



Press release

Paris, May 15, 2023

AXA publishes 1H22 and FY22 financial information under IFRS17 and IFRS9 accounting standards and provides 2023 Group Underlying Earnings Target^{1,2}

AXA is publishing today its financial supplement for both half-year 2022 and full-year 2022, restated under the IFRS17 and IFRS9 accounting standards that became effective on January 1, 2023. To enable analysts and investors to better assess the Group's underlying earnings trajectory in 2023 following the implementation of IFRS17 and IFRS9, AXA is exceptionally providing a 2023 Group Underlying Earnings Target, including a breakdown by main lines of business.

Alban de Mailly Nesle, AXA Group's Chief Financial Officer, will be hosting a conference call covering these topics for analysts and investors on Monday, May 15, 2023, which will start at 11:00am CET.

Live webcast link and supporting documents are available on AXA's website³: [AXA presentation update on IFRS17/9 | AXA](#)

KEY MESSAGES

- AXA reaffirms that Group underlying earnings' power is unaffected by the new accounting standards
- Group underlying earnings target above Euro 7.5 billion in 2023, including ca. Euro -0.1 billion impact from unfavorable foreign exchange movements
- Cash and capital were unaffected by accounting changes, with Euro 5.5 billion of net cash remittance and Solvency II ratio⁴ of 215% at year-end 2022 (217% as of 1Q23)
- The key financial targets of 'Driving Progress 2023' are reaffirmed, with the underlying earnings per share (UEPS) CAGR⁵ expected to exceed +7% over the three-year period 2020⁶-2023 and cumulative cash remittance to exceed Euro 14 billion over the period 2021-2023



2023 GROUP UNDERLYING EARNINGS TARGET⁷

2023 Underlying Earnings Targets (in Euro billion)			
	FY22 IFRS4	FY22 IFRS17/9	2023 Targets IFRS17/9 ¹
Property & Casualty	4.4	2.9	at least 4.7
Life & Health	3.2	3.5	~ 3.3
Asset Management, Holdings & Other	-0.4	-0.4	~ -0.5
Group	7.3	6.1	above 7.5

¹ Includes ca. Euro -0.1 billion impact from unfavorable foreign exchange movements

2022 Group underlying earnings restated under IFRS17/9 were Euro 6.1 billion, reflecting notably the non-recognition of the release of excess reserves in Property & Casualty, which contributed to FY22 underlying earnings under IFRS4. The IFRS17/9 balance sheet is on a best estimate basis and does not recognize excess reserves.

Property & Casualty

2023 underlying earnings are currently expected to increase by at least Euro +0.3 billion versus FY22 IFRS4 underlying earnings:

- The expected technical result assumes the following impacts on the undiscounted combined ratio: (i) a Nat Cat load of ca. 4 points, (ii) PYD release within a range of 0.5 point to 2 points, in line with the long-term average, (iii) lower large losses from the non-repeat of the impact of the Ukraine war (0.8 point) and (iv) improving pricing environment.
- This is expected to be partly offset by a lower financial result driven by the unwind of discount and non-repeat of elevated fund distributions.

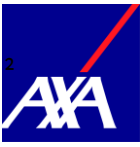
Life & Health

2023 underlying earnings are currently expected to be ca. Euro +0.1 billion higher versus FY22 IFRS4 underlying earnings:

- Financial result is expected to be lower due to non-repeat of elevated fund distributions and the unwind of reserve discount in non-Variable Fee Approach (VFA) financial results.
- Technical result is expected to benefit from the non-repeat of elevated Health claims in France and Japan in 2022, partly offset by the non-repeat of a positive model change in Japan in Life.

Asset Management, Holdings & Other

2023 underlying earnings are currently expected to be lower by ca. Euro -0.1 billion versus FY22 underlying earnings, driven by an increase in debt financing charges and the non-repeat of a favorable tax settlement at AXA S.A., as well as lower revenues in Asset Management due to unfavorable market conditions. Underlying earnings of Asset Management and Holdings are unaffected by the implementation of IFRS17/9.



Notes

¹ IFRS17/9 financial figures and information in this press release have not been audited.

² All information in this press release is expressly qualified by the disclaimer on forward-looking statements set out below. The 2023 Group Underlying Earnings Target (the “2023 Target”) sets out management’s current expectations of certain performance metrics following the implementation of IFRS17/9 accounting standards, which became effective on January 1, 2023. The 2023 Target is subject to important assumptions set out in this press release. These assumptions may prove to be incorrect or need to be updated, and actual results, performance, or events may differ from those expressed in the 2023 Target due to known and unknown risks and uncertainties. Because the 2023 Target is provided exceptionally to enable analysts and investors to better assess the Group’s underlying earnings trajectory in 2023 in connection with the implementation of IFRS17/9, it is not expected or intended that similar guidance will be issued in future periods beyond 2023, nor that such guidance will be updated, except as required by law.

³ <https://www.axa.com/en/press/events/20230515-axa-presentation-update-on-ifs17-9>. Please refer to slide 17 of the presentation for indicative sensitivities impacting certain FY22 financial metrics restated under IFRS 17/9.

⁴ The Solvency II ratio is estimated primarily using AXA’s internal model calibrated based on an adverse 1/200 years shock. It includes a theoretical amount for dividends accrued for the first three months of 2023, based on the full-year dividend of Euro 1.70 per share paid in 2023 for FY22. Dividends are proposed by the Board, at its discretion, based on a variety of factors described in AXA’s 2022 Universal Registration Document, and are then submitted to AXA’s shareholders for approval. This estimate should not be considered in any way to be an indication of the actual dividend amount, if any, for the 2023 financial year. 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, 2021, available on AXA’s website (www.axa.com).

⁵ Compounded annual growth rate.

⁶ Rebased. 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. “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.) related to the Covid-19 crisis.

⁷ Based on normalized natural catastrophe charges and assuming current market and operating conditions persist.



ABOUT THE AXA GROUP

The AXA Group is a worldwide leader in insurance and asset management, with 145,000 employees serving 93 million clients in 51 countries. In 2022, IFRS revenues amounted to Euro 102.3 billion and underlying earnings to Euro 7.3 billion. AXA had Euro 93.3 billion in assets under management, including assets managed on behalf of third parties, as of December 31, 2022.

The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISIN 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.

AXA's press releases 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).

THIS PRESS RELEASE IS AVAILABLE ON THE AXA GROUP WEBSITE axa.com

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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. Such forward-looking statements include, without limitation, all information under the heading "2023 Group Underlying Earnings Target" in this press release (the "2023 Target"). Undue reliance should not be placed on the 2023 Target or any other forward-looking statements in this press release 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 5 - "Risk Factors and Risk Management" of AXA's Universal Registration Document for the year ended December 31, 2022 (the "2022 Universal Registration Document") 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, except as required by applicable laws and regulations.

In addition, this press release also contains 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. Underlying earnings is an APM as defined in ESMA's guidelines and the AMF's related position statement issued in 2015. Underlying earnings, underlying earnings per share and combined ratio are APMs as defined in ESMA's guidelines and the AMF's related position statement issued in 2015. A reconciliation from APMs underlying earnings and combined ratio (under IFRS 4) to the most directly reconcilable line item, subtotal or total in the financial statements of the corresponding period is provided on pages 46 and 47 of AXA's 2022 Universal Registration Document. APM underlying earnings per share is reconciled (under IFRS 4) to the financial statements in the table set forth on page 52 of AXA's 2022 Universal Registration Document. The above mentioned and other non-GAAP financial measures used in this press release are defined (under IFRS 4) in the Glossary set forth on pages 524 to 528 of AXA's 2022 Universal Registration Document. The treatment of certain non-GAAP financial measures in this press release for these purposes may change over time in connection with the development of IFRS 17/9 reporting practices.