57	43	-	1,496
Other recognized deferred tax	1,963	307	396	375	2,041	162	1,387	4,134	-	10,766
TOTAL RECOGNIZED DTA BY EXPECTED DATE OF USE	**2,702**	**537**	**535**	**528**	**2,138**	**201**	**1,444**	**4,177**	**-**	**12,262**
Corresponding carryforward losses	2,216	829	473	505	337	156	219	176	-	4,911
DTA recognized on tax loss carryforward	13	12	17	14	42	8	152	221	1,017	1,496
Other recognized deferred tax	581	65	52	44	93	20	567	3,270	6,073	10,766
TOTAL RECOGNIZED DTA BY LATEST DATE OF POSSIBLE USE	**594**	**77**	**69**	**58**	**136**	**28**	**720**	**3,490**	**7,090**	**12,262**
Corresponding carryforward losses	45	39	56	55	141	28	432	659	3,457	4,911

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

	2008									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
DTA recognized on tax loss carryforward	331	50	33	90	44	10	28	376	-	963
Other recognized deferred tax	2,285	446	383	458	2,024	257	2,274	4,252	-	12,378
TOTAL RECOGNIZED DTA BY EXPECTED DATE OF USE	**2,616**	**496**	**416**	**548**	**2,068**	**267**	**2,302**	**4,627**	**-**	**13,341**
Corresponding carryforward losses	1,049	229	122	320	156	39	114	1,371	-	3,399
DTA recognized on tax loss carryforward	38	23	37	14	56	5	81	95	615	963
Other recognized deferred tax	609	75	59	82	666	12	633	813	9,427	12,378
TOTAL RECOGNIZED DTA BY LATEST DATE OF POSSIBLE USE	**647**	**98**	**96**	**97**	**721**	**17**	**714**	**908**	**10,042**	**13,341**
Corresponding carryforward losses	138	137	116	44	190	15	282	320	2,157	3,399

	2007									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
DTA recognized on tax loss carryforward	175	171	19	21	24	18	32	10	-	469
Other recognized deferred tax	1,745	368	326	354	446	127	624	3,879	-	7,868
TOTAL RECOGNIZED DTA BY EXPECTED DATE OF USE	**1,921**	**539**	**345**	**374**	**470**	**144**	**656**	**3,888**	**-**	**8,338**
Corresponding carryforward losses	681	621	89	100	116	73	167	22	-	1,869
DTA recognized on tax loss carryforward	5	39	12	20	9	8	5	4	369	470
Other recognized deferred tax	397	55	67	89	149	16	218	1,025	5,854	7,868
TOTAL RECOGNIZED DTA BY LATEST DATE OF POSSIBLE USE	**402**	**94**	**79**	**108**	**158**	**24**	**223**	**1,028**	**6,223**	**8,338**
Corresponding carryforward losses	17	173	49	66	38	32	11	5	1,479	1,869

Unrecognized Deferred Tax Assets (DTA) by expiration date

The tables below break down the potential Deferred Tax Assets (DTA) which have not been recorded in the accounts at the year end as considered unrecoverable and the "expiry date", i.e the latest date the Group could use them.

	2009 (a)									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
Unrecognized DTA on tax losses carryforward	14	15	4	4	2	5	3	89	152	288
Other unrecognized deferred tax	8	-	-	-	1	16	14	-	6	45
Unrecognized DTA	**22**	**15**	**4**	**4**	**3**	**20**	**17**	**89**	**158**	**332**
Corresponding carryforward losses	36	47	11	10	4	23	12	313	671	1,127

(a) *Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).*

	2008									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
Unrecognized DTA on tax loss carryforward	1	20	21	5	7	18	61	7	196	337
Other unrecognized deferred tax	44	-	-	-	2	10	21	-	-	77
Unrecognized DTA	**45**	**20**	**21**	**5**	**9**	**28**	**82**	**7**	**196**	**414**
Corresponding carryforward losses	4	55	66	14	19	49	189	22	716	1,134

	2007									
(in Euro million)	DTA maturity date 1 year	DTA maturity date 2 years	DTA maturity date 3 years	DTA maturity date 4 years	DTA maturity date 5 years	DTA maturity date 6 years	DTA maturity date between 7 and 11 years	DTA maturity date > 11 years	No maturity date	Total
Unrecognized DTA on tax loss carryforward	6	6	1	11	6	14	2	6	108	159
Other unrecognized deferred tax	-	-	-	-	-	-	5	-	-	5
Unrecognized DTA	**6**	**6**	**1**	**11**	**6**	**14**	**7**	**6**	**108**	**164**
Corresponding carryforward losses	19	15	3	29	14	38	6	35	209	370

18.3. ROLLFORWARD OF NET CURRENT TAX

Changes in net current tax were as follow:

(in Euro million)	2009 [(a)]	2008	2007
Net current tax liability as at January 1	**(362)**	**1,028**	**1,051**
Cash paid (-)/ received (+) in the period	228	(1,672)	(2,292)
Movements through profit or loss	189	2,047	2,316
Movements through shareholders' equity	(229)	(1,210)	182
Forex impact	68	(39)	(78)
Changes in scope and other variations	(365)	(517)	(152)
NET CURRENT LIABILITY TAX AS AT DECEMBER 31	**(471)**	**(362)**	**1,028**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

The table above includes current liabilities net of current receivables towards the tax administrations. It also includes some receivables and liabilities with non-consolidated entities members of a tax group which are classified in "other receivables" and "other payables" on the face of the statement of financial position.

Note 19 Derivative instruments

This note includes all types of derivatives excluding derivative instruments that meet the definition of equity instruments (see Note 13 for details) or derivative instruments held by consolidated investment funds in the "satellite investment portfolio" (see Note 1.7.2) which are recognized at fair value in accordance with IAS 39.

19.1. DERIVATIVE INSTRUMENTS: MATURITIES, NOTIONAL VALUES AND FAIR VALUES

	Maturity of notional amount as at December 31, 2009 [(a) & (b)]							Notional amount	
(in Euro million)	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	December 31, 2009	December 31, 2008	December 31, 2007
Interest rate swaps	8,742	6,509	4,926	6,992	6,144	61,591	94,905	98,869	70,480
Currency swaps	15,695	4,293	4,348	2,020	3,239	6,753	36,349	41,133	35,681
Basis swaps	17	17	17	15	15	304	385	859	220
Equity swaps	3,371	44	-	-	14	40	3,469	1,753	2,331
Total return swaps	9,375	-	16	3	3	2,071	11,468	5,632	7,595
Caps bought	7,465	2,608	2,959	6,387	9,158	5,010	33,585	29,865	24,128
Caps sold	-	-	-	-	-	-	-	-	-
Floors bought	4,187	4,187	-	-	-	2,098	10,472	15,071	18,353
Floors sold	-	-	-	-	-	-	-	-	-
Collars	4,640	698	-	-	-	-	5,338	106	1,000
Swaptions bought	1,218	1,489	759	590	1,934	7,351	13,342	8,971	8,275
Swaptions sold	400	-	-	-	-	1,341	1,741	-	-
Calls bought	8,057	7	3	1	7	2,130	10,204	4,552	3,371
Calls sold	1,549	-	-	-	-	-	1,549	1,211	3,032
Puts bought	4,349	158	292	220	147	304	5,470	28,037	6,369
Puts sold	1,903	-	-	-	-	-	1,903	2,377	137
Futures/Forwards bought	8,724	301	279	104	-	24	9,431	21,327	8,916
Futures/Forwards sold	31,623	4,127	-	-	-	233	35,984	42,922	30,732
Credit protections bought	2,937	253	386	1,044	2,191	3,260	10,071	4,539	3,999
Credit protections sold	8,516	151	2,503	6,126	3,195	510	21,001	19,914	10,900
Other derivatives	136	493	8	190	90	706	1,624	2,990	1,687
TOTAL	**122,905**	**25,334**	**16,496**	**23,693**	**26,138**	**93,724**	**308,290**	**330,127**	**237,206**

NB: This table includes all derivatives (assets and liabilities), i.e. hedge, macrohedge and other, asset and liability positions.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) By convention, notional amounts are displayed in absolute value, and exclude potential netting out.

	Positive fair value			Negative fair value			Net fair value			Change in fair value
	December 31, 2009	December 31, 2008	December 31, 2007	December 31, 2009	December 31, 2008	December 31, 2007	December 31, 2009	December 31, 2008	December 31, 2007	2009/2008
	4,673	5,167	956	4,681	4,668	1,344	(8)	499	(388)	(507)
	1,583	1,906	2,311	2,025	2,600	688	(442)	(694)	1,622	252
	-	13	2	4	27	2	(4)	(14)	-	10
	114	1,055	86	165	807	54	(51)	247	32	(299)
	183	916	510	525	1,023	347	(342)	(107)	163	(234)
	42	110	20	61	2	118	(19)	107	(98)	(126)
	-	-	-	-	-	-	-	-	-	-
	209	552	109	-	160	-	209	392	109	(183)
	-	-	-	-	-	-	-	-	-	-
	-	5	-	754	-	-	(754)	5	-	(759)
	666	500	128	-	-	-	666	500	128	166
	-	-	-	190	-	-	(190)	-	-	(190)
	701	206	93	101	-	-	600	206	93	395
	-	-	-	64	16	18	(64)	(16)	(18)	(48)
	277	6,425	124	30	3,350	-	246	3,075	124	(2,828)
	-	-	-	30	111	-	(30)	(111)	-	81
	48	88	60	14	176	84	34	(87)	(24)	121
	618	1,246	303	90	198	54	528	1,049	249	(521)
	41	282	92	265	20	27	(224)	262	65	(486)
	114	7	25	435	1,657	76	(321)	(1,650)	(50)	1,329
	104	162	110	88	70	10	15	92	99	(77)
	9,374	**18,640**	**4,930**	**9,522**	**14,886**	**2,822**	**(148)**	**3,754**	**2,108**	**(3,903)**

19.2. HEDGE ACCOUNTING DERIVATIVES

Hedging derivative instruments broke down as follows:

	December 31, 2009 (a)									
	Derivative instruments used in fair value hedging relationship		Derivative instruments used in a cash flow hedging relationship		Derivative instruments used in hedge of net investment in a foreign operation		Macro-hedges and other derivative instruments not qualifying under IAS 39 but generally used as economic hedges		Total	
(in Euro million)	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value
Interest rate swaps	8,111	(306)	1,043	60	-	1	85,750	238	94,905	(8)
Currency swaps	-	-	430	76	17,239	(374)	18,679	(143)	36,349	(442)
Basis swaps	-	-	-	-	-	-	385	(4)	385	(4)
Equity swaps	1,467	(40)	-	-	-	-	2,002	(11)	3,469	(51)
Total return swaps	-	-	-	-	-	-	11,468	(342)	11,468	(342)
Caps bought	-	-	-	-	140	-	33,445	(19)	33,585	(19)
Caps sold	-	-	-	-	-	-	-	-	-	-
Floors bought	-	-	-	-	-	-	10,472	209	10,472	209
Floors sold	-	-	-	-	-	-	-	-	-	-
Collars	-	-	-	-	-	-	5,338	(754)	5,338	(754)
Swaptions bought	-	-	2,226	83	-	-	11,116	583	13,342	666
Swaptions sold	-	-	-	-	-	-	1,741	(190)	1,741	(190)
Calls bought	-	-	-	-	4,082	(113)	6,122	713	10,204	600
Calls sold	799	(2)	-	-	-	-	750	(62)	1,549	(64)
Puts bought	672	101	-	-	-	-	4,798	146	5,470	246
Puts sold	527	(20)	-	-	-	-	1,376	(10)	1,903	(30)
Forwards/Futures bought	105	(1)	-	-	406	5	8,919	29	9,431	34
Forwards/Futures sold	2,165	1	-	-	878	12	32,941	515	35,984	528
Credit protections bought	3,674	(107)	-	-	-	-	6,398	(117)	10,071	(224)
Credit protections sold	-	-	-	-	-	-	21,001	(321)	21,001	(321)
Other derivatives	-	-	-	-	-	-	1,624	15	1,624	15
TOTAL	**17,520**	**(374)**	**3,699**	**219**	**22,745**	**(469)**	**264,326**	**476**	**308,290**	**(148)**

NB: This table includes all derivatives (assets and liabilities), i.e. hedging, macrohedging and other, in an asset or liability position.

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

	December 31, 2008									
	Derivative instruments used in fair value hedging relationship		Derivative instruments used in a cash flow hedging relationship		Derivative instruments used in hedge of net investment in a foreign operation		Macro-hedges and other derivative instruments not qualifying under IAS 39 but generally used as economic hedges		Total	
(in Euro million)	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value
Interest rate swaps	3,239	(217)	1,043	61	-	1	94,587	655	98,869	499
Currency swaps	-	-	404	42	21,558	(1,044)	19,171	308	41,133	(694)
Basis swaps	-	-	-	-	-	-	859	(14)	859	(14)
Equity swaps	1,298	259	-	-	-	-	455	(12)	1,753	247
Total return swaps	-	-	-	-	-	-	5,632	(107)	5,632	(107)
Caps bought	-	-	-	-	169	-	29,697	107	29,865	107
Caps sold	-	-	-	-	-	-	-	-	-	-
Floors bought	-	-	-	-	-	-	15,071	392	15,071	392
Floors sold	-	-	-	-	-	-	-	-	-	-
Collars	-	-	-	-	-	-	106	5	106	5
Swaptions bought	-	-	2,209	125	-	-	6,762	375	8,971	500
Swaptions sold	-	-	-	-	-	-	-	-	-	-
Calls bought	-	-	-	-	116	35	4,436	170	4,552	206
Calls sold	-	-	-	-	-	-	1,211	(16)	1,211	(16)
Puts bought	672	99	-	-	-	-	27,365	2,976	28,037	3,075
Puts sold	-	-	-	-	116	-	2,261	(111)	2,377	(111)
Forwards/Futures bought	1,079	(42)	-	-	24	3	20,224	(49)	21,327	(87)
Forwards/Futures sold	3,245	131	-	-	159	50	39,518	868	42,922	1,049
Credit protections bought	-	-	-	-	-	-	4,539	262	4,539	262
Credit protections sold	-	-	-	-	-	-	19,914	(1,650)	19,914	(1,650)
Other derivatives	-	-	-	-	1	-	2,989	92	2,990	92
TOTAL	**9,532**	**230**	**3,656**	**228**	**22,143**	**(955)**	**294,796**	**4,250**	**330,127**	**3,754**

NB: This table includes all derivatives (assets and liabilities), i.e. hedging, macrohedging and other, in an asset or a liability position.

	December 31, 2007									
	Derivative instruments used in fair value hedging relationship		Derivative instruments used in a cash flow hedging relationship		Derivative instruments used in hedge of net investment in a foreign operation		Macro-hedges and other derivative instruments not qualifying under IAS 39 but generally used as economic hedges		Total	
(in Euro million)	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value
Interest rate swaps	4,115	(16)	1,151	8	-	1	65,215	(381)	70,480	(388)
Currency swaps	133	-	427	26	14,163	1,510	20,958	86	35,681	1,622
Basis swaps	-	-	-	-	-	-	220	-	220	-
Equity swaps	1,754	(1)	-	-	-	-	577	32	2,331	32
Total return swaps	-	-	-	-	-	-	7,595	163	7,595	163
Caps bought	-	-	-	-	290	3	23,838	(101)	24,128	(98)
Caps sold	-	-	-	-	-	-	-	-	-	-
Floors bought	-	-	-	-	-	-	18,353	109	18,353	109
Floors sold	-	-	-	-	-	-	-	-	-	-
Collars	-	-	-	-	-	-	1,000	-	1,000	-
Swaptions bought	-	-	1,767	27	-	-	6,509	101	8,275	128
Swaptions sold	-	-	-	-	-	-	-	-	-	-
Calls bought	-	-	-	-	-	-	3,371	93	3,371	93
Calls sold	-	-	-	-	-	-	3,032	(18)	3,032	(18)
Puts bought	-	-	-	-	-	-	6,369	124	6,369	124
Puts sold	-	-	-	-	-	-	137	-	137	-
Forwards/Futures bought	1,021	(38)	-	-	-	-	7,895	14	8,916	(24)
Forwards/Futures sold	3,276	79	-	-	209	(3)	27,247	173	30,732	249
Credit protections bought	-	-	-	-	-	-	3,999	65	3,999	65
Credit protections sold	-	-	-	-	-	-	10,900	(50)	10,900	(50)
Other derivatives	-	-	-	-	-	-	1,687	99	1,687	99
TOTAL	**10,298**	**24**	**3,345**	**61**	**14,662**	**1,511**	**208,901**	**512**	**237,206**	**2,108**

NB: This table includes all derivatives (assets and liabilities), i.e. hedging, macrohedging and other, in an asset or a liability position.

Note 4 to the consolidated financial statements refers to Risk Management within the Group, and describes its main principles and guidelines. In general, derivatives are used by the various entities and by the Company for economic hedging purposes, with the exception of certain credit derivatives. However, the notion of hedge accounting within the meaning of IAS 39 only applies to a small portion of derivatives used by the Group. The overall objectives of the economic hedging implemented by AXA are described briefly below, along with details of any items that qualify for hedge accounting in the meaning of IAS 39.

In the tables above, the fourth column includes derivatives that do not qualify for hedge accounting under IAS 39, but whose objective is nevertheless to provide economic hedging of a risk, with the exception of certain credit derivatives. They include "macro-hedging" derivatives as defined by the IASB in its amendment to IAS 39.

AXA uses derivative instruments to hedge some equity and real estate exposures and to manage various types of risks, including interest rate risk, exchange rate risk and credit risk. Details of the impact of derivative instruments on financial investments and liabilities are provided in section 19.3 and 19.4.

As at December 31, 2009, the notional amount of all derivative instruments totaled €308 billion (€330 billion and €237 billion respectively at the end of 2008 and 2007). Their net fair value as at December 31, 2009 totaled €-148 million (€3,754 million and €2,108 million respectively at the end of 2008 and 2007).

Economic hedging strategies are defined and managed by AXA's local operations. Such economic hedging strategies include (i) managing interest-rate exposures on fixed maturity investments, long-term debt and guaranteed interest rates on insurance contracts, (ii) managing foreign-currency exposures on foreign-currency denominated investments and liabilities, and (iii) managing liquidity positions (including the ability to pay benefits and claims when due) in connection with asset-liability management and local regulatory requirements for insurance and banking operations, (iv) limiting credit risk with regard to certain investments in corporate debt instruments.

While notional amount is the most commonly used measure of volume in the derivatives market, it is not used as a measure of risk because the notional amount greatly exceeds the possible credit and market loss that could arise from such transactions. The AXA Group is exposed to credit risk in respect of its counterparties to the derivative instruments, but is not exposed to credit risk on the entire notional amounts. AXA actively manages counterparty risk generated by OTC (over-the-counter) derivatives through a specific Group-wide policy. This policy includes a limit framework and an exposure monitoring process. Limits are set specifically for each authorized counterparty, based on an internal scoring system. This policy also includes daily to weekly collateralization for the majority of the Group's exposure. The notional amounts do not represent the amounts actually exchanged by the parties and thus are not a measure of the AXA Group's exposure to derivative instruments. The AXA Group's exposure is represented by the market value of a derivative contract at a given point in time.

As at December 31, 2009 and based on notional amounts, (i) 48% of the derivative instruments used consisted in swap contracts (45% and 50% respectively at the end of 2008 and 2007), (ii) 27% were option products, mainly caps, floors and swaptions (27% and 28% respectively at the end of December 2008 and 2007), (iii) 15% were futures and forwards, mainly other than foreign currency products (20% and 17% respectively at the end of 2008 and 2007) and (iv) 10% were credit derivatives (7% and 6% respectively at the end of 2008 and 2007). Credit derivatives are mainly used as an alternative to corporate debt security portfolios, when coupled with government debt instruments, but also as a protection on single corporate names or specific portfolios. In 2009, the Group bought €4.4 billion in CDS protection used for negative basis trades. This strategy consisted in purchasing (i) corporate debt instruments and (ii) CDS with the same name, maturity and seniority so as to lock associated liquidity premium.

As at December 31, 2009, the notional amount of hedging derivative instruments as defined by IAS 39 (fair value, cash flow and net investment hedges) of the AXA Group totaled €43,964 million (€35,331 million at the end of 2008 and €28,305 million at the end of 2007). Their net fair value was €-624 million (€-497 million at the end of 2008 and €1,596 million at the end of 2007).

a) Swaps

Swap contracts are agreements between two parties to exchange one set of cash flows for another set of cash flows. Payments are made on the basis of the swap's notional value. AXA primarily uses (i) interest-rate swap contracts to manage cash flows arising from interest received or paid, and (ii) cross-currency swap contracts to manage foreign-currency denominated cash flows or investments.

On a consolidated basis, the notional amount of such instruments at December 31, 2009 was €146,575 million (€148,246 million at the end of 2008 and €116,307 million at the end of 2007). Their market value was €-846 million (€-69 million at the end of 2008 and €1,429 million at the end of 2007).

At December 31, 2009, interest-rate swaps accounted for 65% of all swaps used by AXA (versus 67% at the end of 2008 and 61% at the end of 2007). They are used mainly by:

(i) the Company to limit the variability of its future net interest expenses resulting from its interest-rate exposure on debt issued or amounts borrowed (notional value of €47,212 million compared to €60,338 million and €46,481 million respectively at the end of 2008 and 2007);

(ii) AXA Germany Life & Savings (notional amount of €13,143 million versus €8,136 million and €884 million at the end of 2008 and 2007 respectively) due to the active financial risk management program associated with the guaranteed minimum benefits on variable annuity products;

(iii) AXA Japan (notional amount of €10,472 million versus €4,751 million and €3,226 million respectively at the end of 2008 and 2007) to manage interest rates on its fixed income assets and to hedge guaranteed minimum benefits features included in Variable Annuity products. The increase in notional value in 2009 was mainly driven by new investments in US corporate debt instruments, as well as the new sales of Variable Annuity products;

(iv) AXA Bank Europe to hedge interest-rate risk exposures arising in the context of its ordinary banking activities, in order to achieve an appropriate interest-rate spread between its interest-earning assets and interest-bearing liabilities (notional value of €6,499 million versus €8,470 million and €10,799 million respectively at the end of 2008 and 2007);

(v) AXA France Life & Savings (notional amount of €4,794 million versus €4,715 million and €2,552 million at the end of 2008 and 2007) to adjust the duration of the fixed income portfolio.

Currency swaps constitute another part of AXA's hedging strategies to manage foreign currency cash flow exposures, and are primarily used by the Company (€31,910 million at end 2009 versus €36,615 million and €28,698 million respectively at the end of 2008 and 2007), AXA Japan mainly to hedge the foreign currency exposure related to internal debts and loans (€1,263 million versus €1,475 million and €1,259 million respectively at the end of 2008 and 2007) and AXA Bank Europe (€1,216 million at the end of 2009 versus €1,101 million and €577 million respectively at the end of 2008 and 2007) to manage financing and trading operations.

Total return swaps, which consist in payment of all cash flows generated by the asset in exchange for payments based on a reference rate, represent a total notional amount of €11,468 million at the end of 2009. The €5,836 million increase versus 2008 is mainly attributable to the purchase of new instruments in the United States Life & Savings (€5,305 million notional) to hedge Variable Annuity guarantees' exposures, as part of the active financial risk management program.

At December 31, 2009, 81% of the total notional amount of swaps was not subject to hedge accounting under IAS 39 (81% at the end of 2008 and 2007), and included €63,774 million for the Company (€75,573 million at the end of 2008 and €61,291 million at the end of 2007), €8,061 million for AXA Bank Europe (versus €10,352 million at the end of 2008 and €13,901 million at the end of 2007), and €12,878 million for AXA Germany Life & Savings (versus €7,871 million and €618 million respectively at the end of 2008 and 2007).

The notional amounts of swaps used in fair value hedge relationships totaled €9,578 million as at December 31, 2009 (€4,537 million at the end of 2008 and €6,002 million at the end of 2007), including €3,666 million at AXA Japan (mainly including €3,374 million of interest rate swaps and €292 million of equity swaps), €3,294 million of interest rate swaps for AXA Bank Europe to hedge interest risk of a portfolio composed of mortgages loans and individuals bonds investments and €1,156 million in France Life & Savings to manage equity exposure.

The notional amounts of swaps used in cash flow hedge relationships totaled €1,473 million (€1,447 million at the end of 2008 and €1,578 million at the end of 2007), including €601 million in Germany Life & Savings in CDO investments and €501 million of interest-rate swaps in Belgium Life & Savings.

The notional amounts of swaps used in net foreign investment hedge relationships totaled €17,239 million (€21,558 million at the end of 2008 and €14,163 million at the end of 2007) and was only made up of currency swaps used by the Company.

b) Options

The option portfolio consists mainly of caps and floors. **Interest rate caps and floors** are options agreements where the seller agrees to pay the counterparty an amount equal to the difference, based on a notional amount, between the interest rate of the specified index and the interest rate cap or floor. These products are used to hedge against interest rate increases (caps) or decreases (floor). Caps and floors are used predominantly by Life & Savings operations in France, Italy and United States to protect our ability to serve policyholder participation and credited rate mainly for general account products with guaranteed minimum rates of return.

The notional amount of caps and floors at December 31, 2009 was €44,057 million or 53% of the total notional amount of all options (€44,936 million or 50% and €42,481 million or 66% respectively at the end of 2008 and 2007).The net fair value of caps and floors was €190 million (€500 million at the end of 2008 and €11 million at the end of 2007).

Swaptions represented 18% (€15,082 million notional at December 31, 2009) of the total notional amount of options as at December 31, 2009, mainly (i) in Germany Life & Savings (€6,690 million in 2009 versus €2,000 million at the end of 2008) to hedge interest rate risk on the fixed income portfolio and Variable Annuity guarantees, (ii) in Switzerland Life & Savings for €2,766 million (€2,235 million at the end of 2008) including €2,226 million (€2,209 million at the end of 2008) used to hedge the reinvestment risk in the Swiss Individual Life & Savings business, (iii) €1,683 million at AXA Bank Europe (€1,968 million at the end of 2008) mainly to hedge variable mortgages which are characterized by an embedded cap that can be activated at each repricing date of the loan, (iv) in Belgium Life & Savings for €1,388 million (€1,975 million at the end of 2008) to protect life funds against large movements in interest rates.

Other options represented 29% (€24,464 million at December 31, 2009) of the total notional amount of options as at December 31, 2009 and notably included:

(i) options on various currencies principally in the Company to manage foreign currency cash flow exposures;

(ii) equity protection programs, notably:

- in the US Life & Savings where €5,338 million protections were taken on the S&P 500 index consisting in put spread collar strategies. These positions were implemented to mitigate the impact of a decline in equity markets on AXA Equitable's statutory liabilities. In addition AXA Equitable bought €2,791 million of call options on S&P 500 index to reduce or mirror some positions embedded in the put spread collar strategy,
- in the UK Life & Savings (€2,115 million puts at the end of 2009) mainly mitigating equity risks in the with-profit funds and,
- in the Company to reduce equity exposure;

(iii) call options in the Company to neutralize the dilutive impact of the 2017 convertible bonds (see Note 26).

c) Futures and Forwards

Futures are contracts that obligate settlement at a specified price and on a specified future date and can be traded on the market. **Forwards** are customized contracts between two entities where settlement takes place on a specific date in the future at today's pre-agreed price.

On a consolidated basis, the notional amount of futures and forwards at December 31, 2009 was €45,415 million (€64,249 million at the end of 2008 and €39,649 million at the end of 2007). Swiss entities held future and forward contracts for a total notional amount of €17,522 million (€20,841 million at the end of 2008), including €2,270 million (€4,324 million at the end of 2008) designated as fair value hedges. In the US Life & Savings futures are also used to hedge Variable Annuities for a total notional amount of €10,399 million (versus €24,780 million in 2008 and €4,204 million in 2007) consisting in (i) equity and currency futures (notional amount of €5,665 million versus €10,085 million in 2008) and (ii) treasury futures (notional amount of €4,735 million versus €14,695 million in 2008). The decrease in treasury futures is primarily explained by new hedging strategies using total return swap and reverse repo.

Currency future and forward contracts accounted for 70% of these instruments (based on notional amounts at December 31, 2009), compared to 55% at the end of 2008 and 76% at the end of 2007. Swiss entities use such contracts for a total notional amount of €17,476 million, to hedge exchange-rate risk arising from their investments in equities and debt instruments denominated in foreign currency (mainly € and US$). AXA Japan also uses futures and forward foreign currency contracts (for a total notional amount of €7,643 million) to hedge exchange-rate risk arising from its investments in fixed-maturity debt instruments denominated in foreign currencies. In accordance with IAS 21 and IAS 39, the translation difference relating to these debt instruments is recognized in profit and loss and offsets most of the change in market value of associated derivative instruments, which is also recognized in profit and loss. In substance, therefore, the hedge impact of such contracts is recognized through profit or loss without the need to use hedge accounting within the meaning of IAS 39.

As at December 31, 2009, 92% of the notional value of futures and forwards at the end of 2009 were used in hedging relationships that do not qualify for hedge accounting under IAS 39 (93% and 89% respectively at the end of 2008 and 2007).

d) Credit derivatives

The AXA Group, as part of its investment and credit risk management activities, may use strategies that involve credit derivatives (Credit Default Swaps or CDS), which are mainly used as an alternative to corporate debt instruments portfolios, when coupled with government debt, instruments, but also as a protection on single corporate names or specific portfolios.

At December 31, 2009, the notional amount of credit derivatives carried by the Group was €32,341 million (including €7,430 million held through CDOs), of which:

- €1,269 million relating to exposures held within investment funds of the “satellite investment portfolio” (see Note 1.7.2) not detailed in this note. Such credit default swaps were used mainly in AXA France (€866 million) and AXA Belgium (€206 million);
- €31,072 million held directly or within “core investment portfolio” or CDOs. Such credit derivatives were mainly used at AXA Japan on debt instruments to enhance the return on its govies portfolio (notional amount of €9,780 million compared to €11,618 million at the end of 2008). In addition, AXA Japan also used credit derivatives to form negative basis trades, for a notional amount of €2,538 million.

For further details, see Note 4.3

e) Mortality derivatives

On November 13, 2006, AXA announced a €1 billion pluri-annual shelf program to transfer mortality risk to the capital markets, of which approximately €345 million (converted at the transaction date) was invested in 2006. This risk transfer resulted in a derivative contract between AXA and a special purpose vehicle called Osiris Capital plc, indexed to the mortality levels observed in various countries in which AXA operates (France, Japan, Australia and the United States for the 2006 investment). It is shown under the line item “Other derivatives”. The derivative was redeemed on January 15, 2010.

19.3. EFFECT OF HEDGING ON FINANCIAL INVESTMENTS

The impact of derivative instruments is presented in the consolidated statement of financial position within their related underlying financial assets (and liabilities, see section 19.4). The table below sets out the impact of derivative instruments on the related underlying assets.

	Insurance			
(in Euro million)	Carrying value excluding effect of hedging value [b]	Impact of derivative instruments subject to hedge accounting [c]	Impact of other derivative instruments [d]	Carrying value including effect of derivatives [e]
Investment in real estate properties at amortized cost	13,373	-	33	13,406
Investment in real estate properties designated as at fair value through profit or loss	2,197	-	-	2,197
Macro hedge and other derivatives	-	-	-	-
Investment in real estate properties	**15,569**	**-**	**33**	**15,603**
Debt instruments held to maturity	-	-	-	-
Debt instruments available for sale	274,530	87	870	275,487
Debt instruments designated as at fair value through profit or loss	43,579	(24)	51	43,606
Debt instruments held for trading	490	-	-	490
Debt instruments (at cost) that are not quoted in an active market	1,804	-	-	1,804
Debt instruments	**320,404**	**63**	**921**	**321,387**
Equity instruments available for sale	15,250	(42)	4	15,212
Equity instruments designated as at fair value through profit or loss	10,273	-	57	10,329
Equity instruments held for trading	27	-	-	27
Equity instruments	**25,550**	**(42)**	**61**	**25,569**
Non controlled investment funds available for sale	5,595	(1)	(6)	5,588
Non controlled investment funds designated as at fair value through profit or loss	2,088	-	9	2,096
Non controlled investment funds held for trading	71	-	-	71
Non controlled investment funds	**7,754**	**(1)**	**3**	**7,755**
Other investments [g]	**9,341**	**-**	**9**	**9,350**
Macro hedge and other derivatives	**(294)**	**-**	**-**	**(294)**
TOTAL FINANCIAL INVESTMENTS	**362,755**	**20**	**993**	**363,768**
Loans held to maturity	-	-	-	-
Loans available for sale	749	-	-	749
Loans designated as at fair value through profit or loss	-	-	-	-
Loans held for trading	-	-	-	-
Mortgage loans	14,191	-	(5)	14,186
Other [f]	10,186	-	78	10,264
Macro hedge and other derivatives	-	-	-	-
Loans	**25,125**	**-**	**73**	**25,199**
Assets backing contracts where financial the risk is borne by policyholders	**155,421**	**-**	**36**	**155,457**
TOTAL INVESTMENTS	**558,871**	**20**	**1,136**	**560,027**
Derivative instruments hedging net investment in a foreign operation (assets) [h]	**-**	**-**	**-**	**-**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) Carrying value, i.e net of impairment, discount premiums and related amortization, including accrued interest, but excluding any impact of derivatives.
(c) Excluding macro hedge and other derivatives.
(d) Macro hedge and other derivatives.
(e) Carrying value (see (b)), but including effect of hedging instruments (IAS 39), economic hedging instruments not acting as hedging under IAS 39, macrohedge and other derivatives.
(f) Notably includes policy loans, lease receivables and other loans.
(g) Other investments held through consolidated investment funds designated as at fair value through profit or loss.
(h) Derivatives instruments used in hedge of net investment in a foreign operation, and not attached to a debt on the face of the consolidated statement of financial position.

December 31, 2009 [a]							
Banking and other activities				Total			
Carrying value excluding effect of hedging value [b]	Impact of derivative instruments subject to hedge accounting [c]	Impact of other derivative instruments [d]	Carrying value including effect of derivatives [e]	Carrying value excluding effect of hedging value [b]	Impact of derivative instruments subject to hedge accounting [c]	Impact of other derivative instruments [d]	Carrying value including effect of derivatives [e]
2,456	-	-	2,456	15,829	-	33	15,863
-	-	-	-	2,197	-	-	2,197
-	-	-	-	-	-	-	-
2,456	**-**	**-**	**2,456**	**18,026**	**-**	**33**	**18,059**
-	-	-	-	-	-	-	-
4,344	5	3	4,352	278,875	92	873	279,839
90	-	(6)	84	43,669	(24)	45	43,690
478	(22)	(5)	450	968	(22)	(5)	940
-	-	-	-	1,804	-	-	1,804
4,912	**(18)**	**(8)**	**4,886**	**325,316**	**45**	**913**	**326,274**
2,664	-	66	2,730	17,915	(42)	70	17,943
214	-	3	216	10,486	-	59	10,546
251	-	-	251	278	-	-	278
3,129	**-**	**69**	**3,197**	**28,679**	**(42)**	**129**	**28,766**
153	-	-	153	5,748	(1)	(6)	5,741
84	-	-	84	2,172	-	9	2,181
-	-	-	-	71	-	-	71
237	**-**	**-**	**237**	**7,991**	**(1)**	**3**	**7,993**
7	**-**	**-**	**7**	**9,348**	**-**	**9**	**9,357**
634	**-**	**-**	**634**	**340**	**-**	**-**	**340**
8,919	**(18)**	**60**	**8,962**	**371,674**	**2**	**1,054**	**372,730**
-	-	-	-	-	-	-	-
-	-	-	-	749	-	-	749
-	-	-	-	-	-	-	-
8	-	-	8	8	-	-	8
2	-	-	2	14,193	-	(5)	14,188
865	-	-	865	11,051	-	78	11,129
31	-	-	31	31	-	-	31
906	**-**	**-**	**906**	**26,031**	**-**	**73**	**26,104**
-	**-**	**-**	**-**	**155,421**	**-**	**36**	**155,457**
12,281	**(18)**	**60**	**12,323**	**571,151**	**2**	**1,197**	**572,350**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(in Euro million)	Insurance			
	Carrying value excluding effect of hedging value [(a)]	Impact of derivative instruments subject to hedge accounting [(b)]	Impact of other derivative instruments [(c)]	Carrying value including effect of derivatives [(d)]
Investment in real estate properties at amortized cost	12,793	-	66	12,859
Investment in real estate properties designated as at fair value through profit or loss	2,398	-	-	2,398
Macro hedge and other derivatives	-	-	-	-
Investment in real estate properties	**15,190**	**-**	**66**	**15,256**
Debt instruments held to maturity	-	-	-	-
Debt instruments available for sale	254,720	195	549	255,465
Debt instruments designated as at fair value through profit or loss	44,336	-	(137)	44,199
Debt instruments held for trading	102	-	-	102
Non quoted debt instruments (amortized cost)	1,212	-	-	1,212
Debt instruments	**300,371**	**195**	**413**	**300,978**
Equity instruments available for sale	14,768	353	346	15,468
Equity instruments designated as at fair value through profit or loss	10,460	-	43	10,503
Equity instruments held for trading	28	-	61	89
Equity instruments	**25,257**	**353**	**450**	**26,060**
Non controlled investment funds available for sale	5,336	(5)	4	5,336
Non controlled investment funds designated as at fair value through profit or loss	2,177	-	10	2,187
Non controlled investment funds held for trading	147	-	-	147
Non controlled investment funds	**7,661**	**(5)**	**14**	**7,670**
Other investments [(f)]	**6,274**	**-**	**79**	**6,353**
Macro hedge and other derivatives	**110**	**-**	**-**	**110**
TOTAL FINANCIAL INVESTMENTS	**339,671**	**544**	**955**	**341,170**
Loans held to maturity	-	-	-	-
Loans available for sale	728	-	14	743
Loans designated as at fair value through profit or loss	45	-	-	45
Loans held for trading	-	-	-	-
Mortgage loans	13,751	-	-	13,751
Other [(e)]	11,106	-	62	11,168
Macro hedge and speculative derivatives	-	-	-	-
Loans	**25,630**	**-**	**76**	**25,706**
Assets backing contracts where the financial risk is borne by policyholders	**131,941**	**-**	**49**	**131,990**
TOTAL INVESTMENTS	**512,433**	**544**	**1,146**	**514,123**
Derivative instruments hedging net investment in a foreign operation (assets) [(g)]	**-**	**-**	**-**	**-**

(a) Carrying book value, i.e net of impairment, discount premiums and related amortization, including accrued interest, but excluding any impact of derivatives.
(b) Excluding macro hedge and other derivatives.
(c) Macro hedge and other derivatives.
(d) Carrying book value (see (a)), but including effect of hedging instruments (IAS 39), economic hedging instruments not acting as hedging under IAS 39, macrohedge and other derivatives.
(e) Notably includes policy loans, lease receivables and other loans.
(f) Other investments held through consolidated investment funds designated as at fair value through profit or loss.
(g) Derivatives instruments used in hedge of net investment in a foreign operation, and not attached to a debt on the face of the consolidated statement of financial position.

December 31, 2008

Banking and other activities				Total			
Carrying value excluding effect of hedging value [a]	Impact of derivative instruments subject to hedge accounting [b]	Impact of other derivative instruments [c]	Carrying value including effect of derivatives [d]	Carrying value excluding effect of hedging value [a]	Impact of derivative instruments subject to hedge accounting [b]	Impact of other derivative instruments [c]	Carrying value including effect of derivatives [d]
2,306	-	-	2,306	15,099	-	66	15,165
-	-	-	-	2,398	-	-	2,398
-	-	-	-	-	-	-	-
2,306	**-**	**-**	**2,306**	**17,497**	**-**	**66**	**17,562**
-	-	-	-	-	-	-	-
3,913	(19)	-	3,894	258,633	177	549	259,359
182	-	(125)	57	44,518	-	(262)	44,256
1,040	-	(164)	875	1,141	-	(164)	977
-	-	-	-	1,212	-	-	1,212
5,135	**(19)**	**(290)**	**4,826**	**305,505**	**177**	**123**	**305,805**
1,457	-	2,502	3,959	16,226	353	2,848	19,427
255	3	-	259	10,715	3	43	10,761
179	-	-	179	207	-	61	268
1,891	**3**	**2,502**	**4,396**	**27,148**	**357**	**2,952**	**30,456**
76	-	-	76	5,413	(5)	4	5,412
63	-	-	63	2,241	-	10	2,250
-	-	-	-	147	-	-	147
140	**-**	**-**	**140**	**7,801**	**(5)**	**14**	**7,810**
13	**-**	**-**	**13**	**6,286**	**-**	**79**	**6,365**
4	**-**	**-**	**4**	**114**	**-**	**-**	**114**
7,183	**(15)**	**2,212**	**9,380**	**346,854**	**529**	**3,167**	**350,550**
-	-	-	-	-	-	-	-
64	-	-	64	792	-	14	807
-	-	-	-	45	-	-	45
7	-	-	7	7	-	-	7
1	-	-	1	13,752	-	-	13,752
849	-	-	849	11,955	-	62	12,017
8	-	-	8	8	-	-	8
929	**-**	**-**	**929**	**26,559**	**-**	**76**	**26,635**
-	**-**	**-**	**-**	**131,941**	**-**	**49**	**131,990**
10,418	**(15)**	**2,212**	**12,615**	**522,852**	**529**	**3,358**	**526,738**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(in Euro million)	Insurance			
	Carrying value excluding effect of hedging value [(a)]	Impact of derivative instruments subject to hedge accounting [(b)]	Impact of other derivative instruments [(c)]	Carrying value including effect of derivatives [(d)]
Investment in real estate properties at amortized cost	12,025	-	20	12,045
Investment in real estate properties designated as at fair value through profit or loss	4,137	-	-	4,137
Macro hedge and other derivatives	-	-	-	-
Investment in real estate properties	**16,161**	**-**	**20**	**16,182**
Debt instruments held to maturity	-	-	-	-
Debt instruments available for sale	241,220	(9)	556	241,766
Debt instruments designated as at fair value through profit or loss	55,095	-	58	55,152
Debt instruments held for trading	123	-	(3)	120
Non quoted Debt instruments (amortized cost)	-	-	-	-
Debt instruments	**296,438**	**(9)**	**610**	**297,039**
Equity instruments available for sale	33,249	37	64	33,350
Equity instruments designated as at fair value through profit or loss	19,322	-	-	19,322
Equity instruments held for trading	127	-	-	127
Equity instruments	**52,697**	**37**	**64**	**52,799**
Non controlled investment funds available for sale	3,446	3	-	3,449
Non controlled investment funds designated as at fair value through profit or loss	2,260	-	38	2,298
Non controlled investment funds held for trading	135	-	-	135
Non controlled investment funds	**5,841**	**3**	**38**	**5,882**
Other investments [(f)]	**4,352**	**-**	**6**	**4,358**
Macro hedge and other derivatives	**(27)**	**-**	**-**	**(27)**
TOTAL FINANCIAL INVESTMENTS	**359,301**	**32**	**719**	**360,051**
Loans held to maturity	-	-	-	-
Loans available for sale	926	-	-	926
Loans designated as at fair value through profit or loss	39	-	-	39
Loans held for trading	-	-	-	-
Mortgage loans	12,817	-	-	12,817
Other [(e)]	11,370	-	24	11,395
Macro hedge and speculative derivatives	-	-	-	-
Loans	**25,152**	**-**	**24**	**25,177**
Assets backing contracts where the financial risk is borne by policyholders	**182,726**	**-**	**101**	**182,827**
TOTAL INVESTMENTS	**583,340**	**32**	**865**	**584,237**
Derivative instruments hedging net investment in a foreign operation (assets) [(g)]	**-**	**-**	**-**	**-**

(a) Carrying book value, i.e net of impairment, discount premiums and related amortization, including accrued interest, but excluding any impact of derivatives.
(b) Excluding macro hedge and other derivatives.
(c) Macro hedge and other derivatives.
(d) Carrying book value (see (a)), but including effect of hedging instruments (IAS 39), economic hedging instruments not acting as hedging under IAS 39, macrohedge and other derivatives.
(e) Notably includes policy loans, lease receivables and other loans.
(f) Other investments held through consolidated investment funds designated as at fair value through profit or loss.
(g) Derivatives instruments used in hedge of net investment in a foreign operation, and not attached to a debt on the face of the consolidated statement of financial position.

December 31, 2007							
Banking and other activities				Total			
Carrying value excluding effect of hedging value [(a)]	Impact of derivative instruments subject to hedge accounting [(b)]	Impact of other derivative instruments [(c)]	Carrying value including effect of derivatives [(d)]	Carrying value excluding effect of hedging value [(a)]	Impact of derivative instruments subject to hedge accounting [(b)]	Impact of other derivative instruments [(c)]	Carrying value including effect of derivatives [(d)]
1,776	-	-	1,776	13,801	-	20	13,821
-	-	-	-	4,137	-	-	4,137
-	-	-	-	-	-	-	-
1,776	**-**	**-**	**1,776**	**17,937**	**-**	**20**	**17,958**
-	-	-	-	-	-	-	-
4,933	1	-	4,935	246,153	(8)	556	246,701
832	-	(11)	822	55,927	-	47	55,974
1,042	-	(23)	1,019	1,165	-	(26)	1,139
-	-	-	-	-	-	-	-
6,808	**1**	**(34)**	**6,775**	**303,246**	**(8)**	**577**	**303,814**
2,550	-	(5)	2,546	35,799	37	59	35,896
271	-	-	271	19,593	-	-	19,593
325	-	-	325	452	-	-	452
3,146	**-**	**(5)**	**3,141**	**55,843**	**37**	**59**	**55,940**
142	-	-	142	3,588	3	-	3,591
134	-	-	134	2,394	-	38	2,433
8	-	-	8	143	-	-	143
284	**-**	**-**	**284**	**6,124**	**3**	**38**	**6,166**
166	**-**	**-**	**166**	**4,518**	**-**	**6**	**4,524**
1,312	**-**	**-**	**1,312**	**1,285**	**-**	**-**	**1,285**
11,716	**1**	**(38)**	**11,679**	**371,016**	**33**	**681**	**371,730**
-	-	-	-	-	-	-	-
41	-	-	41	968	-	-	968
1	-	-	1	40	-	-	40
77	-	-	77	77	-	-	77
1	-	-	1	12,818	-	-	12,818
121	-	-	121	11,491	-	24	11,515
7	-	-	7	7	-	-	7
248	**-**	**-**	**248**	**25,400**	**-**	**24**	**25,425**
-	**-**	**-**	**-**	**182,726**	**-**	**101**	**182,827**
13,740	**1**	**(38)**	**13,703**	**597,080**	**33**	**827**	**597,939**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**

19.4. EFFECT OF HEDGING ON LIABILITIES

The impact of derivative instruments is presented in the consolidated statement of financial position within their related underlying financial liabilities (and assets, see section 19.3). The tables below set out the impact of derivative instruments on the related underlying liabilities.

19.4.1. Liabilities arising from insurance and investment contracts

	December 31, 2009 [(a)]			
(in Euro million)	Net carrying value excluding effect of hedging value	Impact of derivative instruments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives
Liabilities arising from insurance contracts	330,016	-	(288)	329,728
Liabilities arising from insurance contracts where the financial risk is borne by policyholders	103,281	-	(30)	103,250
Total liabilities arising from insurance contracts	**433,297**	**-**	**(318)**	**432,979**
Liabilities arising from investment contracts with discretionary participating features	39,650	-	-	39,650
Liabilities arising from investment contracts with no discretionary participating features	917	-	-	917
Liabilities arising from investment contracts where the financial risk is borne by policyholders	52,516	-	(1)	52,515
TOTAL LIABILITIES ARISING FROM INVESTMENT CONTRACTS	**93,083**	**-**	**(1)**	**93,082**
Macro hedge derivative instruments on insurance and investment contracts (liabilities)	**-**	**-**	**(2)**	**-**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

December 31, 2008				December 31, 2007			
Net carrying value excluding effect of hedging value	Impact of derivative instruments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives	Net carrying value excluding effect of hedging value	Impact of derivative instruments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives
330,555	-	(1,083)	329,473	310,709	-	(98)	310,611
85,916	-	(84)	85,831	113,654	-	-	113,654
416,471	**-**	**(1,167)**	**415,304**	**424,363**	**-**	**(98)**	**424,265**
38,081	-	-	38,081	40,121	-	(102)	40,019
1,295	-	-	1,295	1,452	-	-	1,452
46,520	-	-	46,520	69,587	-	-	69,587
85,896	**-**	**-**	**85,896**	**111,161**	**-**	**(102)**	**111,059**
-	**-**	**(7)**	**-**	**-**	**-**	**13**	**-**

19.4.2. Other financial liabilities

	December 31, 2009 (a)			
(in Euro million)	Value before effect of derivative instruments	Impact of derivative instruments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives
Subordinated debt	6,244	(233)	341	6,352
Financing debt instruments issued	2,999	(35)	(27)	2,937
Financing debt owed to credit institutions	921	-	-	921
Financing debt (c)	**10,164**	**(269)**	**315**	**10,210**
Deferred tax liability	**4,934**	**-**	**-**	**4,934**
Non-controlling interest of controlled investment funds and puttable instruments held by non-controlling interests holders	6,516	-	-	6,516
Other debt instruments issued, notes and bank overdrafts	5,188	28	-	5,217
Payables arising from direct insurance and inward reinsurance operations	6,761	-	-	6,761
Payables arising from outward reinsurance operations	5,571	-	-	5,571
Payables arising from banking activities (c)	21,244	-	1,658	22,902
Payables – current tax	1,314	-	-	1,314
Other payables	30,343	-	14	30,356
Derivatives relating to other financial liabilities			94	94
Payables (d)	**76,937**	**28**	**1,766**	**78,731**
Derivative instruments hedging net investment in a foreign operation (liabilities) (e)	**-**	**-**	**-**	**-**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).

(b) In accordance with IFRS 3, i.e. within 12 months following the acquisition date, the Group adjusted certain items impacting the allocation of Winterthur purchase price.

(c) Financing debt, other debt instruments issued, notes and bank overdrafts, and Payables arising from banking activities issued are disclosed in the consolidated statement of financial position net of the impact of derivatives. As a result, the amount showing in the column "value including effect of derivatives" is their carrying value.

(d) Other debts are presented excluding the effect of derivatives on the face of the consolidated statement of financial position.

(e) Derivative instruments used to hedge the net investment in a foreign operation, and not attached to a debt on the face of the consolidated statement of financial position.

December 31, 2008				December 31, 2007 Revised (b)			
Value before effect of derivative instruments	Impact of derivative instruments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives	Value before effect of derivative instruments	Impact of derivative instruments subject to hedge accounting	Impact of other derivative instruments	Value including effects of derivatives
6,208	(95)	621	6,734	6,173	(531)	504	6,146
6,666	(51)	(52)	6,564	4,698	(106)	(57)	4,535
1,216	-	-	1,216	175	-	-	175
14,090	**(145)**	**570**	**14,514**	**11,046**	**(637)**	**447**	**10,856**
3,609	**-**	**-**	**3,609**	**5,534**	**-**	**-**	**5,534**
5,108	-	-	5,108	7,751	-	-	7,751
6,644	26	6	6,676	6,258	2	-	6,260
7,167	-	7	7,174	7,033	(14)	-	7,018
6,211	-	-	6,211	6,024	-	-	6,024
20,059	-	831	20,890	18,443	-	271	18,713
2,130	-	-	2,130	2,394	-	-	2,394
39,877	19	(3)	39,892	43,693	8	26	43,727
		-	-			120	120
87,197	**44**	**841**	**88,082**	**91,595**	**(4)**	**417**	**92,008**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**

19.5. BREAKDOWN OF DERIVATIVE INSTRUMENTS BY VALUATION METHOD

	December 31, 2009 [(a)]		
(in Euro million)	Fair value determined directly by reference to an active market (1)	Fair value Instruments not quoted in an active market/ No active market (2)	Total
Derivative instruments on investments (hedge accounting)	(68)	70	2
Other derivative instruments on investments [(b)]	649	548	1,197
Macro hedge on investments	19	352	371
Total – derivative instruments relating to investments	**600**	**970**	**1,570**
Derivatives (hedge accounting) – Reinsurance	-	-	-
Other derivatives – Reinsurance [(b)]	-	-	-
Macro hedge – Reinsurance	-	-	-
Total – derivative instruments relating to insurance and investment contracts	**-**	**-**	**-**
Derivatives on other receivables (hedge accounting)	-	(206)	(206)
Other derivatives on other receivables	-	-	-
Macro hedge – asset	-	6	6
Total derivative instruments relating to other receivables	**-**	**(199)**	**(199)**
Total net value of derivative instruments – assets (3)		**-**	**1,371**
Derivatives on insurance & investment contracts (hedge accounting)	-	-	-
Other derivatives on insurance & investment contracts [(b)]	(18)	(301)	(319)
Macro hedge derivatives on insurance and investment contracts	(2)	-	(2)
Total derivative instruments relating to insurance and investment contracts	**(20)**	**(301)**	**(321)**
Derivative instruments relating to financing debt and other financial liabilities (hedge accounting)	-	(240)	(240)
Other derivative instruments relating to financing debt and other financial liabilities	11	411	423
Derivative instruments relating to financing debt, operating debt and other financial liabilities	**11**	**171**	**182**
Macro hedge banking activities and other derivatives	**12**	**1,646**	**1,658**
Total net value of derivative instruments – liabilities (4)			**1,519**
NET FAIR VALUE (3) – (4)			**(148)**

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31, 2009 (see Note 5.3.3).
(b) Other derivatives instruments that do not qualify for hedge accounting according to IAS 39.

(1) and (2) refer to Note 9.9 regarding the principles applied by the Group in order to proceed with the classification of financial assets into the IAS 39 fair value hierarchy categories.

December 31, 2008			December 31, 2007		
Fair value determined directly by reference to an active market (1)	Fair value Instruments not quoted in an active market/ No active market (2)	Total	Fair value determined directly by reference to an active market (1)	Fair value Instruments not quoted in an active market/ No active market (2)	Total
77	452	529	54	(22)	33
518	2,840	3,358	293	533	827
135	(13)	122	956	335	1,292
730	**3,279**	**4,008**	**1,304**	**847**	**2,151**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**
(138)	-	(138)	-	(9)	(9)
2	(2)	-	-	1	1
-	19	19	-	-	-
(137)	**17**	**(120)**	**-**	**(8)**	**(8)**
	-	**3,888**			**2,143**
-	-	-	-	-	-
(25)	(1,144)	(1,169)	(27)	(174)	(201)
(7)	-	(7)	-	13	13
(32)	**(1,144)**	**(1,176)**	**(27)**	**(160)**	**(187)**
44	(145)	(101)	(626)	(15)	(642)
3	577	580	510	83	593
46	**432**	**479**	**(116)**	**68**	**(48)**
103	**728**	**831**	**-**	**271**	**271**
		134			**35**
		3,754			**2,108**

The fair value hierarchy applicable to financial instruments is described in Note 9.9. Same principles apply as far as derivatives instruments are concerned.

Assets for which fair value is not based on observable market data (unobservable inputs) – Level 3

Among amounts presented in column (2), fair values determined in whole or in part using a valuation technique based on assumptions that are not supported by a majority of prices from observable current market transactions in the same instrument or a majority of available observable market data represented as at December 31, 2009 net fair values of €-290 millions of derivatives held by the Group (including an estimation of the extent to which external quotes on inactive markets are based on observable data), in comparison with net fair values of €367 millions as at December 31, 2008. There was no transfer in or out of the level 3 category and all changes relate to changes in fair value through income or expirations.

The identification of such derivatives among column (2) representing instruments not quoted in an active market involves a significant level of judgement. Are considered as observable: inputs provided by external pricing services, information observable on data providers screens, rating agencies, external surveys. The extent to which such data are external to the Group and not assessed by internal valuation teams is one of the main criteria applied in assessing whether data are observable or not. Should those data be significantly adjusted or would they be outdated because of the lack of new available factors, such inputs would be deemed unobservable. Another area of judgement is the assessment of the significance of an input against the fair value measurement in its entirety. As a result, a different cut between observable and unobservable data and variances in the weighting of the significance of each input against the fair value measurement in its entirety could produce a different categorization.

Note 20 Revenues and liabilities by segment

20.1. TOTAL REVENUES

TOTAL REVENUES [(a)] *(in Euro million)*	**December 31, 2009**	**December 31, 2008**	**December 31, 2007**
LIFE & SAVINGS	**57,620**	**57,977**	**59,845**
of which direct premiums	*53,338*	*53,731*	*55,330*
of which reinsurance assumed	*2,562*	*2,340*	*2,442*
of which fees and charges on investment contracts with no participation features	*547*	*662*	*740*
of which revenues from other activities	*1,174*	*1,244*	*1,332*
France	16,340	14,271	15,045
United States	9,384	13,755	16,243
United Kingdom	2,783	3,549	4,628
Japan	5,438	4,628	5,116
Germany	6,694	6,233	6,200
Switzerland	4,437	4,482	4,116
Belgium	2,515	2,559	3,072
Mediterranean and Latin American Region	6,473	4,813	1,918
Other countries	3,555	3,688	3,507
PROPERTY & CASUALTY	**26,174**	**26,039**	**25,016**
of which direct premiums	*25,874*	*25,807*	*24,727*
of which reinsurance assumed	*223*	*130*	*210*
of which revenues from other activities	*77*	*102*	*79*
France	5,684	5,595	5,330
Germany	3,501	3,530	3,506
United Kingdom and Ireland	3,905	4,420	5,076
Switzerland	2,154	2,017	1,974
Belgium	2,130	2,139	2,112
Mediterranean and Latin American Region	6,697	6,414	5,276
Other countries	2,103	1,925	1,743
INTERNATIONAL INSURANCE	**2,860**	**2,841**	**3,568**
of which direct premiums	*1,898*	*2,016*	*1,915*
of which reinsurance assumed	*752*	*638*	*1,492*
of which revenues from other activities	*211*	*187*	*161*
AXA Corporate Solutions Assurance	1,930	1,954	1,805
AXA Cessions	58	50	67
AXA Assistance	765	751	699
Other	107	86	996
ASSET MANAGEMENT	**3,074**	**3,947**	**4,863**
AllianceBernstein	1,887	2,511	3,130
AXA Investment Managers	1,187	1,436	1,732
BANKING	**395**	**412**	**339**
AXA Banque	91	102	85
AXA Bank Europe	232	248	216
German banks	8	11	19
Other Banks	64	51	20
Holdings [(b)]	**-**	**5**	**2**
TOTAL	**90,124**	**91,221**	**93,633**

(a) Net of intercompany eliminations.
(b) Includes SPEs and CDOs previously disclosed in the Other Financial services segment which was renamed "Banking".

Given the Group's scale and diversity, none of its clients accounts for more than 10% of its business.

20.2. SEGMENT INFORMATION

20.2.1. Life & Savings

(in Euro million)	December 31, 2009 [(a)] Gross written premiums	Liabilities arising from insurance contracts [(b)]	Liabilities arising from investment contracts [(b)]
Retirement/annuity/investment contracts (individual)	25,410	177,335	44,777
Retirement/annuity/investment contracts (group)	3,966	28,679	6,347
Life contracts (including endowment contracts)	17,676	142,556	863
Health contracts	6,653	17,387	-
Other	2,194	11,098	-
Sub-total	**55,899**	**377,056**	**51,987**
Fees and charges relating to investment contracts with no participating features [(c)]	547	-	47,666
Fees, commissions and other revenues	1,174	-	-
TOTAL	**57,620**	**377,056**	**99,653**
Contracts with financial risk borne by policyholders (unit-linked)	13,167	103,281	56,493
UK with-profit business	*560*	*10,613*	*5,354*

(a) Assets and liabilities of the Australian and New Zealand operations (including local holdings) are classified as held for sale separately from other assets and liabilities in the consolidated statement of financial position as at December 31 2009, but are included in the following table as liabilities arising from insurance contracts for € 1.9 million, and liabilities arising from investment contracts for € 6.6 million.

(b) Excludes liabilities relating to unearned revenues and fees, and policyholder bonuses, along with derivatives relating to insurance and investment contracts.

(c) Relates to liabilities arising from investment contracts without discretionary participation features and investment contracts without discretionary participation features where the financial risk is borne by policyholders.

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

20.2.2. Property & Casualty

	Gross written premiums			Liabilities arising from insurance contracts		
(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007	December 31, 2009	December 31, 2008 Revised [(a)]	December 31, 2007
Personal lines	**15,822**	**15,672**	**15,181**	**25,398**	**24,060**	**24,182**
Motor	9,093	9,053	8,709	15,745	15,349	15,446
Property damage	3,947	3,745	3,564	3,552	3,240	3,219
Health	1,145	1,120	1,107	1,108	896	1,442
Other	1,637	1,754	1,801	4,993	4,575	4,075
Commercial lines	**9,908**	**9,887**	**9,411**	**21,821**	**22,565**	**22,016**
Motor	2,091	1,877	1,618	2,939	2,885	2,698
Property damage	2,590	2,679	2,740	2,922	3,012	3,075
Liability	1,480	1,662	1,740	6,130	6,717	6,950
Health	1,809	1,679	1,558	3,237	3,054	2,799
Other	1,937	1,989	1,755	6,592	6,896	6,494
Other	**368**	**378**	**345**	**739**	**742**	**873**
Sub-total	**26,097**	**25,937**	**24,937**	**47,957**	**47,366**	**47,072**
Fees, commissions and other revenues	77	102	79	-	-	-
TOTAL	**26,174**	**26,039**	**25,016**	**47,957**	**47,366**	**47,072**

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

December 31, 2008 Revised [d]			December 31, 2007		
Gross written premiums	Liabilities arising from insurance contracts [b]	Liabilities arising from investment contracts [b]	Gross written premiums	Liabilities arising from insurance contracts [b]	Liabilities arising from investment contracts [b]
25,829	160,150	38,203	28,264	172,219	42,716
2,861	27,549	7,362	3,388	23,287	6,909
18,661	142,943	356	18,095	143,163	910
6,200	16,388	-	5,966	13,989	-
2,520	11,095	-	2,059	13,688	-
56,071	**358,125**	**45,921**	**57,773**	**366,345**	**50,536**
662	-	39,975	740	-	60,625
1,244	-	-	1,332	-	-
57,977	**358,125**	**85,896**	**59,845**	**366,345**	**111,161**
18,435	85,916	46,520	21,529	113,654	69,587
706	*12,122*	*5,374*	*976*	*17,761*	*8,515*

20.2.3. International Insurance

(in Euro million)	Gross written premiums			Liabilities arising from insurance contracts		
	December 31, 2009	December 31, 2008	December 31, 2007	December 31, 2009	December 31, 2008	December 31, 2007
Property	524	526	957	1,449	1,604	1,943
Motor, Marine, Aviation	788	805	956	2,787	2,980	3,144
Casualty/Liability	455	410	467	3,578	3,649	3,846
Other	883	913	1,027	2,338	2,751	2,013
Sub-total	**2,650**	**2,654**	**3,407**	**10,152**	**10,985**	**10,946**
Fees, commissions and other revenues	211	187	161			
TOTAL	**2,860**	**2,841**	**3,568**	**10,152**	**10,985**	**10,946**

20.2.4. Liabilities arising from insurance contracts in the Property & Casualty and International Insurance segments

(in Euro million)	December 31, 2009						
	Claims reserves	IBNR	Claim expense reserves	Claim expense reserve on IBNR	Total Claims reserves including IBNR and expenses	Unearned premium reserves & others	Total Technical Liabilities
Personal lines							
Motor	9,622	1,858	406	31	11,917	3,828	15,745
Physical damage	1,383	432	85	10	1,910	1,641	3,552
Other	2,939	922	105	31	3,997	2,105	6,102
Sub-total Personal lines	**13,944**	**3,212**	**597**	**71**	**17,824**	**7,574**	**25,399**
Commercial lines							
Motor	1,717	376	71	7	2,171	769	2,939
Physical damage	1,690	281	40	6	2,017	904	2,922
Professional liability	4,165	1,357	128	73	5,723	407	6,131
Other	5,341	1,033	193	26	6,594	3,235	9,829
Sub-total Commercial lines	**12,913**	**3,048**	**432**	**113**	**16,506**	**5,315**	**21,821**
Other	422	139	19	7	587	152	739
TOTAL – PROPERTY & CASUALTY EXCLUDING INTERNATIONAL INSURANCE	**27,279**	**6,399**	**1,048**	**191**	**34,917**	**13,041**	**47,958**
Physical damage	837	457	18	21	1,333	117	1,449
Motor, Marine, Aviation	1,613	1,060	18	45	2,735	52	2,787
Professional liability	1,698	1,654	30	62	3,444	134	3,578
Other	924	533	8	40	1,506	833	2,338
TOTAL – INTERNATIONAL INSURANCE	**5,073**	**3,704**	**73**	**167**	**9,017**	**1,135**	**10,152**
TOTAL – PROPERTY & CASUALTY INCLUDING INTERNATIONAL INSURANCE	**32,352**	**10,103**	**1,121**	**358**	**43,934**	**14,176**	**58,110**

(in Euro million)	December 31, 2008 Revised [(a)]							December 31, 2007
	Claims reserves	IBNR	Claim expense reserves	Claim expense reserve on IBNR	Total Claims reserves including IBNR and expenses	Unearned premium reserves & others	Total Technical Liabilities	Total Technical Liabilities
PERSONAL LINES								
Motor	9,526	1,672	450	26	11,674	3,675	15,349	15,446
Physical damage	1,247	429	82	8	1,765	1,474	3,240	3,219
Other	2,358	933	157	20	3,469	2,003	5,471	5,517
Sub-total Personal lines	**13,131**	**3,033**	**689**	**53**	**16,907**	**7,153**	**24,060**	**24,182**
Commercial lines								
Motor	1,706	388	70	6	2,169	716	2,885	2,698
Physical damage	1,678	339	48	6	2,072	940	3,012	3,075
Professional liability	4,586	1,380	203	66	6,235	482	6,717	6,950
Other	5,390	1,098	198	25	6,711	3,239	9,950	9,293
Sub-total Commercial lines	**13,360**	**3,205**	**518**	**104**	**17,187**	**5,378**	**22,565**	**22,016**
Other	432	145	23	7	607	135	742	874
TOTAL – PROPERTY & CASUALTY EXCLUDING INTERNATIONAL INSURANCE	**26,923**	**6,383**	**1,231**	**164**	**34,701**	**12,665**	**47,366**	**47,072**
Physical damage	972	463	29	11	1,475	129	1,604	1,943
Motor, Marine, Aviation	1,696	1,173	44	19	2,931	49	2,980	3,144
Professional liability	1,762	1,659	68	28	3,517	132	3,649	3,846
Other	993	647	46	4	1,691	1,060	2,751	2,013
TOTAL – INTERNATIONAL INSURANCE	**5,423**	**3,942**	**186**	**63**	**9,614**	**1,371**	**10,985**	**10,946**
TOTAL – PROPERTY & CASUALTY INCLUDING INTERNATIONAL INSURANCE	**32,346**	**10,325**	**1,417**	**227**	**44,315**	**14,036**	**58,351**	**58,018**

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

20.3. NET REVENUES FROM BANKING ACTIVITIES

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Interests received and equivalent	784	915	696
Interests paid and equivalent	(518)	(740)	(612)
Net interests and equivalent	**266**	**174**	**84**
Commissions received	90	82	74
Commissions paid	(39)	(34)	(27)
Net commissions	**51**	**48**	**47**
Net investment income	84	128	196
Realized investment gains and losses	(11)	2	23
Change in fair value of investments designated at fair value through profit or loss	(19)	119	(7)
Change in investments impairment	(3)	(64)	(9)
Net investment result	**52**	**184**	**202**
Net other banking operating income	**19**	**3**	**3**
NET REVENUES FROM BANKING ACTIVITIES	**388**	**409**	**336**

Note 21 Net investment result excluding financing expenses

Net investment result (excluding financing expenses) from the financial assets of insurance companies and companies in other business segments (excluding revenues from the financial assets of banks included in net revenues from banking activities) was as follows:

	December 31, 2009				
(in Euro million)	Net investment income	Net realized investment gains and losses	Change in fair value of investments designated as at fair value through profit or loss	Change in investments impairment	Net investment result
Investment in real estate properties at amortized cost	610	423	-	(201)	833
Investment in real estate properties as at fair value through profit or loss	210	(51)	(173)	-	(14)
Investment in real estate properties	**820**	**373**	**(173)**	**(201)**	**819**
Debt instruments held to maturity	-	-	-	-	-
Debt instruments available for sale	11,242	507	-	(714)	11,035
Debt instruments designated as at fair value through profit or loss (a)	1,964	(574)	3,110	-	4,499
Debt instruments held for trading	57	1	7	-	65
Non quoted Debt instruments (amortized cost)	26	-	-	-	26
Debt instruments	**13,288**	**(66)**	**3,117**	**(714)**	**15,625**
Equity instruments available for sale	518	658	344	(854)	666
Equity instruments designated as at fair value through profit or loss (b)	281	(1,375)	1,609	-	514
Equity instruments held for trading	3	(33)	133	-	103
Equity instruments	**802**	**(750)**	**2,085**	**(854)**	**1,284**
Non controlled investment funds available for sale	102	84	-	(386)	(199)
Non controlled investment funds designated as at fair value through profit or loss	5	(48)	(36)	-	(80)
Non controlled investment funds held for trading	1	4	2	-	6
Non controlled investment funds	**108**	**39**	**(35)**	**(386)**	**(273)**
Other assets held by controlled investment funds designated as at fair value through profit or loss	**110**	**(148)**	**(552)**		**(589)**
Loans held to maturity	-	-	-	-	-
Loans available for sale	49	(41)	-	(15)	(8)
Loans designated as at fair value through profit or loss	2	-	(129)	-	(126)
Loans held for trading	1	(1)	6	-	6
Mortgage loans	669	(2)	-	(18)	649
Other loans	493	1	-	(3)	490
Loans	**1,214**	**(43)**	**(123)**	**(36)**	**1,011**
Assets backing contracts where the financial risk is borne by policyholders	**-**	**-**	**23,861**	**-**	**23,861**
Hedge accounting derivatives			**(429)**	**-**	**(429)**
Other derivatives	**(4,463)**	**(564)**	**(30)**	**-**	**(5,057)**
Investment management expenses	**(664)**	**-**	**-**	**-**	**(664)**
Other	**347**	**810**	**(574)**	**(14)**	**569**
NET INVESTMENT RESULT (c)	**11,562**	**(349)**	**27,148**	**(2,205)**	**36,157**

(a) Includes debt instruments held by consolidated investment funds, designated as at fair value through profit or loss.
(b) Includes equity instruments held by consolidated investment funds, designated as at fair value through profit or loss.
(c) Net investment result included an impact of €0.2 billion related to Asset Backed Securities, of which €-0.2 billion was due to impairment charges, and €0.4 billion was related to change in fair value of investments designated as at fair value through profit or loss. Also, note that the change in fair value of ABS had a gross impact of €0.4 billion on shareholders' equity.

	December 31, 2008				
(in Euro million)	Net investment income	Net realized investment gains and losses	Change in fair value of investments designated as at fair value through profit or loss [(d)]	Change in investments impairment	Net investment result
Investment in real estate properties at amortized cost	599	474	-	(137)	937
Investment in real estate properties designated as at fair value through profit or loss	211	46	(685)	-	(428)
Investment in real estate properties	**810**	**520**	**(685)**	**(137)**	**508**
Debt instruments held to maturity	-	-	-	-	-
Debt instruments available for sale	11,017	(287)	-	(1,076)	9,654
Debt instruments designated as at fair value through profit or loss [(a)]	2,278	(525)	(4,447)	-	(2,694)
Debt instruments held for trading	48	(9)	(62)	-	(22)
Non quoted Debt instruments (amortized cost)	30	-	-	-	30
Debt instruments	**13,373**	**(821)**	**(4,509)**	**(1,076)**	**6,967**
Equity instruments available for sale	935	762	(659)	(3,713)	(2,675)
Equity instruments designated as at fair value through profit or loss [(b)]	657	(581)	(4,365)	-	(4,289)
Equity instruments held for trading	(15)	(774)	(206)	-	(995)
Equity instruments	**1,577**	**(594)**	**(5,230)**	**(3,713)**	**(7,960)**
Non controlled investment funds available for sale	165	(22)	-	(723)	(579)
Non controlled investment funds designated as at fair value through profit or loss	23	(6)	(91)	-	(74)
Non controlled investment funds held for trading	-	(8)	1	-	(7)
Non controlled investment funds	**189**	**(36)**	**(90)**	**(723)**	**(660)**
Other assets held by controlled investment funds designated at fair value through profit or loss	**283**	**277**	**326**		**886**
Loans held to maturity	-	-	-	-	-
Loans available for sale	78	(28)	-	(6)	44
Loans designated as at fair value through profit or loss	2	-	555	-	557
Loans held for trading	4	(5)	(4)	-	(5)
Mortgage loans	671	4	-	(2)	673
Other loans	551	2	-	(1)	551
Loans	**1,305**	**(27)**	**551**	**(9)**	**1,820**
Assets backing contracts where the financial risk is borne by policyholders	**517**	**-**	**(43,687)**	**-**	**(43,169)**
Hedge accounting derivatives			**2,243**	**-**	**2,243**
Other derivatives	**4,210**	**823**	**900**	**-**	**5,933**
Investment management expenses	**(839)**	**-**	**-**	**-**	**(839)**
Other [(d)]	**337**	**(316)**	**(1,812)**	**(7)**	**(1,797)**
NET INVESTMENT RESULT [(c)]	**21,762**	**(173)**	**(51,994)**	**(5,663)**	**(36,068)**

(a) Includes debt instruments held by consolidated investment funds, designated as at fair value through profit or loss.

(b) Includes equity instruments held by consolidated investment funds, designated as at fair value through profit or loss.

(c) Net investment result included an impact of €-2.7 billion related to Asset Backed Securities, of which €-0.8 billion was due to impairment charges, and €-1.9 billion was related to change in fair value of investments designated as at fair value through profit or loss. Also, note that the change in fair value of ABS had a gross impact of €-0.7 billion on shareholders' equity.

(d) The column "change in fair value of investments designated as at fair value through profit or loss" includes €-106 million loss recognized for AXA Japan. As a reminder, AXA Japan closes its books at September 30. According to IFRS principles whereby the financial statements of the subsidiary shall be adjusted to reflect the effects of significant events that would have been recognized with a closing date aligned on the AXA Group, AXA Japan's 2008 accounts were adjusted with the provisional loss from October to December 2008. This adjustment reflects mainly the further increase of the credit spreads during this period. This adjustment was reversed in 2009. No adjustment was booked at the end of September 2009.

	December 31, 2007				
(in Euro million)	Net investment income	Net realized investment gains and losses	Change in fair value of investments designated as at fair value through profit or loss	Change in investments impairment	Net investment result
Investment in real estate properties at amortized cost	524	633	-	(38)	1,119
Investment in real estate properties as at fair value through profit or loss	263	527	(541)	-	250
Investment in real estate properties	**787**	**1,160**	**(541)**	**(38)**	**1,369**
Debt instruments held to maturity	-	-	-	-	-
Debt instruments available for sale	10,367	(351)	-	(390)	9,625
Debt instruments designated as at fair value through profit or loss [(a)]	2,256	106	(1,481)	-	881
Debt instruments held for trading	55	1	(2)	-	54
Non quoted Debt instruments (amortized cost)	-	-	-	-	-
Debt instruments	**12,678**	**(245)**	**(1,483)**	**(390)**	**10,560**
Equity instruments available for sale	1,219	2,470	(285)	(463)	2,942
Equity instruments designated as at fair value through profit or loss [(b)]	785	2,585	(1,632)	-	1,738
Equity instruments held for trading	25	-	3	-	27
Equity instruments	**2,028**	**5,056**	**(1,914)**	**(463)**	**4,708**
Non controlled investment funds available for sale	89	157	-	(38)	208
Non controlled investment funds designated as at fair value through profit or loss	222	14	14	-	250
Non controlled investment funds held for trading	-	3	(1)	-	2
Non controlled investment funds	**311**	**174**	**13**	**(38)**	**460**
Other assets held by controlled investment funds designated as at fair value through profit or loss	**206**	**20**	**66**	**-**	**292**
Loans held to maturity	-	-	-	-	-
Loans available for sale	74	-	-	-	73
Loans designated as at fair value through profit or loss	-	-	51	-	51
Loans held for trading	9	-	(3)	-	6
Mortgage loans	674	1	-	-	675
Other loans	494	11	-	1	507
Loans	**1,252**	**12**	**47**	**1**	**1,312**
Assets backing contracts where the financial risk is borne by policyholders	**801**	**-**	**7,476**	**-**	**8,277**
Hedge accounting derivatives	**-**	**-**	**(179)**	**-**	**(179)**
Other derivatives	**(82)**	**16**	**978**	**-**	**911**
Investment management expenses	**(914)**	**-**	**-**	**-**	**(914)**
Other	**403**	**(930)**	**(379)**	**1**	**(905)**
NET INVESTMENT RESULT	**17,470**	**5,264**	**4,084**	**(927)**	**25,891**

(a) Includes debt instruments held by consolidated investment funds, designated as at fair value through profit or loss.
(b) Includes equity instruments held by consolidated investment funds, designated as at fair value through profit or loss.

Net investment income is presented net of impairment charges on directly-owned investment in real estate properties, and net of amortization of debt instruments premiums/discounts. All investment management fees are also included in the aggregate figure.

Realized investment gains and losses include write back of impairment following investment sales.

The change in fair value of investments designated as at fair value through profit or loss consists mainly of:

- Adjustments relating to investments backing contracts where the financial risk is borne by policyholders which are offset by an adjustment of related policyholders reserves, as there is a full pass through of the performance of held assets to the individual contract holder;
- Changes in the fair value of investments designated as at fair value through profit or loss held by funds of the "Satellite Investment Portfolios" as defined in Note 1.7.2;
- Changes in fair value of underlying hedged items in fair value hedges (as designed by IAS 39) or "natural hedges" (i.e. underlyings assets designated as at fair value through profit or loss part of an economic hedge not eligible for hedge accounting as defined by IAS 39).

The changes in investments impairment include impairment charges on investments, and releases of impairment only following revaluation of the recoverable amount. Write back of impairment following investment sales are included in the net realized capital gains or losses on investments aggregate.

Note 22 Net result of reinsurance ceded

Net result of reinsurance ceded was as follows:

	December 31, 2009				
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Inter-segment eliminations	Total
Premiums ceded and unearned premium ceded	(1,251)	(1,500)	(954)	322	(3,382)
Claims ceded (including change in claims reserves)	1,047	648	752	(326)	2,122
Commissions received from reinsurers	129	142	117	(46)	342
NET RESULT OF REINSURANCE CEDED	**(74)**	**(710)**	**(84)**	**(50)**	**(919)**

	December 31, 2008				
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Inter-segment eliminations	Total
Premiums ceded and unearned premium ceded	(1,253)	(1,451)	(1,212)	321	(3,595)
Claims ceded (including change in claims reserves)	2,053	518	654	(175)	3,050
Commissions received from reinsurers	112	153	197	(14)	448
NET RESULT OF REINSURANCE CEDED	**913**	**(780)**	**(362)**	**132**	**(97)**

	December 31, 2007				
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Inter-segment eliminations	Total
Premiums ceded and unearned premium ceded	(1,050)	(1,309)	(1,810)	292	(3,878)
Claims ceded (including change in claims reserves)	959	573	996	(209)	2,318
Commissions received from reinsurers	124	137	262	(8)	515
NET RESULT OF REINSURANCE CEDED	**32**	**(599)**	**(553)**	**74**	**(1,046)**

In 2009, the €822 million decrease of the net result of reinsurance ceded compared to 2008 was mainly attributable to the Life & Savings segment (down €987 million) driven by the United States (down €1,231 million) as a result of:

- A positive one time adjustment in 2008 of €424 million due to change in reserves ceded to Center Re offset by a similar change in the caption "Technical charges relating to insurance activities";
- A €721 million decrease of the change in ceded reserves due to the financial market impact on the Variable Annuity book reinsured.

Note 23 Financing debt expenses

Financing debt expenses amounted to €569 million in 2009, and included income and expenses relating to hedging derivative instruments on financing debt, mainly at AXA SA (€92 million).

Financing debt expenses amounted to €685 million in 2008, and included income and expenses relating to hedging derivative instruments on financing debt, mainly at AXA SA (€160 million).

Financing debt expenses amounted to €471 million in 2007, and included income and expenses relating to hedging derivative instruments on financing debt, mainly at AXA SA (€211 million).

Note 24 Expenses by type

24.1. ACQUISITION COSTS

	December 31, 2009			
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Total Insurance
Acquisition costs – gross [(a)]	4,903	4,828	317	10,048
Change in deferred acquisition costs and equivalents [(b)]	(928)	46	(2)	(884)
NET ACQUISITION COSTS	**3,975**	**4,874**	**315**	**9,164**

(a) Includes all acquisition expenses relating to insurance and investment contracts before capitalization/amortization of deferred acquisition costs and equivalents.

(b) Change (capitalization and amortization) in deferred acquisition costs relating to insurance and investment contracts with discretionary participation features and changes in net rights to future management fees relating to investment contracts with no discretionary participation features.

24.2. EXPENSES BY TYPE

	December 31, 2009			
(in Euro million)	Life & Savings	Property & Casualty	International Insurance	Total Insurance
Acquisition costs – gross [(a)]	4,903	4,828	317	10,048
Claims handling expenses [(b)]	494	1,242	208	1,943
Investment management expenses [(c)]	356	49	5	409
Administrative expenses	3,734	2,561	420	6,715
Banking expenses	-	-	-	-
Increase/(write back) of tangible assets amortization	1	1	-	2
Other income/expenses	105	(6)	(27)	73
TOTAL EXPENSES BY DESTINATION	**9,592**	**8,675**	**923**	**19,190**
Breakdown of expenses by type				
Staff costs [(d)]	2,779	2,507	394	5,680
Outsourcing and professional services	468	275	34	778
IT costs	438	406	59	903
Increase/(write back) of provisions for risk and charges	(58)	28	6	(24)
Charges relating to owner occupied properties	300	261	39	599
Commissions paid	3,999	4,209	318	8,526
Other expenses	1,666	990	73	2,729

(a) Includes all acquisition expenses relating to insurance and investment contracts before capitalization/amortization of deferred acquisition costs and equivalents.

(b) Claims handling expenses are included in the "Technical charges relating to insurance activities" profit or loss caption.

(c) Investment management expenses are included in the "Net investment income" profit or loss caption.

(d) Amount detailed in Note 25.

					December 31, 2008	December 31, 2007
Asset management	Banking	Holdings	Inter-segment eliminations	Total	Total	Total
-	-	-	(20)	10,028	10,127	10,615
-	-	-	-	(884)	(1,474)	(1,911)
-	**-**	**-**	**(20)**	**9,144**	**8,653**	**8,705**

					December 31, 2008	December 31, 2007
Asset management	Banking	Holdings	Inter-segment eliminations	Total	Total	Total
-	-	-	(20)	10,028	10,127	10,615
-	-	-	(5)	1,938	2,070	1,999
-	-	-	(132)	278	331	388
2,618	390	685	(273)	10,135	10,238	10,462
-	102	(13)	-	89	59	57
-	-	-	-	2	5	(2)
198	(21)	(221)	86	116	48	271
2,817	**470**	**452**	**(343)**	**22,586**	**22,879**	**23,790**
1,398	165	195	1	7,438	7,472	8,051
120	30	32	(19)	941	976	754
167	24	101	(13)	1,181	1,194	1,105
42	(5)	(9)	(7)	(3)	(42)	30
231	12	5	(2)	845	877	854
573	42	-	(255)	8,886	9,150	9,582
287	202	128	(46)	3,300	3,251	3,415

Note 25 Employees

25.1. BREAKDOWN OF STAFF COSTS

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Wages and benefits	5,658	5,782	6,196
Social contributions	783	763	755
Employee benefits costs	504	420	397
Share based compensation	157	136	195
Other staff costs and employees' profit sharing [a]	335	372	508
TOTAL STAFF COSTS	**7,438**	**7,472**	**8,051**

(a) Including redundancies and early retirement costs (triggering event = set up of the plan), and employees' profit sharing in France.

25.2. EMPLOYEE BENEFITS

25.2.1. Defined contribution plans

The cost of the contributions paid was recognized as an expense in the income statement, and amounted to €89 million as at December 31, 2009 (€82 million in 2008, €75 million in 2007, €88 million in 2006 and €72 million in 2005).

25.2.2. Defined benefit plans

The assumptions for each of the liabilities are consistent with the economic features of the corresponding countries' plans. The weighted-average assumptions used by AXA for pension plans in the principal regions in which AXA operates were as follows:

DECEMBER 2009 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2009				
Discount rate	4.6%	6.0%	1.9%	6.6%
Salary increase for future years	2.8%	5.8%	-	3.8%
Inflation rate	2.4%	2.5%	-	2.7%
Pension benefit expense – assumptions at beginning of 2009				
Discount rate	5.5%	6.6%	2.0%	6.6%
Expected return on plan assets and separate assets	6.1%	6.8%	1.3%	7.3%
Salary increase for future years	3.1%	5.8%	-	3.7%

The assumptions used for 2008, 2007, 2006 and 2005 were as follows:

DECEMBER 2008 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2008				
Discount rate	5.5%	6.6%	2.0%	6.6%
Salary increase for future years	3.1%	5.8%	-	3.7%
Inflation rate	2.1%	2.5%	-	2.8%
Pension benefit expense – assumptions at beginning of 2008				
Discount rate	5.2%	6.2%	2.1%	6.7%
Expected return on plan assets and separate assets	6.3%	8.3%	1.3%	7.5%
Salary increase for future years	3.7%	5.7%	-	4.5%

DECEMBER 2007 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2007				
Discount rate	5.2%	6.2%	2.1%	6.7%
Salary increase for future years	3.7%	5.7%	-	4.5%
Inflation rate	2.4%	2.5%	-	2.5%
Pension benefit expense – assumptions at beginning of 2007				
Discount rate	4.3%	5.7%	2.0%	6.3%
Expected return on plan assets and separate assets	6.6%	8.5%	1.1%	7.6%
Salary increase for future years	3.8%	5.8%	-	4.5%

DECEMBER 2006 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2006				
Discount rate	4.3%	5.7%	2.0%	6.3%
Salary increase for future years	3.8%	5.8%	-	4.5%
Inflation rate	2.5%	2.5%	-	2.5%
Pension benefit expense – assumptions at beginning of 2006				
Discount rate	4.3%	5.6%	1.9%	5.4%
Expected return on plan assets and separate assets	6.2%	7.3%	1.1%	6.9%
Salary increase for future years	2.7%	5.2%	-	5.0%

DECEMBER 2005 ASSUMPTIONS

	Europe	North America	Japan	Other
Pension benefit obligation – assumptions at end 2005				
Discount rate	4.3%	5.6%	1.9%	5.4%
Salary increase for future years	2.7%	5.2%	-	5.0%
Pension benefit expense – assumptions at beginning of 2005				
Discount rate	5.1%	5.8%	1.9%	6.6%
Expected return on plan assets and separate assets	6.5%	5.2%	1.3%	6.6%
Salary increase for future years	3.5%	5.6%	-	3.6%

Some plans do not have benefits linked to salary increase or to inflation.

The assumptions relative to AXA Mexico, which was acquired in 2008, are disclosed in the category "Other".

For any given plan, the discount rate is determined at the statement of financial position date by reference to market yields for the corresponding currency on high quality corporate bonds based on the plan's duration.

The expected return on assets is the weighted average between the asset allocation and the expected return for each asset category.

25.2.3. Annual change in pension and other benefit obligation

The annual change in the Defined Benefit Obligation (DBO) is calculated on the basis of:

- Service cost for the period (representing the increase in the DBO attributable to one year of additional service);
- Interest cost (cost of one year less discounting);
- Employee contributions;
- Change in plans (amendments, curtailments, settlements, business combinations, etc.);
- Actuarial gains and losses (due to assumptions and experience);
- Benefits paid by employer, plan assets and separate assets.

■ 25.2.4. Statement of financial position information

The statement of financial position information for employee benefits captures the difference between the DBO, the fair value of the corresponding invested plan assets, and any unrecognized past service cost. When this difference is positive, a contingency and loss reserve is recognized in the statement of financial position as a liability. When it is negative, a prepaid asset is recognized in the statement of financial position.

In addition, in accordance with IAS 19, a category of assets referred to as “separate assets” is also recorded in the statement of financial position. As defined by IFRS, separate assets are assets that may not be used to offset the DBO. Separate assets are insurance contracts issued by AXA to back its defined benefit pension plans. The accounting consequence of these separate assets is a potential increase in the accrued liability or decrease in the prepaid asset. These assets are shown separately in the following table. These funds are dedicated to specific insurance contracts and are not available to general creditors, so their economic nature is not different from plan assets. However, as the separate account assets are available to the pension plan through an insurance contract, IFRS requires their classification as separate assets despite their economic nature.

AXA Group has adopted the Statement of Comprehensive Income (SoCI) option available under IAS 19. Under the SoCI option, actuarial gains and losses are recognized in full in the period in which they occurred, but outside of profit or loss, and are presented on a separate line of the SoCI in shareholders’ equity (see Statement of consolidated shareholders’ equity).

Actuarial gains and losses result from experience adjustments (the effects of differences between the previous actuarial assumptions and what actually occurred) and changes in actuarial assumptions. They also include differences between the expected and actual returns on plan assets and separate assets.

Unrecognized past service cost represents non-vested benefits on the date of a change in the amount of benefits following an amendment to the plan. It is amortized on a straight-line basis over the average vesting period.

The table below presents the change in benefit obligation and the change in plan assets associated with pension plans and other benefit plans sponsored by AXA, together with an analysis of separate assets as at December 31, 2009.

As at January 1, 2009, in Switzerland, a part of AXA Winterthur general account assets was reclassified as plan assets and the plan for the active employees is now an autonomous foundation with its own assets.

During the fiscal year 2008, the main change in the scope was the acquisition of Seguros ING, now AXA Mexico, which was completed on July 22, 2008.

During the fiscal year 2007, AXA reviewed the treatment of separate assets and insurance contracts backing the pension obligation in the United States and in Switzerland in light of prevailing practice that has developed in the industry. In the United States, the insurance contract was amended to add a transferability clause, and so it is now treated as plan assets rather than separate assets as shown in prior years. In Switzerland, where the issue arose after the acquisition of Winterthur, AXA amended its practice to eliminate the insurance contract rather than treat it as a plan asset as was originally presented.

(in Euro million)	Pension benefits 2009	2008	2007	2006	2005	Other benefits 2009	2008	2007	2006	2005
Change in benefit obligation										
Benefit obligation at the beginning of the year	11,729	12,955	14,734	11,421	9,573	511	506	604	716	581
Service cost	211	213	241	213	191	7	7	7	13	12
Interest cost	656	656	649	501	517	32	30	31	31	36
Employee contributions	46	54	54	16	15	-	-	-	-	2
Amendments (including acquisitions and disposals) [a]	(75)	(150)	(261)	3,625	46	(2)	12	18	(7)	18
Actuarial (gains) and losses	1,636	(803)	(1,055)	(227)	1,083	35	(20)	(56)	(35)	4
Benefits paid by plan assets and by separate assets	(474)	(434)	(443)	(419)	(402)	-	-	-	(49)	(50)
Benefits directly paid by the employer	(310)	(270)	(227)	(128)	(115)	(39)	(44)	(45)	-	-
Impact of foreign currency fluctuations	241	(493)	(737)	(268)	513	(9)	19	(54)	(66)	113
Benefit obligation at the end of the year (A)	**13,661**	**11,729**	**12,955**	**14,734**	**11,421**	**534**	**511**	**506**	**604**	**716**
Change in plan assets										
Fair value of plan assets at the beginning of year	4,662	7,057	8,216	4,693	3,869	3	3	9	14	9
Actual return on plan assets	516	(1,498)	477	395	689	-	(1)	(3)	(4)	3
Employer contributions	220	192	62	114	136	1	1	-	4	5
Employee contributions	36	44	42	11	11	-	-	-	-	2
Net transfer In/(Out) (including acquisitions and disposals) [a] [b] [c]	924	(27)	(811)	3,220	88	-	-	(3)	-	1
Benefits paid by plan assets	(407)	(370)	(383)	(246)	(234)	-	-	-	(4)	(6)
Impact of foreign currency fluctuations	230	(735)	(546)	28	135	-	-	-	-	-
Fair value of plan assets at the end of the year (B)	**6,181**	**4,662**	**7,057**	**8,216**	**4,693**	**4**	**3**	**3**	**9**	**14**
Change in separate assets										
Fair value of separate assets at the beginning of year	789	739	2,480	2,697	2,265	-	-	-	-	-
Actual return on separate assets	31	(25)	12	221	206	-	-	-	-	-
Employer contributions	70	86	88	39	197	-	-	-	-	-
Employee contributions	10	10	12	4	4	-	-	-	-	-
Net transfer In/(Out) (including acquisitions and disposals) [a] [b]	58	48	(1,724)	(85)	(82)	-	-	-	-	-
Benefits paid by separate assets	(66)	(64)	(60)	(168)	(168)	-	-	-	-	-
Impact of foreign currency fluctuations	-	(5)	(69)	(227)	274	-	-	-	-	-
Fair value of separate assets at the end of the year	**893**	**789**	**739**	**2,480**	**2,697**	-	-	-	-	-
Funded status										
Underfunded status (plan by plan)	(7,500)	(7,087)	(6,098)	(6,530)	(6,729)	(530)	(507)	(502)	(595)	(703)
Overfunded status (plan by plan)	19	21	200	12	1	-	-	-	-	-
Funded status (B) – (A)	(7,480)	(7,066)	(5,898)	(6,519)	(6,728)	(530)	(507)	(502)	(595)	(703)
Unrecognized past service cost	67	71	80	89	74	1	1	1	-	-
Cumulative impact of asset ceiling	(10)	-	-	-	-	-	-	-	-	-
Liability and asset recognized in the statement of financial position (excluding separate assets)										
Plans with a positive net position (Asset)	8	20	199	11	1	-	-	-	-	-
Plans with a negative net position (Liability)	(7,431)	(7,015)	(6,017)	(6,440)	(6,655)	(529)	(506)	(501)	(595)	(703)
Net position (excluding separate assets)	**(7,423)**	**(6,995)**	**(5,818)**	**(6,430)**	**(6,654)**	**(529)**	**(506)**	**(501)**	**(595)**	**(703)**
Net economic funding position (including separate assets)										
Net position (excluding separate assets)	(7,423)	(6,995)	(5,818)	(6,430)	(6,654)	(529)	(506)	(501)	(595)	(703)
Fair value of separate assets at the end of the year	893	789	739	2,480	2,697	-	-	-	-	-
Net economic funding position (including separate assets)	**(6,530)**	**(6,206)**	**(5,079)**	**(3,950)**	**(3,957)**	**(529)**	**(506)**	**(501)**	**(595)**	**(703)**

(a) This amount includes the acquisition of Seguros ING in 2008, now AXA Mexico, the sale of the Netherlands activities in 2007 and the acquisition of Winterthur in 2006.
(b) This amount includes the effect of the reclassification of assets in the United States as plan assets rather than separate assets in 2007.
(c) This amount includes the effect of the elimination of the insurance contract in 2007 and the reclassification of general account assets as plan assets in 2009 in Switzerland.

"Other benefits" includes (i) postretirement benefits other than pensions, principally health care benefits, and (ii) post employment benefits after employment but before retirement.

For pension plans where the fair value of plan assets exceeds the benefit obligation the aggregate fair value of plan assets and aggregate benefit obligation were €77 million and €58 million, respectively, as at December 31, 2009. A surplus is recognized to the extent that it is recoverable, either through future contribution reductions or a refund to which the Group has an unconditional right.

For pension plans where the benefit obligation exceeds the fair value of plan assets, the aggregate benefit obligation and fair value of plan assets were €13,603 million and €6,104 million, respectively, as at December 31, 2009.

25.2.5. Pension and other benefits expense

The annual expense for employee pension and other benefits recorded in the income statement, for the years ended December 31, 2009, 2008, 2007, 2006 and 2005 is presented below:

	Pension benefits					Other benefits				
(in Euro million)	2009	2008	2007	2006	2005	2009	2008	2007	2006	2005
Pension and other benefits expense										
Service cost	211	213	241	213	191	7	7	7	13	12
Interest cost	656	656	649	501	517	32	30	31	31	36
Expected return on plan assets	(362)	(470)	(489)	(314)	(269)	-	-	-	-	-
Expected return on separate assets	(34)	(35)	(33)	(172)	(189)	-	-	-	-	-
Amortization of unrecognized amounts	5	20	9	6	(12)	-	-	2	-	-
Settlements, curtailments	(73)	(78)	(6)	(8)	19	(2)	-	-	(20)	18
PENSION AND OTHER BENEFITS EXPENSE	**404**	**306**	**371**	**225**	**257**	**37**	**37**	**40**	**23**	**66**

The increase in expense from 2008 to 2009 was mainly due to the decrease in the 2009 expected return on plan assets mainly driven by the level of assets as at December 31, 2008 lower than December 31, 2007.

25.2.6. Net economic funding position

The evolution in the net economic funding position from January 1, 2009 to December 31, 2009 captures both the change in the liability recorded in the Group's statement of financial position and the change in separate assets, as presented in the table below:

	Pension benefits					Other benefits				
(in Euro million)	2009	2008	2007	2006	2005	2009	2008	2007	2006	2005
Change in net economic funding position										
Opening position	(6,206)	(5,079)	(3,950)	(3,957)	(3,401)	(506)	(501)	(595)	(703)	(572)
Pension and other benefits expense	(404)	(306)	(371)	(225)	(257)	(37)	(37)	(40)	(23)	(66)
Employer contributions and benefits directly paid by the employer	600	548	378	242	328	40	44	45	49	49
Net transfer In/(Out) (including acquisitions and disposals) [(a) (b)]	983	107	(2,280)	(485)	121	-	(11)	(20)	(8)	(23)
SoCI impact	(1,493)	(1,229)	1,022	392	(667)	(36)	19	54	24	(28)
Impact of foreign currency fluctuations	(11)	(247)	123	83	(81)	9	(20)	54	66	(64)
CLOSING POSITION	**(6,530)**	**(6,206)**	**(5,079)**	**(3,950)**	**(3,957)**	**(529)**	**(506)**	**(501)**	**(595)**	**(703)**

(a) This amount includes the acquisition of Seguros ING in 2008, now AXA Mexico, the sale of the Netherlands activities in 2007 and the acquisition of Winterthur in 2006.
(b) This amount includes the effect of the elimination of the insurance contract in 2007 and the reclassification of general account assets as plan assets in 2009 in Switzerland.

During 2009, the deterioration of the net economic funding position was mainly due to actuarial losses on liabilities driven by lower discount rates. The lower discount rate was mostly due to lower credit spreads.

25.2.7. Change in the liability recognized in the statement of financial position (excluding separate assets)

The roll-forward of the statement of financial position liability from January 1, 2009 to December 31, 2009 captures only the evolution of the liability recorded in the Group's statement of financial position and not the separate assets. Therefore it is not a full economic picture. The table below shows the detailed roll-forward of the statement of financial position liability, with the separate assets added at each year end.

	Pension benefits					Other benefits				
(in Euro million)	2009	2008	2007	2006	2005	2009	2008	2007	2006	2005
Change in the liability recognized in the statement of financial position										
Statement of financial position liability at the beginning of the year	(6,995)	(5,818)	(6,430)	(6,654)	(5,666)	(506)	(501)	(595)	(703)	(572)
Pension and other benefits expense	(404)	(306)	(371)	(225)	(257)	(37)	(37)	(40)	(23)	(66)
Adjustment due to separate assets	(41)	15	(23)	(232)	(210)	-	-	-	-	-
Employer contributions	220	192	62	114	136	1	1	-	4	5
Benefits directly paid by the employer	310	270	227	128	115	39	44	45	45	44
Benefits paid through separate assets	66	64	60	168	168	-	-	-	-	-
Net transfer In/(Out) (including acquisitions and disposals) [(a) (b)]	884	50	(2,253)	(548)	-	-	(11)	(20)	(8)	(23)
Net transfer of separate assets to plan assets [(c)]	41	10	1,695	155	82	-	-	-	-	-
Actuarial gains and losses recognized in the SoCI component	(1,493)	(1,229)	1,022	392	(667)	(36)	19	54	24	(28)
Impact of foreign currency fluctuations	(12)	(242)	191	272	(355)	9	(20)	54	66	(64)
Statement of financial position liability at the end of the year	**(7,423)**	**(6,995)**	**(5,818)**	**(6,430)**	**(6,654)**	**(529)**	**(506)**	**(501)**	**(595)**	**(703)**
Fair value of separate assets at the end of the year	893	789	739	2,480	2,697	-	-	-	-	-
NET ECONOMIC FUNDING POSITION AT THE END OF THE YEAR	**(6,530)**	**(6,206)**	**(5,079)**	**(3,950)**	**(3,957)**	**(529)**	**(506)**	**(501)**	**(595)**	**(703)**

(a) This amount includes the acquisition of Seguros ING in 2008, now AXA Mexico, the sale of the Netherlands activities in 2007 and the acquisition of Winterthur in 2006.
(b) This amount includes the effect of the elimination of the insurance contract in 2007 and the reclassification of general account assets as plan assets in 2009 in Switzerland.
(c) This amount includes the effect of the reclassification of assets in the United States as plan assets rather than separate assets in 2007.

25.2.8. Change in actuarial gains and losses recognized in the statement of financial position in the SoCI component of shareholders' equity

The SoCI is an integral part of the statement of changes in shareholders' equity. It includes actuarial gains and losses as well as net income for the period (see Note 1).

The table shows the change in the SoCI component, before deduction of deferred tax and policyholder benefits, between January 1, 2005 and December 31, 2009 due to adjustments arising on plan liabilities and adjustments arising on plan assets and separate assets.

	Pension benefits					Other benefits				
(in Euro million)	2009	2008	2007	2006	2005	2009	2008	2007	2006	2005
SoCI at the beginning of the year	**(955)**	**308**	**(720)**	**(1,112)**	**(445)**	**67**	**45**	**(4)**	**(28)**	**-**
Experience and assumptions adjustments on plan liabilities	(1,634)	799	1,055	226	(1,053)	(35)	20	57	28	(30)
Experience adjustments on plan assets and separate assets	151	(2,028)	(33)	141	426	-	(1)	(3)	(5)	3
Adjustment due to the sale of the Netherlands activities	-	-	(4)	-	-	-	-	(1)	-	-
Change in asset ceiling	(10)	-	-	-	-	-	-	-	-	-
Impact of foreign currency fluctuations	6	(34)	10	24	(40)	(1)	3	(5)	-	(1)
SoCI AT THE END OF THE YEAR	**(2,442)**	**(955)**	**308**	**(720)**	**(1,112)**	**30**	**67**	**45**	**(4)**	**(28)**

During 2009, the variation of the SoCI was mainly due to actuarial losses on liabilities driven by lower discount rates. The lower discount rate was mostly due to lower credit spreads.

During 2009, the change in the SoCI component of shareholders' equity after deduction of deferred tax and policyholder benefits was €-1,030 million (€-695 million in 2008, €612 million in 2007, €252 million in 2006 and €-415 million in 2005). The main driver of the change in 2008 was the negative actual return on plan assets and separate assets. As at December 31, 2009, the cumulative impact amounted to €-1,625 million (€-595 million at the end of 2008).

25.2.9. Near-term cash flows (benefits paid and employer contributions)

A) BENEFITS PAID

(in Euro million)	Pension benefits	Other benefits
Estimated future benefits paid		
2010	785	41
2011	756	40
2012	808	39
2013	813	38
2014	844	37
Five years thereafter	4,523	173
From year N+11 until the last benefit payments is paid	28,910	726

These amounts are subject to uncertainty as they will be driven by economics of future years.

B) EMPLOYER CONTRIBUTIONS TO PLAN ASSETS AND SEPARATE ASSETS

The estimated amount of 2010 employer contributions for pension benefits is €474 million (€246 million estimated in 2008 for 2009) and for other benefits is €1 million (€1 million estimated in 2008 for 2009). These amounts are subject to uncertainty as they will be driven by economics of future years and are cash contributions with no direct link to the pension and other benefits expense under IFRS.

25.2.10 Asset mix at the end of 2009

The table below shows the asset mix for plan assets at the end of 2009:

Asset mix for plan assets	Total Group	Europe	North America	Other
Equity instruments	36%	33%	41%	49%
Debt instruments	47%	48%	50%	30%
Real estate	5%	4%	9%	6%
Other	12%	15%	-	15%
TOTAL	**100%**	**100%**	**100%**	**100%**
TOTAL *(in Euro million)*	**6,185**	**4,612**	**1,330**	**244**

The table below shows the asset mix for plan assets and separate assets at the end of 2009:

Asset mix for plan assets and separate assets	Total Group	Europe	North America	Other
Equity instruments	33%	30%	41%	49%
Debt instruments	47%	47%	50%	30%
Real estate	5%	4%	9%	6%
Other	16%	19%	-	15%
TOTAL	**100%**	**100%**	**100%**	**100%**
TOTAL *(in Euro million)*	**7,078**	**5,505**	**1,330**	**244**

As pension liabilities have a long-term nature, a mix of equity instruments, debt instruments and real estate investments is used in the plan assets and separate assets. The percentage of equity instruments is generally higher in the Anglo-Saxon countries, where investment strategy is often determined by the Plan trustees. This asset mix generates some degree of volatility in returns, but, over the long-term, is expected to provide a higher return than investing in pure debt instruments. A higher return is consistent with long term past experience, but may not be the case in the future.

25.2.11 Other employee benefits funded on a pay-as-you-go basis

In the United States, AXA Financial provides certain medical and life insurance benefits (collectively, “postretirement benefits”) for qualifying employees, managers and agents retiring from AXA Financial based on years of service and age. The life insurance benefits are related to age and salary at retirement for certain grandfathered retirees, and a flat dollar amount for others.

AXA Financial continues to fund the postretirement benefits costs for these plans on a pay-as-you-go basis.

For 2009, postretirement benefits payments were made in the amounts of €31 million (€36 million in 2008 and €37 million in 2007), net of employee contributions.

25.2.12 Statement of financial position reconciliation

(in Euro million)	2009	2008	2007	2006	2005
Statement of financial position reconciliation					
Net position (excluding separate assets) [(a)]	(7,952)	(7,501)	(6,319)	(7,025)	(7,357)
less assets/(liabilities) held for sale [(b)]	41				
Other liabilities	(192)	(187)	(290)	(290)	(375)
TOTAL [(C)]	**(8,103)**	**(7,688)**	**(6,609)**	**(7,315)**	**(7,732)**

(a) Net position (excluding separate assets) for pension benefits and other benefits as reported in Note 25.2.4.

(b) Included in the net position above but, as described in Note 1.10, the contribution of held for sale operations is stated on separate asset and liability items on the statement of financial position.

(c) It corresponds to a liability of €8,117 million (as at December 31, 2009) included in the statement of financial position under the caption “provision for risks and charges” and an asset of €14 million (as at December 31, 2009) included in the statement of financial position under the caption “Other long term assets”.

25.3. SHARE-BASED COMPENSATION

All figures 100%, gross of tax *(in Euro million)*	2009	2008 [(a)]	2007
Cost by plan			
AXA SA stock options [(b)]	**22.0**	**35.4**	**40.3**
■ 2003 grants			2.1
■ 2004 grants		1.0	5.5
■ 2005 grants	(0.3)	3.7	8.5
■ 2006 grants	2.7	10.9	14.7
■ 2007 grants	10.1	14.4	9.6
■ 2008 grants	7.2	5.4	
■ 2009 grants	2.3		
AXA stock options for US holding company	**7.8**	**13.9**	**19.5**
■ 2005 AXA SA grants	0.3	1.3	2.5
■ 2006 AXA SA grants	1.1	1.9	3.4
■ 2007 AXA SA grants	2.7	3.9	9.9
■ 2008 AXA SA grants	1.9	5.7	
■ 2009 AXA SA grants	1.7		
■ AXA ADR grants	0.1	1.0	3.6
AXA Group shareplan	**14.1**	**16.7**	**24.7**
■ Classic Plan	0.3	0.6	6.0
■ Leverage Plan	13.8	16.1	18.7
AXA performances shares	**17.8**	**19.7**	**23.6**
■ 2005 grants			4.7
■ 2006 grants		4.0	14.6
■ 2007 grants	2.9	12.0	3.7
■ 2008 grants	12.7	3.7	
■ 2009 grants	2.2		
■ Restricted shares 2005			0.6
AXA performances units plans	**21.4**	**21.3**	**40.4**
■ 2004 equity grants			-
■ 2005 equity grants			0.1
■ 2006 equity grants		1.0	4.5
■ 2007 equity grants	(0.1)	2.7	0.9
■ 2008 equity grants	3.0	1.3	
■ 2009 equity grants	0.8		
■ 2004 cash grants			1.2
■ 2005 cash grants			1.7
■ 2006 cash grants		(1.3)	22.1
■ 2007 cash grants	(7.8)	8.2	10.0
■ 2008 cash grants	13.9	9.4	
■ 2009 cash grants	11.6		
AXA Miles	**32.7**	**48.1**	**23.8**
■ Plan 2007 (2+2)	15.3	30.8	15.1
■ Plan 2007 (4+0)	17.4	17.4	8.7
AXA Financial share-based compensation instruments	**0.8**	**(3.2)**	**4.9**
■ AXA Financial TSAR	0.2	(6.8)	0.3
■ AXA Financial Restricted Shares and PARS	0.6	3.6	4.6
AXA APH stock option plan	**6.3**	**6.3**	**7.8**
AllianceBernstein share-based compensation instruments	**41.5**	**13.8**	**10.6**
TOTAL	**164.3**	**171.9**	**195.6**

(a) For 2008, the total cost of €171.9 million excluded the positive impact of a €45 million reserve release related Long Term Incentive instruments at AXA Investment Managers.
(b) The 2007 cost of the AXA SA stock option plans shown above excluded the cost of the stock options granted to the employees of AXA Netherlands, which was sold in 2007. The expense corresponding to the amortisation period before the transaction was included in the results arising from discontinued operations. The remaining cost (including the cost triggered by accelerated vesting given to the employees) was deducted from the capital gain of the transaction..

In accordance with IFRS 2, the total employee share based compensation cost of €164.3 million for full year 2009 included expenses from share-based compensation instruments for grants made after November 7, 2002 which had not yet vested at December 31, 2003.

The cost includes the expenses from share-based compensation instruments issued by the Group as well as by AXA subsidiaries.

The unit cost of the equity settled instruments does not vary for a given plan. The total charge is amortized over the vesting period and adjusted at each future closing date for the difference between actual and expected lapse.

25.3.1. Share-based compensation instruments issued by the Group

AXA SA STOCK OPTIONS

Executive officers and other key employees may be granted options on AXA ordinary shares under employee stock option plans. These options may be either subscription options involving newly issued AXA ordinary shares or purchase options involving AXA treasury shares. While the precise terms and conditions of each option grant may vary, options are currently (i) granted at a price not less than the average closing price of the ordinary share on the Paris Stock Exchange during the 20 trading days preceding the date of grant, (ii) valid for a maximum term of ten years, and (iii) vest in instalments of 33.33% per year on each of the second, third and fourth anniversaries of the grant date.

For members of the Executive Committee (since 2006) and employees who are granted more than 5,000 options (since 2007), the first two instalments vest unconditionally at the end of the vesting period, while the final instalment is subject to the fulfilment of certain conditions regarding the performance of the AXA shares compared to the DowJones Europe Stoxx Insurance index. All options granted in 2009 to the members of the Management Board were subject to the fulfillment of this market performance condition.

The following table shows AXA SA stock options granted under all plans, and not only the ones granted after November 7, 2002.

AXA SA STOCK OPTION PLANS

	Options (in million)			Weighted price (in Euro)		
	2009	2008	2007	2009	2008	2007
Options AXA						
Outstanding on January 1	**75.9**	**71.6**	**70.6**	**25.73**	**26.13**	**23.71**
Granted	7.6	9.2	9.7	11.43	21.50	34.01
Capital increase	1.7					
Exercised	(0.3)	(1.8)	(7.4)	10.76	16.84	18.23
Cancelled and expired	(6.8)	(3.0)	(1.4)	25.86	25.55	25.47
Outstanding at December 31	**78.2**	**75.9**	**71.6**	**23.36**	**25.73**	**26.13**
Options ex-FINAXA						
Outstanding on January 1	4.3	5.6	6.4	23.80	23.26	22.23
Capital increase	0.1					
Exercised		(1.3)	(0.8)		21.46	15.27
Cancelled and expired	(1.2)	-	-	23.34	-	-
Outstanding at December 31	**3.2**	**4.3**	**5.6**	**23.19**	**23.80**	**23.26**
TOTAL AXA AND EX-FINAXA	**81.4**	**80.2**	**77.2**	**23.35**	**25.63**	**25.92**

The number of outstanding options and the number of exercisable options as at December 31, 2009 are shown below by maturity date:

Expiry date of options	Outstanding options			Exercisable options		
(in million)	2009	2008	2007	2009	2008	2007
Options AXA						
April 19, 2008	-	-	2.8	-	-	2.8
June 9, 2009	-	4.5	4.5	-	4.5	4.5
November 18, 2009	-	0.2	0.2	-	0.2	0.2
July 5, 2010	5.0	5.1	5.1	5.0	5.1	5.1
July 12, 2010	0.1	0.1	0.1	0.1	0.1	0.1
November 13, 2010	0.2	0.2	0.2	0.2	0.2	0.2
May 9, 2011	7.3	7.3	7.4	7.3	7.3	7.4
February 27, 2012	6.2	6.1	6.1	6.2	6.1	6.1
March 14, 2013	4.0	4.2	4.6	4.0	4.2	4.6
March 26, 2014	8.2	8.2	8.5	8.2	8.2	5.7
March 29, 2015	10.7	10.7	11.0	10.7	7.2	3.7
June 6, 2015	-	-	-	-	-	-
June 27, 2015	0.2	0.2	0.2	0.2	0.1	0.1
July 1, 2015	-	-	-	-	-	-
September 21, 2015	0.1	0.1	0.1	0.1	-	-
March 31, 2016	10.4	10.6	10.9	7.0	3.5	-
September 25, 2016	0.1	0.1	0.1	-	-	-
November 13, 2016	-	-	-	-	-	-
May 10, 2017	9.0	9.3	9.7	3.0	-	-
September 24, 2017	-	-	-	-	-	-
November 19, 2017	-	-	-	-	-	-
April 1, 2018	8.8	8.9	-	-	-	-
May 19, 2018	-	-	-	-	-	-
September 22, 2018	0.1	0.1	-	-	-	-
November 24, 2018	-	-	-	-	-	-
March 20, 2019	5.2	-	-	-	-	-
April 2, 2019	0.1	-	-	-	-	-
June 10, 2019	2.1	-	-	-	-	-
June 10, 2019	-	-	-	-	-	-
September 21, 2019	0.1	-	-	-	-	-
December 8, 2019	-	-	-	-	-	-
Total AXA	**78.2**	**75.9**	**71.6**	**52.2**	**46.8**	**40.5**
Options ex-FINAXA						
May 6, 2008	-	-	1.3	-	-	1.3
May 26, 2009	-	1.2	1.2	-	1.2	1.2
July 5, 2010	0.6	0.5	0.5	0.6	0.5	0.5
May 30, 2011	0.9	0.9	0.9	0.9	0.9	0.9
April 2, 2013	1.3	1.2	1.2	1.3	1.2	1.2
April 14, 2014	0.5	0.5	0.5	0.5	0.5	0.3
Total ex-FINAXA	**3.2**	**4.3**	**5.6**	**3.2**	**4.3**	**5.4**
TOTAL AXA AND EX-FINAXA	**81.4**	**80.2**	**77.2**	**55.5**	**51.1**	**45.9**

Options AXA and ex-FINAXA	Outstanding options Number *(in million)*	Outstanding options Exercise price *(in Euro)*	Exercisable options Number *(in million)*	Exercisable options Exercise price *(in Euro)*
Price range				
€6.48 - €12.96	10.6	10.28	5.3	10.79
€12.97 - €19.44	11.2	16.58	9.0	16.86
€19.45 - €25.92	25.9	20.24	17.0	19.85
€25.93 - €32.40	17.9	29.02	14.3	29.31
€32.41 - €38.87	10.1	33.52	4.1	33.50
€38.88 - €45.35	5.7	39.19	5.7	39.19
€6.48 - €45.35	**81.4**	**23.35**	**55.5**	**23.96**

Information on options granted after November 7, 2002 is shown in the table below:

POST NOVEMBER 7, 2002 AXA SA STOCK OPTION PLANS

	Options *(in million)*			Weighted price *(in Euro)*		
	2009	2008	2007	2009	2008	2007
AXA Stock Option Plans						
Options						
Outstanding on January 1	52.5	45.1	40.2	23.64	24.03	20.14
Granted	7.6	9.2	9.7	11.43	21.50	34.01
Capital increase	1.3	-	-	-	-	-
Exercised	(0.3)	(0.7)	(3.7)	10.76	14.72	12.85
Cancelled and expired	(1.8)	(1.2)	(1.1)	22.10	27.71	23.00
Outstanding at December 31	**59.3**	**52.5**	**45.1**	**21.40**	**23.64**	**24.03**
Options ex-FINAXA						
Outstanding on January 1	1.7	1.7	2.3	13.03	13.03	12.81
Capital increase	-	-	-	-	-	-
Exercised	-	-	(0.5)	-	-	12.11
Cancelled and expired	-	-	-	-	-	-
Outstanding at December 31	**1.8**	**1.7**	**1.7**	**12.72**	**13.03**	**13.03**
TOTAL AXA AND EX-FINAXA	**61.0**	**54.2**	**46.8**	**21.15**	**23.30**	**23.63**

The number of outstanding options and the number of exercisable options at December 31, 2009 are shown below by maturity date for AXA SA plans granted after November 7, 2002:

Expiry date of options	Outstanding options			Exercisable options		
(in million)	2009	2008	2007	2009	2008	2007
Options AXA						
March 14, 2013	4.0	4.2	4.6	4.0	4.2	4.6
March 26, 2014	8.2	8.2	8.5	8.2	8.2	5.7
March 29, 2015	10.7	10.7	11.0	10.7	7.2	3.7
June 6, 2015	-	-	-	-	-	-
June 27, 2015	0.2	0.2	0.2	0.2	0.1	0.1
July 1, 2015	-	-	-	-	-	-
September 21, 2015	0.1	0.1	0.1	0.1	-	-
March 31, 2016	10.4	10.6	10.9	7.0	3.5	-
September 25, 2016	0.1	0.1	0.1	-	-	-
November 13, 2016	-	-	-	-	-	-
May 10, 2017	9.0	9.3	9.7	3.0	-	-
September 24, 2017	-	-	-	-	-	-
November 19, 2017	-	-	-	-	-	-
April 1, 2018	8.8	8.9	-	-	-	-
May 19, 2018	-	-	-	-	-	-
September 22, 2018	0.1	0.1	-	-	-	-
November 24, 2018	-	-	-	-	-	-
March 20, 2019	5.2	-	-		-	-
April 2, 2019	0.1	-	-		-	-
June 10, 2019	2.1	-	-		-	-
June 10, 2019	-	-	-		-	-
September 21, 2019	0.1	-	-		-	-
December 8, 2019	-	-	-		-	-
Total AXA	**59.3**	**52.5**	**45.1**	**33.3**	**23.4**	**14.1**
Options ex-FINAXA						
April 2, 2013	1.3	1.2	1.2	1.3	1.2	1.2
April 14, 2014	0.5	0.5	0.5	0.5	0.5	0.3
Total ex-FINAXA	**1.8**	**1.7**	**1.7**	**1.8**	**1.7**	**1.6**
TOTAL AXA AND EX-FINAXA	**61.0**	**54.2**	**46.8**	**35.1**	**25.1**	**15.6**

	Outstanding options		Exercisable options	
Options AXA and ex-FINAXA	**Number** *(in million)*	**Exercise price** *(in Euro)*	**Number** *(in million)*	**Exercise price** *(in Euro)*
Price range				
€6.48-€12.96	10.6	10.28	5.3	10.79
€12.97-€19.44	11.2	16.58	9.0	16.86
€19.45-€25.92	19.7	20.33	10.8	19.78
€25.93-€32.40	10.5	27.82	7.0	27.82
€32.41-€38.87	9.0	33.53	3.0	33.53
€6.48-€38.87	**61.0**	**21.15**	**35.1**	**20.47**

The fair value of AXA SA stock options is calculated using the Black & Scholes option pricing model. The effect of expected early exercise is taken into account through the use of an expected life assumption based on historical data. AXA SA share price volatility is estimated on the basis of implied volatility, which is checked against an analysis of historical volatility to ensure consistency. The expected AXA SA dividend yield is based on the market consensus. The risk-free interest rate is based on the Euro Swap Rate curve for the appropriate term.

The option pricing assumptions and fair value for plans issued in 2009, 2008, 2007, 2006 and 2005 are as follows:

	2009	2008	2007	2006	2005
Assumptions [b]					
Dividend yield	10.84%	7.21%	4.22%	3.5%	3.15%
Volatility	56.98%	34.65%	27.50%	28.00%	25.00%
Risk-free interest rate	3.04%	4.17%	4.40%	3.90%	3.31%
Expected life (in years)	7.4	6.0	6.0	6.0	6.0
Weighted average fair value per option at grant date in Euro [a]	1.91	3.23	6.80	6.48	4.15

(a) For employees who have been granted more than 5,000 options in 2007, 2008 and 2009, the vesting of the final instalment is subject to the fulfilment of certain conditions regarding the performance of the AXA shares compared to the DowJones Europe Stoxx Insurance index. The options with performance criteria were valued at €2.48 per option granted in 2009, at €3.54 per option granted in 2008 and €6.67 per option granted in 2007, based on a Monte-Carlo model. The options without performance criteria were valued at €1.62 per option granted in 2009, at €3.76 per option granted in 2008 and €7.02 per option granted in 2007, based on the Black & Scholes model.

(b) Assumptions in average weighted by grants of the year.

The total cost of the AXA SA plans is amortized over the vesting period and an estimated 5% pre-vesting lapse rate is applied. On that basis, the expense recognized in profit or loss for the year ended December 31, 2009 was €29.6 million (€-0.3 million for the 2005 grants, €2.7 million for the 2006 grants, €10.1 million for the 2007 grants, €7.2 million for the 2008 grants, €2.3 million for the 2009 grants and €7.6 million relating to AXA SA ordinary share options granted to AXA Financial employees).

AXA ADR STOCK OPTIONS

AXA Financial may grant options to purchase AXA ADRs. These options are issued at the market value of AXA ADRs on the date of grant. Options granted prior to 2004 vest over a three-year period, with one third vesting on each anniversary date. However, starting in 2004, new grants generally vest over a four-year period with one third vesting on each of the second, third and fourth anniversary dates (generally in March). Options currently issued and outstanding have a 10-year contractual term from their date of grant.

The following tables show a summary of the U.S. holding company's AXA ADR stock option plans:

AXA ADR STOCK OPTION PLANS

	Options *(in million)*			Weighted price *(in US $)*		
	2009	2008	2007	2009	2008	2007
Options						
Outstanding on January 1	12.3	19.0	26.8	$20.40	$22.64	$23.40
Granted	-			$12.00		
Capital increase	0.3					
Exercised	(1.0)	(4.6)	(7.4)	$16.01	$24.87	$24.12
Cancelled and expired	(0.6)	(2.1)	(0.4)	$26.74	$31.20	$22.54
OUTSTANDING AT DECEMBER 31	**11.0**	**12.3**	**19.0**	**$19.95**	**$20.40**	**$22.64**

	Outstanding options		Exercisable options	
AXA ADR	**Number** *(in million)*	**Weighted Exercise price** *(in US $)*	**Number** *(in million)*	**Weighted Exercise price** *(in US $)*
$11.94-$14.40	2.5	$12.01	2.4	$12.01
$17.16-$21.46	5.3	$19.05	5.3	$19.05
$25.58-$33.25	3.0	$27.28	3.0	$27.28
$33.41-$43.43	0.2	$34.74	0.1	$34.39
$11.94 -$43.43	**11.0**	**$19.95**	**10.9**	**$19.94**

The following table shows information for grants after November 7, 2002:

POST NOVEMBER 7, 2002 AXA ADR STOCK OPTION PLANS

	Options *(in million)*			Weighted price *(in US $)*		
	2009	2008	2007	2009	2008	2007
Options						
Outstanding on January 1	7.8	9.1	11.3	$18.87	$18.85	$18.70
Granted	-			$12.00		
Capital increase	0.1					
Exercised	(0.5)	(1.2)	(1.9)	$15.25	$18.89	$17.41
Cancelled and expired	(0.1)	(0.1)	(0.3)	$20.79	$22.41	$21.75
OUTSTANDING AT DECEMBER 31	**7.3**	**7.8**	**9.1**	**$18.65**	**$18.87**	**$18.85**

	Outstanding options		Exercisable options	
	Number *(in million)*	Weighted Exercise price *(in US $)*	Number *(in million)*	Weighted Exercise price *(in US $)*
Price range				
$11.94 - $14.40	2.1	$11.96	2.1	$11.96
$17.16 - $21.46	3.7	$19.71	3.7	$19.71
$25.58 - $33.25	1.4	$25.58	1.4	$25.58
$33.41 - $43.43	-	$36.77	-	$36.06
$11.94-$43.43	**7.3**	**$18.65**	**7.3**	**$18.62**

The fair value of AXA ADR stock options is calculated using the Black & Scholes option pricing model. The effect of expected early exercise is taken into account through the use of an expected life assumption based on historical data. AXA ADR volatility is based on AXA SA ordinary shares volatility, adjusted for the US$/€ exchange rate volatility. The expected dividend yield on AXA SA shares is based on the market consensus. The risk-free interest rate is based on the U.S. Treasury bond curve for the appropriate maturity.

From 2005 on, there are no more AXA ADR grants to employees or associates, only punctual advance for immaterial options have occurred (28,827 AXA ADR options granted in 2009, 10,650 granted in 2008, 8,440 granted in 2007).

AXA GROUP SHAREPLAN

AXA offers to its employees the opportunity to become shareholders through special employee share offerings. In countries that meet the legal and fiscal requirements, two investment options are available: the traditional plan and the leveraged plan.

The traditional plan allows employees to purchase, through a personal investment, AXA shares (either through mutual funds (FCPE) or through direct share ownership) with a discount of up to 20%. The shares are restricted from sale during a period of 5 years (except specific early exit cases allowed by applicable laws). Employees bear the risk of all movements in the share as compared to the subscription price.

The leveraged plan allows employees to purchase, on the basis of 10 times their personal investment, to AXA shares (either through mutual funds (FCPE) or through direct share ownership) with a discount. The leverage on the employees' personal investment is in the form of a loan (non-recourse) from a third party bank. The shares are restricted from sale during a period of 5 years (except specific early exit cases allowed by applicable laws). Employees who participate in the leverage plan benefit from a guarantee on their personal investment and also receive a defined percentage of any upside appreciation (above the non-discounted reference price) on the full leveraged amount invested. The leveraged plan is not accessible to Management Board and Executive Committee members.

At the end of the 5 years restricted period, the employees can, depending on their residence country, do any one of the following: (1) receive the cash value of their assets ; (2) receive the value of their assets in the form of AXA shares ; or (3) transfer their assets invested in the leveraged plan into the traditional sub-fund.

The cost of this plan is valued taking into account the five-year lock-up period, as recommended by the CNC (Conseil National de la Comptabilité). The CNC approach values the restricted shares through a replication strategy whereby the employee would sell the restricted shares forward at the end of the lock-up period, borrow enough money to buy unrestricted shares immediately, and uses the proceeds of the forward sale together with dividends paid during the lock-up period to finance the loan. For the leveraged plan, the cost also includes the opportunity gain implicitly provided by AXA by enabling its employees to benefit from an institutional price for derivatives as opposed to a retail price.

On October 29, 2009, the AXA Group made an employee share offering at €14.92 per share for the traditional plan and for the leverage plan (discount of 20%[a] to the reference price of €18.65 representing the average over the twenty trading days preceding the date of announcement) Subscriptions amounted to 26.4 million shares, increasing the share capital by €393.7 million. This offering represented a total cost of €14.1 million taking into account the five-year lock-up period.

In 2009, the cost of the lock-up period was measured at 17.31% for the traditional plan and 17.30% for the leveraged plan (due to different discounts). In addition to the lock-up cost, the opportunity gain offered to the employees under the leveraged plan was measured at 2.07%.

PLAN MAIN FEATURES

The table below shows the main features of the plan, the amounts subscribed, valuation assumptions, and the cost of the plan for 2009, 2008 and 2007.

	2009		2008		2007	
	Traditional	Leveraged	Traditional	Leveraged	Traditional	Leveraged
Plan maturity (in years)	5	5	5	5	5	5
[A] Discount to face value	18.30% [a]	18.30% [a]	20.00%	14.15%	20.00%	14.25%
Reference price (in Euro)	18.65		21.47		29.03	
Subscription price (in Euro)	14.92	14.92	17.18	18.43	23.22	24.89
Amount subscribed by employee (in Euro million)	26.7	36.7	29.3	42.4	74.0	47.0
Total amount subscribed (in Euro million)	26.7	367.0	29.3	431.0	74.0	478.3
Total number of shares subscribed (in million shares)	1.8	24.6	1.7	23.0	3.2	18.9
Interest rate on employee loan	8.05%	8.05%	8.46%	8.29%	7.54%	7.47%
5-year risk-free rate (euro zone)	2.50%		2.69%		3.89%	
Dividend yield	5.10%		6.64%		5.30%	
Early exit rate	4.61%		4.61%		4.61%	
Interest rate for borrowing securities (repo)	0.45%		0.25%		0.25%	
Retail/institutional volatility spread	N/A	6.49%	N/A	6.60%	N/A	4.60%
[B] Cost of the lock-up for the employee	17.31%	17.30%	18.48%	13.61%	13.45%	13.15%
[C] Opportunity gain	N/A	2.07%	N/A	2.68%	N/A	2.24%
Total cost for AXA = [A] – [B] + [C] (as a percentage of the reference price)	**0.99%**	**3.07%**	**1.53%**	**3.22%**	**6.55%**	**3.35%**
Total cost for AXA *(in Euro million)*	**0.3**	**13.8**	**0.6**	**16.1**	**6.0**	**18.7**

(a) In light of the capital increase launched by the Group on November 9, 2009 the initial discount of 20% was mechanically lowered to 18.30% for both plans.

AXA MILES

On July 1, 2007, AXA granted 50 free shares per employee to all employees of the Group. In total, 2.3 million shares were granted to 46,899 employees in 24 countries on the 2+2 plan (*i.e. two-year* vesting period with a subsequent two-year restriction period), and 3.2 million shares were granted to 64,839 employees in 30 countries on the 4+0 plan (i.e. four-year vesting period with no subsequent restriction period).

	Number of employees at grant date	Number of AXA Miles granted
Plan 2+2	46,899	2,344,950
Plan 4+0	64,839	3,241,950
TOTAL	**111,738**	**5,586,900**

The free shares are valued using the CNC approach described in the AXA Group Shareplan section using assumptions adapted to the structure of the plan (2+2 or 4+0 plan), based on a market price of €32 per share on July 1, 2007 and an estimated 5% pre-vesting lapse rate.

The total cost of the AXA Miles is amortized over the vesting period (i.e. over 2 years for the 2+2 plan and over 4 years for the 4+0 plan) starting on July 1, 2007. On that basis, the expense recognized in the profit or loss for the year ended December 31, 2009 was €32.7 million. The accumulated cost already recognized as at December 31, 2009 represented 80% of the total cost of these plans (of which 100% of the 2+2 plan).

OTHER SHARE-BASED COMPENSATION

AXA Performance Units

AXA issued Performance Units to executive officers and other key employees outside France in 2004, 2005, 2006, 2007, 2008 and 2009.

During the vesting period, the Performance Units initially granted are subject to non-market performance criteria. If the number of Performance Units definitely acquired is less than one thousand, the employing entity pays in cash, 100% of the calculated value. If the number of Performance Units definitely acquired is more than one thousand the employing entity pays in cash, 70% of the calculated value and the remaining 30% is simultaneously invested on behalf of the beneficiaries in AXA shares restricted for a minimum period of two years (equity-settled).

For the cash-settled instruments, the expected payment at the maturity date of the instrument is revised at each closing dates and amortized over the vesting period (*prorata temporis*)

The total cost of the Performance Units recorded in earnings in 2009 was €21.4 million (€3.7 million for the equity-settled portion and €17.7 million for the cash-settled portion).

AXA Performance Shares

In 2005, 2006, 2007, 2008 and 2009, Performance Shares were issued to executive officers and other key employees.

Performance Shares are similar to Performance Units, but the payment is equity-settled. In France, most of the Performance Units granted to employees in 2004 were converted into Performance Shares in 2005.

The total cost of Performance Shares was €17.8 million in 2009.

In 2009, the fair value at grant date of Performance Shares and Performance Units (equity-settled portion) was €5.14 for instruments granted in March and was €9.23 for instruments granted in June.

25.3.2. Share-based compensation instruments issued by AXA Subsidiaries

Main share-based compensation plans issued by AXA subsidiaries are described below:

AXA ASIA PACIFIC HOLDING STOCK OPTION PLAN

AXA APH grants stock options based on AXA APH shares, with both market and non-market performance conditions.

The total cost for this plan in 2009 was €6.3 million.

AXA FINANCIAL SHARE-BASED COMPENSATION PLANS

The total cost of AXA Financial share-based compensation plans in 2009 included €0.2 million in respect of AXA Financial Stock Appreciation Rights (as they are subject to variations in the basis of recognition due to changes in the market value of AXA ADRs) and €0.6 million in respect of AXA ADR Restricted Shares and Performance Accelerated Restricted Shares granted to senior executives and non-employee directors.

ALLIANCEBERNSTEIN SHARE-BASED COMPENSATION PLANS

AllianceBernstein grants Restricted Units and options to acquire AllianceBernstein Units, which are valued and booked according to IFRS principles.

In 2009, AllianceBernstein granted to certain key employees the right to receive deferred compensation in the form of Restricted Units to acquire AllianceBernstein units. In connection with 2009 deferred compensation plan 8,345,805 restricted Holding Units were issued in December 2009.

At the end 9,843,405 Restricted Units have been granted to acquire AllianceBernstein Units in 2009.

Moreover, options to acquire AllianceBernstein Units were granted as follows: 6,565,302 options in 2009; 13,825 options in 2008; 3,708,939 options in 2007.

The 2009 total cost amounted to €41.5 million.

25.4. COMPENSATION OF MANAGEMENT AND OFFICERS

In 2009:

- Short-term benefits: compensation paid to members of the Management Board in respect of 2009 totaled €14.8 million, including fixed salary, bonuses, directors' fees and benefits in kind;
- Share-based compensation: the expense recognized in 2009 in respect of share-based compensation granted to Management Board members was €11 million.

In 2008:

- Short-term benefits: compensation paid to members of the Management Board in respect of 2008 totaled €9.5 million, including fixed salary, bonuses, directors' fees and benefits in kind;
- Share-based compensation: the expense recognized in 2008 in respect of share-based compensation granted to Management Board members was €12 million.

Long-term benefits

Amounts provisioned or recognized by AXA SA and its subsidiaries for the payment of pensions or retirement benefits to its corporate officers (members of the Management Board, Chairman of the Supervisory Board and the employees' representative on the Supervisory Board) totaled €36.3 million as at December 31, 2009 (€31.6 million in 2008 as at December 31, 2008)

25.5. SALARIED WORKFORCE

At December 31, 2009, the Group employed 103,432 salaried people on a full-time equivalent basis (109,304 at the end of 2008 and 103,534 at the end of 2007).

The decrease in 2009 compared to 2008 by 5,872 salaried employees was mainly due to:

- Staff reductions as part of cost saving programs and restructuration plans in: the United States, the United Kingdom, Australia/New Zealand, Japan, Mexico and Alliance Bernstein;
- Deconsolidation of Property & Casualty brokers (-1,688 salaried employees), outsourcing of some Life & Savings business administration (-1,004 salaried employees) in the United Kingdom and some related activities outsourced to Capita India (-524 salaried employees) from AXA Business Services.

Note 26 Net income per ordinary share

The Group calculates a basic net income per ordinary share and a diluted net income per ordinary share:

- The calculation of the basic net income per ordinary share assumes no dilution and is based on the weighted average number of outstanding ordinary shares during the period;
- The calculation of diluted net income per ordinary share takes into account shares that may be issued as a result of stock option plans. The effect of stock option plans on the number of fully diluted shares is taken into account only if options are considered to be exercisable on the basis of the average stock price of the AXA share over the period.

As at January 1, 2007, the effect of convertible bonds is no longer integrated in the calculation of diluted net income per ordinary share. Indeed, to neutralize the dilutive impact of the 2017 convertible bonds, AXA purchased from a banking counterparty, call options on AXA shares with an automatic exercise feature. This feature is such that one option is automatically exercised upon each conversion of a convertible bond. Each issuance of a new share resulting from the conversion of the bond will be offset by the delivery by the bank to AXA (and subsequent cancellation) of an AXA share. The issuance of a share in respect of the conversion of the bond and the cancellation by AXA of the AXA share received will offset each other. As a result of this transaction, there will no longer be a change to the outstanding number of AXA outstanding shares created by the convertible bond conversion.

Following AXA's rights issue in 4Q09, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009, 47.7 million in 2008 and 47.9 million in 2007. As at December 31, 2009, total net outstanding number of shares was 2,264 million and average fully diluted number of shares was 2,133 million.

As a result of these factors, along with the dilutive effect of convertible bond plans, the fully diluted number of shares at December 31, 2009 was 2,133 million.

(in Euro million) (c)		December 31, 2009	December 31, 2008 (e)	December 31, 2007 (e)
Net income group share		**3,606**	**923**	**5,666**
TSS and TSDI financial charge		(288)	(299)	(290)
TSS and TSDI FX impact		(97)	276	255
Net income including impact of TSS/TSDI	**A**	**3,221**	**900**	**5,631**
Weighted average number of ordinary shares (net of treasury shares) – opening		2,108	2,078	2,112
Increase in capital (excluding stock option exercised) (a)		17	2	2
Stock options exercised (a)		-	2	4
Treasury shares (a)		2	1	-
Share purchase program (a)		-	-	(27)
Weighted average number of ordinary shares	**B**	**2,127**	**2,083**	**2,091**
NET INCOME PER ORDINARY SHARE (d)	**C = A/B**	**1.51**	**0.43**	**2.69**
Potentially dilutive instruments:				
■ Stock options		2	4	16
■ Subordinated convertible Notes – February 8, 2000 due 2017		-	-	-
■ Subordinated convertible Notes – February 8, 1999 due 2014		-	-	-
■ Other		4	4	2
Fully diluted – weighted average number of shares	**D**	**2,133**	**2,091**	**2,109**
Net income (b)	**E**	**3,221**	**900**	**5,631**
FULLY DILUTED NET INCOME PER ORDINARY SHARE (d)	**F = E/D**	**1.51**	**0.43**	**2.67**

(a) Weighted average.
(b) Taking into account the impact of potentially dilutive instruments.
(c) Except for number of shares (million of units) and earnings per share (Euro).
(d) Basic and diluted net income per share from discontinued operations represented €0.23 for full year 2007.
(e) Following AXA's rights issue in 4Q09, the average number of shares has been restated to take into account an adjustment factor of 1.023. In the average number of shares calculation, the adjustment factor has been applied on outstanding shares prior to the date of the capital increase leading to an adjustment on average number of shares of 48.4 million shares in 2009, 47.7 million in 2008 and 47.9 million in 2007.

Note 27 Related-party transactions

In 2009, the Company was party to the following transactions with related parties which may be deemed to have been material to AXA or the related party in question or unusual in their nature or conditions.

RELATIONSHIPS WITH THE MUTUELLES AXA

The Mutuelles AXA (AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle) are two mutual insurance companies engaged in the Property & Casualty insurance business and Life & Savings insurance business in France. At December 31, 2009, the Mutuelles AXA collectively owned 14.12% of the Company's outstanding ordinary shares representing 22.20% of the voting rights.

Each Mutuelle is supervised by a board of directors elected by delegates representing policyholders. Certain members of the Company's Supervisory Board and Management Board serve as directors or executive officers of the Mutuelles AXA.

The Mutuelles AXA and the Company's major French insurance subsisiaries, AXA France IARD and AXA France Vie, have combined the means required to operate their insurance portfolios. A management agreement gives security as to legal independence and protection of their own clients' portfolios. The Property & Casualty insurance business generated in France by insurance brokers is underwritten through a coinsurance arrangement between AXA Assurances IARD Mutuelle and AXA France IARD, a Property & Casualty insurance subsidiary of the Company. For coinsurance, AXA France IARD underwrites 89% of businesses and the Mutuelles AXA 11%. Technical results are shared between these companies in proportion to their written premiums. Aggregate written premiums recorded in this coinsurance agreement amounted to €1.613 million in 2009 (of which €1.434 million was attributed to AXA France IARD).

Certain of the costs and expenses of operating these businesses (other than commissions) are shared by these subsidiaries and the Mutuelles AXA and allocated among them through a *Groupement d'Intérêt Économique* or "GIE" which is a type of French inter-company partnership more fully described below. There are no agreements between the Mutuelles AXA and the Company's insurance subsidiaries that restrict in any way their ability to compete with one another.

GROUPEMENT D'INTÉRÊT ÉCONOMIQUE (GIE)

From time to time the Company enters into GIEs with certain of its subsidiaries. GIEs are intercompany partnerships, governed by French law, created to perform various common services for their members and to allocate associated costs and expenses among their members. The allocation of costs and expenses invoiced to GIE members may be based on various agreed criteria including particular activity drivers. The GIEs to which the Company was party during 2009 covered a variety of common services including services performed by the AXA Group's central functions for the benefit of AXA Group companies (e.g. finance, accounting and reporting, tax, legal, marketing and brand, internal audit, human resources, procurement, information systems, risk management, cash management) as well as certain other services. Expenses invoiced by these GIEs to the Company and its subsidiaries are generally invoiced at cost and are included in the consolidated expenses reflected on Company's audited consolidated financial statements.

LOANS/GUARANTEES/CAPITAL CONTRIBUTIONS, ETC.

AXA has given numerous commitments and guarantees, including financing commitments, guarantees given to financial institutions and customers, pledged assets, collateralized commitments and letters of credit. For a detailed description of these commitments and guarantees, see Note 28 "Contingent assets and liabilities and unrecognized contractual commitments". Certain of these guarantees are given by the Company for the benefit of its subsidiaries and affiliates for various business purposes including to promote development of their business (e.g. to facilitate acquisitions, integration of acquired businesses, distribution arrangements, internal restructurings, sales or other disposals of assets or businesses or similar transactions), to support their credit ratings, and/or to promote efficient use of the Group's capital resources. In this context, the Company may guarantee repayment of loans or other obligations between its subsidiaries, guarantee obligations of its subsidiaries to third parties, or provide other types of guarantees for the benefit of its subsidiaries. The beneficiaries of these guarantees are generally required to compensate the Company at a negotiated rate based on prevailing market rates and conditions for guarantees of a similar nature. In addition, from time to time, the Company may provide comfort letters or similar letters to rating agencies and/or regulators for the benefit of its subsidiaries and affiliates for various business purposes, including facilitating specific transactions, achieving target ratings levels and, more generally, helping to develop the business of these subsidiaries.

The Company, from time to time, makes capital contributions, loans, other extensions of credit, or otherwise provides liquidity and capital resources to its subsidiaries and affiliates for various business purposes including to finance their business operations and/or to promote the development of their business (e.g. to facilitate acquisitions, integration of acquired businesses, distribution arrangements, internal restructurings, or similar transactions). These transactions may involve the Company entering into various types of transactions with its subsidiaries and affiliates from time to time including loans or other types of credit arrangements, acquisitions or sales of assets, securities or other financial instruments and/or similar transactions. In addition, the Company may from time to time borrow from its subsidiaries for various business purposes. These transactions are carried out on arms-length terms and conditions with loans and other extensions of credit bearing interest at varying rates that generally reflect prevailing market rates at the respective dates such loans were originated.

In addition, the Company may enter into various other types of transactions with its subsidiaries and affiliates from time to time for various other business purposes including in connection with liquidity, solvency and capital management initiatives designed to promote efficient use and fungibility of the Group's capital resources. These transactions may involve loans or other types of credit arrangements, acquisitions or sales of assets, securities or other financial instruments (including swaps or other types of derivatives), securitization transactions, and/or other types of arrangements or transactions to which the Company may be a direct party and/or guarantor.

KEY MANAGEMENT AND DIRECTORS

To the best of the Company's knowledge, based on information reported to it:

- At December 31, 2009, there were no loans outstanding from the Group to any member of AXA's Management Board or Supervisory Board other than one loan to a member of AXA's Management Board (loan originated in 2002 in the original principal amount of €200,000 bearing interest at a rate of 4.58% annually and with a 10-year term). This loan was made in the ordinary course of business by one of the Group's banking subsidiaries at prevailing market terms and conditions at the time of origination;
- During 2009 the son of a member of the Supervisory Board was employed by a subsidiary of the Company on arms-length basis and remains an employee of that subsidiary as of the date of this Annual Report;
- Various members of the Company's Supervisory Board and Management Board as well as various other executive officers and directors of other AXA Group companies may, from time to time, purchase insurance, wealth management or other products or services offered by AXA in the ordinary course of its business. The terms and conditions of these transactions are substantially similar to the terms and conditions generally available to the public or to AXA employees generally.

Note 28 Contingent assets and liabilities and unrecognized contractual commitments

Investments in non-consolidated investment funds are limited to the shares in these funds which do not provide control and any material arrangements between AXA and these funds is disclosed in this Note 28, as appropriate.

Consistent with principles set forth in Note 1.3.1 "Scope and basis of consolidation" to the financial statements, (i) AXA's investments in or other arrangements with non-consolidated special purpose entities (SPEs) do not allow AXA to exercise control over such SPEs; and (ii) SPEs controlled by AXA are consolidated as disclosed in Note 2.2 to the financial statements.

28.1. BREAKDOWN OF COMMITMENTS RECEIVED

(in Euro million)	December 31, 2009	December 31, 2008	December 31, 2007
Financing commitments	**10,225**	**8,193**	**8,156**
Credit institutions	10,225	8,193	8,127
Customers	-	-	28
Guarantee commitments	**9,559**	**4,975**	**4,844**
Credit institutions	418	503	478
Customers	9,141	4,471	4,366
Other	**29,009**	**30,194**	**30,155**
Pledged securities and collaterized commitments (a)	25,145	27,291	27,513
Letters of credit (b) (c)	1,144	687	1,602
Other commitments	2,720	2,216	1,040
TOTAL	**48,792**	**43,362**	**43,154**

(a) *2007 figures were revised to include commitments received by AXA Bank Hungary related to the National Bank of Hungary bond and collaterals on properties (€1,990 million) and the US Life & Savings related to reinsurers (€1,519 million).*

(b) *2007 figure was revised to include letters of credit received by the US Life & Savings related to reinsurers (€172 million).*

(c) *2008 figure was revised to exclude internal letters of credit commitments in the US holding (€1,243 million).*

Commitments received by AXA totaled €48,792 million at the end of 2009, an increase of €5,431 million compared to the end of 2008, mainly due to an increase in guarantee commitments to customers (€+4,670 million).

These commitments broke down as follows:

Financing commitments received totaled €10,225 million at the end of 2009, and mainly consisted in:

- The Company and its affiliates (€8,754 million) received credit facilities from banks;
- AllianceBernstein credit lines (€890 million) including credit facilities (€366 million) and revolving credit facilities (€524 million) from various banks and other lenders;
- Commitment lines granted to Japan Life & Savings as part of its operations (€411 million).

The €2,032 million increase in financing commitments received was mainly due to the Company and its affiliates (€+2,208 million), and partly offset by €-196 million and €-69 million decrease in AllianceBernstein and in AXA Liabilities Managers respectively.

Guarantee commitments received totaled €9,559 million at the end of 2009, and mainly consisted in:

- Guarantees related to mortgaged loan from customers (€8,261 million) received by AXA Switzerland Life & Savings (€3,740 million) and Property & Casualty (€809 million), AXA Bank Europe (€2,108 million) and Belgium Life & Savings (€1,452 million).

The €4,584 million increase in guarantee commitments received was mainly due to the reclassification from the caption "pledged securities and collaterized commitments received" in AXA Switzerland Life & Savings and Property & Casualty.

Pledged securities and collaterized commitments received totaled €25,145 million at the end of 2009, and mainly consisted in:

- Mortgage security interests taken by AXA Bank Europe for home loans and other business loans (€14,737 million);
- €3,746 million in AXA Bank Hungary related to the National Bank of Hungary bonds and collaterals on properties;
- Security repurchase agreement (€3,205 million) mainly due to German Life & Savings (€1,166 million), AXA Bank Europe (€ 728 million) and Japan Life & Savings (€572 million);

- €1,764 million in the US Life & Savings related to a potential failure in the payment by reinsurers mainly for disability income business.

The €2,147 million decrease in pledged securities and collaterized commitments received was mainly due to €-2,103 million decrease of security repurchase agreement in Japan Life & Savings.

Letters of credit received increased by €457 million, to €1,144 million at the end of 2009, and were mainly related to the US Life & Savings (€710 million).

Other commitments received totaled €2,720 million at the end of 2009, and were broken down as follows:

- €1,115 million received by France Life & Savings mainly due to commitment to real estate funds;
- €694 million received by AXA SA due to a loan guarantee under $1 billion loan agreement;
- €600 million commitments received by AXA Bank Europe related to foreign exchange and money market activities.

The €504 million increase in other commitments received was mainly due €+444 million by AXA Bank Europe.

28.2. BREAKDOWN OF COMMITMENTS GIVEN

	December 31, 2009					December 31, 2008	December 31, 2007
(in Euro million)	Due in one year or less	Due after one year through three years	Due after three years through five years	Due after five years	Total	Total	Total
Financing commitments	**1,535**	**704**	**9**	**40**	**2,289**	**1,841**	**3,151**
Credit institutions	22	15	-	10	47	190	934
Customers	1,513	689	9	30	2,242	1,652	2,217
Guarantee commitments	**1,443**	**638**	**1,323**	**390**	**3,795**	**4,759**	**5,353**
Credit institutions [(a)]	1,203	629	1,316	271	3,420	3,482	3,384
Customers	240	9	7	119	375	1,278	1,969
Other	**11,816**	**3,932**	**1,260**	**8,453**	**25,461**	**26,823**	**25,233**
Pledged securities and collaterized commitments	9,242	152	171	1,041	10,606	12,854	14,601
Letters of credit	44	25	20	267	357	542	576
Other commitments [(a)]	2,530	3,754	1,068	7,145	14,498	13,427	10,056
TOTAL	**14,795**	**5,274**	**2,592**	**8,884**	**31,545**	**33,424**	**33,737**

(a) Regarding guarantee given by AXA SA to bank deposits for AXA Bank Europe in 2008, €1,113 million was reclassified from "guarantee commitments" to "other commitments".

Commitments given totaled €31,545 million at the end of 2009, a decrease of €1,879 million as compared to the end of 2008, mainly due to a decrease in pledged securities and collaterized commitments given (€2,248 million).

Financing commitments given totaled €2,289 million at the end of 2009, and consisted in:

- Financing commitments to customers (€2,242 million), mainly comprising commitments given related to loan commitments granted by AXA Bank Europe (€889 million), and by AXA Banque (€735 million) to their customers.

Financing commitments increased by €447 million, including €+359 million in AXA Bank Europe and €+230 million in German Life & Savings due to loan commitment to customers.

Guarantee commitments given totaled €3,795 million at the end of 2009, and consisted in:

- Guarantee commitments given to credit institutions (€3,420 million) mainly due to guarantees given by AXA SA (€2,801 million) including €2,070 million guarantees to loan and €258 million to IT contracts;
- Guarantees commitments given to customers (€375 million) including €165 million granted by AXA Banque mainly consisting in guarantees given on investment funds.

Guarantee commitments given decreased by €964 million, mainly due to a decrease in guarantees on structured products given by AXA Banque (€-792 million).

Pledged securities and collaterized commitments given totaled €10,606 million at the end of 2009, and mainly consisted in:

- €4,737 million in Japan Life & Savings, including pledged assets for securities repurchase agreement (€3,973 million), for loaned stock (€626 million) and as part of derivative transactions (€93 million);
- Securities pledged by AXA Bank Europe to financial institutions in respect of security repurchase agreements (€2,794 million) and derivative transaction (€771 million).

Pledged assets and collaterized commitments given decreased by €2,248 million in 2009 chiefly due to €2,008 million decrease in Japan mainly on securities pledged under securities repurchase agreement.

Letters of credit given totaled €357 million at the end of 2009 and were mainly related to the run-off activities of reinsurance operations (€286 million).

Other commitments given totaled €14,498 million at the end of 2009 and consisted in:

- Potential capital call to Private Equity funds (€5,238 million) mainly given by the France Life & Savings (€1,446 million), Switzerland Life & Savings (€765 million), Japan Life & Savings (621 million) and the UK Life & Savings (€553 million);
- €1,609 million guarantee given by AXA SA as part of group insurance contracts;
- €1,202 million commitments given by German Life & Savings as a commitment to purchase loans;
- €1,050 million given by France Life & Saving as commitments to real estate funds;
- €863 million in AXA SA commitment given to guarantees regarding bank deposits in AXA Bank Europe;
- €715 million of commitment given by the UK Life & Savings to third parties for long term contracts such as IT and administrative service;
- €480 million in German Life & Savings commitment given to "Protektor" and "Medicator", the German insurance guarantee funds in the case of a bankruptcy of the insurance companies;
- €764 million of unamortized balance on AXA's subordinated debt instruments: AXA issued subordinated debts which are amortized over the life of the instrument at the effective interest rate for each debt.

The €1,071 million increase in other commitments given in 2009 mainly explained by AXA SA (€859 million) related to an increase in guarantee on a group insurance contract (€600 million).

Transfers to the UK with-profit funds

The scheme governing the financial reorganisation of AXA Sun Life in 2001 (the "Scheme") details arrangements under which assets from the inherited estate, attributed to AXA through the reorganisation, may be transferred on a temporary, or permanent, basis to the with-profit funds as required to support the capital requirements of these funds, as determined under the scheme. In the case of a temporary transfer, assets and related investment income remain attributable to AXA as they will be returned when they are no longer required to support the capital requirements of the with-profit funds, under the stringent tests set out in the scheme.

If all or part of the assets transferred are unlikely to be returned in the foreseeable future (taking into consideration the duration of the in force with-profit policies), then the relevant part of the transfer would be designated permanent. Only a permanent transfer to the with-profit funds would result in a charge against the profit and loss account. As at December 31 2009 the maximum amount that could be transferred under the Scheme is capped at the market value of relevant surplus assets in the non-profit funds, which is estimated to be £750 million (€863 million) (£846 million as at December 31, 2008). As at December 31, 2009 the transfer to the with-profit funds has a nil value. Under the rules of the Scheme an annual test ("the Test") must be performed at least once in a 12 month period and may result in an additional transfer. The completion of the Test, based on an effective date of January 1, 2010, may lead to a transfer but this is not expected to be permanent.

Cross-Shareholding Agreements

AXA has entered into cross-shareholding agreements with BNP Paribas and Schneider which are described hereafter.

Agreement with BNP Paribas

On December 15, 2005, and after authorization by the AXA Supervisory Board on June 29, 2005, the AXA Group and the BNP Paribas Group entered into an agreement that replaces a prior agreement between them dated September 12, 2001.

The 2005 agreement maintains the provisions of the prior agreement concerning minimal and stable cross-shareholdings. Pursuant to the agreement, the AXA Group undertakes to hold at least 43,412,598 shares of BNP Paribas and the BNP Paribas Group undertakes to hold at least 61,587,465 shares of AXA. These amounts are subject to adjustment to reflect the impact of certain capital transactions, including, but not limited to: capital increases, free allotments of stock, stock splits or similar transactions.

In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of five years starting from December 16, 2005, this agreement is renewable automatically for an initial period of two years and for successive periods of one year thereafter, unless one of the two parties decides to terminate the agreement earlier, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF (*Autorité des marchés financiers*) on December 21, 2005.

Agreement with Schneider

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group, the Mutuelles AXA and the Schneider Group entered into an agreement that provides for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertakes to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertakes to hold at least 8,816,681 AXA ordinary shares. The number of shares held under this cross-shareholding agreement will be adjusted as needed to reflect the impact of certain capital transactions, including, but not limited to: capital increases, free allotments of stock, stock splits or similar transactions.

In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of one year from the date of signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF (*Autorité des marchés financiers*) on May 31, 2006.

Commitments towards some Group employees

In addition to other employment-related obligations, various AXA subsidiaries are required to indemnify their employees against certain liabilities and costs that they may incur from time to time in performing activities within the scope of their employment duties. These activities may include, for example, service as a director, officer, agent, general partner, or in a similar capacity for (i) an AXA Group company other than the employee's principal employer or (ii) a company outside the AXA Group where service is at the request of (or for the benefit of) the Group (e.g. joint ventures, partnerships, or special-purpose investment companies or funds). The potential amount of compensation relating to commitments covered by these obligations cannot be evaluated with any certainty.

Supports provided without having a contractual or constructive obligation to do so

The Group did not provide any material support without having a constructive obligation to do so to non consolidated entities during the period.

28.3. OTHER ITEMS: RESTRICTION ON DIVIDEND PAYMENTS TO SHAREHOLDERS

Some AXA subsidiaries, principally insurance companies, are subject to restrictions on the amount of funds they may transfer in the form of cash dividends or otherwise.

In most cases, the amounts available for distribution from AXA's insurance subsidiaries are limited to net income for the year and retained earnings calculated in accordance with the accounting policies used by the subsidiaries to prepare their financial statements. Further restrictions may be imposed by the local insurance regulators in countries where AXA operates. In some cases, amounts available for distribution are also subject to regulatory capital adequacy tests or the approval of an independent actuary, or subject to individual provisions contained in a company's by-laws.

In accordance with European Union directives, insurance companies with their registered office in a European Union member country are required to maintain minimum solvency ratios which must be supported by capital, retained earnings and reserves and unrealized capital gains on marketable securities and real estate as reported in regulatory filings or subject to approval by local regulators in some countries. AXA's insurance operations in countries outside the European Union are also subject to local capital adequacy and solvency margin regulations. At December 31, 2009, AXA's subsidiaries complied with the applicable solvency and capital adequacy requirements.

In addition, the currency hedges used by AXA to manage foreign exchange rate risk may significantly impact the statutory results (parent only) of the Company and the amounts available for distribution as dividends to its shareholders because unrealized exchange rate gains and losses under these derivatives are recognized in the Company's income statement.

Note 29 Fees paid to statutory auditors

29.1. STATUTORY AUDITORS

Incubent auditors

PRICEWATERHOUSECOOPERS AUDIT:

63, rue de Villiers – 92208 Neuilly-sur-Seine, represented by Messrs. Pierre Coll and Eric Dupont, first appointed on February 28, 1989. The current appointment is for a term of 6 years, until the General Shareholders' Meeting called to approve the financial statements for the fiscal year 2011.

MEMBERSHIP IN A PROFESSIONAL BODY:

PricewaterhouseCoopers Audit is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.

MAZARS:

61, rue Henri Régnault – 92075 Paris-La Défense Cedex, represented by Messrs. Philippe Castagnac and Jean-Claude Pauly, first appointed on June 8, 1994. The current appointment is for a term of 6 years, until the General Shareholders Meeting called to approve the financial statements for the fiscal year 2009.

MEMBERSHIP IN A PROFESSIONAL BODY:

Mazars is registered as an independent auditor with the *Compagnie Régionale des Commissaires aux Comptes de Versailles.*

Alternate auditors

Mr Patrick Frotiée: 63, rue de Villiers – 92208 Neuilly-sur-Seine, first appointed on May 17, 1995. The current appointment is for a period of 6 years, until the annual General Meeting of the shareholders called to approve the financial statements for the fiscal year 2011.

Mr Jean Louis Simon: 61, rue Henri Régnault – 92075 Paris-La Défense Cedex – 75012 Paris, first appointed on April 21, 2004. The current appointment is for a period of 6 years, until the annual General Meeting of the shareholders called to approve the financial statements for the fiscal year 2009.

29.2. FEES PAID TO STATUTORY AUDITORS

Pursuant to Article 222-8 of the AMF General Regulations, the table below shows the fee amounts paid by AXA to each of the statutory auditors in charge of auditing the Group's financial statements, distinguishing between the fees for, on the one hand, the legal mission of statutory auditors of the statements, as well as the diligence directly related to them, and, on the other hand, for other services.

	PricewaterhouseCoopers						Mazars					
	Amount (before VAT)			%	%	%	Amount (before VAT)			%	%	%
(in Euro thousand)	2009	2008	2007	2009	2008	2007	2009	2008	2007	2009	2008	2007
Audit												
Statutory audit and certification of local and consolidated financial statements	38,409	41,277	43,951	82%	82%	82%	8,234	8,202	7,160	97%	96%	91%
Parent company	*3,643*	*3,419*	*3,214*	*8%*	*7%*	*6%*	*600*	*600*	*571*	*7%*	*7%*	*7%*
Fully consolidated subsidiaries	*34,766*	*37,858*	*40,737*	*74%*	*75%*	*76%*	*7,634*	*7,602*	*6,589*	*90%*	*89%*	*84%*
Other specific audit assignment	4,069	4,486	4,687	9%	9%	9%	238	247	296	3%	3%	4%
Parent company	*160*	*209*	*326*	-	-	*1%*				-	-	-
Fully consolidated subsidiaries	*3,909*	*4,277*	*4,361*	*8%*	*8%*	*8%*	*238*	*247*	*296*	*3%*	*3%*	*4%*
Sub-total	**42,478**	**45,763**	**48,638**	**91%**	**90%**	**91%**	**8,473**	**8,449**	**7,455**	**100%**	**98%**	**95%**
Other services												
Legal, tax and employment consulting	4,023	4,405	4,796	9%	9%	9%		84	52	-	1%	1%
Other [(a)]	395	413	291	1%	1%	1%		50	330	-	1%	4%
Sub-total	**4,418**	**4,818**	**5,087**	**9%**	**10%**	**9%**		**134**	**382**	**-**	**2%**	**5%**
TOTAL	**46,896**	**50,581**	**53,725**	**100%**	**100%**	**100%**	**8,473**	**8,584**	**7,837**	**100%**	**100%**	**100%**
Affiliated Companies/Mutual funds	10,391	10,439	10,589				1,264	1,354	1,297			
TOTAL	**57,287**	**61,020**	**64,314**				**9,737**	**9,937**	**9,134**			

(a) Including Technology, IT systems consulting and other internal services.

Note 30 Litigation

30.1. MATTERS DIRECTLY CONCERNING AXA SA

AXA SA is involved in lawsuits (both class actions and individual litigations), investigations, and other actions arising in the various jurisdictions where it does business, including the following:

In 2007, AXA SA completed the squeeze-out of the minority shareholders at two German subsidiaries, AXA Konzern AG ("AKAG") and Kölnische Verwaltungs-AG für Versicherungswerte ("KVAG"). Following the effective date of these squeeze outs in July 2007, certain former AKAG and KVAG shareholders brought an action in Germany alleging that the cash compensation offered by AXA SA was not adequate. Management believes that these claims are without merit and intends to vigorously defend them. Management also believes that these judicial proceedings are likely to continue for several years before they are definitively resolved due to the complexities, procedural and otherwise, of the matter.

30.2. MATTERS CONCERNING AXA SUBSIDIARIES

In addition, several AXA subsidiaries are involved in lawsuits (both class action and individual), investigations, and other actions arising in the various jurisdictions where they do business, including the following:

30.2.1. United States Matters

In the United States, certain AXA subsidiaries are involved in a number of lawsuits, investigations and other actions in various states and jurisdictions where they do business. A detailed description of these matters involving AXA Financial, Inc. and its subsidiaries (including AXA Equitable Life Insurance Company and AllianceBernstein) is included in the annual reports on Form 10-K for the year ended December 31, 2008 and subsequent reports on Form 10-Q, respectively, of AXA Financial, Inc. (SEC file no. 1-11166), AXA Equitable Life Insurance Company (SEC file no. 0-25280) and AllianceBernstein (SEC file no. 001-09818) filed with the SEC (collectively, the "Subsidiary SEC Reports"). While not incorporated by reference herein, the Subsidiary SEC Reports are publicly available and management encourages readers of the financial statement to consult the Subsidiary SEC Reports for a full description of all the various litigations and related matters in which these subsidiaries are involved. Copies of the Subsidiary SEC Reports can be obtained through the SEC's EDGAR system (www.sec.gov).

Among the matters discussed in the Subsidiary SEC Reports are the following:

AXA FINANCIAL AND AXA EQUITABLE MATTERS

A number of lawsuits have been filed against insurers in the United States involving insurers' sales practices, alleged agent misconduct or misrepresentation, alleged failure to properly supervise agents, compensation of intermediaries and numerous other matters. Some of these actions have resulted in the award of substantial judgments against insurers (including material amounts of punitive damages) or in substantial settlements. In certain jurisdictions, juries have substantial discretion in awarding punitive damages.

AXA Equitable and certain of its subsidiaries, like other life and health insurers in the US, are involved in these types of litigations as well as in a wide variety of other matters including the following:

- AXA Equitable and/or AXA Advisors LLC is currently the subject of four putative class actions filed between July 2006 and September 2007 in Federal court alleging certain wage and hour violations with regard to certain sales personnel. Each of the cases seeks substantially the same relief under essentially the same theories of recovery: violation of the Fair Labor Standards Act for failure to pay minimum wage and overtime and violation of similar provisions under state labor laws in the respective states. In September 2007, the parties agreed to consolidate in the Northern District of California all four pending actions: Meola v. AXA Advisors and AXA Equitable; Lennon v. AXA Advisors, et al.; Bolea v. AXA Advisors, LLC and AXA Equitable, et. al.; and Dhruv v. AXA Advisors, LLC, et al. Plaintiffs seek compensatory damages, restitution of all wages improperly withheld or deducted, punitive damages, penalties, and attorneys' fees. In February 2009, the parties filed a motion for preliminary approval of a proposed settlement agreement with the Court. In May 2009, the Court granted preliminary approval of a settlement and the settlement proceeds were turned over to the Class Administrator. In June 2009, notices were sent to the class members. In September 2009, the Court granted final approval of the settlement;
- A putative class action entitled Eagan, et al. v. AXA Equitable Life Insurance Company was filed in the District Court for the Central District of California in December 2006 against AXA Equitable as plan sponsor and fiduciary for an ERISA retiree health plan. The action was brought by two plan participants on behalf of all past and present employees and agents who received retiree medical benefits from AXA Equitable at any time after January 1, 2004, or who will receive such benefits in 2006 or later, excluding certain retired agents. Plaintiffs allege that (a) AXA Equitable's adoption of a revised version of its retiree health plan in 1993 (the "1993 Plan") was not authorized or effective, (b) that AXA Equitable has therefore breached the retiree health plan by imposing the terms of the 1993 Plan on plaintiffs and other retirees, (c) even if the 1993 Plan is controlling, AXA Equitable has violated the terms of the retiree health plan by imposing health care costs and coverage on plaintiffs and other retirees that are not authorized under the 1993 Plan, and (d) AXA Equitable breached fiduciary duties owed to plaintiffs and retirees by allegedly misrepresenting and failing to disclose information to them. The plaintiffs seek compensatory damages, restitution and injunctive relief prohibiting AXA Equitable from violating the terms of the applicable plan, together with interest and attorneys' fees. In March 2007, AXA Equitable filed a motion to dismiss. In July 2007, the plaintiffs filed an amended complaint that (i) redefined the scope of the class to now include all retired employee and independent contractor agents formerly

employed by AXA Equitable who received medical benefits after December 1, 2000 or who will receive such benefits in the future, excluding certain retired agents, and (ii) eliminated the claim based on a breach of fiduciary duty and certain claims related to health care costs. Since 2007 the litigation has continued on procedural and substantive aspects, including on the question of class certification with respect to certain of the plaintiffs' claims. A trial date is currently scheduled for June 2010.

ALLIANCEBERNSTEIN MATTERS

On December 18, 2003, AllianceBernstein settled with the SEC and the Office of the New York State Attorney General ("NYAG") regarding their investigations into trading practices in the shares of certain mutual funds sponsored by AllianceBernstein. In connection with this settlement, AllianceBernstein established a $250 million restitution fund to compensate fund holders for the adverse effect of market timing (the "Restitution Fund"). During 2008 an Independent Distribution Consultant ("IDC") retained by AllianceBernstein to develop a plan for the distribution of the Restitution Fund confirmed that the Restitution Fund was sufficient to compensate for the harm to mutual fund holders from market timing activities and the SEC approved the IDC's distribution plan on May 15, 2008. The IDC began distributing payments from the Restitution Fund in February 2009 and we expect distribution activity to be completed in 2010.

In addition to the matters set forth above, AXA Financial, AXA Equitable and AllianceBernstein, as well as certain of AXA's other U.S. subsidiaries, are involved in various other types of lawsuits (both class action and individual), regulatory inquiries, investigations or actions, including in connection with the ownership and/or management of real estate, asset management activities, corporate transactions, employee benefit disputes, alleged discrimination in employment practices, as well as other matters. For additional details on these matters, please see the Subsidiary SEC Reports.

30.2.2. Other Litigations

AXA and certain of its subsidiaries are involved in various legal actions and proceedings arising out of transactions involving the acquisition or sale of businesses or assets, mergers or other business combination transactions, the establishment or dissolution of joint ventures or other partnerships, public exchange or tender offers, buy-outs of minority interests or similar types of transactions ("M&A Transactions"). In connection with M&A Transactions, AXA and its subsidiaries from time to time:

- Are involved in legal actions or other claims brought by purchasers, joint venture partners, shareholders or other transaction parties asserting claims for damages on various theories (including misrepresentation, failure to disclose material information, failure to perform contractual duties, breach of fiduciary duties), seeking contractual indemnification, or otherwise seeking to impose liability on AXA and/or its subsidiaries, and/or
- Benefit from contractual rights to indemnification from third party sellers or other transaction counterparties that are designed to protect the Group against existing or potential future litigation exposures or other types of contingent liabilities of the acquired businesses or assets. These indemnities generally constitute unsecured obligations of the indemnifying party and, consequently, their value may be substantially impaired or rendered worthless in the event of the bankruptcy or insolvency of the indemnifying party.

In addition, AXA and certain of its subsidiaries are involved in various legal actions and proceedings with tax authorities in various jurisdictions including actions arising in connection with M&A Transactions, the Group's ordinary course business activities or other matters.

Over the past several years a number of jurisdictions, including France and Belgium, have enacted legislation that permits corporate entities to be charged with criminal offenses. The standard for attributing criminal conduct by corporate officers and employees to corporate entities is not clearly defined in many of these jurisdictions and government prosecutors and judges have broad discretion in this area. In recent years, complaints against or indictments of corporate entities for alleged criminal offenses have become increasingly common and certain AXA Group companies have been the subject of penal complaints and/or indictments from time to time including in Belgium and France. While a criminal complaint against or indictment of a corporate entity may not pose material financial risk, it has broad potential implications for a regulated financial institution like AXA both from a reputation point of view and from a regulatory perspective because a criminal conviction can have potentially far reaching negative implications for AXA Group companies engaged in regulated businesses around the world including for their ability to obtain and/or maintain licenses to engage in certain types of regulated business activities such as asset management, insurance and banking.

AXA and its subsidiaries are also involved in various legal actions and proceedings of a character normally incident to their business including claims litigation arising in connection with the Group's insurance business and litigation arising from the Group's asset management business.

In addition to litigation risks of the type described above, AXA and its subsidiaries are subject to comprehensive regulation in the various jurisdictions where they do business. In this context, AXA and its subsidiaries are subject, from time to time, to examinations, investigations, enforcement proceedings and other actions by regulatory and law enforcement authorities (involving civil and/or penal matters) as well as to proposed changes in law and/or regulation that may significantly impact their business and results of operations. For additional information on these matters as well as other risks and contingent liabilities affecting the Group and its business, please see "Additional factors that may affect AXA's Business" in Part 1 of this Annual Report, "Risk Factors" in Part 3 of this Annual Report and Note 28 to the Group's consolidated financial statements in Part 4 of this Annual Report.

Some of the litigations described above have been brought on behalf of various alleged classes of claimants, and certain of the claimants in these actions seek significant or unspecified amounts of damages, including punitive damages. In some jurisdictions, juries have substantial discretion in awarding punitive damages.

Although the outcome of any lawsuit cannot be predicted with certainty, particularly in the early stages of an action, management believes that the ultimate resolution of the matters described above should not have a material adverse effect on the consolidated financial position of AXA, taken as a whole. However, due to the nature of such lawsuits and investigations and the frequency of large damage awards in certain jurisdictions (particularly the United States) that bear little or no relation to actual economic damages incurred by plaintiffs, AXA's management cannot make an estimate of loss, if any, or predict whether or not these matters will have a material adverse effect on the AXA's consolidated results of operations in any particular period.

Note 31 Subsequent events

On Januar 15, 2010, AXA announced the acquisition of Omniasig Life. With this operation, AXA enters the Romanian Life insurance market, in line with its objective of accelerating the development of its activities in the emerging countries, notably in Central and Eastern Europe. Created in 1997, Omniasig Life sells protection products, representing premiums of €12 million in 2008, through a network of 1,400 agents. Omniasig Life ranks 10th in Romanian Life market and holds a 2.55% market share. Completion of the transaction is subject to customary regulatory approvals and is expected to take place during the first half-year of 2010.

On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter. AXA intends to maintain its US ADR program as a “level one” program which will permit AXA’s current ADR holders and other US investors to continue holding and trading AXA ADRs in the US over-the-counter market. The Group intends to maintain financial reporting discipline through an annual program to test the effectiveness of its internal control going forward.

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

The estimated financial imact for AXA of the Xynthia storm in Europe in early 2010 is ranging between €-0.3 billion before tax, with largest impacts in France, Germany, Belgium and Spain.

4.7 REPORT OF THE STATUTORY AUDITORS

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Report of the Statutory Auditors on the consolidated financial statements

(For the year ended December 31, 2009)

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA SA**
25, Avenue Matignon
75008 Paris

In compliance with the assignment entrusted to us by your Shareholders' General Meeting, we hereby report to you, for the year ended December 31, 2009, on:

- The audit of the accompanying consolidated financial statements of AXA SA , as attached to the present report;
- The justification of our assessments;
- The specific verification required by law.

These consolidated financial statements have been approved by the Management Board. Our role is to express an opinion on these consolidated financial statements based on our audit.

Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2008 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Justification of our assessments

The deterioration of the economic environment and the persistence of the financial crisis' aftermaths continue to significantly impact companies, and in particular their activity. This situation still gives rise to specific circumstances for the preparation of financial statements this year, in particular with respect to the accounting estimates required by accounting principles. In this context, we have carried out our own assessments and would like to bring to your attention the following matters, in accordance with the requirements of Article L.823-9 of the French Commercial Code:

- Your company details in Notes 1.7.2, 4.3 and 9.9 to the consolidated financial statements the valuation methods it applies to financial assets. We have assessed the appropriateness of the process of the financial assets valuation, as well as of the information disclosed in the above mentioned notes;
- Certain consolidated balance sheet items that are specific to insurance and reinsurance business are estimated on the basis of statistical and actuarial data, such as actuarial reserves, deferred acquisition costs and their amortization, the value of business in force and future policyholders' benefits. The methods and assumptions used to calculate the carrying values of these items are described in Notes 1.13, 1.6.4 and 1.6.2 to the consolidated financial statements. We have assessed the reasonableness of the assumptions used to calculate these values, particularly with respect to the Group's experience and its regulatory and economic environments. We also assessed the overall consistency of these assumptions;
- The carrying values of purchase goodwill are tested at each closing for recoverability using the methods described in Notes 1.6.1 and 5.2.2 to the consolidated financial statements. We have in particular ensured the valuation approaches used rely on assumptions that are consistent with the forecasts that emerge from the strategic plans established by the Group. We have also examined the elements gathered by the Group to justify the other assumptions considered as well as the sensitivity tests performed;
- Deferred tax assets and liabilities are recorded and measured using the methods described in Note 1.16.1 of the notes to the consolidated financial statements. We have verified that the valuation methods used take into account the nature of tax differences, business plans established by the Group and, when accounting policies permit, its intentions;
- Derivatives and hedging activities are recognized in accordance with the methods and procedures described in Note 1.9 to the consolidated financial statements. We have assessed whether the hedging activities that abide by hedge accounting in accordance with hedge accounting rules have been duly documented, and whether this documentation includes an explanation of the hedging relationship, its efficiency and the Group's objective in terms of risk management and hedging strategy.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

Specific verification

As required by law we have also verified the information given in the Group's management report in accordance with the professional standards applicable in France.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, March 16, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Eric Dupont	Philippe Castagnac – Jean-Claude Pauly

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CERTAIN ADDITIONAL INFORMATION

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5.1 CHARTER

We summarize below certain material provisions of applicable French law and of our Charter *("statuts")*. You may obtain copies of our Charter in French from the Paris Trade and Companies Register *(Registre du Commerce et des Sociétés).*

Charter

The Company is a holding company organized under the laws of France as a *Société Anonyme* (SA) (a form of limited liability company), with a Supervisory Board and a Management Board [(1)]. The Company's principal office is located at 25, avenue Matignon, 75008 Paris, France and AXA is registered with the Paris Trade and Companies Register *(Registre du Commerce et des Sociétés)* under number 572 093 920.

Objects and purposes

Under Article 3 of its Charter AXA's corporate purpose is generally to:

- Hold equity interests whatever their forms in any French or foreign companies or businesses, including insurance companies or businesses;
- Acquire, manage and sell all listed or unlisted shares or securities, including all real and movable property, as well as all rights, listed or unlisted stock, and movable property related to said assets; and
- Perform any and all industrial, commercial, financial, real estate or movable property transactions, directly or indirectly related to any of the foregoing.

Management Board and Supervisory Board members [(1)]

In addition to French law provisions, AXA's Charter and the Supervisory Board's Bylaws include a number of specific provisions concerning members of the Supervisory Board and Management Board, including the following:

COMPENSATION

Upon the proposal of the Compensation and Human Resources Committee, the Supervisory Board approves the amount and terms of compensation for each of the members of the Management Board. Members of the Supervisory Board receive a fixed annual directors' fee, the overall amount of which is determined by the General Shareholders' Meeting and apportioned by the Supervisory Board among its members. The Supervisory Board also may authorize that its members be compensated for the performance of special tasks or assignments in accordance with the provisions of French company law. In addition to directors' fees, the Supervisory Board may decide to grant compensation to its Chairman and Vice-Chairman. Any Supervisory Board's decision to award such compensation requires approval of the Supervisory Board (majority vote) at a duly convened meeting where at least half the members are present. For further information please see Part 2 – "Corporate governance, executive compensation, major shareholders and related matters" of this Annual Report.

(1) On October 7, 2009, AXA announced that it intends to submit to the General Shareholders' Meeting on April 29, 2010 a proposed change in its corporate governance structure from a dual board structure (Supervisory Board and Management Board) to an unitary Board structure (Conseil d'Administration).

RETIREMENT

Any member of the Management Board who, during a fiscal year, reaches the age of sixty-five while in office is automatically deemed to have resigned at the end of that fiscal year unless the Supervisory Board chooses to extend his/her term of office for up to a maximum of three years.

Under the Company's Charter the age limit for members of the Supervisory Board is seventy. Notwithstanding the foregoing, members of the Supervisory Board who have exceeded this age limit can be appointed by the shareholders for a two-year period, that can be renewed once. In any case, however, the number of Supervisory Board members who have exceeded the age of seventy cannot represent more than one third of the active members of the Supervisory Board.

SHAREHOLDING

Article 10 A-2 of AXA's Charter provides that each member of the Supervisory Board must own at least 100 AXA ordinary shares during his/her term of office.

Neither French law nor AXA's Charter requires members of the Management Board to be shareholders of the Company. However, the Supervisory Board, acting on the recommendation of its Compensation and Human Resources Committee, has adopted guidelines for share ownership applicable to members of the Management Board. These guidelines provide that each member of the Management Board must hold during the entire duration of his/her functions on the Management Board, a number of AXA shares having a minimum value defined as follow: (i) the Chairman of the Management Board is required to hold the equivalent of his total cash compensation received for the prior fiscal year (fixed salary plus variable compensation) multiplied by three, and (ii) the other Management Board members are required to hold the equivalent of their total cash compensation received for the prior fiscal year (fixed salary plus variable compensation) multiplied by two. Each Management Board member must comply with this requirement within a period of 5 years starting on the latest of (i) January 1, 2007, and (ii) the date of his/her first appointment to Management Board.

For additional information concerning the respective powers of the Management and Supervisory Boards, please see Part 2 – "Corporate governance, executive compensation, major shareholders and related matters" of this Annual Report.

5.2 DESCRIPTION OF AXA'S SHARE CAPITAL

Transactions involving AXA's share capital

As of December 31, 2009, AXA had 2,289,965,124 shares, each with a par value of €2.29. All these shares were fully paid up and non assessable and began earning dividends on January 1, 2009. The following table sets forth changes in the number of shares from December 31, 2006 to December 31, 2009:

Date	Transaction	Number of shares issued or cancelled	Issue or merger premium (in Euro)	Number of shares after the transaction	Amount of share capital after the transaction (in Euro)
2007	Exercise of stock options	607,008	11,581,463	2,093,495,322	4,794,104,287
	Exercise of stock subscription warrants	12,371	164,220	2,093,507,693	4,794,132,617
	Conversions of bonds	36,688	1,374,419	2,093,544,381	4,794,216,632
	Exercise of stock options	3,875,494	57,905,093	2,097,419,875	4,803,091,514
	Exercise of stock subscription warrants	29,340	366,052	2,097,449,215	4,803,158,702
	Conversions of bonds	4	156	2,097,449,219	4,803,158,712
	Exercise of stock options	1,608,041	23,764,903	2,099,057,260	4,806,841,125
	Exercise of stock subscription warrants	578,880	5,081,670	2,099,636,140	4,808,166,761
	New equity issue reserved for employees of AXA (SharePlan 2007)	22,088,600	501,196,189	2,121,724,740	4,858,749,655
	Share capital reduction by cancellation of shares	(– 63,103,647)	(– 1,754,535,072)	2,058,621,093	4,714,242,303
	Exercise of stock options	2,118,017	32,372,471	2,060,739,110	4,719,092,562
	Exercise of stock subscription warrants	13,718	250,991	2,060,752,828	4,719,123,976
	Conversions of bonds	664	24,959	2,060,753,492	4,719,125,497
2008	Exercise of stock options	2,697,087	51,485,070	2,063,450,579	4,725,301,826
	Exercise of stock subscription warrants	4,748	83,421	2,063,455,327	4,725,312,699
	Conversions of bonds	208	7,799	2,063,455,535	4,725,313,175
	Exercise of stock options	351,108	4,334,094	2,063,806,643	4,726,117,212
	Exercise of stock subscription warrants	568,615	7,455,742	2,064,375,258	4,727,419,341
	New equity issue reserved for employees of AXA (SharePlan 2008)	24,735,608	403,190,812	2,089,110,866	4,784,063,883
	Exercise of stock options	47,303	399,237	2,089,158,169	4,784,172,207
2009	Exercise of stock options	16,937	142,948	2,089,175,106	4,784,210,993
	Exercise of stock options	174,037	1,556,005	2,089,349,143	4,784,609,537
	Exercise of stock options	32,782	276,680	2,089,381,925	4,784,684,608
	Conversions of bonds	101,617	3,678,393	2,089,483,542	4,784,917,311
	Share capital reduction by cancellation of shares	(-101,617)	(-4,928,205)	2,089,381,925	4,784,684,608
	Share capital increase with preferential subscription rights	174,123,628	1,642,341,991	2,263,505,553	5,183,427,716
	New equity issue reserved for employees of AXA (SharePlan 2009)	26,390,246	332,756,023	2,289,895,799	5,243,861,380
	Conversions of bonds	45	1,552	2,289,895,844	5,243,861,483
12/31/2009	Exercise of stock options	69,280	566,710	2,289,965,124	5,244,020,134

Changes in the share capital

CAPITAL INCREASE

Pursuant to the Charter of AXA and French law and subject to the exceptions described below, the share capital of AXA may be increased only with the approval of two-thirds of the shareholders attending or represented by proxy at an Extraordinary Shareholders' Meeting.

Increases in AXA's share capital may be effected through the issuance of additional ordinary shares which may be issued:

- For cash;
- In satisfaction of indebtedness incurred by AXA;
- For assets contributed-in-kind to AXA;
- By capitalization of existing reserves, profits or premiums;
- Upon conversion, exchange or repayment of convertible, exchangeable or other securities giving access to AXA ordinary shares;
- Upon the exercise of warrants, stock options or other similar securities giving the right to subscribe AXA ordinary shares; or
- In lieu of a cash dividend.

A share capital increase effected by capitalization of reserves, profits or premiums, requires a simple majority of the votes cast at an Extraordinary Shareholders' Meeting. In the case of a share capital increase in connection with the payment of a dividend in shares (instead of a cash dividend), the voting and quorum procedures of an Ordinary Shareholders' Meeting apply.

The Extraordinary Shareholders' Meeting may delegate to the Management Board the right to carry out any increase in share capital. The Management Board may further sub-delegate this power to the Chairman of AXA's Management Board.

CAPITAL REDUCTION

As provided in the French Commercial Code, AXA's share capital may be reduced only with the approval of two-thirds of the shareholders attending or represented by proxy at an Extraordinary Shareholders' Meeting. The number of shares may be reduced in the event that AXA exchanges or repurchases its outstanding ordinary shares and then cancels them. As a general matter, reductions of capital occur prorata among all shareholders, except (i) in the case of a share repurchase program, or a public tender offer to repurchase shares (*"offre publique de rachat d'actions"* (OPRA), where such a reduction occurs prorata only among tendering shareholders; and (ii) in the case where all shareholders unanimously consent to a non prorata reduction. AXA may not repurchase more than 10% of its outstanding share capital within 18 months from the date of the Shareholders' Meeting authorizing a shares repurchase program. In addition, AXA may not cancel more than 10% of its share capital over any 24-month period and may not hold more than 10% of its share capital in self-held shares and/or shares owned by subsidiaries.

Treasury shares (i.e. ordinary shares held by AXA) must be fully paid up and held by AXA in registered form, except the shares bought pursuant to liquidity contract. Treasury shares are deemed outstanding under French law but are not entitled to dividends, voting rights or preferential subscription rights.

CROSS SHAREHOLDINGS AND AXA SHARES HELD BY AXA SUBSIDIARIES

With the exception of non-voting treasury shares that may be held by AXA subsidiaries, French law prohibits any company in which AXA holds an equity interest of more than 10% from holding AXA shares. French law also prohibits AXA from holding more that 10% interests in a French company that reciprocally holds more than 10% of AXA's share capital. In the event of a cross-shareholding that violates this rule, the company holding the smaller percentage of shares in the other company is required to sell its interest. Until sold, these shares are not entitled to voting rights. Failure to sell the shares held in violation of this rule is a criminal offence under French law.

PREEMPTIVE RIGHTS

Under French law, shareholders have preferential subscription rights to subscribe, on a prorata basis, additional ordinary shares (and/or to convertible, exchangeable or other securities giving a claim, directly or indirectly, to AXA ordinary shares). This subscription right is transferable and normally trades separately during the subscription period for a capital increase. In order to issue additional shares without preferential subscription rights, except for issues already approved or authorized by AXA shareholders, AXA must obtain the approval of a two-thirds majority of voting rights at an Extraordinary Shareholders' Meeting.

Dividends

AXA may distribute dividends to its shareholders from net income in each fiscal year after deductions for depreciation and provisions, as increased or reduced by any profit or loss carried forward from prior years, and as reduced by the legal reserve fund allocation described below.

Under French law, AXA is required to allocate 5% of its net income in each fiscal year, after reduction for losses carried forward from previous years, if any, to a legal reserve fund until the amount in that fund equals 10% of the nominal amount of its share capital. The legal reserve is distributable only upon AXA's liquidation.

Upon proposal by AXA's Management Board and subject to prior approval by the Supervisory Board, the shareholders of AXA may decide to allocate all or part of distributable profits to special or general reserves, to carry them forward to the next fiscal year as retained earnings, or to allocate them to the shareholders as dividends. If AXA has earned a distributable profit since the end of the previous fiscal year, as reflected in an interim balance sheet certified by its auditors, the Management Board may distribute interim dividends to the extent of the distributable profit without shareholders approval in accordance with French law. AXA's Charter requires AXA to distribute dividends between its shareholders prorata according to their share in the capital. Dividends are usually paid within the few business days following the date of the Shareholders' Meeting approving their distribution. The right to receive the dividend is due to the shareholders at the date of payout.

Under AXA's Charter, the actual dividend payment date is decided by the Management Board after a prior authorization by the Supervisory Board. AXA must pay any dividend within nine months of the end of its fiscal year. Dividends not claimed within five years of the date of payout become the property of the French Treasury Department.

Under AXA's Charter, at an Ordinary Shareholders' Meeting, the shareholders may grant each shareholder the choice of receiving dividends in either cash or additional ordinary shares.

Form, holding and transfer of securities

French regulations provide that AXA shares are not represented by share certificates but by book-entry only.

AXA's Charter provide that AXA shares may be held in registered or bearer form. Any owner of shares of AXA may elect to have its shares held in registered form and registered in its name in an account currently held by BNP Paribas Securities Services for, and on behalf of AXA, or held in bearer form and recorded in its name in an account held by an accredited financial intermediary, such as a French broker, bank or other authorized financial institution. Any shareholder may, at its expense, change from one form of holding to the other. Both methods are operated through Euroclear France (which we refer to in this Annual Report as "Euroclear"), an organization that maintains share and other securities accounts of French publicly listed companies and a central depositary system through which transfers of shares and other securities in French publicly listed companies between accredited financial intermediaries are recorded.

When AXA shares are held in bearer form by a beneficial owner who is not a resident of France, Euroclear may agree to issue, upon request by AXA, a bearer depository receipt *("certificat représentatif")* with respect to such ordinary shares for use only outside France. In this case, the name of the holder is deleted from the accredited financial intermediary's books. Shares ownership, represented by a bearer depository receipt, will pass upon delivery of the relevant receipt outside France.

Registered shares must be converted into bearer shares before being traded on the Euronext Paris and, accordingly, must be registered in an account held by an accredited intermediary. A shareholder may initiate a transfer by giving selling instructions to the relevant accredited intermediary. Ordinary shares held in bearer form may be transferred through accredited financial intermediaries and may be traded without further requirement. A fee or commission is due to the broker involved in the transaction, regardless of whether the transaction occurs within or outside France. Normally, no registration duty is due in France, unless a transfer instrument has been executed in France.

Disclosure requirements when holdings exceed specified thresholds

French law provides that any individual or legal entity that, directly or indirectly, acting alone or jointly, comes to hold more than 5%, 10%, 15%, 20%, 25%, 33%, 50%, 66%, 90% or 95% of the share capital or voting rights of AXA (including through ownership of ADRs evidencing ADSs), or comes to fall below any of these thresholds, must notify AXA and the AMF, in writing, at the latest before the end the fourth trading day following the day on which threshold was crossed and indicate the number of shares and voting rights it holds.

In addition, the Charter of AXA provide that any individual or legal entity acting alone or jointly, that acquires shares resulting in a direct or indirect holding of 0.5% or more of the share capital or voting rights of AXA, including through the acquisition of ADRs evidencing the ADSs, must notify AXA by registered letter with return receipt requested within five days of the date of the acquisition ("*inscription en compte*") of the shares or in the case of a holder of ADRs evidencing ADSs, within five days of the registration of the ADRs evidencing the ADSs. The individual or legal entity must further notify AXA pursuant to the above conditions each time an additional 0.5% threshold is crossed. Any shareholder, including any holder of ADRs evidencing the ADSs, whose holding falls below any of these thresholds must also notify AXA. In addition and to allow holders of shares to give the notices required by law and the Charter, AXA is required to publish, each month, the number of AXA shares and the corresponding number of voting rights, if there has been any change during the course of the month.

French law imposes additional reporting requirements on persons who, acting alone or jointly, acquire more than 10%, 15%, 20% or 25% of the shares or voting rights of AXA. These persons must file with the AMF and AXA a report disclosing their intentions for the six-month period following the acquisition. The report must specify whether the acquirer intends to continue purchasing shares, to acquire control of AXA or to seek election of nominees to the Management Board or Supervisory Board. This report must be filed at the latest before the end the fifth trading day following the day on which threshold was crossed. The report is published by the AMF. Upon any change of intention, the acquirer must file a new report.

In order to facilitate compliance with the notification requirements concerning thresholds, a holder of ADRs evidencing ADSs, may deliver any such notification with respect to ADRs evidencing ADSs to The Bank of New York Mellon, which will, as soon as practicable, forward the notification to AXA and the AMF.

If a shareholder (including an owner of ADRs evidencing ADSs) fails to comply with these notification requirements, the shareholder will be deprived of voting rights attached to the shares he holds (or underlying its ADRs) in excess of the relevant threshold at all Shareholders' Meetings held until the end of a two-year period following the date on which the shareholder has complied with the notification requirements. Failure to comply with the notification requirements set forth in AXA's Charter will trigger the same voting limitations upon a request, registered in the minutes of the relevant General Shareholders' Meeting, by one or more shareholders holding 5% or more of the share capital.

Furthermore, any shareholder who fails to comply with these notification requirements may have all or part of its voting rights (with respect to all of its AXA shares, not only those in excess of the relevant threshold) suspended for a period of no longer than five years by commercial court decree at the request of the Chairman of the Management Board, any AXA shareholder or the AMF. Such shareholders may also be subject to criminal penalties under French law.

Under applicable French stock market regulations, and subject to limited exemptions granted by the AMF, any person or persons acting jointly acquiring one-third or more of the share capital or voting rights of AXA must immediately notify the AMF and initiate a public tender offer for the balance of AXA's outstanding share capital. The tender offer must also be extended to all securities issued by AXA that are convertible into or exchangeable for shares.

Pursuant to French law and AXA's Charter, AXA may obtain from Euroclear, at its own cost and at any time, the name, nationality, address and number of shares held by each holder of shares and other securities with the right to vote in General Shareholders' Meeting. Whenever these holders are not resident in France and hold such ordinary shares and other securities through accredited financial intermediaries, AXA may obtain such information from the relevant accredited financial intermediaries (through Euroclear), at AXA's own cost. Subject to certain limited exceptions provided by French law, holders who fail to comply with AXA's request for information will not be permitted to exercise voting rights with respect to any such shares or other securities or to receive dividends pertaining thereto, if any, until the date on which these holders comply with AXA's request for information.

In addition to the foregoing, insurance laws and regulations in many jurisdictions where AXA has licensed insurance subsidiaries may require filing of applications and pre-approval from the insurance regulator for any party directly or indirectly (acting alone or in concert) acquires ordinary shares or other securities representing a specified percentage of the total voting rights in AXA. While these specified percentages vary pre-approval is often required before acquiring a 10% voting interest and, in certain jurisdictions, before acquiring a 5% voting interest. Banking regulations may impose similar requirements in those jurisdictions where AXA has licensed banking subsidiaries.

Voting rights

Each AXA share entitles its holder to one vote at all AXA General Shareholders' Meeting, subject to the provisions concerning double voting rights described below. As a result of the decision of the General Shareholders' Meeting of the Company held on May 26, 1977, each ordinary share fully paid and held in registered form by the same person for at least two full fiscal years entitles its holder to double voting rights with respect to such share at any Ordinary or Extraordinary Shareholders' Meeting of AXA. The double voting right will automatically terminate for any share that has been converted into a bearer share or for which ownership has been transferred. Any transfer of shares as a result of merger, split-up, inheritance, division of community property by spouses or donation to a spouse or heir does not affect the double voting rights of such shares.

In the event of a capital increase by capitalization of existing reserves, profits or premiums, shares granted for free to any shareholder as a result of the holding by that shareholder of shares entitled to double voting rights will also carry double voting rights. Double voting rights may be terminated at any time upon the decision of an Extraordinary Shareholders' Meeting, provided that such decision is confirmed by a two-thirds majority of the holders of double voting rights voting separately.

Liquidation rights

If AXA is liquidated, the assets remaining after it pays its debts, liquidation expenses and all prior claims will first be used to repay AXA shareholders up to the amount of the liquidation balance and of the shares par value held by each shareholder. Any surplus will be divided among all shareholders, subject to rights arising, if any, from the different classes of shares, in proportion of the rights they own in the Company's share capital.

Shareholders' Meetings

Under French law, prior to any Ordinary and/or Extraordinary Shareholders' Meeting, a notice of meeting must be published in the *Bulletin des annonces légales obligatoires,* or "BALO", at least 35 days prior to the meeting date (or 15 days if convened, in the event that the Company is subject to a tender offer, for purposes of approving measures the implementation of which would be likely to cause such tender offer to fail) and must indicate, in particular, the agenda and the proposed resolutions.

At least 15 days (or 6 days if convened, in the event that the Company is subject to a tender offer, for purposes of approving measures the implementation of which would be likely to cause such tender offer to fail) prior to the date set for the meeting on first call, and at least 6 days (or 4 days if convened, in the event that the Company is subject to a tender offer, for purposes of approving measures the implementation of which would be likely to cause such tender offer to fail) before any second call, the Company shall send a final notice containing, among other things, the final agenda, place, date and other information in respect of the meeting by mail to all registered shareholders who have held shares for more than one month prior to the date of this final notice and publish this final notice in a newspaper as well as in the BALO.

Shareholders are convened, meet, and deliberate in accordance with applicable French law and AXA's Charter. All shareholders are entitled to attend these meetings, either in person or by proxy, provided that they show valid proof of ID and share ownership.

The right to attend the Shareholders' Meetings of companies whose stock is traded on a regulated market or transactions of a central depository is evidenced by an accounting entry showing the number of shares in the name of the shareholder of record (or the intermediary of record for the account) in accordance with the seventh paragraph of Article L.228-1 of the French Commercial Code, on the third business day preceding the meeting at midnight (Paris time), either in the nominee share ownership records kept by the Company or in the bearer share records kept by a qualified intermediary. The accounting registration or recording of the shares in the bearer share accounts on the books of the qualified intermediary is evidenced by a certificate of attendance delivered by the latter.

Shareholders may participate either in person, be represented by a spouse, another shareholder or the Chairman of the meeting, or, as provided for by the Charter and subject to approval by the Management Board, participate by videoconference or by any means of telecommunications allowing shareholders to be identified in accordance with applicable laws. In addition, a holder of bearer shares who is not a French resident may be represented at Shareholders' Meetings by an appointed intermediary.

In accordance with applicable laws and regulations, shareholders may also transmit proxy or mail voting cards in paper form and/or, subject to approval by the Management Board published in the notice of meeting, by electronic means.

Modification of shareholders' rights

Under French law, shareholders of a French joint stock corporation *(société anonyme)* generally have the power to amend the Charter of the Company. Such an amendment requires the approval of two-thirds of the shareholders attending or represented at an Extraordinary Shareholders' Meeting. However, no such extraordinary shareholders' meetings may decide (i) to increase the liability of the shareholders in respect of the company or a third-party; or (ii) to reduce the individual rights vested in each shareholder (such as voting rights, the right to distributable profits of the company when allocated as dividends, the right to sell one's shares and the right to sue the company).

Anti-takeover provisions

There are no French anti-takeover statutes similar to the anti-takeover statutes enacted by certain states in the United States. However, a number of French law provisions including certain provisions of the European Directive of April 21, 2004 (which was implemented in France in 2006) concerning takeover bids, may have certain anti-takeover effects. In the case of AXA, the relevant provisions include, among other things, the Company's ability to repurchase its own shares regarding legal requirements and the existence of AXA shares with double voting rights.

French law requires mergers and certain consolidations to be approved by two-thirds of the shareholders attending or represented at the Extraordinary General Meeting convened to decide on such matters. French law also requires the affirmative vote of the shareholders of the surviving corporation of a merger at an Extraordinary General Meeting. However, no general meeting of shareholders of the merged company is required in the case of a merger of a wholly-owned subsidiary with its parent company.

Convertible/exchangeable bonds

For information on convertible/exchangeable bonds and other debt instruments issued by the Company, see Note 13 "Shareholders' equity, minority interests and other equity" of the consolidated financial statements included in Part 4 of this Annual Report.

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APPENDIX I CHAIRMAN OF THE SUPERVISORY BOARD'S REPORT

This report presents, according to the provisions of Article L.225-68 of the French Commercial Code, the conditions of preparation and organization of the Supervisory Board's work (Part 1) as well as the internal control and risk management procedures implemented by the Company (Part 2). The report also presents the principles and the rules adopted by the Supervisory Board in order to determine the compensation and the advantages granted to the corporate officers (Part 3). Finally, the report indicates the Company's Corporate Governance Code of reference and specifies the provisions of that code, if any, that have not been applied by the Company and why they have not been applied (Part 4).

Part 1 Conditions of preparation and organization of the Supervisory Board's work

For information on the conditions of preparation and organization of the Supervisory Board's work please see Part 2 – "Corporate governance, Executive compensation, major shareholders and related matters", "Supervisory Board" and "Supervisory Board Committees" Sections of the Group's Annual Report *(Document de Référence)* for the year ended December 31, 2009.

Part 2 Internal control and risk management procedures

In accordance with Article L.225-68 of the French Commercial Code, the Chairman of the Supervisory Board is required to report annually on internal control and risk management procedures implemented by the Company.

In this context, the following report provides a summary of the AXA Group's principal internal control mechanisms and procedures that permit the Management to conclude that the Group has a sound and comprehensive system of internal control well adapted to its business and the specific risks inherent to its activities. This report is not intended to provide a comprehensive description of all internal controls and procedures in place within the Company and its subsidiaries, but rather to provide an overview of the Group's principal internal control mechanisms and procedures.

In preparing this report, the Chairman of the Supervisory Board has consulted, as he deemed appropriate, members of AXA Management and has taken into account information furnished to the Supervisory Board with respect to the Group's internal control environment. This report was assessed by the Audit Committee before being reviewed and approved by the Supervisory Board at its meeting of March 10, 2010.

In this report, the term "Group" refers to AXA SA (the "Company") together with its direct and indirect consolidated subsidiaries.

INTERNAL CONTROL AND RISK MANAGEMENT: OBJECTIVES

The AXA Group is engaged in the financial protection and wealth management business on a global scale. As such, it is exposed to a very wide variety of risks – insurance risks, financial market risks and other types of risk – which are described in detail in the Group's Annual Report for the year ended December 31, 2009. Please see, in particular, Part 3 – "Risk Factors, Certain disclosures about market risks and related matters", Part 1 – Section 1.2 "Information on the Company – Additional factors which may affect AXA's business" and Part 4 – "Consolidated financial statements" – Note 30 "Litigation".

In order to manage these risks, the Group has put in place a comprehensive system of internal control designed to ensure that the Management is made aware of significant risks on a timely and continuing basis, has the necessary information and tools to appropriately analyze and manage these risks, and that the Group's financial statements and other market disclosures are timely and accurate.

These mechanisms and procedures principally include:

(i) the Group's corporate governance structures which are designed to ensure appropriate supervision and management of the Group's business as well as clear allocation of roles and responsibilities at the highest level;

(ii) management structures and control mechanisms designed to ensure that the Group senior Management has a clear view of the principal risks the Group faces and the tools necessary to analyze and manage these risks;

(iii) internal control over financial reporting ("ICOFR"), designed to ensure the accuracy, completeness and timeliness of the Group's consolidated financial statements and the other financial information that the Group reports to the markets; and

(iv) disclosure controls and procedures designed to ensure that management has the information necessary to make fully informed disclosure decisions on a timely basis and that the Company's disclosures on material information (both financial and non-financial) to the markets are timely, accurate and complete.

These mechanisms and procedures, taken together, constitute a comprehensive control environment that management believes is appropriate and well adapted to the Group's business.

CORPORATE GOVERNANCE STRUCTURES

Group Level Governance Structures

SUPERVISORY BOARD AND MANAGEMENT BOARD

AXA SA has a dual corporate governance structure consisting of a Supervisory Board and a Management Board. This structure provides a clear separation between the powers and responsibilities of (i) day-to-day executive management of the Group which is the responsibility of the Management Board and (ii) supervision of executive management which is the responsibility of the Supervisory Board.

A detailed description of AXA's corporate governance structures including composition of the Supervisory Board and Management Board, structure and composition of the Supervisory Board Committees and a description of the respective roles and responsibilities of its Supervisory Board and Management Board is set forth in Section 2.1 "Directors, senior management and employees" of the Group's 2009 Annual Report.

Maintenance of an effective internal control environment is part of the Management Board's day-to-day operational management responsibility. The Management reports significant internal control and risk related issues to the Audit Committee of the Supervisory Board on a regular and continuing basis to ensure that the Committee and the Supervisory Board have a clear view of material issues facing the Group.

The Supervisory Board has established four Committees to assist it in fulfilling its responsibilities: Audit Committee, Finance Committee, Ethics & Governance Committee and Compensation & Human Resources Committee. These Committees exercise their activities under the responsibility of the Supervisory Board and report regularly to the Supervisory Board on matters within the scope of their responsibility.

AUDIT COMMITTEE

All of these Supervisory Board Committees constitute an important part of the Group's overall internal control environment, however, the Audit Committee plays a particularly important role in reviewing internal control and risk related issues.

The Audit Committee has four members all of whom are independent in accordance with the criteria of the AFEP/MEDEF recommendations and the US Sarbanes-Oxley Act ("Sarbanes").

The scope of the Audit Committee's responsibilities is set forth in an Audit Committee Charter, approved by the Supervisory Board, which defines the Committee's principal missions, including the following:

- Overseeing the activities and systems of internal control over events that expose the Group to significant risk;
- Monitoring the financial reporting process, the systems of internal control over financial reporting and the accuracy and integrity of the Group's financial reporting;
- Overseeing the qualifications and independence of the Statutory Auditors; and
- Overseeing the performance of the Group's internal audit function.

For more information about the Audit Committee including its composition and the principal matters it handled in 2009, please see Section 2.1 "Directors, senior management and employees" of the Group's 2009 Annual Report.

Subsidiary Level Governance Structures

AXA's principal subsidiaries, whether publicly traded or not, are generally governed by:

- A board of directors whose membership includes independent or non-executive directors; and
- Various board committees including a compensation committee and an audit committee, whose membership include independent or non-executive directors.

Over the past years, AXA initiated a process designed to harmonize corporate governance standards throughout the Group. This effort is focused, among other matters, on standardizing, to the extent practicable, principles relating to a number of corporate governance matters including board composition and size, directors' independence criteria, Board Committees and their roles, and directors' fees.

The Group Governance Standards require the boards of AXA's principal subsidiaries to establish an Audit Committee and a Compensation Committee in addition to any other Board Committees that they consider necessary or appropriate for their specific businesses. The role, duties, and composition of these Committees (including the requirements for participation of independent directors) are specified in the Audit Committee Standard and the Compensation Committee Standard. The Audit Committee Standard requires the Audit Committees of Group subsidiaries to have a significant number of independent directors in order to ensure that this Committee is independent from the Management given the Committee's critical role in reviewing financial results and other financial information prepared by the Management, financial reporting and control processes, critical accounting policies, particular accounting issues, key risks and systems of internal control, fraud and similar issues.

MANAGEMENT STRUCTURES AND CONTROLS

In order to manage the various risks to which it is exposed, the AXA Group has various management structures and control mechanisms designed to ensure that the Management has a clear and timely view of the principal risks confronting the Group and the tools necessary to analyze and manage these risks.

These management structures and controls include the following:

AXA Executive Committee – Quarterly Business Reviews

AXA currently has a 16-member Executive Committee which is an internal Management Committee composed of the members of AXA's Management Board, the CEOs of the Group's principal subsidiaries and/or business units and selected other senior executives. While the Executive Committee is an internal Management Committee which has no formal decision making authority, its plays an important role in assisting the Management Board to effectively manage the Group's operating businesses, consider strategic initiatives and in such other areas as the Management Board deems appropriate from time to time.

Each quarter the Executive Committee conducts Quarterly Business Reviews (QBRs), during which performance of the AXA Group is reviewed. These QBRs were introduced in 2000 to provide the Management with a clear and consistent framework for: (1) reviewing operational performance and monitoring the progress of key projects using quantifiable standards of measurement defined in collaboration with the Management Board; (2) assessing the status of Group transversal projects; and (3) exchanging ideas and information on key Group strategic orientations.

These QBRs constitute an important management control mechanism to monitor the operating performance of the Group and its principal business units on a continuing basis and to identify any new material risks or issues facing the Group in a timely manner.

For more information about the Executive Committee including its composition, please see Section 2.1 "Directors, senior management and employees" of the Group's 2009 Annual Report.

Group Management Services (1) (GMS) Departments focused principally on internal control and risk related matters

Several GMS Departments have responsibility for managing and/or monitoring some aspect of internal control and/or risk related matters, however, the following four GMS Departments are primarily focused on these matters as part of their principal day-to-day management responsibilities:

GROUP RISK MANAGEMENT DEPARTMENT

The role of Group Risk Management (GRM) is to identify, quantify and manage the main risks to which AXA is exposed. To this end, GRM develops and deploys a number of risk measurements, monitoring instruments and methods, including a set of standardized stochastic modeling tools.

When appropriate, this work leads to the implementation of decisions that affect the Group's risk profile, helping to reduce the volatility of AXA's earnings through improved understanding of the risks taken and to optimize capital allocation.

As a central team, GRM coordinates risk management for the Group and is supported by local Risk Management teams within each operating unit. The types of risk covered include operational risks, asset and liability risks, and asset/liability mismatch risks.

The principal control processes that fall under the responsibility of GRM are described below:

- The local Risk Management Departments carry out regular reviews of the technical reserves established by Property & Casualty and reinsurance operating units. GRM performs regular reviews of models followed throughout the Group in order to ensure the consistency between actuarial and financial standards;
- GRM conducts a decentralized review of risk-adjusted pricing and profitability for new products prior to launch; this review is centralized for Variable Annuity products with secondary guarantees and submitted to the Management Board;
- The asset/liability management policy, in place at operating unit level, is monitored and controlled through an annual detailed analysis of asset/liability matching. This work is undertaken to validate the strategic allocations of invested assets. In addition, a quarterly reporting process is used to monitor portfolio developments and detect deviations from strategic asset allocations as well as with respect to benchmarks determined with asset managers;
- GRM reviews the existing products;
- Economic capital is estimated quarterly for each product line and operating unit and then aggregated at the Group level. This is one of the main uses of the stochastic modeling tools developed and implemented by GRM. This work enables asset, liability and operational risks to be modeled together;
- GRM proposes annually to the Management Board, with the support of AXA Cessions, the main features of the Property & Casualty and Life reinsurance coverage program of the Group;
- Credit and concentration risks in the Group's asset portfolios (equities and bonds) are managed by the Risk Management Department and aggregated at the Group level. GRM also monitors the corresponding exposures on a monthly basis, and ensures that local operating units comply with the concentration limits established by the Group; and
- GRM coordinates the activity of decentralized operational risk teams to ensure proper and consistent identification, measurement and management of the most important operational risk.

Summary findings are then presented to the Management Board, for decision-making purposes when appropriate. The Supervisory Board and the Audit Committee are also informed.

PBRC (PLANNING, BUDGETS, RESULTS CENTRAL)

The PBRC Department within the Group Finance Department is responsible for consolidation, management reporting and control

(1) *Central functions at the holding Company level.*

over accounting and financial information. It works with local PBR units within the Finance Departments of Group subsidiaries.

The local PBR units are responsible for producing their contribution to the Group consolidated financial statements.

The PBRC's role encompasses principally the following:

- Establishing and distributing both consolidation and reporting standards and instructions;
- Managing the Group's financial reporting system;
- Producing the consolidated financial statements and analyzing key performance indicators;
- Developing and using management control tools;
- Coordinating the production of AXA's *Document de Référence* filed with the AMF and AXA's Form 20-F filed with the SEC, in compliance with IFRS and US regulations;
- Liaising with the Statutory Auditors and contributing to Audit Committee meetings as required; and
- Steering convergence of accounting and financial reporting processes, systems and organizations for insurance activities in Europe;
- Steering of the processes related to the application of the law Sarbanes-Oxley.

PBRC Department is also responsible for controls relating to the preparation and processing of accounting and financial information.

Accounting and financial information is consolidated in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). As it relates to the financial statements included in the Group's 2009 Annual Report, there is no difference between IFRS as adopted by the EU applied by AXA and IFRS as adopted by the International Accounting Standards Board.

PBRC has defined and implemented a set of policies and procedures to ensure the consolidation process leading to the consolidated financial statements is timely and accurate. This consolidation process and its related controls are based on the following:

Definition of standards and maintenance of an information system

Group accounting standards, which are consistent with accounting and regulatory principles for consolidated financial statements, are set forth in the AXA Group Accounting Manual and updated regularly by PBRC experts. These guidelines are submitted to AXA's Statutory Auditors for review before being made available to AXA subsidiaries.

The information system is based on "Magnitude", a consolidation tool managed and updated by a dedicated team. This system is also used to deliver management reporting information used to produce an economic perspective on the consolidated financial statements. The process through which this management reporting information is produced and validated is the same as that used to prepare consolidated financial information.

Finally, PBRC issues instructions to subsidiaries, giving detailed information on the consolidation process, changes in accounting standards and in Magnitude.

Operating control mechanisms

At entity level, AXA subsidiaries are responsible for entering and controlling accounting and financial data that comply with the AXA Group Accounting Manual and reflect consolidation rules under IFRS accounting standards. In this respect, the CFO of each entity signs off on the accuracy of consolidated figures reported through Magnitude and their compliance with both the Group accounting manual and instructions.

At PBRC level, accounting and financial information reported by entities are reviewed and analyzed by teams that liaise with subsidiaries on a full-time basis. In particular, these teams review the compliance with the Group Accounting Manual and Group actuarial standards.

Transversal procedures

In all cases, the procedures are those described above, which generally work as follows:

- All changes in AXA Group accounting policies are validated by PBRC experts and implemented after discussions with the Statutory Auditors;
- The main audit issues are addressed and resolved through "clearance meetings" in which local and central financial teams participate, as well as Statutory Auditors;
- The principal options for closing the consolidated accounts are presented to the Management Board and then to the Audit Committee;
- The auditing of accounting and financial data is finalized at the accounts closing stage in meetings attended by local and central financial teams, as well as local and central Statutory Auditors who present the outcome of their audit work;
- The financial statements are presented to the Management Board for closing, after hearing of the Statutory Auditors; and
- The financial statements are presented to the Audit Committee and to the Supervisory Board.

GROUP LEGAL & COMPLIANCE

The Group Legal Department is responsible for identifying and managing the significant legal, regulatory and compliance risks to which the Group is exposed. It provides expertise and advice on all significant corporate legal matters at the Group level and manages the legal aspects of transactions undertaken by the Group as well as significant litigation, regulatory, and compliance matters.

The Group Legal Department is structured in five Practice Groups which are organized around the substantive matters that the department manages on a continuing basis in addition to one-off projects or issues that arise from time to time. These Practice Groups are:

- Mergers & Acquisitions and Corporate Law;
- Corporate Finance & Securities Law;
- Corporate Governance & Company Law;
- Litigation, Regulatory & Compliance;
- Business Support & Development and US Legal Matters.

As part of its Compliance responsibilities, the Group Legal Department manages a wide range of compliance related matters including (i) semestrial reporting from Group companies on significant compliance, litigation and regulatory matters, (ii) implementation of the Group Compliance and Ethics Guide which applies to all AXA Group employees worldwide and (iii) the Group's global Anti-Money Laundering Program.

The Group Legal Department works closely with the Legal Departments of AXA's principal subsidiaries on legal, regulatory, and compliance matters impacting those companies. In order to optimize integration, coordination and ensure open lines of communication across the Group's global Legal & Compliance Organization, the Group General Counsel has established and chairs a Global Legal Steering Group composed of the General Counsels of the AXA's principal subsidiaries. This Steering Group meets on a regular basis and serves as an effective forum for addressing transversal issues, sharing best practices and experiences in a wide variety of areas, and ensuring open lines of communication between General Counsels across the Group. In addition, in order to drive integration deeper into the organization, a series of Global Practice Groups have been established which are composed of staff attorneys from Legal & Compliance Departments throughout the Group. These Groups are organized around substantive areas of expertise (e.g. Compliance, Corporate/M&A, Corporate Governance) or specific themes (e.g. Emerging Issues & Trends) and are charged with carrying out specific defined assignments and reporting back to the Global Legal Steering Group.

GROUP AUDIT

The primary mission of Group Audit is to provide the Management Board and the Audit Committee with an independent and objective assurance on the comprehensiveness and effectiveness of internal controls as well as proposals to help improve the management of risks, enhance performance and identify business opportunities.

The Group Audit Department fulfills its responsibilities as follows:

- It oversees the quality and performance of the local internal audit teams; sets internal audit policy and standards; reviews the application of the standard related to the local audit committees; co-ordinates the audit planning of local internal audit teams to ensure adequate risk-based audit coverage; monitors the audit coverage and activity, and the key risks and issues raised by local internal audit teams; fosters the development of professional internal audit practices, processes and systems; and
- It undertakes missions selected by the Management Board and the Audit Committee on strategic and management issues to evaluate assumptions and achievement of objectives, strategies, and plans and, whether the management teams are efficiently and effectively carrying out their functions of planning, organizing, directing and controlling. Opportunities for improving management control, operational efficiency, profitability, and AXA's image are identified and communicated to the Management Board, local Management and the Audit Committee.

Group Audit also performs the Group's Chief Fraud Control Officer role and oversees the implementation of AXA's standard on internal fraud control globally.

AXA's internal audit organization is structured around the central Group Audit Department that coordinates and supervises the Group's overall internal audit process and capability, and the internal audit teams set up within Group subsidiaries. The Group Audit Department operates mainly through:

- Overseeing of internal audit teams within operating units;
- Strategic and transversal internal audit assignments.

The Head of the Group Audit Department reports to the Chairman of AXA's Management Board (with a functional reporting line to AXA's Management Board member in charge of Finance, Strategy and Operations) and also has a direct and regular contact with the Chairman of AXA's Audit Committee. In carrying out his/her duties, the Head of Group Audit liaises with other control and monitoring functions, including Group Risk Management, PBRC and Group Legal, as well as Statutory Auditors.

Local internal audit teams are placed under the responsibility of a Chief Audit Executive, who has a double reporting line to the Head of Group Audit and to the local Chief Executive Officer or Chief Financial Officer or a member of the local Executive Committee as well as to the Chairman of the local Audit Committee. These local teams focus mainly on identifying the key risks facing their business units, and on evaluating the design and operation of associated controls.

Group Audit performs quality assurance reviews of the local internal audit teams and assures compliance with the Institute of Internal Auditors' "Standard for the Professional Practice of Internal Auditing".

GROUP RISK AND COMPLIANCE COMMITTEE

In 2008, the management established a Group Risk and Compliance Committee to ensure that the Group has:

- A comprehensive view of the various risks facing the Group on a continuing basis;
- A dedicated forum for reviewing, analyzing and prioritizing these risks;
- Defined action plans to manage these risks; and
- Optimal coordination and communication between the different departments managing these risks.

This internal Management Committee is chaired by the AXA's Management Board member in charge of Finance, Strategy and Operations and is co-managed by Group Risk Management and Group Legal & Compliance. The Committee meets on a quarterly basis.

The Committee is comprised of the following 10 GMS Departments each of which is responsible for presenting to the Committee the significant risk within its scope:

1. Group Risk Management (GRM);
2. Group Corporate Finance and Treasury (DCFG);
3. Group Audit;
4. Group Legal & Compliance;
5. Group Tax;
6. Planning Budgets Results Central (PBRC);
7. Information Technology (IT)/Operational Excellence;
8. AXA Cessions;
9. Group Human Resources;
10. Group Communication.

In addition to its other activities, the Committee has undertaken a comprehensive risk mapping exercise covering the whole risks to which the Group is exposed including financial, solvency, insurance, operational, legal and compliance, tax, audit, human resources, and communications risks. As part of the process, priorities and action points were established for the various GMS Departments that manage these risks.

INTERNAL CONTROL OVER FINANCIAL REPORTING

AXA's Management performs a formal annual evaluation of the Group's ICOFR (Internal Control Over Financial Reporting) to ensure the effectiveness of the Company's ICOFR and to identify any material weakness in ICOFR. In addition, the Statutory Auditors of AXA's financial statements perform an "integrated audit" covering the Group's ICOFR and to express their view on the effectiveness of the Company's ICOFR.

AXA has put in place a comprehensive program, coordinated by PBRC for 2009, designed to ensure that AXA's Chief Executive Officer and Chief Financial Officer can conclude that the Group's ICOFR is effective as of the end of each year. The program also aims to ensure that AXA's Statutory Auditors can provide a clean opinion on AXA's ICOFR.

As part of its evaluation of the Group's ICOFR for the year ended December 31, 2009, the Management documented and tested more than 6,000 individual internal controls which are part of the Group's overall control environment designed to ensure the accuracy and completeness of the Group's consolidated financial statements on a continuing basis.

ICOFR is a process designed under the supervision of AXA Group's principal executives and financial officers to provide reasonable but not absolute assurance regarding the reliability of financial reporting and the preparation of its published financial statements. ICOFR includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;
- Provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with the generally accepted accounting principles;
- Provide reasonable assurance that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Group; and
- Provide reasonable assurance that unauthorized acquisition, use or disposition of Group assets that could have a material effect on the Group's financial statements would be prevented or detected in a timely manner.

AXA has selected the COSO framework [(1)] to evaluate its ICOFR. In line with this framework, AXA has organized its ICOFR system around five key items: (1) Entity Level Controls (ELC), (2) IT ELC, (3) Financial Statement Closing Process (FSCP), (4) Business Processes and (5) IT General Controls (ITGC).

AXA has developed a top-down/risk-based approach to its ICOFR program by being more focused on risk than on coverage percentage and by using the Management's judgment rather than a purely prescriptive approach.

On that basis, a scoping methodology has been developed in order to determine which entities, accounts and disclosures are subject to this program. Entities have been classified into four levels depending on risk assessment:

- Level 1 entities are individually significant and have to cover the five items mentioned above;
- Level 2 entities provide significant services to the Group and have to cover ELC and IT ELC, as well as appropriate business processes;
- Level 3 entities are significant when aggregated and have to cover ELC, IT ELC and FSCP; and
- Level 4 entities relate to other entities and they do not have to evaluate their ICOFR. However, they are subject to the Company's program (described below) designed to ensure the effectiveness of its disclosure controls and procedures.

The implementation of an adequate ICOFR and its evaluation requires that, for every item in scope, the Management documents the processes and their related key controls, tests the design and operational effectiveness of key controls, and remedies any control deficiency identified.

On the basis of the extensive due diligence performed as part of its internal program as described above, management concluded that ICOFR was effective as of December 31, 2009.

AXA's ICOFR as of December 31, 2009, was audited by PricewaterhouseCoopers Audit, which concluded the Company maintained, in all material respects, effective ICOFR as of December 31, 2009, based on criteria established in COSO.

DISCLOSURE CONTROLS AND PROCEDURES

In addition to its program to evaluate the effectiveness of its ICOFR as described above, AXA SA has implemented a formal internal review and sign-off process pursuant to which all Executive Committee members, CFOs and certain other senior executives are required to certify various matters covered in the Company's Annual Report.

This process is based on three pillars:

(1) **CFO Sign-Off Certificates** required to be submitted by all local CFOs to PBRC together with submission of subsidiary financial reporting/consolidation information to PBRC;

(2) **ICOFR Management Reports** required to be submitted by the CFOs of all "in-scope" Group companies as part of the Group's ICOFR evaluation program described above; and

(3) **Disclosure Controls & Procedures Certificates** required to be submitted by AXA Executive Committee members, regional CFOs and certain other executives (including GMS Department Heads) pursuant to which each of these executives is required to review the Group's Annual Report

(1) "Internal Control — Integrated Framework", publicly known as COSO (Committee Of Sponsoring Organizations), of the Treadway Commission, the name of the Committee that designed this standard.

and formally certify (i) the accuracy and completeness of the information in the Annual Report with respect to the companies under his/her responsibility, and (ii) the effectiveness of disclosure controls and procedures and ICOFR at companies under his/her responsibility (with specific disclosure of any significant deficiencies or material weaknesses). In addition, as part of this "sub-certification" process, these executives are required to review and comment on a number of transversal disclosures in the Annual Report relating to risk and other matters.

CONCLUSION

The AXA Group believes it has put in place a comprehensive system of internal control procedures and mechanisms that is appropriate and well adapted to its business and the global scale of its operations.

However, all internal control systems, no matter how well designed, have inherent limitations and do not constitute a guaranty or provide absolute certainty. Even systems determined to be effective by the Management may not prevent or detect human errors, systems malfunctions, fraud or misstatements and can provide only reasonable assurance. In addition, effective controls may become inadequate over time because of changes in conditions, deterioration of compliance with procedures or other factors.

Part 3 Compensation

For information on the principles and the rules adopted by the Supervisory Board in order to determine the compensation and the advantages granted to the corporate officers please see Part 2 – Section 2.2 "Full disclosure on executive compensation and share ownership" of the Group's 2009 Annual Report.

Part 4 Corporate Covernance Code of reference

Pursuant to the provisions of a French law of July 3, 2008, the Supervisory Board and the Management Board decided to adopt all of the AFEP/MEDEF recommendations, including the recommendations on the compensation of executive officers dated October 2008, as AXA's Corporate Governance Code of reference.

These recommendations were consolidated in a Corporate Governance Code of Listed Corporations published by the AFEP *(Association Française des Entreprises Privées)* and the MEDEF *(Mouvement des Entreprises de France)* in December 2008 (hereafter the "AFEP/MEDEF Code"), which is available at AXA's registered office or on its website (www.axa.com) under the "Corporate Governance" Section.

AXA complies with the recommendations of the AFEP/MEDEF Code that are in line with the long-established corporate governance principles initiated by the Company. AXA applies the recommendations of the AFEP/MEDEF Code in the conditions detailed, for the most part, in Sections 2.1 "Directors, senior management and employees" and 2.2 "Full disclosure on executive compensation and share ownership" of the Group's 2009 Annual Report describing corporate governance mechanisms and containing information about executives' compensation.

In order to take into account certain specificities of its governance practices, AXA has decided to adapt the following provisions of the AFEP/MEDEF Code:

- To the extent the AFEP/MEDEF Code only refers to companies managed by Board of Directors (*Conseil d'Administration)*, the Company had to make the necessary adjustments to reflect its dual corporate governance structure consisting of a Management Board and a Supervisory Board. These adjustments take into account the legal separation of powers between the Management Board and the Supervisory Board, and in particular the Supervisory Board's prohibition, under French law, to interfere into the management of the Company;
- *Section 14.2.1 of the AFEP/MEDEF Code relative to the review of the accounts by the Audit Committee:* for practical reasons, the review of the accounts by the Audit Committee generally occurs on the day preceding the Supervisory Board's review, and not two days before as it is provided for by the AFEP/MEDEF Code. However, the Company endeavors, so far as possible, to provide the members of the Audit Committee with the required documents early enough to allow their proper examination;
- *Section 19 of the AFEP/MEDEF Code relative to the termination of the employment contract of the Management Board's Chairman:* On February 17, 2010, the Supervisory Board acknowledged that Messrs. Henri de Castries and Denis Duverne have decided to renounce their respective

employment contracts in accordance with the AFEP/MEDEF recommendations. This renunciation will be effective following AXA's General Shareholders' Meeting on April 29, 2010 which will consider AXA's proposed change in the Company's corporate governance structure from its current dual board structure (Supervisory Board and Management Board) to a unitary board structure (Board of Directors). Within this new structure, Mr. de Castries would hold the positions of Chairman and Chief Executive Officer (*Président Directeur Général* or *PDG*) and Mr. Duverne would hold the position of Deputy Chief Executive Officer (*Directeur Général Délégué* or *DGD*);

- *Section 20.2.3 of AFEP/MEDEF Code relative to stock options and performance shares:*

(i) holding of shares subsequent to subscription options or allotment of performance shares: in 2007, the Company decided to implement strict rules pertaining to shareholding requirements for members of AXA's Management Board. This policy requires each member of the Management Board to hold, during the entire duration of his/her functions, a minimum number of AXA shares representing a multiple of his/her annual cash remuneration (fixed salary plus annual variable remuneration) received for the previous fiscal year. The Chairman of the Management Board is consequently required to hold the equivalent of his/her total cash remuneration multiplied by 3 and the other members of the Management Board are required to hold the equivalent of their total cash remuneration multiplied by 2. Shares or ADRs of AXA or other quoted subsidiaries of the Group are taken into account to calculate the number of shares actually held. Each member of the Management Board is required to meet with this minimum shareholding requirement within a period of 5 years from (i) January 1, 2007 or (ii) the date of his/her first appointment to the Management Board. Considering the already high level of this shareholding requirements imposed upon members of the Management Board, the Supervisory Board, upon recommendation of its Compensation & Human Resource Committee, has decided that it was not necessary to set higher shareholding thresholds after the initial 5-year period. For the same reasons, the Supervisory Board has decided that it was not adequate to compel members of the Management Board to acquire a number of AXA shares once the compulsory holding period of their performance shares has expired,

(ii) exercise of stock options: pursuant to the AFEP/MEDEF Code, companies shall determine periods preceding the disclosure of their financial statements during which the exercise of the stock options is not allowed ("sensitive periods"). To date, the sensitive periods are determined by applying AXA Group's Compliance and Ethics Guide. They generally begin 30 days prior to the disclosure of the annual and half-year earnings. The Compliance and Ethics Guide prohibits the sale of shares acquired subsequent to the exercise of stock options ("subscription and sale" transactions), but does not prohibit, in accordance with common practice, the simple exercise of options that is not followed by the sale of the shares acquired subsequently.

Pursuant to the provisions of Article L.225-68 of the French Commercial Code, it is specified that the conditions for the participation to General Shareholders' Meetings are detailed in Section 23 of AXA's Charter (*statuts*), copies of which are available at the Paris Trade and Companies Register *(Registre du Commerce et des Sociétés du Tribunal de Commerce de Paris)*. AXA's Charter are also available on the Company's website (www.axa.com). In addition, the information referred to in Article L.225-100-3 of the French Commercial Code is made public in the Report of AXA's Management Board which is included in AXA's Annual Report for 2009.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Report of the Statutory Auditors prepared in accordance with Article L.225-235 of the French Commercial Code on the report prepared by the Chairman of the Supervisory Board of AXA

For the year ended December 31, 2009

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA**,
25, avenue Matignon
75008 Paris

In our capacity as Statutory Auditors of AXA, and in accordance with Article L.225-235 of the French Commercial Code, we hereby report to you on the report prepared by the Chairman of the Supervisory Board of your Company in accordance with Article L.225-68 of the French Commercial Code for the year ended December 31, 2009.

It is the Chairman's responsibility to prepare, and submit to the Supervisory Board for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by Article L.225-68 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility:

- To report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information to establish the consolidated financial statements in accordance with IFRS, as adopted by the European Union; and
- To attest that the report sets out the other information required by Article L.225-68 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of financial and accounting information

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information to establish the consolidated financial statements in accordance with IFRS, as adopted by the European Union set out in the Chairman's report. These procedures mainly consisted of:

- Obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;
- Obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- Determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Supervisory Board's Report, prepared in accordance with Article L.225-68 of the French Commercial Code.

Other information

We attest that the Chairman's report sets out the other information required by Article L.225-68 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, March 16, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Eric Dupont	Philippe Castagnac – Jean-Claude Pauly

Management's Annual Evaluation of Controls and Procedures

On January 25, 2010, AXA announced its intention to voluntarily delist its ADSs from the NYSE and to voluntarily deregister with the US Securities and Exchange Commission (SEC). AXA filed its Form 25 with the SEC and the NYSE on March 16, 2010 to delist its ADSs and the delisting is expected to be effective on March 26, 2010. AXA plans to file its Form 15 to deregister with the SEC on March 26, 2010 and its deregistration with the SEC is expected to become effective within 90 days thereafter. While management does not currently expect to file a Form 20-F Annual Report with the SEC for the year ended December 31, 2009, AXA was subject to the requirements of the Sarbanes-Oxley Act ("Sarbanes") during 2009 and management performed an annual evaluation of the Company's disclosure controls and procedures (as defined in Sarbanes Section 302) and internal controls over financial reporting (as defined in Sarbanes Section 404) for the year ended December 31, 2009. Following its delisting and deregistration, AXA intends to maintain a program to evaluate the effectiveness of its disclosure controls and procedures and internal controls over financial reporting on an annual basis.

(a) Disclosure Controls and Procedures

As of December 31, 2009 (the "Evaluation Date"), the Company conducted an evaluation of the effectiveness of the design and operation of its disclosure controls and procedures. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, such disclosure controls and procedures (which include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in its Annual Report for the year ended December 31, 2009 (the "Annual Report") is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure) were effective to provide reasonable assurance that information required to be disclosed by the Company in its Annual Report is recorded, processed, summarized and reported in accordance with applicable legal and regulatory requirements.

(b) Management's Annual Report on Internal Control Over Financial Reporting

Management, including AXA's Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over AXA's financial reporting.

AXA's internal control over financial reporting is a process designed under the supervision of AXA's principal executive and financial officers to provide reasonable but not absolute assurance regarding the reliability of financial reporting and the preparation of its published financial statements. Internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of Group assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with the applicable generally accepted accounting principles;
- Provide reasonable assurance that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Group; and
- Provide reasonable assurance that unauthorized acquisition, use or disposition of Group assets that could have a material effect on the Group's financial statements would be prevented or detected in a timely manner.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective may not prevent or detect misstatements and can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or if the degree of compliance with policies or procedures deteriorates.

Management conducted an evaluation of the effectiveness of AXA's internal control over financial reporting on the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this evaluation, management concluded that AXA's internal control over financial reporting was effective as of December 31, 2009.

AXA's internal control over financial reporting as of December 31, 2009, was audited by PricewaterhouseCoopers Audit, an independent registered public accounting firm, as stated in their report on the following page of this Annual Report.

(c) Attestation Report of the Registered Public Accounting Firm

The effectiveness of AXA's internal control over financial reporting as of December 31, 2009, was audited by PricewaterhouseCoopers Audit, an independent registered public accounting firm, as stated in their report on the following page of this Annual Report.

(d) Changes in Internal Controls Over Financial Reporting

There have been no significant changes in the Company's internal controls over financial reporting that occurred during the period covered by this Annual Report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Report on Internal Control Over Financial Reporting

To the Supervisory Board and shareholders of **AXA**

25, avenue Matignon

75008 Paris

We have audited AXA's internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO criteria"). AXA's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on AXA's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States), (the "PCAOB"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk whether a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, AXA maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on the COSO criteria.

Neuilly-sur-Seine, March 16, 2010

PricewaterhouseCoopers Audit

Eric Dupont | Phillip Surprenant

APPENDIX II OTHER LEGAL INFORMATION

ANNUAL INFORMATION DOCUMENT

Pursuant to Article 222-7 of the AMF General Regulation (*réglement général de l'Autorité des marchés financiers*), the table below sets forth all information published or otherwise made public by the Company over of the previous twelve months in one or more States that are party to the Agreement on the European Economic Area (EEA) or in one or more third countries outside the EEA in order to fulfill the legal or regulatory obligations in those countries with respect to financial securities, issuers of financial securities and markets in financial securities.

All dates in the table below read month/day/year.

Information published over the previous 12 months	Where the information can be obtained
Press releases [(a)]	**www.axa.com**
First year results of the AXA Research Fund: Over Euro 13 million allocated for research in 2008 (03/24/2009)	
Filing of AXA's Form 20-F with SEC (03/27/2009)	
AXA opens its first Campus in the Japan Asia-Pacific Region in Singapore (04/08/2009)	
AXA Shareholders' Meeting (04/30/2009)	
AXA Shareholders' Meeting – Approval of all resolutions submitted to a vote of shareholders (04/30/2009)	
1Q 2009 Activity Indicators (05/07/2009)	
Jean-Laurent Granier appointed CEO of the Mediterranean-Latin America Region and joins AXA's Executive Committee (07/17/2009)	
Solid Half Year 2009 Earnings (08/05/2009)	
AXA launches its 2009 employee share offering (Shareplan 2009) (08/25/2009)	
AXA proposes a simplification of its governance structure (10/07/2009)	
9M 2009 Activity Indicators (10/29/2009)	
AXA announces the subscription price for its 2009 employee share offering (Shareplan 2009) (10/30/2009)	
Press release to the attention of the Australian market – AXA announced today a joint proposal with AMP whereby AXA would acquire 100% of AXA APH's Asian businesses while AMP would acquire 100% of AXA APH's Australia & New Zealand businesses (11/08/2009)	
AXA announced today a joint offer with AMP whereby AXA would acquire 100% of AXA APH's Asian businesses while AMP would acquire 100% of AXA APH's Australia & New Zealand businesses (11/08/2009)	
AXA launches a €2 billion capital increase with preferential subscription rights (11/09/2009)	
AXA announced today the launch of a €2 billion rights issue to finance acquisition opportunities (11/09/2009)	
€2 billion rights issue - Opening of the offering to the public in Belgium, Finland, Germany, Ireland, Luxembourg, Spain, Sweden, Switzerland and the United Kingdom (11/10/2009)	
€2 billion rights issue - Opening of the offering to the public in Italy and the Netherlands (11/12/2009)	
Claude Brunet resigns his mandate as an AXA Management Board member (11/17/2009)	
Information to AXA shareholders with respect to the joint proposal by AXA and AMP to AXA APH (11/19/2009)	
AXA to hold its Autumn Investor Seminar today (11/24/2009)	
AXA announces the successful completion of its €2 billion rights issue (12/02/2009)	
AXA announces a new organization to support a new stage of its development (12/10/2009)	
AXA and AMP announce they have submitted their best and final joint proposal to AXA Asia Pacific Holdings' committee of independent directors (12/13/2009)	
Success of AXA employee share offering in 2009 (12/14/2009)	
Tribute to Mr. Jacques Friedmann, former Chairman of the AXA Supervisory Board (12/16/2009)	
Update on proposal to AXA APH committee of independent directors (12/17/2009)	
AXA to strengthen its position in Central and Eastern Europe (12/18/2009)	

(a) Press releases issued prior to March 24, 2009 were listed in the Annual Information Document included in the AXA 2008 Annual Report.

Information published over the previous 12 months	Where the information can be obtained
Acquisition of the Denial of Saint Peter by Louis or Antoine Le Nain thanks to the AXA Group's patronage (01/14/2010)	
AXA enters the Romanian Life insurance market (01/15/2010)	
AXA Intends to Voluntarily Delist from the NYSE and Deregister with the SEC to Focus Trading on Euronext Paris (01/25/2010)	
AXA appoints a new Northern, Central and Eastern Europe Regional CEO (01/28/2010)	
AXA and BMPS to extend their bancassurance agreement to former Banca Antonveneta's distribution network (02/10/2010)	
General Shareholders' Meeting of April 29, 2010 - Proposal for modification in the governance structure (02/17/2010)	
Full Year 2009 Earnings (02/18/2010)	
AXA announces filing to voluntarily delist from the NYSE (03/16/210)	
Bulletin of Required Legal Notices Publications (*BALO*)	**www.journal-officiel.gouv.fr**
Notice of Meeting (Shareholders' Meeting to be held on 04/30/2009) (03/27/2009)	
Notice of Meeting (Shareholders' Meeting of holders of subordinated convertible notes in AXA shares issued on February 17, 2000 at the rate 3.75% term 2017) (05/11/2009)	
Postponement of Shareholders' Meeting of holders of subordinated convertible notes in AXA shares issued on February 17, 2000 at the rate 3.75% term 2017 (05/25/2009)	
2008 annual and consolidated financial statements after Shareholders' Meeting (06/08/2009)	
Appointment of the mass representative (holders of warrants (*BSAs*)) (06/12/2009)	
Notice to the holders of subscription options (suspension of the subscription rights) (11/11/2009)	
Notice to holders of 3.75% subordinated notes due 2000/2007 convertible in AXA shares - Share capital increase with preferential subscription rights (11/11/2009)	
Notice to holders of 3.75% subordinated notes due 2017 convertible in AXA shares - Adjustement of the conversion ratio of the 2017 convertible notes (12/09/2009)	
Notice of Meeting (Shareholders' Meeting to be held on 04/29/2010) (02/19/2010)	
Documents filed with the Trade Registry (*Greffe*)	**www.infogreffe.fr**
Extract of the minutes of the Supervisory Board's Meeting of 04/30/2009 regarding the appointment of a new member of the Supervisory Board	
Extract of the minutes of the Shareholders' Meeting of 04/30/2009 regarding the financial authorizations	
2008 annual and consolidated financial statements	
Extract of the minutes of the Management Board of 07/31/2009 regarding the increase of the share capital	
Charter as at 07/31/2009	
Extract of the minutes of the Management Board of 11/06/2009 regarding the increase of the share capital	
Charter as at 11/06/2009	
Extract of the minutes of the Management Board of 11/16/2009 regarding the resignation of a member of the Management Board	
Extract of the minutes of the Management Board of 11/30/2009 regarding the increases and reduction of the share capital	
Charter as at 11/30/2009	
Decision of Denis Duverne, member of the Management Board of 12/04/2009 regarding the increase of share capital	
Charter as at 12/04/2009	
Extract of the minutes of the Management Board of 12/11/2009 regarding the increase of the share capital	
Charter as at 12/11/2009	
Extract of the minutes of the Management Board of 12/17/2009 regarding the increase of the share capital	
Charter as at 12/17/2009	
Extract of the minutes of the Management Board of 01/04/2010 regarding the increase of the share capital	
Decision of the Chairman of the Management Board of 01/18/2010 regarding the increase of share capital	
Charter as at 01/18/2010	
Extract of the minutes of the Management Board of 02/01/2010 regarding the reduction of the share capital	
Charter as at 02/01/2010	

Information published over the previous 12 months	Where the information can be obtained
Documents at the disposal of the shareholders	**Headquarters of the Company 25, avenue Matignon 75008 Paris — France**
Ordinary and Extraordinary General Meeting – April 30, 2009	
A copy of the convening file sent to the shareholders as well as the documents for their information (Articles R.225-81 and R.225-86 of the French Commercial Code)	
The Statutory Auditors' certificate on the global amount of the sums entitled to the tax cut	
The list of the nominative initiatives of sponsoring and patronage realized by AXA	
The list of the shareholders at 16 days before the General Meeting	
The list and subject of the significant current agreement	
The Annual Reports of the Management Board on the allocations of stock options and free allotments of shares	
Transactions on AXA shares	**www.axa.com www.amf-france.org**
Disclosure of trading in the Company's shares by members of the Management Board and the Supervisory Board	
04/21/2009 Giuseppe Mussari	
05/05/2009 François Martineau	
06/25/2009 Claude Brunet	
06/25/2009 Claude Brunet	
09/08/2009 Wendy Cooper	
09/21/2009 Denis Duverne	
11/12/2009 Jean-Martin Folz	
11/12/2009 Henri de Castries	
11/13/2009 Henri de Castries	
11/16/2009 Henri de Castries	
11/16/2009 Denis Duverne	
11/16/2009 Claude Brunet	
11/16/2009 Alfred Bouckaert	
11/18/2009 Denis Duverne	
11/23/2009 Giuseppe Mussari	
11/23/2009 François Pierson	
11/23/2009 Jacques de Chateauvieux	
12/04/2009 François Pierson	
12/04/2009 Henri de Castries	
12/04/2009 Denis Duverne	
12/04/2009 Anthony Hamilton	
12/04/2009 Norbert Dentressangle	
12/04/2009 Michel Pébereau	
12/11/2009 Henri de Castries	
12/11/2009 Denis Duverne	
12/11/2009 Christopher Condron	
12/11/2009 Alfred Bouckaert	
12/11/2009 Wendy Cooper	
12/23/2009 Denis Duverne	
12/23/2009 Henri de Castries	
12/24/2009 Denis Duverne	
12/28/2009 Denis Duverne	

Information published over the previous 12 months	Where the information can be obtained
12/28/2009 Henri de Castries	
03/10/2010 Dominique Reiniche	
03/10/2010 Ezra Suleiman	
Disclosure of trading in own shares by the Company	**www.axa.com** **www.amf-france.org**
On April 20, 2009	
From May 25 to May 27, 2009	
On November 26, 2009	
On January 12, 2010	
Six month reports on AXA's liquidity agreement	**www.axa.com** **www.amf-france.org**
As of June 30, 2009	
As of December 31, 2009	
Disclosures of share ownership thresholds crossing	**www.amf-france.org**
On January 14, 2009	
On September 15, 2009	
On December 9, 2009	
Official public notice of shareholders' agreement clauses	**www.amf-france.org**
Documents available on the AMF's website	**www.axa.com** **www.amf-france.org**
Annual Report *(Document de Référence)* (03/26/2009)	
Annual Report update *(Document de Référence)* (11/06/2009)	
Listing (11/09/2009)	
Listing (11/25/2009)	
Documents published abroad (20-F/6-K/25)	**www.sec.gov**
Form 6-K: Free translation of AXA's French *Document de Référence* for the year ended December 31, 2008 filed with the AMF (the French Stock Exchange regulatory authority) on March 27, 2009	
Form 20-F (March 27, 2009)	
Form 6-K for May 2009: Press Release issued on May 7, 2009 by AXA, announcing its first quarter 2009 activity indicators	
Form 6-K for August 2009: Press Release issued on August 5, 2009 by AXA, announcing first half 2009 performance	
Form 6-K for October 2009: Press Release issued on October 29, 2009 by AXA, announcing the first nine months 2009 activity indicators	
Form 6-K for November 2009: Press Release issued on on November 9, 2009 by AXA, announcing the launch of a Euro 2 billion rights issue to finance acquisition opportunities	
Form 6-K for January 2010: Press Release issued on January 25, 2010, entitled AXA intends to voluntarily delist from the NYSE and deregister with the SEC to focus trading on Euronext Paris	
Form 6-K for February 2010: Press Release issued on February 17, 2010 by AXA, announcing that its Supervisory Board approved proposed amendments to its Charter that will be submitted to a vote of shareholders at AXA's General Shareholders' Meeting on April 29, 2010 Press Release issued on February 18, 2010 by AXA, announcing its consolidated earnings for the full year 2009.	
Form 25 (March 16, 2010)**:** Notification of the removal from listing and registration of matured, redeemed or retired securities.	

DOCUMENTS PERTAINING TO THE COMPANY

The following documents may be consulted at the AXA Group Legal Department located 21, avenue Matignon – 75008 Paris (France) until the filing of AXA's next Annual Report (*Document de Référence*):

- The Charter of the Company;
- The reports and other documents prepared by any expert at the Company's request, any part of which is included or referred to in this Annual Report;
- The parent Company financial statements as well as the consolidated financial statements of the Company for each of the two financial years preceding the publication of this Annual Report.

APPENDIX III STATEMENT OF THE PERSON RESPONSIBLE FOR THE ANNUAL REPORT *(DOCUMENT DE RÉFÉRENCE)*

STATEMENT OF THE PERSON RESPONSIBLE

I, the undersigned, having taken all reasonable care to ensure that such is the case, hereby certify that the information contained in this Annual Report (*Document de Référence*) is, to the best of my knowledge, in accordance with the facts and contains no material omission likely to render it misleading or inaccurate in any material respect.

I confirm that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and fairly present the assets and liabilities, the financial position and the profit or loss of the Company and its consolidated subsidiaries, and that the Management Report, the various sections of which are mentioned on page 545 of this Annual Report, fairly presents the evolution of the business, results and financial position of the Company and its consolidated subsidiaries, and describes the principal risks and contingencies facing the Group.

The Statutory Auditors have provided me with a letter of completion of assignment, in which they confirm that they have verified the information relating to the financial position and the financial statements contained in this Annual Report (with the exception of information pertaining to European Embedded Value which they have not audited but which they have reviewed for consistency with the report, dated February 17, 2010, of Towers Watson, consulting actuaries), and have reviewed the entire document.

Paris, March 17, 2010

Henri de Castries
Chairman of the Management Board

PERSON RESPONSIBLE FOR FINANCIAL INFORMATION

Denis Duverne

Member of the Management Board

in charge of Finance, Strategy and Operations

AXA

25, avenue Matignon, 75008 Paris, France

APPENDIX IV FINANCIAL AUTHORIZATIONS

FINANCIAL AUTHORIZATIONS TO ISSUE SHARES OR OTHER TYPES OF SECURITIES AS OF DECEMBER 31, 2009

AXA's authorizations to issue shares or other types of securities that were valid as of December 31, 2009 are summarized in the tables below:

Issues with preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments in Euro	Maximum nominal amount of the capital increase in Euro	Term	Expiration
Capitalization of reserves, earnings or premiums	–	1 billion [(a)]	26 months	June 30, 2011
Ordinary shares and other securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise	6 billion [(c)]	2 billion [(d)]	26 months	June 30, 2011
Preferred shares	–	1 billion [(e)]	26 months	June 30, 2011

Issues without preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments in Euro	Maximum nominal amount of the capital increase in Euro or in percentage of the share capital	Term	Expiration
Ordinary shares or securities giving a claim to ordinary shares of the Company through subscription, conversion, exchange, redemption, presentation of a warrant or otherwise [(b)]	6 billion [(c)]	20% [(f)]	26 months	June 30, 2011
Ordinary shares or securities giving access to the capital, reserved for employees	–	150 million [(g)]	18 months	October 30, 2010
Ordinary shares reserved for a specific category of beneficiaries in connection with offerings for employees	–	150 million [(g)]	18 months	October 30, 2010
Preferred shares	–	1 billion [(e)]	26 months	June 30, 2011
Performance shares *(actions gratuites)* [(h)]	–	1% [(i)]	38 months	June 22, 2011
Restricted shares *(actions gratuites)*/ AXA Miles Ambition 2012 Plan [(h)]	–	0.7% [(j)]	38 months	July 14, 2010
Shares issued in connection with the exercise of stock options	–	2% [(k)]	38 months	June 22, 2011

(a) Independent ceiling.
(b) Including the issue of ordinary shares or securities (i) in the event of a public offer initiated by the Company, (ii) in consideration for contributions-in-kind for up to 10% of the Company's share capital, or (iii) as result of a securities issue by subsidiaries of AXA.
(c) The aggregate nominal value of debt instruments associated with the issue of securities with or without preferential subscription rights may not exceed the global upper limit of €6 billion. This upper limit is separate and distinct from the limit on issuances of debt securities with no claim on the Company's share capital (ceiling of €2 billion).
(d) The aggregate nominal value of the capital increase with or without preferential subscription rights may not exceed €2 billion in nominal value.
(e) Common ceiling to all preferred shares' issues and limited to an issue gross income (inclusive of the share premium) of €2 billion.
(f) Up to €1 billion in nominal value.
(g) Common ceiling.
(h) Existing shares and/or newly issued shares.
(i) At the date on which performance shares are granted by the Management Board.
(j) At the date on which restricted shares are granted by the Management Board.
(k) At the date on which options are granted by the Management Board.

NEW FINANCIAL AUTHORIZATIONS

The following authorizations to issue shares or securities granting a claim to shares of the Company require the shareholders' consent. They will be submitted to the General Shareholders' Meeting for approval on April 29, 2010:

Issues without preferential subscription rights for shareholders

Securities	Maximum nominal amount in case of debt instruments in Euro	Maximum nominal amount of the capital increase in Euro	Term	Expiration
Ordinary shares or securities giving access to the capital, reserved for employees	–	150 million [(a)]	18 months	October 29, 2011
Ordinary shares reserved for a specific category of beneficiaries in connection with offerings for employees	–	150 million [(a)]	18 months	October 29, 2011

(a) Common ceiling.

USE IN 2009 OF THE VARIOUS FINANCIAL AUTHORIZATIONS PERTAINING TO CAPITAL INCREASES

Equity issue with preferential subscription rights

In 2009, by virtue of the authorization granted by the General Shareholders' Meeting of April 30, 2009 (12th resolution), the Management Board launched a share capital increase with preferential subscription rights. The proceeds from the capital increase will allow the Company to seize future acquisition opportunities, primarily in high growth markets, while maintaining a strong balance sheet.

On the closing of the offering in December 2009, AXA issued a total of 174 million new shares each with a par value of €2.29, all of which were entitled to dividends for 2009.

Pursuant to Articles L.225-181, L.228-99, R.225-137 and R.228-91 of the French Commercial Code and, where applicable, to the stipulations of regulations and contracts pertaining to stock subscription/purchase options, the terms and conditions of 2017 convertible bonds, the regulations governing Shareplan investment leverage plans, stock warrants, "Performance Shares" and "Performance Units", Mr. Denis Duverne decided on December 4, 2009 to adjust the parameters of these instruments in connection with this capital increase, with preferential subscription rights maintained.

Equity issue reserved for employees

By virtue of the authorization granted by the General Shareholders' Meeting of April 30, 2009 (20th resolution), the Management Board increased the Company's share capital in one offering, through the issue of shares to the benefit of Group employees under the SharePlan 2009 program. The shareholders waived their preferential subscription rights to facilitate this offering to employees. In the countries that met the legal and tax requirements for participation in SharePlan, two investment options were offered in 2009:

- The traditional plan, offered in 39 countries;
- The leveraged plan, offered in 38 countries.

About 31,000 employees in 40 countries took part in SharePlan 2009, and participating employees invested a total of more than €393 million, as follows:

- €26.7 million in the traditional plan; and
- €367 million in the leveraged plan.

On the closing of the 2009 SharePlan offering in December 2009, AXA issued a total of 26.4 million new shares each with a par value of €2.29, all of which were entitled to dividends for 2009.

Stock options and performance shares

STOCK OPTIONS

In 2009, by virtue of the authorization granted by the shareholders at the General Shareholders' Meeting of April 22, 2008 (17th resolution) 7,629,874 stock options giving the right to their beneficiaries to subscribe or to acquire existing or newly issued AXA shares, have been granted by the AXA Management Board.

PERFORMANCE SHARES

In 2009, by virtue of the authorization granted by the shareholders at the General Shareholders' Meeting of April 22, 2008 (16th resolution) 1,961,649 performance shares were granted by the AXA Management Board. Prior to the vesting and definitive acquisition of these shares by the beneficiaries (which will occur in 2011), the AXA Management Board will decide whether these performance share grants will be fulfilled using existing or newly issued AXA shares.

APPENDIX V AXA PARENT COMPAGNY FINANCIAL STATEMENTS

MANAGEMENT BOARD'S REPORT

Parent company financial statements

NET INCOME

Net income for the year ended December 31, 2009 was a profit of €3,953 million compared to a loss of €1,253 million in the previous year.

This profit benefited from an exceptional €1,946 million gain resulting from the equity option strategy implemented by the Group in 2008 and unwound in 2009, whereas accounts from previous year included a €2,181 million allowance for exchange-rate risk provision, arising from the Company's policy of hedging net foreign currency investments in order to limit variability of the Group's consolidated shareholders' equity against currency movements.

In the Company's consolidated financial statements, hedge accounting is applied to net investments in subsidiaries, such that exchange rate movements have no impact on Group results. In the parent company financial statements, however, investments in subsidiaries are recorded in Euro at the historical cost, leading to unrealized exchange rate losses on debts being fully booked.

Dividends received from subsidiaries amounted to €2,718 million, corresponding to an increase of €44 million from the previous year.

Dividends received from European companies totaled €2,352 million, an increase of €24 million, resulting from the following factors:

- A €1,987 million dividend from AXA France Assurance, representing an increase of €1,250 million, of which €900 million paid in shares;
- A €134 million dividend paid by German entities, versus none in 2008;
- No dividend from AXA Holdings Belgium, as opposed to a €1,053 million dividend in 2008 arising from the capital gain realized on the sale of the Netherlands activities in 2007;
- No dividend distribution from Colisée RE (formerly AXA RE) in 2009, as opposed to an exceptional €243 million dividend in 2008 arising from the sale of its portfolio to Paris RE.

Dividends received from insurance companies outside Europe totaled €131 million compared to €199 million in 2008. The main dividend contributions came from AXA Asia Pacific Holdings (€86 million versus €100 million in 2008) and AXA Canada (€23 million versus €64 million in 2008).

The dividends received from financial subsidiaries rose by €88 million to €235 million, including €150 million from AXA Investment Managers as opposed to €94 million in 2008.

Net financial expenses, including interest expenses net of interest income from loans and investments, totaled €855 million, compared to €826 million in 2008, representing an increase of €29 million.

Financial charges totalled €1,271 million, down €52 million, mainly due to:

- Interest payments on commercial paper fell by €134 million due to a fall in short term interest rates and a reduction of around €1 billion in the average outstanding amount in 2009;
- Loans from subsidiaries to the Company, as part of the Group's cash pooling arrangement, led to €104 million of additional financial expenses. These loans were implemented notably to finance acquisitions made in 2008 and to refinance Group entities.

Financial income fell by €81 million to €416 million, as a result of two opposite effects:

- Income from cash holdings fell by €123 million to €51 million, mainly as a result of sharply lower interest rates, which fell in line with variable short-term rates;
- Net income from swaps rose by €34 million to €122 million, mainly because of the decrease in short term variable interest rates impacting financial charges paid on the borrowing position of the parent company's swap portfolio.

Operating expenses rose by €12 million to €298 million, mainly as a result of initiatives to deploy shared systems within the Group.

Capital operations resulted in a profit of €2,551 million in 2009, versus a loss of €3,636 million in 2008. This 2009 profit broke down as follows:

- A €186 million exchange-rate gain, as opposed to a €1,990 million loss in 2008, which included a €2,181 million allowance for currency risk provisions. The 2009 exchange-rate gain mainly comprised the release of a €638 million provision arising from the Euro's rally against the Yen and US Dollar and its impact on net foreign currency investment hedges, along with €388 million of exchange-rate losses, principally due to the renewal of hedges that expired during the year;
- Releases of provisions for contingent liabilities totaled €772 million, versus €46 million in 2008. This amount included the release of a €751 million financial provision relating to the mark-to-market revaluation of an equity swap with another Group company intended to hedge an equity position;
- Allowances for provisions for contingent liabilities totaled €297 million, including €160 million relating to the recapitalization of Holding Vendôme 3, the entity used to complement the AXA Group's hedging program intended to reduce the Group's equity exposure on its Property & Casualty and non-participating Life & Savings businesses through a "put spread" strategy on the Eurostoxx 50 index, against the

payment of €157 million of premiums. These allowances also take into account the annual allowance for provisions for the bond redemption premiums for an amount of €98 million. An allowance of €591 million was booked in 2008 related to the equity swap mentioned above;

- Net exceptional items resulted in a profit of €1,904 million, including a €1,946 million profit resulting from the equity option strategy implemented by the Group in 2008 and unwound in 2009. 2008 included a €755 million loss due to the expiry of an intra Group equity swap.

The corporate income tax charge totaled €154 million as opposed to a benefit of €835 million in 2008, which mainly represented tax due by companies included in the French tax consolidation group. The 2009 tax charge consisted mainly of a €513 million allowance for provisions for tax payments related to the deficits of members of the tax consolidation group in France, minus €414 million of tax receivable from member entities.

BALANCE SHEET

As at December 31, 2009, total assets were €64,668 million, versus €64,208 million as at December 31, 2008.

Assets

Intangible fixed assets amounted to €322 million, and principally included the AXA brand acquired upon AXA's absorption of FINAXA as part of the 2005 merger and valued at €307 million based on brand royalties billed to Group subsidiaries and to the Mutuelles AXA.

Investments in subsidiaries net of valuation allowances, totaled €56,376 million, versus €51,568 million at year-end 2008, representing an increase of €4,808 million:

- Finance Solutions, an intra-group financing and cash management company, received a capital injection of €2,700 million;
- The Australian entity AXA Asia Pacific Holdings received a capital injection of €198 million and also paid a €86 million dividend in shares;
- AXA France Assurance paid a dividend of €900 million in shares;
- AXA Life Europe, a company created to write unit-linked life insurance contracts with guaranteed minimum benefits via branches in several European countries, received a capital injection of €269 million;
- AXA SA injected €202 million of capital into AXA Mediterranean Holding to fund the extension of the Italian distribution network of AXA MPS to Antonveneta;
- AXA SA bought for €54 million, a 50% stake in AXA India Holding, which holds a 26% economic interest in Bharti AXA Life Insurance Company and which houses the Group's Life & Savings activities in India.

Receivables from subsidiaries amounted to €2,282 million, versus €4,622 million at year-end 2008, representing a decrease of €2,340 million mainly resulting from loan repayments by AXA Financial, AXA America Holding and AXA UK for a total amount of €2,647 million. The funding of these entities is now done through Finance Solutions Company.

Loans were stable at €748 million, and mainly arise from a $1 billion credit facility granted to shareholders in RESO Garantia and guaranteed by these shareholders' interests in RESO Garantia.

Other financial assets, totaled €1,390 million, representing an increase of €1,033 mainly due to €1,064 million margin calls paid to bank counterparties relating to collateral agreements linked to derivative instruments' management.

Tax receivables fell by €601 million due to the French Treasury's repayment in 2009 of excess corporate income tax paid with respect to 2008.

Miscellaneous receivables totaled €169 million, including the remaining €20 million of tax receivable from entities part of the AXA tax consolidation group and €121 million of financial income receivables.

Marketable securities are up by €118 million after the purchase of €83 million of AXA shares for the purpose of allotting them to Group employees.

Cash and cash equivalents amounted to €2,735 million, including €2,434 million of proceeds from capital increases carried out in late 2009. This cash balance was €1,391 million lower than at year-end 2008, due to an improvement in liquidity and market conditions.

Cash instruments totaled €91 million, of which €67 million was the remainder of the premium paid in 2007, amortized over 10 years, for call options to neutralize the dilutive impact of the 2017 convertible bonds. €14 million consisted of premiums paid to buy currency options, aimed at protecting the 2010 foreign currency earnings of the main subsidiaries. The €669 million decrease in this item was mainly due to the income recognition of €564 million of option premiums paid by the Group in 2008 as part of its option-based hedges on equity markets.

Unrealized foreign exchange losses totaled €235 million, down €226 million principally resulting from the repayment of US dollar debts by Group entities in 2009. This item reflects unrealized losses on receivables and debts denominated in foreign currencies arising from their revaluation at the balance sheet closing exchange rate.

Liabilities

Shareholders' equity, before 2009 net income and after the payment of dividends relating to the prior year, totaled €28,967 million. This represented an increase of €2,446 million, mainly due to the €2,041 million capital increase closed in December 2009 and the €393 million capital increase reserved for employees.

Other shareholders' equity, which includes deeply subordinated undated notes, amounted to €5,987 million compared to €5,805 million in 2008, representing an increase of €182 million due to exchange-rate fluctuation impact.

Provisions for contingent liabilities amounted to €3,502 million, and mainly consisted of €1,697 million of currency risk provisions, €706 million for redemption premiums on subordinated bonds and €835 million for the possible repayment of tax savings to subsidiaries belonging to the French tax consolidation group. The €602 million decrease was mainly due the release of €638 million provision on the exchange-rate risk provision.

Subordinated debt totaled €6,723 million as opposed to €6,924 million in 2008. Of this decrease, €151 million was due to the redemption of undated debts in accordance with the redemption option granted to the issuer ten years after the issue date, and €38 million was due to exchange-rate effects.

Financial debts were €13,701 million, versus €17,981 million at December 31, 2008:

- **Bonds** amounted to €6,243 million, up €920 million as a result of existing debts being replaced by bonds issued to the same subsidiaries, in order to increase the liquidity of the resulting assets for holders;
- **Borrowings and miscellaneous debts** fell by €637 million. In 2008, these items consisted of margin calls paid to bank counterparties relating to collateral agreements linked to derivative instruments' management. The change in margin calls was mainly related to option-based hedges on equity markets, which were initiated in 2008 and unwound in 2009. In 2009, margin calls paid by the Company were included under financial assets;
- **Borrowings from and payables to banks** totaled €3,918 million, representing a fall of €3,730 million due to a €4,097 million decrease in outstanding commercial paper;
- **Payables to subsidiaries** amounted to €3,534 million. This represents a €833 million decrease, since these debts have been mainly replaced by internal bond issues mentioned above.

Debt relating to non-current assets totaled €183 million and included shares issued by entities but not yet fully paid, including €75 million for AXA Life Europe and €54 million each for AXA Italia and AXA Reinsurance Ireland.

Other payables amounted to €157 million, down €51 million due to a fall in interest accrued on interest-rate swaps.

Unrealized foreign exchange gains amounted to €1,466 million at year-end 2009, down from €1,612 million at December 31, 2008. This item reflects the positive effects derived from the revaluation of foreign currency denominated loans and liabilities at the balance sheet closing exchange rate. The decline in this item resulted mainly from the adverse impact on payables caused by the rally of the British pound against the Euro.

OTHER INFORMATIONS

In accordance with the Article L.225.102-1 of "the *Code de commerce*", disclosures related to executive compensation of the Company are disclosed in Part II - Section 2.2. "Full disclosure on executive compensation and share ownership"

Invoices to be paid at December, 31 2009 amounted to €3 million of which €2.4 million should be paid within 30 days (Article D.441-4 of the "*Code de commerce*)".

ACQUISITION OF EQUITY INTEREST

In June 2009, AXA acquired a 12.5% share in the Paris Publishing company, which was set up to write, edit and distribute the magazine "The ParisTech review".

BALANCE SHEET

Assets

(in Euro million)		December 31, 2009 Gross carrying value	December 31, 2009 Amortizations and provisions	December 31, 2009 Net carrying value	Net carrying value as at December 31, 2008	Net carrying value as at December 31, 2007
FIXED ASSETS						
INTANGIBLE ASSETS		322		322	322	322
TANGIBLE ASSETS						
Land		0		0	0	0
Buildings and other fixed assets		31		31	1	1
FINANCIAL ASSETS						
Investments in subsidiaries		57,208	832	56,376	51,568	47,733
Receivables from subsidiaries		2,289	7	2,282	4,622	3,142
Other financial assets		1,427	37	1,390	357	776
Loans		762	14	748	785	60
	I	**62,039**	**890**	**61,149**	**57,655**	**52,034**
CURRENT ASSETS						
OPERATING RECEIVABLES						
Tax receivables		7		7	609	40
Receivables and subsidiaries' current accounts		172	3	169	424	335
Marketable securities		243	3	240	122	437
Cash instruments		91		91	760	105
Cash and cash equivalents		2,735		2,735	4,126	2,542
Prepaid expenses		1		1	5	8
	II	**3,249**	**6**	**3,243**	**6,045**	**3,466**
PREPAYMENTS AND ACCRUED INCOME						
Deferred charges		250	212	38	43	55
Bond redemption premiums		3		3	3	4
Unrealized foreign exchange losses		235		235	461	50
TOTAL ASSETS		**65,776**	**1,108**	**64,668**	**64,208**	**55,608**

Liabilities

(in Euro million)		As at December 31, 2009	As at December 31, 2008	As at December 31, 2007
SHAREHOLDERS' EQUITY				
CAPITAL				
Ordinary shares		5,244	4,784	4,719
CAPITAL IN EXCESS OF NOMINAL VALUE				
Issue premiums		18,354	16,377	15,910
Merger and contribution premiums		1,060	1,060	1,060
RESERVES				
Legal reserve		479	479	479
Specific reserves for long term capital gains		2,016	2,016	2,016
Other reserves		1,795	3,866	3,866
Retained earnings		3	17	714
Tax driven provision		16	10	4
Net income for the financial year		3,953	(1,253)	1,765
	I	**32,920**	**27,357**	**30,533**
OTHER SHAREHOLDERS' EQUITY				
Undated deeply subordinated notes		5,987	5,805	6,323
	II	**5,987**	**5,805**	**6,323**
PROVISIONS FOR CONTINGENT LIABILITIES	**III**	**3,502**	**4,104**	**1,166**
LIABILITIES				
SUBORDINATED DEBTS		6,723	6,924	6,891
FINANCIAL DEBTS		13,701	17,981	8,576
OPERATING PAYABLES				
Tax payables		18		
Social payables		1	1	1
OTHER PAYABLES				
Debts on fixed assets		183	168	54
Other		157	208	937
Cash instruments			40	
Deferred income		11	8	9
	IV	**20,793**	**25,330**	**16,469**
PREPAYMENTS AND ACCRUED EXPENSE				
Unrealized foreign exchange gains		1,466	1,612	1,117
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**64,668**	**64,208**	**55,608**

INCOME STATEMENT

(in Euro million)		2009	2008	2007
I. RESULT ON ORDINARY ACTIVITIES				
FINANCIAL & OPERATING REVENUES				
Dividends received from subsidiaries		2,718	2,674	2,178
Revenues on short-term investments		416	497	450
Other revenues		7	8	7
	I	**3,141**	**3,179**	**2,635**
OPERATING EXPENSES				
External expenses and other expenses		(284)	(274)	(220)
Tax expenses		(1)	(1)	(2)
Payroll and compensation		(10)	(7)	(5)
Interest expense		(1,271)	(1,323)	(988)
Allowances for depreciation of buildings and deferred charges		(10)	(12)	(12)
	II	**(1,576)**	**(1,618)**	**(1,228)**
Operating profit	**(III= I+II)**	**1,565**	**1,561**	**1,407**
Contribution on common operations	**IV**			
FINANCIAL OPERATIONS ON SECURITIES				
Net income on sale of short-term securities		(7)	(12)	
Allowances to provisions for marketable securities		(3)		
Investment result on securities	**V**	**(10)**	**(12)**	**0**
Profit on ordinary activities before tax	**(VI= III+IV+V)**	**1,556**	**1,549**	**1,407**
II. RESULT ON CAPITAL OPERATIONS				
Proceeds from the sale of fixed assets		38	138	1,916
Releases of provisions for contingent liabilities		772	46	2
Releases of equity securities provisions		56	20	24
Foreign exchange result		186	(1,990)	564
Net book value on the sale of fixed assets		(38)	(301)	(1,633)
Allowances to provisions for contingent liabilities		(296)	(709)	(287)
Allowances to equity shares provisions		(72)	(295)	(112)
Exceptional result		1,905	(545)	(155)
	VII	**2,551**	**(3,636)**	**318**
INCOME TAX BENEFIT/EXPENSE	**VIII**	**(154)**	**835**	**40**
III. NET INCOME FOR THE FINANCIAL YEAR	**VI+VII+VIII**	**3,953**	**(1,253)**	**1,765**

FINANCIAL RESULTS OVER THE PAST FIVE YEARS

(in Euro million)	Year ending December 31, 2005	Year ending December 31, 2006	Year ending December 31, 2007	Year ending December 31, 2008	Year ending December 31, 2009
1 - CLOSING BALANCE SHEET SUMMARY					
a) Ordinary shares *(nominal value)*	4,286	4,793	4,719	4,784	5,244
b) Ordinary shares *(numbers in million)*	1,872	2,093	2,061	2,089	2,290
c) Bonds mandatorily convertible into ordinary shares *(numbers in million)*	16	16	7	7	7 [(a)]
2 - INCOME STATEMENT SUMMARY					
a) Gross revenues before sales tax	1,788	1,882	2,628	3,171	3,134
b) Pre-tax income from continuing operations, before depreciation, amortization and releases	1,061	1,067	1,420	1,561	1,568
c) Income tax expense/benefit	623	(46)	40	835	(154)
d) Net after-tax income after depreciation, amortization and releases	1,137	1,433	1,765	(1,253)	3,953
e) Net dividend distribution	1,647	2,218	2,473	836	1,259
3 - PER SHARE DATA					
a) After tax income, before depreciation, amortization and releases	0.65	0.75	1.08	0.90	1.25
b) After tax income, after depreciation, amortization and releases	0.61	0.68	0.86	(0.60)	1.73
c) Net dividend per share	0.88	1.06	1.2	0.40	0.55 [(b)]

(a) Since January 1, 2007, AXA's 2017 bonds can still be converted, but any dilutive impact created by the issuance of new shares resulting from the conversion of the bonds is neutralized by the automatic exercice of call options on the AXA shares which have been put in place.

(b) Dividend of €0.55 per share proposed to the Shareholders' Meeting of April 29, 2010, based on 2,289,965,079 outstanding ordinary shares on February 1, 2010 earning dividends as of 1 January 2009.

STATEMENT OF CASH-FLOWS

(in Euro million)	Year ending December 31, 2009	Year ending December 31, 2008	Year ending December 31, 2007
CASH INFLOWS			
Profit on ordinary activities before tax	1,556	1,549	1,407
Result on capital operations before tax	2,551	(3,636)	318
Income tax expense/benefit	(154)	835	40
Changes in reserves and amortization	(557)	3,241	462
Cash flow for the year	**3,396**	**1,989**	**2,227**
Increases in shareholders' equity	2,437	532	703
New borrowings	1,536	10,753	4,959
Sale or decrease in fixed assets			
■ tangible fixed assets			3
■ financial assets	3,688	4,203	4,622
TOTAL CASH INFLOWS	**11,057**	**17,477**	**12,515**
CASH OUTFLOWS			
Dividends paid out during the year	833	2,462	2,203
Repayments of financial debts	6,926	1,621	1,025
Purchase of fixed assets			
■ tangible fixed assets	16		
■ financial assets	6,071	11,006	4,450
Reduction of capital			1,899
TOTAL CASH OUTFLOWS	**13,846**	**15,089**	**9,577**
Change in working capital	**(2,789)**	**2,388**	**2,938**
Short-term equivalents			
Change in:			
■ operating receivables	(865)	654	462
■ operating payables	38	(103)	15
■ cash and cash equivalents	(1,962)	1,836	2,461
TOTAL	**(2,789)**	**2,388**	**2,938**

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SUBSIDIARIES AND PARTICIPATING INTERESTS

(article R.123-197 2 of the French Commercial Code)

	Share capital	Other shareholders' equity	Percentage of capital held	Gross Book Value of securities held
	1	2	3	4
A. DETAILED INFORMATION CONCERNING SUBSIDIARIES AND INVESTMENTS ACCOUNTING FOR IN EXCESS OF 1% OF AXA'S SHAREHOLDERS' EQUITY				
1) Subsidiaries (at least 50%-owned)				
CIE FINANCIÈRE DE PARIS	9	103	99.99%	184
137, rue Victor Hugo - 92687 LEVALLOIS PERRET				
AXA GENERAL INSURANCE HONG KONG	14	25	99.99%	65
30th Floor, PCCW Tower, Taikoo Place, 979 King's Road Quarry Bay,HONG KONG.				
AXA REINSURANCE IRELAND	72	127	100.00%	199
Wolfe Tone House - Wolfe Tone Street - DUBLIN - Irlande				
AXA GROUP SOLUTIONS	53	9	100.00%	93
23, avenue Matignon 75008 PARIS				
AXA CANADA (b)	237	501	100.00%	104
2020 rue University - MONTREAL - QUEBEC H 3A 2A5				
AXA LIFE EUROPE	100	796	100.00%	906
Wolfe Tone House - Wolfe Tone Street - DUBLIN				
AXA EQUITY AND LAW PLC	1	1,193	99.96%	1,133
5 Old Broad Street LONDON EC2N 1AD				
AXA HOLDING AS	132	(6)	50.00%	81
Meclisi Mebusan cadn° 15 - Salipazari 80040 - ISTANBUL				
AXA PARTICIPATIONS 2	3	503	100.00%	455
23, avenue Matignon 75008 PARIS				
AXA FRANCE ASSURANCE	452	3,925	100.00%	4,315
26, rue Drouot 75009 PARIS				
AXA JAPAN HOLDING COMPANY LIMITED	1,590	2.007	78.29%	3,206
NBF Platinium Tower 1-17-3 Shirokane - Minato-ku 108 - 8020 TOKYO				
VINCI B.V.	1,439	2,681	100.00%	4,285
Graadt van Roggenweg 500 - Postbus 30800 3503 AP UTRECHT - PAYS-BAS				
PORTMAN INSURANCE (EX AXA GLOBAL RISK)	23	38	100.00%	109
140, Frenchurch Street EC3M 6BL LONDON				
LOR PATRIMOINE	53	3	99.99%	53
23, Avenue Matignon 75008 PARIS				
COLISÉE RE (ex AXA RE)	319	195	100.00%	843
40, rue du Colisée 75008 PARIS				
AXA UK PLC (b)	1,393	4,073	65.64%	4,556
5 Old Broad Street LONDON EC2N 1AD				
AXA MEDITERRANEAN HOLDING	111	1,917	100.00%	2,651
Calle monseñor Palmer numéro 1 - PALMA DE MALLORCA				
OUDINOT PARTICIPATIONS	9,150	3,657	100.00%	12,299
21, avenue Matignon 75008 - PARIS				

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.
(b) Consolidated data

Net Book Value of securities held	Loans and cash advances given by the company still outstanding	Guarantees and commitments given by the company	Last closing revenues available [(a)]	Last closing result available	Dividends received	Closing date and other observations
5	6	7	8	9	10	11
60	10		1	28	39	Dec. 31, 2009
65			77	2	6	Dec. 31, 2009
192				(7)		Dec. 31, 2009
50			4	(8)		Dec. 31, 2009
104			1,186	95	23	Dec. 31, 2009
901		454	1	5		Dec. 31, 2009
1,133						Dec. 31, 2009
81			18	17	4	Dec. 31, 2009
455			1	1	10	Dec. 31, 2009
4,315			1,403	1,393	1,987	Dec. 31, 2009
3,206			3	(11)		Sept. 30, 2009
4,285	700		92	74	80	Dec. 31, 2009
88			(2)	27		Dec. 31, 2009
53			1			Dec. 31, 2009
525		21		55		Dec. 31, 2009
4,556		300	17	54		Dec. 31, 2009
2,651		9	222	82		Dec. 31, 2009
12,299						Dec. 31, 2009

	Share capital	Other shareholders' equity	Percentage of capital held	Gross Book Value of securities held
	1	2	3	4
AXA ITALIA SPA	624	76	98.24%	715
15, Via léopardi -15 - 20123 MILAN				
AXA LIFE INSURANCE COMPANY LTD	6	1	100.00%	90
151 Gloucester Road - Wan Chai - HONG KONG				
AXA HOLDING MAROC	209	40	100.00%	229
120-122, avenue hassan II - 21000 CASABLANCA				
AXA Portugal COMPANHIA DE SEGUROS	37	48	83.01%	72
Praca Marquês de Pombal, 14 - LISBONNE 1050				
SAINT-GEORGES RE	10	6	100.00%	82
9, avenue de Messine - 75009 PARIS				
AXA HOLDINGS BELGIUM	453	2,359	100.00%	5,318
25, boulevard du Souverain - 1170 BRUXELLES				
AXA TECHNOLOGY SERVICES	25	1	99.77%	73
Les Collines de l'Arche - 76 route de la Demi-Lune				
92057 PARIS La Défense				
KYOBO AXA GENERAL INSURANCE	78	5	92.36%	157
395-70 Shindaebang-dong, Dongjak-gu SEOUL				
AXA INSURANCE Ltd.	114	1,941	100.00%	5,171
General Guisan-str, 40 CH-8401 - Winterthur				
AXA INVESTMENT MANAGERS	53	584	73.66%	1,379
Cœur Défense - Tour B - La Défense 4 - 100 Esplanade du Général de Gaulle - 92932 Paris La Défense				
AXA CESSIONS	85	26	100.00%	105
9, avenue de Messine - 75009 PARIS				
AXA INDIA HOLDING	129		50.00%	63
Saint Louis Business Centre Port-Louis MAURITIUS				
FINANCE SOLUTIONS	270	2,433	100.00%	2,703
1, Allée Scheffer L-2520 Luxembourg				
SOCIÉTÉ BEAUJON	9	252	99.86%	246
21, avenue Matignon 75008 - PARIS				
2) Participating interests (10 to 50%-owned)				
AXA KONZERN AG	80	1,186	34.63%	2,120
Colonia - Allée 10 -20 51067 KOLN				
RESO GARANTIA		277	28.23%	805
Ul, Svetlanskaya, 250/1, Vladivostok, Primorsky Territory				
Far Eastern federal district, 690000 Russian Federation				
BAO MINH INSURANCE CORPORATION	29	46	16.60%	53
26 Ton That Dam, Districk 1, Ho Chi Minh City - VIETNAM				
AXA ASIA PACIFIC HOLDINGS LIMITED (b)	1,153	1,052	44.10%	825
750 Collins Street MELBOURNE Victoria 3000				
Sub-total A				**55,743**
B. GENERAL INFORMATION ABOUT OTHER UNITS AND PARTICIPATING INTERESTS				
1) Subsidiaries not shown in section A				
a) French subsidiaries (total)				115
b) Foreign subsidiaries (total)				249
2) Participating interests not shown in section A				
a) in French companies (total)				35
b) in foreign companies (total)				51
TOTAL (A+B)				**56,194**

(a) For Insurance companies: gross written premiums. For real estate companies: rental revenues. For holding companies: dividends. For financial services companies: gross banking revenues.

(b) Consolidated data

Net Book Value of securities held	Loans and cash advances given by the company still outstanding	Guarantees and commitments given by the company	Last closing revenues available [(a)]	Last closing result available	Dividends received	Closing date and other observations
5	6	7	8	9	10	11
715			26	22	34	Dec. 31, 2009
7						Dec. 31, 2008
229			15	10		Dec. 31, 2009
72			350	4	7	Dec. 31, 2009
33					11	Dec. 31, 2009
5,318	100		32	95		Dec. 31, 2009
28		244	1	35	33	Dec. 31, 2009
157			302	(3)		Dec. 31, 2009
5,171		655	2,181	405	164	Dec. 31, 2009
1,379	560		66	137	150	Dec. 31, 2009
105		4	1,039	3	15	Dec. 31, 2009
63						Dec. 31, 2009
2,703				(1)		Dec. 31, 2009
246	43			(15)		Dec. 31, 2009
2,120			276	220	54	Dec. 31, 2009
805		150		45	3	Dec. 31, 2009
20			72	5	1	Dec. 31, 2008
825	675		114	314	86	Dec. 31, 2009
55,018	**2,088**	**1,837**	**7,500**	**3,085**	**2,708**	
93	210	12				
189	14				8	
31						
31	4				1	
55,362	**2,317**	**1,849**	**7,500**	**3,085**	**2,717**	

Notes to the financial statements as at December 31, 2009

Net income for the year ended December 31, 2009 was a profit of €3,953 million compared to a loss of €1,253 million in the previous year.

This profit benefited from an exceptional €1,946 million gain resulting from the equity option strategy implemented by the Group in 2008 and unwound in 2009, whereas 2008 included a €2,181 million allowance for exchange-rate risk provision, arising from the Company's policy of hedging net foreign currency investment in order to limit variability of the Group's consolidated shareholders' equity against currency movements.

In the Company's consolidated financial statements, hedge accounting is applied to net investments in subsidiaries, such that exchange rate movements have no impact on Group results. In the parent company financial statements, however, investments in subsidiaries are recorded in Euro at the historical cost, leading to unrealized exchange rate losses on debt being fully booked.

The assets at December 31, 2009 were €64,668 million, compared with €64,208 million at December 31, 2008.

1. HIGHLIGHTS

The significant account movements are presented in the tables in these notes.

2. ACCOUNTING PRINCIPLES

2.1. General principles

The financial statements as at December 31, 2009 are prepared and presented in accordance with the provisions of the 1999 Chart of Accounts.

Since January 1, 2005, AXA has applied regulations 2002-10 relating to depreciation and amortization of assets, as amended by CRC regulation 03-07, and 2004-06 relating to the definition, recognition and measurement of assets. Application of this regulation has had no impact on the Company's financial statements.

In accordance to CRC regulation 2008-15, treasury shares are recorded in "Marketable securities".

At December 31, 2009, 2,890,000 shares were held under the liquidity program, and 5,726,128 shares were allocated to hedging purposes, representing respectively €50 millions and €83 million.

The application of CRC regulation 2008-15 dated December 4, 2008 relating to the accounting treatment of stock options (subscription and purchase) and performance shares/units (free shares granted to employees and subject to performance conditions) had no impact on the Company's financial statements.

Find below a summary of options and performances shares granted in 2009 and 2008 to Management Board members paid by AXA SA.

Stocks options and performance shares plans are described in Part II – Section 2.2 "Full disclosure on executive compensation and share ownership" of this Annual Report.

	Year 2009		Year 2008	
(in Euro)	Value of option granted during the year	Value of performance shares granted during the year	Value of option granted during the year	Value of performance shares granted during the year
Henri de Castries	819,848	1,021,189	1,257,100	1,426,320
Claude Brunet	519,751	646,755	754,260	855,792
Denis Duverne	683,722	850,988	1,005,680	1,141,056
François Pierson	587,816	731,856	900,922	1,022,196

2.2. Presentation of the financial statements

BALANCE SHEET

Intangible assets include concessions, patents and brands, as well as goodwill of mergers.

Tangible assets include investments in real estate, split between land and buildings, as well as fixtures and fittings.

Financial assets consist in (i) investments in and receivables from subsidiaries and affiliates and (ii) other financial assets and loans.

Securities are classified using the following criteria:

- Investments in subsidiaries and affiliates are securities representing at least 10% of the share capital of the issuing company plus those which AXA deems held for the long term;
- Other financial assets comprise securities representing less than 10% of the share capital and which are not investments in subsidiaries and affiliates.

INCOME

The income statement distinguishes between ordinary operations and capital operations:

- Ordinary operations include dividends, revenues from other investments, financial expenses, operating expenses and income from transactions in investments;
- Capital operations include gains or losses on the disposal of investments in subsidiaries and affiliates and portfolio management investments, impairment charges and reversals in respect of these securities and related receivables, gains and losses arising from exchange rate movements, charges and reversals of provisions for risks and charges, and exceptional income and expense;
- Disposals of investments in subsidiaries and affiliates are measured using the weighted average unit cost method.

To improve the transparency of the financial statements, (i) charges and releases of provisions for exchange rate risk are recognized in foreign exchange result, and (ii) charges and reversals of provisions for tax repayment risk are recognized in income tax benefit/expense.

2.3. Tangible assets

Tangible assets are recognized at acquisition cost or transfer value. Buildings are depreciated using the straight line method over fifty years, and fitting work is depreciated over five or ten years as appropriate.

2.4. Intangible assets

Intangible assets amounted to €322 million, and mainly included the AXA brand contributed by FINAXA as part of the merger in 2005 and valued at €307 million based on brand royalties billed to Group subsidiaries and to the Mutuelles AXA.

2.5. Financial assets

Financial assets are measured at acquisition cost or transfer cost. At the balance sheet date, the acquisition cost is compared with the fair value, and the lower of these two values is then recognized in the balance sheet.

The fair value of investments in subsidiaries and affiliates is their going concern value for the firm. This may be determined as a function of either their share price or their shareholders' equity, including unrealized gains, and prospects for the subsidiary.

This multi-criteria analysis reflects the long-term nature of AXA's ownership in these subsidiaries and excludes factors relating to short-term market volatility. Net book value is compared with the going concern value, which is the value of the assets and expected profits of existing and new business, taking into account the entity's future prospects. The value of future profits is estimated on the basis of calculations of the European Embedded Value of the Life & Savings business published by the Group, or similar calculations for other activities.

For other investments, the fair value is the share price for listed securities and the likely trading value for unlisted securities.

2.6. Receivables

Receivables are measured at nominal value. An impairment provision is charged in the event of risk of non-recovery.

2.7. Marketable securities

At the balance sheet date, the acquisition cost is compared with the fair value, which corresponds to the exit value for SICAV and FCP mutual funds and to the average share price over the last month before the balance sheet date for the other securities.

2.8. Prepayments and accrued income

Deferred charges correspond to debt issue costs, which are spread over the lifetime of the issue or for a maximum of 10 years when the debt has no predetermined maturity.

2.9. Subordinated bonds

AXA SA has issued two subordinated bonds:

- 2.5% bonds, maturity January 1, 2014: 9,185,581 bonds with a par value of €165 and a redemption value of €230.88 were in circulation at December 31, 2009. The redemption premium amounts to €606 million;
- 3.75% bonds, maturity January 1, 2017: 6,613,254 bonds with a par value of €165.50 and a redemption value of €269.16 were in circulation at December 31, 2009. The redemption premium amounts to €688 million.

These bonds have been recognized using the single transaction approach. The redemption premium, being the difference between the value at par and the redemption value of the bond issue, was not recognized as a liability at the time of the bond issue. Redemption premiums have been amortized since 2002 and will be until maturity of the issue, using the compound interest method. The yield to maturity used is the rate which enables future payment of the redemption premium, assuming the two bonds were issued on January 1, 2002, namely 2.84% for the 1999 issue and 3.29% for the 2000 issue.

The charge for the year ending December 31, 2009 amounted to €98 million, and the existing provision at December 31, 2008 was €706 million. The unamortized balance of €588 million was recognized as an off-balance sheet commitment.

On January 11, 2007, the meetings of holders of AXA's 2014 and 2017 convertible bonds were held to vote on an amendment of the final conversion dates of the bonds to January 26, 2007 in exchange for a cash payment in respect of the value of the conversion option.

The General Meetings of 2014 convertible bondholders accepted the amendment. As a result, holders who did not convert their bonds by January 26, 2007 received €16.23 per bond on January 31, 2007.

The General Meeting of 2017 bondholders did not approve the amendment. As a result, to fully neutralize the dilution impact of the 2017 convertible bonds, AXA bought call options on AXA shares with an automatic exercise mechanism from a bank counterparty for a total cash amount equivalent to the payment proposed to bondholders. This €96 million premium is to be amortized over the residual ten-year term of the bond. At December 31, 2009, the remaining amount to be amortized was €67 million.

2.10. Employee benefits

Employee benefit liability is reviewed to ensure it covers future retirement benefit obligations and post-retirement benefits. Pursuant to this review, the employee benefit liability amounted to €6 million at December 31, 2009.

2.11. Unrealized foreign exchange gains/ losses

Foreign currency receivables and liabilities are adjusted at the balance sheet date exchange rate. The matching item for this adjustment is a translation variance asset account when the difference is an unrealized loss, and a translation variance liability account when it is an unrealized gain. These items do not flow through the income statement but a provision for foreign exchange risk is made to recognize unrealized losses relating to the translation variance asset.

A translation variance asset relating to a debt which is hedged by the purchase of currency futures does not give rise to recognition of a provision. The same is true for loans which are hedged from origination through exchange rate swaps. If a loan or borrowing generates an unrealized translation loss, but is hedged, a provision for unhedged risk is registered.

2.12. Derivative products

- Interest rate swaps: these transactions are recognized by applying the accrued interest method. A distinction is made in the income statement and balance sheet between income from the principal transaction, which is the subject of the swap, and the net income from the swap transaction. The nominal value of the swaps serving as bases for interest rate swaps is recognized off-balance sheet.
- Derivative products qualifying as hedges against foreign exchange risk (exchange rate or currency swaps, currency futures) are recognized off-balance sheet as a reciprocal liability and receivable commitment. For currency options, the premium paid on acquisition is recognized as an asset on the balance sheet in the 'cash instruments' account. When the option is exercised, the premium is recorded in the income statement. The same is true when the option is not exercised at term. For option sales, a provision for risks and charges is recognized to take into account the unrealized loss. Other derivative instruments are recognized off-balance sheet at their nominal value. Unrealized losses arising from the estimated market value of these financial instruments give rise to recognition of a provision for foreign exchange loss.
- Equity derivative products: equity option rights paid or received are posted in a suspense account on payment or receipt of funds. At the balance sheet date, if the option has not been exercised, the rights received, representing possible income, are not recognized in the income statement. A provision is created against rights paid if it is likely, given market trends, that the option will not be exercised. When the option is exercised, this represents an addition to the acquisition price of the underlying instrument and an addition to the sale price when the option is sold.

2.13. Other shareholders' equity

Undated deeply subordinated notes are classified as "Other shareholders' equity" when, like for ordinary shares, there is no contractual obligation to remit cash or any other financial assets.

Other shareholders' equity included €5,987 million of undated subordinated notes at December 31, 2009, versus €5,805 million at December 31, 2008, representing an increase of €182 million due to exchange rate fluctuation impact.

2.14. Provisions for contingent liabilities

The Company is the head of a French tax consolidation regime group. The tax consolidation regime provides that tax savings should be recognized directly in the Company's financial statements. However, a provision for the return of tax savings is recognized when there is a high probability that the benefit will accrue to subsidiaries as a result of the prospect of future taxable income resulting from the Group's strategic planning.

3. NOTES TO THE BALANCE SHEET (IN EURO MILLION)

3.1. Movements in intangible assets

This account includes the AXA brand, transferred by FINAXA at the time of the merger, and valued at €307 million. It also includes €15 million of goodwill recognized following the complete transfer of assets and liabilities between Société de Gestion Civile Immobilière (SGCI) and the Company.

3.2. Movements in financial assets (before provisions)

(in Euro million)	Gross value at December 31, 2008	Acquisitions	Disposals	Gross value at December 31, 2009
Investments in subsidiaries	52,387	4,824 (a)	3	57,208
Receivables from subsidiaries	4,629	1,538 (b)	3,878 (b)	2,289
Other financial assets	391	1,144 (c)	108	1,427
Loans	799	-	37 (d)	762
TOTAL	**58,206**	**7,506**	**4,026**	**61,686**

(a) Of which:
- *Finance Solutions, an intra-group financing and cash management company, received a capital injection of €2,700 million;*
- *the Australian entity AXA Asia Pacific Holdings received a capital injection of €198 million and also paid a €86 million dividend in shares;*
- *AXA France Assurance paid a dividend of €900 million in shares;*
- *AXA Life Europe, a company created to write unit-linked life insurance contracts with guaranteed minimum features via branches in several European countries, received a capital injection of €269 million;*
- *AXA SA injected €202 million of capital into AXA Mediterranean Holding to fund the extension of the Italian distribution network of AXA MPS to Antonveneta;*
- *AXA SA bought for €54 million, a 50% stake in AXA India Holding, which holds a 26% economic interest in Bharti AXA Life Insurance Company and which houses the Group's Life & Savings activities in India.*

(b) The net decrease of €2,340 million mainly resulting from loan repayments by AXA Financial, AXA America Holding and AXA UK for a total amount of €2,647 million. The funding of these entities is now done through Finance Solutions Company.

(c) The increase is mainly due to margin calls paid to bank counterparties relating to collateral agreements linked to derivative instruments' management.

(d) The €37 million decrease is due to the exchange-rate fluctuation impact and accrued interest.

3.3. Movement in provisions for impairment of financial assets

(in Euro million)	Provisions at December 31, 2008	Allowances	Releases	Provisions at December 31, 2009
Investments in subsidiaries	819	64	51	832
Receivables from subsidiaries	7			7
Other financial assets	34	8	5	37
Loans	14			14
TOTAL	**874**	**72**	**56**	**890**

3.4. Statement of receivables by maturity

(in Euro million)	Gross value	Less than 1 year	1 to 5 years	More than 5 years
Receivables on affiliates	2,289	845	1,391	53
Tax receivables	7	7		
Loans	762	700	44	18
Miscellaneous receivables and currents accounts with subsidiaries	172	172		
TOTAL	**3,230**	**1,724**	**1,435**	**71**

3.5. Miscellaneous receivables and subsidiaries' current accounts (€ million)

Income receivable	58
Miscellaneous debtors	30
Accrued interest on swaps	64
Subsidiaries' current accounts	20
TOTAL	**172**

3.6. Expenses payable over more than one period

(in Euro million)	Gross value	Amount amortised at December 31, 2008	Charge for the period	Net value at December 31, 2009
Bond issue expenses	99	97	2	0
Other debt issue expenses	80	36	7	37
Investment acquisition expenses	71	71	-	-
TOTAL	**250**	**204**	**9**	**37**

Starting January 1, 2007, acquisition expenses on investments in affiliates are capitalized (included in the purchase price) and are subject to amortization over five years.

3.7. Unrealized foreign exchange losses

amounted to €235 million, up €226 million mainly due to impacts on debts of the Yen and American Dollar rallies against the Euro. This item reflects unrealized losses on receivables and debts denominated in foreign currencies arising from their revaluation at the balance sheet closing exchange rate.

3.8. Share capital

AXA's share capital is represented by 2,289,965,124 shares with a par value of €2.29, giving a total value of €5,244,020,134 at December 31, 2009.

3.9. Movement in shareholders' equity

(in Euro million, except per share data in Euro)	Year ending December 31, 2008	Year ending December 31, 2009
Net income	(1,253)	3,953
Per share	(0.60)	1.73
Movement in shareholders' equity compared with opening balance	(3,177)	5,563
Per share	(1.52)	2.43
Proposed dividend [(a)]	836	1,259
Per share	0.40	0.55

(a) Proposed to Shareholders' Meeting of April 29, 2010.

(in Euro million)	
Equity at December 31, 2008	**27,357**
Capital increase for employees	393
Capital increase: rights issue closed in December 2009	2,041
Exercise of equity instruments	3
Dividends paid out	(833)
Net income for the period	3,953
Tax driven provision	6
Equity at December 31, 2009	**32,920**

3.10. Other shareholders' equity

Other shareholders' equity amounted to €5,987 million, compared to €5,805 million at the end of 2008.

(in Euro million)	Value at December 31, 2008	Issues	Translation variance/accrued interests	Value at December 31, 2009
Undated deeply Subordinated Notes (nominal)	5,700		180	5,880
Accrued interests	105		2	107
TOTAL	**5,805**		**182**	**5,987**

3.11. Provisions for contingent liabilities

(in Euro million)	Value at beginning of period	Allowances for the period	Releases for the period (provisions used)	Releases for the period (provisions not used)	Value at end of period
Provisions for deferred taxes	350	513			863 [a]
Provision for foreign exchange losses	2,335	110		748	1,697
Other provisions for risks	810	210		785 [b]	236
Amortisation of convertible bond redemption premiums	608	98			706
TOTAL	**4,104**	**931**		**1,533**	**3,502**

(a) The €863 million provision for deferred taxes includes a €835 million provision for the possible repayment of tax savings to subsidiaries belonging to the French tax consolidation group.

(b) This amount included the release of a €751 million financial provision relating to the mark-to-market revaluation of an equity swap with another Group company intended to hedge an equity position.

3.12. Subordinated debts

(in Euro million)	Value at December 31, 2009	Less than one year	More than 5 years
Undated subordinated debts	618		618
Undated subordinated EMTN	885		885
Subordinated bonds 2.5% 2014	1,516		1,516
Convertible Subordinated bonds 3.75% 2017	1,094		1,094
Redeemable subordinated bond 6.75% 2020 *(€)*	1,080		1,080
Redeemable subordinated bond 8.60% 2030 *($)*	868		868
Redeemable subordinated bond 7.125% 2020 *(£)*	366		366
Other subordinated debt	190		190
Accrued interests	106	106	
TOTAL	**6,723**	**106**	**6,617**

Subordinated debt totaled €6,723 million as opposed to €6,924 million in 2008. Of this decrease, €151 million was due to the redemption of undated debts in accordance with the redemption option granted to the issuer ten years after the issue date, and €38 million was due to exchange-rate effects.

The perpetual subordinated notes are undated bonds. The Company has the option of deferring payment of the coupons under certain conditions. Nonetheless, the coupons must be paid when these conditions cease to be met or on redemption of the instruments. When payment is deferred for an extended period, the coupons remain payable by law. Similarly, in the absence of dividends being paid, unpaid coupons accumulated over the years will be recognized as payable upon liquidation, if any. These instruments are classified as debt on the basis of this contractual obligation to pay the coupons.

3.13. Financing debt

(in Euro million)	Value at December 31, 2009	Less than 1 year	1 to 5 years	More than 5 years
Euro Medium Term Notes	3,087		2,087	1,000
Deposits for collateral contracts	6	6		
Medium Term Negotiable Notes	30		30	
Bonds	6,210		5,760	450
Loans granted by Group entities	3,521	1,405	1,769	347
Commercial paper and bank overdrafts	731	731		
Accrued interests	116	116		
TOTAL	**13,701**	**2,258**	**9,646**	**1,797**

3.14. Statement of operating payables

(in Euro million)	Value	Less than 1 year	1 to 5 years
Debts on fixed assets [(a)]	183	183	
Other payables [(b)], including tax and social payables	176	176	
TOTAL	**359**	**359**	

(a) Debt relating to non-current assets totaled €183 million and included shares issued by entities but not yet fully paid, including €75 million for AXA Life Europe and €54 million each for AXA Italia and AXA Reinsurance Ireland.

(b) Of which €154 million of expenses payable.

3.15. Unrealized foreign exchange gains amounted to €1,466 million at year-end 2009, down from €1,612 million at December 31, 2008. This account reflects the positive effects derived from the revaluation of foreign-currency denominated loans and liabilities at the balance sheet closing exchange rate. The decline in this item resulted mainly from the adverse impact on payables caused by the rally of the British pound against the Euro.

4. NOTES TO THE STATEMENT OF INCOME

4.1. Executive remuneration

- Directors' fees €1,100 k;
- Other remuneration (net of recharging) €5,024 k.

The Company had 4 employees at the balance sheet date.

4.2. The corporate income tax charge totaled €154 million as opposed to a benefit of €835 million in 2008, which mainly represented tax due by companies included in the French tax consolidation group. The 2009 tax charge consisted mainly of a €513 million allowance for provisions for tax payments related to the deficits of members of the tax consolidation group, minus €414 million of tax receivable from member entities.

(in Euro million)	Income before tax	Tax benefit/ expense*	Net income
Ordinary income	1,556	[(a)]	1,556
Income from capital operations	2,551	[(b)]	2,551
Income tax expense		(154) [(c)]	(154)
TOTAL	**4,107**	**(154)**	**3,953**

** A positive sign indicates tax benefit.*

(a) Dividends received from investments in subsidiaries are under the fiscal "parent-subsidiary" regime and are tax-exempt.

(b) In accordance with tax rules, the tax expense relating to the fair value of options used to hedge equity portfolio was recognized in 2008; €1,824 million tax basis, while the income accounted for the unwound strategies was recorded in 2009

(c) No tax benefit is recorded due to the Group tax loss.

5. OFF-BALANCE SHEET COMMITMENTS

5.1. Summary of off-balance sheet commitments

(in Euro million)	Notional value (Commitments given)	Market value
Financial futures instruments	**108,410**	**(957)**
Foreign exchange Forward	**925**	**12**
Swaps	**97,704**	**(943)**
Interest rate swaps	47,351	(383)
Equity swap	2,110	92
Foreign Exchange swaps (short term)	6,636	(84)
Cross Currency swaps (long term)	37,620	(555)
Credit Default swaps	3,987	(13)
Options	**9,781**	**(27)**
Caps	2,122	6
Foreign Exchange Options	5,152	(111)
Equity options	2,458	79
Indice options	44	(2)
Floor	5	0
Other commitments	**Commitments given**	**Commitments received**
Credit facilities (authorized but not drawn)	**1,790**	**8,405**
Internal group guarantees and securities		
Commitments to buy back shares and bonds from Group entities	635	
Other commitments	7,947	1,319
of which financial guarantees given to Group entities	2,523	625
Subordinated convertible bond redemption premium (see § 2.9 of this note)	**588**	

5.2. Commitments in respect of shareholder pacts

CROSS-SHAREHOLDING AGREEMENTS

AXA has entered into cross-shareholding agreements with BNP Paribas and Schneider which are described hereafter.

Agreement with BNP Paribas

On December 15, 2005, and after authorization by the AXA Supervisory Board on June 29, 2005, the AXA Group and the BNP Paribas Group entered into an agreement that replaces a prior agreement between them dated September 12, 2001.

The 2005 agreement maintains the provisions of the prior agreement concerning minimal and stable cross-shareholdings. Pursuant to the agreement, the AXA Group undertakes to hold at least 43,412,598 shares of BNP Paribas and the BNP Paribas Group undertakes to hold at least 61,587,465 shares of AXA. These amounts are subject to adjustment to reflect the impact of certain capital transactions, including, but not limited to: capital increases, free allotments of stock, stock splits or similar transactions. In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of five years starting from December 16, 2005, this agreement is renewable automatically for an initial period of two years and for successive periods of one year thereafter, unless one of the two parties decides to terminate the agreement earlier, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF *(Autorité des marchés financiers)* on December 21, 2005.

Agreement with Schneider

On May 15, 2006, and after authorization by the AXA Supervisory Board on December 21, 2005, the AXA Group, the Mutuelles AXA and the Schneider Group entered into an agreement that provides for the maintenance of minimal cross-shareholdings. Under the terms of this agreement, the AXA Group undertakes to hold at least 2,583,300 shares of Schneider stock and the Schneider Group undertakes to hold at least 8,816,681 AXA ordinary shares. The number of shares held under this cross-shareholding agreement will be adjusted as needed to reflect the impact of certain capital transactions, including, but not limited to: capital increases, free allotments of stock, stock splits or similar transactions. In addition, the agreement includes an option for each party to repurchase its shares in the event of a hostile change of control of the other party.

In force for a period of one year from the date of signature, this agreement is renewable automatically for successive periods of one year thereafter, unless one of the parties decides to terminate beforehand, in which case the terminating party is required to give three months notice prior to the next renewal date.

The agreement was made public by the AMF *(Autorité des marchés financiers)* on May 31, 2006.

6. SENSITIVITY

By virtue of its business, AXA SA is mainly exposed to interest rate and exchange rate risks.

The table below shows an estimate of changes in the fair value of debt, loans and hedging instruments in the event of a 1% rise in the interest rate curve or a 10% depreciation of the Euro.

	Change in fair value	
Sensitivity	**Interest rates: +100 bps**	**Exchange rate: +10% ***
Debts (a)	-3.5% (i)	3.6% (ii)
Loans (b)	2.3% (i)	-6.8% (ii)
Derivatives (c)	18.6% (i)	-196.4% (ii)

* *10% depreciation of the Euro*

(a) *External debt (excluding intra-group debt) before hedging.*

(b) *Loans are net of internal refinancing.*

(c) *Both eligible and not eligible derivatives under IFRS.*

(i) *A 100 bps rise in interest rates leads to a 3.5% decrease in the fair value of debt, a 2.3% increase in the fair value of loans, and a 18.6% rise in the fair value of derivatives.*

(ii) *A 10% depreciation of the Euro leads to a 3.6% increase in the fair value of debt, a 6.8% decrease in the fair value of loans and a 196.4% decrease in the fair value of derivatives.*

The information on fair value presented above should be used with care:

- *since these estimates are based on the use of measurements such as interest rates and spreads at the balance sheet date; such measurements may fluctuate over time;*
- *and because there are a number of possible ways to perform these calculations.*

The information used for calculating the fair value of financing debt is market prices at the end of the period, using (i) market rates for each currency, (ii) AXA's average spread by maturity and for the main currencies, distinguishing between subordinated debt and senior debt, and (iii) options included in issue contracts, such as issuer redemption options.

This note does not omit any material commitment or any which might become material in the future.

7. OTHER INFORMATION

Affiliated companies (consolidated entities) (value net of provisions for impairment)

Investments	**€56,149 million**
Of which:	
■ AXA Konzern AG	€2,120 million
■ AXA Italia SpA	€715 million
■ AXA France Assurance	€4,315 million
■ AXA UK Plc	€4,556 million
■ AXA Holdings Belgium	€5,318 million
■ Oudinot Participations	€12,299 million
■ AXA Japan Holding Company Limited	€3,206 million
■ Vinci BV	€4,285 million
■ Colisée RE (ex AXA Ré)	€525 million
■ AXA Equity & Law	€1,133 million
■ AXA Méditerranean Holding	€2,651 million
■ AXA Asia Pacific Holding	€825 million
■ AXA Insurance (formerly AXA Winterthur in Switzerland)	€5,171 million
■ AXA Belgium	€610 million
■ Reso Garantia	€805 million
■ AXA Investment Managers	€1,379 million
■ AXA Life Europe	€901 million
■ Finance Solutions	€2,703 million
Receivables towards related companies	€2,371 million
Payables toward related companies	€12,097 million
Financial income and expense in respect of affiliates	
Financial expense	€381 million
Financial income	€2,906 million

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Report of the Statutory Auditors on the Company's financial statements

(For the year ended December 31, 2009)

This is a free translation into English of the Statutory Auditors' report issued in French and which is provided solely for the convenience of English readers. The Statutory Auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, which is presented below in the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole, and not to provide separate assurance on individual account captions or information taken outside of the consolidated financial statements.

This report, together with the Statutory Auditors' report addressing financial and accounting information in the Chairman's report on internal control, should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA**,
25, avenue Matignon
75008 Paris

In compliance with the assignment entrusted with us by your General Meeting, we hereby submit our report for the year ended December 31, 2009 on:

- The audit of the financial statements of AXA, as attached to this report;
- The justifications of our assessments;
- The specific verifications and information required under French law.

The above mentioned financial statements have been approved by the Management Board. Our role is to express an opinion on these financial statements based on our audit.

Opinion on the Company's financial statements

We conducted our audit in accordance with the professional standards applicable in France, which require that we plan and perform the audit in order to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that the elements and information we gathered constitute an adequate and appropriate basis for our opinion.

In our opinion, the financial statements give a true and fair view of the Company's financial position and its assets and liabilities as at December 31, 2008 and of the results of operations for the year then ended, in accordance with accounting rules and principles applicable in France.

Justifications of our assessments

The deterioration of the economic environment and the persistence of the financial crisis' aftermaths continue to significantly impact companies, and in particular their activity. This situation still gives rise to specific circumstances for the preparation of the financial statements this year, in particular with respect to the accounting estimates required by accounting principles. In this context, we have carried out our own assessments and we would like to bring to your attention the following matters, in accordance with the requirements of Article L.823-9 of the French Commercial Code:

- Financial assets are recorded using the methods applying to each category and described in paragraph 2.5 of the notes to the financial statements.

We have assessed whether the impairment tests performed by the Company, depending on the invested assets situation and the volatility of financial markets, are appropriate and we also assessed the reasonableness of the resulting provisions. Regarding investments, for which impairment is based on the value-in-use and the intent to hold, we have assessed the data used in order to determine the value-in-use of the main investments in the portfolio and obtained confirmation of the intent to hold;

- In accordance with the policies described in paragraph 2.9 of the notes to the financial statements, liabilities are recorded at the year-end for redemption premiums on convertible bonds issued by the Company whenever the prevailing stock price is lower than the discounted redemption value of the underlying note. We have tested the reasonableness of the assumptions used for calculation, having regards the stock market volatility and the maturities of outstanding convertible bonds issued by the Company;
- Derivatives used by your Company are assessed pursuant to the rules contained in paragraph 2.12 of the notes to the financial statements. We have checked that the implementation of a hedge accounting, as the case may be, was documented. In the other cases, we verified that adequate provisions for the unrealized losses were recorded, in particular, the provision for foreign exchange losses, of which the release affects significantly the net income of the year, as indicated in note 3.10 to the financial statement of AXA SA.

The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of our opinion expressed in the first part of this report.

Specific verifications and information

In addition, we have carried out the specific verifications required by law, in accordance with the professional standards applicable in France.

We have no matter to report regarding the fairness of the Management Board's Report and the documents addressed to the Shareholders concerning the Company's financial situation and financial statements, and their consistency with the financial statements.

Related to the information provided in application of the provisions of article L.225-102-1 of the French Commercial Code on the compensation and advantages paid to AXA executives as well as commitments made to them, we have verified their consistency with the financial statements or with the data underlying the preparation of the financial statements and, if applicable, with the elements gathered by the Company from entities controlling the Company or controlled by the Company, On the basis of this work, we confirm the accuracy and fairness of this information.

As required by law, we have verified that the information pertaining to equity and controlling interests of the Company, to the identity of holders of share capital or voting rights and to reciprocal participations has been duly disclosed in the aforementioned Management Board's Report.

Neuilly-sur-Seine and Courbevoie, March 16, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Eric Dupont	Philippe Castagnac – Jean-Claude Pauly

APPENDIX VI GROUP EMBEDDED VALUE

"Embedded Value" (EV) is a valuation methodology often used for long term insurance business. It attempts to measure the present value of cash available to shareholders now and in the future and accordingly is presented net of taxes and non controlling interests. "European Embedded Value" (EEV) is a refinement of this methodology based on Principles issued by the CFO Forum of European insurers, which AXA adopted during 2005. AXA publishes EEV only for its Life & Savings business.

The Group EV of AXA is the sum of the Life & Savings EEV and the other businesses Tangible Net Asset Value (TNAV). Other businesses include Property & Casualty, Asset Management, Banking, International Insurance, and Holdings and Other Companies segments.

It is noteworthy that in 2008, for other-than-life businesses, the presentation had been designed to align with the Group EV standard proposed by the Market Consistent Embedded Value (MCEV) Principles©, issued by the CFO Forum in June 2008. A comparison between both methodologies for 2008 figures is provided below.

The Group EV is not an estimate of AXA's "fair value", regardless of how one might define "fair value". It does not include the value of business to be sold in the future, nor does it include any value for future profits from existing business for other-than-life businesses.

The following table presents an analysis of movement of AXA's Group EV during the year 2009:

(in Euro million - Group share)	Life & Savings EEV	Other businesses	Group EV 08/09	Restated Group EV 07/08	Published (a) Group EV 07/08
Opening Group EV	**27,209**	**(8,609)**	**18,600**	**34,840**	**50,644**
Modeling changes and opening adjustments	640	(583)	57	(57)	(57)
Adjusted Group EV	**27,849**	**(9,192)**	**18,657**	**34,784**	**50,587**
Operating return	**3,588**	**1,386**	**4,974**	**6,234**	**6,234**
Current year investment experience	4,501	(104)	4,397	(18,825)	(22,075)
Total Return	**8,089**	**1,282**	**9,371**	**(12,591)**	**(15,841)**
Dividends paid - received	(311)	(525)	(836)	(2,473)	(2,473)
Capital Flows	834	(834)	0	337	337
Exchange rate movements impact	54	218	272	(1,254)	(1,271)
Acquired/Disinvested business and others	(770)	1,204	434	(359)	(359)
Change in shares issued and treasury shares	0	2,523	2,523	156	156
CLOSING GROUP EV	**35,745**	**(5,323)**	**30,422**	**18,600**	**31,136**
Operating Return on Group EV	13%	-15%	27%	18%	12%
TOTAL RETURN ON GROUP EV	**29%**	**-14%**	**50%**	**-36%**	**-31%**

(a) Aligned with CFO Forum guidance in respect of "Group EV" calculation published in June 2008 as part of the MCEV Principles

Operating return on Group EV increased to 27% compared to 18% in 2008 for the restated Group EV, driven by the lower opening value in 2009 compared to 2008.

Total return on Group EV strongly increased to 50% in 2009 compared to -36% in 2008 for the restated Group EV. The main drivers of higher return were the strong return on Life & Savings EEV and higher unrealized gains/losses in IFRS shareholders' equity of other businesses, reflecting the improved market conditions.

LIFE & SAVINGS EEV

Life & Savings EEV is the sum of two elements:

- "Adjusted Net Asset Value" (ANAV) which measures the current balance sheet wealth;
- "Value of Inforce" (VIF) which measures the present value of future shareholder profits for the business currently in the portfolio, adjusted for the cost of holding capital that cannot be distributed while the business is in force.

The Life & Savings ANAV is derived by aggregating the local regulatory (statutory) balance sheets and reconciling with the Life & Savings IFRS shareholders' equity with the following main adjustments:

- Addition of unrealized capital gains/losses not included in shareholders' equity;
- Elimination of the value of intangibles;
- Elimination of unrealized capital gains/losses included in the projection of future cash-flows (VIF);
- Adjustment for the differences between AXA's consolidated accounting basis and local regulatory bases.

The table below shows the reconciliation of Life & Savings IFRS shareholders' equity to Life & Savings ANAV:

(in Euro million - Group share)	2008
Life & Savings IFRS shareholders' equity	**38,018**
Net unrealized capital gains/losses not included in IFRS shareholders' equity	906
Elimination of intangibles	(18,946)
Unrealized capital gains/losses projected in the VIF & other Stat-GAAP adjustments	(2,687)
Life & Savings Adjusted Net Asset Value (ANAV)	**17,290**

Life & Savings EEV is obtained by adding the Life & Savings VIF to the Life & Savings ANAV:

(in Euro million - Group share)	2008	2009
ANAV	14,750	17,290
VIF	12,459	18,456
Life & Savings EEV	**27,209**	**35,745**

"Life & Savings New Business Value" (NBV) measures the value of new business sold during the year. It includes the VIF on new business, as well as the upfront costs associated with acquiring new business (often called "strain"). Therefore NBV combines elements which increase VIF balances from one year to the next and elements which reduce the ANAV from one year to the next. Life & Savings EEV does not include any value for future sales.

"Life & Savings Annualized Premium Equivalent" (APE) is a measure of the new business volume which includes 100% of sales of regular recurring premium business and 10% of sales of single premium business. The "APE Margin" is the ratio of NBV to APE.

"Life & Savings Present Value of Expected Premium" (PVEP) is a measure of the new business volume which includes the present value of the future premiums expected to be received over time for business sold in the current year. The "PVEP Margin" is the ratio of NBV to PVEP.

(in Euro million - Group share)	2008	2009	Change	Change on a comparable basis
Annual Premium Equivalent (APE)	6,789	6,188	-9%	-11%
Present Value of Expected Premiums (PVEP)	66,024	60,675	-8%	-10%
New Business Value (NBV)	985	1,113	13%	5%
NBV/APE	**14.5%**	**18.0%**	**3.5 PTS**	**2.6 PTS**
NBV/PVEP	**1.5%**	**1.8%**	**0.3 PTS**	**0.2 PTS**

Change on a comparable basis: at constant exchange rate, methodology and scope.

The Life & Savings VIF calculation by nature involves many assumptions about the future. For Life & Savings EEV, AXA has adopted a "market-consistent" approach to setting asset return assumptions. Each cash flow is discounted at an appropriate discount factor, so that starting with Euro 1 of bond or of equity, projecting expected cash flows and discounting, will simply give Euro 1 of value. Mechanically, this can be described in a shortcut as assuming that, in the future, all assets will earn the risk-free rate (referred to as the "reference rate" in the Embedded Value methodology) defined by the current market. However, cash flows are projected not only in a single scenario, but rather a stochastic set of scenarios is created, with the set maintaining the market-consistent condition that Euro 1 of any asset projected into the future gives a present value of Euro 1. Future earnings available to shareholders are assessed across this range of stochastic scenarios, with the present value being the Life & Savings VIF. Our major assumptions include:

- Actuarial assumptions reflect best estimates based on recent experience;
- No productivity gains in the future are assumed, while a 2.1% average inflation rate was assumed in 2009 (2.0% in 2008);
- Expenses are adjusted for non-recurring expenses and one-time strategic spending;
- Some benefit from future mortality improvement on Life business is included, while annuity business does have an allowance for the costs of longevity increasing in all markets;
- Non-financial risks are provided for through the cost of holding capital consistent with the necessary amount to obtain a AA rating at each entity level;

- A weighted average tax rate of 31.8% was assumed in 2009 (31.7% in 2008);
- In 2009, a premium over the swap rate (50 bps in the US and the UK, 30 bps in other European countries, and 20 bps in Japan) is included in the reference rate. This premium reflects the nature of certain types of long term insurance liabilities, which allow insurers to capture, either fully or partially, liquidity premia on credit assets such as corporate bonds. In 2008 the premia used were 100 bps in the US and 50 bps in other countries (except Japan).

As described above, the Life & Savings VIF valuation under AXA's market-consistent framework does not depend on assumed future asset returns, but rather on the reference rate described above. The Life & Savings VIF valuation depends on stochastic projections of multiple scenarios, rather than a single scenario. For comparison to traditional Embedded Values and other techniques, AXA performs a calculation that determines the "Implied Risk Discount Rate" (IDR) which would equate the cashflows from a single scenario with "real world" economic assumption to the Life & Savings VIF. The following table summarizes the "real world" assumptions for 2008 and 2009 used in determining the IDRs:

FI Return		Equity Return		Cash Return		Real Estate Return	
2008	2009	2008	2009	2008	2009	2008	2009
5.53%	5.71%	7.91%	7.93%	3.73%	4.24%	6.43%	6.61%

Separate IDRs are calculated for the total inforce portfolio at the end of the year and the new business sold during the year:

VIF IDR		NB IDR	
2008	2009	2008	2009
10.22%	8.76%	5.60%	5.18%

The following table presents a detailed analysis of the movement of the Life & Savings EEV between 2008 and 2009:

(in Euro million - Group share	Life EEV 2008/2009
Opening Life & Savings EEV	**27,209**
Modeling changes and opening adjustments	640
Adjusted opening Life & Savings EEV	**27,849**
Operating performance from existing business:	2,475
Expected existing business contribution	2,649
Operational experience changes	1,123
Operational assumption changes	(1,296)
New Business Value	1,113
Operating Return on Life & Savings EEV	**3,588**
Current year investment experience	4,501
Change in investment assumptions	
Total Return on Life & Savings EEV	**8,089**
Exchange rate movements impact	54
Life EEV of acquired business and others	(770)
Capital flows	523
CLOSING LIFE & SAVINGS EEV AT 12/31/09	**35,745**

Operating performance from existing business considers the movements in EEV relating to the business inforce at the beginning of the year, excluding the investment impacts that are shown below. The total operating performance of €2,475 million is analyzed in several components:

- **Expected existing business contribution** of €2,649 million is the expected contribution from existing business assuming assets earned the rates in the illustrative investment scenarios used to calculate IDR for the prior year;
- **Operational experience changes** of €1,123 million is the impact of actual versus expected experience for items like mortality, expenses, lapse rates, etc.;
- **Operational assumptions changes** of €-1,296 million is the impact on VIF of changes in future assumptions for items like mortality, expenses, lapse rates, etc.

2009 New Business Value of Euro 1,113 million reflects the strain (first year loss) and VIF impacts described above.

Operating Return on Life & Savings EEV of €3,588 million is the sum of the New Business Value and the operating performance from existing business. It represents 13% of the adjusted opening Life & Savings EEV.

Current year investment experience of €4,501 million includes (i) the variance in experience during 2009 from the one expected in the illustrative real world investment scenario at the end of 2008, and (ii) the change in value created by reflecting year-end 2009 yield curves and investment conditions in the EEV rather than those of year-end 2008.

Change in investment assumptions is zero. This line would reflect changes to investment assumptions such as volatilities and correlations between asset classes, which are not directly driven by investment market data observed at year-end. In 2009, no such changes were made.

Total Return on Life & Savings EEV (before currency effects and capital flows) of €8,089 million combines the Operating Return with the Investment impacts. It represents 29% of the adjusted opening Life & Savings EEV.

Capital flows of €523 million reflect net transfers into the Life & Savings segment in 2009 including dividends paid, received and capital injections.

Exchange rate movements impact of €54 million reflects the evolution of foreign currencies versus the Euro, not taking into account the mitigating impact of the currency hedging program implemented by AXA SA.

Others (incl. Life & Savings EEV of acquired/disinvested business) of €-770 million reflects the part of EEV for the new acquisitions within the Life & Savings segment in 2009, and an internal transfer of AllianceBernstein shares between AXA Equitable and AXA Investment Managers (this impact is however neutral on the Group EV).

Closing Life & Savings EEV of €35,745 million is the total value at the end of the year, representing the prior year balance plus opening adjustments, plus total Return, plus capital flows, plus EEV of acquired/disinvested business and the exchange rate impact.

LIFE & SAVINGS EUROPEAN EMBEDDED VALUE SENSITIVITIES

The sensitivities of 2009 Life & Savings EEV and NBV to changes in major assumptions were as follows:

Life & Savings sensitivities

(in Euro million - Group share)	EEV 2009	NBV 2009 [(a)]
Upward parallel shift of 100 basis points in reference interest rates	831	54
Downward parallel shift of 100 basis points in reference interest rates	(2,253)	(117)
10% higher value of equity markets at start of projection	1,118	64
10% lower value of equity markets at start of projection	(1,140)	(71)
10% higher value of real estate at start of projection	418	12
10% lower value of real estate at start of projection	(425)	(10)
Overall 10% decrease in the lapse rates	924	98
Overall and permanent decrease of 10% in expenses	1,548	145
5% lower mortality rate for annuity business	(332)	(18)
5% lower mortality rate for life business	701	45
Upward shift of 25% of the volatility on equity markets	(760)	(71)
Upward shift of 25% of the volatility on bonds	(1,239)	(82)
50 basis points higher in credit spread	(1,285)	(26)
50 basis points lower in credit spread	1,255	29

(a) The NBV sensitivities shown in this template assumed a shock "after sale". It indicates how the new business written in 2009 would have been affected by an economic shock after sale but prior to year-end.

TOWERS WATSON'S OPINION

An independent actuarial consultancy firm, Towers Watson, was hired by AXA to perform a review on the Life & Savings EEV, and issued the following statement of opinion: "Towers Watson has reviewed the methodology and assumptions used in the Life & Savings European Embedded Value (EEV) at December 31, 2009, and the 2009 Life & Savings New Business Value (NBV) for the principal life operations of the AXA Group. Our review also included the analysis of movement in embedded value from December 31, 2008, and the sensitivities.

Towers Watson has concluded that the methodology and assumptions used comply with the EEV Principles. In particular:

- The methodology makes allowance for the aggregate risks in the covered business through AXA's market consistent methodology as described in the EV Report (available on www.axa.com). The methodology uses reference rates in excess of swap rates to allow for the impact of liquidity premia, on a uniform basis within major territories, and includes a stochastic allowance for the cost of financial options and guarantees;

- The operating assumptions have been set with appropriate regard to past, current and expected future experience;
- The economic assumptions used are internally consistent and consistent with observable market data; and
- For participating business, the assumed bonus rates, and the allocation of profit between policyholders and shareholders, are consistent with the projection assumptions, established company practice and local market practice.

The methodology and assumptions used also comply with the EEV Guidance (noting the disclosed exception concerning the treatment of affiliated investment management companies, where the value of their profits for managing assets for the Life & Savings segment are not included in the Life & Savings EEV).

Towers Watson has also reviewed the embedded value results, including a review of the underlying models for the major blocks of business in the principal life operations, but without undertaking detailed checks on all of the processes and calculations. Towers Watson's review covered the 2009 embedded value, new business value, analysis of movement and sensitivities. On the basis of this review, Towers Watson has concluded that in all material respects the results have been prepared in a manner consistent with the methodology and assumptions described in this document.

In arriving at these conclusions, Towers Watson relied on data and information provided by AXA. This opinion is made solely to AXA in accordance with the terms of Towers Watson's engagement letter. To the fullest extent permitted by applicable law, Towers Watson does not accept or assume any responsibility, duty of care or liability to anyone other than AXA for or in connection with its review work, the opinions it has formed, or for any statement set forth in this opinion."

APPENDIX VII GENERAL SHAREHOLDERS' MEETING – APRIL 29, 2010

Agenda

ORDINARY RESOLUTIONS

First resolution

Approval of the Company's financial statements for 2009 – parent only

Second resolution

Approval of the consolidated financial statements for 2009

Third resolution

Earnings allocation and payment of a dividend of €0.55 per share

Fourth resolution

Approval of the Statutory Auditors' Special Report on regulated agreements

Fifth resolution

Approval of pension and social protection commitments referred to in the last paragraph of Article L.225-90-1 of the French Commercial Code

Sixth resolution

Approval of commitments referred to in Article L.225-90-1 of the French Commercial Code granted to Mr. Henri de Castries in order to align his status with the AFEP/MEDEF recommendations

Seventh resolution

Approval of commitments referred to in Article L.225-90-1 of the French Commercial Code granted to Mr. Denis Duverne in order to align his status with the AFEP/MEDEF recommendations

Eighth resolution

Re-appointment of Mr. Norbert Dentressangle to the Supervisory Board

Ninth resolution

Re-appointment of Mazars as incumbent Statutory Auditor

Tenth resolution

Appointment of Mr. Jean-Brice de Turkheim as alternate Statutory Auditor

Eleventh resolution

Authorization granted to the Management Board in order to purchase shares of the Company

EXTRAORDINARY RESOLUTIONS

Twelfth resolution

Authorization granted to the Management Board in order to increase the share capital by issuing ordinary shares or securities giving a claim to the Company's ordinary shares, reserved for employees enrolled in an employer-sponsored savings plan

Thirteenth resolution

Authorization granted to the Management Board in order to increase the share capital of the Company by issuing ordinary shares, without preferential subscription rights, in favor of a category of beneficiaries

Fourteenth resolution

Authorization granted to the Management Board in order to reduce the share capital through the cancellation of ordinary shares

Fifteenth resolution

Change in the governance structure of the Company; amendments of the Bylaws accordingly; acknowledgment of the continuity of authorizations and delegations granted to the Management Board in favor of the Board of Directors

Sixteenth resolution

Additional amendments to the Bylaws

ORDINARY RESOLUTIONS

Seventeenth resolution

Appointment of Mr. Henri de Castries to the Board of Directors

Eighteenth resolution

Appointment of Mr. Denis Duverne to the Board of Directors

Nineteenth resolution

Appointment of Mr. Jacques de Chateauvieux to the Board of Directors

Twentieth resolution

Appointment of Mr. Norbert Dentressangle to the Board of Directors

Twenty-first resolution

Appointment of Mr. Jean-Martin Folz to the Board of Directors

Twenty-second resolution

Appointment of Mr. Anthony Hamilton to the Board of Directors

Twenty-third resolution

Appointment of Mr. François Martineau to the Board of Directors

Twenty-fourth resolution

Appointment of Mr. Giuseppe Mussari to the Board of Directors

Twenty-fifth resolution

Appointment of Mr. Ramon de Oliveira to the Board of Directors

Twenty-sixth resolution

Appointment of Mr. Michel Pébereau to the Board of Directors

Twenty-seventh resolution

Appointment of Mrs. Dominique Reiniche to the Board of Directors

Twenty-eighth resolution

Appointment of Mr. Ezra Suleiman to the Board of Directors

Twenty-ninth resolution

Appointment of Mrs. Isabelle Kocher to the Board of Directors

Thirtieth resolution

Appointment of Mrs. Suet-Fern Lee to the Board of Directors

Thirty-first resolution

Appointment of Ms. Wendy Cooper to the Board of Directors upon proposal of the employee shareholders of the AXA Group

Thirty-second resolution
(not approved by the Management Board)

Appointment of Mr. John Coultrap to the Board of Directors upon proposal of the employee shareholders of the AXA Group

Thirty-third resolution
(not approved by the Management Board)

Appointment of Mr. Paul Geiersbach to the Board of Directors upon proposal of the employee shareholders of the AXA Group

Thirty-fourth resolution
(not approved by the Management Board)

Appointment of Mr. Sébastien Herzog to the Board of Directors upon proposal of the employee shareholders of the AXA Group

Thirty-fifth resolution
(not approved by the Management Board)

Appointment of Mr. Rodney Koch to the Board of Directors upon proposal of the employee shareholders of the AXA Group

Thirty-sixth resolution
(not approved by the Management Board)

Appointment of Mr. Jason Steinberg to the Board of Directors upon proposal of the employee shareholders of the AXA Group

Thirty-seventh resolution

Setting of the annual amount of directors' fees allocated to members of the Board of Directors

Thirty-eighth resolution

Authorization to comply with all formal requirements in connection with this Meeting

Reports of AXA's Management Board

AXA MANAGEMENT BOARD REPORT ON PROPOSED RESOLUTIONS

To the shareholders of AXA:

We have convened you to this Ordinary and Extraordinary Shareholders' Meeting to submit a number of resolutions for your consideration pertaining to:

- Approval of the parent Company and consolidated financial statements of AXA for the year ended December 31, 2009 and determination of the dividend (I);
- Approval of regulated agreements and commitments (II);
- Re-appointment of a member to the Supervisory Board (III);
- Re-appointment of Mazars as incumbent Statutory Auditor and appointment of a new alternate Statutory Auditor (IV);
- Renewal of the authorizations granted to the Management Board relative to the share repurchase program and to the cancellation of shares (V);
- Renewal of the delegations of authority granted to the Management Board in order to issue ordinary shares or other types of securities with a claim to ordinary shares of the Company through the employee savings plans (VI);
- Approval of the change in the Company's governance structure, the amendment of the Bylaws accordingly, as well as the acknowledgment of the continuity of authorizations and delegations granted to the Management Board in favor of the Board of Directors (VII);
- Approval of additional amendments to the Bylaws (VIII);
- Appointment of members to the Board of Directors (IX);
- Setting of the annual amount of directors' fees allocated to the Board of Directors (X).

I – Approval of annual financial statements

ORDINARY RESOLUTIONS 1 TO 3

The first items on the agenda pertain to the approval of AXA's parent company financial statements (1st resolution) and consolidated financial statements (2nd resolution). AXA's parent Company financial statements for the year ended December 31, 2009 show a profit of €3,953 million, compared to a loss of €1,253 million for the preceding fiscal year. The consolidated financial statements for fiscal year 2009 show a net income Group share of €3,606 million, compared to €923 million for the preceding fiscal year, i.e. an increase of 283%. For more information about AXA's financial statements for 2009 and the business of the Company during 2009 and since the beginning of 2010, please refer to the Management Board Report that is included in the 2009 Annual Report (*Document de Référence*) filed with the AMF (*Autorité des marchés financiers*) on March 17, 2010 and which is made available in accordance with applicable laws and regulations, in particular on AXA's website **(www.axa.com)**.

The purpose of the 3rd resolution is to determine the allocation of earnings for the fiscal year 2009 that reveals a profit of €3,953 million. After contribution to the legal reserve for €45,130,589.89, the income available for appropriation amounts to €3,910,648,942.98. This amount consists in earnings for €3,907,553,011.78 and in prior retained earnings for €3,095,931.20. The Management Board has further decided to recommend the payment of a dividend of €0.55 per share this year, representing a global distribution of €1,259,480,793.45 that is an increase of more that 50% compared to the previous fiscal year. The balance of income available for appropriation, i.e. €2,651,168,149.53, would be allocated to the retained earnings.

This dividend would be paid out on May 6, 2010 and the ex-dividend date would be on May 3, 2010. In accordance with AXA's Bylaws, this proposal for allocation of earnings and the date for the dividend payout were approved by the Supervisory Board of your Company at its meeting on February 17, 2010.

The proposed dividend entitles eligible recipients to the 40% tax relief set forth in paragraph 2° of Article 158.3 of the French General Tax Code (*Code général des impôts*). It applies to all individuals deemed to be French resident for tax purposes and amounts to €0.22 per share. For information, Article 117 quater of the French General Tax Code, as it results from the 2008 Finance Act (*loi de finances pour 2008*), provides that individuals who are deemed to be French resident for tax purposes, and whose income is eligible for the 40% tax relief may, barring certain exceptions, opt to have an 18% flat deduction at source, calculated on the basis of the gross amount of income received.

Exercising the option for a flat deduction at source is binding and has to be renewed upon each payment. This option would however lead to the loss of the 40% tax relief mentioned hereinbefore, of the lump-sum abatement of €1,525 or €3,050, depending on the marital status, and of the tax credit upper limit resulting from other distributions received by the individual in the course of the same calendar year.

The flat deduction at source, which is immediately completed, is paid by the institution responsible for payment within the first two weeks following the date of the dividend payout. The welfare taxes (*CSG*, *CRDS* and welfare deduction) due by the persons who are deemed to be French residents for tax purposes are, in any case, paid at the date of the dividend payout.

Pursuant to the relevant provisions of Article 243 bis of the French General Tax Code, the table below summarizes dividend payout information, with and without the 40% tax relief, in the previous three fiscal years.

	Fiscal year 2006	Fiscal year 2007	Fiscal year 2008
Dividend per share	€1.06	€1.20	€0.40
Dividend with tax relief	€1.06	€1.20	€0.40
Dividend without tax relief	0	0	0

II – Approval of regulated agreements and commitments

ORDINARY RESOLUTIONS 4 TO 7

In the 4th resolution, you are being asked to approve the Statutory Auditors' Special Report. In its section relative to the so-called "regulated agreements" which were authorized prior to 2009 and remained in force during this fiscal year, the report refers to the two following agreements: (i) the shareholders agreement with the BNP Paribas Group and (ii) the shareholders agreement with the Schneider Group.

On December 15, 2005, the AXA Group and the BNP Paribas Group entered into an agreement concerning minimal and stable cross-shareholdings. The parties have agreed to a reciprocal repurchase option in the event of a hostile takeover attempt, by a third party, over the share capital of either AXA or BNP Paribas. In these circumstances, and pursuant to the agreement, the AXA Group would be entitled to repurchase, partly or entirely, the outstanding shareholding of BNP Paribas in AXA on the date it exercises its repurchase option. Reciprocally, the BNP Paribas Group will enjoy the same repurchase option over the outstanding shareholding of AXA in BNP Paribas.

On May 15, 2006, the AXA Group and the Schneider Group entered into an agreement concerning minimal cross-shareholdings. The parties have agreed to a reciprocal repurchase option in the event of a hostile takeover attempt, by a third party, over the share capital of either AXA or Schneider. In these circumstances, and pursuant to the agreement, the AXA Group would be entitled to repurchase, partly or entirely, the outstanding shareholding of Schneider in AXA on the date it exercises its repurchase option. Reciprocally, the Schneider Group will enjoy the same repurchase option over the outstanding shareholding of AXA in Schneider.

The regulated commitments authorized during the fiscal year 2009 and up until February 17, 2010 are submitted to your approval in separate resolutions (resolutions 5 to 7).

In the 5th resolution, you are requested to approve the regulated commitments referred to in the last paragraph of Article L.225-90-1 of the French Commercial Code (*Code de commerce*) relative to pension and social protection commitments granted to Messrs. Henri de Castries, Denis Duverne and François Pierson, French members of AXA Management Board.

On October 7, 2009, the AXA Supervisory Board authorized an amendment of the additional pension scheme's rule applicable to director-level employees of the AXA Group in France. The Board also confirmed that Messrs. Henri de Castries, Denis Duverne and François Pierson, members of the Management Board, would benefit from this scheme in the conditions applying to all director-level employees of the AXA Group in France.

On February 17, 2010, the Supervisory Board first acknowledged that Messrs. Henri de Castries and Denis Duverne have decided to renounce their employment contract as from the General Shareholders' Meeting to be held on April 29, 2010 in accordance with the AFEP/MEDEF recommendations. It subsequently confirmed its intention to maintain them as executive officers in the same conditions applying to all director-level employees of the AXA Group in France as regards to social protection. The Supervisory Board accordingly:

- authorized the Company to take all appropriate commitments to ensure that Messrs. de Castries and Duverne will continue to have social benefits (health insurance, life insurance, disability insurance, retirement…) on terms equivalent to those applicable to AXA Group's director-level employees in France, including by amending Group benefit plans in terms of health, life and disability insurance;
- authorized that Messrs. Henri de Castries and Denis Duverne would be granted a contractual severance benefit upon termination of their term of office as executive officers. This severance benefit would be equivalent to that provided for in the collective agreement relative to director-level employees of insurance companies dated 1993 and which was previously applicable to Messrs. de Castries and Duverne as employees except that, from now on, it is subject to performance conditions in accordance with legal provisions and the AFEP/MEDEF recommendations. The initial amount of the severance benefit would be equal to 19 months of compensation for Mr. de Castries and to 12 months for Mr. Duverne, plus one additional month per year of future service, without exceeding 24 months.

In the 5th, 6th and 7th resolutions, you are therefore requested to approve the regulated commitments described above in connection with the alignment of the status of Messrs. Henri de Castries and Denis Duverne with the AFEP/MEDEF recommendations.

These commitments are presented in the Statutory Auditors' Special Report relative to regulated agreements and commitments as well as in the 2009 Annual Report (*Document de Référence*) filed with the AMF and which is made available in accordance with applicable laws and regulations, in particular on AXA's website **(www.axa.com)**.

III – Re-appointment of a member to the Supervisory Board

ORDINARY RESOLUTION 8

You are being proposed to re-appoint Mr. Norbert Dentressangle, whose term of office expires at the end of this General Shareholders' Meeting, as member to the Supervisory Board for a four-year term, pursuant to Article 10 of the Company's Bylaws. If re-appointed, his term of office would expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year. The Supervisory Board, upon recommendation of its Ethics & Governance Committee, has provided for a favorable opinion on the appointment of Mr. Norbert Dentressangle as a member of AXA's Supervisory Board. A brief biography of Mr. Dentressangle appears in the Appendix to this report.

Please note that this resolution would however become null and void if the new governance structure with a Board of Directors (resolution 15) was to be approved by your Meeting.

IV – Re-appointment of Mazars as incumbent Statutory Auditor and appointment of a new alternate Statutory Auditor

ORDINARY RESOLUTIONS 9 AND 10

The functions of Mazars, as incumbent Statutory Auditor, and those of Mr. Jean-Louis Simon, as alternate Statutory Auditor, expire at the end of this General Shareholders' Meeting. As a result, your Supervisory Board, upon recommendation of its Audit Committee, proposes to:

- Re-appoint Mazars as incumbent Statutory Auditor for six fiscal years; its term of office would expire at the end of the General Shareholders' Meeting convened in 2016 to approve the financial statements of the preceding fiscal year;
- Appoint Mr. Jean-Brice de Turkheim as alternate Statutory Auditor for six fiscal years in replacement of Mr. Jean-Louis Simon. The term of office of Mr. de Turkheim would expire at the end of the General Shareholders' Meeting convened in 2016 to approve the financial statements of the preceding fiscal year.

We remind you that the term of office of PricewaterhouseCoopers Audit as incumbent Statutory Auditor will expire at the end of the General Shareholders' Meeting convened in 2012 to approve the financial statements of the preceding fiscal year.

V – Share repurchase program and cancellation of shares

ORDINARY RESOLUTION 11 AND EXTRAORDINARY RESOLUTION 14

The Management Board requests that shareholders once again authorize it to purchase up to 10% of the Company's share capital, or 5% of the total number of shares comprising the share capital in the case of shares acquired by the Company for the purpose of holding them for subsequent payment or tender in a merger, spin-off or contribution.

These shares may be acquired for the purpose of: a) optimizing the liquidity of AXA ordinary shares, and notably to foster regular and liquid listings, through a liquidity contract that complies with the AMAFI (*Association française des marchés financiers*) Code of conduct approved by the AMF and agreed to with an investment service provider, in compliance with market practices accepted by the AMF; b) (i) hedging stock options offered to some or all employees or corporate officers of the Company and/or affiliated entities or economic interest groups as defined in Article L.225-180 of the French Commercial Code, (ii) granting shares for free, in accordance with legal provisions, to some or all current or former employees, corporate officers and general insurance agents pursuant to the discount and/or contribution within an employee savings plan sponsored by the Company or the AXA Group, (iii) granting shares for free to some or all employees or corporate officers of the AXA Group pursuant to Article L.225-197-1 *et seq* of the French Commercial Code and (iv) assigning shares to some or all current or former employees, corporate officers and general insurance agents of the AXA Group in connection with the implementation of any employee savings plan complying with the applicable laws and regulations, or all other employee savings plans, as well as carrying out any hedging transaction related to the employee savings plans referred to in this (iv); c) holding shares for the purpose of subsequent payment or exchange in respect of potential external growth acquisitions, in compliance with the market practice accepted by the AMF; d) delivering shares upon exercise of rights attached to debt instruments giving a claim to the Company's share capital by way of repayment, conversion, exchange, presentation of a warrant or in any other manner; e) canceling some or all of these shares, provided that the Management Board is duly authorized by the shareholders, under an extraordinary resolution, to reduce the capital through the cancellation of the shares acquired pursuant to a share repurchase program; or f) in general, performing all admissible operations, or to be subsequently admitted, by the applicable laws and regulations, provided that the shareholders are beforehand informed, by any means admitted by the regulations, in the case the Management Board wishes to use this share repurchase authorization for any other objective that has not been expressly listed above.

The maximum unit price of purchase may not exceed €35, excluding expenses.

The purchase, sale or transfer of these shares may be completed and paid by all appropriate means in accordance with the applicable laws and regulations, including through open market, private or over-the-counter transactions, notably through block trades, by using financial derivatives or warrants or, more generally, securities giving a claim to shares of the Company, or through public offerings introduced by the Company, at such time as the Management Board shall decide.

In the event of a public offer on the Company's shares, the Company may carry on the execution of its share repurchase program in accordance with Article 232-15 of the AMF General Regulation (*règlement général de l'Autorité des marchés financiers*) but only if (i) the offer to purchase the Company's shares is paid exclusively and entirely in cash and if (ii) the repurchase transactions carried out pursuant to a program in progress are consistent with the objectives above-mentioned in points b) and d) and are not likely to compromise the success of the offer. In this respect, the Management Board believes it is important that the Company may, if need be, repurchase the Company's shares, even in the event of a public offer, in order to comply with its obligations *vis-à-vis* owners of securities representing debt instruments giving a claim to the Company's share capital (above-mentioned objective d)) or for the purpose of hedging employees and corporate officers' profit sharing plans (above-mentioned objective b)).

The Management Board recommends that this authorization, which would replace and render null and void the unused portion of the authorization granted by the General Shareholders' Meeting on April 30, 2009, under the 10th resolution, shall be granted for a period of 18 months, starting as of this Meeting.

In compliance with Article 12 of the Bylaws of your Company, this resolution was approved by the Supervisory Board of AXA at its meeting on February 17, 2010.

In the 14th resolution, the Management Board also requests from your General Shareholders' Meeting to grant full authority to the Management Board to reduce the Company's share capital through the cancellation, in one or more times, of the shares acquired by the Company pursuant to an authorization of the Ordinary Shareholders' Meeting in accordance with Article L.225-209 of the French Commercial Code, within the limit of 10% of the Company's share capital in any given 24-month period. This authorization is granted for an 18-month period and the Management Board may sub-delegate its authority. This resolution would replace and render null and void the unused portion of the resolution that has been approved by the General Shareholders' Meeting on April 30, 2009 under the 22nd resolution.

Subject to approval of the 15th resolution described hereinafter relative to a change in the governance structure of the Company, authorizations and delegations granted to the Management Board pursuant to the 11th and 14th resolutions would profit to the Board of Directors.

VI – Authorizations to issue ordinary shares or other securities giving a claim to ordinary shares of the Company trough employee savings plans

EXTRAORDINARY RESOLUTIONS 12 AND 13

Under the 12th resolution, the shareholders are requested to grant full authority to the Management Board, for a 18-month period and with the option to sub-delegate authority, to decide the issue of ordinary shares or securities giving a claim to the Company's ordinary shares reserved to current or former employees, corporate officers and/or general insurance agents enrolled in the employer-sponsored savings plan(s) of the Company or the AXA Group, pursuant to the provisions of Articles L.225-129 *et seq*, L.225-138 I and II and L.225-138-1 of the French Commercial Code, as well as Articles L.3332-1 *et seq* of the French Labor Code (*Code du travail*). The total nominal amount of this issue would not exceed €150 million. This decision would also entail a suppression of the preferential subscription rights of shareholders to shares or securities, including those granted for free, in favor of such employees, corporate officers or general insurance agents. It also entails a waiver of their preferential subscription rights on the shares to which such securities may give a claim to.

In accordance with the laws and regulations in force, the subscription price of the issued shares shall not be higher nor more than 20% lower than the average quoted price of the AXA's share on Euronext Paris over the twenty trading days prior to the day on which the Management Board formally determines the subscription date.

However, if you authorize it, the Management Board could reduce or waive the aforementioned discount, as it deems appropriate, in particular to take into account new international accounting standards, or, *inter alia*, legal, accounting, tax or social provisions applicable in some beneficiaries' country of residence.

For further information concerning the use, by your Management Board, of the authorization to issue shares or securities giving a claim to the Company's share capital pursuant to employee savings plan approved by your General Shareholders' Meeting on April 30, 2009, please see Section 2.2 "Full disclosure on executive compensation and share ownership" and Appendix 7 (Supplementary Management Board Report – Capital increase reserved for AXA Group employees) of the Annual Report for 2009 filed with the AMF and made available to the shareholders in accordance with the laws and regulations, in particular on the AXA's website **(www.axa.com)**.

As continuation of the 12th resolution, the 13th resolution proposes to authorize the Management Board, for a period of 18 months, to decide one or several capital increases reserved to (i) employees and corporate officers of companies incorporated outside France and affiliated to the Company pursuant to Article L.225-180 of the French Commercial Code and to Articles L.3344-1 and L.3344-2 of the French Labor Code, and/or (ii) *organismes de placement collectif en valeurs mobilières (OPCVM)* mutual funds or other entities for employee savings plans invested in the Company's securities, whether legal entities or not, in which unit holders or shareholders are persons referred in point (i) of this paragraph, and/or (iii) a bank or a subsidiary of such bank which, at the request of the Company, participates in the implementation of a structured offer for employees, corporate officers or general agents of entities incorporated outside France and affiliated to the Company within the meaning of Articles L.225-180 of the French Commercial Code and L.3344-1 as well as L.3344-2 of the French Labor Code.

Such capital increase would allow employees, corporate officers or general agents of the AXA Group's affiliated entities, who are residents in certain countries outside France, to benefit from an offer that is close as possible, in terms of economic profile, to the offer, which would be offered to the other employees of the Group pursuant to the 12th resolution.

The total nominal amount of shares that may be issued by virtue of this authorization would be limited to €150 million, it being specified that this maximum amount would be common to the 12th and 13th resolutions in such way that the amount of the capital increase resulting from the 12th and 13th resolutions would not exceed €150 million in nominal amount.

The subscription price of the shares issued pursuant to this 13th resolution shall not be higher nor more than 20% lower than the average quoted price of the AXA share on Euronext Paris over the twenty trading days preceding the decision setting the opening date of subscriptions to the capital increase. In addition, the Management Board shall be entitled to decide the reduction or cancellation of any discount so granted in order to take into account, *inter alia*, legal, social, tax and accountancy regulations applicable in some beneficiaries' country of residence.

At the time the Management Board uses the authorizations hereinbefore, complementary reports will be established by the Management Board and the Statutory Auditors, in compliance with the applicable legal provisions.

Subject to approval of the 15th resolution described hereinafter relative to a change in the governance structure of the Company, authorizations and delegations granted to the Management Board pursuant to the 12th and 13th resolutions would profit to the Board of Directors.

VII – Approval of the change in the Company's governance structure, amendment of the Bylaws accordingly and acknowledgment of the continuity of authorizations and delegations granted to the Management Board in favor of the Board of Directors

EXTRAORDINARY RESOLUTION 15

In the 15th resolution, the Management Board submits to your approval the amendments of the Bylaws in order to allow a change in the administration and the management of your Company. You are hereby requested to adopt a governance structure with a Board of Directors replacing the current structure with a Management Board and a Supervisory Board. The Articles of the Bylaws you are asked to modify appear in the Appendix to the resolutions submitted by the Management Board.

Complying with compulsory provisions of the French Commercial Code, the amended Bylaws of the Company pursuant to the 15th resolution provide that the Executive Management of the Company would be exercised, upon decision of the Board of Directors, either by the Chairman of the Board of Directors or by a Chief Executive Officer who is an individual appointed by the Board.

Subject to your approval of the 15th resolution, the duly appointed Board of Directors shall meet in order to choose the organization of the Executive Management: separation or combination of the positions of Chairman and Chief Executive Officer.

According to the existing Bylaws of your Company, the AXA Supervisory Board reviewed the proposals submitted to your Meeting in connection with the amendments of the Bylaws. In this context and upon recommendation of its Ethics & Governance Committee, the Supervisory Board (i) approved on February 17, 2010 such amendments and (ii) recommended the adoption of a structure with a Board of Directors in which Mr. Henri de Castries would exercise the role of Chairman and CEO (*Président Directeur Général* or *PDG*).

This proposal to combine the posts of Chairman and CEO does not represent a decision of AXA to institutionalize the combination of these posts on a permanent or structural basis going forward. Rather, the Supervisory Board's decision to recommend this change is the result of an analysis of the specific circumstances of the Group at this stage in its development, the unique experience and abilities of Mr. Henri de Castries and the Board's desire to optimize the Group's decision making processes and reactivity going forward.

The Supervisory Board believes that the proposed structure would optimize the Group's governance processes and be in the best interests of AXA and its shareholders for the following reasons:

An efficient and reactive governance structure

The Supervisory Board and Management Board structure has served the Group well since its adoption in 1997. The fast moving events of the financial crisis in 2008 and 2009, however, underlined the importance of reactivity in the Group's decision-making processes and caused the Supervisory Board to consider ways for the Group to optimize and streamline its governance processes. After careful consideration, the Supervisory Board concluded that a move to a unitary Board of Directors offers a number of advantages for the Group at this stage in its evolution: (1) it will reinforce the role and responsibilities of the Board and its members because, under French law, a Board of Directors has a number of responsibilities that go beyond those of a Supervisory Board (which has a role under French law essentially limited to supervising the Management Board), (2) this more direct implication of the Board and its members will help better leverage the Board's collective wealth of experience and knowledge for the benefit of the Group and its executive management, and (3) this change will provide the Board with the flexibility to combine or separate the Chairman and CEO posts while preserving very meaningful checks and balances (described below) in AXA's governance processes. The Supervisory Board concluded that a unitary Board of Directors bearing the full responsibility for decision-making will be a more efficient and reactive governance structure for the Group over the coming years and that reactivity will be a critical factor in dealing with the uncertain market, regulatory and competitive environment we anticipate coming out of the financial crisis.

The proposed structure will preserve meaningful checks and balances designed to ensure sound governance

Throughout its analysis of the proposed governance structure, the Supervisory Board made sure that independent directors exercise a major position, particularly with their participation in the work of the Board Committees, in order to preserve well-balanced governance:

- The Board will continue to have a majority of independent directors;
- Each of the four standing Board Committees (Audit, Finance, Compensation & Human Resources and Ethics & Governance) will be chaired by an independent director;
- The Audit Committee and the Compensation & Human Resources Committee will be composed entirely of independent directors;
- The Rules of Procedure of the Board will provide for specific limitations on the powers of the *PDG* (and other executive management) and require prior Board's approval for the most important transactions (sales or acquisitions over €500 million; significant financing operations or other type of transactions that are not in line with the Company's announced strategy…).

The Company's Bylaws and the future Board of Directors' Rules of Procedure will require the appointment of a Vice-Chairman acting as a Lead Independent Director in all cases where the positions of Chairman and CEO are held by one person i.e. the *PDG*. This Lead Independent Director will have in particular the opportunity (1) to request, at any time, the *PDG* to convene full meetings of the Board on a specific agenda; (2) to convene meetings of the non-executive Directors; (3) to attend and participate in all meetings of Board Committees (regardless of whether the Lead Independent Director is a Committee member); (4) to inform the Chairman and the Board of Directors on potential conflicts of interest the Lead Independent Director would have identified; and (5) to address the Company's General Shareholders' Meetings with respect to all corporate governance related matters.

The role and assignments of the Vice-Chairman Lead Independent Director will be specified in a Charter incorporated to the Rules of Procedure of the Board of Directors. The proposed Charter to be adopted by the Board on Directors on April 29, 2010 appears in Appendix to this report.

Appointment of Mr. Henri de Castries as Chairman and CEO (*PDG*)

In this context of change in the governance structure, the Supervisory Board concluded that it would be in the best interests of AXA for Mr. Henri de Castries to hold the position of Chairman in addition to his functions as CEO.

Mr. Henri de Castries acquired a deep knowledge of the Group and its businesses during the last 20 years with AXA and 10 years as Chairman of the Management Board; he is one of the industry's longest standing senior executive from an international viewpoint.

Mr. Henri de Castries devotes substantially all of his professional time to management of the AXA Group: he holds no directorships outside the AXA Group other than directorships on non-profit organizations (Fondation Nationale des Sciences Politiques, Musée du Louvre...). He therefore has a comprehensive and continuing view over AXA's businesses, its fact moving competitive and regulatory environment and the Group's future challenges. As a result, the Supervisory Board believes that Mr. Henri de Castries has the best perspective to set the agenda and chair meetings of the Board of Directors.

In the 15th resolution, you are also requested to acknowledge that the authorizations and delegations previously granted to the Management Board pursuant to the resolutions listed therein will profit to the Board of Directors and are restated in its favor as necessary.

VIII – Approval of the further amendments to the Bylaws

EXTRAORDINARY RESOLUTION 16

Beside the amendments of the Bylaws directly related to the adoption of a new governance structure with a Board of Directors, you are also being asked to approve three additional modifications of the Bylaws:

- To confirm that the crossing of statutory thresholds in capital or voting rights may result of a person acting alone or persons acting jointly on the one hand, and to specify that the notification period starts from the crossing of the statutory threshold on the other hand (Article 7 of the Bylaws);
- To include a clause for processing outstanding shares (*clause de traitement des rompus*) in order to facilitate the execution of certain transactions (exchange operations, operations of shares regrouping…) (Article 8 of the Bylaws);
- To remove from the Bylaws the duty for each member of the Board of Directors to hold at least one hundred shares of the Company since the Rules of Procedure of the Board provides for higher holding objectives based on the amount of directors' fees received. According to the Rules of Procedure, each director should hold, within two years after his/her first appointment, a number of shares which value, based on the closing price of the AXA share on December 31 of the preceding civil year, shall represent an amount at least equivalent to the last annual net amount of directors' fees he/she would have received.

IX – Appointment of members to the Board of Directors

ORDINARY RESOLUTIONS 17 TO 36

Subject to your approval of the new governance structure with a Board of Directors (resolution 15), the term of office of the present Supervisory Board's members would end by anticipation at the end of this General Shareholders' Meeting. Consequently, you are requested to appoint the members of the Board of Directors of your Company under its new governance structure:

- In the 17th and 18th resolutions, you are being asked to appoint Mr. Henri de Castries and Mr. Denis Duverne, respectively Chairman of the Management Board and member of the Management Board in charge of Finance, Strategy and Operations to date, as members to the Board of Directors for four years in accordance with Article 10 of the amended Bylaws. Their respective terms of office would expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year. The Supervisory Board, upon recommendation of its Ethics & Governance Committee, has provided for a favorable opinion on their appointment as members of AXA's Board of Directors. Brief biographies of Mr. Henri de Castries and Mr. Denis Duverne appear in the Appendix to this report;
- In the 19th to 28th resolutions, you are being asked to appoint as members to the Board of Directors the following members of the present Supervisory Board: Mrs. Dominique Reiniche, Messrs. Jacques de Chateauvieux, Norbert Dentressangle, Jean-Martin Folz, Anthony Hamilton, François Martineau, Giuseppe Mussari, Ramon de Oliveira, Michel Pébereau and Ezra Suleiman. In accordance with Article 10 of your Company's amended Bylaws, these candidates would be appointed for the remaining duration of their terms of office as members of the Supervisory Board, i.e. 1 year for Messrs. Jean-Martin Folz, Giuseppe Mussari and Ezra Suleiman; 2 years for Mr. François Martineau; 3 years for Mrs. Dominique Reiniche, Messrs. Jacques de Chateauvieux, Anthony Hamilton, Ramon de Oliveira and Michel Pébereau; and 4 years for Mr. Norbert Dentressangle. The Supervisory Board, upon recommendation of its Ethics & Governance Committee, has provided for a favorable opinion on their appointment as members of AXA's Board of Directors. Brief biographies of the candidates appear in the Appendix to this report;
- In the 29th, and 30th resolutions, you are being asked to appoint Mmes. Isabelle Kocher and Suet-Fern Lee as members to the Board of Directors for four years in accordance with Article 10 of the amended Bylaws. Their term of office would expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year. The Supervisory Board, upon recommendation of its Ethics & Governance Committee, has provided for a favorable opinion on the appointment of Mmes. Isabelle Kocher and Suet-Fern Lee as members of AXA's Board of Directors. The Supervisory Board has underlined that these candidates would complement well the current members of the Board, in particular in terms of geographical background and area of expertise. Mrs. Isabelle Kocher is CEO of Lyonnaise des Eaux, one of the principal subsidiaries of the Suez Environnement Group. Mrs. Suet-Fern Lee is Senior Director of Stamford Law Corporation (Singapore). The appointment of Mmes. Kocher and Lee would also increase the number of women seating on the Board. The Supervisory Board has also assessed the independence of Mmes. Isabelle Kocher and Suet-Fern Lee on the basis of the recommendations of the AFEP/MEDEF Code of corporate governance dated December 2008 and concluded that they shall be qualified as independent. Brief biographies of Mmes. Isabelle Kocher and Suet-Fern Lee appear in the Appendix to this report;
- Finally, in the 31st to 36th resolutions, you are being asked to appoint a member to the Board of Directors upon proposal of the employee shareholders of the AXA Group. Pursuant to the applicable regulations, in early 2010, the Management Board carried out a consulting process among the employee shareholders either via direct consultation ("direct process") or via consultation of the supervisory boards of *FCPE* mutual funds with indirect voting rights ("indirect process"). Six candidates were nominated within the "direct process" (names and percentages of votes cast in bracket): Ms. Wendy Cooper (35.40%), Mr. Sébastien Herzog (26.74%), Mr. Rodney Koch (13.89%), Mr. Paul Geiersbach (8.33%), Mr. John Coultrap (5.86%) and Mr. Jason Steinberg (3.91%). No candidacies were submitted within the "indirect process".

Each nominated candidate is proposed to the vote of your General Shareholders' Meeting in a separate resolution. Brief biographies of the candidates appear in the Appendix to this report.

The Management Board is required to issue an opinion on all resolutions submitted to the General Shareholders' Meeting. Consequently, the Management Board has decided to recommend the shareholders to vote in favor of the 31st resolution (*"Appointment of Ms. Wendy Cooper as a member to the Board of Directors, upon proposal of the employee shareholders of the AXA Group"*) and to vote against resolutions 32 to 36. This recommendation of the Management Board was approved by the AXA Supervisory Board, after its Ethics & Governance Committee has issued a positive opinion on the appointment of Ms. Wendy Cooper as member to the Board of Directors.

Ms. Wendy Cooper has initially been appointed by your General Shareholders' Meeting on April 22, 2008 as an employee shareholders representative on the Supervisory Board for a four-year term of office. In this regard, both the Management Board and the Supervisory Board has considered that it was appropriate to recommend the shareholders to vote for her in order to allow Ms. Wendy Cooper to complete the functions she has been entrusted with, regardless of the change in the governance structure of your Company. This recommendation is also based on the fact that Ms. Wendy Cooper has received a strong support from the Group employee shareholders throughout the preliminary nomination phase with 35.40% of the votes cast.

The Management Board also recommends that shareholders vote "in favor" of only one of the resolutions 31 to 36, and that they vote "against" the other resolutions to the extent that the Bylaws of your Company provide for the appointment of only one employee shareholders representative to the Board of Directors. In the event that several of the 31 to 36 resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, the resolution receiving the highest number of votes "in favor" shall be considered as the sole resolution adopted. The other resolutions would accordingly be deemed rejected by this General Shareholders' Meeting.

At the end of this General Shareholders' Meeting and subject to your approval of the resolutions relative to the appointment of directors, the Board of Directors of your Company would comprise fifteen members including eleven members considered as independent by the Supervisory Board on the basis the AFEP/MEDEF Code of corporate governance: Mmes. Isabelle Kocher, Suet-Fern Lee and Dominique Reiniche, Messrs. Jacques de Chateauvieux, Norbert Dentressangle, Jean-Martin Folz, Anthony Hamilton, François Martineau, Giuseppe Mussari, Ramon de Oliveira and Ezra Suleiman.

X – Setting of the annual amount of directors' fees for the members of the Board of Directors

ORDINARY RESOLUTION 37

In the 37th resolution, it is proposed, subject to the approval of the change in the governance structure of your Company (resolution 15), to set the new annual amount of directors' fees allocated to members of the Board of Directors at €1,200,000 until it is otherwise resolved. This new amount represents an increase of 9% from the annual amount of directors' fees resolved by the General Shareholders' Meeting on May 14, 2007 and is justified by the higher responsibilities assumed by the Board in the new governance structure.

XI – Formalities

ORDINARY RESOLUTION 38

The 38th resolution proposed to your approval is intended to grant full authority to carry out all formal publication, filing and other requirements as the case may be, following this General Shareholders' Meeting.

APPENDIX TO THE MANAGEMENT BOARD REPORT – CHARTER OF THE VICE-CHAIRMAN – LEAD INDEPENDENT DIRECTOR

1. Pursuant to Article 11.4 of the Company's Bylaws, the Board of Directors may appoint, among its members who are individuals, a Vice-Chairman for a duration that may not exceed his/her term of office as a member of the Board of Directors. The Vice-Chairman may be re-appointed. He/she may be dismissed at any time by the Board of Directors.

Notwithstanding the above, the appointment of a Vice-Chairman is compulsory when the same person combines the roles of Chairman of the Board of Directors and Chief Executive Officer.

2. The Vice-Chairman shall qualify as independent on the basis of criteria publicly disclosed by the Company. The Chief Executive Officer, the Deputy Chief Executive Officers or any other person employed by any entity of the AXA Group may not be appointed as Vice-Chairman.

3. The Vice-Chairman shall replace the Chairman of the Board of Directors in case of temporary incapacity or death. In case of temporary incapacity, the replacement runs for the duration of the incapacity; in case of death, it runs until a new Chairman is appointed. The Vice-Chairman chairs all meetings of the Board at which the Chairman is not present.

4. Alike all directors, the Vice-Chairman can be a member of one or more Board Committees. He/she may also attend meetings of Board Committees on which he/she is not a member.

5. The Vice-Chairman serves as Lead Independent Director. In this capacity:

(i) the Vice-Chairman is consulted by the Chairman on the agenda of every meeting of the Board of Directors as well as on the planning of Board meetings;

(ii) the Vice-Chairman may convene meetings of the Board at which the members of Executive Management are not present. These meetings called "Executive Sessions" may be held at the Vice-Chairman's discretion either before or after each meeting of the Board or at any other time the Vice-Chairman would deem appropriate. The Vice-Chairman chairs the Executive Sessions;

(iii) the Vice-Chairman may request the Chairman to convene the Board on a specific agenda. In accordance with the Bylaws, the Chairman is bound to comply with these requests;

(iv) the Vice-Chairman, independent director, supports regular dialogue with the other independent directors and acts, if need be, as their spokesperson *vis-à-vis* the CEO and other members of the Company's senior management;

(v) the Vice-Chairman informs the Chairman and the Board of Directors on potential conflicts of interest he/she would have identified;

(vi) the Vice-Chairman is automatically associated to the Ethics & Governance Committee's work, including in the event he/she is not a member of the Committee. As part of this position, he/she plays an active role in the recruitment of Board and Committees members, in the annual self-assessment of the Board as well as in works of the Committee on corporate governance matters relating to the operation and organization of the Board (frequency and planning of Board meetings, quality of information provided to the Board by the Executive Management prior to Board and Committees' meetings, appropriateness of Board meetings agendas…) or to the communication with shareholders on corporate governance matters;

(vii) the Vice-Chairman shall be invited by the Chairman to report to the General Shareholders' Meetings.

SUPPLEMENTARY MANAGEMENT BOARD REPORT – CAPITAL INCREASE RESERVED FOR AXA GROUP EMPLOYEES

At its meetings on June 29, 2009 and July 29, 2009, the AXA Management Board decided on the principle as well as on the timetable of a new share capital increase of the Company through the issuance of a maximum number of 65,502,183 shares of the Company reserved for employees of AXA Group companies or economic interest groups, in France and abroad ("Shareplan 2009").

Pursuant to the authorization granted to the Management Board by the twentieth resolution adopted by the Shareholders' Meeting on April 30, 2009, and in accordance with the provisions of Articles L.225-138-1 and L.225-129-6 *et seq* of the French Commercial Code and Article L.3331-1 *et seq* of the French Labour Code, the Management Board has used the aforementioned authorization by determining the final terms of the offering at its meeting of October 29, 2009.

This authorization was granted to the Management Board for a period of 18 months as from the date of the Shareholders' Meeting in question, for the purpose of increasing the Company's share capital in one or more issues, acting on the basis of its own deliberations, by issuing shares reserved for (i) corporate officers, general insurance agents, employees or former employees enrolled in the Employee Stock Purchase Plan (*Plan d'Epargne d'Entreprise de Groupe* or *P.E.E.G.*) sponsored by AXA entities in France and (ii) corporate officers, employees or former employees enrolled in the International Employee Stock Purchase Plan (*Plan International d'Actionnariat de Groupe* or *P.I.A.G.*) sponsored by AXA entities outside France (hereafter collectively referred to as the "employees"), up to a maximum nominal amount of €150 million.

The decision of the Shareholders' Meeting mentioned above entailed the waiver by the shareholders of their preferential subscription rights, in favor of Group employees who are members of a company employee savings plan, to the shares or securities to be issued (for free, as the case may be), and a waiver of their preferential subscription rights to the ordinary shares that the aforementioned securities may give access.

1. Definitive conditions of the operation

In addition to the classic plan for increasing capital for the benefit of employees, the Group is offering a leveraged plan. In connection with this leveraged plan, several different employee shareholding funds (FCPE) compartments have been set up for French residents and for residents of other countries.

Under the leveraged plan, holders of FCPE units will be entitled to an investment mechanism allowing them to limit their personal contribution to 10% of the subscription price for these shares. Pursuant to a swap agreement entered into by the FCPE, the redemption value of the FCPE unit at maturity of the FCPE, or prior to maturity in the event of an early exit as provided for by law, would be equal to an employee's personal contribution, which is guaranteed in euro, and a percentage of any gain on all of the shares for the employees have subscribed via the FCPE.

The regulations of the FCPE, which were approved by the AMF (*Autorité des marchés financiers*) on July 31, 2009, provide further details on the offering.

In accordance with applicable law, the Management Board decided that the issue price of the new shares would correspond to, for the classic and the leveraged plans, 80% of the arithmetical average of the opening prices of the AXA shares quoted on the Compartment A of Euronext Paris S.A. for a period of 20 trading days ended the last day prior to the decision of the Company's Management Board fixing the dates of the retraction/subscription period.

As a result, the Management Board, at its meeting of October 29, 2009:

1. took due note that the average price of the 20 opening stock price quotes for the AXA shares running from October 1st, 2009 (inclusive) to October 28, 2009 (inclusive), equals **€18.65**, rounded up to the nearest euro cent (hereinafter the "Reference price");
2. decided, for the classic and the leveraged plans, that the unit subscription price of new shares offered in the share capital increase reserved for employees will equal **€14.92**, i.e. 80% of the Reference price.

The Management Board decided to set the dates of the retraction/subscription period for Shareplan 2009 from November 2, 2009, inclusive, to November 6, 2009, inclusive.

The capital increase is expected to occur on December 11, 2009.

2. Impact of the proposed issue

The following table shows the impact of an issuance of a maximum of 65,502,183 new shares on a shareholder who owns 1% of AXA's share capital(1) and who does not subscribe to the capital increase:

Shareholder's interest in the share capital (%)

Before the issue	1.00%
After the issue of a maximum of 65,502,183 new shares	0.97%

Moreover, the impact of this issue on the interest in consolidated shareholders' equity attributable to the Group as of June 30, 2009, for a shareholder who owns one AXA share and who does not subscribe to the capital increase would be the following:

In case the capital increase would be entirely subscribed:

Interest in consolidated shareholders' equity as of 30 June 2009 (per share)

Before the issue	€18.58
After the issue of a maximum of 65,502,183 new shares	€18.47

Figures indicated above have been determined on the basis of the theoretical maximum number of shares that may be issued in connection with Shareplan 2009. By way of illustration, for Shareplan 2008, 24,735,608 shares were issued as it follows: 1,707,264 new shares subscribed under the classic plan, 20,860,616 new shares subscribed under the leveraged plan (excluding Germany) and 2,167,728 new shares with warrants under the leveraged plan in Germany.

Considering the issue price and the volume of shares being issued, the capital increase should not have a significant impact on the quoted share price.

In accordance with the provisions of Article R.225-116 of the French Commercial Code, this report will be made available to shareholders at the Company's head office no later than fifteen days following the Management Board's meeting and will be submitted to the shareholders at their next General Meeting.

Done on October 29, 2009

The Management Board

SUPPLEMENTARY MANAGEMENT BOARD REPORT – CAPITAL INCREASE WITH PREFERENTIAL SUBSCRIPTION RIGHTS (ARTICLE R.225-116 OF THE FRENCH COMMERCIAL CODE)

To the Shareholders of AXA,

The Management Board used the delegation of authority granted under the twelfth resolution adopted by the General Shareholders' Meeting on April 30, 2009 to increase the share capital of the Company by issuing ordinary shares, with preferential subscription rights of shareholders.

The *Autorité des marchés financiers* ("AMF") granted visa no. 09-323 on November 9, 2009 to the prospectus of this operation (the "Prospectus"). A summary of the Prospectus restating the major terms and conditions of the operation appears as Appendix to this report.

In accordance with the provisions of Article R.225-116 of the French Commercial Code (*Code de commerce*), we have prepared a supplementary report presenting the execution terms of the operation.

(1) Based on the number of shares comprising AXA's share capital as declared by the Company to the Autorité des marchés financiers (AMF) on October 8, 2009, i.e. 2,089,267,099 shares.

1. Terms of the Rights Issue

1.1 GENERAL SHAREHOLDERS' MEETING ON APRIL 30, 2009

On April 30, 2009, the General Shareholders' Meeting, under the twelfth resolution, delegated authority to the Management Board for a period of 26 months, with the option to subdelegate authority under legal and regulatory conditions, to resolve the issue of ordinary shares of the Company with preferential subscription rights of shareholders, up to a limit of €2 billion. The nominal value of additional shares to be issued in order to safeguard the rights of owners of securities or other rights giving a claim to the Company's share capital, as required by the law or applicable contractual terms providing for other cases of adjustment, shall be added to this limit.

1.2 MANAGEMENT BOARD ON NOVEMBER 6, 2009

On November 6, 2009, the Management Board, pursuant to the prior approval of the Supervisory Board granted on the same day in accordance with Article 12.3(b) of the Company's Charter (*statuts*), decided to use the delegation of authority granted under the twelfth resolution adopted by the General Shareholders' Meeting on April 30, 2009, and decided to issue new shares of the Company for a maximum nominal amount of €458 million (which may be increased to take into account the exercise in full of all currently exercisable stock options and warrants and the conversion of all the 2017 convertible bonds) with preferential subscription rights. With the approval of its Chairman, the Management Board sub-delegated to Mr. Denis Duverne, member of the Management Board, the task of setting the final terms of the transaction.

1.3 DECISION TO CARRY OUT THE RIGHTS ISSUE OF NOVEMBER 6, 2009

Mr. Denis Duverne, member of the Management Board of the Company, acting pursuant to the Management Board's sub-delegation, decided on November 6, 2009 to carry out a capital increase of a nominal amount of €398,717,460 by the issue of 174,112,428 new ordinary shares (the "Rights Issue"). This amount may be increased to €415,386,283 the issue of 181,391,390 new shares in the event of the exercise in full of all currently exercisable stock options and all currently exercisable warrants, and the conversion of all the 2017 convertible bonds.

The issue price having been set at €11.90 per new share, the gross proceeds (including issue premium) amounts to €2,071,937,893 which may be increased to a maximum of €2,158,557,541 in the event of the exercise in full of all currently exercisable stock options, of all currently exercisable warrants and the conversion of all the 2017 convertible bonds.

2. Description of the impact of the proposed Rights Issue on the holders of equity securities and securities giving a claim to the share capital

2.1 IMPACT OF THE RIGHTS ISSUE ON SHAREHOLDERS' EQUITY

By way of illustration, the impact of the Rights Issue on the Group's consolidated shareholders' equity (group share) on a per share basis (calculated on the basis of consolidated shareholders' equity of the Group as at June 30, 2009, as reported in the consolidated financial statements of June 30, 2009, and the number of shares outstanding as at November 4, 2009) would be the following:

	Share in shareholders' equity (in €)	
	Non-diluted basis	Diluted basis (1)
Prior to the issue of new shares pursuant to this Rights Issue	18.80	18.96
After issue of 174,112,428 new shares pursuant to this Rights Issue	18.25	N/A
After issue of 181,391,390 new shares pursuant to the Rights Issue (2)	N/A	18.39

(1) The calculation assumes the exercise of all stock options and warrants. The 2017 convertible bonds have not been taken into account in these calculations, as an automatic exercise mechanism for purchase options in respect of AXA shares, in place since January 2007, is able to neutralize the dilutive effect that would otherwise be caused by the creation of shares resulting from conversion, other than preferential subscription rights attached to shares allocated upon conversions that occur no later than November 20, 2009, which have been taken into account.

(2) In the event all currently exercisable stock options and warrants are exercised in full and including only preferential subscription rights attached to shares allocated upon conversions of the 2017 convertible bonds that occur no later than November 20, 2009.

2.2 IMPACT OF THE RIGHTS ISSUE ON SHAREHOLDERS

By way of illustration, the impact of the Rights Issue on the percentage interest of a holder of 1% of the Company's share capital prior to the Rights Issue and who does not take part in the Rights Issue (calculated on the basis of the number of shares outstanding as at November 4, 2009) would be the following:

	Shareholder interest (in %)	
	Non-diluted basis	Diluted basis (1)
Prior to the issue of new shares pursuant to this Rights Issue	1%	0.97%
After issue of 174,112,428 new shares pursuant to the Rights Issue	0.92%	N/A
After issue of 181,391,390 new shares pursuant to the Rights Issue (2)	N/A	0.90%

(1) The calculation assumes the exercise of all stock options and warrants. The 2017 convertible bonds have not been taken into account in these calculations, as an automatic exercise mechanism for purchase options in respect of AXA shares, in place since January 2007, is able to neutralize the dilutive effect that would otherwise be caused by the creation of shares resulting from conversion, other than preferential subscription rights attached to shares allocated upon conversions that occur no later than November 20, 2009, which have been taken into account.

(2) In the event all currently exercisable stock options and warrants are exercised in full and including only preferential subscription rights attached to shares allocated upon conversions of the 2017 convertible bonds that occur no later than November 20, 2009.

2.3 IMPACT OF THE RIGHTS ISSUE ON THE SITUATION OF HOLDERS OF STOCK OPTIONS, WARRANTS AND 2017 CONVERTIBLE BONDS, AND BENEFICIARIES OF FREE SHARES ALLOCATION PLANS

The right to exercise stock options under AXA plans whose options are currently exercisable has been suspended from November 18, 2009 until December 9, 2009 inclusive, in accordance with legal and regulatory provisions and with the terms of the option plans. The notice referred to in Article R.225-133 if the French Commercial Code concerning this suspension was published in the BALO (*Bulletin des Annonces légales obligatoires*) on November 11, 2009 and the suspension was effective on November 18, 2009.

The rights of beneficiaries under AXA's stock option plans whose options are currently exercisable and which have not been exercised at the latest by November 17, 2009 at 11:59 p.m. (Paris time), the rights of beneficiaries under stock option plans whose options are not currently exercisable, the rights of warrant holders who have not exercised their warrants at the latest by November 20, 2009 at 4:00 p.m. (Paris time), the rights of 2017 convertible bonds holders who have not exercised their right to conversion at the latest by November 20, 2009 at 4:00 p.m. (Paris time) and the rights of beneficiaries under free shares allocation plans that have not yet matured will be respectively preserved following settlement-delivery from the Rights Issue pursuant to applicable legal and regulatory provisions, the provisions of the stock option plans, the terms and conditions of the warrants and the 2017 convertible bonds and the provisions of the free shares allocation plans.

3. Impact of the Rights Issue on the AXA share trading value

The theoretical impact of the Rights Issue on the AXA share trading value, i.e. €18.24 (average of closing quoted price over the 20 trading days preceding November 6, 2009), would be the following:

Non-diluted basis

Number of shares before the Rights Issue (non-diluted basis)	2,089,349,143 shares
AXA share trading value *(average of closing quoted price over the 20 trading days preceding November 6, 2009)*	€18.24
AXA share trading value before the Rights Issue	€38,109,728,368
Number of new shares issued (1)	181,391,390 shares
Subscription price of the new shares	€11.90 per share
Gross proceeds of the Rights Issue	€2,158,557,541
Theoretical AXA share trading value after the Rights Issue	€40,268,285,909
Total number of shares after the Rights Issue	2,270,740,533 shares
Theoretical AXA share trading value after the Rights Issue	€17.73
Variation	-2.78%

(1) The calculation assumes the exercise of all stock options and warrants. The 2017 convertible bonds have not been taken into account in these calculations, as an automatic exercise mechanism for purchase options in respect of AXA shares, in place since January 2007, is able to neutralize the dilutive effect that would otherwise be caused by the creation of shares resulting from conversion, other than preferential subscription rights attached to shares allocated upon conversions that occur no later than November 20, 2009, which have been taken into account.

Diluted basis

Number of shares before the Rights Issue (non-diluted basis)	2,089,349,143 shares
AXA share trading value *(average of closing quoted price over the 20 trading days preceding November 6, 2009)*	€18.24
AXA share trading value before the Rights Issue	€38,109,728,368
Additional market capitalization due to exercise of stock options, warrants and free shares (2)	€1,440,827,756
Additional number of shares due to exercise of stock options, warrants and free shares (2)	58,808,891 shares
AXA SA trading value after dilution and before the Rights Issue	€39,550,556,125
Total number of shares after dilution and before the Rights Issue	2,148,158,034 shares
AXA share trading value after dilution and before the Rights Issue	€18.41
Number of new shares issued within the Rights Issue (1)	181,391,390 shares
Subscription price of the new shares	€11.90
Gross proceeds of the Rights Issue	€2,158,557,541
Theoretical AXA share trading value after dilution and Rights Issue	€41,709,113,666
Total number of shares after dilution and Rights Issue	2,329,549,424 shares
Theoretical AXA share trading after dilution and Rights Issue	€17.90
Variation (from AXA share trading value after dilution and before the Rights Issue)	-2.75%

(1) The calculation assumes the exercise of all stock options and warrants. The 2017 convertible bonds have not been taken into account in these calculations, as an automatic exercise mechanism for purchase options in respect of AXA shares, in place since January 2007, is able to neutralize the dilutive effect that would otherwise be caused by the creation of shares resulting from conversion, other than preferential subscription rights attached to shares allocated upon conversions that occur no later than November 20, 2009, which have been taken into account.

(2) The 2017 convertible bonds have not been taken into account in these calculations, as an automatic exercise mechanism for call options in respect of AXA shares, in place since January 2007, is able to neutralize the dilutive effect that would otherwise be caused by the creation of shares resulting from such conversion.

The Statutory Auditors verified that this Rights Issue complies with the delegation of authority granted by the General Shareholders' Meeting on April 30, 2009.

In accordance with the applicable provisions, this report will be made available to shareholders at the Company's registered office and will be submitted to the next General Shareholders' Meeting.

The Management Board

APPENDIX - SUMMARY OF THE PROSPECTUS VISA N°09-323 DATED 9 NOVEMBER 2009 OF THE AMF

Notice to reader

This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities issued in connection with this transaction should be based on a thorough review of the Prospectus. If an action is brought before a court in respect of information contained in the Prospectus, the plaintiff investor may be required to bear the cost of translating the Prospectus prior to the commencement of judicial proceedings pursuant to the national legislation of the member States of the European Community or of the parties to the agreement on the European Economic Area. The persons who have prepared the summary, including, where applicable, its translation, may be liable only if the contents of the summary are misleading, inaccurate or contradict other parts of the Prospectus.

A. INFORMATION ABOUT THE ISSUER

Legal name, business sector and nationality

AXA ("**AXA**" or the "**Company**" and, together with its consolidated subsidiaries, the "**Group**").

French *société anonyme* with a Management Board and a Supervisory Board.

ICB sectoral classification: 8532, Full line Insurance.

Summary of business activities

The Company is the holding company of the AXA Group, a worldwide leader in financial protection.

AXA operates primarily in Europe, North America, the Asia Pacific Region and, to a lesser extent, in other regions including the Middle East, Africa and Latin America.

AXA has five operating business segments:

- Life & Savings;
- Property & Casualty;
- International Insurance;
- Asset Management; and
- Banking.

An additional "Holdings" segment includes all non-operational activities.

Selected financial information

Income statement data (in accordance with IFRS)

(in millions of euros, except per share data)	30 June 2009 [f]	30 June 2008 [f]	31 December 2008
Revenues [a]	48,414	49,319	91,221
Net investment result excluding financing expenses [b]	5,737	(9,829)	(36,068)
Operating income before tax	2,015	2,404	406
Income tax	(572)	(9)	830
Net operating income	1,443	2,395	1,236
Net consolidated income - Group Share	1,323	2,162	923
Earnings per share [c]:			
■ basic	0.50	1.07	0.44
■ diluted	0.50	1.07	0.44
Other data:			
Number of common shares outstanding *(in millions)*	2,089.2	2,063.5	2,089.2
Dividend per share [d]			0.40

Balance sheet data (in accordance with IFRS)

(in millions of euros, except per share data)	30 June 2009 [f]	31 December 2008 [e] [f]
Total assets	674,739	673,560
Shareholders' equity - Group share	38,811	37,440
Shareholders' equity - Group share per share [c]	18.8	18.2

(a) Gross of reinsurance.

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

(c) (i) the calculation of net income per share is based on the weighted average number of outstanding shares for each period presented and (ii) shareholders' equity per share is calculated based on the actual number of outstanding shares at each period-end presented. The calculations deduct shares held by AXA and its subsidiaries (i.e., treasury shares) in the calculation of weighted average number of outstanding shares (for net income per share) and outstanding shares (for shareholders' equity per share). The net income per share takes into account interest charges and foreign exchange impacts related to perpetual debts classified in shareholders' equity, with retroactive impact on prior years.

(d) An annual dividend is generally paid each year in respect of the prior financial year after the Shareholders' General Meeting (customarily held in April or May) and before September of that year. Dividends are set forth in this table in respect of the financial year to which they relate and not the year during which they are declared and paid. A dividend of €0.40 per share was approved at AXA's Shareholders' General Meeting that was held on April 30, 2009. The dividend was paid on May 12, 2009 with an ex-dividend date as at May 7, 2009.

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

(f) Unaudited financial information that was the subject of a limited review by the Company's statutory auditors.

Ratings for debt issued by AXA SA as at 25 March 2009

Long-term counterparty credit/senior debt:

	Rating
Standard & Poor's	A+
Moody's	A2
Fitch Ratings	A-

Combined ratio

The combined ratio was 95.5% as at 31 December 2008 and 98.0% as at 30 June 2009.

Solvency Ratio

On a consolidated basis and in accordance with the French "Solvency I" requirements, the solvency ratio was 131% (or 127% after deducting the €0.40 per share dividend distributed in 2009) as at 31 December 2008 and 133% as at 30 June 2009 (see pages 42 and 118 to 119 of the 2008 *Document de Référence*). The solvency ratio was slightly above 140%[1] as at 30 September 2009.

Impact of the transaction with AXA Asia Pacific Holdings (AAPH)

If the transaction with AAPH is successful (see paragraph 10.5 of the Securities Note), the impacts will be as follows:

- Accretive to earnings per share from 2010;
- A decrease of 1 point to the Solvency I ratio, which was slightly above 140%(1) as at 30 September 2009; and
- An increase of 2 points to the indebtedness ratio(2), which was 31% as at 30 June 2009.

Combined impact of the transaction with AAPH and the Rights Issue

If the transaction with AAPH is successful, the combined impacts of this transaction and the Rights Issue will be as follows:

- Dilution of -5% to earnings per share in 2010, assuming a short-term reinvestment of liquidity;
- An increase of 8 points to the Solvency I ratio (1); and
- A decrease of 2 points to the indebtedness ratio (2).

Summary table of shareholders' equity and indebtedness

(in millions of euros)	30 September 2009 (unaudited) Book value	31 December 2008 Book value
Subordinated debt	6,321	6,734
Financing debt instruments issued	3,995	6,564
Financing debt owed to credit institutions	185	1,216
TOTAL FINANCIAL DEBT	**10,501**	**14,514**

	Attributable to shareholders						
	Share capital						
(in millions of euros, excluding the number of shares and their par value)	No. of shares *(in thousands)*	Par value *(in euros)*	Equity	Issue, merger and contribution premiums	Treasury shares	Other reserves (1)	Equity (Group share)
Equity as at 1 January 2009	**2,089,157**	**2.29**	**4,784**	**17,840**	**(547)**	**15,363**	**37,440**
Equity	133	-	-	-	-	-	0
Issue, merger and contribution premiums	-	-	-	(23)	-	-	(23)
Payment in shares	-	-	-	51	-	-	51
Variations in scope	-	-	-	-	-	-	0
Treasury shares	-	-	-	-	72	-	72
Shareholders' equity – combined financial instruments	-	-	-	-	-	-	0
Perpetual debt	-	-	-	-	-	(85)	(85)
Interest expense of perpetual debt	-	-	-	-	-	(217)	(217)
Other	-	-	-	-	-	84	84
Dividends paid	-	-	-	-	-	(836)	(836)
EQUITY AS AT THE CLOSING OF SEPTEMBER 30, 2009 (BEFORE EXPENSES AND PROCEEDS RECOGNISED DURING THE PERIOD)	**2,089,290**	**2.29**	**4,784**	**17,868**	**(475)**	**14,309**	**36,486**

(1) Totals are net of accounting impacts and effects on participation of policyholders, carried over acquisition costs, and the value of acquired portfolios.

Summary of the main risk factors relating to the Company and its operations

Before making any decision to invest, investors are required to consider the risks described on pages 40 to 46 and 192 to 227 of the English translation of the 2008 *Document de Référence* of the Company, and in particular the following risk factors:

- Risks relating to the financial markets, AXA's financial strength ratings and financial condition, and the valuation of AXA's assets; and

(1) On the assumption that there are no unrealized gains attributable to the bond portfolio. This estimate has not been reviewed or approved by the Autorité de Contrôle des Assurances et des Mutuelles ("ACAM"), which is the principal French insurance regulator.

(2) Net financing debt + perpetual subordinated debt) divided by (shareholders' equity, excluding fair value recorded in shareholders' equity + net financing debt).

- Risks relating to the structure of the Group, the scope and nature of its business, the environment in which it operates and the products it offers.

Investors should note that the description of risks above is not exhaustive and additional risks and uncertainties not currently known or that AXA currently deems to be immaterial may also materially

Recent developments in the Company's financial position and prospects

Total revenues for the first nine months of the year were €68,094 million as at 30 September 2009 (compared to €69,458 million for the first nine months of 2008).

Revenues for the Group's Life and Savings segment recovered modestly in the third quarter, notably with a solid performance in France. In Property and Casualty, the Group's sales growth remained positive and the Group expects prices to generally increase over the coming months. Assets under management increased in the third quarter mainly as a result of higher equity markets. The Group's outlook in global finance markets has improved over the last six months, which provides a more favourable environment for its business.

B. INFORMATION CONCERNING THE RIGHTS ISSUE

Purpose of the Rights Issue and use of proceeds	This Rights Issue will be used to seize future acquisition opportunities, primarily in high growth markets, including the potential repurchase of minority interests in Central and Eastern Europe, as well as the transaction proposed to AXA Asia Pacific Holdings (AAPH), while maintaining a strong balance sheet. If successful, the offer made to AAPH would be equivalent for AXA to selling its 54% stake in AAPH's Australia and New Zealand business while acquiring the 46% of AAPH's Asian operations it does not own for a net cash outlay of €1.1 billion.
Number of new shares to be issued	174,112,428 shares, which may be increased to a maximum of 181,391,390 shares.
Subscription price	€11.90 per share.
Gross issue proceeds	€2,071,937,893, which may be increased to a maximum of €2,158,557,541.
Estimated net issue proceeds	Approximately €2,033 million, which may be increased to a maximum of approximately €2,120 million.
Entitlement to dividend	The new shares will carry full rights (*jouissance courante*).
Preferential subscription rights	The following persons will have a preferential right to subscribe to the Rights Issue: ■ holders of existing shares recorded in their name at the close of trading on 9 November 2009 as well as holders of shares held as a result of the exercise no later than 17 November 2009 at 11:59 p.m. (Paris time) of all currently exercisable stock options, the exercise no later than 20 November 2009 at 4:00 p.m. (Paris time) of all currently exercisable warrants, and the conversion no later than 20 November 2009 at 4:00 p.m. (Paris time) of all notes due 2017 convertible into AXA shares (the "**Convertible Bonds**"), and ■ transferees of such preferential subscription rights. Holders of preferential subscription rights will be entitled to subscribe: ■ by irrevocable entitlement (à titre irréductible) for one new share for every 12 existing shares (i.e., one new share for 12 preferential subscription rights at a price of €11.90 per share); and ■ subject to reduction (*à titre réductible*) for any additional shares over and above the initial entitlement represented by their preferential subscription rights, as described above.
Theoretical value of the preferential subscription right	€0.38 based on the closing price of AXA's shares on 6 November 2009.
Listing of the new shares	The new shares will be listed on Euronext Paris from their expected issue on 4 December 2009 under the same ISIN code as the existing shares (ISIN FR0000120628).
Intention of the principal shareholders to subscribe	AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle (the "**AXA Mutuelles**"), holding 14.29% of the share capital of the Company, have undertaken to subscribe by irrevocable entitlement (*à titre irréductible*) to the Rights Issue by exercising all of the preferential subscription rights attached to their shares. BNP Paribas SA and Schneider Electric, which hold, respectively, 5.36% and 0.47% of the share capital of the Company, have indicated their intention to subscribe by irrevocable entitlement (*à titre irréductible*) to the Rights Issue by exercising all of the preferential subscription rights attached to their shares.
Underwriting	AXA entered into an underwriting agreement on 6 November 2009 with a syndicate of banks led by BNP Paribas, acting as global coordinator, joint lead manager and joint bookrunner and including BNP Paribas, HSBC Bank plc and Deutsche Bank AG, London Branch, acting as joint lead managers and joint bookrunners and CALYON and Société Générale acting as joint lead managers (together, the "**Underwriters**"). The underwriting agreement constitutes a *garantie de bonne fin*, within the meaning of Article L.225-145 of the French Commercial Code, for up to a total of 139,083,249 new shares, i.e., up to a total nominal amount of €318.5 million.
Lockup undertakings by the Company and the AXA Mutuelles	90 days from the date of execution of the underwriting agreement

Summary of risk factors relating to the Rights Issue that could have a material effect on the securities offered

The market for preferential subscription rights may be volatile and offer only limited liquidity.

Existing shareholders who do not exercise their preferential subscription rights will have their shareholding diluted.

The Company's share market price may fluctuate and fall below the subscription price of the shares to be issued in the Rights Issue.

Volatility of the Company's shares

The Company's preferential subscription rights may be sold during the subscription period and the Company's shares may be sold during or after the subscription period, which may have a negative effect on the market price of theses rights or on the Company's shares.

In the case of a drop in the Company's share market price, the preferential subscription rights may also lose their value.

C. DILUTION AND OWNERSHIP STRUCTURE

Shareholding as at 4 November 2009

	Number of shares	% Equity	Voting rights	% Voting rights
Mutuelles AXA	298,481,986	14.29	596,963,971	23.48
Treasury shares	8,526,328	0.41	–	–
Shares held by Company subsidiaries (directly or indirectly)	16,665,476	0.80	–	–
Employees and agents	107,648,603	5.15	148,693,514	5.85
BNP Paribas SA	112,071,882	5.36	224,143,764	8.82
Schneider Electric	9,796,300	0.47	19,592,600	0.77
General Public	1,536,158,568	73.52	1,553,014,310	61.08
TOTAL	**2,089,349,143**	**100%**	**2,542,408,159**	**100%**

As at 4 November 2009, to the Company's knowledge, no other shareholder holds more than 5% of the share capital or voting rights of AXA.

Dilution

IMPACT OF THE RIGHTS ISSUE ON SHAREHOLDERS' EQUITY

By way of illustration, the impact of the Rights Issue on the Group's consolidated shareholders' equity (group share) on a per share basis (calculated on the basis of consolidated shareholders' equity of the Group as at 30 June, as reported in the consolidated financial statements of 30 June, and the number of shares outstanding as at 4 November 2009) would be the following:

	Share in shareholders' equity (in €)	
	Non-diluted basis	Diluted basis [(1)]
Prior to the issue of new shares pursuant to this Rights Issue	18.80	18.96
After issue of 174,112,428 new shares pursuant to the Rights Issue	18.25	N/A
After issue of 181,391,390 new shares pursuant to the Rights Issue [(2)]	N/A	18.39

(1) The calculation assumes the exercise of all stock options and warrants. The Convertible Bonds have not been taken into account in these calculations, as an automatic exercise mechanism for purchase options in respect of AXA shares, in place since January 2007, is able to neutralise the dilutive effect that would otherwise be caused by the creation of shares resulting from conversion, other than preferential subscription rights attached to shares allocated upon conversions that occur no later than 20 November 2009, which have been taken into account.

(2) In the event all currently exercisable stock options and warrants are exercised in full and including only preferential subscription rights attached to shares allocated upon conversions of Convertible Bonds that occur no later than 20 November 2009.

IMPACT OF THE RIGHTS ISSUE ON SHAREHOLDERS

By way of illustration, the impact of the Rights Issue on the percentage interest of a holder of 1% of the Company's share capital prior to the Rights Issue that does not take part in the Rights Issue (calculated on the basis of the number of shares outstanding as at November 4, 2009) would be the following:

	Shareholder interest (in %)	
	Non-diluted basis	Diluted basis (1)
Prior to the issue of new shares pursuant to this Rights Issue	1%	0.97%
After issue of 174,112,428 new shares pursuant to the Rights Issue	0.92%	N/A
After issue of 181,391,390 new shares pursuant to the Rights Issue (2)	N/A	0.90%

(1) *The calculation assumes the exercise of all stock options and warrants. The Convertible Bonds have not been taken into account in these calculations, as an automatic exercise mechanism for purchase options in respect of AXA shares, in place since January 2007, is able to neutralise the dilutive effect that would otherwise be caused by the creation of shares resulting from conversion, other than preferential subscription rights attached to shares allocated upon conversions that occur no later than 20 November 2009, which have been taken into account.*

(2) *In the event all currently exercisable stock options and warrants are exercised in full and including only preferential subscription rights attached to shares allocated upon conversions of Convertible Bonds that occur no later than 20 November 2009.*

D. TERMS OF OFFER

Indicative timetable of the Rights Issue

6 November 2009	Signing of the underwriting agreement.
9 November 2009	AMF *visa* on the French Prospectus.
	Publication of a press release describing the main features of the Rights Issue and the availability of the French Prospectus.
	Publication by Euronext Paris of the notice relating to the Rights Issue.
10 November 2009	Opening of the subscription period. Detachment and commencement of trading of the preferential subscription rights on Euronext Paris.
	Publication of the summary of the French Prospectus in the national press.
11 November 2009	Publication of the notice in the *Bulletin des Annonces Légales Obligatoires* with respect to the suspension of the right to exercise stock options.
18 November 2009	Commencement of the suspension period for the exercise of stock options
23 November 2009	End of the subscription period. End of trading of the preferential subscription rights.
2 December 2009	Publication of a press release by the Company announcing the subscription rate results. Publication by Euronext Paris of the admission notice for the new shares indicating the final amount of the capital increase and the allotment ratio for subscriptions subject to reduction (*à titre réductible*).
4 December 2009	Issue of the new shares. Settlement-delivery.
	Listing of the new shares.
10 December 2009	End of the suspension period for the exercise of stock options.

AXA will issue a press release on the status of its discussions with AXA Asia Pacific Holdings before the end of the subscription period.

Jurisdictions in which the offer will be made

The offer will be made to the public in France, Belgium, Finland, Germany, Ireland, Italy, Luxembourg, the Netherlands, Spain, Sweden and the United Kingdom, as well as in Switzerland.

Procedure for exercising preferential subscription rights

To exercise their preferential subscription rights, holders will be required to submit a request to their authorised bank or broker (*intermédiaire financier habilité*) at any time between November 10, 2009 and November 23, 2009, inclusive, and pay the applicable subscription price. Any preferential subscription rights not exercised will automatically become null and void at the close of the subscription period, i.e., at the close of trading on November 23, 2009.

Authorised financial intermediaries

Shareholders holding shares in registered form administered by an intermediary (*titres inscrits au nominatif administré*) or bearer shares (*titres au porteur*): subscriptions will be accepted by the shareholder's bank or broker (*intermédiaire financier*) until November 23, 2009, inclusive.

Shareholders holding shares in registered form administered by the Company (*titres au nominatif pur*): subscriptions will be accepted by BNP Paribas Securities Services, 11, rue Ella Fitzgerald, 75019 Paris, until November 23, 2009, inclusive.

Centralising institution charged with preparing the certificate of deposit of funds acknowledging the completion of the share capital increase: BNP Paribas Securities Services, 11, rue Ella Fitzgerald, 75019 Paris.

Global coordinator of the Rights Issue

BNP PARIBAS

Investor contact

Etienne Bouas-Laurent

Head of Investor Relations

21, avenue Matignon

75008 Paris

France

Tel: +33 1 40 75 46 85

Availability of the Prospectus

The Prospectus is available free of charge at the registered address of AXA, 25, avenue Matignon, 75008 Paris, on the Company's website (www.axa.com), as well as on the website of the AMF (www.amf-france.org) and from the Underwritrs.

AXA Supervisory Board's comments on the Management Board's Report and the financial statements

Dear shareholders,

Your Supervisory Board met eleven times in 2009. In accordance with applicable regulations and AXA's Bylaws (*statuts*), the Board completed all the checks and controls on the operations and business of the Management Board it has deemed appropriate, based on the works of its four special Committees (Ethics & Governance Committee, which held four meetings; Compensation & Human Resources Committee, which held six meetings; Finance Committee, which held six meetings; Audit Committee, which held seven meetings). Your Supervisory Board sought, in particular, to ensure that its own organization contributed to the good corporate governance of the Company.

In accordance with applicable laws, the Management Board submitted to the Supervisory Board for its review AXA's financial statements for 2009 (Company's financial statements – parent only – and the consolidated financial statements) as well as the Management Board's Report on the Company's and the Group's business for the preceding fiscal year.

The Supervisory Board states to the Shareholders' Meeting that it does not have any comment on the financial statements and report submitted by the Management Board.

In the context of change in the governance structure of the Company, the Supervisory Board has approved the proposed amendments of AXA's Bylaws required for the adoption of a unitary Board structure.

The adoption of a unitary Board structure will reinforce the role, responsibilities and implication of the Board and its members while preserving a well-balanced governance system thanks, in particular, to the increased role of the independent directors.

Upon advice of its Ethics & Governance Committee, the Board recommended the appointment of the following persons to the future Board of Directors: Mmes. Wendy Cooper (representative of the employee-shareholders), Isabelle Kocher, Suet-Fern Lee, Dominique Reiniche, Messrs. Henri de Castries, Jacques de Chateauvieux, Norbert Dentressangle, Denis Duverne, Jean-Martin Folz, Anthony Hamilton, François Martineau, Giuseppe Mussari, Michel Pébereau, Ramon de Oliveira and Ezra Suleiman.

The Supervisory Board has also decided to recommend the adoption of a structure with a Board of Directors in which Mr. Henri de Castries would exercise the roles of Chairman and CEO (*Président Directeur Général* or *PDG*). This proposal to combine the posts of Chairman and CEO does not represent a decision of AXA to institutionalize the combination of these posts on a permanent or structural basis going forward. Rather, the Supervisory Board's decision to recommend this change is the result of an analysis of the specific circumstances of the Group at this stage in its development, the unique experience and abilities of Mr. Henri de Castries and the Board's desire to optimize the Group's decision-making processes and reactivity going forward.

Consequently, the Board recommends you to approve the 2009 financial statements as well as all of the other resolutions submitted to your Shareholders' Meeting and approved by the Management Board.

We would like to thank specially the employees of the AXA Group and the Management Board for the quality of their work and their high commitment to the success of the Company.

The Supervisory Board is confident that the AXA Group has the ability to ensure the long-term growth of the Group.

The Supervisory Board

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

Statutory Auditors' reports

REPORT OF THE STATUTORY AUDITORS ON CAPITAL INCREASE WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, RESERVED FOR EMPLOYEES ENROLLED IN THE EMPLOYER-SPONSORED SAVINGS PLAN

Extraordinary Shareholders' Meeting on April 29, 2010 – 12th resolution

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA**

25, avenue Matignon

75008 Paris

In our capacity as Statutory Auditors of AXA, and in accordance with Articles L.225-135 *et seq* of the French Commercial Code, we hereby submit our report on the proposed authorization granted to the Management Board in order to increase the share capital without preferential subscription rights, up to a nominal amount of €150 million, by issuing ordinary shares or other securities giving a claim to the Company's ordinary shares, reserved to present or former employees, corporate officers and general insurance agents of the Company or its affiliated entities within the meaning of Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code, who are enrolled in the Company's or the AXA Group's employer-sponsored savings plan(s), on which you are being asked to deliberate and vote.

This capital increase is being submitted to your approval pursuant to Articles L.225-129-6 of the French Commercial Code and L.3332-18 *et seq* of the French Labor Code.

Acting on the basis of its report, your Management Board proposes that you authorize it, over a period of 18 months, to decide one or several capital increases and that you waive your preferential subscription rights on shares or securities giving a claim to the equity securities to be issued. As the case may be, the Management Board would set the final terms of such transaction.

Your Management Board is required to prepare a report in accordance with Articles R.225-113 and R.225-114 of the French Commercial Code. Our role is to express our opinion as to the fairness of the figures resulting from the financial statements, on the proposal for suppression of the preferential subscription rights, and on other information pertaining to the issue contained in this report.

It is specified that:

- The aggregate nominal amount which may result from this resolution and the 13th resolution shall not exceed the above mentioned nominal amount of €150 million;
- The maximum discount shall not exceed 20% off an average quoted price of the AXA share on Euronext Paris over the twenty trading days preceding the day on which the Management Board formally resolve the opening date of the subscription period;
- The Management Board may reduce or suppress the aforementioned discount, as it deems appropriate, in particular to take into account the new international accounting standards, or, *inter alia*, legal, accounting, tax or social provisions applicable in some beneficiaries' country of residence;
- The Management Board may also replace all or part of the discount by the grant of ordinary shares or other securities giving a claim to the Company's capital;
- The Management Board may grant for free ordinary shares or securities giving an immediate or deferred claim to the Company's ordinary shares, provided that the total benefit resulting from the discount and/or contribution may not exceed the applicable legal or regulatory limits;
- The characteristics of any other securities giving a claim to the share capital of the Company shall be determined by the Management Board in accordance with the conditions set forth by applicable laws and regulations;

- The Management Board may, subject to the limits and conditions stipulated hereinbefore, determine the terms and conditions of such transactions, in particular to:
  - resolve that the issues may be subscribed directly by beneficiaries or through an *organisme de placement collectif en valeurs mobilières (OPCVM)* mutual fund,
  - reduce, if need be, the scope of companies participating in the offer as compared to the scope of companies eligible for the employer-sponsored savings plan,
  - determine the terms and conditions of the issues to be carried out by virtue of this authorization, in particular as regard to dividend earning, paying up, subscription price of ordinary shares or other securities giving a claim to the capital, in accordance with the applicable laws and regulations,
  - determine the opening and closing dates of the subscription period,
  - set the deadline for paying up of the subscribed ordinary shares or other securities giving a claim to the capital,
  - take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to shares of the Company, in compliance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment,
  - record the completion of the capital increase to be carried out, within the limit of the number of shares or other securities giving a claim to the capital to be subscribed,
  - at its sole discretion and as it deems appropriate, charge the expenses related to the capital increases on the amount of the resulting premiums, and deduct from this amount the sums required to bring the legal reserve to one-tenth of new share capital after each increase,
  - take all necessary measures for the furtherance of the capital increases, undertake all subsequent formalities, in particular for the listing of the securities thereby created, and, in general, take all necessary measures.

We performed our work in accordance with the professional standards applicable in France. These standards require that we verify the information contained in the report of the Management Board and the terms and conditions under which the issue price is being determined.

Notwithstanding subsequent review of the terms and conditions under which any of these capital increases may be decided, we have nothing to report concerning the methods used to set the issue price of securities to be issued, as disclosed in the Management Board report.

To the extent that the amount of the issue price is not set, we do not express any opinion as to the final terms and conditions under which the capital increase will be carried out, and consequently, as to the proposal for suppression of the preferential subscription rights.

In compliance with Article R.225-116 of the French Commercial Code, we will prepare a supplementary report, as the case may be, when your Management Board will make use of this authorization.

Neuilly-sur-Seine and Courbevoie, March 16, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Eric Dupont	Philippe Castagnac – Jean-Claude Pauly

PricewaterhouseCoopers Audit
63, rue de Villiers
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92400 Courbevoie

REPORT OF THE STATUTORY AUDITORS ON THE CAPITAL INCREASE WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, IN FAVOR OF A CATEGORY OF BENEFICIARIES

Extraordinary Shareholders' Meeting on April 29, 2010 – 13th resolution

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA**

25, avenue Matignon

75008 Paris

In our capacity as Statutory Auditors of AXA, and in accordance with Articles L.225-135 *et seq* of the French Commercial Code, we hereby submit our report on the proposed authorization granted to the Management Board in order to increase the share capital without preferential subscription rights, up to a maximum nominal amount of €150 million, by issuing ordinary shares in favor of a category of beneficiaries, on which you are being asked to deliberate and vote.

Acting on the basis of its report, your Management Board proposes that you authorize it, for a period of 18 months, to decide one or several capital increases and that you waive your preferential subscription rights to any securities to be issued.

Your Management Board is required to prepare a report in accordance with Articles R.225-113 and R.225-114 of the French Commercial Code. Our role is to express our opinion as to the fairness of the figures resulting from the financial statements, on the proposal for suppression of the preferential subscription rights, and on other information pertaining to the issue contained in this report.

It is specified that:

- The aggregate nominal amount which may result from this resolution and the 12th resolution shall not exceed the above mentioned nominal amount of €150 million;
- The Management Board proposes that you waive your preferential subscription rights on the ordinary shares to be issued pursuant to this authorization and to reserve the subscription rights to the category of beneficiaries meeting the following characteristics: (i) employees and corporate officers of companies incorporated outside France and affiliated to the Company pursuant to Article L.225-180 of the French Commercial Code and to Articles L.3344-1 and L.3344-2 of the French Labor Code, and/or (ii) *OPCVM* mutual funds or other entities for employee savings plans invested in the Company's securities, whether legal entities or not, in which unit holders or shareholders are persons referred to in point (i) of this paragraph, and/or (iii) a bank or a subsidiary of such bank which, at the request of the Company, participates in the implementation of a structured offer for employees, corporate officers or general agents of entities incorporated outside France and affiliated to the Company within the meaning of Articles L.225-180 of the French Commercial Code and L.3344-1 as well as L.3344-2 of the French Labor Code. This structured offer shall be similar, in terms of economic profile, to the offer for other employees and corporate officers of the Company or its affiliated companies or economic interest groups within the meaning of Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code implemented, notably, by virtue of a capital increase carried out by virtue of a capital increase made pursuant to the 12th resolution submitted to your Meeting;
- The issue price of the new shares to be issued pursuant to this authorization (i) shall not be higher nor more than 20% lower than the average quoted price of the AXA share on Euronext Paris over the twenty trading days preceding the day on which the Management Board sets the opening date of the subscription to a capital increase carried out by virtue of the 12th resolution, and (ii) shall not be higher nor more than 20% lower than the average quoted price of the AXA share on Euronext Paris over the twenty trading days preceding the day on which the Management Board sets the opening date of the subscription to the capital increase reserved to beneficiaries comprised in the category defined hereinbefore, provided that the structured offer referred above would not be established concurrently to a capital increase carried out by virtue of the 12th resolution;
- The Management Board may decide to reduce or cancel of any discount so granted, if it deems appropriate, in order to take into account, *inter alia*, legal, accounting, tax or social provisions applicable in some beneficiaries' country of residence;

- The Management Board will have full authority, with the option to sub-delegate authority under legal conditions, to implement and to postpone this resolution, and in particular to:
  - set the date and the issue price of the new shares to be issued, as well as the other terms and conditions of the issues, including, the date – even retroactive – on which the shares to be issued will earn dividends, and the terms of payment of the issue price,
  - set the list of beneficiaries of the waiver of the preferential subscription rights within the category above defined, and the number of shares to be subscribed by each of them,
  - record the amount of the capital increase and amend the Bylaws accordingly,
  - charge, if need be, all expenses on the amount of the issue premiums,
  - take any measures necessary to the furtherance of the issues,
  - undertake all formalities resulting from capital increases and in general, to take all necessary measures.

We performed our work in accordance with the professional standards applicable in France. Those standards require that we plan and perform procedures to verify the information provided in the report of the Management Board and the terms and conditions under which the issue price is being determined.

Notwithstanding subsequent review of the finals terms under which the proposed capital increase may be conducted, we have no particular observations to make with respect to the methods used to determine the issue price that are described in the report of the Management Board.

To the extent that the amount of the issue price is not set, we do not express any opinion as to the finals terms according to which the capital increase will be carried out, and consequently, as to the proposal for suppression of the preferential subscription rights.

In accordance with Article R.225-116 of the French Commercial Code, we will submit a supplementary report, as the case may be, when your Management Board will make use of this authorization.

Neuilly-sur-Seine and Courbevoie, March 16, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit	Mazars
Pierre Coll – Eric Dupont	Philippe Castagnac – Jean-Claude Pauly

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63, rue de Villiers
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92400 Courbevoie

REPORT OF THE STATUTORY AUDITORS ON THE REDUCTION OF THE SHARE CAPITAL THROUGH THE CANCELLATION OF ORDINARY SHARES

Extraordinary Shareholders' Meeting on April 29, 2010 – 14th resolution

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of **AXA**

25, avenue Matignon

75008 Paris

In our capacity as Statutory Auditors of AXA and as required under the provisions of Article L.225-209 paragraph 7 of the French Commercial Code in the event of a reduction of capital by cancellation of purchased shares, we hereby submit this report on our assessment of the reasons and conditions pertaining to the proposed capital reduction.

We performed our work in accordance with the standards of our profession applicable in France. These standards require that we verify whether the reasons and the conditions of the capital reduction are appropriate.

This transaction is related to the share repurchase program under which the Company may purchase its own shares up to a maximum of 10% of its share capital under the conditions set forth in Article L.225-209 of the French Commercial Code. This share repurchase program is also submitted for approval to your General Shareholders' Meeting (11th resolution) and would be granted for a period of 18 months.

The Management Board requests you to delegate to it, for a period of 18 months, full authority so as to cancel the shares purchased under the proposed share repurchase program up to a maximum of 10% of the share capital per 24-month period.

We have no matter to report concerning the reasons and the conditions of the proposed capital reduction, it being recalled that your Company may only carry out the capital reduction if your Meeting previously approves the purchase of its own shares by the Company.

Neuilly-sur-Seine and Courbevoie, March 16, 2010

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Coll – Eric Dupont

Mazars
Philippe Castagnac – Jean-Claude Pauly

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Régnault
92400 Courbevoie

COMPLEMENTARY REPORT OF THE STATUTORY AUDITORS ON THE CAPITAL INCREASE, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, RESERVED FOR EMPLOYEES ENROLLED IN THE EMPLOYER-SPONSORED COMPANY SAVINGS PLAN

Decision of the Management Board on October 29, 2009

This is a free translation into English of the Statutory Auditors' report issued in the French language and which is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Management Board **AXA**

25, avenue Matignon

75008 Paris

In our capacity as Statutory Auditors of AXA and pursuant to the provisions of Article R.225-116 of the French Commercial Code, we hereby present a complementary report to our special report of March 25, 2009 on the issue of shares, without preferential subscription rights, reserved to (i) corporate officers, general insurance agents and employees or former employees enrolled in the Group Company Savings Plan *(P.E.E.G)* of AXA subsidiaries in France; and to (ii) corporate officers, general insurance agents and employees or former employees enrolled in the Group International Savings Plan *(P.I.A.G)* of AXA subsidiaries outside France, as authorized by your General Shareholders' Meeting on April 30, 2009.

This Meeting delegated its authority to the Management Board to set the finals terms of such transactions, over a period of 18 months, up to a maximum nominal amount of €150 million.

Pursuant to this delegation of authority, the Management Board decided, at its Meeting on October 29, 2009, to carry out a capital increase by issuing a maximum amount of 65,502,183 shares of the Company. The subscription price of each new share, for both the traditional plan and the leverage plan, amounted to €14.92, i.e. 80% of the average opening price of the AXA share over the period between October 1, 2009 included and October 28, 2009 included (rounded up to the euro cent).

It is the responsibility of the Management Board to prepare a supplementary report in accordance with Articles R.225-115 and R.225-116 of the French Commercial Code. We are required to give our opinion on the fairness of the figures resulting from the financial statements, on the proposal to waive the shareholders' preferential subscription rights, and on certain other information concerning the issue and contained in this report.

We performed our work in accordance with the professional standards applicable in France. Those standards require that we plan and perform procedures to verify:

- The fairness of the figures taken from the interim financial statements as of June 30, 2009, prepared under the responsibility of the Management Board in accordance with the same methods and pursuant to the same presentation as the last annual financial statements. We conducted a limited review of those interim financial statements in accordance with the professional standards applicable in France;
- The conformity of the terms and conditions of the transaction with regards to the delegation of authority granted by the General Shareholders' Meeting, and the fairness of the information provided in the supplementary report of the Management Board relative to the calculation methods and amounts of the issue price.

We have no matters to report on:

- The fairness of the figures resulting from the Company's financial statements and contained in the supplementary report of the Management Board;
- The conformity of the terms and conditions of the transaction with regards to the delegation of authority granted by the General Shareholders' Meeting of April 30, 2009 and with the information presented at that Meeting;
- The proposal to waive the shareholders' preferential subscription rights, which you have already approved, the choice of the calculation methods of the issue price, and its final amount;
- The presentation of the issue impact on the position of holders of equity securities having regard to shareholders' equity and the share trade value.

Courbevoie and Neuilly-sur-Seine, October 29, 2009

The Statutory Auditors

PricewaterhouseCoopers Audit
Eric Dupont

Mazars
Philippe Castagnac – Jean-Claude Pauly

Resolutions submitted by the AXA's Management Board

ORDINARY RESOLUTIONS

First resolution

APPROVAL OF THE COMPANY'S FINANCIAL STATEMENTS FOR 2009 – PARENT ONLY

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, and having reviewed the Management Board Reports, the Supervisory Board Report relative to the Management Board Report and to the financial statements for the year ended December 31, 2009, as well as the Statutory Auditors' Report on the financial statements,

hereby approve the financial statements of AXA (the "Company") for the year ended December 31, 2009 as presented, together with the transactions summarized or referred to in the aforementioned reports.

Second resolution

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2009

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, and having reviewed the Management Board Reports, the Supervisory Board Report relative to the Management Board Report and to the financial statements for the year ended December 31, 2009, as well as the Statutory Auditors' Report on the consolidated financial statements,

hereby approve the Company's consolidated financial statements for the year ended December 31, 2009 as presented, together with the transactions summarized or referred to in the aforementioned reports.

Third resolution

EARNINGS ALLOCATION AND PAYMENT OF A DIVIDEND OF €0.55 PER SHARE

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, upon proposal of the Management Board,

- Hereby note that earnings for the year ended December 31, 2009 amount to €3,952,683,601.67;
- Hereby resolve to debit from these earnings, in accordance with the legal provisions, and to allocate to the legal reserve an amount of €45,130,589.89;
- Hereby note that earnings for the year ended December 31, 2009 increased by prior-year retained earnings bring the income available for appropriation to an amount of €3,910,648,942.98;
- Hereby resolve to allocate the total income available for appropriation as follows:
  - payment of a dividend for an amount of €1,259,480,793.45
  - retained earnings for an amount of €2,651,168,149.53

The shareholders further resolve that a dividend of €0.55 per share shall be made available for payment on May 6, 2010 for each of the 2,289,965,079 existing shares earning dividends on January 1, 2009.

Pursuant to paragraph 2° of Article 158.3 of the French General Tax Code (*Code général des impôts*), all individuals deemed to be French resident for tax purposes are eligible for a 40% tax relief on the dividend, that is €0.22 per share, provided that the option for a flat deduction at source provided under Article 117 *quater* of the French General Tax Code has not been exercised in relation to these dividends or other earnings received during the same fiscal year.

Save the dividend referred to hereinbefore, no other earnings, whether or not eligible to the above-mentioned 40% tax relief, are distributed pursuant to this General Shareholders' Meeting.

For information, the following dividends per share, dividends with tax relief, and dividends without tax relief, were granted for the three preceding fiscal years:

	Fiscal year 2006	Fiscal year 2007	Fiscal year 2008
Dividend per share	€1.06	€1.20	€0.40
Dividend with tax relief	€1.06	€1.20	€0.40
Dividend without tax relief	0	0	0

For dividends received as of January 1, 2008, the beneficiaries having opted for a flat deduction at source are not entitled to the aforementioned tax relief.

In the event that the Company holds certain of its own shares at the time dividends are made available for payment, the corresponding dividends shall be appropriated to the retained earnings.

Fourth resolution

APPROVAL OF THE STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, and having reviewed the Statutory Auditors' Special Report on agreements referred to in Article L.225-86 of the French Commercial Code (*Code de commerce*), hereby approve the aforementioned report as well as the agreements and commitments described therein.

Fifth resolution

APPROVAL OF PENSION AND SOCIAL PROTECTION COMMITMENTS REFERRED TO IN THE LAST PARAGRAPH OF ARTICLE L.225-90-1 OF THE FRENCH COMMERCIAL CODE

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, and having reviewed the provisions of the Statutory Auditors' Special Report on regulated commitments referred to in the last paragraph of Article L.225-90-1 of the French Commercial Code, hereby approve the pension and social protection commitments granted to Messrs. Henri de Castries, Denis Duverne and François Pierson, members of AXA's Management Board, and described in the report.

Sixth resolution

APPROVAL OF COMMITMENTS REFERRED TO IN ARTICLE L.225-90-1 OF THE FRENCH COMMERCIAL CODE GRANTED TO MR. HENRI DE CASTRIES IN ORDER TO ALIGN HIS STATUS WITH THE AFEP/MEDEF RECOMMENDATIONS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, and having reviewed the provisions of the Statutory Auditors' Special Report relative to regulated commitments referred to in Article L.225-90-1 of the French Commercial Code and granted to Mr. Henri de Castries upon termination of his function as corporate officer, hereby approve the commitments described therein.

Seventh resolution

APPROVAL OF COMMITMENTS REFERRED TO IN ARTICLE L.225-90-1 OF THE FRENCH COMMERCIAL CODE GRANTED TO MR. DENIS DUVERNE IN ORDER TO ALIGN HIS STATUS WITH THE AFEP/MEDEF RECOMMENDATIONS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, and having reviewed the provisions of the Statutory Auditors' Special Report relative to regulated commitments referred to in Article L.225-90-1 of the French Commercial Code and granted to Mr. Denis Duverne upon termination of his function as corporate officer, hereby approve the commitments described therein.

Eighth resolution

RE-APPOINTMENT OF MR. NORBERT DENTRESSANGLE TO THE SUPERVISORY BOARD

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings and pursuant to Article 10 of the Company's Bylaws, hereby re-appoint Mr. Norbert Dentressangle to the Supervisory Board for a four-year term of office expiring at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year.

Ninth resolution

RE-APPOINTMENT OF MAZARS AS INCUMBENT STATUTORY AUDITOR

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board's Report, and upon proposal of the Supervisory Board, hereby re-appoint Mazars as incumbent Statutory Auditor for six fiscal years. Its term of office would expire at the end of the General Shareholders' Meeting convened in 2016 to approve the financial statements of the preceding fiscal year.

Tenth resolution

APPOINTMENT OF MR. JEAN-BRICE DE TURKHEIM AS ALTERNATE STATUTORY AUDITOR

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board's Report, and upon proposal of the Supervisory Board, hereby appoint Mr. Jean-Brice de Turkheim as alternate Statutory Auditor for six fiscal years in replacement of Mr. Jean-Louis Simon whose functions expire at the end of this General Shareholders' Meeting. The term of office of Mr. de Turkheim would expire at the end of the General Shareholders' Meeting convened in 2016 to approve the financial statements of the preceding fiscal year.

Eleventh resolution

AUTHORIZATION GRANTED TO THE MANAGEMENT BOARD IN ORDER TO PURCHASE SHARES OF THE COMPANY

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, and having reviewed the Management Board Report and the description of the share repurchase program established in compliance with Articles 241-1 *et seq* of the AMF General Regulation (*règlement général de l'Autorité des marchés financiers*):

1) Hereby authorize the Management Board, pursuant to Articles L.225-209 *et seq* of the French Commercial Code, to purchase, in one or more times and within the timeframe it determines, a number of ordinary shares of the Company up to a maximum of:

- 10% of the total number of shares comprising the Company's share capital at any given time,
- or 5% of the total number of shares comprising the Company's share capital in the case of shares acquired by the Company with the purpose of holding them for subsequent payment or tender in a merger, spin-off or contribution.

These percentages shall be applied to an adjusted number of shares, as the case may be, after completion of transactions that may affect the share capital after the date of this Meeting. The number of ordinary shares that the Company holds at any given time shall not exceed 10% of total number of shares comprising the capital nor 10% of the total number of existing ordinary shares.

2) Resolve that these ordinary shares may be acquired for the purpose of:

a) optimizing the liquidity of AXA ordinary shares, and notably to foster regular and liquid listings, through a liquidity contract that complies with the AMAFI (*Association française des marchés financiers*) Code of conduct approved by the AMF (*Autorité des marchés financiers*) and agreed to with an investment service provider, in compliance with market practices accepted by the AMF. It is specified that for the purpose of calculating the 10% limit referred to in paragraph 1) of this resolution, the number of such repurchased shares will be equal to the purchased shares minus the shares that would have been resold within the duration of this resolution,

b) (i) hedging stock options offered to some or all employees or corporate officers of the Company and/or affiliated entities or economic interest groups as defined in Article L.225-180 of the French Commercial Code, (ii) granting shares for free, in accordance with legal provisions, to some or all present or former employees, corporate officers and general insurance agents pursuant to the discount and/or contribution within an employee savings plan sponsored by the Company or the AXA Group, (iii) granting shares for free, in connection with the provisions of Articles L.225-197-1 *et seq* of the French Commercial Code, to some or all employees or corporate officers of the Company and/or its affiliated entities or economic interest groups in particular pursuant to Article L.225-197-2 of the French Commercial Code and (iv) assigning shares to some or all present or former employees, corporate officers and general insurance agents of the Company or the AXA Group in connection with the implementation of any employee savings plan complying with the applicable laws and regulations, notably the Articles L.3332-1 *et seq* of the French Labor Code, or all other employee savings plans, as well as carrying out any hedging transaction related to the employee savings plans referred to in (iv),

c) holding shares for the purpose of subsequent payment or exchange in respect of potential external growth acquisitions, in compliance with the market practice accepted by the AMF,

d) delivering shares upon exercise of rights attached to debt instruments giving a claim to the Company's share capital by way of repayment, conversion, exchange, presentation of a warrant or in any other manner,

e) canceling some or all of these shares, provided that the Management Board is duly authorized by the shareholders, under an extraordinary resolution, to reduce the capital through the cancellation of the shares acquired pursuant to a share repurchase program, or,

f) in general, performing all admissible operations, or to be subsequently admitted, by the applicable laws and regulations.

3) Resolve that the maximum purchase price per share shall not exceed €35 excluding expenses (or the equivalent of this amount in any other currency on the same date). However, in the event of transactions concerning the Company's share capital – in particular a modification of the ordinary share's nominal value, a capital increase through capitalization of reserves followed by the issue and the free grant of shares, a split or a regrouping of shares – the Management Board may adjust the maximum purchase price referred to above in order to take into account the impact of such transactions on the share value. For reference purpose only, pursuant to Article R.225-151 of the French Commercial Code, as at February 11, 2010 and without taking into consideration the shares already held, the maximum global amount that may be allocated by the Company to the ordinary shares repurchase program under this resolution would be €8,014,877,745 corresponding to 228,996,507 ordinary shares acquired at the maximal unit price of €35, excluding expenses, determined hereinbefore and on the basis of the share capital as at February 1, 2010.

4) Resolve that the purchase, sale or transfer of these shares may be completed and paid by all appropriate means in accordance with the applicable laws and regulations, including through open market, private or over-the-counter transactions, notably through block trades, by using financial derivatives or warrants or, more generally, securities giving a claim to shares of the Company, or through public offerings introduced by the Company, at such time as the Management Board shall decide.

5) Resolve that, in the event of a public offer on AXA's securities, the Company may carry on the execution of its share repurchase program in accordance with Article 232-15 of the AMF General Regulation provided that (i) the offer to purchase the Company's securities is paid exclusively and entirely in cash and that (ii) the repurchase transactions carried out pursuant to a program in progress are consistent with the objectives mentioned in points b) and d) of paragraph 2) above and are not likely to compromise the success of the offer.

The shareholders hence grant full authority to the Management Board, with the option to sub-delegate authority under legal conditions, to (i) resolve and implement this authorization, (ii) specify, if need be, its terms and conditions in accordance with applicable laws and this resolution, and, in particular (iii) execute all trading orders, enter in agreements, including for the purpose of complying with record-keeping requirements for purchases and sales, file all required disclosures with the AMF or any other similar authority, comply with all formal, legal and other requirements and, as a general matter, take all appropriate measures in connection therewith.

Subject to approval of the fifteenth resolution hereinafter relative to a change in the governance structure of the Company, authorizations and delegations granted to the Management Board pursuant to this resolution will profit to the Board of Directors.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their meeting of April 30, 2009, under the tenth resolution. It is granted for a period of 18 months, starting as of this Meeting.

EXTRAORDINARY RESOLUTIONS

Twelfth resolution

AUTHORIZATION GRANTED TO THE MANAGEMENT BOARD IN ORDER TO INCREASE THE SHARE CAPITAL BY ISSUING ORDINARY SHARES OR SECURITIES GIVING A CLAIM TO THE COMPANY'S ORDINARY SHARES, RESERVED FOR EMPLOYEES ENROLLED IN AN EMPLOYER-SPONSORED SAVINGS PLAN

The shareholders, having fulfilled the quorum and majority requirements pertaining to Extraordinary Shareholders' Meetings, having reviewed the Management Board Report and the Statutory Auditors' Report that have been drawn up in compliance with the law, and in particular with the provisions of Articles L.225-129 *et seq*, L.225-138 I and II and L.225-138-1 of the French Commercial Code, as well as Articles L.3332-1 *et seq* of the French Labor Code,

1) Hereby authorize the Management Board to decide an increase of the share capital, in one or several times, within the timeframe, conditions and proportion it determines at its own discretion, through the issue of ordinary shares or securities giving a claim to the Company's ordinary shares reserved to present or former employees, corporate officers and general insurance agents of the Company or its affiliated entities within the meaning of Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code, who are enrolled in the Company's or the AXA Group's employer-sponsored savings plan(s). The issue of shares might be paid in cash or through the capitalization of reserves, earnings or premiums or in case of free grant of shares or securities giving a claim to the share capital pursuant to the discount and/or the contribution.

   The total nominal amount of capital increases that may be carried out by virtue of this resolution shall not exceed €150 million; it is specified that this limit is common to the capital increases that may be carried out pursuant to the thirteenth resolution. If applicable, the nominal value of additional shares to be issued in order to safeguard the rights of owners of securities or other rights giving a claim to the Company's share capital that can be issued by virtue of this resolution, as required by the law and applicable contractual terms providing for other cases of adjustment, shall be added to this upper limit.

2) Resolve to waive the preferential subscription rights of shareholders in favor of subscribers of an employer-sponsored savings plan, with respect to ordinary shares and securities to be issued, possibly for free, by virtue of this resolution. Furthermore, this resolution entails a waiver by shareholders of their preferential subscription rights on ordinary shares to which the securities issued by virtue of this authorization may give a claim to.

3) Resolve that the issue price of the ordinary shares or securities to be issued by virtue of this resolution will be set in accordance with Articles L.3332-18 *et seq* of the French Labor Code, provided that, pursuant to the above-mentioned Articles, the maximum discount shall not exceed 20% off the average quoted price of the AXA share on Euronext Paris over the twenty trading days preceding the day on which the Management Board formally resolve the opening date of the subscription period. Notwithstanding the above, the shareholders expressly authorize the Management Board to reduce or suppress the aforementioned discount, as it deems appropriate, in particular in order to consider the new international accounting standards, or, *inter alia*, legal, accounting, tax or social provisions applicable in some beneficiaries' country of residence. The Management Board may also replace all or part of the discount by the grant of ordinary shares or securities giving a claim to the Company's capital, in application of the provisions hereinafter.

4) Authorize the Management Board to grant for free ordinary shares or securities giving an immediate or deferred claim to the Company's ordinary shares, provided that the total benefit resulting from the discount and/or contribution may not exceed the applicable legal or regulatory limits.

5) Resolve that the characteristics of any other securities giving a claim to the share capital of the Company shall be determined by the Management Board in accordance with the conditions set forth by applicable laws and regulations.

6) Hereby grant full authority, subject to the limits and conditions stipulated hereinbefore, to the Management Board to determine the terms and conditions of such transactions, in particular to:

   - resolve that the issues may be subscribed directly by beneficiaries or through an *organisme de placement collectif en valeurs mobilières (OPCVM)* mutual fund;
   - reduce, if need be, the scope of companies participating in the offer as compared to the scope of companies eligible for the employer-sponsored savings plan;
   - determine the terms and conditions of the issues to be carried out by virtue of this authorization, in particular as regard to dividend earning, paying up, subscription price of ordinary shares or other securities giving a claim to the capital, in accordance with the applicable laws and regulations;
   - determine the opening and closing dates of the subscription period;
   - set the deadline for paying up of the subscribed ordinary shares or other securities giving a claim to the capital;
   - take all necessary measures in order to safeguard the rights of owners of securities or other rights giving a claim to shares of the Company, in compliance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment;
   - record the completion of the capital increase to be carried out, within the limit of the number of shares or other securities giving a claim to the capital to be subscribed;
   - at its sole discretion and as it deems appropriate, charge the expenses related to the capital increases on the amount of the resulting premiums, and deduct from this amount the sums required to bring the legal reserve to one-tenth of new share capital after each increase;
   - take all necessary measures for the furtherance of the capital increases, undertake all subsequent formalities, in particular for the listing of the securities thereby created, and, in general, take all necessary measures.

The Management Board may delegate, to any person authorized by law, full authority to carry out the share capital increase, as well as the authority to postpone it, to the extent and in accordance with the terms and conditions that it may define beforehand.

Subject to approval of the fifteenth resolution hereinafter relative to a change in the governance structure of the Company, authorizations and delegations granted to the Management Board pursuant to this resolution will profit to the Board of Directors.

This authorization replaces and renders null and void the unused portion of the authorization by the shareholders at their meeting of April 30, 2009 under the twentieth resolution. It is granted for a period of 18 months as of the date of this Meeting.

Thirteenth resolution

AUTHORIZATION GRANTED TO THE MANAGEMENT BOARD IN ORDER TO INCREASE THE SHARE CAPITAL OF THE COMPANY BY ISSUING ORDINARY SHARES, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, IN FAVOR OF A CATEGORY OF BENEFICIARIES

The shareholders, having fulfilled the quorum and majority requirements pertaining to Extraordinary Shareholders' Meetings, having reviewed the Management Board Report and the Statutory Auditors' Report, pursuant to the provisions of Articles L.225-129 *et seq* and L.225-138 of the French Commercial Code,

1) Authorize the Management Board to decide an increase of the share capital, in one or more times, by issuing ordinary shares, within the limit of a nominal amount of €150 million; it is specified that this limit is common to the capital increases that may be carried out pursuant to the twelfth resolution hereinbefore. These issues are reserved to the category of beneficiaries defined hereafter.

2) Decide to waive the preferential subscription rights of shareholders on the shares issued by virtue of this authorization and to reserve the subscription rights to the category of beneficiaries meeting the following characteristics: (i) employees and corporate officers of companies incorporated outside France and affiliated to the Company pursuant to Article L.225-180 of the French Commercial Code and to Articles L.3344-1 and L.3344-2 of the French Labor Code, and/or (ii) *OPCVM* mutual funds or other entities for employee savings plans invested in the Company's securities, whether legal entities or not, in which unit holders or shareholders are persons referred to in point (i) of this paragraph, and/or (iii) a bank or a subsidiary of such bank which, at the request of the Company, participates in the implementation of a structured offer for employees, corporate officers or general agents of entities incorporated outside France and affiliated to the Company within the meaning of Articles L.225-180 of the French Commercial Code and L.3344-1 as well as L.3344-2 of the French Labor Code. This structured offer shall be similar, in terms of economic profile, to the offer for other employees and corporate officers of the Company or its affiliated companies or economic interest groups within the meaning of Article L.225-180 of the French Commercial Code and Articles L.3344-1 and L.3344-2 of the French Labor Code implemented, notably, by virtue of a capital increase carried out pursuant to the twelfth resolution submitted to this Meeting.

3) Decide that the issue price of the new shares to be issued pursuant to this authorization (i) shall not be higher nor more than 20% lower than the average quoted price of the AXA share on Euronext Paris over the twenty trading days preceding the day on which the Management Board sets the opening date of the subscription to a capital increase carried out by virtue of the twelfth resolution, and (ii) shall not be higher nor more than 20% lower than the average quoted price of the AXA share on Euronext Paris over the twenty trading days preceding the day on which the Management Board sets the opening date of the subscription to the capital increase reserved to beneficiaries comprised in the category defined hereinbefore, provided that the structured offer referred to in paragraph 2) (iii) of this resolution would not be established concurrently to a capital increase carried out by virtue of the twelfth resolution. The Management Board may decide to reduce or cancel of any discount so granted, if it deems appropriate, in order to take into account, *inter alia*, legal, accounting, tax or social provisions applicable in some beneficiaries' country of residence.

4) Resolve that the Management Board will have full authority, with the option to sub-delegate authority under legal conditions, to implement and to postpone this resolution, and in particular to:

- set the date and the issue price of the new shares to be issued, as well as the other terms and conditions of the issues, including, the date – even retroactive – on which the shares to be issued will earn dividends, and the terms of payment of the issue price;
- set the list of beneficiaries of the waiver of the preferential subscription rights within the category above defined, and the number of shares to be subscribed by each of them;
- record the amount of the capital increase and amend the Bylaws accordingly;
- charge, if need be, all expenses on the amount of the issue premiums;
- take any measures necessary to the furtherance of the issues;
- undertake all formalities resulting from capital increases and in general, to take all necessary measures.

Subject to approval of the fifteenth resolution hereinafter relative to a change in the governance structure of the Company, authorizations and delegations granted to the Management Board pursuant to this resolution will profit to the Board of Directors.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their meeting on April 30, 2009 under the twenty-first resolution. It is granted for a period of 18 months as of this Meeting.

Fourteenth resolution

AUTHORIZATION GRANTED TO THE MANAGEMENT BOARD IN ORDER TO REDUCE THE SHARE CAPITAL THROUGH THE CANCELLATION OF ORDINARY SHARES

The shareholders, having fulfilled the quorum and majority requirements pertaining to Extraordinary Shareholders' Meetings, and having reviewed the Management Board Report and the

Statutory Auditors' Report, pursuant to Article L.225-209 of the French Commercial Code,

1) Hereby authorize the Management Board to cancel, in one or several times, some or all of the ordinary shares acquired by the Company and/or that the Company may subsequently acquire in connection with any authorization granted by the General Shareholders' Meeting pursuant to the provisions of Article L.225-209 of the French Commercial Code, within the limit of 10% of the Company's share capital for any given 24-month period, and to reduce the Company's share capital accordingly.

2) Resolve that the Management Board will have full authority, with the option to sub-delegate authority under legal conditions, to implement this resolution, and in particular to:

- set the final amount of the capital reduction;
- charge the differential between the book value of the cancelled ordinary shares and their nominal amount on any available reserves accounts and premiums;
- determine the terms and acknowledge the completion of the capital reduction and to amend the Bylaws accordingly;
- and undertake all steps, formalities and disclosures to relevant organizations, and in general, to take all necessary measures.

Subject to approval of the fifteenth resolution hereinafter relative to a change in the governance structure of the Company, authorizations and delegations granted to the Management Board pursuant to this resolution will profit to the Board of Directors.

This authorization replaces and renders null and void the unused portion of the authorization granted by the shareholders at their meeting on April 30, 2009 under the twenty-second resolution. It is granted for a period of 18 months as of this Meeting.

Fifteenth resolution

CHANGE IN THE GOVERNANCE STRUCTURE OF THE COMPANY; AMENDMENTS OF THE BYLAWS ACCORDINGLY; ACKNOWLEDGMENT OF THE CONTINUITY OF AUTHORIZATIONS AND DELEGATIONS GRANTED TO THE MANAGEMENT BOARD IN FAVOR OF THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Extraordinary Shareholders' Meetings, and having reviewed the Management Board Report and the Appendix to the resolutions, hereby resolve to modify the organization of the Company's administration and management through the adoption of a governance structure with a Board of Directors governed by Articles L.225-17 to L.225-56 of the French Commercial Code.

This resolution comes into force as of this General Shareholders' Meeting.

As a consequence of the aforementioned, the shareholders:

- Note that the functions of the members of the Supervisory Board and the Management Board terminate as of this General Shareholders' Meeting;
- Amend accordingly, as of this General Shareholders' Meeting, Articles 1, 2, 4, 6, 9 to 21, 23 and 24 of the Bylaws which amended version appears in the Appendix to the resolutions;
- Acknowledge that this resolution shall not impact the amendments of Bylaws approved by the General Shareholders' Meeting on April 30, 2009 under the twenty-sixth resolution. Such amendments would be fully applicable in the event of a preferred shares issue subject to (i) a new numbering of the Articles of the Bylaws following the amendments required by this fifteenth resolution and appearing in the Appendix and, as the case may be, an adjustment of the numbering of Articles to which other Articles refer to, and (ii) the replacement of the term "shareholders" by the term "Shareholders" in Title III relative to the Board of Directors and in Title IV relative to the Executive Management with the purpose of taking into account the definitions included in the amendments of Bylaws approved by the General Shareholders' Meeting on April 30, 2009 under the twenty-sixth resolution;
- Acknowledge that the authorizations and delegations previously granted to the Management Board pursuant to the resolutions listed hereinafter will profit to the Board of Directors and are restated in its favor, as necessary, for their remaining duration:
  - Twenty-fourth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on May 14, 2007 for a period of 38 months expiring on July 14, 2010 (Authorization granted to the Management Board to freely allot shares to employees of the AXA Group in connection with the execution of the "Ambition 2012" plan),
  - Sixteenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 22, 2008 for a period of 38 months expiring on June 22, 2011 (Authorization granted to the Management Board to allot free shares to employees and eligible corporate officers of the AXA Group),
  - Seventeenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 22, 2008 for a period of 38 months expiring on June 22, 2011 (Authorization granted to the Management Board to allot stock purchase and/or stock subscription options to employees and eligible corporate officers of the AXA Group),
  - Eleventh resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to increase the share capital by means of capitalization of reserves, earnings or premiums),
  - Twelfth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to increase the share capital of the Company by issuing ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, with preferential subscription rights of Shareholders),
  - Thirteenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to increase the share capital by issuing ordinary shares or securities

giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights of Shareholders),

- Fourteenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Authorization granted to the Management Board, in the event of an issue of shares or securities without preferential subscription rights, to set the issue price under the conditions defined by the Shareholders and up to a maximum of 10% of the share capital),
- Fifteenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Authorization granted to the Management Board to increase the amount of the initial issue of shares or securities, with or without preferential subscription rights, decided respectively by virtue of the twelfth to fourteenth and sixteenth to eighteenth resolutions),
- Sixteenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to increase the share capital by issuing ordinary shares or securities giving a claim to the Company's ordinary shares, in the event of a public exchange offer initiated by the Company),
- Seventeenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to increase the share capital by issuing ordinary shares or securities giving a claim to ordinary shares in return for contributions in kind up to a maximum of 10% of the share capital, outside the event of a public exchange offer initiated by the Company),
- Eighteenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to issue ordinary shares as a result of an issue, by subsidiaries of the Company, of securities giving a claim to the Company's ordinary shares),
- Nineteenth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to issue securities that entitle to an allotment of debt instruments, without increase of the Company's share capital),
- Twenty-fourth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to increase the share capital of the Company by issuing preferred shares, with preferential subscription rights of ordinary shareholders),
- Twenty-fifth resolution approved by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2009 for a period of 26 months expiring on June 30, 2011 (Delegation of authority to the Management Board in order to increase the share capital of the Company by issuing preferred shares, without preferential subscription rights of ordinary shareholders);

- Resolve that the financial statements of the fiscal year starting on January 1, 2010 will be closed and submitted pursuant to legal and statutory provisions applicable to public companies *(société anonyme)* with a Board of Directors;
- Grant full authority to the Board of Directors, subject approval of this fifteenth resolution and in the event of a preferred shares issue leading to the amendments of Bylaws approved by the General Shareholders' Meeting on April 30, 2009 under the twenty-sixth resolution, to proceed to (i) a new numbering of the Articles of the Bylaws following the amendments required by this fifteenth resolution and appearing in the Appendix and, as the case may be, an adjustment of the numbering of Articles to which other Articles refer to and (ii) the replacement of the term "shareholders" by the term "Shareholders" in Title III relative to the Board of Directors and in Title IV relative to the Executive Management with the purpose of taking into account the definitions included in the amendments of Bylaws approved by the General Shareholders' Meeting on April 30, 2009 under the twenty-sixth resolution. The Board of Directors may sub-delegate its authority under legal conditions and to undertake of all formalities and filings required in view of the aforementioned amendments of the Bylaws;
- Grant full authority to the Board of Directors, with the option to sub-delegate its authority under legal conditions, to undertake all formalities and filings required in view of the aforementioned amendments of the Bylaws.

Sixteenth resolution

ADDITIONAL AMENDMENTS TO THE BYLAWS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Extraordinary Shareholders' Meetings and having reviewed the Management Board Report, resolve:

- To amend the present provisions of Article 7 of the Bylaws in order to (i) confirm that the crossing of statutory thresholds in capital or voting rights may result of a person acting alone or persons acting jointly, and (ii) specify that the notification period starts from the crossing of the statutory threshold; the shareholders accordingly approve the following amended version of Article 7 of the Bylaws:

  "Article 7 – Shares

  Fully paid up shares may be held in registered form or in bearer form as the holder so chooses, subject to applicable legal and regulatory provisions.

  Shares shall be recorded in accounts under the terms and conditions provided by applicable legal and regulatory provisions.

  Any person, acting alone or jointly, who comes to hold, directly or indirectly through companies it controls within the meaning of Article L.233-3 of the French Commercial Code (Code de commerce), a number of shares representing 0.5% of the Company's share capital or voting rights, shall notify the Company by registered letter with acknowledgment of receipt within five days from the threshold crossing. This notification shall detail the total number of shares and voting rights held *as well as the total number of securities giving a differed claim to the share capital and the potential voting rights attached thereto.*

The notification shall be repeated in the conditions stated above each time an additional fraction of 0.5% of the share capital or voting rights is crossed upward or downward.

In the event of failure to comply with the notification requirements described above, shares exceeding the fraction that should have been notified will be deprived of voting rights at Shareholders' Meetings if, at such meetings, the notification failure has been recorded and if one or more shareholders jointly holding at least 5% of the share capital so request. Loss of voting rights shall be applicable in all Shareholders' Meetings that would be held up until two years following proper notification.

The Company may, at its own expense and at all times as provided by law, request from the central depositary keeping its securities-issue account any information in order to identify holders of the Company's securities giving immediate or differed voting rights in Shareholders' Meetings. The Company may also request information about the number of securities held by each of holders and, as the case may be, the restrictions imposed on the securities."

- To amend the present provisions of Article 8 of the Bylaws in order to include a clause for processing outstanding shares (*clause de traitement des rompus*) so as to facilitate the execution of certain transactions (exchange operations, operations of shares regrouping…); the shareholders accordingly approve the following amended version of Article 8 of the Bylaws:

"Article 8 – Rights attached to shares

Each share automatically entails its holder's approval of the Bylaws and gives the right to vote at Shareholders' Meetings.

The heirs, assignees, trustees or creditors of any shareholder may not, whatever the reason, request division or partition by auction of the Company's shares, assets and properties. Furthermore, they may not intervene in the management of the Company in any manner whatsoever. In order to exercise their rights, they shall refer to the Company's inventories and to the decisions of the General Shareholders' Meetings.

When it is required to hold a certain amount of securities to exercise a given right, holders of isolated securities or holders who do not have the requisite number of securities may not exercise such right unless they personally attend to regroup, purchase or sell, as the case may be, the matching number of outstanding securities."

- Subject to the approval of the aforementioned fifteenth resolution, to remove from the Bylaws Article 10 A 2 relative to the duty for each member of the Board of Directors to hold at least one hundred shares of the Company and to number accordingly the paragraphs of Article 10A;

- To grant full authority to the Management Board or, in case of approval of this fifteenth resolution, to the Board of Directors, with the option to sub-delegate authority under legal conditions, to undertake all formalities and fillings required in view of the aforementioned amendments of the Bylaws.

ORDINARY RESOLUTIONS

Seventeenth resolution

APPOINTMENT OF MR. HENRI DE CASTRIES TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Henri de Castries to the Board of Directors for four years pursuant to Article 10 of the Bylaws. His term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year.

Eighteenth resolution

APPOINTMENT OF MR. DENIS DUVERNE TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Denis Duverne to the Board of Directors for four years pursuant to Article 10 of the Bylaws. His term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year.

Nineteenth resolution

APPOINTMENT OF MR. JACQUES DE CHATEAUVIEUX TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Jacques de Chateauvieux to the Board of Directors for three years. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2013 to approve the financial statements of the preceding fiscal year.

Twentieth resolution

APPOINTMENT OF MR. NORBERT DENTRESSANGLE TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Norbert Dentressangle to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year.

Twenty-first resolution

APPOINTMENT OF MR. JEAN-MARTIN FOLZ TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Jean-Martin Folz to the Board of Directors for one year. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2011 to approve the financial statements of the preceding fiscal year.

Twenty-second resolution

APPOINTMENT OF MR. ANTHONY HAMILTON TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Anthony Hamilton to the Board of Directors for three years. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2013 to approve the financial statements of the preceding fiscal year.

Twenty-third resolution

APPOINTMENT OF MR. FRANÇOIS MARTINEAU TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. François Martineau to the Board of Directors for two years. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2012 to approve the financial statements of the preceding fiscal year.

Twenty-fourth resolution

APPOINTMENT OF MR. GIUSEPPE MUSSARI TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Giuseppe Mussari to the Board of Directors for one year. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2011 to approve the financial statements of the preceding fiscal year.

Twenty-fifth resolution

APPOINTMENT OF MR. RAMON DE OLIVEIRA TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Ramon de Oliveira to the Board of Directors for three years. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2013 to approve the financial statements of the preceding fiscal year.

Twenty-sixth resolution

APPOINTMENT OF MR. MICHEL PÉBEREAU TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Michel Pébereau to the Board of Directors for three years. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2013 to approve the financial statements of the preceding fiscal year.

Twenty-seventh resolution

APPOINTMENT OF MRS. DOMINIQUE REINICHE TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mrs. Dominique Reiniche to the Board of Directors for three years. Pursuant to Article 10 of the Bylaws, this term of office is equal to her remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2013 to approve the financial statements of the preceding fiscal year.

Twenty-eighth resolution

APPOINTMENT OF MR. EZRA SULEIMAN TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mr. Ezra Suleiman to the Board of Directors for one year. Pursuant to Article 10 of the Bylaws, this term of office is equal to his remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2011 to approve the financial statements of the preceding fiscal year.

Twenty-ninth resolution

APPOINTMENT OF MRS. ISABELLE KOCHER TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mrs. Isabelle Kocher to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, her term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year.

Thirtieth resolution

APPOINTMENT OF MRS. SUET-FERN LEE TO THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby appoint Mrs. Suet-Fern Lee to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, her term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year.

Thirty-first resolution

APPOINTMENT OF MS. WENDY COOPER TO THE BOARD OF DIRECTORS UPON PROPOSAL OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure,

- Hereby appoint Ms. Wendy Cooper to the Board of Directors for two years. Pursuant to Article 10 of the Bylaws, this term of office is equal to her remaining term of office as member of the Supervisory Board and will expire at the end of the General Shareholders' Meeting convened in 2012 to approve the financial statements of the preceding fiscal year;
- Resolve that (i) if several of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, the resolution receiving the highest number of votes "in favor" shall be considered as the sole resolution adopted and the other resolutions would accordingly be deemed rejected by this General Shareholders' Meeting; and that (ii) if none of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, no candidate nominated by the employee shareholders shall be appointed to the Board of Directors by the General Shareholders' Meeting.

Thirty-second resolution (not approved by the Management Board)

APPOINTMENT OF MR. JOHN COULTRAP TO THE BOARD OF DIRECTORS UPON PROPOSAL OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure,

- Hereby appoint Mr. John Coultrap as member to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, his term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year;
- Resolve that (i) if several of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, the resolution receiving the highest number of votes "in favor" shall be considered as the sole resolution adopted and the other resolutions would accordingly be deemed rejected by this General Shareholders' Meeting; and that (ii) if none of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, no candidate nominated by the employee shareholders shall be appointed to the Board of Directors by the General Shareholders' Meeting.

Thirty-third resolution (not approved by the Management Board)

APPOINTMENT OF MR. PAUL GEIERSBACH TO THE BOARD OF DIRECTORS UPON PROPOSAL OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure,

- Hereby appoint Mr. Paul Geiersbach as member to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, his term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year;
- Resolve that (i) if several of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, the resolution receiving the highest number of votes "in favor" shall be considered as the sole resolution adopted and the other resolutions would accordingly be deemed rejected by this General Shareholders' Meeting; and that (ii) if none of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, no candidate nominated by the employee shareholders shall be appointed to the Board of Directors by the General Shareholders' Meeting.

Thirty-fourth resolution (not approved by the Management Board)

APPOINTMENT OF MR. SÉBASTIEN HERZOG TO THE BOARD OF DIRECTORS UPON PROPOSAL OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure,

- Hereby appoint Mr. Sébastien Herzog as member to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, his term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year;
- Resolve that (i) if several of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, the resolution receiving the highest number of votes "in favor" shall be considered as the sole resolution adopted and the other resolutions would accordingly be deemed rejected by this General Shareholders' Meeting; and that (ii) if none of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, no candidate nominated by the employee shareholders shall be appointed to the Board of Directors by the General Shareholders' Meeting.

Thirty-fifth resolution (not approved by the Management Board)

APPOINTMENT OF MR. RODNEY KOCH TO THE BOARD OF DIRECTORS UPON PROPOSAL OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure,

- Hereby appoint Mr. Rodney Koch as member to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, his term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year;
- Resolve that (i) if several of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, the resolution receiving the highest number of votes "in favor" shall be considered as the sole resolution adopted and the other resolutions would accordingly be deemed rejected by this General Shareholders' Meeting; and that (ii) if none of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, no candidate nominated by the employee shareholders shall be appointed to the Board of Directors by the General Shareholders' Meeting.

Thirty-sixth resolution (not approved by the Management Board)

APPOINTMENT OF MR. JASON STEINBERG TO THE BOARD OF DIRECTORS UPON PROPOSAL OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, having reviewed the Management Board Report and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure,

- Hereby appoint Mr. Jason Steinberg as member to the Board of Directors for four years. Pursuant to Article 10 of the Bylaws, his term of office will expire at the end of the General Shareholders' Meeting convened in 2014 to approve the financial statements of the preceding fiscal year;
- Resolve that (i) if several of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, the resolution receiving the highest number of votes "in favor" shall be considered as the sole resolution adopted and the other resolutions would accordingly be deemed rejected by this General Shareholders' Meeting; and that (ii) if none of the 31st to 36th resolutions receive a number of votes "in favor" superior to the majority of voting rights held by attending or represented shareholders, no candidate nominated by the employee shareholders shall be appointed to the Board of Directors by the General Shareholders' Meeting.

Thirty-seventh resolution

SETTING OF THE ANNUAL AMOUNT OF DIRECTORS' FEES ALLOCATED TO MEMBERS OF THE BOARD OF DIRECTORS

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings and subject to the approval of the fifteenth resolution hereinbefore relative to the change in the Company's governance structure, hereby set the annual amount of directors' fees to be allocated to the Board of Directors at €1,200,000 until it is otherwise resolved.

Thirty-eighth resolution

AUTHORIZATION TO COMPLY WITH ALL FORMAL REQUIREMENTS IN CONNECTION WITH THIS MEETING

The shareholders, having fulfilled the quorum and majority requirements pertaining to Ordinary Shareholders' Meetings, hereby grant full authority to the bearer of an original, an extract or a copy of these minutes to comply with all formal publications, filings and other requirements and, in general, to take all necessary measures.

APPENDIX TO THE RESOLUTIONS: AMENDMENTS OF THE BYLAWS RELATED TO THE FIFTEENTH RESOLUTION

TITLE I
STRUCTURE – NAME – PURPOSE – OFFICE – TERM

Article 1 – Corporate structure

The Company is a public company identified as *société anonyme* under French law.

It is governed by existing and future legal and regulatory provisions, as applicable, and by these Bylaws.

Article 2 – Corporate name

The name of the Company is: AXA

Any instruments or documents intended for third parties shall contain the name of the Company, immediately preceded or followed by the words *"société anonyme"* or by the initials "S.A.", the amount of the Company's share capital, the place of incorporation and the registration number of the Company at the Trade and Company Register.

Article 3 – Corporate purpose

[Article not amended by the 15th resolution]

Article 4 – Registered office

The registered office of the Company is located in Paris (75008) – France at 25, avenue Matignon.

It may be transferred to any location within the same department or an adjoining department, upon decision by the Board of Directors and subject to ratification by the shareholders at their very next Ordinary General Meeting. The registered office may also be transferred to any other location as resolved by an Extraordinary Shareholders' Meeting.

Article 5 – Term of the Company

[Article not amended by the 15th resolution]

TITLE II
SHARE CAPITAL – SHARES

Article 6 – Share capital

The share capital of the Company amounts to €5,244,020,030.91 and is divided into 2,289,965,079 fully paid up shares.

Article 7 – Shares

[Article not amended by the 15th resolution]

Article 8 – Rights attached to shares

[Article not amended by the 15th resolution]

Article 9 – Paying up of shares

In the event of a capital increase, the shares may be paid up, upon decision of the General Shareholders' Meeting or of the Board of Directors if it has been authorized to decide so, either in their entirety or for a fraction that may not be less than a quarter of the capital increase's nominal value. In such case of fractional paying up, the outstanding unpaid amount may be called in one or more times in accordance with applicable laws.

Subscribers and shareholders shall be informed of the installment for the unpaid fraction at least fifteen days before the date set for such installment, either via legal notice published in a legal journal within the department of the registered office or via individual letter sent by registered mail under the same deadline.

Any delay in due installments shall automatically entail interests at the legal rate in force plus two points per day into arrears without prior legal action or formal notice being necessary, and without regard to extra time distance may require.

In addition, the Company may take all legal actions to cause the execution and sale of unpaid up shares in due time as provided by law. It may also bring common civil suits against concerned shareholders and their guarantors before, after, or during the sale.

TITLE III
BOARD OF DIRECTORS

Article 10 – Composition of the Board of Directors

A - Appointment

1. The Company shall be administered by a Board of Directors. The number of directors shall not be less than three and not more than eighteen.

   Members of the Board of Directors shall be appointed by a majority of the votes cast at an Ordinary Shareholders' Meeting.

   In the event of one or more vacancies, the Board of Directors may appoint temporary members before the next General Shareholders' Meeting.

   Temporary appointments made by the Board of Directors are subject to ratification by the next Ordinary Shareholders' Meeting. A member appointed to replace another shall stay in office only for the remaining term of his/her predecessor.

2. Each member of the Board of Directors must own at least one hundred shares during his/her term of office.

3. Members of the Board of Directors shall be appointed for a four-year term of office that may be renewed. The duties of a director terminate at the end of the Ordinary Shareholders' Meeting convened to approve the Company's financial statements for the preceding fiscal year and held in the year during which his/her term of office expires. Notwithstanding the above, in order to provide for a staggered renewal of the Board, the members of the first Board of Directors who would have served as members of the Supervisory Board of the Company under its former governance structure until April 29, 2010, and who would have been appointed as directors by the Ordinary Shareholders' Meeting, would serve as directors for a duration equal to the remaining duration of their term of office as Supervisory Board's member, i.e. one, two, three or four years.

   In the event the Board of Directors was to be replaced in its entirety, half of the members, rounded to the nearest lower number if need be, would have a two-year term of office. The other members would have a four-year term of office. An order of exit shall be determined by random-drawing performed during a Board meeting.

4. An individual aged seventy or older may be appointed or reappointed to the Board of Directors exclusively for a two-year term of office. His/her term of office can be renewed.

   When the number of Board members aged seventy or older exceed one-third of the directors in office, the eldest director is deemed to have resigned automatically unless any member of the Board of Directors aged seventy or older voluntarily resigns within three months.

   When the permanent representative of a legal entity member of the Board of Directors reaches seventy-year old, the legal entity is deemed to have resigned automatically unless it designates a new representative within three months.

B - Dismissal

Members of the Board of Directors may be dismissed at any time upon decision of the Ordinary Shareholder's Meeting.

C - Appointment of an employee shareholder representative to the Board of Directors

1. Subject to legal conditions being met, a member of the Board of Directors who represents employee shareholders shall be appointed by the Ordinary Shareholders' Meeting in accordance with applicable regulations and these Bylaws.
2. The duration of the employee shareholder representative's term of office is specified in Article 10 A above. Notwithstanding the foregoing, if the employee shareholder representative ceases to be employed by the Company, a company or an inter-company partnership affiliated with AXA within the meaning of Article L.225-180 of the French Commercial Code, the term of office will end and he/she will be deemed to have resigned automatically.
3. Candidates for the employee shareholder representative seat on the Board of Directors shall be nominated according to the procedures set forth below:
   a) If the voting rights attached to shares held by the employees are exercised on their behalf by the members of the supervisory board of a mutual fund, this board may nominate two candidates at most.

      If there are several mutual funds, the Executive Management may regroup on the one hand the supervisory boards of funds that hold the assets of AXA employee shareholders in France, and, on the other hand the supervisory boards of funds that hold the assets of AXA employee shareholders in countries other than France. Each grouping of funds may nominate two candidates at most.
   b) If the voting rights attached to shares held by employees, even via a mutual fund, are directly exercised by the employees, the candidates for the seat on the Board of Directors shall be appointed in the conditions described below.

      The consultation of employee shareholders may be carried out using any technical mean that guarantees reliability of vote, including by way of electronic or mail voting. Each employee has as many votes as shares held, either directly or indirectly, including via units held in a mutual fund with individual exercise of voting rights.

      The candidates having received more than 2% of the votes cast in the consultation of employee shareholders shall be submitted to a vote at the General Shareholders' Meeting.
   c) Any candidate must stand with a substitute. The substitute shall replace the candidate with who he/she has been appointed following the procedures described in paragraphs 3.a) and 3.b) above when the candidate definitely terminates his/her term of office. In this case, the substitute will replace the candidate for the remaining duration of his/her term of office, subject to an appointment by the Ordinary Shareholders' Meeting.
4. With respect to paragraph 3.a) above, the Executive Management shall, prior to the Ordinary Shareholders' Meeting, formally request that the supervisory boards of the relevant mutual funds nominate one or several candidates.

   With respect to paragraph 3.b) above, the Executive Management shall, prior to the Ordinary Shareholders' Meeting, determine the procedures for consulting employee shareholders who directly exercise their voting rights in order to appoint one or several candidates.
5. Unless otherwise specified by applicable laws and regulations or these Bylaws, the Executive Management shall determine the terms and conditions for the nomination of the candidates and their respective substitutes. This includes the conditions pertaining to the timetable of nomination.

   The Chairman of the Board of Directors shall determine the terms and conditions for the appointment of authorized representatives of employee shareholders at the Ordinary Shareholders' Meeting.
6. For each of the procedures described in paragraphs 3.a) and 3.b), minutes of the proceedings, stating the number of votes cast for each candidate, as well as a list of all duly nominated candidates shall be drawn up.

   The list of candidates shall appear in the notice of the General Shareholders' Meeting convened to appoint the member of the Board of Directors representing the employee shareholders.

7. The member of the Board of Directors representing the employee shareholders shall be appointed by the Ordinary Shareholders' Meeting in accordance with the same quorum and majority requirements pertaining to the appointment of any member of the Board of Directors.

This member of the Board of Directors shall not be taken into account when determining the minimum and maximum numbers of Board members pursuant to Article L.225-17 of the French Commercial Code.

8. In the event of definitive termination, in the course of his/her term of office, of the employee shareholders representative's functions to the Board of Directors, the appointment of his/her substitute shall be submitted to the approval of the very next Ordinary Shareholders' Meeting. The substitute is appointed for the remaining term of office of the Board member he/she replaces. In the event of the substitute's definitive incapacity, the nomination of the candidates for the seat on the Board of Directors shall follow the same procedures as those indicated hereinabove, at the latest prior the very next Ordinary Shareholders' Meeting or, if this meeting is held less than four months from the vacancy, prior to the following Ordinary Shareholders' Meeting. The new employee shareholders representative to the Board of Directors shall be appointed to serve a four-year term of office.

In the period of time leading up to the appointment of the employee shareholders representative to the Board of Directors, the Board may continue to hold meetings and conduct business as usual.

9. When the report annually submitted by the Board of Directors to the Shareholders' Meeting pursuant to Article L.225-102 of the French Commercial Code reveals that the percentage of the Company's share capital held by the employee shareholders has fallen below 3% of the total share capital, the term of office of the employee shareholder representative to the Board of Directors shall terminate at the end of such Meeting.

Article 11 – Chairman of the Board of Directors – *Bureau* of the Board of Directors

1. The Board of Directors appoints, among its members who are individual persons, a Chairman. His/her term of office shall not exceed that of his/her term of office as director. The Chairman can be reappointed.

2. Notwithstanding the term of office for which the Chairman is appointed, his/her functions shall terminate, at the latest, at the end of the Ordinary Shareholders' Meeting convened to approve the financial statements of the preceding fiscal year and held during the year the Chairman reaches the age of seventy.

3. The Chairman shall exercise the assignments and powers vested by law. He/she chairs over the meetings of the Board, organizes and directs its works and reports to the General Shareholders' Meeting. He/she ensures the correct functioning of the Company's corporate bodies, and in particular the ability of the directors to carry out their duties. He/she chairs the General Shareholders' Meetings and draws up the reports required by law.

4. The Board of Directors may appoint, among its members who are individuals, a Vice-Chairman whose term of office shall not exceed that of his/her term of office as director. The Vice-Chairman shall replace the Chairman in the event of temporary incapacity or death. In case of temporary incapacity, the replacement runs for the duration of the incapacity; in case of death, it runs until a new Chairman is appointed.

Notwithstanding the above, the appointment of a Vice-Chairman is compulsory when the same person combines the roles of Chairman of the Board of Directors and Chief Executive Officer.

5. The Board of Directors shall determine the compensation of the Chairman.

6. The Board of Directors appoints a secretary, possibly outside its membership. The Chairman, the Vice-Chairman and the secretary compose the *bureau*.

7. The Chairman, the Vice-Chairman and the secretary may be dismissed at any time by the Board of Directors.

Article 12 – Assignments and powers of the Board of Directors

1. The Board of Directors shall exercise the powers vested by law. In particular, it determines the orientations of the Company's activities and ensures their implementation. Notwithstanding the powers specifically assigned to the Shareholders' Meetings by law, and within the limit of the Company's purpose, the Board shall consider any question related to the proper functioning of the Company and take all appropriate decisions for its business.

The Board of Directors shall undertake all controls and verifications it deems appropriate.

2. The Board of Directors may set up one or more special committees within its own membership. The Board of Directors determines their composition and assignments. The special committees perform their assigned tasks under the supervision of the Board.

3. The Board of Directors may allow the Chief Executive Officer to grant guarantees, endorsements and warrantees, on behalf of the Company, up a global amount the Board sets.

4. The Board of Directors may entrust one or several directors or any person chosen outside its membership with special temporary or permanent assignments it determines.

5. The Board of Directors defines its own Rules of Procedure.

Article 13 – Convening of the Board of Directors

1. The Board of Directors shall meet as often as the interests of the Company so require, upon notice of its Chairman, at the registered office or any other location. Members of the Board of Directors are convened by all available means, including orally.

In the event of temporary incapacity or death of the Chairman, the Vice-Chairman may convene the Board of Directors.

2. The Vice-Chairman, the Chief Executive Officer or at least one-third of the directors may request the Chairman to convene the Board on a specific agenda.

The Chairman is bound to comply with these requests.

Article 14 – Meetings of the Board of Directors

1. The decisions of the Board of Directors shall be valid only if at least one-half of its members are attending or deemed attending the meeting.

   In all cases, decisions shall be adopted by a majority vote of the attending or represented members. If the votes equal, the chairman of the meeting will have a casting vote.

2. In accordance with and subject to legal provisions, meetings of the Board of Directors via videoconference or all other telecommunication means are valid.

   In order to determine the quorum and the majority, directors participating to the meeting via videoconference or telecommunication means, compliant with applicable regulations, are deemed attending the meeting, unless otherwise provided by law.

3. A member of the Board of Directors may appoint, in writing, another member of the Board as proxy for a meeting of the Board.

   A member of the Board of Directors may not be appointed as proxy more than once for the same meeting.

   The provisions of the above two paragraphs also apply to permanent representatives of legal entities.

4. Meetings shall be chaired by the Chairman of the Board of Directors, or, as the case may be, by the Vice-Chairman or any other director appointed by the Board.

5. Members of the Board of Directors, as well as any person attending the meetings of the Board, are bound to confidentiality with respect to discussions held during Board meetings as well as to information that is confidential or presented as such by the Chairman of the Board of Directors.

6. An attendance register shall be kept and signed by the directors attending a meeting of the Board. The register shall indicate, as the case may be, the name of the directors who attend the meeting via videoconference or telecommunication means.

7. The minutes recording the deliberations of the Board of Directors shall be signed by the chairman of the meeting and one director, or, in the event of the chairman's incapacity, by at least two directors.

   These minutes include the statements required by applicable regulations as well as, if necessary, the indication of any technical problem with the videoconference or telecommunication mean if it interfered with the course of the meeting.

Article 15 – Compensation of members of the Board of Directors

1. Members of the Board of Directors shall receive a fixed annual compensation which global amount is determined by the Ordinary Shareholders' Meeting and remains effective until otherwise provided. The Board of Directors determines the allocation of directors' fees among its members.

2. The Board may also compensate its members for the performance of special tasks or assignments it has entrusted them, under the conditions provided by law.

Article 16 – Non-voting members *(Censeurs)*

1. Upon proposal of the Chairman, the Board of Directors may appoint, for a period it deems appropriate, non-voting members (*censeurs*) up to a maximum of four individuals or permanent representatives of legal entities. The non-voting members may be selected among or outside the shareholders. They are convened to all meetings of the Board of Directors and take part in the deliberations but shall not have a voting right.

2. The Board of Directors determines their role as well as the terms and conditions of their compensation.

3. Non-voting members shall not replace members of the Board of Directors. They may issue opinions that are communicated to the Board of Directors.

TITLE IV
EXECUTIVE MANAGEMENT

Article 17 – Organization of the Executive Management

1. In accordance with applicable laws, the Executive Management of the Company shall be assumed either by the Chairman of the Board of Directors or by the Chief Executive Officer who is an individual appointed by the Board of Directors.

   The Board of Directors shall choose one of these two forms of Executive Management in accordance with the quorum and majority conditions provided for in Article 14 of these Bylaws. This choice shall remain valid until the Board of Directors otherwise decides under the same conditions. Shareholders and third persons shall be informed of this choice pursuant to applicable legal and regulatory provisions.

2. When the Executive Management of the Company is assumed by the Chairman of the Board of Directors, he/she is called Chairman and Chief Executive Officer *(Président Directeur Général)* and is subject to the applicable legal provisions relating to the Chief Executive Officer. In this case, pursuant to Article 11 4 of the Bylaws, the appointment of a Vice-Chairman by the Board of Directors will be compulsory.

   When the Board of Directors chooses to part the roles of Chairman and Chief Executive Officer, it shall appoint a Chief Executive Officer, among or outside the directors, determine his/her term of office and, as the case may be, impose limitations on his/her powers.

Article 18 – Chief Executive Officer

1. Notwithstanding the term of office for which the Chief Executive Officer is appointed, his/her functions shall terminate at the latest at the end of the Ordinary Shareholders' Meeting convened to approve the financial statements of the preceding fiscal year and held during the year the Chief Executive Officer reaches the age of sixty-five.

   The Chief Executive Officer may be reappointed.

2. The Chief Executive Officer may be dismissed at any time by the Board of Directors. In the case the Chief Executive Officer does not assume the role of Chairman of the Board,

dismissal without cause may give rise to compensatory damages.

3. The Chief Executive Officer is vested with the broadest powers to act on behalf of the Company. He/she exercises these powers within the scope of the corporate purpose, and subject to the powers expressly assigned by law to the Shareholders' Meetings and to the Board of Directors. The Chief Executive Officer shall represent the Company *vis-à-vis* third parties.

   The Board of Director determines which decisions of the Chief Executive Officer shall be subject to prior authorization by the Board.

Article 19 – Deputy Chief Executive Officers

1. The Board of Directors may, upon proposal of the Chief Executive Officer, whether such role is held by the Chairman of the Board of Directors or by another individual, appoint one or several individuals to assist the Chief Executive Officer for a duration set by the Board. These individuals are called Deputy Chief Executive Officers.

   No more than two Deputy Chief Executive Officers may be appointed.

2. Notwithstanding the term of office for which a Deputy Chief Executive Officer is appointed, his/her functions shall terminate at the latest at the end of the Ordinary Shareholders' Meeting convened to approved the financial statements of the preceding fiscal year and held during the year the Deputy Chief Executive Officer reaches the age of sixty-five.

   The Deputy Chief Executive Officer may be reappointed.

   Unless the Board of Directors otherwise decides, in the event of temporary incapacity or death of the Chief Executive Officer, the Deputy Chief Executive Officer remains in office until appointment of a new Chief Executive Officer.

3. The Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors, upon proposal of the Chief Executive Officer. Dismissal without cause may give rise to compensatory damages.

4. The Board of Directors, upon agreement with the Chief Executive Officer, shall determine the scope and duration of powers vested to the Deputy Chief Executive Officers.

   The Deputy Chief Executive Officers shall have the same powers as the Chief Executive Officer *vis-à-vis* third parties.

Article 20 – Compensation of the Chief Executive Officer and the Deputy Chief Executive Officers

The compensation of the Chief Executive Officer and the Deputy Chief Executive Officers shall be determined by the Board of Directors.

Article 21 – Regulated agreements

Any agreement that is entered into, either directly or through another person, between the Company and a member of its Board of Directors, its Chief Executive Officer, one of its Deputy Chief Executive Officers or a shareholder holding a percentage of the voting power above the applicable threshold (if such shareholder is a legal entity, the company that controls it within the meaning of Article L.233-3 of the French Commercial Code) must be submitted to the prior approval of the Board of Directors.

The same procedure shall stands for agreements in which one of the persons mentioned in the preceding paragraph has an indirect interest, as well as agreements entered into between the Company and another company, if a director, the Chief Executive Officer or a Deputy Chief Executive Officer of the Company has an ownership interest in the latter; is an unlimited partner, manager or trustee; is a member of its supervisory board; or, in general, is a director and/or officer therein.

The foregoing provisions do not apply to agreements for ongoing business operations conducted in an usual way. However, the existence of such agreements shall be disclosed by the interested person to the Chairman of the Board of Directors, except for agreements which purpose or financial commitments have no material significance for any party. The list of agreements and their purpose shall in turn be disclosed by the Chairman to the members of the Board of Directors and to the Statutory Auditors of the Company.

TITLE V
STATUTORY AUDITORS

Article 22 – Statutory Auditors

[Article not amended by the 15th resolution]

TITLE VI
GENERAL SHAREHOLDERS' MEETINGS

Article 23 – Shareholders' Meetings

Shareholders are convened by the Board of Directors to attend General Shareholders' Meetings according to the terms and conditions provided for by law.

The shareholders meet and deliberate in accordance with the applicable legislation. In particular, any shareholder may vote at Shareholders' Meetings via videoconference or telecommunication means allowing the identification of shareholders, in the conditions provided for by law and subject to the approval by the Board of Directors published in the notice of meeting.

Any shareholder may attend such meetings either in person or by proxy upon proofs of identity and holding of shares under the terms and conditions set by applicable laws and regulations.

Shareholders may vote by mail in accordance with applicable legal and regulatory provisions. In particular, any shareholder may give proxy and mail voting forms prior to meetings of shareholders either in paper or in electronic form, subject to approval by the Board of Directors published in the notice of meeting.

The online completion and signature of these forms could be done directly on the secured website that has been set up to centralize the management of Shareholders' Meetings, via a secure username (log-in) and password system, compliant with the first sentence of the second point of Article 1316-4 of the French Civil Code *(Code civil)*, if the Board of Directors so decides at the time of the notice of meeting. The proxy or voting forms completed electronically prior to the meeting, as well as the acknowledgement of receipt that will be given in reply, will be considered as irrevocable and opposable written proofs. Notwithstanding the foregoing, in the event shares are sold or otherwise legally transferred before the third business day preceding the Shareholders' Meeting at 0.00 am Paris time, the Company shall invalidate or modify accordingly, as the case may be, the proxy or voting form completed online prior to the meeting.

Each member of the Shareholders' Meeting has as many voting rights as the number of shares he/she holds or represents. However, recorded shareholders of fully paid up registered shares held at least for two years at the end of the fiscal year preceding the meeting date shall have double voting right for one share. In the event of a capital increase by capitalization of reserves, earnings, issue or merger premiums, the registered shares granted for free to a shareholder shall immediately entail double voting right, upon their issue, if the corresponding shares already held the shareholder allowed him/her to exercise double voting rights.

Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by a director specifically appointed by the Board. If not, shareholders shall themselves appoint a chairman of the meeting.

Minutes of the meetings are drawn-up and true copies are certified and delivered as required by law.

TITLE VII FISCAL YEAR

Article 24 – Company and consolidated financial statement

The fiscal year is a twelve-month period starting January 1 and ending December 31.

At the end of the fiscal year, the Board of Directors shall provide for an income statement, a balance sheet as well as their complementary annex. It also draws a management report. The Board of Directors provides for the consolidated financial statement of the Group.

a) Company financial statements

Amounts required by law to be set aside as reserves are first deducted from each year's income, reduced by previous losses as the case may be.

Income available for appropriation represents the Company's earnings for the fiscal year, reduced by any previous loss and amounts to be set aside as reserves pursuant to the law or the Bylaws, and increased by previous retained earnings.

Shareholders may decide to withhold from this income any amount they deem appropriate for allocation to optional, ordinary or extraordinary reserves, or to carry them forward as retained earnings.

The outstanding balance shall be distributed as dividend among the Company's shares in proportion to their fully paid up and unamortized nominal value.

The Board of Directors determines when, where and how dividends are to be paid.

The Board of Directors may decide to make one or more interim dividends distribution under the terms and conditions provided by law.

The Shareholders' Meeting convened to approve the Company's financial statements for a fiscal year has the power to give the shareholders an alternative between payment in cash or in shares for all or part of the dividend distribution.

b) Consolidated financial statements

The Board of Directors shall submit the consolidated financial statements to the approval of the Shareholders' Meeting at the same time it submits the Company financial statements and its report. The Shareholders' Meeting shall deliberate on and resolve all issues relating to the consolidated financial statements for the previous fiscal year ended.

TITLE VIII DISSOLUTION

Article 25 – Dissolution

[Article not amended by the 15th resolution]

TITLE IX DISPUTE

Article 26 - Dispute

[Article not amended by the 15th resolution]

Information concerning the candidates to the AXA's Board of Directors

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Henri de Castries

PRINCIPAL FUNCTION

Chairman of the AXA Management Board

Born on August 15, 1954

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 1,487,681

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Henri de Castries is a graduate of the *École des Hautes Études Commerciales* (HEC) and obtained a law degree before completing preparatory studies at the *École Nationale d'Administration* (ENA). After graduating from ENA, Mr. de Castries began his career with the French Finance Ministry Inspection Office. Mr. de Castries joined AXA's Corporate Finance Department on September 1, 1989. He was appointed Corporate Secretary in 1991 and Senior Executive Vice-President for the Group's asset management, financial and real-estate businesses in 1993. In 1997, Mr. de Castries was appointed Chairman of The Equitable Companies Incorporated (now AXA Financial, Inc.). Mr. de Castries has been Chairman of the AXA Management Board since May 2000.

Positions currently held in the AXA Group

AXA, *Chairman of the Management Board*

Chairman of the Board of Directors:

- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle
- AXA Financial, Inc. (United States)

Director:

- AXA France IARD
- AXA France Vie
- AXA Belgium SA (Belgium)
- AXA Holdings Belgium (Belgium)
- AXA UK plc (United Kingdom)
- AllianceBernstein Corporation (United States)
- AXA Equitable Life Insurance Company (United States)
- AXA America Holdings, Inc. (United States)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

Previous directorships held during the last five years

AXA Courtage Assurance Mutuelle, *Chairman of the Board of Directors*

FINAXA, *Vice-Chairman of the Board of Directors*

AXA Konzern AG (Germany), *Member of the Supervisory Board*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Denis Duverne

PRINCIPAL FUNCTION

Member of the AXA Management Board, in charge of Finance, Strategy and Operations

Born on October 31, 1953

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 666,086

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Denis Duverne is a graduate of the *École des Hautes Études Commerciales* (HEC). After graduating from the *École Nationale d'Administration* (ENA), he started his career in 1984 as commercial counselor for the French Consulate General in New York before becoming director of the Corporate Taxes Department for the French Ministry of Finance in 1986. In 1988, he became Deputy Assistant Secretary for Tax Policy for the French Ministry of Finance and, in 1991, he was appointed Corporate Secretary of Compagnie Financière IBI. In 1992, he became a member of the Executive Committee of Banque Colbert, in charge of operations. In 1995, Mr. Denis Duverne joined the AXA Group and assumed responsibility for supervision of AXA's operations in the US and the UK and managed the reorganization of AXA companies in Belgium and the United Kingdom. Since February 2003, Mr. Denis Duverne has been a member of the AXA Management Board. From February 2003 until December 2009, Mr. Duverne was the Management Board member in charge of Finance, Control and Strategy. Since January 2010, Mr. Duverne assumes broader responsibilities as Management Board member in charge of Finance, Stragegy and Operations.

Positions currently held in the AXA Group

AXA, *Member of the Management Board*

AXA America Holdings, Inc. (United States), *Chairman and Chief Executive Officer*

Director or member of the Management Committee:

- AXA France IARD
- AXA France Vie
- AXA Millésimes (SAS)
- AXA Belgium SA (Belgium)
- AXA Holdings Belgium (Belgium)
- AXA Assicurazioni S.p.A. (Italy)
- AXA Italia S.p.A. (Italy)
- AXA MPS Assicurazioni Vita S.p.A. (Italy)
- AXA MPS Assicurazioni Danni S.p.A. (Italy)
- AXA UK plc (United Kingdom)
- AXA Financial, Inc. (United States)
- AXA Equitable Life Insurance Company (United States)
- AllianceBernstein Corporation (United States)
- MONY Life Insurance Company (United States)
- MONY Life Insurance Company of America (United States)

Previous directorships held during the last five years

None

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Jacques de Chateauvieux

PRINCIPAL FUNCTION

Chairman of the AXA Supervisory Board

Chairman and Chief Executive Officer of BOURBON

Born on February 13, 1951

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held on December 31, 2009: 17,270

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Jacques de Chateauvieux is a graduate of the *Institut Supérieur de Gestion* (Paris) and of Columbia University (New York). In 1975, he joined l'*Union des Transports Aériens* as a management auditor. From 1977 to 1979, he worked as a consultant for the Boston Consulting Group (BCG). Since 1979, Mr. Jacques de Chateauvieux has been Chairman and Chief Executive Officer of BOURBON. From 1989 to 2001, he developed BOURBON into an international conglomerate and then listed the Company on the Paris Stock Exchange in 1998. From 2001, he has refocused BOURBON's strategy on making it a world leader in offshore oil and marine services. Mr. Jacques de Chateauvieux has been a member of the AXA Supervisory Board since 2005 and became Chairman of the Board in April 2008.

Directorships currently held

Chairman and Chief Executive Officer:

- BOURBON
- JACCAR

AXA, *Chairman of the Supervisory Board*

JACCAR HOLDINGS (Luxembourg), *Chairman and Managing Director*

SAPMER, *Chairman of the Board of Directors*

SINOPACIFIC Shipbuilding Group (China), *director*

Previous directorships held during the last five years

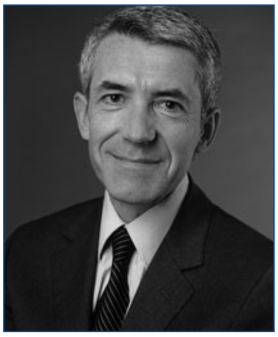
CBo Territoria, *Chairman of the Board of Directors*

Chairman:

- Vindemia S.A.S.
- Antenne Réunion Télévision

INNODIS (Mauritius), *director*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS



Norbert Dentressangle

PRINCIPAL FUNCTION

Chairman of Financière de Cuzieu (SAS)

Born on July 9, 1954

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 8,517

AS OF DECEMBER 31, 2009

Expertise and experience

In 1979, Mr. Norbert Dentressangle founded the Norbert Dentressangle Group, a transportation and logistics services specialist, and served as its Chairman until 1998. He is currently Chairman of the Supervisory Board. Mr. Norbert Dentressangle has also been, since its creation in 1988, Chairman of Financière Norbert Dentressangle, the family-owned holding company which, in addition to a majority stake in Groupe Norbert Dentressangle, also holds equity interests in real estate, industrial and business services firms. Mr. Norbert Dentressangle has been Vice-Chairman of the AXA Supervisory Board since April 2008.

Directorships currently held

Financière de Cuzieu (SAS), *Chairman*

Financière Norbert Dentressangle (SAS), *Chairman*

Groupe Norbert Dentressangle, *Chairman of the Supervisory Board*

ND Investissements (SAS), *Chairman*

SOFADE (SAS), *Chief Executive Officer*

Versailles Richaud ND (SARL), *co-manager*

Director or member of the Supervisory Board:

- AXA
- SEB
- SOGEBAIL

Previous directorships held during the last five years

FINAIXAM, *Member of the Supervisory Board*

Financière Egnatia, *permanent representative of the company Financière Norbert Dentressangle to the Board of Directors*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Jean-Martin Folz

PRINCIPAL FUNCTION

Chairman of the AFEP (*Association Française des Entreprises Privées*) (until march 2010)

Born on January 11, 1947

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held on December 31, 2009: 7,584

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Jean-Martin Folz is a graduate of the *École Polytechnique and ingénieur des Mines*. Between 1975 and 1978, he has held various French government cabinet positions with his last position being head of cabinet of the Secretary of State for Industry. In 1978, he joined Rhône-Poulenc to run the Saint-Fons plant, and was then promoted to Senior Executive Vice-President of Rhône-Poulenc for the Specialty Chemicals business unit. In 1984, he became Senior Executive Vice-President and then Chief Executive Officer of Jeumont-Schneider (a Schneider subsidiary). In 1987, he was appointed Chief Executive Officer of Péchiney and Chairman of Carbone Lorraine (in 1988). In 1991, he became Group Chief Executive Officer of Eridania Béghin-Say and Chairman of Béghin-Say. Mr. Jean-Martin Folz joined PSA Peugeot Citroën in 1995 and became Chairman of the Management Board in 1997. He left PSA in February 2007. From June 2007 to March 2010, he was Chairman of the AFEP.

Directorships currently held

AFEP, *Chairman*

Director or member of the Supervisory Board:

- AXA
- Saint-Gobain
- Société Générale
- Alstom
- Carrefour
- ONF-Participations (SAS)
- Solvay (Belgium)

Previous directorships held during the last five years

Chairman:

- Automobiles Peugeot
- Automobiles Citroën

Director:

- Banque PSA Finance
- Peugeot Citroën Automobiles
- Faurecia

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Anthony Hamilton

PRINCIPAL FUNCTION

Non-executive Chairman of AXA UK plc (United Kingdom) and AXA Equity & Law plc (United Kingdom)

Born on October 11, 1941

British nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 36,290

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Anthony Hamilton is a graduate of Oxford University. His early career was spent in London and New York working for the investment banks Schroders, Morgan Grenfell, and Wainwright. In 1978, he joined Fox-Pitt, Kelton and was appointed Chief Executive Officer in 1994. In 1993, he became a non-executive director of AXA Equity and Law plc (Chairman, 1995) and in 1997 a non-executive director of AXA UK plc. Since September 2000, Mr. Anthony Hamilton has been non-executive Chairman of AXA UK plc.

Directorships currently held

Non-executive Chairman:

- AXA UK plc (1) (United Kingdom)
- AXA Equity and Law plc (1) (United Kingdom)

Director or member of the Supervisory Board:

- AXA
- AXA Financial, Inc. (1) (United States)
- AXA Equitable Life Insurance Company (1) (United States)
- MONY Life Insurance Company (1) (United States)
- MONY Life Insurance Company of America (1) (United States)
- Golf Club of Valderrama (Spain)
- Tawa plc (United Kingdom)
- The Game & Wildlife Conservation Trust (United Kingdom)

Previous directorships held during the last five years

Fox-Pitt, Kelton Group Limited (United Kingdom), *Chairman*

Director or member of the Supervisory Board:

- Pinault-Printemps-Redoute
- Fox-Pitt, Kelton Limited (United Kingdom)
- Swiss Re Capital Markets Limited (United Kingdom)
- CX Reinsurance (United Kingdom)
- Binley Limited (United Kingdom)

(1) AXA Group Company.

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

François Martineau

PRINCIPAL FUNCTION

Attorney at Law

Born on June 11, 1951

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 2,167

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. François Martineau is a graduate of the University Paris IV (Philosophy Degree), University Paris I (Law Master), and of l'*Institut d'Études Politiques de Paris*. Mr. François Martineau has been Attorney since 1976. In 1981, he was "*Secrétaire de la Conférence*". In 1985, he was a lecturer at the University Paris I (Civil Procedure). In 1995, he was a Professor at the Paris Bar School (EFB) and since 1998, he is Honorary Professor at the Law and Political Sciences School of Lima (Peru). In 1996, he became an Expert at the Council of Europe and fulfilled various missions in Eastern Europe countries regarding the reform of the Code of the Judicial Organization, the reform of the magistrates' and lawyers' training and the revision of the Code of Civil Procedure. Since 1987, Mr. François Martineau has been a Partner of the law firm SCP Lussan & Associés, and Managing Partner since 1995.

Directorships currently held

SCP Lussan & Associés, *Managing Partner*

Vice-Chairman and director:

- Bred Banque Populaire
- Assurances Mutuelles Le Conservateur
- Associations Mutuelles Le Conservateur

Director or member of the Supervisory Board:

- AXA
- Conservateur Finance
- AXA Assurances IARD Mutuelle
- AXA Assurances Vie Mutuelle

Previous directorships held during the last five years

None

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Giuseppe Mussari

PRINCIPAL FUNCTION

Chairman of the Board of Banca Monte dei Paschi di Siena S.p.A. (Italy)

Born on July 20, 1962

Italian nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 5,026

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Giuseppe Mussari is a graduate in Law of the University of Sienna (Barrister registered in the Rolls of the Court of Sienna since 1993). In 1998, he became Deputy Chairman of the Criminal Section of the Court of Sienna and then in 2000 Chairman of the Criminal Section of the Court of Sienna. In July 2001, he was appointed Chairman of the Monte dei Paschi di Sienna Foundation. Since April 2006, Mr. Giuseppe Mussari has been Chairman of Banca Monte dei Paschi di Siena (BMPS).

Directorships currently held

Banca Monte dei Paschi di Siena S.p.A., *Chairman of the Board*

Italian Bankers' Association, *director and member of the Executive Committee*

Director or member of the Supervisory Board:

- AXA
- Rosselli Foundation
- Italy-China Foundation

Member:

- Promoting Committee of Symbola Foundation
- Steering Board of ABI – ANIA
- Steering Board of Assonime

Previous directorships held during the last five years

Cassa dei Depositi e Prestiti (Bank for Deposits and Loans), *Chairman of the Guidance Committee*

Chairman:

- Monte dei Paschi di Siena Foundation
- Chigiana Music Academy Foundation
- Mecenate 90 Association

Sienna Biotech, *Chairman of the Ethical Monitoring Committee*

ACRI, *Vice-Chairman*

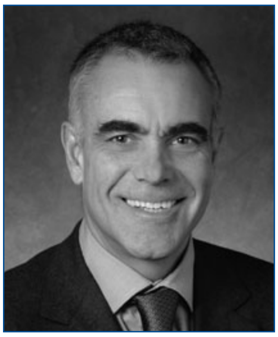
Director:

- Ravello Foundation
- Sansedoni S.p.A.
- Cotec Foundation

Clear Pacts Consortium, *member of the General Council*

Toscana Life Sciences Foundation, *member of the Guidance Committee*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS



Ramon de Oliveira

PRINCIPAL FUNCTION

Managing Director of ROC Partners (United States)

Born on September 9, 1954

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 100

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Ramon de Oliveira is a graduate of the University of Paris and of the *Institut d'Études Politiques* (Paris). Starting in 1977, Mr. de Oliveira spent 24 years at JP Morgan & Co. From 1996 to 2001, Mr. de Oliveira was Chairman and CEO of JP Morgan Investment Management. Mr. de Oliveira was also a member of the firm's Management Committee since its inception in 1995. Upon the merger with Chase Manhattan Bank in 2001, Mr. de Oliveira was the only executive from JP Morgan & Co. asked to join the Executive Committee of the new firm with operating responsibilities. Between 2002 and 2006, Mr. de Oliveira was an Adjunct Professor of Finance at Columbia University. Mr. Ramon de Oliveira is the Managing Director of the consulting firm ROC Partners, based in New York city.

Directorships currently held

ROC Partners, *Managing Director*

The Kauffman Foundation, *Trustee and Chairman of the Investment Committee*

Fonds de Dotation du Louvre, *Chairman of the Investment Committee*

Director or member of the Supervisory Board:

- AXA
- Taittinger-Kobrand USA (United States)

The Red Cross, *member of the Investment Committee*

Previous directorships held during the last five years

Friends of Education (a New York-based not-for-profit organization), *Chairman of the Board*

Director:

- JP Morgan Suisse (Switzerland)
- American Century Company, Inc (United States)
- SunGard Data Systems (SDS) (United States)
- The Hartford Insurance Company (United States)

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Michel Pébereau

PRINCIPAL FUNCTION

Chairman of the Board of Directors of BNP Paribas

Born on January 23, 1942

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: 6,139

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Michel Pébereau is a graduate of the *École Polytechnique* and the *École Nationale d'Administration* (ENA). In 1967, he started his career as auditor at the Treasury (*inspecteur des finances*). He then held various management positions at the *direction du Trésor* and at the "*Cabinets*" of two Ministers (Valéry Giscard d'Estaing and René Monory). In 1982, he joined Crédit Commercial de France. In 1987, he was in charge of its privatization before becoming Chairman and Chief Executive Officer from 1987 to 1993. In 1993, he became Chairman and Chief Executive Officer of BNP and after the merger with Paribas in 2000, Chairman and Chief Executive Officer of BNP Paribas. Since 2003, Mr. Michel Pébereau has been Chairman of the Board of Directors of BNP Paribas.

Directorships currently held

BNP Paribas, *Chairman of the Board of Directors*

Director or member of the Supervisory Board:

- AXA
- Saint-Gobain
- Total
- Lafarge
- EADS N.V. (Netherlands)
- Banque Marocaine pour le Commerce et l'Industrie (BMCI) (Morocco)
- Pargesa Holding S.A. (Switzerland)

Galeries Lafayette, *non-voting member of the Board (Censor)*

Académie des Sciences Morales et Politiques, *member*

Previous directorships held during the last five years

BNP Paribas, *Chairman and Chief Executive Officer*

Director or member of the Supervisory Board:

- Dresdner Bank AG (Germany)
- BNP Paribas UK (United Kingdom)

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Dominique Reiniche

PRINCIPAL FUNCTION

Chairman Europe of The Coca-Cola Company

Born on July 13, 1955

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of March 15, 2010: 2,720

AS OF DECEMBER 31, 2009

Expertise and experience

Mrs. Dominique Reiniche is a graduate of the Essec. In 1978, she joined Procter & Gamble and in 1983 became Associate Advertising Manager. In 1986, she joined Kraft Jacobs Suchard and was appointed Marketing & Strategy Manager. In 1992, she joined Coca-Cola Entreprise as a Marketing & Responsible "*Compte-clé*" Manager. In 1998, she was appointed Chairman and Chief Executive Officer of Coca-Cola Entreprise and Vice-Chairman of Coca Cola Enterprises – Europe Group in 2002. From January 2003 to May 2005, she was Chairman of Coca-Cola Enterprises – Groupe Europe. Since May 2005, Mrs. Dominique Reiniche has been Chairman Europe of The Coca-Cola Company.

Directorships currently held

The Coca-Cola Company, *Chairman Europe*

AXA, *member of the Supervisory Board*

ING Direct, *member of the Advisory Board*

UNESDA (Union of European Beverages Associations), *Vice-Chairman*

CIAA (Confederation of the Food and Drink Industries of the EU), *member of the Executive Committee and member of the Board*

ECR Europe, *member to the Board*

Previous directorships held during the last five years

Coca-Cola Enterprise – Groupe Europe, *Chairman and Chief Executive Officer*

MEDEF, *member of the Executive Committee*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Ezra Suleiman

PRINCIPAL FUNCTION

Professor of the Political Sciences at the University of Princeton – IBM Chair (United States)

Born on November 20, 1941

American nationality

NUMBER OF AXA SHARES

Number of AXA shares held on March 15, 2010: 6,209

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Ezra Suleiman is a graduate of Harvard University and of Columbia University. In 1973, he started his career as a Professor at the University of California, Los Angeles. Since September 1979, Mr. Suleiman has been a Professor of Political Sciences at Princeton University.

Directorships currently held

University of Princeton (United States), *Professor of Political Sciences*

Director or member of the Supervisory Board:

- AXA
- Suez Environnement
- AXA Financial, Inc. (1) (United States)
- AXA Equitable Life Insurance Company (1) (United States)
- MONY Life Insurance Company (1) (United States)
- MONY Life Insurance Company of America (1) (United States)

Institut Montaigne, *Chairman of the Orientation Board*

Member of the Editorial Committee:

- Comparative Politics
- La Revue des Deux Mondes
- Politique Internationale
- Politique Américaine

Council on Foreign Relations (New York), *member*

HEC International, *member of Advisory Board*

Previous directorships held during the last five years

Institut d'Études Politiques (Paris), *Associate Professor*

European Studies Center at the University of Princeton (United States), *Manager*

(1) *AXA Group Company.*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Isabelle Kocher

PRINCIPAL FUNCTION

CEO of Lyonnaise des Eaux, head of Water Development in Europe

Born on December 9, 1966

French nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of December 31, 2009: *none*

AS OF DECEMBER 31, 2009

Expertise and experience

Mrs. Isabelle Kocher is a graduate of the *École Normale Supérieure* (ENS-Ulm) and member of the *Corps des Mines*. From 1997 to 1999, she was in charge of budget of Telecommunication and Defense at the French Ministry of Economy. From 1999 to 2002, she was Advisor on Industrial Affairs of the French Prime Minister Office. In 2002, she joined the Suez Group. She then held various positions: from 2002 to 2005, at Strategy & Development; from 2005 to 2007, director of Performance and Organisation; from 2007 to 2008, Deputy CEO of Lyonnaise des Eaux. Since 2009, Mrs. Isabelle Kocher has been CEO of Lyonnaise des Eaux, Head of Water Development in Europe.

Directorships currently held

Lyonnaise des Eaux, *CEO*

Arkema, *director*

Previous directorships held during the last five years

Lyonnaise des Eaux, *Deputy CEO*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS

Suet-Fern Lee

PRINCIPAL FUNCTION

Senior Director of Stamford Law Corporation (Singapore)

Born on May 16, 1958

Singaporean nationality

NUMBER OF AXA SHARES

Number of AXA shares held as of March 4, 2010: 4,000

AS OF DECEMBER 31, 2009

Expertise and experience

Mrs. Suet-Fern Lee graduated with a double first in law from Cambridge University in 1980 and qualified as a Barrister-at-Law at Gray's Inn London in 1981. She was admitted to the Singapore Bar in 1982. She is President-Elect of the Inter-Pacific Bar Association (IPBA) and has been a council member of the International Bar Association. She is Chairman of the Asian Civilisations Museum Board, a member of the National Heritage Board, a member of the Advisory Board to the Law School at Singapore Management University, a trustee for Nanyang Technological University and a Fellow of the Singapore Institute of Directors. Since 2000, she has been Senior Director of Stamford Law Corporation (Singapore).

Directorships currently held

Stamford Law Corporation, *Senior Director*

Asian Civilisations Museum, *Chairman*

IPBA 2010 Singapore Pte Ltd, *President-Elect*

Director:

- Stamford Corporate Services Pte Ltd
- Macquarie International Infrastructure Fund Ltd
- SembCorp Industries Ltd
- Transcu Group Limited
- Rickmers Trust Management Pte Ltd
- National Heritage Board

Nanyang Technological University, *member of the Board of Trustees*

National University of Singapore Business School, *member of the Accounting Advisory Board*

Singapore Management University School of Law, *member of the Advisory Board*

Previous directorships held during the last five years

Director:

- International Capital Investment Limited
- Media Asia Entertainment Group Limited
- Transpac Industrial Holdings Limited
- ECS Holdings Limited
- China Aviation Oil (Singapore) Corporation Limited
- Sincere Watch (Hong Kong) Limited
- Richina Pacific Limited

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS, UPON THE RECOMMENDATION OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP

Wendy Cooper

PRINCIPAL FUNCTION

Senior Vice-President & Associate General Counsel - AXA Financial, Inc. (United States)

Born on July 21, 1950

American nationality

NUMBER OF AXA SHARES

Number of AXA shares and/or AXA ADR held on December 31, 2009: 16,325

AS OF DECEMBER 31, 2009

Expertise and experience

Ms. Wendy Cooper is a graduate of Allegheny College and Fordham Law School, New York, NY. From 1981 to 1987, she was Assistant Counsel to New York Governors Carey and Cuomo. From August 1987 to March 1995, she was the First Deputy Superintendent of Insurance of the New York Insurance Department and from January 1990 to June 1990, she held the position of Superintendent of Insurance of the New York Insurance Department. In May 1995, she joined The Equitable, which became AXA Equitable, as Vice-President & Associate General Counsel. Since September 1999, she has been Senior Vice-President & Associate General Counsel of AXA Equitable in charge of the Government Relations function, representing AXA Equitable's legislative and regulatory interests in front of the U.S. Congress, state legislatures, state insurance departments, state and national trade associations and other external audiences. In April 2008, Ms. Wendy Cooper was elected the employee shareholder member of the AXA Supervisory Board.

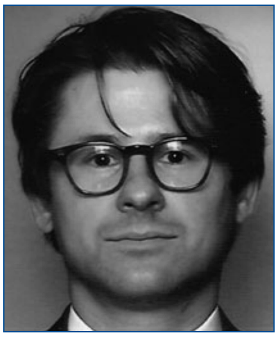
Directorships currently held

AXA, *Member of the Supervisory Board representing the employee shareholders*

Previous directorships held during the last five years

None

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS, UPON THE RECOMMENDATION OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP (NOT APPROVED BY THE MANAGEMENT BOARD)



John Coultrap

PRINCIPAL FUNCTION

Portolio Manager, Fixed Income – AXA Investment Managers (France)

Born on April 11, 1970

American and French nationalities

NUMBER OF AXA SHARES

Number of AXA shares and/or number of units in AXA Mutual funds invested in AXA shares held as of December 31, 2009: 1,629

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. John Coultrap is a graduate of the *École Nationale d'Administration* (ENA), The Johns Hopkins University and The University of Akron. In 1999, he joined Banque Nomura France (Nomura Securities Group) as an Investment Banking Analyst. In 2002, he joined AGF Asset Management as a Credit Analyst. In 2004, he joined the AXA Group as a Senior Analyst and Sector Head – High Field, Fixed Income Investment Research of AXA Investment Managers. Since March 2007, he has been Portfolio Manager – Fixed Income of AXA Investment Managers.

Directorships currently held

AXA Investment Managers, *Union Représentative, la CGT*

Union Représentative, la CGT AXA, Group Unions Committee

Previous directorships held during the last five years

The American University of Paris, *Assistant Professor of Finance*

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS, UPON THE RECOMMENDATION OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP (NOT APPROVED BY THE MANAGEMENT BOARD)

Paul Geiersbach

PRINCIPAL FUNCTION

Senior Branch Operations Manager in Southeast Marketing Center – AXA Equitable (Atlanta - Georgia - United States)

Born on May 23, 1960

American nationality

NUMBER OF AXA SHARES

Number of AXA shares and/or AXA ADR held on December 31, 2009: 14,863

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Paul Geiersbach is a graduate from North Carolina State University (NCSU) with three Bachelor of Arts Degrees (Economics, Accounting and Business Management). He also has 2 professional designations from the American College (Chartered Financial Consultant "ChFC" and Chartered Life Underwriter "CLU") and of Life Office Management Association (LOMA). He joined the AXA Group in 1982. In 1998, he was Regional Administrative Officer for the Gateway Region in the United States. In 2002, he was Divisional Chief Operating Officer for the Northwest division. Since 2004, he has been Senior Branch Operations Manager for the Southeast Marketing Center of AXA Equitable (United States).

Directorships currently held

None

Previous directorships held during the last five years

None

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS, UPON THE RECOMMENDATION OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP (NOT APPROVED BY THE MANAGEMENT BOARD)

Sébastien Herzog

PRINCIPAL FUNCTION

Head of Business Strategy and Finance, Investment Solutions – AXA Investment Managers (France)

Born on January 10, 1976

French nationality

NUMBER OF AXA SHARES

Number of AXA shares and/or number of units in AXA Mutual funds invested in AXA shares held as of December 31, 2009: 4,180

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Sébastien Herzog is a graduate of *ESCP-EAP* (Paris-Oxford-Berlin). In 1998, he joined the AXA Group as Financial Operations Manager of AXA Real Estate Investment Managers. In 2002, he joined AXA Investment Managers as Corporate Finance Officer at the Corporate Finance Department and became then Head of the Department in 2004. Since 2007, Mr. Sébastien Herzog has been Head of Business Strategy and Finance and member of the Management Committee of Investment Solutions within AXA Investment Managers.

Directorships currently held

None

Previous directorships held during the last five years

None

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS, UPON THE RECOMMENDATION OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP (NOT APPROVED BY THE MANAGEMENT BOARD)

Rodney Koch

PRINCIPAL FUNCTION

Project Manager – AXA Equitable (United States)

Born on May 28, 1959

American nationality

NUMBER OF AXA SHARES

Number of AXA shares and/or AXA ADR held on December 31, 2009: 10,437

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Rodney Koch is a graduate of the Syracuse University (M.B.A.). He also completed various professional certification examinations: Certified Public Accountant Exam (passed but not licensed), CLU (Chartered Life Underwriter) and ChFC (Chartered Financial Consultant). In 1989, he joined GUIDE International (IBM North America User Group) where he held various positions (Project/Group Manager, Board of Directors' treasurer, delegate to SHARE Europe conference and Managing Director of Marketing). In 2004, he joined the AXA Group Licensing Appointment & Registration System development project. In 2005, he was a Lead Developer on the WebStation and AXA Partners Siebel systems. In 2007, he joined the Help Desk Triage Team. Since 2008, Mr. Rodney Koch has been Project Manager for "Life 2012 AWD, Life 2012 xPression, 403(b) Compliance and iPipeline Projects" of AXA Equitable (United States).

Directorships currently held

None

Previous directorships held during the last five years

None

APPOINTMENT AS A MEMBER OF THE BOARD OF DIRECTORS, UPON THE RECOMMENDATION OF THE EMPLOYEE SHAREHOLDERS OF THE AXA GROUP (NOT APPROVED BY THE MANAGEMENT BOARD)

Jason Steinberg

PRINCIPAL FUNCTION

Project Manager – AXA Equitable (United States)

Born on July 19, 1973

American nationality

NUMBER OF AXA SHARES

Number of AXA shares and/or AXA ADR held on December 31, 2009: 4,618

AS OF DECEMBER 31, 2009

Expertise and experience

Mr. Jason Steinberg is a graduate of the State University of New York (Business and Economics). In 1994, he joined Fleet Bank (now Bank of America) as an Assistant Branch Manager, Operations Coordinator and Head Teller. In 1998, he joined the AXA Group as Manager of the Accumulator Operations of AXA Equitable (United States). From 2006 to 2009, he was Certified Black Belt, AXA Way. Since 2009, Mr. Jason Steinberg has been Project Manager, Accumulator and Retirement Cornestone Operations of AXA Equitable (United States).

Directorships currently held in the AXA Group

None

Previous directorships held during the last five years

None

APPENDIX VIII SOCIAL AND ENVIRONMENTAL INFORMATION

In accordance with the provisions of the French Commercial Code (*Code de commerce*) resulting from the New Economic Regulations Act (*loi sur les nouvelles régulations économiques*) adopted in May 2001, the following information describes the manner in which the Company takes into account the social and environmental impacts of its activities.

Additional information concerning the social and environmental policy and practices of the AXA Group is available in the Activity and Corporate Responsibility Report (hereinafter referred to as the "Activity Report") and on the AXA Group's website (www.axa.com), in particular in the "Corporate Responsibility" Section. The Activity Report is available on the www.axa.com website (www.axa.com) or upon request to the Individual Shareholders Department, 25 Avenue Matignon, 75008 Paris, France.

SOCIAL INFORMATION

AXA strives to be a responsible employer, placing employee engagement at the heart of its business strategy. Achieving this means creating a workplace built on AXA's Values that fosters diversity and equal opportunities for all, promotes employee participation, encourages professional development, and supports employee well-being.

Workforce size and movements

In 2009, AXA Group had to adapt to face the financial crisis. This resulted in a decrease of 5,6% of the workforce over 2008. On the 31st of December 2009, the AXA Group's workforce totalled more than 128,000 employees. Despite this difficult context, AXA continued to recruit and pursued its ambitious employees development plans. AXA's internal opinion survey Scope 2009 shows a high satisfaction level amongst our employees: 73% think that their job is a source for personal growth and fulfilment.

The drop in headcount was largely pronounced in the Asia-Pacific Region (-9,8%) and the United Kingdom (-16%). Headcount in the rest of Europe and the Americas remained fairly constant while some regions, e.g. Central and Eastern Europe, continued to grow. The decrease in headcount was the result of redundancy plans, outsourcing initiatives and a conservative hiring policy together with the non replacement of departures by new hires.

As a result, AXA's salaried workforce footprint in 2009 was: 60% in Europe (vs. 59% in 2008), 25% in Asia-Pacific (vs. 27%), 13% in the Americas (no change) and 2% in Africa (vs. 1%).

The average age of employees at AXA is 40 years. It is higher in Europe (42) and in the Americas (39) than in emerging markets (35 years in APAC and in Africa). In response to AXA intensifying its effort in favour of increased diversity, the proportion of female managers (incl. executives) rose to 34% this year (vs. 30% in 2008).

The number of departures slightly increased by 4,5% over 2008. Sales force numbers dropped in China and India, whilst layoff plans resulted in the cutting of 3,400 non-sales jobs in the world. In addition, AXA outsourced 1,528 back-office jobs in India and the United Kingdom.

Temporary employment followed the overall trend, with a decrease in the number of fixed-term contracts by 4%, and the number of external temporary staff was cut by 14%.

Despite the downturn, the AXA Group maintained a fairly high number of recruitments with 25,500 new hires, of which 16,000 were sales employees. However, the number of new recruits decreased by 32% over 2008.

The internal mobility rate rose from 12% to 14% amongst non-sales employees, a rise due to the Mediterranean Region, the United Kingdom and the Asset Management business line. This partly compensated for a conservative recruitment policy in some entities.

Employee relations, collective bargaining

Effective labor-management communications and social dialog pave the way for the stability needed to implement the Group's development strategy. Such communications with staff or their representatives are therefore organized and conducted by each Group company on a regular basis. AXA also has set up a European Works Council (EWC), whose extensive role goes beyond the regulatory requirements in force. The EWC is made up of staff representatives from AXA's largest European subsidiaries, who meet in order to receive and exchange information on the social, strategic and economic issues that concern the Group, and maintain an ongoing dialog between employees and management.

In June 2009, the Group EWC agreement (available on www.axa.com) was renewed for an indefinite term starting December 1, 2009. This renewal takes into account the European Directive n° 2009/38 dated May 6, 2009. The initial agreement was concluded before the European directive on works councils became mandatory. In this way, staff rights to be consulted and informed were freely agreed on by management and employee representatives before the directive's compulsory provisions actually came into effect. AXA holds two plenary meetings a year, in combination with a preparatory and post-plenary session systematically held for debriefing. These plenary meetings are always attended by the Chairman of the AXA Management Board. Moreover, the EWC's bureau, which features ten representatives, meets monthly.

The introductory section of the Group EWC agreement is based on a number of international benchmark documents, such as the UN's Declaration of Human Rights and the International Labor

Organization's standards, as well as AXA's own set of core values and commitments.

In addition to the EWC's work, numerous collective bargaining agreements are signed. For example, in France, 14 collective agreements have been signed throughout 2009.

Headcount adjustments and related measures

The aforementioned Group EWC agreement provides a certain number of commitments to employees in the event of major organizational changes with impacts on jobs. AXA has developed the following principles with a view to guiding its various European business units in their local management:

- When organizational changes affect jobs, AXA pledges to supply relevant information and, as appropriate in light of local cultures and rules, to consult with employees and their representatives;
- In connection with this information-gathering and consultative process, the data and information provided by AXA will include possible alternative solutions if relevant;
- Factoring in the interests of its employees, clients and shareholders, AXA undertakes to maximize any opportunities for internal and external redeployments, when applicable, for all AXA employees affected by possible employment issues;
- AXA will do its utmost to prevent compulsory redundancies and other collective transfers, by pursuing other approaches whenever possible. More specifically, AXA endeavors to: 1) Seize the opportunities offered by natural headcount attrition to facilitate employment issues; 2) Make every effort to help employees analyze their skills and career paths and offer them training and reassignment opportunities; 3) Give priority to voluntary departures and redeployments instead of redundancies and other forms of collective transfers; and 4) Deal with decisions of international transfer of business (for example in the case of offshoring) applying the principles of social dialogue explained in this text to the European countries involved;
- When geographic mobility is necessary, it must be offered as a matter of priority to employees who volunteer to move, with this process managed with a view to enabling their integration into a new environment under the best possible conditions;
- AXA pledges to recognize staff representatives and uphold their freedoms, rights and functions, in line with national legislation and, where relevant, agreements in force in local business units;
- Aware that training represents a major investment both for the Group and for its employees, AXA is committed to developing a continuous learning culture;
- AXA will not discriminate against its staff on the basis of their gender, race, color, ethnic origin, genetic makeup, disabilities, sexual orientation, language, religion, personal convictions, union membership or political opinions.

Working time, overtime, temporary staff, absenteeism

Following a trend that begun in 2006, overtime continued to decrease and reached 1,6% of the total working hours. Absenteeism decreased slightly, with significant regional discrepancies; it increased in Europe (+0.3 points) and decreased in all other regions.

AXA's local entities have developed various programs to improve their employees' work-life balance and wellbeing. For example, AXA Germany launched several childcare measures and introduced «parent-offices» which can be booked in case the regular childcare solution fails, or offers advice on financial support for private childcare-offers during school vacation periods, a 2-week-program for employee children during the summer holidays, etc. In Switzerland, AXA employees benefit from "Family Care", a structure that provides individual and affordable solutions for the families of AXA employees requiring assistance (e.g. advice and information on family life and parenting), while the "Elder Care" specialists help find adequate solutions when it comes to looking after and treating family members who are old, ill, or disabled.

Remuneration, profit sharing, payroll expenses

Certain local AXA entities have started to include environmental considerations in their profit sharing agreement. For example, AXA France's agreement includes provisions related to paper consumption, and the AXA Group headquarters (GIE) includes criteria related to local carbon emissions reductions in the calculation of its profit sharing agreement.

With 6,8 billion euros, AXA's total compensation decreased by 2,2% when compared with 2008. Employer social contributions rose by 9,8% vs. 2008 (12,302 euros per employee on an average). This was due to the payment of severance packages, increase in pension expenses and the variation of some currency exchange rates against the Euro. The proportion of capital owned by AXA's employees remains stable.

In addition, detailed information concerning individual compensation of the Management Board members is provided for in Part 2, Section 2.2 of this Annual Report.

Gender equality in the workplace

Diversity and Inclusiveness at AXA means acknowledging and respecting individual differences, recognizing and appreciating multiple backgrounds, cultures and perspectives and building on the unique contribution and merit of each and every one of its employees, regardless of physical attributes or group identity. A diverse workforce helps AXA effectively meet diverse market and customer needs globally and locally, as well as improve its competitiveness through innovation. It also helps attract the most talented people in all populations and foster internal morale and engagement, without ignoring the benefits of enhanced people management and optimized teamwork. Moreover, it enhances the brand image. In 2009, significant progress has been made with the senior sponsorship of a member of the Management Board. At the entity level, 47 Diversity Champions have been appointed and are supported by Diversity Correspondents who implement action plans. A Group Diversity Council was formed in

February 2010, together with the appointment of a Group Chief Diversity Officer in 2010.

AXA's local entities have developed numerous diversity-related initiatives. For several years now, AXA France has been a recognised leader in the area of equal opportunities through the promotion of a number of initiatives such as: the "*Plan Espoir Banlieues*" (active recruitment in disadvantaged suburbs), the "*Train pour l'emploi et l'égalité des chances*" (a diversity-oriented recruitment roadshow), and the "*Charte de la Parentalité*" (a recognition of the role of fatherhood in work life balance). AXA France also published an internal Guide on the issue, and has a dedicated budget – 1.25 million euros over 3 years – to address gender-based pay gaps. AXA Sigorta (Turkey) signed the declaration of women in management initiative of KalDer (an independent organisation aiming to enhance awareness of management quality) in March 2009. At AXA Sigorta, the Executive Committee is compose of 3 women and 4 men, the percentage of female managers (44%) is significantly higher than the Turkish average and that of many other European countries. AXA Equitable (USA) created the Office of Diversity and Inclusion to emphasize and build upon their commitment to creating a workplace that is diverse, inclusive and unique. Many events are hosted by the organization during the year to highlight diverse cultures.

Hiring and integrating the disabled

Beside the aforementioned gender-based inclusion policies and practices, AXA entities also promote the integration of disabled employees. The number of disabled employees increased by 2.8% over 2008, especially in Ukrania, France and Spain. For example, AXA Germany signed a specific agreement with its Works Council, which also represents all disabled employees at the Company. Specific facilities accessible for the handicapped are now provided, such as adapted elevators, even floors and doorsteps, special rest room facilities and ramps. Furthermore, the workspace is modified if an employee needs special arrangements due to a personal handicap. AXA France's "*Mission Handicap*" enables 780 employees to benefit from adapted working schedules, transportation and real estate services. These efforts also apply to the parents of handicapped children.

Health & safety

With less than 2% of the total absence days, the proportion of work-related accidents has been stable over the past years AXA's local entities develop schemes to monitor and improve their employees' health. For example, in connection with exercise, relaxation, diet, and ergonomics, AXA Winterthur (Switzerland) offers a wide range of activities on all aspects of physical and mental wellbeing. Presence management is also being introduced: the idea is to identify warning signs of health issues at an early stage and to take suitable measures. Training sessions for all line managers on the topics of prevention, early warning, and reintegration into the workplace are underway. A health platform shows video clips of exercises to be performed regularly during short break that can help prevent and counteract painful muscle tension. Health management also offers regular two-hour workshops in AXA Winterthur on topics such as staying healthy and fit while working at the PC, as well as on training for the eyes. AXA Germany introduced an extensive health-management approach, offering several prevention measures to protect the health of its employees. For example, the medical service launched campaigns for the early detection of glaucoma and skin cancer, offered free flu-vaccinations, etc. These new activities complement the broad range of services and advice already existing for employees (addiction counseling, mobbing advice, first-aid training courses, etc).

Training

The Group's Human Resources policy is based on a management style that intends to empowers people, in line with AXA's core values: professionalism, innovation, pragmatism, team spirit and integrity. In practice, this means ensuring that employees clearly understand what the top priorities are and defining individual objectives with them during annual performance appraisals. AXA's employees are given the opportunity to acquire new skills, or develop existing ones, paving the way for their personal development.

Despite the financial downturn, AXA's engagement in favour of competencies development remains high: 80% of our employees were trained during the year (vs. 75% in 2008). Training will remain at the top of our HR priorities, as we are setting ambitious targets for 2010.

Impact on regional development, subcontracting

To the extent that the Company's activities are decentralized and its staff is spread among numerous locations, it generally has no significant direct impact on local employment or development in any given region. It does not resort to significant levels of subcontracting.

However, as a provider of insurance, savings and investment services, AXA is an active enabler of economic growth and social development through the support of 80 million individual customers, local communities and businesses. Indeed AXA's business is to protect people and businesses, their belongings, their health, their savings, their assets over the long run, providing peace of mind through uncertainty and support when it is most needed. This means designing reliable insurance and investment solutions to meet the needs of our customers, managing risks and claims in a professional way, acting as a major long-term investor, but also sharing our business expertise by helping to build better understanding of the risks faced by individuals and society at large.

Community involvement: social & cultural activities, philanthropy, education, employee volunteering, social inclusion

Beside the aforementioned societal benefits derived from our activity as an insurer and investor, AXA's main efforts towards the community focus on the following areas:

- Supporting disadvantaged people through the Group employee volunteering programme, AXA Hearts In Action. In 2009, more than 20,000 AXA Hearts In Action volunteers around the world made their skills, time and generosity available to support some 650 associations with a view of helping underprivileged people;
- Research and education: the AXA Group has created in 2007 the AXA Research Fund to encourage research in a number

of disciplines that touch on the risks, challenges and major transformations that affect our rapidly changing world. The Fund will award 100 million euros over five years to finance innovative research;

- Preserving cultural heritage. AXA's actions support the preservation and transmission of our cultural heritage. In 2009, AXA has offered to the Louvre Museum a master painting from Le Nain, *Le Reniement de Saint Pierre*. More detailed information on these initiatives, and others implemented by AXA subsidiaries, is available on www.axa.com;

  In addition, several AXA entities have designed and launched micro insurance products that effectively and directly contribute to fight against social exclusion, by enabling vulnerable segments of the population to access insurance services. Such offers have been launched in France, for *micro-entrepreneurs*, as early as 2007, and more recently (2009) in India and Mexico, catering both for low and middle-class income individuals. Other micro insurance projects are being investigated in other AXA entities. See www.axa.com for further information.

Business ethics

In 2006, AXA's Supervisory Board adopted a new version of its Compliance and Ethics Guide, available on the Group's website (www.axa.com). The purpose of the Guide is to establish Group-wide guidelines and rules to ensure that all AXA Group companies and employees have a common understanding of applicable ethical standards and conduct business accordingly.

Human rights: Group engagements, ILO standards, reporting and procurement-related risks

In addition to compliance with national law and regulations, AXA joined the United Nations' Global Compact in February 2003, formally committing to uphold the following two principles for fundamental human rights: 1) Taking the steps needed to protect and comply with internationally proclaimed human rights; 2) Taking the steps needed to ensure that they do not knowingly aid or abet human rights violations.

AXA also made formal commitments to comply with and promote its ten guiding principles in the areas of human rights, labor, environment and anticorruption (see AXA's public "Communications on Progress" on the UN Global Compact's website). These principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention against Corruption. Furthermore, these commitments include various principles relating to collective labor standards. In this way, the Group's employment policy covers several aspects, such as equal opportunities and freedom of association.

The first chapter of the aforementioned Group Compliance and Ethics Guide refers to the UN Global Compact in its founding principles. Both the Compliance Guide and UN Global Compact adhesion are applicable to every AXA entity.

AXA is a major purchaser of products and services for the purpose of its internal operations and services provided to policyholders. This significant volume of purchases, for a total value of exceeding €11 billion in 2009, opens up an additional field of action for the Group in promoting Corporate Responsibility. In particular, the Group applies social and environmental criteria to select its suppliers and assess their performance. These criteria enable the Group to improve service quality and reduce certain supply chain risks. Since 2008, AXA has assessed, with the assistance of a specialized service provider, an in-depth analysis of the Corporate Responsibility performance of approximately 150 local and group suppliers. The goal of this analysis was to identify the main risks and give suppliers a tangible incentive to improve their practices. A new evaluation has been realized for suppliers identified as being "at risks" and 76% of them have shown significant progress. Since 2009, buyers objectives include CR performance follow-up of already assessed suppliers. In addition, the Group Procurement Department developed a matrix to assess Sustainable Development risk and opportunities for each purchasing category. Thanks to this tool, purchasers have a detailed view of the stakes involved for each supplier and can prioritize their improvement plans. Finally, a "Corporate Responsibility clause" requiring suppliers to make a formal commitment to uphold ILO principles is included in 84% of Group's contracts with suppliers in 2009.

WORKFORCE (number of persons) as at December 31	2008 data	Change 2008/2009	2009 data
Non-Sales Employees	**107,922 [(a)]**	**-3.5%**	**104,106**
Executives	3,369	-0.5%	3,352
Men	80%		79%
Women	20%		21%
Managers	18,588 [(a)]	-3.6%	17,916
Men	68%		63%
Women	32%		37%
Experts & Staff	85,965 [(a)]	-3.6%	82,838
Men	42%		43%
Women	58%		57%
Sales Employees	**27,979 (a)**	**-13%**	**24,252**
Men	60%		62%
Women	40%		38%
Salaried workforce	**135,901**	**-5.6%**	**128,358**
Men	51%		50%
Women	49%		50%
Temporary staff			
Temporary non-sales staff	4,385	-4.0%	4,210
Average FTE (Full Time Equivalent) of temporary employees	2,932	-14%	2,532
% of temporaries vs. employees	2.3%		2.5%
PROFILE OF AXA EMPLOYEES			
Average age of employees	**39**		**40**
Non-sales employees	39		40
Sales employees	37		38
Average length of service	**10**		**10**
Non-sales employees	11		11
Sales employees	6		6
Number of disabled employees	**1,520**	**2.8%**	**1,563**

(a) As a result of a redefinition of India's managers of agents, 2008 data were adapted as follows: 4,284 managers were reallocated in total; of which 4,044 to salaried sales-force, and 240 to the experts and staff category. This reassignment also affects the "changes in staffing level" section for this population.

CHANGES IN STAFFING LEVEL	2008 data	Change 2008/2009	2009 data
NON-SALES EMPLOYEES ON OPEN-ENDED CONTRACT			
External recruitments [a]	16,078 [a]	-40%	9,668
Fixed-term contracts transformed into open-ended contracts	1,243	-14%	1,066
Departures	13,196 (a)	-2.1%	12,918
Resignations	8,438 [a]		6,906
Layoffs	3,148 [a]		4,683
Economic layoffs	2,005 (a)		3,377
Other departures (retirement, death, etc.)	1,610 [a]		1,329
Net job creation during the year (external recruitments + fixed-term to open-ended – departures)	4,125 [a]	-153%	-2,184
Internal mobility rate	12%		14%
Voluntary turnover rate	10% [a]		6.6%
Sales employees on open-ended contract			
External recruitments	21,184 [a]	-26%	15,844
Fixed-term contracts transformed into open-ended contracts	**215**	**0.5%**	**216**
Departures	17,700 [a]	9.5%	19,378
Resignations	12,107 [a]		13,363
Layoffs	**5,378 [a]**		**5,808**
Economic layoffs	4,150 [a]		3,729
Other departures (retirement, death, etc.)	215 [a]		207
Net job creation during the year (external recruitments + fixed-term to open-ended – departures)	**3,799 [a]**	**-187%**	**-3,318**
Internal mobility rate	**7.0%**		**5.9%**
Voluntary turnover rate	**44% [a]**		**54%**
CHANGE IN TEMPORARY STAFF			
Non-sales Employees			
External recruitments (fixed-term contracts)	4,804	-9.2%	4,363
End of fixed-term contract	3,729	5.2%	3,924
Sales Employees			
External recruitments (fixed-term contracts)	1,161	-14%	1,004
End of fixed-term contract	655	22%	801

(a) As a result of a redefinition of India's managers of agents, 2008 data were adapted as follows: 4,284 managers were reallocated in total; of which 4,044 to salaried sales-force, and 240 to the experts and staff category. This reassignment also affects the "changes in staffing level" section for this population.

COMPENSATION	2008 data	Change 2008/2009	2009 data
Total gross payroll for sales and non-sales employees *(k€)* [(a)]	**6,930,411**	**-2,2%**	**6,775,289**
Variable / total pay	16%		16%
% employees having received stock-options over the year	4.0%		4.3%
% employees participating in the yearly Shareplan [(b)]	26%		25%
% capital owned by AXA employees	5.9%		5.9%
TRAINING			
Average number of training days per employee			
Non-sales employees	2.6	-14%	2.3
Sales employees	9.8	3.3%	10.1
% employees having attended at least one training course			
Non-sales employees	73%	6.0%	77%
Sales employees	83%	8.5%	90%
TRAINING BREAKDOWN PER TYPE			
Non-sales employees			
Leadership and management know-how	17%		14%
Technical and functional know-how	47%		46%
Other training	36%		40%
Sales employees			
Leadership and management know-how	5%		2%
Technical and functional know-how	78%		78%
Other training	18%		20%
WORKING TIME AND ABSENTEEISM			
Average number of working days per year	**228**		**228**
Average number of working hours per week	**37**		**37**
% part-time non-sales employees	**10%**		**11%**
% overtime / average FTE	**1.7%**		**1.6%**
Absenteeism rate	**4.6%**		**4.5%**
Due to sickness	71%		71%
Due to work-related accident	2%		2%
Due to maternity	27%		27%

(a) As a result of a redefinition of India's managers of agents, 2008 data were adapted as follows: 4,284 managers were reallocated in total; of which 4,044 to salaried sales-force, and 240 to the experts and staff category. This reassignment also affects the "changes in staffing level" section for this population.

(b) Shareplan: share ownership schemes reserved for AXA employees.

ENVIRONMENTAL INFORMATION

AXA is committed to reducing its direct impact on the environment by actively managing our waste, emissions, and our consumption of natural resources. AXA is also aware of the role it can play in promoting environmental awareness amongst its stakeholders, contributing to improve the understanding of global environmental risks, and committing to support the fight against climate change or any other environmental protection efforts.

Environmental management perimeter definition

AXA's direct operations, focusing on financial services, do not significantly impact the environment. AXA does not produce any significant emissions into air, water and soil, with the exception of CO_2. No complaints relating to noise and odor issues were filed against the Group. AXA's operations and land use (2,330,602 m^2 of office space and 873,423 m^2 of open spaces) do not significantly threaten biodiversity.

Carbon dioxide is the most significant greenhouse gas emitted by AXA (related to fossil fuel and electricity consumption). Electronic waste is AXA's most hazardous type of waste. Paper is the most significant raw material consumed by AXA. As a result, AXA's environmental reporting and management processes focus on energy, water and paper consumption, as well as CO_2 emissions. Being aware of the environmental issues at stake, AXA has thus defined certain targets applicable to its operating entities with respect to internal environmental management and Sustainable Development.

Performance targets

For the 2007-2009 period, AXA's first reduction targets were set on energy, CO_2 emissions, paper and water. These were successfully achieved for energy and CO_2, with water consumption only slightly decreasing. Paper consumption targets for 2007-2009 cannot be assessed, as AXA changed its method of data collection on paper consumption in 2009. The new method of data collection allows for a better integration of paper consumption related to business operations (marketing materials, sales brochures and customer invoicing, etc.) and is therefore no longer comparable with the previous data collection method.

In 2009, AXA set new quantitative targets for its Key Performance Indicators (KPIs) related to energy, CO_2 emissions, paper [(1)] and water consumption for the 2008-2012 period:

- Power consumption (kWh/Full Time Employee [FTE]): 20% reduction;
- CO_2 emissions (T eq. CO2/FTE): 20% reduction;
- Water consumption (m3/FTE): 15% reduction;
- Paper consumption (kg/FTE): 15% reduction.

In addition to these core objectives, AXA aims at improving electronic waste management, in particular by implementing the Waste Electronic and Electrical Equipment (WEEE) Directive in all AXA sites worldwide. This directive is of particular relevance to AXA Technology Services, the Group's business unit handling IT equipment.

All of these targets are monitored on a regular basis and reported on annually so that local entities can gradually implement their own action plans in order to achieve these goals.

Environmental reporting network, tools and perimeter

The AXA Group's Corporate Responsibility Department coordinates a network of dedicated environmental managers and employees in local subsidiaries. AXA is working with these managers to analyze indicators, identify performance targets and promote the sharing of best practices. In 2009, the Group's Corporate Responsibility team trained in priority the new users to the environmental reporting process, but also existing users that required a "refresher" course. The environmental reporting training took place through a web-conferencing system, face to face meetings and an e-learning module available both in French and in English.

In order to facilitate the environmental data collection process, the AXA Group developed an internal reporting tool that centralizes the collection, consolidation and analysis of local environmental data. In 2008, work was done to significantly enlarge the scope of the environmental reporting (+29% of Full-Time Equivalent (FTE)) so as to provide a more representative view of its ecological footprint. Of note, only sites featuring more than 50 FTEs are included in the targeted scope. It now embraces 41 countries over five continents. The scope of the 2009 annual environmental reporting is stable compared to 2008 (including 268 operating sites, covering 82% of the AXA employees, which is considered adequate to represent the Group's overall performance), with much effort focused on improving data collection accuracy through new tools enabling better data analysis.

(1) Paper has a 2009 baseline due to the changes in the reporting process.

In 2009, the fourth annual transport survey, used to help estimating the amount of CO_2 emissions related to commuting from home to work, included all 41 countries in the reporting scope and was available in 20 languages. Environmental protection tips were provided at the same time. In addition to increasing employees' awareness on climate change issues, this survey helps refine the Group's estimated carbon footprint by revealing the share attributable to workplace commuting.

Certification and evaluation

PricewaterhouseCoopers Audit, one of AXA SA's Statutory Auditors, reviewed the environmental reporting process (Environmental Protocol, reporting tool, organization), as well as the data and collection processes of four significant European countries. The auditors' statement of assurance is included in the Activity and Corporate Responsibility Report. In 2009, 34 sites were reported to have an environmental certification.

In addition, the AXA Group's social, community, environmental and governance performance are evaluated by many players, from investors to corporate social responsibility (CSR) rating agencies specializing in the socially responsible investment (SRI) market. The Group is ranked above average in its industry and is also included in the three main international ethical indexes: DJSI (based on research by the SAM agency), FTSE4GOOD (Eiris) and Aspi Eurozone (Vigeo). See www.axa.com/en/responsibility/sri. Although these ratings are not formal audits and analyse multiple CSR areas, they generally indicate that AXA has developed sound environmental management policies and practices.

Reducing the AXA Group's impact on the environment

The AXA Group is committed to reducing the "direct" impact of its activities on the environment, in particular by improving site management policies. Group entities roll out action plans to reduce their environmental impact with respect to water, paper, energy consumption and CO_2 emissions. Key performance indicators are used to monitor the results of these plans (see performance targets).

POWER CONSUMPTION

AXA's power consumption per FTE decreased by 7% in 2009 compared to 2007. The proportion of renewable energy consumed by AXA's premises is 23%. AXA's premises use electricity (80% of floor space), gas (15% of floor space) and fuel / steam (5% of floor space).

These reduction trends demonstrate the development of local measures to reduce the Group's energy and carbon footprint. These include for example the rolling out of a "Green IT" strategy by AXA Technology Services, the Group's IT subsidiary, affiliated with the Climate Savers Computing Initiative (an environmental standards benchmark for all computers, screens and printers). AXA Australia has rationalised energy use and set itself stringent targets, in addition to the Group targets. AXA Belgium has installed solar panels on certain buildings and conducts "green renovation" work on existing buildings. AXA Germany's headquarters in Cologne re-uses heat produced by the central IT system for central heating, while in the summertime the central ventilation is cooling the office areas. AXA Business Services (India) uses compact fluorescent lamps and motion sensors to control lighting and appliances, and has installed solar panels on its buildings. AXA MPS has been certified as a company that supports energy production from renewable sources, with the possibility to use the brand "Energia Pura" provided by Enel, Italy's main energy provider.

CO_2 EMISSIONS: TRANSPORTATION AND ENERGY

AXA's CO_2 emissions per FTE related to energy and business travel (air, rail and car fleet) were reduced by 29% between 2007 and 2009. 61% of Group CO_2 emissions come from energy, 22% from Business Travel (air and train) and 17% from AXA vehicle fleet. Employee commuting-related CO_2 emissions per FTE remained stable compared to 2007 at about 1 T eq. CO_2.

Several initiatives aim to further reduce these emissions. AXA Winterthur, in Switzerland, set a 5% CO_2 emissions (from business trips) reduction target for 2008-2009. A brochure on environmentally friendly business travel was published, with tips on using transport and telecommunication services. The entity has ten video conference rooms and an "AXA Presence" room (equipped with high-end telepresence systems), it uses AXA bikes / electric bikes and received an award for promoting the use of bicycles in its operations. AXA started rolling out its Telepresence facilities in 2008. In 2009, the Group had 35 Telepresence rooms in 12 countries, which are estimated to have saved 3,100 T eq. CO_2, 2,574 trips for a total of 28 million km. In 2010, AXA plans to double the number of Telepresence rooms. AXA PPP Healthcare in the UK has introduced electric delivery vans to distribute internal mail. AXA France set a maximum threshold of 200gr CO_2/km for all the order of its vehicles and offers the possibility to order a Toyota Prius (hybrid vehicle). The emission threshold for commercial vehicles at AXA France was set at 140 g de CO_2/km. AXA Canada adopted a similar approach to its executives' vehicle fleet and monitors related fuel savings. AXA Luxembourg has also put in place maximum thresholds for its vehicle fleet CO_2 emissions. Both AXA France and AXA Germany launched car-sharing websites open to all employees, which helps to reduce the carbon footprint of employee commuting. In France, 570 employees used the site at year end 2009, and an average 600 car-sharing offers are active. AXA France also implemented eco-driving courses for sales teams in certain regions, which led to an average 12% in fuel savings. AXA UK launched extensive internal awareness campaigns with its "Cut a kilo for World Environment Day" event and "kick the CO_2 habit" scheme. The AXA Group headquarters, in agreement with local employee representatives, inserted criteria related to local carbon emissions reductions in the calculation of its profit sharing agreement. The carbon footprint criterion represents 10% of this profit sharing agreement.

WATER CONSUMPTION

AXA's water consumption per FTE decreased by 3% between 2007 and 2009. Related initiatives include AXA Winterthur, which has fitted water-saving faucets throughout the building of the head office. AXA Corporate Solutions improved its cooling towers to reduce water consumption.

PAPER CONSUMPTION

Although AXA's paper consumption decreased by 3% between 2007 and 2008, it is not possible to track performance in 2009, as the reporting standards have changed for this indicator. AXA now tracks both office paper and marketing and distribution paper separately, in order to more accurately measure our impact. AXA is working on increasing the volume of paper from recycled sources or sustainably managed forests, but has decrease its overall consumption due to the integration of additional volumes of marketing and distribution paper. In 2009, 31.4% of AXA's total paper consumption is from these sources (58% of office paper is from recycled sources compared to 20% of marketing and distribution paper).

Related initiatives include efforts by AXA Spain to use a much shorter version of its car insurance policy to be signed and returned by customers (from 16 sheets of paper down to 1 sheet; the savings are estimated at 580 tons of paper per year). AXA PPP (UK) reduced the overall amount of paper used by over 22%, while the use of recycled and mixed Forest Stewardship Council (FSC) accredited paper was ramped up to over 50%. AXA France's profit sharing agreement, concluded with local employee representatives, now includes paper consumption and paper recycling targets (representing 5% of the agreement's related bonus).

WASTE MANAGEMENT

As mentioned above, AXA does not seek to monitor waste volumes but its IT business unit AXA Technology Services, for which electronic waste is of particular relevance, ensures compliance with the Waste Electronic and Electrical Equipment (WEEE) Directive. Ink cartridges are systematically recycled by local entities, and many of them voluntarily collect various waste streams for recycling (eg. used batteries). Other initiatives include AXA Spain which seeks to raise awareness on waste segregation among employees through special information materials and volunteer employees explaining to their peers the rules of recycling, or AXA France which collects compact fluorescent lamps and used mobile phones, the latter being recycled by work-integration organisations.

Business-related environmental impacts

In addition to reducing its operational environmental footprint, the Group seeks to minimize its "indirect" impact on the environment by offering insurance and investment solutions to promote environmentally-friendly behavior. Some of the initiatives put in place pursuant to this aim in the areas of Property & Casualty insurance and asset management. For example, AXA subsidiaries offer limited mileage Motor insurance policies to encourage customers to reduce their vehicle use and, therefore, their CO_2 emissions, or reduced premiums for low emissions vehicles. Certain affiliates offer special home insurance policies for environmentally-conscious homeowners, favor environmentally-friendly products when replacing insured appliances, actively advise "green" entrepreneurs and SMEs about environmental risks, or promote the development of renewable energies via adapted policies covering the equipment and the revenues derived from electric energy sales, etc. AXA IM, AXA Group Asset Management subsidiary, has developed a range of investment products and shareholder engagement services integrating in particular environmental considerations, and applies environmental criteria to its real estate investment portfolio. These examples are described in the Activity Report and on AXA's website www.axa.com.

Institutional commitments to protect the environment

The AXA Group and local entities signed or joined the following initiatives in the area of environmental protection (and/or CR more generally), including the "Kyoto Statement" (Geneva Association: AXA Group 2009), "Caring for Climate" (WBCSD / UNEP FI / UN Global Compact: AXA Group 2008), Carbon Disclosure Project (AXA Group partnership since 2005), "ClimateWise" (UK insurance industry collaborative industry initiative: AXA UK, 2008), "Copenhagen Communiqué on Climate Change" (Corporate Leaders Group on Climate Change: AXA UK, 2009), "Sustainable Development Charter" (*Fédération Française des Sociétés d'Assurances*: AXA France, 2009), "Principles for Responsible Investment" (UN: AXA IM 2007, AXA Private Equity 2009), Investor Statement on Climate Change (International Investor Group on Climate Change: AXA IM, 2008).

Legal measures and environmental expenditures

Regarding measures taken to ensure compliance with legal requirements, the main concern arises from the existence of "classified facilities" (for environmental protection purposes) such as fuel tanks for backup electricity generators, or major air conditioning systems. In 2009, the Group reported 46 sites with a specific permit. Their impact on the neighboring environment is minimal. Nevertheless, being classified, those facilities benefit from adequate maintenance and their compliance with local legal obligations is monitored regularly. The full range of expenditures incurred to promote environmental preservation is minor, local and of a heterogeneous nature, and as such, is not monitored at Group level. No specific provisions or guarantees covering environmental risks have been set aside, considering the limited litigation risks arising from the management of AXA's direct environmental footprint.

AXA GROUP ENVIRONMENTAL INDICATORS [a]	UNIT	2007	2008	2009
Number of employees on site, Full-Time Equivalent (FTEs)	FTE	103,317	121,990	121,108
Net internal area (sites)	m^2	2,400,504	2,487,602	2,330,602
POWER (SITES)				
Power consumption [b]	Kwh	565,899,760	627,987,507	617,473,679
KPI: Power consumption per person	**Kwh/FTE**	**5,477**	**5,148**	**5,099**
Evolution compared to 2007			**-6%**	**-7%**
TRANSPORTATION				
Business travel: airplane and train [c]	Km	588,852,537	352,931,708	257,875,862
Business travel: AXA vehicle fleet	Km	288,261,087	393,466,688	333,923,046
Home/workplace commute (round trip) [d]	Km	990,579,720	1,258,507,154	1,219,253,316
CO_2 EMISSIONS [e]				
CO_2 emissions resulting from onsite power consumption	T eq. CO_2	173,619	225,833	216,542
CO_2 emissions resulting from business travel: airplane and train	T eq. CO_2	197,118	116,907	78,691
CO_2 emissions resulting from business travel: AXA vehicle fleet	T eq. CO_2	57,598	77,513	60,461
KPI: CO_2 emissions resulting from onsite power consumption and business travel (airplane, train, AXA vehicle fleet) per person	**T eq. CO_2/FTE**	**4,15**	**3,44**	**2.94**
Evolution compared to 2007			-17%	-29%
CO_2 emissions resulting from home/workplace commute [f]	T eq. CO_2	104,208	133,773	123,830
WATER				
Water consumption [g]	m^3	1,070,156	1,263,816	1,215,053
KPI: Water consumption per person	**m^3/FTE**	**10,36**	**10,36**	**10,03**
Evolution compared to 2007			**0%**	**-3%**
PAPER [h]				
Paper consumption	T	13,583	15,337	N/A
Paper consumption per person	kg/FTE	130	126	N/A
Office paper consumption	T			5,995
KPI: Office paper consumption per person	**kg/FTE**			**49**
Marketing and distribution paper consumption	T			14,022
KPI: Marketing and distribution paper consumption per customer [i]	**kg/customer**			**0.149**
Percentage of paper recycled and/or garanteeing sustainable management	%	38	49	31

Stable reporting perimeter compared to 2008, representing the 41 most significant countries where the AXA Group is present. Of note, Key Performance Indicators (KPIs) are highlighted in bold.

(a) In 2009, environmental indicators were collected for sites representing 99,296 FTEs and were then extrapolated, continent by continent, to cover all 121,108 salaried FTEs working at the AXA Group as of 31/12/2009. In 2008, this process took place on the basis of data collected from 98,918 FTEs, extrapolated to 121,990 FTEs.

(b) This includes electricity, natural gas, fuel and steam.

(c) This data has been collected from 94,563 FTEs. Entities reduced their business travel significantly due to budget constraints in 2009, which explains this decrease compared to 2008. AXA Assistance France excluded repatriation data in its 2009 reporting, which also helps explain this decrease.

(d) Home/workplace commute estimations are based on an annual online transportation survey, issued to every AXA salaried employee. This data has been collected from 21,955 FTEs. Sites whose response rate was below 5% have been excluded from the data consolidation process.

(e) CO_2 emissions estimation: as in 2007 and 2008, emissions factors specific to each country have been used for electricity, train, air and road travel. These factors are based on standards established by ADEME (Agence de l'Environnement et de la Maîtrise de l'Énergie – France) and the Greenhouse Gas Protocol.

(f) This data does not include company cars, to avoid double counting with the AXA vehicle fleet data.

(g) This data has been collected from 89,173 FTEs. Many sites in Asia and America are not equipped with water meters, which prevents their accurate measurement.

(h) A new data collection method was put in place in 2009, which included significant and previously unidentified sources of paper consumption related to business operations (marketing materials, sales brochures and customer invoicing, etc). These new paper streams are now better identified and included in the reporting process. We have now separated paper consumption into "office paper" and "marketing and distribution paper" to track these consumption flows more accurately.

(i) The Group has 94,356,994 customers, as per data collected by Group Marketing.

APPENDIX IX MANAGEMENT BOARD'S REPORT CORRESPONDENCE TABLE

This *Document de Référence* includes all the compulsory matters required to be covered in the Management Board's Report of AXA established pursuant to Articles L.225-100 and L.225-100-2 of the French Commercial Code.

You will find below the references to the extracts of the *Document de Référence* corresponding to the parts of the Management Board's Report as approved by the Management Board of the Company.

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Annual Report

(*Document de Référence*)

filed with the AMF on March 17, 2010

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** Pursuant to Article 28 of Commission Regulation (EC) n° 809/2004 of April 29, 2004, the following items are incorporated by reference:*

- *AXA's consolidated financial statements for the year ended December 31, 2008 and the Statutory Auditors' report on them, respectively presented on pages 229-412 and on pages 413-414 of the Annual Report (Document de Référence), the French version of which was filed with the AMF (Autorité des marchés financiers) on March 26, 2009 under reference n° D09-0158;*
- *AXA's consolidated financial statements for the year ended December 31, 2007 and the Statutory Auditors' report on them, respectively presented on pages 197-375 and on pages 376-377 of the Annual Report (Document de Référence), the French version of which was filed with the AMF (Autorité des marchés financiers) on March 28, 2008 under reference n° D08-0156.*

APPENDIX XI ANNUAL FINANCIAL REPORT CORRESPONDENCE TABLE

This *Document de Référence* includes all the components of the Annual Financial Report (*Rapport Financier Annuel*) referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code as well as in Article 222-3 of the AMF General Regulations.

You will find below the references to the extracts of the *Document de Référence* corresponding to the various parts of the Annual Financial Report.

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