



Press release

Paris, February 25, 2021 (7:00am CET)

Full Year 2020 Earnings

- **Gross revenues** at Euro 97 billion, with preferred segments up 5%¹ in 4Q20
- **Underlying earnings**² at Euro 4.3 billion, with Euro 1.5 billion Covid-19 claims³ unchanged
- **Underlying earnings rebased**⁴ at Euro 6.3 billion, for 2020-2023E UEPS² target
- **Solvency II ratio**⁵ at 200%, benefitting from the inclusion of AXAXL in the Group's internal model
- **Dividend** of Euro 1.43 per share, to be proposed by the Board of Directors

*“Throughout the Covid-19 crisis, AXA has been actively fulfilling its role in society, serving its customers and supporting its employees, while contributing to the economic recovery through Euro 700 million investments in SMEs as well as other solidarity measures in France and other countries where the Group operates”, said **Thomas Buberl, Chief Executive Officer of AXA.***

“AXA’s revenues were resilient in 2020, down just 1% compared to the previous year, reflecting the relevance of our strategic choices and business mix. Our preferred segments, P&C Commercial lines, Health and Protection, continued to perform well, growing by 3% in 2020 and accelerating in the fourth quarter (+5%).”

“The Group’s underlying earnings were Euro 4.3 billion in 2020, notably impacted by Euro 1.5 billion of Covid-19 related claims, as previously communicated, and by higher natural catastrophes. We are confident in our earnings outlook and have set a 2020 starting base of Euro 6.3 billion underlying earnings for our 2021 - 2023 strategic plan targets.”

“AXA’s solvency II ratio at December 31st was 200%, up 20 points from September, and including +13 points from the integration of AXAXL into the Group’s internal model.”

“After carefully considering the Group’s balance sheet position, cash flows and overall operational performance as well as the continuing uncertainties related to the ongoing Covid-19 crisis, the Board of Directors decided to propose a dividend of Euro 1.43 per share.”

“I would like to thank all AXA colleagues, agents and partners for their unwavering commitment during these challenging times, as well as our clients for their loyalty and trust. Our strategy is aligned with the interests of all our stakeholders and firmly rooted in our purpose - ‘Acting for human progress by protecting what matters’.”

Key figures (in Euro million, unless otherwise noted)

| | FY19 | FY20 | Change on a reported basis | Change at constant Forex |
|------------------------------------|---------|---------------|----------------------------|--------------------------|
| Gross Revenues ¹ | 103,532 | 96,723 | -7% | -1% |
| o/w preferred segments | 62,249 | 61,574 | -1% | +3% |
| Underlying earnings ² | 6,451 | 4,264 | -34% | -34% |
| Net income | 3,857 | 3,164 | -18% | -18% |
| Solvency II ratio ⁵ (%) | 198% | 200% | +2 pts | - |

All notes are on page 9 of this document.



FY20 key highlights

Revenues

Total revenues were down overall for the year by 1%, reflecting strong growth in the first quarter (+4%), a decline in the second quarter (-10%), and a recovery in the third (-1%) and fourth (+1%) quarters. AXA's preferred segments continued to perform well and accelerated in 4Q20 with a growth of 5% (+3% in FY20).

The growth in revenues by business lines were (i) **Property & Casualty (+1%)** with higher revenues in Commercial lines (+2%) from strong price increases, notably at AXA XL, partly offset by lower revenues in Personal lines (-1%) primarily due to lower new business activity during the lockdown periods across most geographies, (ii) **Health (+6%)** with growth across all lines and geographies, (iii) **Life & Savings (-6%)** mostly from lower sales in G/A Savings⁶ in France and in Europe, largely impacted by Covid-19, and (iv) **Asset management (+4%)** from higher average assets under management, with strong net inflows.

Covid-19 related claims impact

The impact on 2020 underlying earnings for the Group from Covid-19 related P&C claims and solidarity measures was Euro 1.5 billion (post-tax and net of reinsurance). This impact is consistent with the estimate provided in the Group's June 3, 2020 announcement and the Group's 1H20 results release. The impact from further lockdown measures in 2H20 was broadly neutral, with additional claims in Commercial lines being offset by frequency benefits in Retail lines.

Earnings

Underlying earnings decreased by 34% to Euro 4.3 billion, driven by (i) Property & Casualty (-51%) mostly due to the impact of Covid-19 related claims³, (ii) Life & Savings (-7%)⁷ primarily linked to a lower technical margin, while investment margin remained resilient, partly offset by (iii) Holdings (+15%)⁷ mostly due to higher dividends from non-consolidated entities, as well as lower general and financing expenses, (iv) Asset management (+6%)⁷ mainly from higher management fees, notably from Alternatives, as well as (v) the impact of the deconsolidation of Equitable Holdings, Inc. ("EQH") in 2019.

Net income decreased by 18% to Euro 3.2 billion, as the decrease in underlying earnings and the negative mark-to-market impact of invested assets were partly offset by a favorable impact from the change in the fair value of derivatives, and the non-repeat of the negative impacts from the announcement of the disposal of AXA Bank Belgium and the deconsolidation of EQH.

Starting base for 2023 earnings target

As indicated at AXA's 2020 Investor Day, the Group has added back the impacts of Covid-19 claims³ (Euro 1,531 million) and natural catastrophes in excess of normalized⁸ (Euro 502 million) to its reported FY20 underlying earnings (Euro 4,264 million), to set the starting base at Euro 6,297 million (or Euro 2.56 UEPS²) for its 3%-7% UEPS CAGR⁹ 2020 – 2023E target. The Euro 6.3 billion starting base for the plan¹⁰ is in line with FY19 underlying earnings on a like-for-like basis, i.e. excluding the contribution from EQH and assuming normalized levels of natural catastrophes at AXA XL¹¹ in FY19.

Balance sheet

Shareholders' equity was at Euro 71.6 billion, up Euro 1.7 billion versus December 31, 2019, mainly driven by the positive impacts of the net income contribution and the change in net unrealized capital gains, partly offset by the appreciation of the Euro against main currencies and the Euro 0.73 dividend per share paid to shareholders in 2020.

Solvency II ratio⁵ was 200% at December 31, 2020, up 20 points versus September 30, 2020, mainly driven by (i) the integration of AXAXL in the Group's internal model (+13 points), (ii) a positive operating return of +3 points, net of accrued dividend for FY20 to be paid in 2021, (iii) the completion of the disposal of our Central and Eastern European operations (+2 points), and (iv) positive financial market effects (+1 point), primarily from higher equity markets, partly offset by (v) the repayment of a subordinated debt (-1 point).

Debt gearing² was at 26.8%, down 2.0 points versus December 31, 2019, mainly reflecting the positive impact of Euro 1.7 billion subordinated debt repayment (including Euro 0.4 billion in 4Q20).

Cash at Holding amounted to Euro 4.2 billion at December 31, 2020, above the Group's desired range of Euro 1 billion to Euro 3 billion.

Dividend

A **dividend** of Euro 1.43 per share will be proposed at the Shareholders' Annual General Meeting on April 29, 2021. The dividend is expected to be paid on May 11, 2021 with an ex-dividend date of May 7, 2021. In determining this proposal, the Board of Directors acknowledged the need for prudence given the on-going nature of the Covid-19 crisis and carefully considered the interests of all stakeholders, including the ACPR's recent recommendations, as well as a number of other factors such as AXA's current and projected solvency and cash positions over the next three years in various stress test scenarios and the potential impacts of Covid-19 on AXA's business going forward.

Employee engagement and client satisfaction

AXA's **Employee Net Promoter Score** (e-NPS¹²), measuring our employee engagement, increased from 21 to 35 in 2020. This compares very well against other recognized firms (Global High Performing benchmark at 23¹³).

The satisfaction of our clients also increased significantly, with 94% of our entities achieving a **Net Promoter Score** (NPS¹⁴) at or above market average (up 19 points vs. FY19).



Ratings

Fitch: On October 13, 2020, Fitch Ratings reaffirmed the financial strength rating of AXA's core operating subsidiaries at 'AA-', with a stable outlook.

S&P: On March 16, 2020, S&P Global Ratings reaffirmed the long-term financial strength rating of AXA's core operating subsidiaries at 'AA-', with a stable outlook.

Moody's: On April 5, 2019, Moody's Investors Service affirmed the 'Aa3' insurance financial strength rating of AXA's principal insurance subsidiaries, changing the outlook to stable from negative.

Capital Management

Main transactions between January 1, 2020 and December 31, 2020:

- Redemption of Euro 1.3 billion subordinated debt (April 16, 2020);
- Mutual agreement between AXA and Cinven to terminate the sale agreement related to AXA Life Europe ("ALE") as certain conditions to closing were not met by the agreed long stop date (August 5, 2020);
- Announcement of AXA and Bharti to combine non-life operations in India into ICICI Lombard, in exchange of 35.8 million shares of ICICI Lombard, representing Euro 0.5 billion¹⁵ of market value (August 21, 2020);
- Completed sale of AXA's operations in Central and Eastern Europe for Euro 1.0 billion (October 15, 2020);
- Completed sale of Architas UK investment business to Liontrust Asset Management Plc. for Euro 0.1 billion (October 30, 2020);
- Announced sale of AXA's insurance operations in the Gulf region for Euro 0.2 billion¹⁶ (November 30, 2020);
- Reimbursement of GBP 0.3 billion subordinated debt (December 15, 2020);
- Announced sale of AXA's insurance operations in Greece for ca. Euro 0.2 billion (December 31, 2020).

Property & Casualty

Total revenues increased by 1% at Euro 48.7 billion.

- **Commercial lines** revenues increased by 2% to Euro 31.7 billion, with growth in the first quarter (+5%), a decline in the second quarter (-10%) in the context of Covid-19, followed by a recovery in the third quarter (+2%) and an acceleration in the fourth quarter (+7%).

This growth in revenues for the year was mainly driven by AXA XL Insurance with continued favorable price effects, partly offset by underwriting actions to improve profitability and the expected impact of the reduced activity of insureds in the context of Covid-19.

At AXA XL Insurance, price increases on renewals were +17% in 2020, of which +22% in the fourth quarter¹⁷.

At AXA XL Reinsurance, price increases on renewals were +7% in 2020 and price increases for January 1, 2021, renewals were +9% (vs. +6% in January 1, 2020).

- **Personal lines** revenues decreased by 1% to Euro 17.0 billion, mainly driven by Europe and France, notably from lower new business activity in Motor in the context of Covid-19. Overall, number of contracts in Personal lines remained stable.

All year combined ratio² was up 3.2 points to 99.5%, largely reflecting the impact from Covid-19 claims¹⁸ (+3.1 points) and higher Nat Cat charges (+0.2 point) at AXA XL. Favorable prior-year reserve developments amounted to -2.1 points (-2.2 points in FY19).

Excluding Covid-19 claims¹⁸, **all-year combined ratio** was broadly stable at 96.4%.

P&C underlying earnings were down 51% to Euro 1,644 million, mostly driven by (i) Covid-19 claims¹⁸, notably from Business Interruption (Euro -1.1 billion), Event Cancellation (Euro -0.6 billion), other lines (Euro -0.5 billion, mainly from Credit, Financial Lines, Liability, Travel) and solidarity measures and other (Euro -0.2 billion), partly offset by lower frequency in Motor (Euro +0.8 billion), and by (ii) higher Nat Cat charges at AXA XL, as a result of a higher frequency of natural catastrophe events, notably in the Atlantic.

Excluding Covid-19 claims¹⁸ and **assuming normalized Nat Cat**⁸, **P&C underlying earnings** were up 2%, driven by a higher current year underwriting result, more than offsetting less favorable prior year reserve developments and lower investment income.

Adverse development cover on AXA XL legacy long tail lines

AXA XL entered into an adverse development cover agreement with Enstar Group Limited¹⁹. Under the terms of the agreement, AXA XL will obtain coverage for 90% of potential adverse developments on AXA XL's legacy long tail line reserves for accident years 2019 and prior. The protection provides a capacity of up to 90% of USD 1.0 billion and attaches at USD 375 million in excess of net IFRS reserves, which amounted to USD 11.0 billion²⁰.

Completion of the transaction is subject to customary closing conditions, including the receipt of regulatory approvals, and is expected to be finalized around the end of 1Q 2021.

Life & Savings

Total revenues decreased by 6% to Euro 31.5 billion, reflecting a strong growth in the first quarter (+4%) more than offset by the impacts related to Covid-19, most notably in G/A Savings, in the second (-21%), third (-6%) and fourth quarter (-3%). Over the year, the business mix was more favorable:

- **G/A Savings** revenues were down 19% to Euro 10.0 billion reflecting lower revenues across the board, mostly in (i) France (-28%) and Europe (-8%), notably in Italy, from lower sales during the lockdown period combined with a commercial focus on Unit-Linked, and (ii) Asia (-13%) mostly in Japan with the discontinuation of a product, in line with our strategy.
- **Unit-Linked** revenues were down 1% to Euro 6.0 billion, as growth in France (+10%) mostly from a new large contract in Group Savings²¹ in 1Q20, was more than offset by Europe (-20%), notably in Italy, mainly due to a shift in business mix towards pure investment contracts (which are not recognized in IFRS gross revenues).
- **Protection** revenues were up 2% to Euro 15.2 billion, mainly driven by France (+3%) following growth in both international and domestic markets, notably in the fourth quarter, and Asia (+3%) from higher sales in Japan of Protection with Unit-Linked products.

Net flows amounted to Euro +5.1 billion, driven by (i) Health (Euro +3.5 billion) with positive net flows across the board, (ii) Protection (Euro +3.3 billion) mostly in Asia, in line with growth in revenues, and (iii) Unit-Linked (Euro +1.7 billion) most notably in France, partly offset by outflows in (iv) G/A Savings (Euro -3.4 billion) across most geographies and in line with our strategy.

L&S underlying earnings⁷ decreased by 7% to Euro 2,338 million, mainly driven by (i) a lower technical margin mostly in 1H20, including extended disability covers and a reduced discount rate for annuities²² in France, as well as lower surrender benefits, partly offset by (ii) lower general expenses reflecting cost saving initiatives across the board. The investment margin remained stable, at 67 bps, as lower investment yields were offset by lower crediting rates.

Health

Total revenues up 6% to Euro 14.7 billion, with growth across all geographies (Asia +9%, France +6%, Europe +4%).

- **Individual business** was up 7% to Euro 8.0 billion, mainly from (i) Europe (+5%) across most countries, (ii) Asia (+9%), mostly in China following the launch of new partnerships at AXA Tianping, and (iii) International (+13%) driven by Mexico.
- **Group business** was up 6% to Euro 6.7 billion, driven by France (+7%), and International (+8%), mainly in Mexico.

Combined ratio²³ increased by 0.5 point to 94.5%, driven by France, as lower claims frequency in the context of Covid-19 was more than offset by an exceptional tax introduced by the government on health premiums and increased claims severity linked to a social reform, as well as by UK & Ireland due to the non-repeat of an exceptional favorable claims experience in 2019.

Health underlying earnings⁷ decreased by 1% to Euro 693 million, as strong revenue growth across geographies was offset by a higher combined ratio.

Asset Management

Asset Management revenues grew by 4% to Euro 1,269 million, primarily driven by higher management fees, notably in Alternatives, as a result of a strong increase in average assets under management.

Asset Management net inflows amounted to Euro +40 billion, driven by strong inflows from third-party clients (Euro +18 billion), at AXA IM Alts and AXA IM Core, as well as from AXA insurance companies (Euro +13 billion) and Asian JVs (Euro +10 billion).

Average assets under management²⁴ amounted to Euro 729 billion, up 8%, driven by strong net inflows combined with positive market effects.

Underlying cost income ratio was stable at 71.9%.

Asset Management underlying earnings⁷ were up 6% to Euro 279 million, primarily reflecting higher revenues.

Holdings

Holdings underlying earnings⁷ improved by 15% to Euro -754 million, mainly driven by AXA S.A., reflecting higher dividends received, notably from the remaining stake in EQH (related to the EQH shares to be delivered on redemption of the AXA S.A. bonds mandatorily exchangeable into EQH shares, maturing in May 2021), lower general expenses, reduced financial charges as a result of debt reimbursement in 2020, and lower tax paid on dividends received from subsidiaries.

Definitions

Preferred segments: includes Health, P&C Commercial lines and Protection, as set out in the 2017 Investor Day presentation on November 14, 2017.

France: includes insurance activities, banking activities and holdings in France.

Europe: includes Switzerland (insurance activities), Germany (insurance and banking activities, and holdings), Belgium (insurance activities and holdings), United Kingdom and Ireland (insurance activities and holdings), Spain (insurance activities), Italy (insurance activities).

AXA XL: includes insurance activities and holdings.

Asia: includes insurance activities in Japan (including holding), Hong Kong, Asia High Potentials of which (i) Thailand P&C, Indonesia L&S (excluding the bancassurance entity) and China P&C (since December 31, 2019) are fully consolidated, and (ii) China L&S, Thailand L&S, the Philippines L&S and Indonesian L&S bancassurance businesses are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings² and net income, and Asia-Direct (Direct Japan and Direct South Korea), and Asia Holdings.

United States: included L&S insurance activities and holdings in the US, as well as AB. Following the deconsolidation of Equitable Holdings, Inc. and its subsequent accounting as financial investment available for sale, the United States was consolidated under the equity method and contributed only to the underlying earnings, adjusted earnings and net income for the period January 1, 2019 to November 13, 2019.

International: includes (i) AXA Mediterranean Holdings, Mexico (insurance activities), Singapore (insurance activities and holdings), Colombia (insurance activities), Turkey (insurance activities and holdings), Poland (insurance activities until September 2020 as disposed on October 15, 2020), the Gulf Region (insurance activities held for sale and holdings), Morocco (insurance activities and holdings), AXA Bank Belgium (banking activities held for sale), Malaysia P&C (insurance activities), Luxembourg (insurance activities and holdings), Brazil (insurance activities and holdings), Czech Republic and Slovakia L&S (insurance activities until September 2020 as disposed on October 15, 2020) and Greece (insurance activities held for sale) which are fully consolidated; (ii) Russia (Reso) (insurance activities), India (P&C insurance activities held for sale, L&S insurance activities and holdings) and Nigeria (insurance activities and holdings) which are consolidated under the equity method and contribute only to the underlying earnings, adjusted earnings and net income.

Transversal & Central Holdings: includes AXA Investment Managers, AXA Assistance, AXA Liabilities Managers, AXA Global Re, AXA Life Europe, AXA S.A. and other Central Holdings.

Exchange rates

| For 1 Euro | End of Period Exchange rate | | Average Exchange rate | |
|------------|-----------------------------|------|-----------------------|------|
| | FY19 | FY20 | FY19 | FY20 |
| USD | 1.12 | 1.22 | 1.12 | 1.14 |
| CHF | 1.09 | 1.08 | 1.11 | 1.07 |
| GBP | 0.85 | 0.90 | 0.88 | 0.89 |
| JPY | 122 | 126 | 122 | 122 |
| HKD | 8.75 | 9.49 | 8.77 | 8.85 |

Notes

- 1** Change in gross revenues is on a comparable basis (constant forex, scope and methodology).
- 2** Underlying earnings (“UE”), underlying earnings per share (“UEPS”), adjusted earnings, combined ratio and debt gearing are non-GAAP financial measures, or alternative performance measures (“APMs”). A reconciliation from APMs adjusted earnings, underlying earnings and combined ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 25 and 26 of AXA’s 2020 Activity Report. APM underlying earnings per share is reconciled to the financial statements in the table set forth on page 34 of AXA’s 2020 Activity Report. The calculation methodology of the debt gearing is set out on page 28 of the AXA’s 2020 Activity Report. The above-mentioned and other non-GAAP financial measures used in this press release are defined in the Glossary set forth on pages 68 to 76 of AXA’s 2020 Activity Report.
- 3** “Covid-19 claims” includes P&C, L&S and Health net claims related to Covid-19, as well as the impacts from solidarity measures and from lower volumes net of expenses, linked to Covid-19. “Covid-19 claims” does not include any financial market impacts (including impacts on investment margin, unit-linked and asset management fees, etc.) relating to the Covid-19 crisis.
- 4** FY20 underlying earnings rebased includes actual underlying earnings restating for “Covid-19 claims” and natural catastrophes in excess of normalized. AXA Group normalized level of Natural Catastrophe charges expected for 2020 at ca. 3% of Gross Earned Premiums. Natural Catastrophe charges include natural catastrophe losses regardless of event size.
- 5** The Solvency II ratio is estimated primarily using AXA’s internal model calibrated based on an adverse 1/200 years shock. For further information on AXA’s internal model and Solvency II disclosures, please refer to AXA Group’s Solvency and Financial Condition Report (SFCR) as of December 31, 2019, available on AXA’s website (www.axa.com). Pursuant to the authorization from AXA’s lead supervisor (the ACPR), the contribution of entities that were part of the XL Group (“XL entities”), and are now part of the AXA XL division, to the Group Solvency II ratio is, as from December 31, 2020, calculated with the AXA Group internal model. In compliance with the prior decision from ACPR, the XL entities contributed to the Group’s solvency capital requirement as of December 31, 2019 using the Solvency II standard formula.
- 6** General Account.
- 7** Underlying earnings changes at constant forex, by line of business, have been restated to exclude EQH’s earnings.
- 8** AXA Group normalized level of Natural Catastrophe charges expected for 2020 at ca. 3% of Gross Earned Premiums. Natural Catastrophe charges include natural catastrophe losses regardless of event size.
- 9** Compound Annual Growth Rate.
- 10** AXA’s Driving Progress 2023 strategic plan announced at AXA’s Investor Day on December 1, 2020.
- 11** AXA XL normalized level of Natural Catastrophe charges expected for 2019 and 2020 at ca. 4% of Gross Earned Premiums. As indicated during AXA 2020 Investor Day, AXA XL normalized level of Natural Catastrophe charges expected going forward at ca. 6% of Gross Earned Premiums. Natural Catastrophe charges include natural catastrophe losses regardless of event size.
- 12** Source: Employee Net Promoter Score survey conducted by CultureIQ.
- 13** CultureIQ’s Global High Performing benchmark is made up of employees worldwide who work for firms recognized in widely respected reputation lists such as the Fortune’s Most Admired and Best to Work For lists. Respondents are from a variety of industries, including Sales/Retail, Technology, Finance, Manufacturing, Insurance, and Transportation.
- 14** As of December 2020, by main lines of business in entities.
- 15** Based on ICICI Lombard closing share price in the National Stock Exchange (NSE) as at August 21, 2020. 1 Euro = 88.6524 INR as of August 20, 2020 (Source: Bloomberg).
- 16** USD 269 million with 1 Euro = 1.1957 USD as of November 27, 2020 (Source: Bloomberg).
- 17** Price effect, on the renewal premiums in 4Q20 in AXA XL insurance segment.
- 18** “Covid-19 claims” includes P&C net claims related to Covid-19, as well as the impacts from solidarity measures and from lower volumes net of expenses, linked to Covid-19. “Covid-19 claims” does not include any financial market impacts (including impacts on investment margin, etc.) relating to the Covid-19 crisis.
- 19** Agreement entered into with a wholly owned subsidiary of Enstar Group Limited.
- 20** The level of reserves on which the transaction is based.
- 21** Euro 0.4 billion, of which Euro 0.3 billion in Unit-Linked.
- 22** Linked to the continued decrease in interest rates.
- 23** The combined ratio change is at constant forex and excludes the contribution of EQH.
- 24** Excludes the contribution from Asian joint ventures, which are consolidated under the equity method.

All comments and changes are on a comparable basis for activity indicators (constant forex, scope and methodology). Most significant changes in scope are as mentioned below:

- (i) The change in gross revenues on comparable basis includes the contribution from AXA Tianping for 2019.
- (ii) The change in gross revenues on comparable basis excludes the US contribution of the first quarter of 2019 following the deconsolidation of Equitable Holdings, Inc. in Q1 2019.
- (iii) The change in APE and NBV on comparable basis excludes the US contribution of the first semester of 2019 following the deconsolidation of Equitable Holdings, Inc. in Q1 2019.

All comments are at constant forex, for earnings, unless otherwise specified.

AXA’s FY20 financial statements were examined by the Board of Directors on February 24, 2021 and are subject to completion of an audit procedure by AXA’s statutory auditors.

**ABOUT THE AXA GROUP**

The AXA Group is a worldwide leader in insurance and asset management, with 153,000 employees serving 105 million clients in 54 countries. In 2020, IFRS revenues amounted to Euro 96.7 billion and underlying earnings to Euro 4.3 billion. AXA had Euro 1,032 billion in assets under management as of December 31, 2020.

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.

This press release and the regulated information made public by AXA pursuant to article L. 451-1-2 of the French Monetary and Financial Code and articles 222-1 et seq. of the Autorité des marchés financiers' General Regulation are available on the AXA Group website (axa.com).

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Corporate Responsibility strategy:axa.com/en/about-us/strategy-commitments**SRI ratings:**axa.com/en/investor/sri-ratings-ethical-indexes**IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS AND THE USE OF NON-GAAP FINANCIAL MEASURES**

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, expectations 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 AXA's actual results to differ materially from those expressed or implied in such forward looking statements. Please refer to Part 4 - "Risk Factors and Risk Management" of AXA's Universal Registration Document for the year ended December 31, 2019 (the "2019 Universal Registration Document") and "Operating Highlights – Risk Factors" on pages 12 to 13 of AXA's half-year financial report as of June 30, 2020 (the "Half-Year 2020 Financial Report"), for a description of certain important factors, risks and uncertainties that may affect AXA's business and/or results of operations, particularly in respect of the Covid-19 crisis. 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, except as required by applicable laws and regulations.

In addition, this press release refers to certain non-GAAP financial measures, or alternative performance measures ("APMs"), used by Management in analyzing AXA's operating trends, financial performance and financial position and providing investors with additional information that Management believes to be useful and relevant regarding AXA's results. These non-GAAP financial measures generally have no standardized meaning and therefore may not be comparable to similarly labelled measures used by other companies. As a result, none of these non-GAAP financial measures should be considered in isolation from, or as a substitute for, the Group's consolidated financial statements and related notes prepared in accordance with IFRS. A reconciliation from APMs adjusted earnings, underlying earnings and combined ratio to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 25 and 26 of AXA's 2020 Activity Report. APM underlying earnings per share is reconciled to the financial statements in the table set forth on page 34 of AXA's 2020 Activity Report. The calculation methodology of the debt gearing is set out on page 28 of AXA's 2020 Activity Report. The above mentioned and other non-GAAP financial measures used in this press release are defined in the Glossary set forth on pages 68 to 76 of AXA's 2020 Activity Report.



| Earnings: Key figures | | | | |
|--|--------------|--------------|----------------------------|--------------------------|
| in Euro million | FY19 | FY20 | Change on a reported basis | Change at constant Forex |
| Property & Casualty | 3,341 | 1,644 | -51% | -51% |
| Life & Savings ⁱ | 2,508 | 2,338 | -7% | -7% |
| Health ⁱ | 704 | 693 | -2% | -1% |
| Asset Management ⁱ | 264 | 279 | +6% | +6% |
| Holdings & other ⁱ | -810 | -690 | +15% | +15% |
| Equitable Holdings | 444 | - | - | - |
| Underlying earnings | 6,451 | 4,264 | -34% | -34% |
| Gross realized capital gains/losses | 752 | 1,071 | - | - |
| Impairments | -227 | -460 | - | - |
| Equity portfolio hedging | -131 | -273 | - | - |
| Adjusted earnings | 6,844 | 4,602 | -33% | -33% |
| Change in fair value & Forex | -791 | -394 | - | - |
| <i>o/w gains/losses on economic hedgesⁱⁱ</i> | -960 | -129 | - | - |
| <i>o/w change in fair value of assets accounted for as fair value option</i> | 169 | -264 | - | - |
| Goodwill and related intangibles | -114 | -167 | - | - |
| Integration and restructuring costs | -449 | -389 | - | - |
| Exceptional and discontinued operations | -1,634 | -487 | - | - |
| Net income | 3,857 | 3,164 | -18% | -18% |

| Earnings per share - fully diluted | | | |
|---|------|------|----------------------------|
| in Euro | FY19 | FY20 | Change on a reported basis |
| Underlying EPS ⁱⁱⁱ | 2.59 | 1.71 | -34% |
| Adjusted EPS ⁱⁱⁱ | 2.76 | 1.85 | -33% |
| Net income per share ⁱⁱⁱ | 1.51 | 1.25 | -17% |

i Underlying earnings changes at constant forex, by line of business, have been restated to exclude Equitable Holdings, Inc.

ii Interest rates, equity and foreign exchange economic hedges not eligible for hedge accounting under IAS 39.

iii Net of interest charges on undated subordinated notes (TSDI) and undated deeply subordinated notes (TSS). In 2019, it was also net of preferred shares and bonds mandatorily exchangeable into shares of Equitable holdings, Inc.



APPENDIX 2: REVENUES BY GEOGRAPHY AND BY BUSINESS LINE

Press release

| Gross revenues in Euro million | Total ⁱ | | | o/w Property & Casualty | | o/w Health | | o/w Life & Savings | | o/w Asset Management | |
|-----------------------------------|--------------------|----------------------------|------------------------------|----------------------------|------------------------------|---------------|------------------------------|-----------------------|------------------------------|-------------------------|------------------------------|
| | FY20 | Change on a reported basis | Change on a comparable basis | FY20 | Change on a comparable basis | FY20 | Change on a comparable basis | FY20 | Change on a comparable basis | FY20 | Change on a comparable basis |
| France | 25,064 | -4% | -4% | 6,986 | -1% | 4,912 | +6% | 13,001 | -9% | - | - |
| Europe | 32,860 | -5% | -2% | 16,594 | -1% | 5,630 | +4% | 10,627 | -6% | - | - |
| <i>Switzerland</i> | 5,261 | -12% | +2% | 3,289 | 0% | 31 | +84% | 1,941 | +4% | - | - |
| <i>Germany</i> | 11,025 | +1% | +2% | 4,332 | -1% | 3,429 | +5% | 3,254 | +2% | - | - |
| <i>Belgium</i> | 3,372 | -1% | -1% | 2,087 | -1% | 118 | +14% | 1,167 | -3% | - | - |
| <i>UK & Ireland</i> | 5,215 | -3% | -1% | 3,457 | -1% | 1,713 | -1% | 45 | +12% | - | - |
| <i>Spain</i> | 2,566 | -4% | -4% | 1,683 | -2% | 234 | +8% | 650 | -13% | - | - |
| <i>Italy</i> | 5,422 | -11% | -11% | 1,746 | 0% | 105 | +14% | 3,571 | -16% | - | - |
| AXA XL | 18,530 | -1% | +3% | 18,346 | +3% | - | - | 184 | 0% | - | - |
| Asia | 10,950 | +11% | +2% | 2,159 | 0% | 2,412 | +9% | 6,379 | 0% | - | - |
| <i>Japan</i> | 4,969 | +2% | +1% | - | - | 1,515 | +1% | 3,454 | +1% | - | - |
| <i>Hong Kong</i> | 3,801 | -1% | 0% | 257 | -4% | 667 | +5% | 2,877 | 0% | - | - |
| <i>Asia High Potentials</i> | 1,098 | - | +7% | 823 | -7% | 228 | - | 48 | -9% | - | - |
| <i>Asia-Direct</i> | 1,082 | +6% | +8% | 1,080 | +8% | 3 | +1% | - | - | - | - |
| International | 6,398 | -10% | +1% | 3,407 | -1% | 1,562 | +10% | 1,113 | -6% | - | - |
| Transversal | 2,921 | -1% | 0% | 1,238 | -6% | 194 | +21% | 221 | -4% | 1,269 | +4% |
| Total | 96,723 | -7% | -1% | 48,729 | +1% | 14,711 | +6% | 31,524 | -6% | 1,269 | +4% |

ⁱ Including Banking (Euro 491 million).



APPENDIX 3: UNDERLYING EARNINGS BY GEOGRAPHY AND BY BUSINESS LINE

Press release

| Underlying earnings in Euro million | Total ⁱ | | | o/w Property & Casualty | | | o/w Health ^v | | o/w Life & Savings ^v | |
|--|--------------------|-----------------------------|----------------------------------|----------------------------|-----------------------------|----------------------------------|----------------------------|-----------------------------|------------------------------------|-----------------------------|
| | FY20 | Change at constant Forex | Change ex-Covid ⁱⁱ | FY20 | Change at constant Forex | Change ex-Covid ⁱⁱ | FY20 | Change at constant Forex | FY20 | Change at constant Forex |
| France | 1,668 | -3% | +5% | 817 | +6% | +21% | 57 | -31% | 792 | -8% |
| Europe | 2,621 | +2% | -8% | 1,668 | +7% | -7% | 194 | -10% | 702 | -7% |
| AXA XL | -1,398 | - | -52% | -1,313 | - | -43% | - | - | 13 | -3% |
| Asia | 1,247 | +4% | +1% | 98 | +76% | +17% | 418 | +6% | 733 | -3% |
| Internationalⁱⁱⁱ | 469 | +7% | -3% | 364 | +12% | -1% | 20 | +60% | 47 | -20% |
| Transversal^{iv} | 345 | -6% | +7% | 10 | -78% | +40% | 4 | - | 52 | -17% |
| Central Holdings | -688 | +14% | +14% | - | - | - | - | - | - | - |
| Total | 4,264 | -34% | -4% | 1,644 | -51% | -5% | 693 | -1% | 2,338 | -7% |

i Including Asset Management (Euro 279 million), Banking activities (Euro 64 million) and Holdings (Euro -754 million).

ii Change at constant Forex, and excludes Covid-19 claims impact (P&C, L&S and Health net claims related to Covid-19, as well as the impacts from solidarity measures and from lower volumes net of expenses, linked to Covid-19) and EQH.

iii Excluding the contribution of the Central and Eastern Europe entities (disposed on October 15, 2020) in 4Q19, International underlying earnings grew by 11% at constant Forex.

iv Including AXA IM (Euro 279 million, +6% at constant Forex).

v Underlying earnings changes by line of business have been restated to exclude Equitable Holdings, Inc.



APPENDIX 4: PROPERTY & CASUALTY – REVENUE CONTRIBUTION & GROWTH BY BUSINESS LINE

Press release

| in Euro million | Personal | | | | | | Commercial | | | | | | Total P&C | |
|----------------------|----------------|------------|--------------------|------------|----------------|------------|------------------|------------|----------------------|------------|------------------|------------|---------------|------------|
| | Personal Motor | Change | Personal Non-Motor | Change | Total Personal | Change | Commercial Motor | Change | Commercial Non-Motor | Change | Total Commercial | Change | FY20 | Change |
| France | 1,967 | -1% | 1,909 | -3% | 3,876 | -2% | 670 | +4% | 2,440 | 0% | 3,110 | +1% | 6,986 | -1% |
| Europe | 5,988 | -2% | 3,874 | +1% | 9,862 | -1% | 1,396 | -4% | 5,335 | +1% | 6,731 | 0% | 16,594 | -1% |
| Switzerland | 1,093 | -3% | 631 | +2% | 1,725 | -1% | 112 | -3% | 1,453 | +3% | 1,565 | +2% | 3,289 | 0% |
| Germany | 1,144 | -7% | 1,453 | +2% | 2,598 | -2% | 154 | -10% | 1,580 | +3% | 1,734 | +2% | 4,332 | -1% |
| Belgium | 625 | 0% | 505 | +2% | 1,129 | +1% | 259 | +1% | 699 | -4% | 958 | -3% | 2,087 | -1% |
| UK & Ireland | 1,349 | +1% | 574 | -4% | 1,923 | -1% | 606 | -8% | 928 | +2% | 1,534 | -2% | 3,457 | -1% |
| Spain | 904 | -3% | 368 | +2% | 1,272 | -2% | 57 | +1% | 354 | -5% | 410 | -4% | 1,683 | -2% |
| Italy | 872 | -2% | 343 | -3% | 1,215 | -2% | 209 | +3% | 322 | +7% | 531 | +6% | 1,746 | 0% |
| AXA XL | - | - | - | - | - | - | 256 | +8% | 18,089 | +3% | 18,346 | +3% | 18,346 | +3% |
| Asia | 1,589 | -1% | 267 | +6% | 1,856 | 0% | 130 | -5% | 173 | +9% | 303 | +3% | 2,159 | 0% |
| Hong Kong | 44 | +12% | 78 | -19% | 122 | -10% | 12 | +47% | 123 | -2% | 135 | +2% | 257 | -4% |
| Asia High Potentials | 610 | -10% | 44 | +4% | 654 | -9% | 118 | -8% | 50 | +48% | 168 | +4% | 823 | -7% |
| Asia-Direct | 934 | +6% | 145 | +28% | 1,080 | +8% | - | - | - | - | - | - | 1,080 | +8% |
| International | 1,060 | +1% | 302 | -3% | 1,362 | 0% | 663 | -4% | 1,381 | +1% | 2,044 | -1% | 3,407 | -1% |
| Transversal | - | - | - | - | - | - | 492 | -3% | 671 | -7% | 1,163 | -5% | 1,238 | -6% |
| Total | 10,604 | -2% | 6,352 | -1% | 16,956 | -1% | 3,607 | -2% | 28,090 | +2% | 31,697 | +2% | 48,729 | +1% |



| Net new contracts by geography | | |
|--------------------------------|------------|----------|
| in thousands | FY19 | FY20 |
| France | -8 | 40 |
| Europe | 295 | -14 |
| Asia | 334 | -128 |
| International | 54 | 103 |
| Total | 675 | 1 |
| <i>o/w Personal Household</i> | 69 | 60 |
| <i>o/w Personal Motor</i> | 606 | -59 |

Personal lines net new contracts amounted to +1k, driven by International (+103k) mostly due to direct sales in the Gulf region as well as higher retention in Poland, and France (+40k) with strong sales in Motor, partly offset by Asia (-128k) primarily impacted by lower new business in China in the context of Covid-19, and Europe (-14k) as strong sales in Household from UK & Ireland primarily from direct channels and from Spain were more than offset by strong market competition in the German Motor market.



APPENDIX 6: NEW BUSINESS VOLUME (APE), VALUE (NBV) AND NBV MARGIN

Press release

| in Euro million | APE ⁱ FY20 by product | | | | | | | | | | Total APE | | | NBV ⁱ | | | NBV margin ⁱ | | |
|----------------------|----------------------------------|----------------------|--------------|----------------------|-------------|----------------------|-----------------------|----------------------|------------|----------------------|--------------|--------------|----------------------|------------------|--------------|----------------------|-------------------------|------------|----------------------|
| | Protection | Change ⁱⁱ | G/A Savings | Change ⁱⁱ | Unit-Linked | Change ⁱⁱ | Health ⁱⁱⁱ | Change ⁱⁱ | MF & other | Change ⁱⁱ | FY19 | FY20 | Change ⁱⁱ | FY19 | FY20 | Change ⁱⁱ | FY19 | FY20 | Change ⁱⁱ |
| France | 610 | +33% | 487 | -25% | 411 | +12% | 643 | +8% | 2 | -54% | 2,077 | 2,153 | +4% | 655 | 635 | -3% | 32% | 30% | -2 pts |
| Europe | 896 | +72% | 342 | -9% | 273 | +12% | 111 | +4% | 35 | -8% | 1,267 | 1,656 | +29% | 594 | 795 | +31% | 47% | 48% | +1 pt |
| Switzerland | 715 | +127% | - | -97% | 2 | -81% | 1 | - | 5 | -30% | 320 | 722 | +117% | 149 | 368 | +137% | 47% | 51% | +4 pts |
| Germany | 86 | +1% | 138 | +1% | 28 | -5% | 110 | +4% | 19 | +5% | 375 | 381 | +2% | 208 | 226 | +8% | 55% | 59% | +4 pts |
| Belgium | 22 | -49% | 35 | -15% | 52 | +231% | - | - | - | - | 101 | 109 | +8% | 53 | 41 | -23% | 52% | 37% | -15 pts |
| Spain | 35 | +26% | 12 | -33% | 38 | -13% | - | - | 11 | -16% | 103 | 97 | -6% | 62 | 39 | -38% | 60% | 40% | -20 pts |
| Italy | 38 | -14% | 157 | -12% | 152 | +6% | - | - | - | - | 368 | 347 | -6% | 122 | 122 | 0% | 33% | 35% | +2 pts |
| Asia | 834 | -22% | 255 | -24% | 40 | - | 217 | -14% | - | - | 1,614 | 1,345 | -19% | 1,019 | 984 | -4% | 63% | 73% | +11 pts |
| Japan | 394 | +3% | 12 | -47% | - | - | 116 | -17% | - | - | 531 | 521 | -4% | 639 | 694 | +7% | 120% | 133% | +14 pts |
| Hong Kong | 205 | -48% | 20 | -47% | 16 | +24% | 37 | -9% | - | - | 486 | 277 | -42% | 216 | 129 | -40% | 44% | 47% | +2 pts |
| Asia High Potentials | 236 | -18% | 223 | -19% | 24 | - | 64 | -13% | - | - | 598 | 547 | -14% | 165 | 161 | -1% | 28% | 29% | +4 pts |
| United States | - | - | - | - | - | - | - | - | - | - | 817 | - | - | 162 | - | - | 20% | - | - |
| International | 103 | -18% | 8 | -29% | 42 | -20% | 11 | -20% | 17 | +2% | 254 | 181 | -17% | 111 | 65 | -30% | 44% | 36% | -6 pts |
| Total | 2,444 | +12% | 1,091 | -20% | 766 | +13% | 981 | +1% | 54 | -9% | 6,029 | 5,336 | +1% | 2,542 | 2,480 | +4% | 42% | 46% | +1 pt |

ⁱ Annual premium equivalent (APE), NBV, and NBV margin are non-GAAP financial measures. APE, NBV, and NBV margin and other non-GAAP financial measures are defined in the Glossary set forth on pages 68 to 76 of AXA's 2020 Activity Report.

ⁱⁱ Changes are at comparable basis (constant forex, scope and methodology).

ⁱⁱⁱ Only includes "life-like" Health business.

Annual Premium Equivalent, APE (new business volume) increased by 1%, mainly driven by higher sales in semi-autonomous Group Life product in Switzerland (including the acquisition of a significant number of clients), partly offset by lower new business activity impacted by Covid-19, notably in Hong Kong.

NBV margin was up 1.1 points to 46.5%, largely driven by an improved business mix in Asia and in Europe, partly offset by less favorable assumption changes and business mix in France. **New Business Value** was up 4% to Euro 2.5 billion.



| Net flows ⁱ by country/region | | |
|---|-------------|-------------|
| in Euro billion | FY19 | FY20 |
| France | +3.0 | +1.8 |
| Europe | -4.9 | -0.2 |
| <i>o/w flows from Swiss Group Life transformation</i> | -4.1 | - |
| AXA XL | -0.2 | -0.2 |
| Asia | +3.4 | +3.3 |
| United States | -0.5 | |
| International | +0.4 | +0.4 |
| Transversal | 0.0 | +0.1 |
| Total Life & Savings net flows | +1.2 | +5.1 |

| Net flows ⁱ by business line | | |
|---|-------------|-------------|
| in Euro billion | FY19 | FY20 |
| Protection | -1.6 | +3.3 |
| <i>o/w flows from Swiss Group Life transformation</i> | -4.1 | - |
| Health | +2.9 | +3.5 |
| G/A Savings | -0.9 | -3.4 |
| <i>o/w capital lightⁱⁱ</i> | +3.5 | +1.1 |
| <i>o/w traditional G/A</i> | -4.3 | -4.5 |
| Unit-Linked | +0.7 | +1.7 |
| Mutual Funds & Other | 0.0 | 0.0 |
| Total Life & Savings net flows | +1.2 | +5.1 |

ⁱ Life & Savings net flows include Health “life-like” business.

ⁱⁱ G/A Savings products which, at inception, create more EOF than the economic capital they consume.



| Assets under Management rollforward | | | |
|--|------------|-----------------------------------|-------------------------------|
| in Euro billion | AXA IM | AXA IM - Fully consolidated scope | AXA IM - Asian Joint Ventures |
| AUM as of December 31, 2019 | 801 | 710 | 90 |
| Net flows | 40 | 31 | 10 |
| Market appreciation | 21 | 19 | 2 |
| Scope & other | 7 | 7 | 0 |
| Forex impact | -11 | -9 | -2 |
| AUM as of December 31, 2020 | 858 | 758 | 100 |
| Average AUM over the periodⁱ | - | 729 | - |
| Change of average AUM on a reported basis vs. FY19 | - | +8% | - |
| Change of average AUM on a comparable basis vs. FY19 | - | +8% | - |

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

**Changes in scope:**

- 02/14/2019 – [AXA has completed the sale of its Ukrainian operations](#)
- 11/13/2019 – [AXA S.A. announces the successful completion of the sale of its remaining stake in AXA Equitable Holdings, Inc.](#)
- 12/13/2019 – [AXA has completed the acquisition of the remaining 50% stake in AXA Tianping](#)
- 10/15/2020 – [AXA has completed the sale of its operations in Central and Eastern Europe for Euro 1.0 billion](#)

Main press releases issued in 4Q20

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

- 10/01/2020 – [AXA Future Risks Report 2020: the Covid-19 pandemic eclipses climate risk](#)
- 11/03/2020 – [9M20 Activity Indicators](#)
- 11/18/2020 – [AXA launches an innovative global program for the health and well-being of its employees](#)
- 11/27/2020 – [Results of the AXA Group employee share offering in 2020](#)
- 11/30/2020 – [AXA to sell its insurance operations in the Gulf region](#)
- 12/01/2020 – [AXA reveals its 2023 strategy](#)
- 12/31/2020 – [AXA to sell its insurance operations in Greece](#)

Post FY20 press releases

- 01/19/2021 – [AXA deploys its smart working strategy worldwide](#)

2020 Operations on AXA shareholders' equity and debt

Shareholders' equity: no significant operation

Debt:

- 04/01/2020 – [Notice of early redemption \(XS0503665290\)](#)
- 12/15/2020 – Redemption of GBP 325 million subordinate debt

Next main investor events

- 04/29/2021 – 2021 Shareholders' Annual General Meeting
- 05/04/2021 – First quarter 2021 Activity Indicators