

Autumn Investor
Seminar

November 24, 2009

Japanese Operations

Mark Pearson
CEO of AXA Japan

redefining / standards



Cautionary note

Certain comments 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. Please refer to AXA's Annual Report on Form 20-F and AXA's Document de Référence for the year ended December 31, 2008, for a description of certain important factors, risks and uncertainties that may affect AXA's business.

In particular, please refer to the section "Special Note Regarding Forward-Looking Statements" in AXA's Annual Report on Form 20-F. 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.

This document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe securities issued by AXA in any jurisdiction, including the United States.

Key facts on AXA Life Japan

Revenues

€4,628 million

Customer base & products

4 million policyholders

1,700 corporate partners

Focus on medical and life insurance

NBV

€299 million

62% NBV margin

Multi-distribution platform

5,000 salaried sales force

1,000 exclusive advisors

**400 wholesalers for corporations,
brokers and banks**

Underlying Earnings

€238 million

Teams

1,800 employees

**International senior
management team**

Note: 2008 reported figures

Our experienced leadership team is committed to deliver shareholder value



Susumu Yabe
Head of Distribution



Mark Pearson
Chief Executive Officer



Peter Etzenbach
Chief Financial Officer



Farhad Farshad
Customer Service



Takao Matsuda
Chief Marketing Officer



Marc Blottiere
Head of IT



Toshinobu Iwasaki
Human Resources



John Kakinuki
General Counsel



Yukiko Fukui
Communication



Takashi Tanemura
Audit



Takahiro Ogasawara
Strategy



Jean Sorasio
Investments



Mitsugi Sumiya
Risk Management

We see a compelling investment story for AXA Life Japan

#1

We operate in a market with significant potential

#2

We run a strong AXA franchise in Japan

#3

We have a clear roadmap for profitable growth

#4

We are going to distribute dividends for the first time from 2010 onwards







We operate in a market with significant potential

#1

- ➔ **2nd largest life insurance market globally (€245 billion)**
- ➔ **Ageing population with increasing needs**
- ➔ **Highly attractive growth segments**
- ➔ **Favourable business environment**

We have identified attractive growth segments in Japan

 Growing segment

Key segment			Size (number of households) Millions; 2006	CAGR Percent; 2001-06	Market potential € Billions	Key trend / unmet needs
Individuals	① "Traditional segment" (20-40 / married)		5.3	-0.6	28	<ul style="list-style-type: none"> ➢ Increased need of product comparison ➢ Large segment remain passive
	② "Married w/o kids" (incl. DINKS, 40s)		0.6	+0.9	4	<ul style="list-style-type: none"> ➢ Growing concern about the future (e.g., nursing care, maintaining living standards)
	③ 30-49/ "Male single"		2.1	+3.8	9	<ul style="list-style-type: none"> ➢ Growing segment with diversification of life styles
	④ 30-49/ "Female single"		1.1	+4.5	4	<ul style="list-style-type: none"> ➢ Current coverage not optimized ➢ Concern for health/nursing care
Affluent	⑤ +50/ "Retirement"		8.7	+3.6	58	<ul style="list-style-type: none"> ➢ Asset accumulation and decumulation planning ➢ Low loyalty towards existing FI
	⑥ +50/SME owners (incl. self-employed)		4.0	-1.2	30	<ul style="list-style-type: none"> ➢ Growing business succession and retirement needs reflecting aging of owners

Singles

Retirement

SME

Source: McKinsey

redefining / standards



The environment is favourable for further business development

- **Open and transparent market with a limited number of life insurers**
- **Japanese citizens need to supplement state benefits**
 - ⇒ Public healthcare system generally covers 70% of medical expenses
 - ⇒ Public retirement benefits will not allow Japanese to maintain their standard of living: 39% income replacement rate at retirement ⁽¹⁾
- **New government focused on addressing social issues**

(1) mandatory pensions – source OECD

We run a strong AXA franchise in Japan

#2

- ➔ **Solid positions in core market segments**
- ➔ **Privileged relationships with our customers and distributors, notably SMEs through the Chambers of Commerce and Industry (CCI)**
- ➔ **Well-balanced, diversified distribution platform with proprietary and third party channels**

We built solid positions in our core market segments

Medical

**7th market player in FY 2008
with 6% market share**

Market amounts to €35 billion ⁽¹⁾

	Market share
Aflac	15%
Nippon	10%
Sumitomo	9%
Dai-ichi	9%
Alico	8%

Banks

**9th market player in FY 2008
5th market player in September ⁽¹⁾**

Market amounts to €19 billion

	Market share
TMN Financial	16%
MS Metlife	12%
Sumitomo	14%
Dai-ichi	13%
ING	11%

⁽¹⁾ internal estimate

We built solid positions in our core market segments

SME

Access to 1.4 million SMEs across Japan through the CCI organization

Market share ⁽¹⁾

Daido	17%
Nissay	15%
AXA	11%
ING	10%
Sumitomo	8%

Corporate

Large corporate employees represent 20% of Japan's working population

Market share ⁽²⁾

Aflac	60%
AXA	20%
Alico	12%
Sompo Japan	<5%
Tokio Marine	<5%

(1) internal estimate – total SME market (2) internal estimate – medical products **redefining / standards**



The CCI organization is highly influential in Japan

> 2009 AXA – CCI chairmen conference



- Provides comprehensive business development support to its members
- 515 CCIs spread over all 47 prefectures in Japan and all major cities
- 1.4 million member SMEs (32% of total SMEs in Japan)
- SMEs employ 70% of working population in Japan

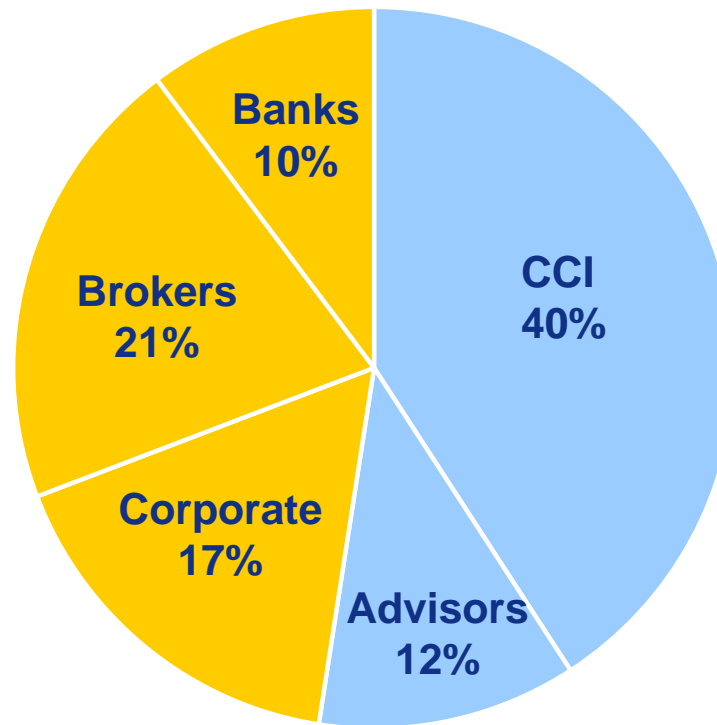
➔ Enjoying an unparalleled platform, very difficult to replicate

We enjoy privileged relationships with customers and distributors

- **Long-standing relationship with CCIs with well aligned mutual interests**
 - ⇒ AXA – CCI relationship is unique dating back more than 70 years
 - ⇒ Sales commission paid to CCIs finance a significant share of their budget
 - ⇒ Targeted product range cover the needs of SME clients: medical, term and retirement
- **Serving 8 of 20 largest corporations in Japan**
 - ⇒ Relationships with top 10 accounts average more than 25 years
- **Solid positions within our bank partners' VA sales platform**
 - ⇒ Top 3 GMIB supplier with a share above 20%

Our distribution platform is well balanced with proprietary and third party channels

2008 APE = 482 m€



Proprietary distribution Third party distribution

We have a clear roadmap for profitable growth

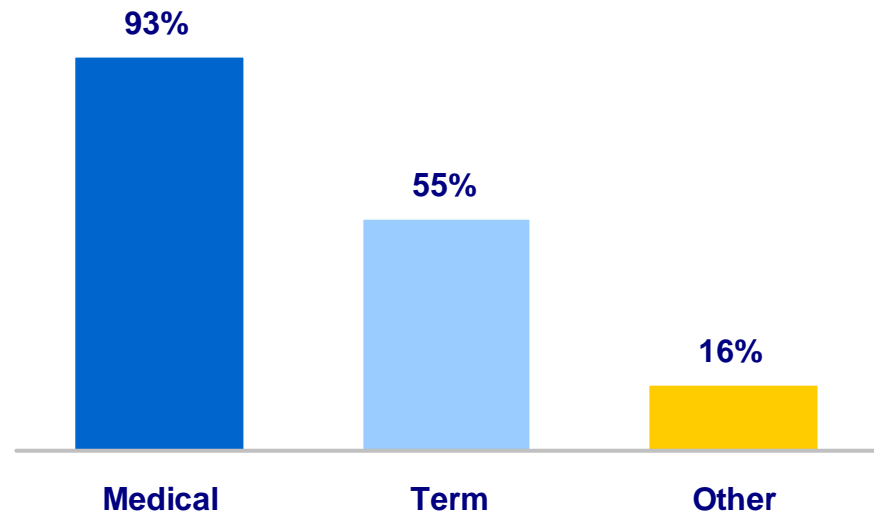
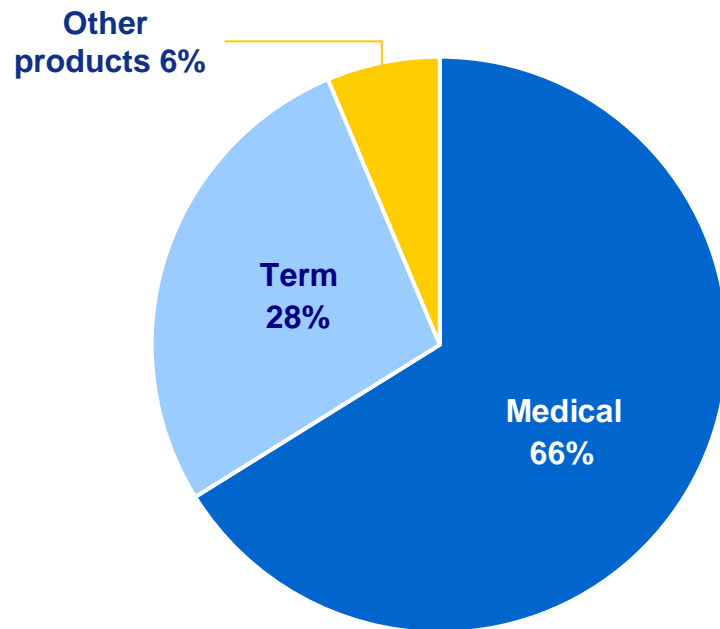
#3

- ➔ **Managing a highly profitable product portfolio focused on protection**
- ➔ **Implementing focused initiatives driving growth in key market segments**
- ➔ **Seizing a new opportunity in the Variable Annuity marketplace**
- ➔ **Harvesting productivity gains and re-investing to spur organic growth**

Managing a highly profitable product portfolio focused on protection

2008 NBV = 299 m€

2008 NBV margin = 62%

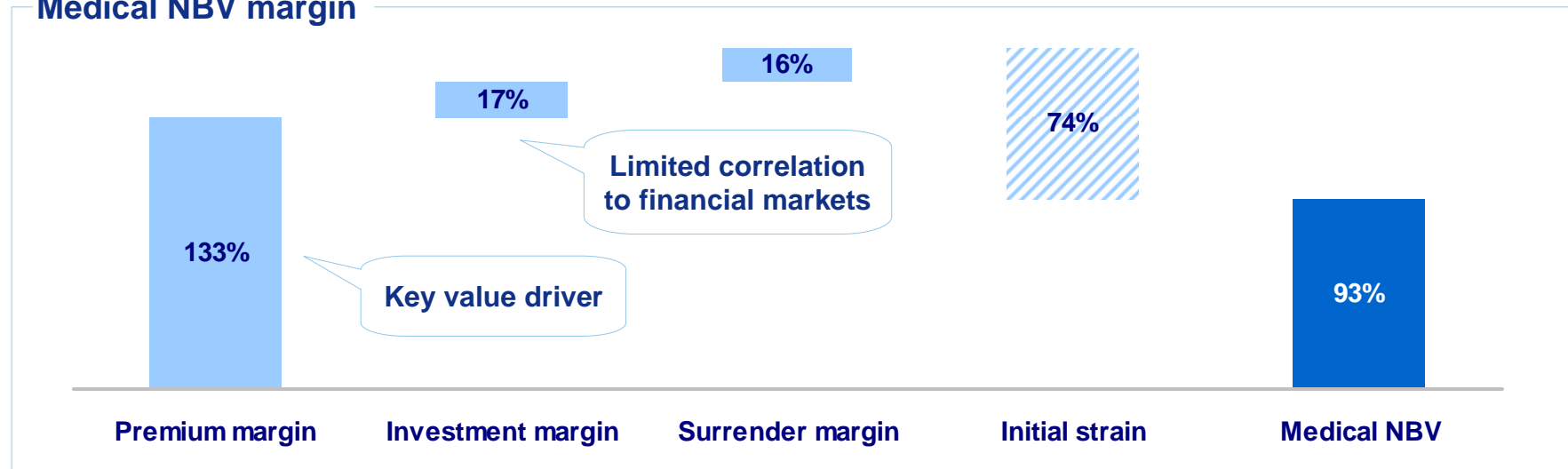


Our medical margins are sustainable

Strict product design and strong risk management

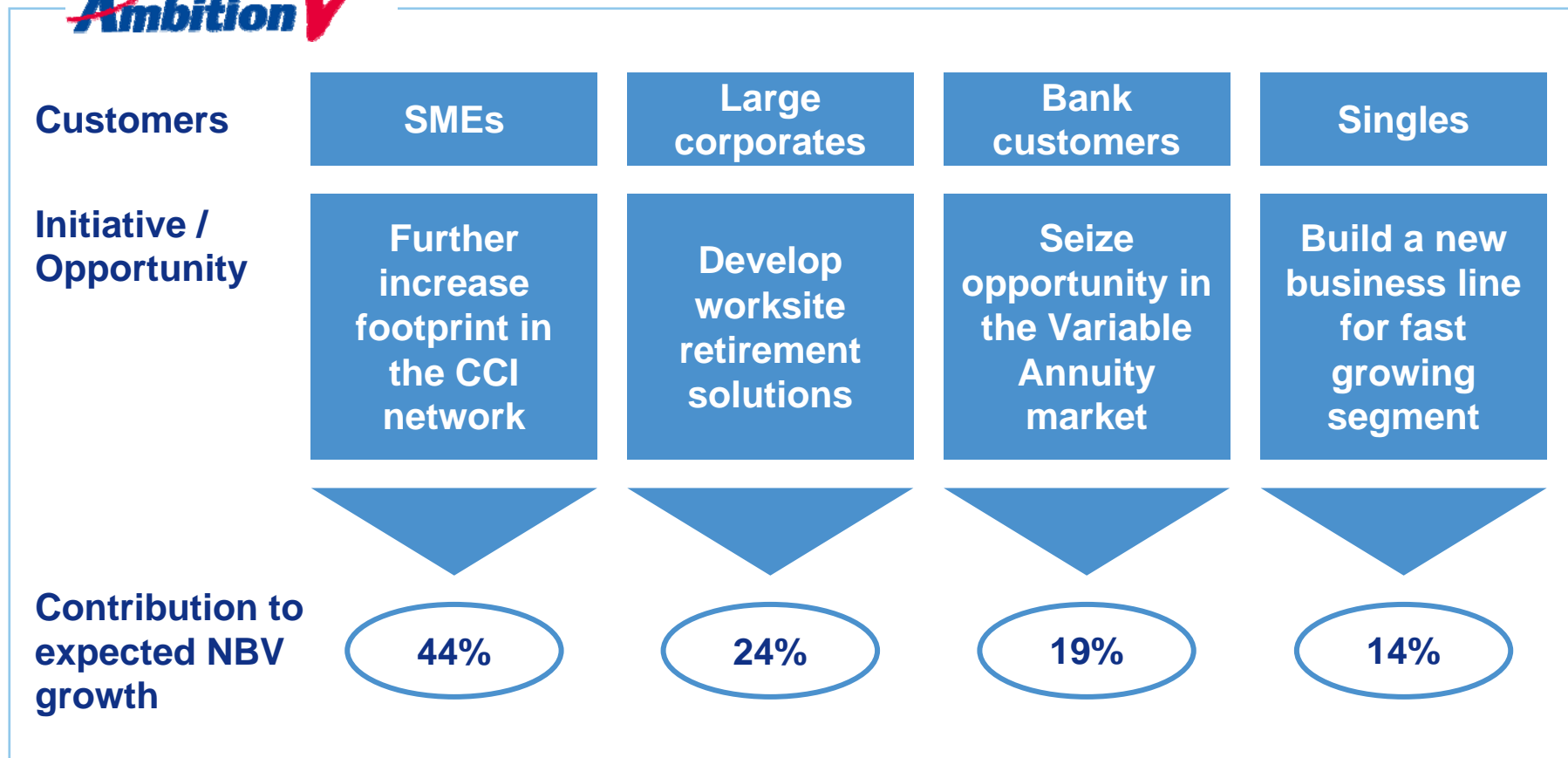
- Products cover pre-defined medical interventions and related expenses (e.g. hospitalization), without direct link to public healthcare system
- Fixed cash payments by benefits, no exposure to medical inflation risk
- Benefits capped by hospitalization and cumulatively over contract's life
- Low capital intensity with strong diversification benefits

Medical NBV margin



Implementing focused initiatives driving growth in key market segments

➔ 2009 – 2012 target: +15% NBV annual growth



Leading the change in the Variable Annuity marketplace

First mover to react to the market crisis

- **First to reduce commissions**
- **First to re-price product to market conditions**
 - NBV margin > 25% (GMIB)
 - Re-designed fund line-up (20% equity)
 - Improved hedging results

Good business momentum

- **Top 3 GMIB supplier of our bank partners**
- **VA sales through banks are up 23% in 2009**
- **Ranking #5 in the Banks market in September 2009 ⁽¹⁾**
- **Offer our new VA product through our proprietary channels**

(1) internal estimate

Seizing a unique opportunity in the banks marketplace

Significant opportunities

- **Address income needs of ageing retail clients with more than 50% of assets in cash accounts**
- **Capitalize on exit of large competitors, representing 18% market share in FY 2008**
- **Broaden product line:** medical, profitable GMAB, simple VA for security houses
- **Expand distribution:** 1 mega bank, 2 regional banks, 1 security house

(1) internal estimate

Harvesting productivity gains and re-investing to spur organic growth

- Increasing **sales productivity** for proprietary channels



+8% NBV in 2010 for proprietary channels

- **Implementing cost savings program, reducing staff by 8% and merging two life companies in Japan**



70 m€ cost savings over two years ⁽¹⁾

- **Planning ambitious level of investments to grow franchise**



50 m€ investments in 2010 ⁽¹⁾

(1)

pre-tax & DAC

redefining / standards



We have the means to achieve our ambition

- **Unparalleled customer services capabilities**



- ⇒ **Customer satisfaction ratings up 13 to 76 points over last five years**
- ⇒ **“5 sigma” quality on claims handling processes**
- ⇒ **Flexible and effective operational platform**

- **Sound ALM and Risk Management**



- ⇒ **Strong Risk Management team**
- ⇒ **ALM policy focused on risk-adjusted returns**
- ⇒ **Taking advantage of dislocated fixed income market**

- **Optimizing Return on Capital**



- ⇒ **Led the market in improving VA margins**
- ⇒ **Focusing business mix on protection business**
- ⇒ **Aligning distributors compensation**

How do we address our challenges?

- **New local solvency margin applicable beginning March 2012**



- ⇒ Under current draft regulation, **coverage ratios in the market would decrease by more than 50%**
- ⇒ **Market unlikely move back to former coverage levels**

- **Low interest rate environment**



- ⇒ **Primary focus on protection with limited investment margins**
- ⇒ **Lowered serviced rates on our short term investment products by 50 bps, generating a negative impact on 2009 net flows but positive on our margins**
- ⇒ **Actively managing legacy in-force, down 50% over the last six years**
- ⇒ **Revised our investment assumptions in 2009**

Ambitious financial objectives supported by a well-developed strategy

#4

Business Plan

Profitable growth

NBV growth +15% p.a. over 2009 - 2012

Earnings

8 to 10% annual growth over medium term

Dividend

50% pay-out ratio

We see a compelling investment story for AXA Life Japan

#1

We operate in a market with significant potential

#2

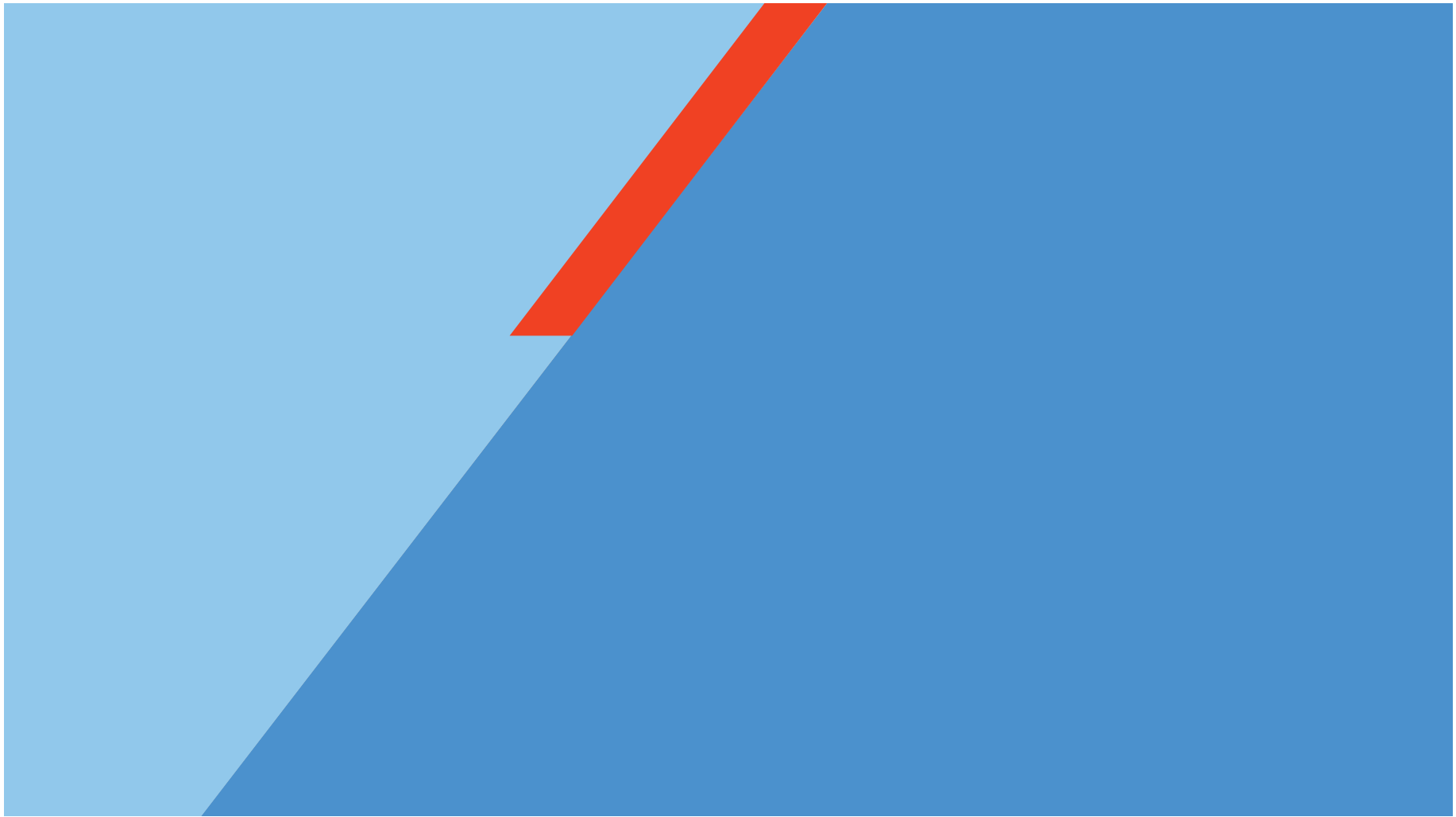
We run a strong AXA franchise in Japan

#3

We have a clear roadmap for profitable growth

#4

We are going to distribute dividends for the first time from 2010 onwards



redefining / standards

