

AXA

PRESS RELEASE

PARIS, FEBRUARY 23, 2017

Full Year 2016 Earnings

On track towards Ambition 2020 targets

- > **Underlying earnings per share** up 4% to Euro 2.24
- > **Dividend** of Euro 1.16 per share, up 5% from FY15, to be proposed by the Board of Directors
- > **Solvency II ratio** of 197%, up 6 pts from 9M16

“With the commitment and the engagement of our teams, we have delivered a strong performance in the first year of our new Ambition 2020 plan”, said Thomas Buberl, Chief Executive Officer of AXA.

“We recorded Euro 5.7 billion in underlying earnings, a growth of 4% on a per share basis, despite continued low interest rates and market volatility. We generated over Euro 6.2 billion of operating free cash flows and our Solvency II ratio of 197% remained well within our target range. In this context, the Board of Directors is proposing a dividend of Euro 1.16 per share, an increase of 5% versus last year, which corresponds to a payout ratio of 48%.”

“AXA’s revenues crossed the Euro 100 billion mark for the first time in the company’s history. In Life & Savings, we continued to grow our profitable Protection & Health and capital light Savings businesses, in line with our strategy. In Property & Casualty, we grew in both personal and commercial lines. We also experienced significant positive net inflows in Asset Management.”

*“We are on track on the headline targets of our Ambition 2020 plan, **focusing** on the execution of clear management levers, and pursuing the **transformation** of the Group towards becoming the innovation leader in insurance and empowering people to live a better life.”*

Key figures (In Euro million unless otherwise noted)

	FY15 restated ¹	FY16	Change on a reported basis	Change on a comparable basis
Total revenues	98,136	100,193	+2%	+2%
L&S Annual Premium Equivalent (APE ^{2,3})	6,464	6,600	+2%	+2%
L&S New Business Value (NBV ³) margin (%)	38.2%	39.7%	+1.5 pts	+1.1 pts
P&C all-year combined ratio (%)	96.2%	96.5%	+0.3 pt	+0.5 pt ⁴
	FY15 restated ¹	FY16	Change on a reported basis	Change at constant Forex
Underlying earnings ³	5,507	5,688	+3%	+3%
Adjusted earnings ³	5,940	6,103	+3%	+3%
Net income	5,617	5,829	+4%	+2%
Group Operating Free Cash Flows (Euro bn)	6.2	6.2		
	FY15	FY16	Change on a reported basis	
Adjusted ROE (%)	14.1%	13.5%	-0.6 pt	
Debt gearing ⁵ (%)	26%	26%	+0.5 pt	
Solvency II ratio ⁶ (%)	205%	197%	-8 pts	
Underlying earnings per share (Euro)	2.16	2.24	+4%	
Dividend per share (Euro)	1.10	1.16	+5%	

All notes are on page 10 of the document.

FY16 key highlights

SALES	<p>Total revenues⁷ were up 2%, mainly driven by Life & Savings and Property & Casualty, partly offset by Asset Management:</p> <ul style="list-style-type: none"> ● Life & Savings revenues were up 2%, as growth in G/A⁸ Savings, Protection & Health⁹ and Mutual Funds & Other was partly offset by lower revenues in Unit-Linked⁹; ● Property & Casualty revenues were up 3%, mainly driven by a positive price effect of 3% on average; ● Asset Management revenues were down 3%, mainly due to lower average assets under management including the impact of the withdrawal of the Friends Life portfolio. <p>Total economic gross revenues¹⁰ were up 3%, reflecting revenues on a group share basis. The main difference in growth versus total revenues was driven by China and Italy.</p> <p>Health revenues¹¹ (reported above in L&S or P&C) were up 4% to Euro 12 billion driven by France, UK & Ireland, Germany, and Mexico, partly offset by the Gulf region.</p> <p>Life & Savings New Business Volume (Annual Premium Equivalent, APE) was up 2%, driven by growth in G/A Savings, Protection & Health and Mutual Funds & Other, partly offset by Unit-Linked.</p> <p>Life & Savings net inflows amounted to Euro +4.4 billion. This was mainly driven by Protection & Health at Euro +5.1 billion, G/A Savings capital light¹² at Euro +3.6 billion, Unit-Linked¹³ at Euro +1.3 billion and Mutual Funds & Other at Euro +1.0 billion, partly offset by traditional G/A Savings at Euro -6.6 billion, in line with our strategy.</p> <p>Asset Management net inflows amounted to Euro 45 billion driven by AXA IM with Euro 56 billion of net inflows, partly offset by AB with net outflows of Euro 12 billion.</p>
PROFITABILITY	<p>Life & Savings NBV margin was up 1.1 points to 40% mainly driven by a more favorable business mix and lower expenses, partly offset by lower interest rates. New Business Value¹⁴ was up 5% to Euro 2.6 billion.</p> <p>In Property & Casualty, current year combined ratio was up 0.2 point to 97.7%. All-year combined ratio was up 0.5 point to 96.5%, with lower prior year reserve releases.</p>
EARNINGS	<p>Underlying earnings³ were up 3% to Euro 5.7 billion, mainly driven by an increase in Life & Savings, Property & Casualty and Holdings, partly offset by a decrease in Asset Management.</p> <p>Adjusted earnings³ were up 3% to Euro 6.1 billion, mainly driven by higher underlying earnings.</p> <p>Net income was up 2% to Euro 5.8 billion, as higher adjusted earnings, a net gain on disposals, and a less unfavorable change in the fair value of financial assets and derivatives not eligible for hedge accounting, were partly offset by higher restructuring costs.</p>

BALANCE SHEET	<p>Shareholders' equity was at Euro 70.6 billion, up Euro 2.1 billion versus December 31, 2015, mainly driven by (i) net income contribution, partly offset by (ii) dividend payment and (iii) the repayment of undated subordinated debt in 2016.</p> <p>Solvency II ratio was at 197%, up 6 points versus 9M16, mainly driven by a strong operating return contribution net of dividend proposed by the Board of Directors, and more favorable financial market conditions.</p> <p>Debt gearing⁵ was at 26%, stable vs. December 31, 2015.</p> <p>Adjusted ROE stood at 13.5%, down 0.6 point vs. FY15 mainly driven by an increase in average shareholders' equity¹⁵.</p> <p>Group operating Free Cash Flows were Euro 6.2 billion, stable vs. FY15.</p> <p>A dividend of Euro 1.16 per share (up 5% vs. FY15) will be proposed at the Shareholders' Annual General Meeting on April 26, 2017. This represents a pay-out ratio of 48% of adjusted earnings, net of the interest charges on undated debt.</p>
RATINGS	<ul style="list-style-type: none"> ● On October 27, 2016, S&P Global Ratings upgraded its long-term financial strength rating of AXA's core operating subsidiaries to 'AA-' with a stable outlook, from 'A+' with a positive outlook. ● On September 9, 2016, Moody's Investors Services reaffirmed the 'Aa3' insurance financial strength ratings of AXA's principle insurance subsidiaries, maintaining a stable outlook. ● On June 28, 2016, Fitch reaffirmed all AXA entities' insurer financial strength ratings at 'AA-', maintaining a stable outlook.

All comments are on a comparable basis for activity indicators (constant Forex, scope and methodology), and at constant Forex for earnings, unless otherwise specified.

Non-GAAP measures such as underlying earnings and adjusted earnings are reconciled to net income on page 17 of this release. AXA's FY16 financial statements have been examined by the Board of Directors on February 22, 2017 and are subject to completion of an audit procedure by AXA's statutory auditors.

Life & Savings

Key figures	Revenues			Underlying earnings		
	FY15 Restated ¹	FY16	% change	FY15 restated ¹	FY16	% change ⁴
In Euro billion						
Mature markets	54.9	56.0	+1%	2.8	2.9	+1%
Emerging markets	4.0	4.3	+11%	0.5	0.6	+7%
Total	58.9	60.3	+2%	3.4	3.5	+2%

Key figures	Pre-tax Underlying earnings			APE			NBV margin		
	FY15 restated ¹	FY16	% change ⁴	FY15 restated ¹	FY16	% change	FY15 restated ¹	FY16	% change
In Euro billion									
Protection & Health	2.5	2.4	-5%	3.0	2.9	+2%	52%	61%	+5 pts
G/A Savings	0.8	0.8	+2%	0.9	1.4	+15%	19%	18%	0 pt
<i>of which capital light</i>	-	-	-	0.6	0.9	+10%	27%	23%	-2 pts
Unit-Linked	1.0	1.0	-2%	1.8	1.5	-10%	35%	31%	-3 pts
Mutual funds & Other	0.1	0.1	+3%	0.7	0.7	+10%	9%	12%	+4 pts
Total	4.4	4.4	-2%	6.5	6.6	+2%	38%	40%	+1 pt
<i>of which mature markets</i>	3.8	3.8	-4%	5.2	5.2	-1%	35%	38%	+3 pts
<i>of which emerging markets</i>	0.6	0.6	+9%	1.3	1.4	+14%	51%	46%	-7 pts

New Business Volume (Annual Premium Equivalent, APE) growth improved in the second half, and was up 2% over the year as growth in G/A Savings, Protection & Health and Mutual Funds & Other was partly offset by Unit-Linked.

In emerging markets, APE increased by 14% reflecting strong sales in China and Hong Kong. In mature markets, APE was down 1%, as growth in the US, France, Japan, Germany and Switzerland was more than offset by lower new business in Italy and in Belgium.

- **Protection & Health APE** (45% of total) was up 2%, mainly driven by Switzerland from the sale of a large Group Protection contract, Hong Kong from the successful launch of a new Protection product and the sale of a large Group Health contract, and Spain mostly due to two new bancassurance distribution agreements.
- **Unit-Linked APE** (23% of total) was down 10%, mainly driven by Italy due to adverse market conditions, Belgium in line with our strategy to focus on Protection and exit the Individual Savings business, as well as Hong Kong following regulatory changes and the non-repeat of exceptional sales of large contracts in 1H15. This was partly offset by the US, as higher sales of non-GMxB Variable Annuities products more than offset the decrease in GMxB Variable Annuities sales.
- **G/A Savings APE** (22% of total) was up 15%, mainly in China following higher Chinese New Year sales and, in the subsequent quarters, stronger sales of higher margin whole life savings products, Hong Kong including the successful launch of a G/A capital light product, as well as Japan following the continued success of the G/A capital light product, partly offset by lower sales in France and Switzerland, in line with our strategy.
- **Mutual Funds & Other APE** (10% of total) was up 10%, mainly due to the sale of a large and profitable contract in France in 2H16.

NBV margin was up 1.1 points to 40% mainly driven by (i) favorable business mix in France and Switzerland with higher volumes in profitable Group Protection business, and in Hong Kong following higher sales of Health products and (ii) lower expenses notably in France and the US. This was partly offset by (iii) unfavorable economic conditions mainly in the US, Hong Kong and France. As a consequence, **NBV** was up 5% to Euro 2.6 billion.

Life & Savings net flows amounted to Euro +4.4 billion. This was mainly driven by:

- **Protection & Health** at Euro +5.1 billion driven by positive business developments mainly in France, Japan, Hong Kong, and Spain;
- **Unit-Linked** at Euro +1.3 billion mainly driven by France, the US from non-GMxB Variable Annuities and Germany, partly offset by outflows in Italy and the Variable Annuity GMxB buyout offer in the US (Euro -0.7 billion).
- **Mutual Funds & Other** at Euro +1.0 billion, mainly due to the sale of a large and profitable contract in France in 2H16.

This was partly offset by:

- **G/A Savings** at Euro -3.0 billion, where strong inflows of Euro +3.6 billion in G/A capital light products, mostly in Italy and Japan were more than offset by Euro -6.6 billion outflows in traditional G/A products, in line with our strategy, notably due to the successful buyout offer in Belgium (Euro -1.5 billion).

Underlying earnings were up by 2%, as lower prior year reserve developments and the non-repeat of a favorable change in assumptions in Protection in France (Euro -0.3 billion) were more than offset by (i) higher net technical margin in Protection & Health mainly in the US, Hong Kong and Germany, (ii) improved GMxB margins in the US, and (iii) a lower corporate tax rate in France, as well as Euro 35 million higher tax one-offs.

- **Protection & Health pre-tax underlying earnings** were down 5% (or Euro -135 million), mainly due to (i) lower technical margin in Protection in France mainly resulting from both lower prior year reserve developments and the non-repeat of a favorable change in assumptions in 2015 (Euro -0.3 billion), (ii) higher DAC amortization in the US, and (iii) lower investment margin mainly in Switzerland and Japan. This was partly offset by (iv) higher mortality margins in the US, Germany and Mexico and (v) higher fees and revenues in France and Germany, linked to higher volumes.
- **Unit-Linked pre-tax underlying earnings** were down 2% (or Euro -24 million), as the higher contribution from (i) US GMxB Variable Annuity products mostly resulting from an improved hedge margin and the non-repeat of 2015 reserve strengthening and (ii) GMxB margin in Germany mainly following the new hedging strategy implemented in 2015, were more than offset by (iii) lower fees and revenues in Italy.
- **G/A Savings pre-tax underlying earnings** were up 2% (or Euro +15 million), as lower expenses, notably in France, and higher net technical margin in Japan and France, were partly offset by lower investment margin.

Property & Casualty

Key figures	Revenues (In Euro billion)			FY16 price effect
	FY15 restated ¹	FY16	% change	%
Personal	18.1	18.1	+4%	+3.8%
Commercial	16.6	17.2	+2%	+1.5% ¹⁶
Other	0.1	0.3	+98%	-
Total	34.8	35.6	+3%	+2.7%

	Revenues (In Euro billion)			Current year combined ratio			All year combined ratio		
	FY15 restated ¹	FY16	% change	FY15 restated ¹	FY16	change ⁴	FY15 restated ¹	FY16	change ⁴
Mature markets	26.9	27.6	+2%	96.9%	96.9%	0.0 pt	94.3%	95.6%	+1.4 pts
Direct	2.7	2.9	+7%	99.3%	98.7%	-0.5 pt	98.0%	96.8%	-1.4 pts
Emerging markets	5.2	5.1	+7%	100.9%	102.0%	+1.2 pts	105.6%	101.8%	-3.6 pts
Total	34.8	35.6	+3%	97.7%	97.7%	+0.2 pt	96.2%	96.5%	+0.5 pt

Revenues were up 3% mainly driven by a positive price effect of 2.7% on average.

- **Mature markets revenues** were up 2%, mostly driven by tariff increases in most of the countries, as well as higher volumes notably in UK & Ireland.
- **Emerging markets revenues** increased by 7%, mainly driven by Turkey due to significant tariff increases. Excluding Turkey, revenues increased by 4%, mainly driven by Mexico from both tariff increases and higher volumes in Health business.
- **Direct revenues** were up 7% mainly driven by strong growth in Poland, France, the UK, and Japan, partly offset by South Korea following pruning actions.

Personal lines net new contracts amounted to +212k mainly driven by strong business growth in Asia (+346k), mostly in Malaysia, Italy (+109k), UK & Ireland (+98k), Direct (+82k), partly offset by Turkey (-297k) due to selective underwriting, and France (-100k), partly due to strong competition in the context of Hamon Law.

Underlying earnings were up 2%, as lower prior year reserve developments and a higher current year combined ratio were more than offset by higher earnings from associates and a reduced corporate tax rate in France.

Current year combined ratio was up 0.2 point to 97.7%.

- **Current year loss ratio** improved by 0.5 point, mainly driven by positive price effects, lower frequency, and lower natural catastrophe charges, partly offset by increased severity namely in Turkey and in UK & Ireland.
- **Expense ratio** increased by 0.6 point, mainly driven by an increase in acquisition expenses (+0.5 point) mostly from higher commissions following a change in business mix at AXA Assistance and UK & Ireland.

Prior year reserve developments were lower by 0.3 point to -1.2 points. The positive developments were mostly driven by France, Switzerland and Belgium.

As a result, the **all-year combined ratio** increased by 0.5 point to 96.5%.

Investment result was stable at Euro 2.2 billion as lower reinvestment yields in Europe were offset by higher investment income from the EMEA-LATAM region, and from Germany mainly due to higher private equity dividends.

Asset Management

Key figures	Revenues			Underlying earnings			Average Assets under Management (Euro billion)		
	FY15	FY16	% change	FY15	FY16	% change	FY15	FY16	% change
In Euro million									
AXA IM	1,242	1,180	-3%	234	225	-1%	618	595	-3%
AB	2,580	2,530	-3%	224	191	-16%	453	464	+1%
Total	3,822	3,710	-3%	458	416	-8%	1,071	1,059	-1%

Asset Management net inflows amounted to Euro 45 billion. AXA IM recorded Euro 56 billion of net inflows, mainly driven by Asian Joint Ventures (Euro 38 billion or Euro 15 billion on a group share basis¹⁷), and strong inflows from third-party clients (Euro 18 billion), mainly in the institutional channel. AB recorded net outflows of Euro 12 billion, mostly from the loss of two large mandates in the institutional channel.

Assets under Management amounted to Euro 1,203 billion as of December 31, 2016, up 6% from December 31, 2015, mainly driven by strong net inflows and positive market effects, partly offset by the withdrawal of the second tranche of the Friends Life portfolio at AXA IM.

Average Assets under Management were down 1% at Euro 1,059 billion mainly due to the withdrawal of the Friends Life portfolio at AXA IM. Excluding the impact of the withdrawal of the Friends Life portfolio, average Assets under Management were up 2%, mainly driven by positive market effects.

Asset Management revenues were down 3% mainly driven by (i) AB linked to lower management fees due to shift in product mix as well as lower distribution fees, and (ii) AXA IM from the withdrawal of the Friends Life portfolio. Excluding the impact of the withdrawal of the Friends Life portfolio, Asset Management revenues at AXA IM were up 1%.

Underlying earnings were down 8% at Euro 416 million mainly driven by an unfavorable tax one-off at AB (Euro -50 million on a group share basis) and lower revenues, including the impact of the withdrawal of the Friends Life portfolio at AXA IM, partly offset by lower expenses.

Underlying earnings

On a post-tax basis, **underlying earnings** grew by 3%, explained by the contribution from higher pre-tax underlying earnings and a +1% contribution from lower corporate tax rate in France effective from 2016. At group level, tax one-offs were positive and amounted to Euro 143 million in FY16, compared to Euro 132 million in FY15, coming, in both years, mainly from the US. In Life & Savings, tax one-offs amounted to Euro 193 million in FY16, compared to Euro 158 million in FY15 restated.

Adjusted earnings

Adjusted earnings increased by 3% to Euro 6.1 billion, mainly driven by higher underlying earnings.

Net income

Net income was up 2% to Euro 5.8 billion, as higher adjusted earnings, a net gain on disposals, and a less unfavorable change in the fair value of financial assets and derivatives not eligible for hedge accounting, were partly offset by higher restructuring costs.

Cost Savings

AXA delivered Euro 0.3 billion of **cost savings** in 2016.

Operating Free Cash Flows

Group operating Free Cash Flows were Euro 6.2 billion, stable vs. FY15.

Solvency II ratio

Solvency II ratio was at 197%, down 8 points versus FY15, mainly driven by a strong operating return contribution net of dividend proposed by the Board of Directors, more than offset by adverse financial market conditions.

Group Embedded Value (EV)

Group EV was at Euro 52.5 billion, up Euro 1.0 billion vs. FY15 on a comparable basis.

Dividend

A **dividend** of Euro 1.16 per share (up 5% vs. FY15) will be proposed at the Shareholders' Annual General Meeting on April 26, 2017. The dividend is expected to be paid on May 9, 2017 with an ex-dividend date of May 5, 2017. This represents a pay-out ratio of 48% of Adjusted Earnings, net of the interest charges on undated debt.

General Account Invested Assets and ALM

Insurance invested assets amounted to Euro 583 billion¹⁸ at December 31, 2016, up from Euro 552 billion as of December 31, 2015. The changes are mainly linked to the impact of the decrease in interest rates on fixed income assets and the depreciation of Euro against all major currencies, except the British Pound. The asset allocation remained broadly stable, mostly geared towards government bonds and high quality corporate bonds (average rating in the A range).

Annualized asset yields on the investment portfolio were 3.3% in Life & Savings and 3.4% in Property & Casualty benefitting from average asset durations of 8.3 years and 5.6 years respectively. On the Life &

Savings side, this compared well to the average guaranteed rate of 1.9% that led to an annualized investment margin of 73 bps in FY16, at the top end of the guidance of 65 to 75 bps for 2016-2017.

In FY16, Life & Savings and Property & Casualty entities reinvested Euro 82 billion in fixed income assets at an average yield of 1.8%, well above the Life & Savings new business average guaranteed rate of 0.4%.

Capital Management

Main transactions between January 1, 2016 and December 31, 2016:

- Announcement of buyback of AXA shares and elimination of the dilutive effect of certain share-based compensation schemes on January 5, 2016;
- Announcement of AXA's global business initiative to develop its Emerging Customer insurance offer and the increase to 46% of AXA's stake in MicroEnsure on February 11, 2016;
- Completion of the acquisition of an 8% stake in Africa Internet Group on March 21, 2016;
- Announcement of the successful placement of Euro 1.5 billion dated subordinated notes due 2047 on March 24, 2016;
- Completion of the sale of the Portuguese operations on April 1, 2016;
- Completion of the acquisition of Charter Ping An, the #5 non-life insurer in the Philippines, on April 4, 2016;
- Announcement of the successful placement of Euro 500 million senior notes due 2028 on May 11, 2016;
- Announcement to sell the Life & Savings operations in Romania to Vienna Insurance Group and exit the Romanian market on August 4, 2016. Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals;
- Announcement of the successful placement of USD 850 million of undated subordinated notes on September 9, 2016, to refinance, in advance, part of AXA's outstanding debt;
- Completion of the acquisition of Liberty Ubezpieczenia, the Polish Property & Casualty operations of Liberty Mutual Insurance Group, on September 30, 2016;
- Completion of the sale of AXA's UK offshore investment bonds business based in the Isle of Man ("AXA Isle of Man") to Life Company Consolidation Group (LCCG) on October 21, 2016;
- Completion of the sale of AXA's UK wrap platform business ("Elevate") to Standard Life plc, and of its UK non-platform investment, pensions and direct protection ("SunLife") businesses to Phoenix Group Holdings on November 1, 2016;
- Completion of the sale of AXA's Hungarian banking operations to OTP bank plc on November 2, 2016.
- Completion of the sale of AXA's Serbian operations to Vienna Insurance Group on December 1, 2016.
- Completion of the sale of AXA's UK P&C commercial broker Bluefin to Marsh announced on January 2, 2017.

Notes

1. FY15 figures are restated following the sale of the UK Life & Savings business and as the International Insurance segment will no longer be reported separately. AXA Corporate Solutions Life Reinsurance Company, AXA Global Life and AXA Liabilities Managers A&H are now part of the Life & Savings segment while AXA Corporate Solutions, AXA Assistance, AXA Liabilities Managers and AXA Global P&C are now part of the Property & Casualty segment.
2. Annual Premium Equivalent (APE) represents 100% of new business regular premiums + 10% of new business single premiums. APE is Group Share.
3. APE, NBV, adjusted earnings and underlying earnings are non-GAAP measures and as such are not audited, may not be comparable to similarly titled measures reported by other companies and should be read together with our GAAP measures. Management uses these non-GAAP measures as key indicators of performance in assessing AXA's various businesses and believes that the presentation of these measures provides useful and important information to shareholders and investors as measures of AXA's financial performance.
Underlying earnings are adjusted earnings, excluding net realized capital gains attributable to shareholders. Adjusted earnings represent net income before the impact of exceptional and discontinued operations, intangibles amortization and other, and profit or loss on financial assets (classified under the fair value option) and derivatives.
4. Changes are adjusted for Forex and changes related to the acquisition of Genworth and the disposal of AXA Portugal for post-tax and pre-tax underlying earnings, and at comparable basis for pre-tax underlying earnings by business for the Life & Savings segment.
5. Starting 1H16, debt gearing is calculated gross of Holding company cash. FY15 debt gearing net of cash was reported at 23%.
6. The Solvency II ratio is estimated based on AXA's internal model calibrated based on adverse 1/200 year shock and assuming US equivalence. AXA's internal model was approved by ACPR on November 18, 2015. Solvency II took effect January 1, 2016.
7. Including Banking revenues which were down 4% to Euro 596 million in FY16 (vs. Euro 621 million in FY15).
8. General Account.
9. In Life & Savings, some Protection products with Unit-Linked features which were previously classified under the Unit-Linked Line of Business are now classified under the Protection & Health Line of Business.
10. Economic revenues are Group Share. In Italy, AXA-MPS is consolidated at 100% in IFRS gross revenues and is reflected at 50% ownership in economic revenues. In China, ICBC-AXA is not consolidated in IFRS gross revenues and is reflected at 27.5% ownership in economic revenues.
11. Health is reported in Life & Savings (France, the US, Japan, Germany, Greece, Hong Kong, Singapore and Indonesia) and Property & Casualty (the UK, Belgium, the EMEA-LATAM region: Luxembourg, Hong Kong, Italy, Malaysia, Spain, Singapore, Thailand, AXA Assistance and Direct) in line with reporting standards. The additional focus on Health is in line with the new strategy and organization dedicated to the Health business.
12. General Account Savings products which, at inception, create more AFR than the economic capital they consume.
13. FY15 figures were restated to take into account the reclassification at 1H16 of non-GMxB Variable Annuity products (Structured Capital Strategies) in the US from G/A Savings to Unit-Linked, to align with the classification for APE and NBV.
14. New Business Value in Group Share.
15. Average shareholders' equity excluding undated debt and reserves related to change in fair value.
16. Renewals only.
17. AXA IM's joint ventures in Asia (China, South Korea and India) are included at 100% in net flows, opening and closing assets under management but are excluded from revenues and average assets under management as they are not fully consolidated.
18. FY16 invested assets referenced in page 52 of the financial supplement are Euro 788 billion, which include notably Euro 175 billion of Unit-linked assets and Euro 35 billion related to the Banking segment.

Definitions

Life & Savings emerging markets: APE and NBV: China, Czech Republic, Hong Kong, India, Indonesia, Mexico, Morocco, Philippines, Poland, Singapore, Thailand and Turkey; Revenues: Colombia, Czech Republic, Hong Kong, Indonesia (excl. bancassurance entity), Mexico, Morocco, Poland, Singapore, Slovakia and Turkey.

Property & Casualty emerging markets: Revenues: Brazil, Colombia, the Gulf region, Hong Kong, Malaysia, Mexico, Morocco, Singapore, Thailand, and Turkey.

South-East Asia, India and China (L&S): APE and NBV: China, India, Indonesia, Philippines and Singapore and Thailand; Revenues: Singapore and non-bancassurance subsidiaries in Indonesia; China, India, Philippines, and bancassurance business in Indonesia and Thailand are not included in revenues due to consolidation under equity method; Malaysian operations are not consolidated.

Asia (P&C): Hong Kong, Malaysia, Singapore and Thailand. China and India are not included in revenues due to consolidation under equity method. Indonesian operations are not consolidated.

EMEA-LATAM region: Europe, Middle East, Africa & Latin America. For Life & Savings: Mexico, Colombia, Czech Republic, Poland, Morocco, Greece, Slovakia, Luxembourg and Turkey are fully consolidated; Portugal was disposed on April 1, 2016; Nigeria is consolidated under the equity method and contributes only to the underlying earnings, adjusted earnings and net income. **For Property & Casualty:** Mexico, Turkey, the Gulf Region, Colombia, Morocco, Luxembourg, Greece and Brazil are fully consolidated; Russia, Nigeria and Lebanon are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income; Brazil is fully consolidated since January 1, 2016; Portugal was disposed on April 1, 2016.

Direct (P&C): AXA Global Direct (Belgium, France, Italy, Japan, Poland, South Korea and Spain), UK Direct operations. In France, Natio is not included in revenues due to consolidation under equity method.

Emerging markets include the following entities: EMEA-LATAM Region (Mexico, Colombia, Brazil, Morocco, Turkey, the Gulf Region, Lebanon, Poland, Czech Republic, Slovakia and Russia), Hong Kong, South-East Asia (Singapore, Indonesia, Thailand, Malaysia and Philippines), India and China, excluding Direct operations.

Mature markets include the following entities: AXA Assistance, AXA Corporate Solutions Assurance, Belgium, France, Germany, Greece, Italy, Ireland, Japan, Luxembourg, Portugal (FY15 only), Switzerland, Spain, the United Kingdom and the United States.

ABOUT THE AXA GROUP

The AXA Group is a worldwide leader in insurance and asset management, with 166,000 employees serving 107 million clients in 64 countries. In 2016, IFRS revenues amounted to Euro 100.2 billion and IFRS underlying earnings to Euro 5.7 billion. AXA had Euro 1,429 billion in assets under management as of December 31, 2016.

The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISN FR 0000120628 – Bloomberg: CS FP – Reuters: AXAF.PA). AXA's American Depository Share is also quoted on the OTC QX platform under the ticker symbol AXAHY.

The AXA Group is included in the main international SRI indexes, such as Dow Jones Sustainability Index (DJSI) and FTSE4GOOD.

It is a founding member of the UN Environment Programme's Finance Initiative (UNEP FI) Principles for Sustainable Insurance and a signatory of the UN Principles for Responsible Investment.

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Andrew Wallace-Barnett:	+33.1.40.75.46.85	+33.1.40.75.48.43	Julien Parot:	+33.1.40.75.59.80
François Boissin:	+33.1.40.75.39.82		Jean-Baptiste Mounier:	+33.1.40.75.46.68
Aayush Poddar:	+33.1.40.75.59.17		Nicolas Feltrin :	+33.1.40.75.56.48
Aurore Chaussec:	+33.1.40.75.96.20			
Shantanu Priya:	+33.1.40.75.58.44			
Mathias Schvallinger:	+33.1.40.75.39.20			

IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements contained herein may be forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans 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. Please refer to the section "Cautionary statements" in page 2 of AXA's Document de Référence for the year ended December 31, 2015, 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.

AXA Group IFRS - Contribution & growth by segment and country/region

in Euro million	FY15	FY16	IFRS revenues change	
	restated		reported change	comparable change
	IFRS	IFRS		
United States	13,628	14,303	+5%	+4%
France	15,922	17,010	+7%	+6%
Germany	6,650	6,662	0%	0%
Switzerland	7,170	7,044	-2%	-1%
Belgium	1,715	1,210	-29%	-29%
Italy ⁱ	4,086	3,411	-17%	-17%
Spain	757	794	+5%	+5%
EMEA-LATAM	1,285	1,092	-15%	+1%
Asia incl. Japan	7,223	8,504	+18%	+11%
of which Japan	4,194	5,161	+23%	+10%
of which Hong Kong	2,507	2,737	+9%	+13%
of which South East Asia & China	522	606	+16%	+16%
Other ⁱⁱ	426	253	-41%	-35%
Life & Savings	58,862	60,282	+2%	+2%
of which mature markets	54,861	56,020	+2%	+1%
of which emerging markets	4,001	4,262	+7%	+11%
France	6,020	6,742	+12%	0%
United Kingdom & Ireland	4,792	4,658	-3%	+8%
Germany	3,909	4,016	+3%	+3%
Switzerland	3,100	3,088	0%	+1%
Belgium	2,010	2,081	+4%	+4%
Italy	1,558	1,557	0%	0%
Spain	1,536	1,567	+2%	+2%
EMEA-LATAM	4,507	4,232	-6%	+8%
Asia	1,099	1,103	0%	+1%
Direct	2,732	2,864	+5%	+7%
AXA Corporate Solutions	2,255	2,318	+3%	0%
AXA Assistance	1,226	1,276	+4%	+5%
Other ⁱⁱⁱ	86	103	+19%	+16%
Property & Casualty	34,831	35,604	+2%	+3%
of which mature markets	26,940	27,606	+2%	+2%
of which emerging markets	5,159	5,134	0%	+7%
of which Direct	2,732	2,864	+5%	+7%
AB	2,580	2,530	-2%	-3%
AXA Investment Managers	1,242	1,180	-5%	-3%
Asset Management	3,822	3,710	-3%	-3%
Banking^{iv}	621	596	-4%	-4%
TOTAL	98,136	100,193	+2%	+2%

ⁱ Pure Unit-Linked products sold at AXA MPS are accounted as investment products under IFRS and contribute to APE but not to revenues

ⁱⁱ Architas, AXA Life Invest (excluding Germany & Japan), AXA Global Life, AXA Corporate Solutions Life Reinsurance Company and Family Protect (FY15 restated only)

ⁱⁱⁱ AXA Liabilities Managers and AXA Global P&C

^{iv} and other companies

AXA – PRESS RELEASE

GROSS REVENUES (in million local currency except Japan in billion)	1Q 2015	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016
Life & Savings								
France	4,406	3,778	3,547	4,191	4,023	3,723	3,588	5,675
United States	3,603	3,941	3,766	3,945	3,809	3,917	3,905	4,177
Japan	136	133	138	161	164	159	157	145
Germany	1,638	1,662	1,617	1,733	1,657	1,668	1,614	1,723
Switzerland	4,408	1,259	920	1,145	4,490	1,120	928	1,136
Belgium	589	432	293	402	331	283	245	351
Italy	1,038	1,318	792	938	1,146	879	628	758
Spain	214	163	148	232	220	277	152	144
EMEA-LATAM ⁱ	329	334	316	306	278	258	273	283
Hong Kong	5,284	5,141	5,603	5,729	5,514	5,283	5,951	6,761
South-East Asia, India & China ⁱ	115	141	134	132	140	150	147	169
Property & Casualty								
France	2,136	1,206	1,507	1,171	2,361	1,345	1,693	1,343
United Kingdom & Ireland ⁱⁱ	863	933	829	879	943	1,056	939	878
Germany	1,805	649	781	674	1,844	672	793	706
Switzerland	2,743	289	156	154	2,763	294	149	158
Belgium	618	475	471	446	622	480	471	508
Italy	372	403	326	456	371	399	325	463
Spain	473	373	321	369	462	378	330	398
EMEA-LATAM ⁱ	1,330	1,041	958	1,177	1,236	1,036	939	1,021
Direct ⁱ	661	728	685	658	717	734	708	705
Asia ⁱ	315	274	276	234	322	268	261	252
AXA Corporate Solutions Assurance ⁱ	1,067	384	402	401	1,196	350	401	372
AXA Assistance ⁱ	280	329	322	295	307	340	330	300
Asset Management								
AllianceBernstein	728	749	716	695	673	685	696	743
AXA Investment Managers	309	323	316	295	273	310	304	294
Bankingⁱ	174	127	192	128	145	152	166	133

ⁱ In Euro million due to multiple local currenciesⁱⁱ Ireland revenues are in GBP in this table

APPENDIX 3: LIFE & SAVINGS – NEW BUSINESS VOLUME (APE), VALUE (NBV) AND NBV MARGIN /

AXA – PRESS RELEASE

In Euro million	FY16 APE by product				Total APE			NBV			NBV margin		
	Protection & Health	G/A Savings	Unit-Linked	Mutual funds & other	FY15 restated	FY16	Change on a comparable basis	FY15 restated	FY16	Change on a comparable basis	FY15 restated	FY16	Change on a comparable basis
United States	184	89	940	518	1,656	1,732	+3%	423	378	-12%	26%	22%	-4 pts
France	873	518	332	100	1,760	1,824	+2%	462	565	+23%	26%	31%	+5 pts
Europe (excl. France)	570	346	177	30	1,275	1,124	-11%	485	542	+13%	38%	48%	+10 pts
Germany	190	137	35	20	373	382	+2%	131	164	+26%	35%	43%	+8 pts
Switzerland	280	4	16	2	313	301	+1%	124	174	+42%	40%	58%	+17 pts
Belgium	29	18	9	0	100	55	-45%	40	32	-19%	40%	58%	+18 pts
Italy	38	163	99	0	405	300	-26%	127	107	-15%	31%	36%	+5 pts
Spain	34	24	18	9	84	86	+2%	63	64	+1%	75%	75%	-0 pt
Asia (incl. Japan)	1,244	480	64	0	1,589	1,789	+14%	1,065	1,107	0%	67%	62%	-8 pts
Japan	417	81	0	0	418	499	+7%	434	490	+1%	104%	98%	-5 pts
Hong Kong	387	125	24	0	525	536	+12%	413	402	-1%	79%	75%	-10 pts
South-East Asia, India & China	440	274	40	0	646	754	+19%	219	216	+1%	34%	29%	-5 pts
EMEA-LATAM	77	4	21	16	148	118	-6%	39	32	-3%	26%	27%	+1 pt
Other ⁱ	0	0	14	0	34	14	-51%	-3	-	n/a	-9%	-	n/a
Total	2,949	1,438	1,549	664	6,464	6,600	+2%	2,471	2,623	+5%	38%	40%	+1 pt
<i>of which mature markets</i>	<i>2,048</i>	<i>1,035</i>	<i>1,463</i>	<i>648</i>	<i>5,163</i>	<i>5,194</i>	<i>-1%</i>	<i>1,807</i>	<i>1,974</i>	<i>+7%</i>	<i>35%</i>	<i>38%</i>	<i>+3 pts</i>
<i>of which emerging markets</i>	<i>902</i>	<i>403</i>	<i>85</i>	<i>16</i>	<i>1,301</i>	<i>1,406</i>	<i>+14%</i>	<i>664</i>	<i>649</i>	<i>-1%</i>	<i>51%</i>	<i>46%</i>	<i>-7 pts</i>

ⁱ Architas, AXA Life Invest (excluding Germany & Japan), AXA Global Life, AXA Corporate Solutions Life Reinsurance Company and Family Protect (FY15 restated only).

Property & Casualty revenues - contribution & growth by business line - FY16

In Euro million	Personal Motor		Personal Non-Motor		Commercial Motor		Commercial Non-Motor	
	Gross revenues	Change on comparable basis	Gross revenues	Change on comparable basis	Gross revenues	Change on comparable basis	Gross revenues	Change on comparable basis
France	1,568	-1%	1,952	+4%	588	+1%	2,635	-5%
United Kingdom & Ireland	705	+12%	1,457	+5%	597	+21%	1,958	+3%
Germany	1,223	+2%	1,060	+1%	215	-2%	1,149	+4%
Switzerland	1,135	+1%	577	+1%	119	+6%	1,280	0%
Belgium	555	+1%	466	+1%	246	+1%	749	+1%
Italy	853	-2%	386	+4%	49	+7%	268	+1%
Spain	693	+1%	496	0%	67	+16%	317	+4%
EMEA-LATAM	883	+11%	643	+7%	849	+10%	1,810	+3%
<i>of which Turkey</i>	467	+26%	75	+21%	278	+8%	226	+8%
<i>of which Mexico</i>	140	-3%	335	+11%	356	+6%	607	+11%
<i>of which Othersⁱ</i>	276	-2%	233	-2%	215	+19%	977	-3%
Asia	284	+2%	276	+7%	86	-7%	465	-2%
Direct	2,500	+8%	395	+3%	-	-	-	-
AXA Corporate Solutions	-	-	-	-	202	-10%	2,118	+1%
AXA Assistance	-	-	-	-	639	+10%	810	+3%
Total	10,398	+4%	7,708	+4%	3,659	+7%	13,558	+1%
<i>of which mature markets</i>	6,797	+1%	6,461	+3%	2,740	+7%	11,334	+1%
<i>of which emerging markets</i>	1,101	+10%	852	+8%	919	+8%	2,224	+2%

ⁱ Brazil, Colombia, Greece, the Gulf region, Luxembourg, Morocco

Assets under Management rollforward					
In Euro billion	AB	AXA IM	AXA IM - Fully consolidated scope	AXA IM - Asian Joint Ventures	Total
AUM at FY15	455	669	595	74	1,124
Net flows	-12	56	18	38	+45
Market appreciation	26	18	18	0	+44
Scope & other	2	-18	-18	0	-15
Forex impact	14	-9	-7	-2	+6
AUM at FY16	486	717	607	110	1,203ⁱⁱ
Average AUM over the periodⁱ	464	-	595	-	1,059
<i>Change of average AUM on a reported basis vs. FY15</i>	+2%	-	-4%	-	-1%
<i>Change of average AUM on a comparable basis vs. FY15</i>	+1%	-	-3%	-	-1%

ⁱ Average AUM for AXA IM is calculated excluding the contribution from joint ventures

ⁱⁱ The difference with Euro 1,429 billion of total assets under management mentioned in the Financial Supplement on page 62 corresponds to assets directly managed by AXA insurance companies.

Earnings: Key figures				
In Euro million	FY15 restated	FY16	Change	
			Reported	At constant Forex
Life & Savings	3,375	3,507	+4%	+2%
Property & Casualty	2,482	2,514	+1%	+2%
Asset Management	458	416	-9%	-8%
Banking	97	78	-19%	-19%
Holdings	-906	-827	+9%	+9%
Underlying earnings	5,507	5,688	+3%	+3%
Realized capital gains/losses	725	880	+21%	+22%
Impairments	-278	-395	+42%	+43%
Equity portfolio hedging	-14	-70	-	-
Adjusted earnings	5,940	6,103	+3%	+3%
Change in fair value & Forex	-231	-118	-	-
Goodwill and related intangibles	-74	-89	+20%	+23%
Integration and restructuring costs	-177	-454	+157%	+161%
Exceptional and discontinued operations	159	387	-	-
Net income	5,617	5,829	+4%	+2%

Earnings per share – Fully diluted			
In Euro	FY15 reported	FY16	Reported change
Underlying EPS ⁱ	2.16	2.24	+4%
Adjusted EPS ⁱ	2.34	2.41	+3%
Net income per share ⁱ	2.18	2.30	+5%

ⁱ Net of interest charges on undated subordinated notes (TSDI) and undated deeply subordinated notes (TSS).

AXA Group Assets		
In Euro billion	FY15	FY16 (preliminary)
Goodwill	17.1	16.7
VBI	2.4	2.2
DAC & equivalent	24.0	24.1
Other intangibles	3.3	3.3
Investments	755.2	765.1
Other assets & receivables	58.9	55.1
Cash & cash equivalents	26.3	26.3
TOTAL ASSETS	887.1	892.8

AXA Group Liabilities		
In Euro billion	FY15	FY16 (preliminary)
Shareholders' equity, Group share	68.5	70.6
Minority interests	4.2	5.3
SH EQUITY & MINORITY INTERESTS	72.6	75.9
Financing debt	8.1	8.9
Technical reserves	707.8	707.0
Provisions for risks & charges	12.7	13.7
Other payables & liabilities	85.9	87.2
TOTAL LIABILITIES	887.1	892.8

Changes in scope:

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

Main press releases issued in 4Q16

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

- 10/05/2016 – [AXA is the 1st global insurance brand](#)
- 10/14/2016 – [AXA announces the Subscription Prices for its 2016 employee share offering](#)
- 10/21/2016 – [AXA has completed the sale of its UK offshore investment bonds business based in the Isle of Man to Life Company Consolidation Group](#)
- 11/01/2016 – [AXA has completed the sale of its UK Life & Savings businesses](#)
- 11/02/2016 – [AXA has completed the sale of its Hungarian banking operations to OTP bank plc](#)
- 12/01/2016 – [AXA has completed the sale of its Serbian operations to Vienna Insurance Group](#)
- 12/05/2016 – [Results of the AXA Group employee share offering in 2016](#)
- 12/08/2016 – [AXA launches global parental leave policy](#)
- 12/14/2016 – [Norbert Dentressangle resigns as Vice-Chairman of AXA's Board of Directors, André François-Poncet joins the Board of Directors, Jean-Martin Folz is appointed Senior Independent Director](#)

Post FY16 closing event

- 01/02/2017 – [AXA has completed the sale of its UK P&C commercial broker Bluefin to Marsh](#)
- 01/12/2017 – [Véronique Weill to leave the AXA Group](#)

FY16 Operations on AXA shareholders' equity and debt

Shareholders' equity: No significant operation

Debt:

- 01/05/2016 – [Buyback of AXA shares and elimination of the dilutive effect of certain share-based compensation schemes](#)
- 05/11/2016 – [AXA announces the successful placement of EUR 500 million senior notes due 2028](#)
- 09/09/2016 – [AXA announced the successful placement of USD 850 million undated subordinated notes](#)
- 01/11/2017 – [AXA announced the successful placement of USD 1 billion dated subordinated notes due 2047](#)

Next main investor events

- 04/26/2017 – Shareholders' Annual General Meeting in Paris, Palais des congrès
- 05/09/2017 – First Quarter 2017 Activity Indicators
- 08/03/2017 – Half Year 2017 Earnings Release