Equity interest structure of AXA Konzern AG

Equity interest expressed as a percentage as of May 2005
The AXA Group in summary

### Consolidated income

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003*</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income</td>
<td>€ 6,374</td>
<td>€ 6,334</td>
<td>+0.6</td>
</tr>
<tr>
<td>Premiums written (gross)</td>
<td>€ 6,306</td>
<td>€ 6,264</td>
<td>+0.7</td>
</tr>
<tr>
<td>Property and casualty insurance</td>
<td>€ 2,702</td>
<td>€ 2,685</td>
<td>+0.6</td>
</tr>
<tr>
<td>Life insurance</td>
<td>€ 2,608</td>
<td>€ 2,645</td>
<td>−1.4</td>
</tr>
<tr>
<td>Health insurance</td>
<td>€ 889</td>
<td>€ 779</td>
<td>+14.1</td>
</tr>
<tr>
<td>Assumed</td>
<td>€ 107</td>
<td>€ 156</td>
<td>−31.4</td>
</tr>
<tr>
<td>Retention</td>
<td>% 94.4</td>
<td>% 94.1</td>
<td>+0.3</td>
</tr>
<tr>
<td>Income from financial services</td>
<td>€ 67</td>
<td>€ 70</td>
<td>−4.3</td>
</tr>
</tbody>
</table>

### Claims and benefits

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003*</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and casualty insurance</td>
<td>€ 1,799</td>
<td>€ 1,687</td>
<td>+6.7</td>
</tr>
<tr>
<td>Net combined ratio</td>
<td>% 97.8</td>
<td>% 95.2</td>
<td>+2.7</td>
</tr>
<tr>
<td>Life insurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to policyholders</td>
<td>€ 2,668</td>
<td>€ 2,638</td>
<td>+1.1</td>
</tr>
<tr>
<td>Change in commitments to policyholders</td>
<td>€ (−299)</td>
<td>€ 805</td>
<td>−1,104</td>
</tr>
<tr>
<td>Health insurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to policyholders</td>
<td>€ 412</td>
<td>€ 376</td>
<td>+9.6</td>
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</table>

### Underwriting provisions

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003*</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (net)</td>
<td>€ 31,044</td>
<td>€ 30,511</td>
<td>+1.7</td>
</tr>
<tr>
<td>Property and casualty insurance</td>
<td>€ 5,145</td>
<td>€ 4,708</td>
<td>+9.3</td>
</tr>
<tr>
<td>Life insurance</td>
<td>€ 23,203</td>
<td>€ 23,431</td>
<td>−1.0</td>
</tr>
<tr>
<td>Health insurance</td>
<td>€ 2,131</td>
<td>€ 1,788</td>
<td>+19.2</td>
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<tr>
<td>Assumed</td>
<td>€ 564</td>
<td>€ 584</td>
<td>−3.4</td>
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</table>

### Bank business

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003*</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable from borrowers</td>
<td>€ 715</td>
<td>€ 733</td>
<td>−2.5</td>
</tr>
<tr>
<td>thereof for property loans</td>
<td>€ 467</td>
<td>€ 467</td>
<td>0.0</td>
</tr>
<tr>
<td>thereof for private loans</td>
<td>€ 248</td>
<td>€ 266</td>
<td>−6.8</td>
</tr>
</tbody>
</table>

### Employees

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003*</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaried employees</td>
<td>8,196</td>
<td>8,668</td>
<td>−5.4</td>
</tr>
<tr>
<td>Freelance sales staff (full time)</td>
<td>2,759</td>
<td>3,138</td>
<td>−12.1</td>
</tr>
</tbody>
</table>
**Recommendation on the appropriation of balance sheet profit of AXA Konzern AG**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003*</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio</td>
<td>€ mill.</td>
<td>34,753</td>
<td>34,743</td>
</tr>
<tr>
<td>Investment result</td>
<td>€ mill.</td>
<td>1,303</td>
<td>1,940</td>
</tr>
<tr>
<td>Group equity</td>
<td>€ mill.</td>
<td>900</td>
<td>1,041</td>
</tr>
<tr>
<td>Consolidated result</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated result before taxes on income</td>
<td>€ mill.</td>
<td>21</td>
<td>412</td>
</tr>
<tr>
<td>Consolidated net profit for the year</td>
<td>€ mill.</td>
<td>-68</td>
<td>571</td>
</tr>
<tr>
<td>DVFA/GDV earnings per share</td>
<td></td>
<td>0.40</td>
<td>1.00</td>
</tr>
<tr>
<td>Dividend of AXA Konzern AG&lt;sup&gt;2&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend per ordinary share</td>
<td>€</td>
<td>0.57</td>
<td>1.18</td>
</tr>
<tr>
<td>Dividend per preferred share</td>
<td>€</td>
<td>0.63</td>
<td>1.24</td>
</tr>
<tr>
<td>Total dividend</td>
<td>€ mill.</td>
<td>18.1</td>
<td>37.2</td>
</tr>
</tbody>
</table>

* The figures from 2003 have essentially been adjusted for the disposal of AXA Bausparkasse
<sup>1</sup> Portfolio and result including investments of unit-linked life insurance
<sup>2</sup> 2004: recommendation

---

Payment of a dividend of € 0.57 per ordinary share, total
Payment of a dividend of € 0.63 per preferred share, total
Allocated to revenue reserves
Profit carried forward
Balance sheet profit

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>14,951,533.20</td>
<td></td>
</tr>
<tr>
<td>3,150,000.00</td>
<td></td>
</tr>
<tr>
<td>86,100,000.00</td>
<td></td>
</tr>
<tr>
<td>83,032.57</td>
<td></td>
</tr>
<tr>
<td>104,284,565.77</td>
<td></td>
</tr>
</tbody>
</table>
Be Life Confident

All around the world, we deliver our products and services under a global brand. Combined with our tagline – Be Life Confident – the AXA brand conveys our promise to customers that we will protect them and help them realize their projects at every stage of their lives.

Financial highlights

50 million customers across the globe have placed their trust in AXA.

112,000 employees and distributors worldwide working to deliver the right solutions and top quality service to our customers.

17,500 employees volunteer for their local community.

72.2 billion euros in consolidated revenues (+2 % on a comparable basis).

869 billion euros in assets under management (+16 % at constant exchange rates).

2.7 billion euros in underlying earnings (+38 % at constant exchange rates).

2.5 billion euros in net income, Group share (+160 % at constant exchange rates).
Our Vision

To help our clients be life confident: it’s our vision of the business and how it should be done.

Our Business: Financial Protection
Financial Protection involves supporting our clients – individuals as well as small, mid-size and large businesses – throughout their lives by responding to their insurance, protection, retirement savings and estate planning needs. Aware and proud of our industry’s contribution to the economic and social development of the countries in which we are present, we seek to do business responsibly by living up to consistent values and stakeholder commitments throughout the world.

Our Ambition
Together, we are working toward the shared ambition of becoming a global leader in our core business of Financial Protection by delivering both high-quality products and high-quality service and performance.

Our Values
Team Spirit, Integrity, Innovation, Pragmatism, Professionalism.

Our Commitments

To do business responsibly and build a relationship of trust with our partners.

Our Clients
Consistently deliver efficient local service and adapted solutions, while adhering to the highest standard of professional conduct.

The Community
Act as a responsible corporate citizen by sharing our professional expertise with the community, innovating in the area of employment and sponsoring philanthropic initiatives.

The Environment
Contribute to environmental preservation efforts by making available our environmental risk management capability and promoting environmentally sound practices in the workplace.

Our Suppliers
Maintain excellent relationships with suppliers by adhering to a set of clearly defined procurement guidelines and promoting ongoing dialogue.

Our Shareholders
Achieve operating performance that ranks among the best in the industry. In order to create lasting value, and strive to furnish accurate financial information.

Our Employees
Ensure professional fulfillment by offering a supportive and respectful workplace where people are empowered and the continuous development of competencies is encouraged.

Our Ambition
Together, we are working toward the shared ambition of becoming a global leader in our core business of Financial Protection by delivering both high-quality products and high-quality service and performance.

Our Values
Team Spirit, Integrity, Innovation, Pragmatism, Professionalism.
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Foreword by the Chairman of the Board

Dr. Claus-Michael Dill
Chairman of the Board of AXA Konzern AG

Dear shareholders and pension policyholders,

In the year under review the German AXA Group made a further clear step forward in the direction of more growth, thereby continuing the change in trend initiated in 2003. In 2004 we successfully increased new business and premium volume in almost all business areas.

Growth in motor-vehicle insurance is the most prominent. In this line of insurance we have attracted some 200,000 customers over the past two years, enhanced our portfolio to more than 2.2 million policies and increased our market share to 4.7%. This is quite clearly the success of the interaction between the modules of multi-channel selling, dual product world and the extension of customer relationships in our strategy. The concept of the integrative sale of our products via all marketing channels has proved successful in the same way as the alignment of our product range to a more service-orientated target group on the one hand and a more price-orientated target group on the other.

The pensions segment has also recorded respectable growth in new business. 293,000 new policies – almost 30% more than in 2003 – represent a record sales volume in the history of the German AXA. We are especially proud of two developments in this context: the sale of particularly promising unit-linked life and annuity insurance by AXA Lebensversicherung rose by 58% and our “youngest baby”, Pr oAV Pensionskasse launched in 2002, tripled its premium income and increased new business by 70%, welcoming its 100,000th client at the beginning of 2005.

The course of business of AXA Krankenversicherung was most pleasing once again. With a premium growth of 14%, the company once again exceeded market growth by more than double. And this despite all the negative signals sent out in the past year towards private health insurance primarily from the political world. Thanks to our advisory expertise we were able to cushion many an uncertainty amongst existing and potential clients.

Last not least, let me say a few words about the industrial and corporate client business in which we rank in the top 3 in Germany. After the successful turnaround this business is now profitable again and premium income rose by 2%.

Our actions are led by two priorities which we pursue with great continuity aimed at future corporate success. Growth is flanked by profitability and in this area we made distinct progress in the year under review. The underwriting result of our Group improved markedly by € 164 million and is now almost balanced. We further reduced costs by 4.3% despite additional investments in growth fields. In the past three years we have distinctly boosted productivity by 4% by increasing the turnover per employee.

But this progress is not enough for us. We wish to lift our profitability to an international level to enable us to give our shareholders an appropriate return on their investment.
In view of the corporate successes outlined above it may not seem clear why the German AXA Group nevertheless closed 2004 with a loss. This has to do with several, in part one-of-a-kind, effects which in total counterbalanced the substantial improvements achieved in operative business. The once again favourable course of claims in non-life insurance required a high allocation to the claims equalisation reserve. The unrealised losses in the share area, left in the wake of the stock market crisis in the period 2000 to 2003, were reduced by € 733 million in the year under review, and were therefore virtually completely eliminated. All in all, at € 1.9 million, our actuarial reserves are distinctly positive. The tax burden of the German AXA Group also rose by € 248 million by comparison with the previous year. The magnitude of these influences automatically meant that they would not be without impact on the result.

The direction of the German AXA Group for 2005 and the subsequent years is clearly outlined. We will be continuing our growth course and at the same time steering our Group to distinctly more profit. In an environment characterised by economic difficulties the market volume will not become larger. In order to achieve our ambitious growth objectives our enterprise must therefore be better than our competitors. We must offer clients and sales partners something unique: unique service quality, unique support and a competitive price position for our products. The AXA Konzern has launched an initiative across the board aimed at becoming market leader here.

This initiative is coupled with a programme aimed at distinctly increasing corporate profit in the coming years. We know which fine adjustments need to be made to the five forces driving our consolidated result, namely costs, income from investments, net combined ratio in non-life insurance, technical margins in life and health insurance and premium growth. We have set the targets for all five criteria up to 2007 and are convinced that we will achieve them.

Very sincerely yours,

Dr. Claus-Michael Dill
Chairman of the Board
AXA Konzern AG
# Supervisory Board

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Company/Location</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claas Kleyboldt</td>
<td>Chairman</td>
<td>Cologne</td>
<td></td>
</tr>
<tr>
<td>Manfred Weyrich*</td>
<td>Deputy Chairman</td>
<td>Company employee, Overath</td>
<td></td>
</tr>
<tr>
<td>Uwe Beckmann*</td>
<td>Company employee</td>
<td>Sarstedt</td>
<td></td>
</tr>
<tr>
<td>Alfred Bouckaert</td>
<td>Managing Director of AXA Belgium S.A.</td>
<td>Brussels</td>
<td></td>
</tr>
<tr>
<td>Claude Brunet</td>
<td>Group Executive Vice President Operations of AXA</td>
<td>Paris</td>
<td></td>
</tr>
<tr>
<td>Henri de Castries</td>
<td>Chairman of the Management Board and Chief Executive Officer of AXA</td>
<td>Paris</td>
<td></td>
</tr>
<tr>
<td>Harry Clemens*</td>
<td>Executive employee</td>
<td>Cologne</td>
<td></td>
</tr>
<tr>
<td>Kurt Döhmel</td>
<td>Chairman of Management of Deutsche Shell Holding GmbH</td>
<td>Hamburg</td>
<td></td>
</tr>
<tr>
<td>Peter Freyaldenhoven*</td>
<td>Company employee</td>
<td>Bergisch Gladbach, since 1 January 2005</td>
<td></td>
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<tr>
<td>Christof W. Gödi</td>
<td>Directeur of AXA</td>
<td>Paris, up to 30 August 2004</td>
<td></td>
</tr>
<tr>
<td>Pia Heller*</td>
<td>Trade union secretary of ver.di, Cologne district</td>
<td>Hürth</td>
<td></td>
</tr>
<tr>
<td>Robert J. Koehler</td>
<td>Chairman of the Board of SGL Carbon AG</td>
<td>Wiesbaden, since 8 July 2004</td>
<td></td>
</tr>
<tr>
<td>Thierry Langeney</td>
<td>Senior Vice President of GIE AXA</td>
<td>Paris, since 20 July 2004</td>
<td></td>
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<tr>
<td>Herbert Mayer*</td>
<td>Company employee</td>
<td>Pfinztal</td>
<td></td>
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<tr>
<td>Dr. Dieter Murmann</td>
<td>Managing Shareholder of J.P. Sauer &amp; Sohn Maschinenbau Beteiligungsgesellschaft mbH</td>
<td>Kiel, up to 8 July 2004</td>
<td></td>
</tr>
<tr>
<td>Dr. Alfred Freiherr von Oppenheim</td>
<td>Chairman of the Supervisory Board of Bankhaus Sal. Oppenheim j&amp; Cie. KGaA</td>
<td>Cologne, up to 8 July 2004, died on 5 January 2005</td>
<td></td>
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<tr>
<td>Klaus Schütze*</td>
<td>Company employee</td>
<td>Odenthal, up to 31 December 2004</td>
<td></td>
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<tr>
<td>Prof. Dr. Ekkehard Schulz</td>
<td>Chairman of the Board of ThyssenKrupp AG</td>
<td>Düsseldorf</td>
<td></td>
</tr>
<tr>
<td>Jürgen Sengera</td>
<td>Trade union secretary of verdi, Sarstedt</td>
<td>Düsseldorf, up to 8 July 2004</td>
<td></td>
</tr>
<tr>
<td>Jürgen Stachan*</td>
<td>Company employee</td>
<td>Oldenburg</td>
<td></td>
</tr>
<tr>
<td>Andreas Thomsen*</td>
<td>Company employee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Christian Zahn*</td>
<td>Member of the National Trade Union Board of ver.di</td>
<td>Hamburg</td>
<td></td>
</tr>
<tr>
<td>Matthias Zils*</td>
<td>Company employee</td>
<td>Dormagen</td>
<td></td>
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</table>

* Employee representative
Management Board

Dr. Claus-Michael Dill
Chairman
Group Communication, Group Auditing

Dr. Wulf Böttger
Retail Business, Process and Quality Management since 1 August 2004

Frank J. Heberger
Personnel, Legal Affairs, General Administration, Group Project Management

Dr. Markus Hofmann
Industrial and Corporate Client Business, Reinsurance, Claims

Dr. Frank W. Keuper
up to 31 July 2004

Noel Richardson
Finances, Controlling, Accounting, Investments, Group Development, Taxation

Norbert Rohrig
Information Systems, Operational Organisation

Dr. Heinz-Peter Roß

Gernot Schlösser
Health Insurance, Doctor's Insurance

Andreas M. Torner
Sales, Marketing
Group Advisory Board

Friedrich Merz
Chairman
Lawyer, Member of the Bundestag
Berlin

Dr. Wilfried Beckmann
Chairman of the Free Association of German Dentists
Gütersloh

Prof. Dr. Eggert Beleites
President of the Regional Medical Chamber of Thuringia
Jena

Detlef Bierbaum
Co-owner of Bankhaus
Sal. Oppenheim jr. & Cie. KGaA
Cologne

Dr. Hans Biermann
Chairman of the Board of MedCon Health Contents AG
Cologne

Dr. Dieter Boeck
Lawyer
Bonn

Prof. Dr. Bruno O. Braun
Chairman of the Board of TÜV Rheinland Holding AG
Cologne

Georg Freiherr von und zu Brenken
Freiherr von und zu Brenken’sche Verwaltung
Büren/Westphalia

Dr. Joachim Breuer
Managing Director of the Federation of Commercial Employers’ Liability Insurance Associations
St. Augustin

Dr. Michael E. Crüsemann
Member of the Management Board of Otto GmbH & Co. KG
Hamburg

Rüdiger Dollhopf
Chairman of the Supervisory Board of Rhodia Acetow GmbH
Freiburg/Breisgau

Ludwig Feldrappe
Universal Agent of Bilfinger Berger AG
Mannheim

Dr. Wolfgang Fliess
Member of the Supervisory Board of KPMG Deutsche Treuhand-Gesellschaft
Frankfurt/Main

Christoph Feitag
1st Chairman of the Umbrella Organisation of the Relief Fund for the German Hospitals
Dresden

Gerhard Frieg
Member of the Management Board of MLP AG
Heidelberg

Dr. Leberecht Funk
Managing Shareholder of the Funk Gruppe
President of the Association of German Insurance Brokers (VDVM)
Hamburg

Bernhard Gertz
Chairman of the German Armed Forces Association
Bonn

Manfred Gilles
Managing Director of the Free Association of German Dentists
Bonn

Gerhard Gimer
Member of the Management Board of Deutsche Apotheker und Ärztebank eG
Düsseldorf

Dr. Reinhard Göhner
Managing Director and Member of the Board of the Federation of German Employers’ Associations
Berlin

Dr. Michael Heinrich
Chairman of the Board of Mueller Weingarten AG
Weingarten/Württemberg

Jürgen Helf
Member of the Management Board of Deutsche Apotheker und Ärztebank eG
Düsseldorf

Dr. Andreas Hungeling
Managing Director of PCK Raffinerie GmbH
Schwedt/Oder

Peter Jungen
Managing Shareholder of Peter Jungen Holding GmbH
Cologne

Dr. Gernot Kalkoffen
Chairman of the Board of ExxonMobil Central Europe Holding GmbH
Hamburg

Dr. Karl-Ludwig Kley
Member of the Management Board of Deutsche Lufthansa AG
Cologne

Dr. Manfred Krüper
Member of the Management Board of E.ON AG
Düsseldorf
Holger Lampatz
Maxdata AG
Marl

Prof. Dr. Ulrich Lehner
Chairman of Management of Henkel KGaA
Düsseldorf

Eberhard Mehl
Managing Director of the German Federation of General Practitioners
Cologne

Dr. Jochen Melchior
Essen

Stefan Mercier
Manager of Horbach Wirtschaftsberatung GmbH
Cologne

Dr. h. c. Achim Middelschulte
Member of the Management Board of Ruhrgas AG
Essen

Prof. Dr. Meinhard Miegel
Director of the Bonn Institute for Economy and Society (Institut für Wirtschaft und Gesellschaft Bonn)
Bonn

Christian H. Molsen
Head of Personnel at Linde AG
Wiesbaden

Prof. Dr. Bert Rürup
Chairman of the Expert Goup for the assessment of overall economic development
Darmstadt

Jürgen Schafstein
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Cologne
Our Strategy: Profitable Growth

In the 2004 business year, the German AXA Group systematically and successfully continued its strategic course with extensive measures. This is primarily reflected in the distinctly improved operative results and the growth in new business. We also continue to examine all measures taken to determine whether they satisfy our strict internal standards in terms of client orientation and profitability in an increasingly dynamic market environment. The measures taken in the year under review in the individual areas of our business and the successes achieved are described in the following.

Client orientation at the centre of our sales activities

The sales division followed on from the excellent results of the previous year making use, for example, of the sales opportunities in the life insurance line at the end of 2004 before the preferential tax treatment expired. Our customer management unit also implemented a number of additional measures aimed at helping us to assert and further develop our position in the market. Client requirements are placed at the centre of our activities here. We are also profiled with clients and sales partners through top quality advice, comprehensive service and operative excellence.

To secure a high quality and comprehensive advisory service we successfully continued our qualification of extensive for our sales staff. By the end of 2004, 898 AXA exclusive intermediaries gained recognition from the Chamber of Industry and Commerce (IHK) as certified advisors for financial services. In addition we support our exclusive intermediaries by means of a PC-based advisory software which similarly places us in a position to meet the requirements on the quality of advice given in accordance with the EU Insurance Mediation Directive.

AXA’s multi-channel strategy to interlink sales activities of exclusive and direct sales channels in a common and exclusive client portfolio is at an advanced state of development. Additional business processes can be shown via all channels of contact. In addition, it is now possible to procure further products via direct media so that the AXA exclusive intermediaries are supported in the approach and support of clients by an extension of the direct campaign portfolio. This interaction enables intermediaries with limited time capacity to concentrate on existing clients with high potential.

We work continuously on the further improvement of quality of all business processes in the sales area. In the year under review we launched a comprehensive programme intended to put us in a long-term position to satisfy the minimum requirements of customers, consumers and sales partners alike in all business processes and exceed these requirements through excellent quality and service. Our success shows that we are on the right course: 89 % of our end clients assess our services as absolutely satisfactory. And what is more: 95 % of all clients would recommend AXA to friends and acquaintances.

In the area of non-exclusive sales partners we have continued to develop our integration capability in their business processes. In combination with our traditional strengths in providing individual support and highly competent advice to our broker partners, we have been able to increase business successfully in this growth market particularly with the major independent sales companies.

Across all sales channels we will continue to invest in the development and qualification both of our exclusivity organisation and of our very successful broker support organisation in order to further develop our position on the German insurance market.

Pensions: new business profitability increased

In the pensions segment we have systematically pursued our vision which was defined anew in the 2003 reporting year. The core elements of this vision are to create profitable growth, achieve operative excellence and concentrate on products which provide our clients with added value. In 2004 the focus of our activities was placed on increasing the profitability of new business and portfolio. For this purpose we launched a programme throughout the Group at the beginning of the business year covering various projects to identify and implement profit-enhancing
measures and to improve the profit-oriented control instruments. The success of these activities is reflected in a marked rise in new business profitability both for the new business in 2004 and the product range offered from 2005.

The development of the Pensionskasse was also of central importance for our growth objectives in which we focus on the profitable segment of small and medium-sized enterprises. The growth in the pension fund recorded in the year previous continued into 2004 during the course of which the portfolio was more than doubled. In line with the enormous growth of the still young company the organisational, technical and staffing side of the business was pushed forward.

Another main topic in the year under review was the preparation for the changes in the legal and fiscal framework conditions for pension products planned for the start of 2005 through the coming into force of German legislation on the income of the elderly. During the course of the year we developed a new range of unit-linked and conventional products in the German AXA Group in all three segments and prepared the launch for 1 January 2005. In adjusting the products to comply with the new legal provisions we completed the realignment of a product range in the direction of a modular product concept. Due to the flexible option to combine different product modules clients can be offered a product package tailored to suit their individual financial security requirements. Our product range is therefore the ideal complement to the comprehensive and tailored advice provided by our sales partners which will increasingly gain significance with the introduction of the EU Insurance Mediation Directive. The new product range is accompanied by a revised marketing approach with corresponding sales material.

A further central objective of our vision is to achieve an operative excellence which matches up to the very best on the market. Along these lines we have continued with the consistent development of already implemented technical solutions, such as extensively paperless processing and workflow management, and have also introduced more efficient work organisation. Our efficiency-enhancement activities were put to a hard test at the end of the year under review when new business grew enormously as a result of the restrictions applied to the tax privilege enjoyed by conventional endowment and annuity insurance to take effect on 1 January 2005. Despite new business increasing six-fold in some cases we were able to adhere to the proposal processing guarantees given to the sales partners.

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Non-life retail business: successful with multi-channel strategy and dual product range

Core elements of the AXA corporate strategy in non-life retail business are the integrated sale of products across all sales channels (multi-channel strategy) and the dual product world, which was introduced first in motor-vehicle insurance and has now been extended to other lines. The traditional and still successful product line of AXA Versicherung with its comprehensive and above-market-average cover has been joined by the second product line of AXA “die Alternative” Versicherung, which serves the market segment of price-oriented consumers.

This clear strategic alignment not only enables us to meet different customer needs, but also to strengthen our market position as a whole. This applies in particular to the largest branch of our business, namely motor-vehicle insurance. In this segment AXA Versicherung and AXA “die Alternative” increased their joint premium income by 4.4% to € 947 million. In motor vehicle third party insurance a growth in premium income of 6.3% was jointly achieved. The number of insurance policies of both companies rose by 112,000 to more than 2,111,000 policies. Only very few clients moved their motor-vehicle insurance from AXA Versicherung to AXA “die Alternative”.

The possibility to choose between two different product philosophies meets with approval not only from clients but also increasingly from our sales partners. We will therefore systematically continue this strategy and further extend the products on offer in the dual product world in future.
In 2004 we also continued the profit-oriented improvement of our policy portfolio in motor-vehicle insurance. Our strict streamlining of unprofitable customer relationships is aimed at stabilising the claims ratio in the medium term both in retail and commercial client business or even to improve it further. With the assistance of constantly optimised pricing criteria we can systematically create customer segments and assign them prices in new business which take adequate account of the risks. In the remaining non-life and liability insurance lines in retail business we work continuously and systematically at streamlining some insurance areas such as house building insurance which is associated across the industry with increasing claims due to aging water pipes.

**Competitive advantages in industrial and corporate client business further extended**

Our objective in industrial insurance, which recovered further from its most severe crisis in the period under review, continues to be the achievement of profitable underwriting results. Internal risk management is attributed an increasing importance in this connection especially since a number of external influences has increased the necessity to achieve positive underwriting results. Examples of this are the late claims made for specific individual risks or liability exposures instigated by new court rulings. Despite these growing demands the anticipated further withdrawal of competitors from industrial and corporate client business has not so far continued.

In 2004 our industrial and corporate client business recorded a positive underwriting result before the change in the claims equalisation reserve for the third time in succession. This shows that the strategic measures taken in the past were successful and have led to a sustained improvement. The positive development strengthens our Group’s clear acknowledgement of industrial and corporate client business as a core segment of its activities.

In the past business year we have worked persistently on extending our competitive advantages and services in this business field. We are known for our high level of expertise, our claims prevention and risk management as well as our experience in underwriting and settlement of major and foreign claims. In 2004 we also started to reshape our corporate business so that as a result of optimised processes we are able to react more quickly to market changes, better meet service standards and therefore align our operations more strongly to client demands.

**Optimisation of claims management**

Another important step towards implementing the Group strategy consists of successive optimisation of our claims management. Only through active claims management can we satisfy the requirements of our clients for fast processing of their claims whilst securing good claims ratios. As well as safeguarding availability in the event of a claim for clients, the integration of our sales partners in the claims settlement procedures also enhances our positioning as a service provider. We have also been able to establish partnerships with workshops, thereby further accommodating the service provided to sales partners and clients.
Structure of equity interests further simplified

The German AXA Group further simplified its structure of equity interests in the 2004 business year. In December 2004 Deutsche Ärzteversicherung AG sold its equity interest of 11.6% in AXA Krankenversicherung to AXA Konzern AG. This means that AXA Konzern AG now has a 64.3% share in AXA Krankenversicherung.

We already explained two additional changes occurring in the first months of 2004 in the 2003 Annual Report: in March 2004 AXA Versicherung AG sold its equity interest of 51.3% in AXA Lebensversicherung to AXA Konzern AG. Since this date AXA Konzern AG has held a direct equity interest of 99.1% in AXA Lebensversicherung. In April 2004 we sold AXA Bauparkasse AG, Dortmund, up to then a 100% held subsidiary of the AXA Konzern to BHW Bauparkasse with retrospective effect to 1 January 2004. At the same time the AXA Konzern entered into a co-operative selling venture with BHW with respect to the sale of building saving agreements. In addition BHW is a product partner of AXA for property finance.

Ratings still excellent

In the first quarter of 2005 the three leading rating agencies confirmed their “Insurance Financial Strength” rating and thus the existing excellent assessments of the core companies of our Group, in particular AXA Versicherung, AXA Lebensversicherung and AXA Krankenversicherung. Standard & Poor’s renewed its “AA/stable” rating on 7 February 2005; on 14 February 2005 Moody’s renewed its “Aa3” rating and Fitch its “AA” rating on 17 January 2005.
In 2004 the world economy recorded its highest growth of +4.8% for over 20 years. Driven by the booming global economy, the German economy also experienced a certain upswing after a period of stagnation which had lasted almost three years. The gross domestic product increased by 1.6%, although this growth was favoured by a larger number of working days. If the same number of working days as in the year before is taken as a basis, growth would only have been 1.1%. Once again the spark that ignited the revival of economic growth in Germany was provided by exports which rose in the wake of the tremendously dynamic world trade situation. By contrast, private household consumption in Germany continued to be weak.

The economic upturn made little impression on the employment market. The number of employed rose to 38.4 million as an annual average in 2004; this is some 128,000 people or 0.3% more than a year before. However, the increase refers almost exclusively to government-supported jobs as a result of the employment market reforms br ought about by the so-called “Hartz laws”. As in the year before, there were 4.4 million people registered unemployed in 2004 as an annual average. This corresponds to an unemployment level of 10.8%. As a result of the re-assessment of the unemployment statistics instigated by the Hartz IV reforms, the number of unemployed even rose during the first quarter of 2005 to over 5 million.

Net wages and salaries increased by 1.7% in the year under review. This was primarily attributable to relief from the income tax reform. However, the social insurance contribution rates simultaneously increased by 0.7%. Including other income, which covers income from self-employment and wealth in particular, the nominal available income of private households rose by only 1.5%. At the same time consumer prices increased by 1.6%, primarily triggered by the high oil prices, the effects of the health reform and the rise in tobacco tax.

Therefore, private households did not have any more money at their disposal for consumption than in the year before.

The personal-savings ratio, i.e. the relationship of savings to available income, grew further from 10.8% in 2003 to 10.9%. This means that the personal-savings ratio has risen by over 1 percentage point since 2000. In addition to the general job insecurity and the uncertainty surrounding the effects of the most recent legislative reforms, another factor influencing the increased propensity to save is probably that the necessity to take responsibility for one’s own financial security has been pushed to the fore in the face of the problems associated with the state health and pension systems. The creation of private wealth to maintain the standard of living in old age is an important contribution to dealing with demographic problems even if it represents a burden for the economy in the short term.

### Economic growth and inflation (in %)

<table>
<thead>
<tr>
<th>Year</th>
<th>Economic growth</th>
<th>Inflation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>2.9</td>
<td>-0.1</td>
</tr>
<tr>
<td>2001</td>
<td>1.9</td>
<td>1.0</td>
</tr>
<tr>
<td>2002</td>
<td>0.8</td>
<td>1.0</td>
</tr>
<tr>
<td>2003</td>
<td>0.2</td>
<td>0.1</td>
</tr>
<tr>
<td>2004</td>
<td>1.6</td>
<td>1.6</td>
</tr>
</tbody>
</table>
Insurance industry with growth of 2.9% in 2004

Despite the moderate economic climate the German insurance industry continued to stay on growth course in 2004. Premium income of the 455 insurance companies organised in the Federation of the German Insurance Industry (GDV) rose by 2.9% (2003: 5.5%). Total income of €152.3 billion (2003: €140.0 billion) is contrasted by claims and benefits as well as claims expenditure of €148.5 billion (2003: €150.3 billion). This is 1.2% less than in the year before.

A significant part of the solid growth was attributable to private health insurance which recorded a rise of 6.8% following 7.2% in the year before. Of total premium income of €26.4 billion, €24.5 billion was attributable to health insurance and €1.9 billion to nursing insurance. Payments increased at the same time by 4.2% to €16.5 billion.

There was only cautious demand for life insurance policies including pension schemes and pension funds in the first months of 2004. The uncertainty surrounding the content of legislation on the income of the elderly introduced on 1 January 2005 will have made a considerable contribution to this situation. Only once the future fiscal regulations were in place, did demand increase at the end of the year under review. With total premium income from new business of €18.8 billion (+13.5%) the new business in actual life insurance (excluding pension schemes and pension funds) finally exceeded expectations by far. As a result of the late surge in new business, gross premiums written in life insurance did manage to record a growth of +1.2% to €68.4 billion at yearend. The business of the pension schemes almost doubled in 2004 to a premium income of €1.8 billion so that growth in life insurance (including pension schemes and pension funds) was 2.6%. At €64.3 billion (2003: €65.2 billion), payments to policyholders remained at a high level.

The growth rates of the property and casualty insurers were more modest in 2004 by comparison with the year before. Their premium volume increased by 1.6% (2003: 3.3%) to €55.3 billion. At the same time claims expenditure was reduced by only 1.5% to €39.3 billion. This resulted in a slightly improved net combined ratio of around 91%, corresponding to an underwriting income of just under €5 billion (2003: €3.8 billion).
**Business Development of AXA Konzern**

**Income rises on a comparable basis by 1.4%**

Total income of the German AXA Group amounted to €6.4 billion in the 2004 business year. This represented growth of €86 million or 1.4% on a comparable basis, i.e. without commission income from AXA Bausparkasse sold in the 2004 business year, the renewed effects from the sale of the major account business to AXA Corporate Solutions and the discontinuation of business of the Irish subsidiary.

Growth was essentially carried by AXA Krankenversicherung with a rise in premium income of 14.1%. In property and casualty insurance we also recorded an increase in premium income of 1.3% on a comparable basis. This success was primarily achieved by the high rise in new motor vehicle insurance business written by AXA “die Alternative” Versicherung, whose total premium income grew by 73.1%. In industrial and corporate client business the premium volume was up by 2.0% on a comparable basis. By contrast, premium income from life insurance dropped by 1.4%, the main reasons being a decline in one-off premiums, the reduced share of Deutsche Ärzteversicherung in the reinsurance treaty with the Hamburg Medical Chamber and the numerous policy maturities from strong business years. The new business boom experienced across the industry in the fourth quarter, which led to a record sale of 293,000 policies in total (2003: 227,000 policies) in our Group in 2004, will for the most part first show any impact on premium income in the 2005 business year.

In direct foreign business, which is underwritten by the foreign subsidiaries and branches of AXA Art, the premium volume of €88 million was below the performance of the previous year at constant exchange rates. The decline in assumed business of 31.2% primarily results from our decision to discontinue the operations of the Irish subsidiary. Income from financial services of AXA Bank dropped by 4.1% to €67 million. This is largely attributable to a lower volume of new mortgage business.

**Consolidated income:**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
<th>+/- (%)</th>
<th>+/- (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross premium income</td>
<td>6,374</td>
<td>6,334</td>
<td>+0.6</td>
<td>+1.4</td>
</tr>
<tr>
<td>German direct</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and casualty insurance</td>
<td>2,614</td>
<td>2,590</td>
<td>+0.9</td>
<td>+1.3</td>
</tr>
<tr>
<td>Life insurance</td>
<td>2,608</td>
<td>2,645</td>
<td>-1.4</td>
<td>-1.4</td>
</tr>
<tr>
<td>Health insurance</td>
<td>889</td>
<td>779</td>
<td>+14.1</td>
<td>+14.1</td>
</tr>
<tr>
<td>Foreign direct</td>
<td>88</td>
<td>93</td>
<td>-6.0</td>
<td>-6.0</td>
</tr>
<tr>
<td>Assumed (German and foreign)</td>
<td>107</td>
<td>156</td>
<td>-31.2</td>
<td>-10.0</td>
</tr>
<tr>
<td>Income from financial services</td>
<td>67</td>
<td>70*</td>
<td>-4.1</td>
<td>-4.1</td>
</tr>
</tbody>
</table>

* Income from financial services adjusted for the sale of AXA Bausparkasse
Non-life insurance: claims expenditure of € 1.8 billion
As expected the unusually low claims expenditure of the previous year was not repeated in property and casualty insurance. At € 1.8 billion, net claims expenditure was 6.7 % higher than in the year before. Thanks to the continuation of our profit-orientated underwriting policy and the systematic streamlining measures of previous years, the level of claims was also satisfactory in the year under review, particularly since there were major claims from natural events such as storm, hail or floods. All in all the higher claims expenditure with only slight growth in premium income in property and casualty insurance of 0.4 % is reflected in a rise in the net combined ratio from 95.2 % in the previous year to 97.8 %.

Life insurance: payments to policyholders total € 2.7 billion
In the year under review the life insurance companies in the Group paid out a total of € 2.7 billion for maturities, marriages and deaths as well as pensions and re-purchases, representing a rise of 1.1 % by comparison with 2003. At the same time provisions for payment commitments decreased by 1.2 % to € 24.7 billion. The reason for this is the substantial drop in payment commitments within Deutsche Ärzteversicherung owing to the reduction in the reinsurance treaty with the Hamburg Medical Chamber. For this reason all policyholder payments – benefits paid out plus a growth in payment commitments – increased by 31.2 % to € 2.4 billion.

Health insurance: payments increase by +9.5%
In 2004 AXA Krankenversicherung made payments of € 441 million (+3.1 %) to clients including allocations to the provisions for outstanding claims. Payments to policyholders increased by 9.5 %; the rise was therefore distinctly below premium growth of 14.0 % . The actuarial reserve increased accordingly by € 273 million to € 1.9 billion.

Cost reduction programme permits additional savings to be made
Our systematic cost management enabled us to reduce costs within the Group once again in 2004. The administrative costs of our Group adjusted for special effects (excluding investment expenses; after deconsolidation of AXA Bausparkasse after it was sold) was reduced further in the year under review by € 36 million or 4.3 % to € 792 million. This successful approach gave us further room for additional investments in growth fields such as direct sales and the further extension of the business of Pro bAV Pensionskasse. Before adjustment for all special effects the cost reduction compared with the previous year is € 93 million.

With respect to material costs, we were able to use synergy effects within the international AXA Group. In the area of information technology, for example, this happened through the use of favourable global agreements and through process improvements. A further contribution to cost reduction within our Group was also made by the development of a centralised procurement unit. We also achieved further sustainable cost savings through the optimisation of applications development by means of process automation in the operative area and through an optimisation in the use of space in the Group.

Including commissions, which rose in total by 6.8 % to € 893 million, total costs with an adjusted scope of consolidated companies dropped from € 2.0 billion to € 1.9 billion.
Underwriting results improved by € 164 million

The underwriting result of the German AXA Group in the year under review improved by € 164 million. We achieved this improvement in all three business areas. The steepest increase in the underwriting result by € 78 million to € +99 million was achieved by our life insurance companies. The distinct increase essentially results from a rise in the reinsurance result and a lower depreciation volume in the investment area. In property and casualty insurance claims expenditure increased in 2004 by comparison with the extremely good previous year so that the underwriting result dropped by € 70 million in this segment before allocation to the claims equalisation reserves. After allocation of € 205 million to the claims equalisation reserves it improved by comparison with the previous year by € 58 million to € –155 million. At AXA Krankenversicherung the underwriting result increased by € 28 million to € +43 million due to the decrease in the claims ratio of 4.3 percentage points, the higher investment result and the improved cost situation.

Consolidated result negative for several reasons

Owing to the distinctly improved underwriting results in all business areas and the further reduction in administrative costs, the profitability of the AXA Group in operative business improved substantially in the 2004 business year. Depreciation on shares and equity interests was also lower than in the year before despite the continued reduction of unrealised losses in the share area, which we were even able to completely eliminate at AXA Versicherung. Nevertheless, the consolidated result dropped as expected from € +571 million in the previous year to a loss of € –68 million. This steep decline has several reasons. By comparison with the previous year, taxes on income rose by € 248 million in the Group. By contrast, our Group benefited from an extraordinary tax income of € 128 million which arose at AXA Versicherung particularly through an alignment of claims reserves in the tax and commercial balance sheet. In addition, the fiscal framework conditions for the life and health insurance companies altered substantially in 2004 through the duty to tax investment income in full and the cancellation of so-called block voting rights. In 2003 the consolidated result scaled unusual heights resulting from revenue from the sale of the share in General Re-CKAG Reinsurance and Investment S.A. (€ 599 million) and subsidiaries in Austria and Hungary (€ 88 million).
AXA Konzern AG achieves a result of € 208 million
AXA Konzern AG as holding company reports a result of € 208 million for 2004 (2003: € 596 million). The decline is essentially attributable to the one-off effect of the profit of € 463 million achieved from the sale of the share in General Re-CKAG Reinsurance and Investment S.à r.l. in 2003.

Positive DVFA earnings per share
The DVFA earnings per share, calculated according to the method applied by Deutsche Vereinigung für Finanzanalyse und Asset Management (DVFA) and the Gesamtverband der Deutschen Versicherungswirtschaft (GDV), remained positive in the 2004 business year despite the steep decline in the consolidated result, showing only a slight drop from € 1.00 in the year before to € 0.40. The substantially improved underwriting results achieved by the AXA Konzern both in property and casualty as well as life and health insurance in 2004 made a positive impact on this result. However, this was contrasted by a substantial rise in tax expenditure. The special effects arising in the previous business year such as revenue from the sale of the shares in General Re-CKAG Reinsurance and Investment S.à r.l. as well as the subsidiaries in Austria and Hungary were treated neutrally for the calculation of the earnings per share.

<table>
<thead>
<tr>
<th>Earnings per share</th>
<th>excluding goodwill amortisation</th>
<th>including goodwill amortisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2.28</td>
<td>0.55</td>
</tr>
<tr>
<td>2002</td>
<td>2.03</td>
<td>-0.50</td>
</tr>
<tr>
<td>2003</td>
<td>2.55</td>
<td>1.00</td>
</tr>
<tr>
<td>2004</td>
<td>1.40</td>
<td>0.40</td>
</tr>
</tbody>
</table>

Earnings per share (according to DVFA/GDV)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated net profit for the year</td>
<td>€ mil.</td>
<td>-67.9</td>
<td>570.7</td>
</tr>
<tr>
<td>Goodwill amortisation</td>
<td>€ mil.</td>
<td>-31.1</td>
<td>-48.4</td>
</tr>
<tr>
<td>Change in the claims equalisation reserve</td>
<td>€ mil.</td>
<td>123.1</td>
<td>200.2</td>
</tr>
<tr>
<td>Income from the disposal of strategic equity interests</td>
<td>€ mil.</td>
<td>0.0</td>
<td>-677.7</td>
</tr>
<tr>
<td>Other extraordinary factors</td>
<td>€ mil.</td>
<td>-11.7</td>
<td>-14.8</td>
</tr>
<tr>
<td>Adjusted result</td>
<td>€ mil.</td>
<td>12.4</td>
<td>30.0</td>
</tr>
<tr>
<td>Number of shares</td>
<td>mill. units</td>
<td>31.2</td>
<td>31.2</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>€</td>
<td>0.40</td>
<td>1.00</td>
</tr>
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</table>
€ 18 million paid out
Management Board and Supervisory Board of AXA Konzern AG recommend to the Annual General Meeting that a dividend of € 0.57 (2003: € 1.18) per ordinary share and € 0.63 (2003: € 1.24) per preferred share be paid for the 2004 business year. This corresponds to a total dividend of € 18 million. € 190 million are to be allocated to other revenue reserves in order to strengthen the equity base.

Dividend development (in €)

- Ordinary
- Bonus (ordinary)
- Preferred
- Bonus (preferred)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ordinary</th>
<th>Bonus (ordinary)</th>
<th>Preferred</th>
<th>Bonus (preferred)</th>
</tr>
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<tbody>
<tr>
<td>2001</td>
<td>1.24</td>
<td>0.57</td>
<td>0.57</td>
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</tr>
<tr>
<td>2002</td>
<td>1.24</td>
<td>0.57</td>
<td>0.57</td>
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<tr>
<td>2003</td>
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<tr>
<td>2004</td>
<td>0.57</td>
<td>0.63</td>
<td>0.63</td>
<td>0.63</td>
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</table>

Key figures of the AXA Konzern AG share

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend/ordinary</td>
<td>€ 0.57</td>
<td>€ 1.18</td>
</tr>
<tr>
<td>Dividend/preferred</td>
<td>€ 0.63</td>
<td>€ 1.24</td>
</tr>
<tr>
<td>Year-end prices</td>
<td></td>
<td></td>
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<tr>
<td>Ordinary</td>
<td>€ 30.75</td>
<td>€ 28.50</td>
</tr>
<tr>
<td>Preferred</td>
<td>€ 31.30</td>
<td>€ 26.60</td>
</tr>
<tr>
<td>Highest stock market price</td>
<td></td>
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</tr>
<tr>
<td>Ordinary</td>
<td>€ 36.75</td>
<td>€ 38.80</td>
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<td>Preferred</td>
<td>€ 34.00</td>
<td>€ 35.50</td>
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<td>Ordinary</td>
<td>€ 28.20</td>
<td>€ 11.40</td>
</tr>
<tr>
<td>Preferred</td>
<td>€ 26.60</td>
<td>€ 13.40</td>
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<tr>
<td>Number of shares/year-end</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Mill. units 31.2</td>
<td>Mill. units 31.2</td>
</tr>
<tr>
<td>Ordinary</td>
<td>Mill. units 26.2</td>
<td>Mill. units 26.2</td>
</tr>
<tr>
<td>Preferred</td>
<td>Mill. units 5.0</td>
<td>Mill. units 5.0</td>
</tr>
<tr>
<td>Subscribed capital</td>
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<tr>
<td>Total</td>
<td>Mill. € 79.9</td>
<td>Mill. € 79.9</td>
</tr>
<tr>
<td>Ordinary</td>
<td>Mill. € 67.1</td>
<td>Mill. € 67.1</td>
</tr>
<tr>
<td>Preferred</td>
<td>Mill. € 12.8</td>
<td>Mill. € 12.8</td>
</tr>
<tr>
<td>Amount paid out</td>
<td>Mill. € 18.1</td>
<td>Mill. € 37.2</td>
</tr>
</tbody>
</table>

AXA Konzern AG share rises by almost 8%
The ordinary share of AXA Konzern AG was listed year-end 2004 at € 30.75 (2003: € 28.50). This corresponds to an increase in value of 7.9 % during the course of the year. The value of the preferred share rose distinctly more steeply, closing the year at € 31.30 and representing growth of 17.7 %. In the first months of the current year the prices both of the ordinary and of the preferred shares continued to increase.

AXA increases shareholding to 92.7%
During the course of 2004 AXA, Paris, increased its directly and indirectly held share in AXA Konzern AG by 1.0 percentage point to 92.7 % of total share capital. Widespread holdings have therefore decreased to 7.3%. AXA now holds 93.5% (2003: 93.0%) in the voting capital of our company.
Property and casualty: 0.9% growth on the German market

Consolidated premium income of the property and casualty insurance companies in the German AXA Group rose by 0.9% to €2.6 billion in the period under review. A higher volume of new business and additional premiums from existing insurance policies were primarily responsible for this. Despite intensive price competition, AXA “die Alternative” Versicherung operating in the low-price segment continued its strong growth with a rate of increase of 73.1% and premium income of €121 million. By contrast, the relinquishment of major account business to AXA Corporate Solutions Assurance initiated at the beginning of 2002 had the effect of reducing premium income once again in direct German business. In addition, the profit-orientated portfolio control, leading in some cases to the relinquishment of non-profitable business relationships, dampened the development of premium income. In direct foreign business, premium income declined further after discontinuation of active business operations of the foreign branches of AXA Versicherung. The decline in assumed insurance business is attributable to the fact that we discontinued business operations of the subsidiary Colonia Insurance Ltd. Ireland. All in all, i.e. including assumed business, the premium income of the property and casualty companies consolidated in the AXA Group dropped slightly to €2.7 billion in the year under review.
AXA Versicherung: high net profit for the year once again

AXA Versicherung AG, our largest property and casualty insurance company by far, recorded a pleasingly high net profit for the year of €236 million (2003: €272 million) in the period under review. This renewed good result was achieved by the company although the weak tendency of customers to consume and invest persisted unaltered, thereby burdening the demand for insurance protection. The company’s premium income reduced accordingly in the year under review by 1.8% to €2.5 billion.

Following the unusually low claims expenditure in the year before, which also resulted from the absence of major claims and favourable weather influences, and in view of the decline in premium income in the period under review, the gross claims ratio rose by 1.8 percentage points to 66.2%. With an allocation to the claims equalisation reserve of €176 million, the net underwriting result improved from €–216 million in the year before to €–141 million. Thanks to the renewed good development of costs, the net combined ratio continued to remain below the 100% mark.

The investment result dropped from €475 million to €425 million. The main reasons for this were a lower ordinary investment result due to the absorption of losses of AXA “die Alternative” Versicherung of €25 million; in addition an amount of €157 million was received by the company in the previous year due to a special dividend payment by the equity interest Pluto. The depreciation on investments was €118 million lower than in the previous year despite the complete elimination of unrealised losses on shares and share funds. At €329 million, income from the disposal of investments was €37 million lower than in the year previous. In the year under review the company achieved revenue of €297 million from the sale of its share in AXA Lebensversicherung to AXA Konzern AG. But this was lower than the €353 million achieved in the year before from the disposal of shares in the joint venture with General Re, AXA Versicherung, Vienna, and the disposal of real estate.

AXA Versicherung AG

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<thead>
<tr>
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<th>2003</th>
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<tbody>
<tr>
<td>Gross premiums</td>
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<td>2,513</td>
</tr>
<tr>
<td>Change</td>
<td>%</td>
<td>–1.8</td>
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<tr>
<td>Retention</td>
<td>%</td>
<td>93.5</td>
</tr>
<tr>
<td>Gross claims ratio</td>
<td>%</td>
<td>66.2</td>
</tr>
<tr>
<td>Gross cost ratio</td>
<td>%</td>
<td>27.9</td>
</tr>
<tr>
<td>Gross combined ratio</td>
<td>%</td>
<td>94.1</td>
</tr>
<tr>
<td>Net combined ratio</td>
<td>%</td>
<td>98.7</td>
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<tr>
<td>Underwriting result net of reinsurance</td>
<td>€ mil.</td>
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<tr>
<td>Net profit for the year</td>
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</tr>
<tr>
<td>Claims equalisation reserve and similar reserves</td>
<td>€ mil.</td>
<td>955</td>
</tr>
<tr>
<td>Investments</td>
<td>€ mil.</td>
<td>6,565</td>
</tr>
<tr>
<td>Equity</td>
<td>€ mil.</td>
<td>1,116</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>%</td>
<td>47.5</td>
</tr>
</tbody>
</table>
AXA Art: distinct growth in Germany

AXA Art Versicherung AG, Cologne, and its foreign branches recorded pleasing premium growth in 2004, whilst premium income of the foreign subsidiaries declined due to more intense competitive conditions and the weak US dollar in particular. Therefore, premium income on an international basis dropped slightly by 0.8% to €110 million. The decline in premium income of the foreign subsidiaries, which was largely attributable to exchange rates, could be largely compensated for by the very positive development of AXA Art Versicherung AG, Cologne. This company was able to increase its premium income by 14.9% to €55 million particularly through the marked growth in the exhibition segment and additional premium from the ongoing portfolio streamlining measures of the multi-cover policy “Casa Arte”.

As a result of the continued portfolio streamlining measures in the “Casa Arte” segment and the systematic underwriting policy, AXA Art achieved further improvements in the normal course of claims and in claims frequency. By contrast, the rise in the gross claims ratio in the year under review by 17.7 percentage points to 36.3% was caused by several major claims affecting AXA Art in the year under review both in Germany and abroad. Therefore, despite a further reduction in the cost ratio, the net combined ratio increased to 91.9% (2003: 84.6%). This led to an underwriting result which, at €2 million (2003: €5 million) before a change in the claims equalisation reserve, was lower than in the year before, but nevertheless pleasing. In line with the result transfer agreement which came into force in 2004, AXA Art Versicherung transferred its positive result of €5.5 million (2003: €0.5 million) to AXA Konzern AG.

AXA “die Alternative”: 73.1% growth in premium income

AXA “die Alternative” Versicherung, the company operating in the low price segment of the market in motor-vehicle insurance in particular, exceeded its ambitious goals once again in the year under review. The intensive competition, which continues to prevail in this insurance branch, did not prevent the company from increasing its premium income volume by 73.1% to €121 million. The product range, extended in 2003 to non-life, liability and casualty insurance, contributed to the company’s good market position. The claims situation was also pleasing because the gross claims ratio was reduced from 89.3% in the previous year to 84.2%.

DARAG: further reduction of the claims ratio

DARAG Deutsche Versicherungs- und Rückversicherungs-AG, Berlin, successfully continued its consolidation course taken as part of its restructuring concept. This positive development is also reflected in the net profit achieved for the year of €0.5 million (2003: €0.3 million). Gross premium income dropped compared with the previous year by 6.4% to €69 million as a result of new business and premium rises primarily in the lines of industrial fire insurance, technical insurance as well as liability insurance. The pleasing development in claims expenditure led to a further reduction in the gross claims ratio to 65.8% (2003: 71.0%). As a result of the systematic continuation of cost management introduced in the previous years the administrative cost ratio could be decreased distinctly and therefore completely compensated for the rise in commission expenditure resulting from the positive development of premiums.
**Associated companies**

**Roland companies**

AXA Versicherung AG holds a 39.9% direct participation in the share capital of Roland Rechtsschutz-Versicherungs-AG, Cologne. A further 1.25% is held indirectly by AXA Versicherung AG via the Roland Rechtsschutz Beteiligung GmbH. Due to this both Roland companies are incorporated in the AXA consolidated statements as associated companies. The subsidiaries of Roland Beteiligungsverwaltung GmbH include Jurpartner Rechtsschutz-Versicherung AG, Roland Schutzbrief-Versicherung AG and Roland Assistance GmbH.

For Roland Rechtsschutz-Versicherungs-AG the 2004 business year was generally successful with a 5.1% rise in premium income to € 214 million and renewed higher new business of € 24 million. Particularly as a result of the employment market and the economic situation, claims payments rose by 11.5% to € 111 million. 36% of claims payments were attributable to employment legal protection agreements alone. The net claims ratio therefore increased by 1.1 percentage points to 63.1%. Despite this distinct rise in payments, the underwriting result worsened slightly to € -3 million.

Due to the higher volume of new business, commissions and thus selling expenses increased. This development was slowed by the successful reduction of the administrative cost ratio by 0.7 percentage points to 13.9%. The net profit for the year of the company was € 8 million (2003: € 11 million).

In Jurpartner Rechtsschutz-Versicherung AG Roland now offers a second brand of favourably priced basic cover for customers who have not in the past taken out a legal protection insurance for reasons of cost. The company is in the development phase and increased its premium income in the year under review by 20.7% to almost € 1 million. Roland Schutzbrief-Versicherung AG also distinctly increased its gross premium income in 2004 by 17.3% to € 17 million. At € 19 million, Roland Assistance GmbH stabilised its revenue at the previous year’s level.
Life insurance: 293,000 new policies

The German life insurance market was greatly influenced in the year under review by legislation on the income of the elderly. Introduced on 1 January 2005, it also massively restricts the fiscal subsidies given to endowment insurance policies. The resultant boom in new business in the last quarter of 2004 was also the reason for record sales totalling 293,000 policies (2003: 227,000 policies) in the pensions segment of the German AXA Group. The rise was particularly distinctive in the new business with the profitable unit-linked life insurance policies, rising by even 58% at AXA Lebensversicherung. Since a very large part of new business was concluded in the last weeks of 2004 this will first have full impact on premium volume in the 2005 business year.

All in all the premium income of our life insurers dropped by 1.5% to €2.6 billion. There are two main reasons for this: the reduction in the reinsurance treaty of Deutsche Ärzteversicherung with the Hamburg Medical Chamber as of 1 January 2004 as well as the expected distinct decline in one-off premiums of AXA Lebensversicherung following the excellent sales of the year before. By contrast, ordinary premiums of AXA Lebensversicherung developed positively with a growth of 0.8% as did the premium income of Deutsche Ärzteversicherung in its core business with a rise of 4.7%. Pro bAV Pensionskasse continued to increase its market share distinctly by more than tripling its premium income.

<table>
<thead>
<tr>
<th>Premium income of life insurance (in € billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
</tr>
<tr>
<td>2001</td>
</tr>
<tr>
<td>2002</td>
</tr>
<tr>
<td>2003</td>
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<td>2004</td>
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</table>
AXA Lebensversicherung AG

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total premiums*</td>
<td>€ mil.</td>
<td></td>
</tr>
<tr>
<td>Change</td>
<td>%</td>
<td>–3.8</td>
</tr>
<tr>
<td>Cancellation ratio</td>
<td>%</td>
<td>6.7</td>
</tr>
<tr>
<td>Administrative cost ratio</td>
<td>%</td>
<td>3.2</td>
</tr>
<tr>
<td>Net return on investment</td>
<td>%</td>
<td>3.9</td>
</tr>
<tr>
<td>Gross profit for the year</td>
<td>€ mil.</td>
<td>66</td>
</tr>
<tr>
<td>Allocation rate to provisions for premium refund</td>
<td>%</td>
<td>97.6</td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>€ mil.</td>
<td>1.6</td>
</tr>
<tr>
<td>Investments</td>
<td>€ mil.</td>
<td>20,099</td>
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<tr>
<td>Equity</td>
<td>€ mil.</td>
<td>104</td>
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</table>

* Gross premiums written without premiums from provisions for premium refund

AXA Lebensversicherung: ordinary premiums +0.8 %

AXA Lebensversicherung recorded premium income of € 2.0 billion in 2004. This is equal to a decline of 3.8 %. Whilst ordinary premiums increased by 0.8 % due to the strong growth in unit-linked insurance policies, single premiums written dropped distinctly as expected by 38.7 % to € 149 million after an extraordinary rise of 59.0 % in the year before.

New business for regular premium had reached an extremely high level in 2003 due to the dynamic increases following a marked increase in the assessment ceiling in the statutory pension insurance system. As anticipated therefore, it dropped in the year under review by 13.0 % to € 239 million. If these dynamic adjustments are not taken into consideration, regular new business premiums in 2004 rose by 8.3 %. This was primarily attributable to the distinct growth in unit-linked life insurance. The insurance portfolio, measured in terms of sum assured, increased by 5.4 % to € 61.5 billion. In terms of ordinary annual premium it increased slightly by 0.3 % to € 1.9 billion. The cancellation ratio increased from 6.0 % to 6.7 %. We attribute this rise primarily to the continuing weak economic development and the associated strained income situation of numerous households.

In 2004 payments to policyholders for maturities, repurchases, deaths and marriages as well as annuities amounted to € 2.2 billion. This corresponds to an increase of 1.4 %. The provisions for payment commitments totalled € 20.0 billion (+1.0 %) in the year under review. The administrative costs declined by 2 % to € 65 million due to a continuation of the cost reduction measures. Whilst the administrative cost ratio increased slightly from 3.1 % to 3.2 % in the face of lower premium income, it was still below the anticipated market average of 3.3 %.

Investments without deposits receivable rose in 2004 by 1.6 % to € 20.1 billion. The investment result increased in a generally favourable financial market environment by 2.1 % to € 783 million. The ordinary investment result, favourably affected in the year before by a special effect, dropped by 7.3 % to € 819 million. The extraordinary result improved by € 188 million to € –36.0 million despite the further elimination of unrealised losses in the area of shares. The net return on investment remained constant compared with the previous year at 3.9 %. In order to do justice to the growing life expectancy of the population the company allocated an additional amount of € 104 million to the annuities actuarial reserve.

The gross profit for the year of AXA Lebensversicherung increased from € 45 million in the previous year to € 66 million. The rise essentially results from the higher investment result. Of the gross profit for the year 97.6 % was allocated to the provisions for premium refund. The net profit for the year after taxation was € 1.6 million following a balanced result in the previous year.
Deutsche Ärzteversicherung: 17.4% growth in new business

The business development of Deutsche Ärzteversicherung AG was decisively influenced by the reduction in the reinsurance treaty with the Hamburg Medical Chamber. The portfolio, measured in terms of ordinary income, dropped by 3.2% to € 492 million, and in terms of sum insured by 10.1% to € 15.2 billion. The premium income decreased by 4.5% to € 481 million. New business also recorded a decline of 6.5% to € 64 million ordinary income.

By contrast, Deutsche Ärzteversicherung recorded clear growth in its core business. Ordinary premium rose by 6.7% to € 413 million, the sum insured grew by 9.8% to € 9.4 billion. These growth rates are higher than the market at 6.1% and 7.3% respectively. At 4.7% to € 402 million, premium income grew stronger than the market (+1.2%). New business largely benefited from the boom across the market at the end of the business year, showing an increase of 17.4% to € 59 million ordinary income despite higher dynamic growth in the previous year.

The total payments to customers for maturities, purchases, deaths and marriages as well as for annuities, including the corresponding bonuses, amounted to € 468 million and therefore remained around the level of the previous year. By contrast, the provisions for payment commitments to policyholders dropped distinctly by € 575 million due to the reduction in the reinsurance treaty with the Hamburg Medical Chamber. At 2.0%, the traditionally low cancellation ratio continued to remain considerably below the market average of 5.5%. With a decline in premium income, the administrative cost ratio rose from 2.8% in the previous year to 3.1%.

As a result of the low interest phase on the capital markets and the reduction in the share in the pension fund of the Hamburg Medical Chamber, the entire investment result dropped by 13.6% to € 199 million. At 4.1%, the net return on investment remained below the previous year’s level of 4.7%.

Owing to a higher reinsurance result, the gross profit for the year of Deutsche Ärzteversicherung increased from € 42 million to € 85 million. Of this figure, 99.5% was allocated to the provisions for premium refund. The net profit for the year was € 0.4 million.

### Deutsche Ärzteversicherung

<table>
<thead>
<tr>
<th></th>
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<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total premiums*</td>
<td>€ mill.</td>
<td>481</td>
</tr>
<tr>
<td>Change</td>
<td>%</td>
<td>-4.5</td>
</tr>
<tr>
<td>Cancellation ratio</td>
<td>%</td>
<td>2.0</td>
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<tr>
<td>Administrative cost ratio</td>
<td>%</td>
<td>3.1</td>
</tr>
<tr>
<td>Net return on investment for the current year</td>
<td>%</td>
<td>4.1</td>
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<tr>
<td>Gross profit for the year</td>
<td>€ mill.</td>
<td>85</td>
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<tr>
<td>Allocation rate to provisions for premium refund</td>
<td>%</td>
<td>99.5</td>
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<tr>
<td>Net profit for the year</td>
<td>€ mill.</td>
<td>0.4</td>
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<tr>
<td>Investments</td>
<td>€ mill.</td>
<td>4,596</td>
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<td>Equity</td>
<td>€ mill.</td>
<td>22</td>
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*Gross premiums written without premiums from provisions for premium refund.
Pro bAV Pensionskasse AG

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<thead>
<tr>
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<th>2004</th>
<th>2003</th>
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</thead>
<tbody>
<tr>
<td>Total premiums*</td>
<td>€ mil.</td>
<td>92</td>
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<tr>
<td>Cancellation ratio</td>
<td>%</td>
<td>2.9</td>
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<tr>
<td>Administrative cost ratio</td>
<td>%</td>
<td>3.8</td>
</tr>
<tr>
<td>Net return on investments for the current year</td>
<td>%</td>
<td>2.6</td>
</tr>
<tr>
<td>Result of normal business activities</td>
<td>€ mil.</td>
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<tr>
<td>Investments</td>
<td>€ mil.</td>
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</tr>
<tr>
<td>Equity</td>
<td>€ mil.</td>
<td>68</td>
</tr>
</tbody>
</table>

* Gross premiums written without premiums from provisions for premium refund

Pro bAV Pensionskasse:
Premium income tripled

In 2004 Pro bAV Pensionskasse AG also grew stronger than the market in all aspects. At € 92 million, premium income was more than tripled by comparison with the previous year whilst the market merely recorded a doubling of premium income. Pro bAV therefore recorded a market share of 5.1% (2003: 3.2%). At € 76 million the company even recorded growth of 69.8% in terms of ordinary annual premium. This result was similarly far higher than the market average of 24.2%. On the one hand, the strong growth is clear evidence that the product range of the Pro bAV Pensionskasse meets the needs of customers, consisting of a unit-linked annuity insurance with premium guarantee and a conventional annuity insurance, optionally with an occupational disability insurance element. On the other hand it reflects the successful co-operations with other insurance companies which do not have their own pension scheme. In 2004 several syndicate agreements were concluded with other pension schemes through which additional new business will be generated. The number of new agreements grew by 54.8% to 53,545, thereby distinctly exceeding market growth of 14.6%. The portfolio, measured in terms of the insured sum, was more than doubled from € 1.4 billion in the previous year to € 3.3 billion. At € 125 million, the ordinary premium was more than twice that of the previous year. At 2.9% the cancellation ratio was at a low level.

As a result of the strong growth with corresponding cost burdens Pro bAV still recorded a slightly negative result despite the income from AXA Konzern AG's waiving the repayment of a subordinated loan of € 16 million. This loss of € 0.8 million was balanced out by AXA Konzern AG as part of the control agreement.
Health insurance

Growth double that of the market
With premium growth of 14.0% to € 893 million, AXA Krankenversicherung AG, a company which has been particularly successful on the market for years, exceeded market growth of 6.8% by more than double. However the new business successes of the two previous years could not be repeated. The main cause for this was the increase in the mandatory insurance ceiling at the start of 2003. Extremely high new business growth was recorded in the years before in anticipation of this development coupled with innovative and favourably priced rates.

Payments to policyholders rose by 3.1% to € 441 million. This rise is attributable in particular to the distinctly higher expenditure for outpatient treatment such as medical services and medicinal products in addition to the normal rise in portfolio. However, since the premiums increased distinctly more steeply than payments to policyholders, the claims ratio – calculated according to the formula of the German Federation of Private Health Insurers – improved by 4.3 percentage points to 70.5% (2003: 74.8%).

The administrative costs showed a most pleasing development. The measures initiated within the framework of the topp cost savings programme and further improved productivity in the administrative areas led to an only moderate rise in administrative costs of 4.8%, which was therefore distinctly below premium growth of 14.0%. Adjusted for portfolio-dependent administrative commissions, they were even 1.1% below the figures for the previous year. This caused the administrative cost ratio to drop by 0.2 percentage points to 3.2%.

Investments rose by 23.4% to € 2.2 billion. Despite the continued reduction of risks in the investment portfolio by the elimination of unrealised losses in the shares segment, the investment result increased by 189.8% to € 80 million.

Due to the distinct improvement in the cost situation and the improved investment result compared with the year before the company’s net profit for the year increased from € 2 million in 2003 to € 20 million.

<table>
<thead>
<tr>
<th>AXA Krankenversicherung AG</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total premiums*</td>
<td>€ mill.</td>
<td>893</td>
</tr>
<tr>
<td>Change</td>
<td>%</td>
<td>+14.0</td>
</tr>
<tr>
<td>Administrative cost ratio</td>
<td>%</td>
<td>3.2</td>
</tr>
<tr>
<td>Claims ratio</td>
<td>%</td>
<td>70.5</td>
</tr>
<tr>
<td>Investments</td>
<td>€ mill.</td>
<td>2,223</td>
</tr>
<tr>
<td>Net return on investments</td>
<td>%</td>
<td>4.0</td>
</tr>
<tr>
<td>Gross margin after taxation</td>
<td>€ mill.</td>
<td>144</td>
</tr>
<tr>
<td>Surplus appropriation ratio</td>
<td>%</td>
<td>86.1</td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>€ mill.</td>
<td>20</td>
</tr>
<tr>
<td>Equity</td>
<td>€ mill.</td>
<td>74</td>
</tr>
</tbody>
</table>

* Gross premiums written without premiums from provisions for premium refund
Financial services

AXA Bank: positive result recorded for the first time

AXA Bank recorded a positive result of €2 million for 2004. As an important platform for the bank products offered by the German AXA Group, the company greatly strengthened the business field of financial services – an important element of the pensions and asset management of our enterprise – with the other Group companies.

At year-end the loans to customers amounted to €715 million (2003: €734 million). They primarily consist of property loans totalling an unaltered €473 million. The consumer loans extended by the bank rose from €74 million to €76 million; at €172 million, policy loans were lower than in the previous year (€193 million). The deposits of the customers are almost exclusively of a short-term nature and at €106 million were virtually unaltered compared with the previous year.

The profits situation was characterised by a marked reduction in administrative costs. With an increase of €1 million in the interest result to €20 million, the result of operative business activities rose distinctly by €5 million to €2 million, a positive result for the first time.

### AXA Bank AG

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance sheet total</td>
<td>€ mil.</td>
<td>856</td>
</tr>
<tr>
<td>Change</td>
<td>%</td>
<td>–2.3</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>€ mil.</td>
<td>715</td>
</tr>
<tr>
<td>Change</td>
<td>%</td>
<td>–2.5</td>
</tr>
<tr>
<td>Loans to credit institutions</td>
<td>€ mil.</td>
<td>93</td>
</tr>
<tr>
<td>Equity</td>
<td>€ mil.</td>
<td>66</td>
</tr>
<tr>
<td>Result of operative business</td>
<td>€ mil.</td>
<td>+1.9</td>
</tr>
</tbody>
</table>
Investments: Un realised Losses Virtually Eliminated

All in all 2004 was a satisfactory year for investors. Both the share and the bond markets recorded growth. However, the world’s stock markets in the large economic blocks of America, Asia and Europe developed more moderately than in the year before when they experienced high growth as a reaction to the share crash of the previous period. The European stock market forms the focal point of the share portfolio of the AXA Group companies. During the course of the year Eur oStoxx 50 achieved an increase in value of 6.9 % to 2,952 points. The German Share Index (DAX) rose in 2004 by 7.3%, ending the year with 4,256 points. The S & P 500 Index, representative of the American stock market (+9.0%), and the Japanese Nikkei Index (+7.6 %) benefited from a positive global economic environment.

There was a strong market demand for shares with stable profit prospects and high dividend yields and these were one of the areas of concentration in the share portfolio of the companies in the German AXA Group. In view of the rising prices for energy and for raw materials, as well as a weak US dollar exchange rate, particularly in the second half of the year, value shares showing little fluctuation once more performed better than the growth stocks.

The interest markets in the euro area experienced a surprising development in view of the robust global economy. The interest rate for a 10-year German government bond dropped from 4.3% at the beginning of 2004 to only 3.7% at year-end. On the one hand, this development reflects the only very moderate inflation expectations as well as the weak economic growth in Germany. On the other, many international investors sought an alternative to investment in dollar interest titles, thereby causing the prices of other European government bonds to rise. Company shares, which are assuming an increasing importance in the investments of our Group, developed positively because the risks surcharges reduced as a result of the generally positive economic development.

Focal emphasis of investments
The book value of the consolidated investments of the German AXA Group – including the investments from unit-linked life insurance reported separately (€ 0.5 billion) – was € 34.7 billion at the end of 2004 (2003: € 35.0 billion). Of this figure, € 25.1 billion was attributable to the life insurance companies, € 6.4 billion to the property and casualty insurers, € 2.2 billion to AXA Krankenversicherung, € 0.8 billion to AXA Bank and € 0.2 billion to the holding companies.

The AXA Konzern used the developments of the capital markets in 2004 to align the portfolios of the Group companies and to adjust them to the altered capital market situation. For this purpose, we reduced the share ratio particularly for the life insurance companies and extended the share of corporate bonds in the portfolio and the term of fixed interest securities.

Investments: breakdown (book values)
## Development of investments (book values)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed interest securities and fixed interest securities funds</td>
<td>25,607</td>
<td>20,052</td>
<td>+27.7</td>
</tr>
<tr>
<td>Fixed interest securities/bearer bonds</td>
<td>2,556</td>
<td>3,733</td>
<td>-31.5</td>
</tr>
<tr>
<td>Loans to affiliated companies</td>
<td>499</td>
<td>580</td>
<td>-14.0</td>
</tr>
<tr>
<td>Loans to equity interests</td>
<td>0</td>
<td>16</td>
<td>-99.5</td>
</tr>
<tr>
<td>Loans and advance payments</td>
<td>274</td>
<td>23</td>
<td>+1,087.7</td>
</tr>
<tr>
<td>Other loans</td>
<td>194</td>
<td>218</td>
<td>-11.0</td>
</tr>
<tr>
<td>Fixed interest securities funds</td>
<td>6,624</td>
<td>5,491</td>
<td>+20.6</td>
</tr>
<tr>
<td>Registered bonds</td>
<td>8,488</td>
<td>5,464</td>
<td>+55.3</td>
</tr>
<tr>
<td>Borrower’s note loans</td>
<td>6,972</td>
<td>4,526</td>
<td>+54.0</td>
</tr>
<tr>
<td>Mortgages, claims secured by land charges and annuity land charges</td>
<td>3,122</td>
<td>3,651</td>
<td>-14.5</td>
</tr>
<tr>
<td>Shares</td>
<td>3,017</td>
<td>6,630</td>
<td>-54.5</td>
</tr>
<tr>
<td>Shares</td>
<td>77</td>
<td>85</td>
<td>-9.8</td>
</tr>
<tr>
<td>Share funds</td>
<td>2,940</td>
<td>6,545</td>
<td>-55.1</td>
</tr>
<tr>
<td>Equity interests</td>
<td>686</td>
<td>764</td>
<td>-10.3</td>
</tr>
<tr>
<td>Land and buildings</td>
<td>559</td>
<td>523</td>
<td>+6.8</td>
</tr>
<tr>
<td>Real estate funds</td>
<td>527</td>
<td>471</td>
<td>+11.8</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,235</td>
<td>2,908</td>
<td>-57.5</td>
</tr>
<tr>
<td>Deposits with credit institutions</td>
<td>328</td>
<td>1,741</td>
<td>-81.1</td>
</tr>
<tr>
<td>Building saving loans</td>
<td>0</td>
<td>256</td>
<td>-100.0</td>
</tr>
<tr>
<td>Other shares</td>
<td>124</td>
<td>278</td>
<td>-55.4</td>
</tr>
<tr>
<td>Other investments</td>
<td>231</td>
<td>247</td>
<td>-6.4</td>
</tr>
<tr>
<td>Deposit receivables</td>
<td>43</td>
<td>49</td>
<td>-12.3</td>
</tr>
<tr>
<td>Unit-linked life insurance</td>
<td>509</td>
<td>337</td>
<td>+50.9</td>
</tr>
<tr>
<td>Total</td>
<td>34,753</td>
<td>34,999</td>
<td>-0.7</td>
</tr>
</tbody>
</table>

New investments in the period under review amounted to € 19.0 billion compared with the previous year’s figure of € 13.0 billion. This rise is particularly attributable to shifts within the fixed interest securities portfolio. We sold bonds with shorter residual terms and invested instead in securities with longer terms. With a volume of € 16.6 billion, this was the focus of our new investments. The profits achieved from the shifts were used to largely eliminate unrealised losses in the share segment.

We reduced the share portfolio during the course of the year under review in order to further improve the risk position of the companies in our Group, and particularly that of the life insurers. The proportion of shares on a book value basis dropped in all from 18.9 % to 8.7 % due both to disposals and depreciation in this area. Measured in terms of market values, this ratio dropped from 16.6 % to 8.1 %. However, fixed interest securities (fixed interest securities and fixed interest securities funds) continue to dominate the investment portfolio at 73.7 % (2003: 57.3 %).

### Investment result
The overall investment result – i.e. revenue from all investments less expenses – dropped in 2004 by 32 % to € 1.3 billion (2003: € 1.9 billion). Of this figure, € 1.1 billion (2003: € 1.0 billion) was attributable to the life and health insurance companies and € 0.2 billion (2003: € 0.9 billion) to the property and casualty insurance companies as well as other businesses. The ordinary investment result dropped from € 1.7 billion to € 1.3 billion. This decline was mainly attributable to lower dividends from profits from special funds and equity interests by comparison with the previous year. By contrast, the lower interest from new investments due to the lower interest rates had a distinctly smaller effect.
The extraordinary investment result was balanced in 2004 (2003: € 0.2 billion). Of the income from the disposal of investments of € 0.5 billion, € 0.3 billion originated from the disposal of fixed interest securities, fixed interest securities funds and mortgages as well as € 0.1 billion from the disposal of shares and share funds. We realised an additional € 0.1 billion from the disposal of affiliated companies and equity interests. Profits were contrasted by disposal losses of € 0.4 billion, the major proportion of which (€ 0.3 billion) was attributable to shares and share funds. Unscheduled depreciation on investments of € 0.2 billion was made which referred predominantly to shares and fixed interest securities funds.

**Statutory unrealised values of investments**

The market value of the entire portfolio rose in the period under review by € 0.9 billion to € 36.8 billion. The statutory unrealised values, expressed as the difference between the current market value and the book value, amounted to € 1.9 billion (2003: € 0.7 billion) at yearend 2004. This was 5.4% of the book values. In addition to the more favourable trends in the share and fixed interest securities markets, the reasons for the improvement are to be found in the elimination of unrealised losses in the share segment. At the end of 2004 unrealised losses on shares only accounted for some € 109 million (2003: € 842 million).

As a result of the elimination of unrealised losses in the share segment the statutory unrealised values on the net asset values (shares, equity interests and land and buildings) improved to € +0.4 billion (2003: € –0.1 billion). Also with respect to interest instruments (fixed interest securities and fixed interest securities funds) the statutory unrealised values increased to € 1.3 billion (2003: € 0.6 billion) since the yield of the portfolio was above the market yield on the reporting date. The realisation of these statutory unrealised values is naturally subject to a reinvestment risk.

### Investment segments: statutory unrealised values

<table>
<thead>
<tr>
<th></th>
<th>Property/casualty</th>
<th>Life</th>
<th>Health</th>
<th>Holding/other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed interest securities</td>
<td>193</td>
<td>1,040</td>
<td>111</td>
<td>1</td>
<td>1,345</td>
</tr>
<tr>
<td>thereof shown at nominal value</td>
<td>150</td>
<td>921</td>
<td>98</td>
<td>1</td>
<td>1,170</td>
</tr>
<tr>
<td>Mortgages</td>
<td>3</td>
<td>118</td>
<td>0</td>
<td>0</td>
<td>121</td>
</tr>
<tr>
<td>Shares</td>
<td>5</td>
<td>–60</td>
<td>0</td>
<td>0</td>
<td>–45</td>
</tr>
<tr>
<td>Equity interests</td>
<td>32</td>
<td>–9</td>
<td>0</td>
<td>215</td>
<td>238</td>
</tr>
<tr>
<td>Land and buildings/real estate funds</td>
<td>65</td>
<td>35</td>
<td>1</td>
<td>65</td>
<td>166</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2</td>
<td>32</td>
<td>3</td>
<td>0</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>300</strong></td>
<td><strong>1,166</strong></td>
<td><strong>115</strong></td>
<td><strong>281</strong></td>
<td><strong>1,862</strong></td>
</tr>
</tbody>
</table>

### Investments: book and market values

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed interest securities</td>
<td>25.6</td>
<td>27.0</td>
<td>1.4</td>
<td>0.6</td>
</tr>
<tr>
<td>Mortgages</td>
<td>3.1</td>
<td>3.2</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Shares</td>
<td>3.0</td>
<td>3.0</td>
<td>0</td>
<td>–0.7</td>
</tr>
<tr>
<td>Equity interests</td>
<td>0.7</td>
<td>0.9</td>
<td>0.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Land and buildings</td>
<td>0.6</td>
<td>0.7</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Specialised real estate funds</td>
<td>0.5</td>
<td>0.6</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1.2</td>
<td>1.2</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34.7</strong></td>
<td><strong>36.6</strong></td>
<td><strong>1.9</strong></td>
<td><strong>0.7</strong></td>
</tr>
</tbody>
</table>
At the end of 2004, the German AXA Group had a workforce of 8,196 (2003: 8,668) employees. The decline in staffing levels resulted firstly from changes in the scope of consolidated companies, particularly from the disposal of AXA Bausparkasse as at 1 January 2004. Secondly we continued the necessary reduction in personnel in the 2004 business year with the assistance of the AXA Alliance agreed between management and employee representatives at the end of 2001. With socially acceptable measures, such as making use of fluctuation and early retirement regulations, it was possible to reduce staffing levels once again without operational dismissals. With respect to training, the AXA Group lived up to its social responsibility and provided 269 young people with a traineeship. The constant acceptance quota of 75% therefor provides trainees in the AXA Group with a secure perspective in an ever more competitive employment market. In addition, 149 vocational and scholarship students were given an opportunity in 2004 to acquire practical experience in the German AXA Group, thereby making themselves fit for the employment market.

349 internal job moves
A higher flexibility of employees in moving jobs within our Group was also agreed in the AXA Alliance. In this point in particular the number of internal job moves within the AXA Alliance reached a pleasing record in the 2004 business year following the successes in this area in the business years of 2002 and 2003. In the year under review 349 (2003: 170) employees changed to a different job within the Group.

2,400 employees move to Holweide
One subject, alongside internal job changes, that “moved” the employees within the truest sense of the word was the move of several branches in the city centre of Cologne to the new extension building of our Group’s building complex in Cologne-Holweide, our largest location to date. Thanks to the excellent work of the “Holweide New Building” and “New Castle” project teams and the excellent commitment of the employees concerned, it was possible to hand over the new building three weeks earlier than planned. Some 2,400 employees therefore moved to the five new administrative buildings and the new media and conference centre on the four Advent weekends. A total of 30,000 m³ of goods was moved to Cologne-Holweide, including 21 km of archives and 1,800 works of art. Comprehensive logistics planning, the installation of the technical infrastructure throughout the night and the extraordinary commitment of numerous helpers and forwarders ensured that all employees were able to work as usual again on Monday morning.

Some 4,400 employees now work at the central location of the German AXA Group in Cologne. Of these figures 2,671 employees (300 more than envisaged in the original planning) now have their place of work in the new complex completed after a construction period of only two and a half years. The construction costs here were distinctly below plan. The centralisation of the previous 15 locations of the German AXA Group in Cologne enables high savings to be made in direct rents and ancillary rental expenses as well as a reduction of just under 11,600 m³ of office space despite a rise of 100 workplaces.
Excellent operative business control

In the 2004 business year it once again became clear that operative business control is one of the greatest strengths of the AXA Konzern. Employees and management made a decisive contribution here.

In the general boom of the yearend business the number of life insurance proposals rose to three times that of the previous year’s figures. Despite the greatly increased volume the impressive commitment of employees, some whom had been “borrowed” without problem from other areas to help out, meant that the usual quality of service could be maintained.

This great commitment of the AXA Konzern’s employees was also noticeable in the treatment of outstanding holiday in 2004. Through the willingness of the employees not to take the remaining days of holiday into the first months of 2005 as permitted by the collectively bargained agreements, and selective personnel planning in the individual areas of the Group, it was possible to reduce the average number of residual days of holiday per employee by more than 80%.

As a result of this cost reduction, which was borne by management and employees alike, the German AXA Group was not only able to meet, but even to exceed its cost objective for 2004. This made it possible for the suspension of the special payment to employees agreed between management and employee representatives in 2003 to be subsequently granted in the 2004 business year.

Thank you!

Looking back on the 2004 business year it becomes clear that the performance of each and every individual employee in our Group makes a decisive contribution to securing business success. Our sincere thanks are therefore extended to all employees, the works councils and senior executive spokesman committees for the constructive, trusting and above all committed co-operation. If we continue to show our willingness to change, to help shape it together and with commitment, and to face up to the challenges of an increasingly difficult market environment, we will in future be able to benefit from success and positively set ourselves apart from our competitors.
Risks of Future Developments

The German Act on Control and Transparency in the Corporate Area (KonTraG), which came into force in 1998, called upon public stock companies to set up “a monitoring system so that any developments threatening to endanger the existence of the company can be recognised at an early date.” In the following we present our risk situation in accordance with the German Accounting Standards on risk reporting of insurance companies. We first deal with specific risks of individual Group companies and finally the overall risks from a Group view.

**AXA Versicherung AG**

The claims ratios and settlement results net of reinsurance developed as follows in the past ten years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Claims Ratio per Business Year in % of Premiums Earned</th>
<th>Settlement Result in % of Provisions on 1 January</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>75.5</td>
<td>7.0</td>
</tr>
<tr>
<td>1996</td>
<td>77.4</td>
<td>7.7</td>
</tr>
<tr>
<td>1997</td>
<td>80.1</td>
<td>7.4</td>
</tr>
<tr>
<td>1998</td>
<td>84.1</td>
<td>9.1</td>
</tr>
<tr>
<td>1999</td>
<td>90.2</td>
<td>10.9</td>
</tr>
<tr>
<td>2000</td>
<td>89.9</td>
<td>4.8</td>
</tr>
<tr>
<td>2001</td>
<td>89.8</td>
<td>3.1</td>
</tr>
<tr>
<td>2002</td>
<td>86.0</td>
<td>7.9</td>
</tr>
<tr>
<td>2003</td>
<td>74.4</td>
<td>6.0</td>
</tr>
<tr>
<td>2004</td>
<td>76.0</td>
<td>4.1</td>
</tr>
</tbody>
</table>

By contrast with the unusually low claims expenditure in the previous year we recorded an increased volume of claims and a slight rise in major claims in the 2004 business year despite our strict profit-oriented underwriting policy. This caused the claims ratio to increase by 1.6 percentage points in the year under review.

**Other risks:** Proceedings were initiated in 2002 against AXA Versicherung AG and other notable industrial insurers by the Federal Cartel Agency. The enterprises concerned are accused of concerted practices. On 22 March 2005 the Federal Cartel Agency announced an order for AXA Versicherung AG to pay a fine in the two-figure million range against which we have filed an appeal. The provisions created in the 2003 business year for the cartel proceedings are adequately dimensioned.

**AXA Lebensversicherung AG**

**Deutsche Ärzteversicherung AG**

**Pro bAV Pensionskasse AG**

**Biometric risks:** The death and invalidation tables set out on pages 63 and 64 in the methods of balance sheet presentation and valuation in this report are essentially used for the calculation of underwriting provisions. With the exception of the portfolio parts mentioned on page 63 with respect to occupational disability and occupational disability supplementary insurance as well as annuity insurance for which suitable increases in the actuarial reserves have been made, the probability tables used are viewed by the Supervisory Authorities and the German Actuaries Association (DAV) as adequate for the calculation of the actuarial reserve. In the opinion of the responsible actuary for the company, they contain adequate safety margins. Nevertheless, the development of mortality in annuity insurance and the development of invalidation probabilities must be analysed constantly. The examinations of mortality in annuity insurance are therefore constantly updated at the DAV under consideration of new data because a continuation of the trend towards rising life expectancy cannot be ruled out. It must furthermore be remembered that the effects of terrorist attacks and natural catastrophes which could endanger the life and health of a large number of people cannot, of course, be given adequate consideration in the graduated life and mortality tables.
Cancellation risk: The determination of the underwriting reserves is made without consideration of the cancellation probabilities. Higher or lower cancellations to a realistic extent would have only a slight influence on the annual results in individual business with the exception of unit-linked life and annuity insurance. In the case of unit-linked life insurance and annuity insurance the life insurance company generates cost contribution margins and profit margins also from the remuneration of administrative fees of the fund companies. These are only adequate if the fund assets develop in line with the calculated portfolio consistency. In the case of a distinctly higher cancellation rate the fund assets may be reduced so that the aspired-to profit margins and cost contribution margins are no longer achieved. However, the business volume of Deutsche Ärzteversicherung is also characterised by a high proportion of collective business with pension schemes for doctors. Starting on 1 January 2004 a gradual reduction in the reinsurance treaty was agreed with the Hamburg Medical Chamber and with the Berliner Ärzteversorgung starting on 1 January 2005. These processes are extraordinary influences and do not contain an increase in the general cancellation risk.

Interest guarantee risk: Both the current net return on investments and the anticipated yield for subsequent years within the framework of corporate planning and within the meaning of Section 5 (3) of the actuarial reserve ordinance (DeckRV) are above the currently applied technical interest rate of the portfolio. However the remaining safety margin is lower than in previous years. It must be considered here that at the end of 2004 the capital markets were still at a very low level both with respect to fixed interest securities and the shares. In application of Section 341 b of the German Commercial Code (HGB) investments continue to contain unrealised losses which, however, are distinctly lower than at the end of 2003. If the markets do not recover in the medium term or even deteriorate again, these losses would have to be shown in part at least in the business result. In or der to minimise the inherent reinvestment risk the average capital-weighted residual terms of fixed interest securities titles were extended.

Other risks: Arbitration proceedings were brought before the International Chamber of Commerce in Paris by Nationwide Global Holdings Inc., an American insurance company, against AXA Lebensversicherung AG and other companies from the international AXA Group in January 2002 due to the sale of PanEuroLife, Luxembourg. The sale was effected in January 1999. Our share in PanEuroLife was 20%. Damages are demanded in the proceedings. At this current stage in the proceedings it is still difficult to make a forecast about its outcome.

AXA Krankenversicherung AG
The underwriting risks in health insurance are essentially given due consideration in the insurance cover reviews agreed with the policyholders, according to which a comparison of the calculated and the forecasted claims requirement must be made on an annual basis. If claims develop outside a narrow corridor the premiums of all insured persons must be adjusted.

Biometric risks: The mortality tables used to calculate the actuarial reserve and other technical calculation factors have been inspected for all tariffs by an independent trustee and presented to the supervisory authorities.

Cancellation risk: The cancellation probabilities applied are based both on own experience and association experience and have been viewed to be adequately cautious by an actuary.

Interest guarantee risk: The technical interest rate was 3.5%. The interest guarantee risk is viewed to be small given a current net return on investment of 4.0%.
GROUP MANAGEMENT REPORT

Remaining companies
Due to the measures taken with respect to the Casa Arte product in terms of underwriting policy and portfolio streamlining, the AXA Art Group assumes that the negative influence on the claims ratio will be extensively eliminated in the 2005 business year as in the previous year. The risk-adequate underwriting policy established by DARAG Deutsche Versicherungs- und Rückversicherungs-AG, Berlin, in the 2004 business year positively consolidated the underwriting results for the most part. Special attention will continue to be paid to making adequate provisions particularly for unknown claims from previous years. The company has secured against the risk of natural catastrophes in all lines of non-life insurance by separate reinsurance cover. Writedowns on investments have distinctly reduced unrealised losses.

We assume that typical bank risks for AXA Bank AG will continue to play a subordinate role. Precautions against exposure due to an extension of new business and a growing portfolio in the new business year will increased appropriately. We will respond suitably to the risk of interest rate changes by strict use of the principle of concurrent refinancing.

Risks from the loss of accounts receivable from insurance business
Due accounts receivable from policyholders and intermediaries (without commission not yet earned from unit-linked life and annuity insurance business) amounted to some € 354 million on the reporting date. Some € 58 million of this figure were attributable to accounts receivable which were older than 90 days. By way of risk precaution, accounts receivable from customers and intermediaries were reduced by general bad-debt provisions of some € 26 million.

The reinsurer for our most important mandatory reinsurance treaties is the French Group company AXA Cessions, who retrocedes these treaties partly on the international reinsurance market and partly within the international AXA Group. AXA Cessions assumes the delcredere risk for the “loss” of retrocedants. We work with first-class reinsurers only for treaty reinsurance retroceded via our French Group company AXA Cessions and for directly ceded reinsurance. The foundation for this is provided by a security list checked by AXA Cessions.

Risks from investments
The share and the fixed interest securities markets rose in the 2004 business year and the volatility of individual asset classes receded. In view of a slight weakening in economic growth we expect the capital markets to develop steadily also in 2005. Nevertheless, the risks from investments will continue to be actively managed and adjusted to the respective capital market environment. The elimination of unrealised losses in share funds largely completed in 2004 supports the risk position of our Group and the positive reserves of € +1.9 billion similarly improve the risk situation.

Individual risks are defined as follows:
Market risks: The financial markets directly or indirectly determine the prices of investments. In order to determine a possible risk scenario, a drop in the price of shares (without equity interests and associated companies), interest products and currencies is simulated. Risks and opportunities are presented in the same way, without the existing value-securing concepts, in order to demonstrate the sensitive nature of our investments. The effects of share market, fixed interest securities market and exchange rate fluctuations are viewed.

The unrealised result of € +1.9 billion at the end of 2004 would alter by the amounts shown on the next page if the prices of shares, fixed interest securities and currencies were to move upwards or downwards to the extent specified.
Value-securing concepts were implemented on a part of our portfolio in 2004. This has meant that the above described risks were reduced as at year-end 2004. The effect of such concepts will be continuously monitored and adjusted where necessary.

If the negative scenarios described above emerge in whole or in part or exist on the balance sheet reporting date we will take appropriate measures. These will include depreciation on sustainable values of individual investments, the selective sale of individual titles and the optional use of further value-securing concepts in order to secure the portfolio in the short term against further value losses.

**Credit standing risks:** The credit standing risk covers insolvency, payment defaults and the worsening of the credit standing of debtors or issuers. Credit standing is categorised either with the aid of external agencies or in accordance with uniform internal criteria and is checked by means of continuous control processes. Strict regulations also apply to the awarding of loans as far as credit standing is concerned. Credit risks are broadly spread, individual commitments are subject to regular monitoring. With the aid of our control procedure for interest payments and repayments as well as our reminder procedure we receive a detailed overview of outstanding payments.

**Liquidity risks:** The risk of inadequate liquidity is counteracted by multi-year planning of all payment flows. A monthly forecast is also made for a rolling 12-month period. In general, attention is paid to the fungibility of individual investments so that we are able to meet the commitments we enter into with policyholders.

For the purpose of efficient portfolio management and control the Group also uses derivative financial instruments. Different aspects of portfolio control are implemented using these instruments: hedging, acquisition preparation and income enhancement. The main aspect in the use of derivative instruments of investments is hedging where the economic risk inherent in the portfolio is reduced.

<table>
<thead>
<tr>
<th>Share market change</th>
<th>Change in the market value of investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rise by 35%</td>
<td>€ + 1,363 mill.</td>
</tr>
<tr>
<td>Rise by 20%</td>
<td>€ + 779 mill.</td>
</tr>
<tr>
<td>Rise by 10%</td>
<td>€ + 388 mill.</td>
</tr>
<tr>
<td>Drop by 10%</td>
<td>€ – 388 mill.</td>
</tr>
<tr>
<td>Drop by 20%</td>
<td>€ – 779 mill.</td>
</tr>
<tr>
<td>Drop by 35%</td>
<td>€ – 1,363 mill.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in yield on the fixed interest securities market</th>
<th>Change in the market value of investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rise by 200 base points</td>
<td>€ –4,026 mill.</td>
</tr>
<tr>
<td>Rise by 100 base points</td>
<td>€ –2,013 mill.</td>
</tr>
<tr>
<td>Drop by 100 base points</td>
<td>€ +2,013 mill.</td>
</tr>
<tr>
<td>Drop by 200 base points</td>
<td>€ +4,026 mill.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exchange rate change</th>
<th>Change in the market value of investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rise by 10%</td>
<td>€ +309 mill.</td>
</tr>
<tr>
<td>Rise by 5%</td>
<td>€ +146 mill.</td>
</tr>
<tr>
<td>Drop by 5%</td>
<td>€ –133 mill.</td>
</tr>
<tr>
<td>Drop by 10%</td>
<td>€ –253 mill.</td>
</tr>
</tbody>
</table>
A commitment on the futures and options market and in swap and currency deals is associated with investment risks and transaction costs. These investment risks include the following:

- hedging may prove to be unnecessary;
- the writing of calls and puts commits the company to buy or sell at an unfavourable time;
- the possibility of insolvency or payment default of a counterpart.

These risks have been taken into consideration and simulated in the applied stochastic models (Monte Carlo simulations). The decision on the application of instruments (options, interest and currency swaps etc.) is taken after comprehensive analyses of several alternative strategies and sensitivity calculations as well as after a check of the provider’s credit standing.

The main advantages of using derivatives are as follows:

- lower costs compared with trading the underlying investment,
- reduction of risk through hedging,
- income enhancement,
- securing of a specific price level,
- very liquid markets (in the case of standardised products),
- fast processing of transactions (in the case of standardised products) and therefore fast reaction times to market changes.

Our Risk Controlling checks and regularly reports on derivative positions and checks the observance of the set limits. The aspects of acquisition preparation and income enhancement are currently pursued to only a limited extent.

All risks described are constituent element of risk management. The investment committee proposes the investment strategy and the Management Board decides on it. In addition, investment guidelines also apply to all investments. In order to recognise the effects of alternative scenarios, sensitivity and risk analyses are made on the basis of probability calculations. The interaction between origin and use of funds is taken into consideration with the assistance of active/passive control. The supervisory regulations on mixing and spreading are observed exactly.

**Operational risks**

The main process risks and the security of internal control systems are regularly identified and assessed by our Group Accounts Controlling Department together with the responsible line managers. The resultant key figures provide an important basis for risk-orientated audit planning over several years. Our extensive project portfolio is co-ordinated by Group Project Management.

**Summarising presentation of the risk situation**

With respect to the major German companies in our Group, the existing equity of €2.3 billion exceeds the equity necessary to satisfy solvency requirements by €0.8 billion or 35%. The so-called adjusted solvency (Group solvency) for 2004 calculated on the basis of the consolidated financial statements shows adequate cover according to the provisional calculations which do not yet need to be submitted. This is particularly due to the inclusion of a subordinated loan and the fungible dormant reserves. Unlike the total equity in the solvency calculations of the individual companies, one factor to be considered in the Group solvency calculation is that the equity interests of AXA Konzern AG have in part been financed by outside borrowing. Another aspect is that goodwill must be deducted as an intangible asset from the consolidated equity.

At the current time no risks are known which could endanger the existence of the German AXA Group. Any loss shown by our main Group companies would be balanced out by AXA Konzern AG within the framework of the control agreements.
Outlook for 2005: Ambitious Growth and Profit Goals

The German AXA Group has set itself ambitious goals for the coming years both with respect to sales growth and results. As a result of the systematic pursuit of the corporate strategy and a programme aimed at creating profitable growth we wish to distinctly extend our position on the market in the coming years and achieve set profitability goals. For the current business year we aspire to premium growth in our Group of 3% and expect the following developments with respect to the most important companies in our Group:

Despite the continuing unfavourable economic outlook we assume that premium growth of AXA Versicherung AG will be above the market average in 2005. The main reasons for our estimate are the introduction and further development of innovative products in retail business which are associated with a large number of sales initiatives. In industrial and corporate client business the company expects a continuation of the positive trends and will systematically push ahead with measures already in progress such as the reorganisation of corporate business. All in all we expect an underwriting result for AXA Versicherung to be approximately on par with the previous year’s performance.

AXA Art Versicherung AG will also continue its growth course this year through innovation and improvements in different areas and strengthen sales performance with numerous sales support measures. With the assistance of this package of measures the company has set itself a two-figure premium growth goal for 2005. AXA “die Alternative” Versicherung AG serves the low-price segment as part of the dual product range. We intend to merge the company with AXA Versicherung AG with retrospective effect to 1 January 2005. We will of course maintain the very good price positioning of its products and continue the chosen growth course particularly in motor-vehicle insurance. Further growth impulses are to be expected from the introduction of new “Alter native” rates in the non-life and liability lines in the first half of 2005.

AXA Lebensversicherung AG took early account of the German legislation act on the income of the elderly which came into force at the beginning of 2005 with a new product range and a complete offer in all lines with unit-linked and traditional rates. Despite the new business boom before the introduction of the new legislation at the end of 2004, which led to a temporary phase of market saturation, the company expects a slight decline in new business for 2005 with a slight rise in current premium income. The improvement in policy management, in particular through the conversion of other customer processes to workflow processing, is intended to lead to cost reductions in the administrative area with a simultaneous increase in the service level through shorter reaction times for intermediaries and sales partners. With an improved underwriting result the surplus for 2005 is to distinctly increase again and thus the allocation to the provisions for premium refund in favour of clients' capital markets remain stable.

Following the high level of new business in its core business in 2004 Deutsche Ärzteversicherung AG anticipates a drop in the volume of new business in the current business year particularly against the background of the contractual reduction of business with the professional pension schemes. However the company is generally optimistic that it will achieve a good course of business through an appropriate product range which will in particular take account of the taxation of statutory pensions introduced in 2005. The quality of the exclusive sales organisations with certified advisory methods is also an important element to achieve a positive balance-sheet result once again despite the foreseeable sustained low-interest phase.
The growth of Pro bAV Pensionskasse AG was once again distinctly above market average in the 2004 business year. This shows that in addition to a generally good positioning on the market, particularly due to the guarantee of insurance benefits, the products on offer are highly attractive to clients. This positive development is to be continued in 2005 with the introduction of a new product generation with a guaranteed technical interest rate of 2.75% and consideration of a new mortality table. Furthermore, as a name-neutral pension scheme Pro bAV will act as a service and product provider for other insurance companies and achieve further growth through syndicate agreements with other pension schemes.

The products sold by AXA Krankenversicherung AG continue to be very successful and the premium adjustment made as at 1 January 2005 was moderate. The company will therefore in all probability achieve premium growth which is slightly above the market average. However, new business will probably not reach the previous year’s level because the distinct rise in the mandatory insurance ceiling will make itself felt.

AXA Bank AG will present itself even more strongly in 2005 as a pensions bank of the AXA Konzern on the German market and place greater emphasis on winning clients and consolidating existing customer relationships. The basis for a more efficient service to clients whilst creating substantial potential for cost savings has been laid by the implementation of the new IT platform for processing client business.

The marked improvements achieved in operative business in the past business year which are reflected primarily in the improved underwriting results and further cost reductions, will be consolidated and continued in the current year. We are therefore expecting a good operating result comparable with that achieved in 2004. In view of the fact that we virtually eliminated unrealised losses in the area of shares in 2004, we are also expecting a positive consolidated result for the current year on the condition that there are no extraordinary claim events and the capital markets remain stable. We will be preparing the consolidated financial statements for the first time in the 2005 business year according to International Financial Reporting Standards (IFRS).

Cologne, 23 April 2004

The Management Board
In 2004 the Supervisory Board monitored the Management Board in accordance with the tasks bestowed upon it by virtue of the law and articles of the company and accompanied management in an advisory function. It convinced itself on a continuous basis of the correctness of management and was involved in important decisions. The Supervisory Board was informed verbally and in writing by the Management Board by means of quarterly reports and in four meetings of the general business developments of the Group, including those of the important operative companies and of fundamental questions of management in accordance with Section 90 of the German Company Act (AktG).

The business policy aspiration to the Management Board as well as the business and financial situation, the financial situation as well as the course of business within the Group were discussed in detail during sessions of the Supervisory Board. The Management Board reported to the Supervisory Board on an equal basis on the achievement of plans and objectives of the current business year and the forecast for the future periods.

The further alterations within the framework of the new orientation initiated by the Management Board towards more profit and growth continued to occupy a central position in reporting and deliberations in the Supervisory Board. Detailed reports were given to the Supervisory Board on the investment strategy, the development of the investment results and the effects on solvency. Intensive discussion surrounded subjects such as the acts of German legislation on the income of the elderly and the plans to increase the profitability of life insurance. Additional points of focus included measures to improve the underlying result, the cost-reduction measures and questions of corporate management and control ("Corporate Governance"). The individual remuneration of members of the Management Board and of the Supervisory Board in the year under review will now be published, thereby satisfying a further recommendation of the German Corporate Governance Code. In the 2004 business year we examined the efficiency of our activities in the Supervisory Board of the company.

The Supervisory Board also discussed other important processes as well as the respective business and measures which require the consent of the Supervisory Board by virtue of the articles of association or statutory provisos. The chairman of the Supervisory Board was in close contact on a regular basis with the Management Board in the period between the Supervisory Board meetings and in numerous individual discussions with the Management Board and addressed business policy questions as well as the situation and development of the Group and of the operative companies. The Supervisory Board was informed of important matters coming to the knowledge of its chairman in the next meeting.

In addition to the statutory Mediation Committee in accordance with Section 27 (3) of the German Codetermination Act, the Supervisory Board also set up another two committees. The Residuium, consisting of three members, primarily addresses the contractual employment relationships of the members of the Board. The Audit Committee, consisting of five members, is essentially devoted to monitoring the risk management of the Management Board and the control mechanisms of the company, questions concerning the annual financial statements, auditing, as well as the report of the Management Board on the relationships with affiliated companies and lays down the focal areas of emphasis for auditing during the business year. The Presidium of the Supervisory Board held three meetings in 2004; the Audit Committee met twice in the 2004 business year and reported back to the Supervisory Board on this. The Mediation Committee did not need to be convened.

PwC Deutsche Revision AG, Wirtschaftsprüfungsgesellschaft, Düsseldorf, audited the annual financial statements and the management report of the Group for the 2004 business year including the accounts. The auditor gave an unqualified certification. The auditor's reports were available to all members of the Supervisory Board in good time. The auditor discussed the audit results with the Audit Committee and explained them to the Supervisory Board during the meeting to approve the balance sheet and answered questions of the Supervisory Board on 25 May 2005. The instruments developed for the risk management monitoring system and the supplementary measures planned by the Management Board are appropriate in view of the auditor and comply with the statutory requirements pursuant to Section 91 (2) of the German Company Act. The Supervisory Board acknowledged the reports and the additional notes of the auditor.

The Supervisory Board examined the annual financial statements and the report of the Management Board as well as the Management Board's recommendation on the appropriation of profit. The examination provided no reason for objection. The Supervisory Board approves the annual financial statements which thereby become final in accordance with Section 172 of the German Company Act, and concurs with the recommendation on the appropriation of profit. The Supervisory Board similarly examined and approved the consolidated
annual financial statements and the management report of the Group. There was no reason for objection. The Supervisory Board approves the consolidated annual financial statements.

The Supervisory Board similarly inspected the report on the relationships to affiliated companies drawn up by the Management Board pursuant to Section 312 of the German Company Act. The report was available to all members in good time. The Supervisory Board raised no objections to this report. After inspection of the report of the Management Board on the relationships to affiliated companies in the 2004 business year, the auditor gave the following certification:

"In accordance with our due audit and assessment we hereby certify that
1. the actual statements made in the report are correct,
2. in the legal transactions listed in the report, the performance of the companies was not inappropriately high or disadvantages were compensated,
3. the measures listed in the report provide no reason for any assessment other than that provided by the Management Board."

The Supervisory Board agrees with the assessment of the auditor and in view of the final results of his inspection, raises no objections to the statements of the report and to the Supervisory Board.

In the year under review, there were personnel changes to the Management Board and to the Supervisory Board. At the end of the Annual General Meeting on 8 July 2004 Dr. Dieter Murmann and Dr. h.c. Alfred Freiherr von Oppenheim retired from the Supervisory Board after reaching their 70th birthday in accordance with Article 10 (4) of the articles of association of AXA Konzern AG. Dr. Thomas R. Fischer and Mr. Robert J. Koehler were elected to the Supervisory Board on the side of the shareholders during the Annual General Meeting. At the end of the Annual General Meeting on 8 July 2004 Mr. Jürgen Sengera laid down his Supervisory Board mandate. By way of order on 20 July 2004 the Local Court of Cologne appointed Mr. Thierry Langrene as successor on the side of the shareholders, taking effect on 20 July 2004. Mr. Christoph Göldi laid down his Supervisory Board mandate on 30 August 2004. By way of order of 2 September 2004 the Local Court of Cologne appointed Mr. Kurt Döhmel as successor on the side of the shareholders, taking effect on 2 September 2004.

As at 31 December 2004 Mr. Klaus Schütze retired from the Supervisory Board. By way of order on 20 December 2004 the Local Court appointed Mr. Peter Freyaldenhoven as successor on the side of the employees' representatives, taking effect on 1 January 2005.

The Supervisory Board would like to thank all members who retired from the Board in 2004 for their work, in some cases of many years' duration and for their valuable advice. Dr. h.c. Alfred Freiherr von Oppenheim died on 5 January 2005 only a few months after his retirement from the Supervisory Board. Dr. Frank Keuper left the Management Board of his own wish as at 31 July 2004.

In accordance with the recommendations of the German Corporate Governance Code we report that Mr. Henri de Castries was prevented from attending the meetings of the Supervisory Board in 2004. The Supervisory Board continues to follow with great interest the developments of the entire industry and the process of systematic further development of the German AXA Group on the basis of the reorientation introduced. The continued successful implementation of the strategy is attributed decisive importance for the future positioning on the German market and the position of the German Group within AXA international.

As Supervisory Board we would like to thank the Management Board and all employees of the holding company, all employees working in the offices and in the sales units of the group companies, our intermediaries and works councils for their work and commitment.

Cologne, 25 May 2005

For the Supervisory Board

Claas Kleyboldt
Chairman
Report on Corporate Governance

The German Corporate Governance Code was published for the first time in February 2002. Adjustments were made in November 2002 and in May 2003. The Code contains standards for good and responsible corporate management and supervision. Management Board and Supervisory Board have directed much attention to implementing this Code in the enterprise. Management Board and Supervisory Board welcomed the objectives pursued by the Code from the very beginning and acknowledge the recommendations of the Code in principle. The majority of the recommendations in the Code were already being applied as part of responsible corporate management and supervision before it was published. In addition, different measures were taken in the year under review to implement further recommendations of the Code.

Our current declaration of compliance of April 2005 is as follows:

1. The recommendations of the German Corporate Governance Code are observed by AXA Konzern AG with the exception of the recommendations listed in point 2.

2. The following recommendations of the German Corporate Governance Code are not applied by the AXA Konzern AG:
   a) Code, point 3.8:
      The agreement on retention for the members of the Management Board and of the Supervisory Board does not contain the D & O insurance taken out by AXA, Paris, for all AXA Group companies throughout the world. The company believes the agreement of a retention of this nature as an exceptional ruling for the German AXA Group to be neither appropriate nor necessary.
   b) Code, point 5.4.5 (1):
      AXA Konzern AG does not believe an additional financial consideration for the membership and the chairmanship in supervisory board committees to be necessary in the remuneration of Supervisory Board members. The remuneration of the Supervisory Board provided for in the articles of association is appropriate in the view of Management Board and Supervisory Board.
   c) Code, point 7.1.1:
      AXA Konzern AG draws up a semi-annual report pursuant to Section 40 of the German Stock Exchange Act, but no other interim reports. Management Board and Supervisory Board of AXA Konzern AG are of the opinion that an additional interim report is disproportionate to the organisational and financial expenditure involved. AXA Konzern AG draws up its consolidated financial statements and interim report in accordance with national requirements (German Commercial Code). These also provide the foundation for taxation. Starting with the consolidated financial statements as at 31 December 2005 Management Board and Supervisory Board of AXA Konzern AG will follow the recommendation of the Corporate Governance Code to prepare the consolidated financial statements and interim report under consideration of the internationally recognised accounting standards (IFRS).
   d) Code, point 7.1.2:
      Management Board and Supervisory Board of AXA Konzern AG believe that the period for the remuneration of the consolidated annual financial statements and of 45 days for the publication of the interim report to be too short to draw up informative consolidated financial statements and the interim report. The interim reports of AXA Konzern AG will therefore continue to be published within the statutory period of 60 days. The consolidated financial statements of AXA Konzern AG will be drawn up within the statutory period of five months.

3. In addition, Management Board and Supervisory Board of AXA Konzern AG declare that since making last year’s statements under Section 161 of the German Company Act in April 2004 the Company has complied with the recommendations of the “Government Committee on the German Corporate Governance Code” with the exception of the deviations specified in this declaration. The individual remuneration of members of the Management Board (point 4.2.4) and members of the Supervisory Board (point 5.4.5 (3)) is disclosed for the first time in the 2004 Annual Report. The complete wording of the statement of compliance is to be found at www.axa.de.

Cologne, 15 April 2005

The The Management Board Supervisory Board
# Annual Financial Statements

## Consolidated Annual Financial Statements

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## CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

### Consolidated Balance Sheet at 31 December 2004

**ASSETS**

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<th>Notes</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Subscribed capital unpaid</strong></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>B. Intangible assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Goodwill</td>
<td>588,875</td>
<td>577,145</td>
</tr>
<tr>
<td>II. Miscellaneous intangible assets</td>
<td>12,156</td>
<td>12,088</td>
</tr>
<tr>
<td><strong>Total Intangible assets</strong></td>
<td>601,031</td>
<td>589,233</td>
</tr>
<tr>
<td><strong>C. Investments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Land, titles to land and buildings including buildings on leased land</td>
<td>558,680</td>
<td>523,320</td>
</tr>
<tr>
<td>II. Investments in affiliated companies and equity interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Shares in affiliated companies</td>
<td>172,010</td>
<td>312,857</td>
</tr>
<tr>
<td>2. Loans to affiliated companies</td>
<td>498,854</td>
<td>580,191</td>
</tr>
<tr>
<td>3. Equity interests in associated companies</td>
<td>22,965</td>
<td>23,153</td>
</tr>
<tr>
<td>4. Equity interests</td>
<td>490,721</td>
<td>428,139</td>
</tr>
<tr>
<td>5. Loans to companies in which an equity interest is held</td>
<td>77</td>
<td>16,225</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td>1,184,627</td>
<td>1,260,566</td>
</tr>
<tr>
<td>II. Other investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Shares, investment fund shares and other non-fixed interest securities</td>
<td>10,291,591</td>
<td>12,870,130</td>
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<td>2. Bearer bonds and other fixed interest securities</td>
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<td>3. Mortgage, land charge and annuity charge loans</td>
<td>3,122,272</td>
<td>3,650,580</td>
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<td>4. Other loans</td>
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<td>a) Registered bonds</td>
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<td>b) Debentures and loans</td>
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<td>c) Loans and advance payments on policies</td>
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<td>d) Other loans</td>
<td>184,206</td>
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<td>5. Bank deposits</td>
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<td>6. Other investments</td>
<td>290,716</td>
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<td><strong>Total Other investments</strong></td>
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<td>32,472,617</td>
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<td><strong>D. Investments for the account and risk of holders of life insurance policies</strong></td>
<td>509,281</td>
<td>337,422</td>
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<td><strong>E. Building society loans</strong></td>
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<td><strong>F. Accounts receivable</strong></td>
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<tr>
<td>I. Accounts receivable on direct business from</td>
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<td>a) with claims due</td>
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<td>b) with claims not yet due</td>
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<td>II. Accounts receivable on reinsurance business</td>
<td>223,903</td>
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<td>III. Other accounts receivable</td>
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<td><strong>Total Accounts receivable</strong></td>
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<td>1,590,434</td>
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<td>I. Tangible assets and inventories</td>
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<td>II. Current accounts with banks, cheques and cash at hand</td>
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<td>I. Accrued interest and rent</td>
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<td>555,172</td>
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<td><strong>J. Projected tax relief in subsequent business years under Sections 274/306 of the German Commercial Code (HGB)</strong></td>
<td>37,962,219</td>
<td>38,549,406</td>
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SHAREHOLDERS’ EQUITY AND LIABILITIES

in € ’000s

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<td>1. Statutory revenue reserves</td>
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<td>2. Other revenue reserves including amount of difference on the assets side: € 38,147,000 (2003: € 40,305,000) and amount of difference on the shareholders’ equity and liabilities side: € 1,437,000 (2003: € 35,025,000)</td>
<td>621,259</td>
<td>621,284</td>
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<td>IV. Consolidated net profit for the year</td>
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<td>V. Adjustment item for minority shareholders</td>
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<td>B. Subordinated liabilities</td>
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<td>C. Underwriting provisions</td>
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<td>I. Unearned premiums</td>
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<td>657,461</td>
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<td>609,848</td>
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<td>IV. Provisions for premium refunds</td>
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<td>1. Profit-linked</td>
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<td>a) Gross</td>
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<td>1. Gross</td>
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<td>D. Underwriting reserves and provisions of life insurance if investment risk covered by policyholders</td>
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<td>Actuarial reserve</td>
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<td></td>
<td>509,261</td>
<td>337,422</td>
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<td>E. Building society deposits</td>
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<td>F. Other provisions</td>
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<td>I. Provisions for pensions and similar liabilities</td>
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<td>II. Tax provisions</td>
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<td>III. Provisions for tax payments of subsequent business years</td>
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<td>392,194</td>
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<td>IV. Miscellaneous provisions</td>
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### Notes

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<tr>
<td><strong>G. Deposits in reinsurance business ceded</strong></td>
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<td>881,785</td>
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<td><strong>H. Other liabilities</strong></td>
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<tr>
<td>I. Accounts payable on direct insurance business with</td>
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<td>1. Policyholders</td>
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<td>II. Accounts payable on reinsurance business</td>
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<td>III. Accounts payable to banks</td>
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<td>IV. Other accounts payable</td>
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<td><strong>I. Trust liabilities</strong></td>
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<td>1,546</td>
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<td><strong>J. Accruals and deferred income</strong></td>
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<td>20,109</td>
</tr>
<tr>
<td></td>
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<td>37,962,219</td>
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### CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

#### Consolidated Profit and Loss Account

<table>
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<tr>
<th>ITEMS</th>
<th>Notes</th>
<th>2004</th>
<th>2003</th>
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<tbody>
<tr>
<td>I. Property and casualty underwriting business</td>
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<td></td>
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<tr>
<td>a) Gross premiums written</td>
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<td>2,807,984</td>
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<td>b) Reinsurance premiums ceded</td>
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<td>226,078</td>
<td>2,581,906</td>
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<td>c) Change in gross unearned premiums</td>
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<td>11,031</td>
<td>20,842</td>
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<tr>
<td>d) Change in reinsurance share of gross unearned premiums</td>
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<td>-1,599</td>
<td>9,432</td>
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<td>2,591,338</td>
<td>2,579,021</td>
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<td>2. Interest income from operating business</td>
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<td>58,146</td>
<td>44,104</td>
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<td>3. Other underwriting income net of reinsurance</td>
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<td>1,543</td>
<td>4,613</td>
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<td>4. Expenses on claims net of reinsurance</td>
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<td>a) Payment on claims</td>
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<td>2,090,272</td>
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<td>ab) Reinsurance quota</td>
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<td>b) Change in provisions for claims outstanding</td>
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<td>bb) Reinsurance quota</td>
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<td></td>
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<td>5. Change in other underwriting provisions net of reinsurance</td>
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<tr>
<td>a) Net actuarial reserve</td>
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<td>b) Other net underwriting provisions</td>
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<td>6. Expenses on profit-linked and non-profit-linked premium refunds net of reinsurance</td>
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<td>29,959</td>
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<td>7. Expenses on underwriting operations net of reinsurance</td>
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<td>28</td>
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<td>a) Gross operating expenses</td>
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<td>808,690</td>
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<td>b) Less commissions and bonuses received from reinsurance ceded</td>
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<td>8. Other expenses on underwriting operations net of reinsurance</td>
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<td>19,428</td>
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<td>9. Subtotal</td>
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<td>10. Change in claims equalisation reserve and similar provisions</td>
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<td>11. Property and casualty underwriting result net of reinsurance</td>
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<td>-154,663</td>
<td>-212,981</td>
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</table>
## II. Life and health underwriting business

1. Premiums earned net of reinsurance
   a) Gross premiums written  
   b) Reinsurance premiums ceded  
   c) Change in net unearned premiums

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<thead>
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<th>2003</th>
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<tbody>
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2. Premiums from gross provisions for premium refunds
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3. Allocated interest from non-underwriting account
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4. Non-realised gains from investments
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5. Other underwriting income net of reinsurance
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6. Expenses on claims net of reinsurance
   a) Payment on claims
      a) Gross amount  
      b) Reinsurer quota
   b) Change in provisions for claims outstanding
      a) Gross amount  
      b) Reinsurer quota
   c) Change in other underwriting provisions net of reinsurance
      a) Net actuarial reserve
         a) Gross amount  
         b) Reinsurer quota  
      b) Other underwriting provisions net of reinsurance
         | Notes | 2004          | 2003          |
|-------|---------------|---------------|
| a)    | 2,711,456     | 2,642,003     |
|       | 97,229        | 122,587       |
| b)    | 2,614,227     | 2,519,416     |
|       | –2,102        | 45,019        |
|       | 2,736         | –1,343        |
|       | –4,838        | 46,362        |
|       | 2,609,389     | 2,565,778     |

7. Expenses on profit-linked and non-profit-linked premium refunds net of reinsurance
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<thead>
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9. Expenses on underwriting operations net of reinsurance
   a) Operating expenses  
   b) Administrative expenses  
   c) Less commissions and bonuses received from reinsurance ceded
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<th>2003</th>
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10. Non-realised losses from investments
    | Notes | 2004 | 2003 |
|-------|------|------|
|       | 266  | 331  |

11. Other underwriting expenditure net of reinsurance
    | Notes | 2004 | 2003 |
|-------|------|------|
|       | 104,472 | 144,550 |

12. Life and health underwriting result net of reinsurance
    | Notes | 2004 | 2003 |
|-------|------|------|
|       | 141,505 | 35,479 |
### III. Non-underwriting business

1. **Underwriting result**
   - *net of reinsurance*
     - **a)** in property and casualty insurance business: $-154,663$ in 2004, $-212,981$ in 2003
     - **b)** in life and health insurance business: $141,505$ in 2004, $35,479$ in 2003

2. **Income from investments**
   - $29$ in 2004, $2,092,173$ in 2003

3. **Interest income from building society loans**
   - $30$ in 2004, $0$ in 2003

4. **Expenses on investments**
   - $31$ in 2004, $822,875$ in 2003

5. **Interest charges on building society deposits and savings deposits**
   - $63$ in 2004, $19,653$ in 2003

6. **Interest from underwriting account for property and casualty insurance business**
   - $-59,399$ in 2004, $-45,406$ in 2003

7. **Interest from underwriting account for life and health insurance business**
   - $-1,056,396$ in 2004, $-1,002,981$ in 2003

8. **Other income**
   - $32$ in 2004, $200,015$ in 2003

9. **Other expenses**
   - **a)** from building society and bank business: $90,938$ in 2004, $88,861$ in 2003

### IV. Consolidated result

1. **Results of ordinary business operations**
   - $29,016$ in 2004, $414,785$ in 2003

2. **Extraordinary income**
   - $776$ in 2004, $2$ in 2003

3. **Extraordinary expenses**
   - $4$ in 2004, $0$ in 2003

4. **Extraordinary results**
   - $772$ in 2004, $2$ in 2003

5. **Tax on income and profit**
   - $88,938$ in 2004, $-158,960$ in 2003

6. **Other tax**
   - $8,363$ in 2004, $97,321$ in 2003

7. **Net loss/profit for the year**
   - $-67,946$ in 2004, $570,672$ in 2003

8. **Profits owing to minority shareholders**
   - $426$ in 2004, $409$ in 2003

9. **Losses attributable to minority shareholders**
   - $13$ in 2004, $58$ in 2003

10. **Consolidated net loss for the year**
    - $-67,533$ in 2004, $571,023$ in 2003
### Cash flow analysis of the AXA Group

#### 1. Operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated net profit for the year</td>
<td>–68</td>
<td>571</td>
</tr>
<tr>
<td>Depreciation/reinstated depreciation</td>
<td>225</td>
<td>993</td>
</tr>
<tr>
<td>Non-realised gains and losses from investments</td>
<td>–33</td>
<td>–29</td>
</tr>
<tr>
<td>Profit from the disposal of investments</td>
<td>–518</td>
<td>–1,468</td>
</tr>
<tr>
<td>Losses from the disposal of investments</td>
<td>381</td>
<td>325</td>
</tr>
<tr>
<td>Reduction in the reinsurance treaty with the Hamburg Medical Chamber</td>
<td>777</td>
<td></td>
</tr>
<tr>
<td>Increase/reduction in underwriting provisions</td>
<td>511</td>
<td>1,419</td>
</tr>
<tr>
<td>Change in accounts receivable/accounts payable</td>
<td>–75</td>
<td>22</td>
</tr>
<tr>
<td>Change in deposits/liabilities</td>
<td>3</td>
<td>–20</td>
</tr>
<tr>
<td>Change in deposits/liabilities</td>
<td>–7</td>
<td>47</td>
</tr>
<tr>
<td>Inflow/outflow of funds from ordinary business activities</td>
<td>1,418</td>
<td>1,287</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,418</strong></td>
<td><strong>1,287</strong></td>
</tr>
</tbody>
</table>

#### 2. Investment activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incoming payments from the sale of consolidated companies</td>
<td>184</td>
<td>147</td>
</tr>
<tr>
<td>Incorporation of Pluto Gesellschaft für Beteiligungswerte mbH, Cologne,</td>
<td>–103</td>
<td>0</td>
</tr>
<tr>
<td>in the scope of consolidated companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change from the reduction in the reinsurance treaty with the Hamburg Medical Chamber</td>
<td>–777</td>
<td></td>
</tr>
<tr>
<td>Incoming payments from the disposal or from mature investments</td>
<td>16,896</td>
<td>12,039</td>
</tr>
<tr>
<td>Payments from the acquisition of other investments</td>
<td>–18,852</td>
<td>–11,634</td>
</tr>
<tr>
<td>Payments from the acquisition of investments of unit-linked life insurance policies</td>
<td>–172</td>
<td>–140</td>
</tr>
<tr>
<td>Other incoming payments and payments</td>
<td>–7</td>
<td>47</td>
</tr>
<tr>
<td><strong>Outflow of funds from investment activities</strong></td>
<td><strong>–2,023</strong></td>
<td><strong>459</strong></td>
</tr>
</tbody>
</table>

#### 3. Finance activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflow from loans</td>
<td>0</td>
<td>350</td>
</tr>
<tr>
<td>Outflow from loans</td>
<td>0</td>
<td>–872</td>
</tr>
<tr>
<td>Dividends of AXA Konzern AG</td>
<td>–37</td>
<td>–37</td>
</tr>
<tr>
<td>of subsidiaries to shareholders outside the Group</td>
<td>–1</td>
<td>–1</td>
</tr>
<tr>
<td><strong>Inflow/outflow of funds resulting from finance activities</strong></td>
<td><strong>–38</strong></td>
<td><strong>–600</strong></td>
</tr>
</tbody>
</table>

#### 4. Cash and equivalent at the beginning of the business year

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,619</strong></td>
<td><strong>431</strong></td>
</tr>
</tbody>
</table>

#### 5. Change in cash and equivalent having an effect on liquidity

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>–1,450</strong></td>
<td><strong>1,188</strong></td>
</tr>
</tbody>
</table>

#### 6. Exchange-rate related changes in cash

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>–1</td>
<td>–1</td>
</tr>
</tbody>
</table>

#### 7. Cash and equivalent at the end of the business year

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>168</td>
<td>1,619</td>
</tr>
</tbody>
</table>

The cash flow analysis of the German AXA Group explains the status of cash (deposits as well as credits at banks, cheques and cash in hand less liabilities due to credit institutions) at the beginning and the end of the business year. In the 2004 business year the reduction in the reinsurance treaty agreed between Deutsche Ärzteversicherung AG and the Hamburg Medical Chamber had an impact on the cash flow analysis. The associated reduction in the underwriting provisions of € 777 million and correspondingly in the investment portfolio had no effect on payments but is reflected in the cash flow analysis in the inflow of funds from ordinary business activities and in investment activities. The inflow of funds resulting from operating activities increased by € 131 million to € 1,418 million. The 2004 business year was characterised by high investment activity amounting to € 2,831 million. In addition to the use of funds from ordinary business activities, this high inflow was made possible by disposable cash of € 1,450 million held at the beginning of the 2004 business year. Contrary to the previous year, there was no inflow/outflow of funds from loans (2003: € 522 million).
### Segment report consolidated balance sheet

<table>
<thead>
<tr>
<th>Assets</th>
<th>Property/casualty</th>
<th>Life</th>
<th>Health</th>
<th>Holding/other</th>
<th>Consolidations</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.</td>
<td>Intangible assets</td>
<td>509</td>
<td>1</td>
<td>91</td>
<td>0</td>
<td>601</td>
<td>589</td>
</tr>
<tr>
<td>C.</td>
<td>Investments</td>
<td>7,296</td>
<td>24,780</td>
<td>2,223</td>
<td>3,556</td>
<td>-3,611</td>
<td>34,244</td>
</tr>
<tr>
<td>D.</td>
<td>Investments for the account and risk of holders of life insurance policies</td>
<td>509</td>
<td>509</td>
<td>337</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E.</td>
<td>Building society loans</td>
<td>0</td>
<td>256</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F.</td>
<td>Accounts receivable</td>
<td>878</td>
<td>654</td>
<td>21</td>
<td>309</td>
<td>-357</td>
<td>1,505</td>
</tr>
<tr>
<td>G.</td>
<td>Other assets</td>
<td>199</td>
<td>200</td>
<td>4</td>
<td>13</td>
<td>0</td>
<td>416</td>
</tr>
<tr>
<td>H./I./J.</td>
<td>Miscellaneous assets</td>
<td>201</td>
<td>443</td>
<td>42</td>
<td>5</td>
<td>-4</td>
<td>687</td>
</tr>
<tr>
<td><strong>Total segment assets</strong></td>
<td>9,083</td>
<td>26,587</td>
<td>2,290</td>
<td>3,974</td>
<td>-3,972</td>
<td>37,962</td>
<td>38,549</td>
</tr>
</tbody>
</table>

| Shareholders’ equity and liabilities |  |
|--------------------------------------|------------------|------|------|
| D. Underwriting provisions           | 5,773            | 22,631 | 2,131 |
| E. Underwriting reserves and provisions in the area of unit-linked life insurance (gross) | 509 | 509 | 337 |
| F. Building society deposits         | 0                | 645  |
| G. Other provisions                  | 1,261            | 172  | 42   | 373  | 0    | 1,848 | 1,811 |
| H. Deposits in reinsurance business ceded | 50 | 894 | 1 | -63 | 882 | 885 |
| B./I. Other liabilities              | 283              | 2,169 | 43   | 2,123 | -1,352 | 3,266 | 3,545 |
| C./J./K. Special items/             | 2                | 5    | 15   | 0    | 22   | 112  |
| trust liabilities/accruals and deferred income | |
| **Total segment shareholders’ equity and liabilities** | 7,369 | 26,380 | 2,217 | 2,511 | -1,415 | 37,062 | 37,508 |

The individual segments are presented after the internal transactions within the segments have been consolidated but before inter-segmental consolidation. The balance of the segment assets and liabilities does not therefore correspond to the equity of the respective business area.
<table>
<thead>
<tr>
<th>Segment report consolidated profit and loss account</th>
<th>Property/ casualty</th>
<th>Life</th>
<th>Health</th>
<th>Holding/ other</th>
<th>Consolidations</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross premiums written</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– direct</td>
<td>2,703</td>
<td>2,608</td>
<td>889</td>
<td></td>
<td></td>
<td>6,200</td>
<td>6,107</td>
</tr>
<tr>
<td>– assumed</td>
<td>106</td>
<td>4</td>
<td>–3</td>
<td></td>
<td></td>
<td>107</td>
<td>157</td>
</tr>
<tr>
<td>– from premium refund</td>
<td>83</td>
<td>21</td>
<td></td>
<td></td>
<td></td>
<td>104</td>
<td>150</td>
</tr>
<tr>
<td>Total gross premiums</td>
<td>2,809</td>
<td>2,691</td>
<td>914</td>
<td>–3</td>
<td></td>
<td>6,411</td>
<td>6,414</td>
</tr>
<tr>
<td>Retention</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>94 %</td>
<td>94 %</td>
</tr>
<tr>
<td>Profit and loss account</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Underwriting result</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Premiums earned net of reinsurance</td>
<td>2,591</td>
<td>2,486</td>
<td>892</td>
<td></td>
<td></td>
<td>5,969</td>
<td>5,889</td>
</tr>
<tr>
<td>– Premiums from the gross provisions for premium refund</td>
<td></td>
<td>83</td>
<td>21</td>
<td></td>
<td></td>
<td>104</td>
<td>150</td>
</tr>
<tr>
<td>– Interest extracted from the non-underwriting account</td>
<td>58</td>
<td>981</td>
<td>80</td>
<td>–3</td>
<td></td>
<td>1,116</td>
<td>1,050</td>
</tr>
<tr>
<td>– Expenses on claims</td>
<td>–1,800</td>
<td>–2,169</td>
<td>–440</td>
<td></td>
<td></td>
<td>–4,409</td>
<td>–4,252</td>
</tr>
<tr>
<td>– Change in other net underwriting provisions</td>
<td>–15</td>
<td>–670</td>
<td>–272</td>
<td></td>
<td></td>
<td>–957</td>
<td>–1,096</td>
</tr>
<tr>
<td>– Expenses on premium refund</td>
<td>–30</td>
<td>–150</td>
<td>–121</td>
<td></td>
<td></td>
<td>–301</td>
<td>–144</td>
</tr>
<tr>
<td>– Operating expenses</td>
<td>–736</td>
<td>–424</td>
<td>–113</td>
<td></td>
<td></td>
<td>–1,273</td>
<td>–1,333</td>
</tr>
<tr>
<td>– Non-realised gains/losses from investments</td>
<td></td>
<td>33</td>
<td></td>
<td></td>
<td></td>
<td>33</td>
<td>29</td>
</tr>
<tr>
<td>– Balance of other operating expenses/income net of reinsurance</td>
<td>–17</td>
<td>–69</td>
<td>–4</td>
<td></td>
<td></td>
<td>–90</td>
<td>–137</td>
</tr>
<tr>
<td>Subtotal</td>
<td>51</td>
<td>101</td>
<td>43</td>
<td>0</td>
<td>–3</td>
<td>192</td>
<td>156</td>
</tr>
<tr>
<td>– Change in claims equalisation reserve and other provisions</td>
<td>–205</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>–205</td>
<td>–334</td>
</tr>
<tr>
<td>Underwriting result net of reinsurance</td>
<td>–154</td>
<td>101</td>
<td>43</td>
<td>0</td>
<td>–3</td>
<td>–13</td>
<td>–178</td>
</tr>
<tr>
<td>2. Investment result without unrealised gains/losses</td>
<td>476</td>
<td>981</td>
<td>80</td>
<td>317</td>
<td>–585</td>
<td>1,269</td>
<td>1,914</td>
</tr>
<tr>
<td>3. Interest allocated to underwriting business</td>
<td>–59</td>
<td>–981</td>
<td>–80</td>
<td>3</td>
<td></td>
<td>–1,117</td>
<td>–1,051</td>
</tr>
<tr>
<td>5. Extraordinary expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6. Result before tax</td>
<td>241</td>
<td>77</td>
<td>38</td>
<td>200</td>
<td>–536</td>
<td>20</td>
<td>412</td>
</tr>
<tr>
<td>7. Tax on income and profit</td>
<td>8</td>
<td>–75</td>
<td>–17</td>
<td>–4</td>
<td></td>
<td>–88</td>
<td>159</td>
</tr>
<tr>
<td>8. Consolidated net profit for the year</td>
<td>249</td>
<td>2</td>
<td>21</td>
<td>196</td>
<td>–536</td>
<td>–68</td>
<td>571</td>
</tr>
<tr>
<td>Net return on investments</td>
<td>13.1 %</td>
<td>3.7 %</td>
<td>4.0 %</td>
<td></td>
<td></td>
<td>3.8 %</td>
<td>5.5 %</td>
</tr>
<tr>
<td>Operating expenses as % of gross premiums</td>
<td>28.1 %</td>
<td>21.0 %</td>
<td>12.6 %</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net combined ratio</td>
<td>97.9 %</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A report was not prepared according to geographical regions because foreign business has only little impact on the figures.
The consolidated financial statements and the consolidated management report are based on the provisions of the Insurance Company Balance Sheet Act of 24 June 1994 and have therefore been compiled in accordance with the provisions of the German Commercial Code, the German Company Act, the Ordinance on the Rendering of Accounts of Insurance Companies and directives relating to the rendering of accounts of group companies issued by the Federal Insurance Supervisory Agency (now Federal Agency for Financial Services Supervision).

The financial statements also comply with the prevailing transformation law provided for in EC Directives relating to insurance companies. The layout of the consolidated financial statements has been extended to include items arising from the special nature of building society business with the objective of facilitating a view of the net worth, financial position and results of the Group. The income and expenses on investments of the consolidated life and health insurance companies are shown in the non-underwriting account. Detailed information is provided in the notes. This statement provides greater transparency in segment reporting.

Any divergent evaluations based on special provisions for insurance companies abroad have been maintained pursuant to Section 308 (2) sentence 2 of the German Commercial Code (HGB). The consolidations comply with the provisions contained in Sections 341 (i) and 341 (j), 300 et seq. of the German Commercial Code (HGB) and with Sections 58 et seq. of the Ordinance on the Rendering of Accounts of Insurance Companies.
The annual financial statements of the German and foreign subsidiaries included in the consolidated financial statements have been uniformly compiled on the reporting date of AXA Konzern AG’s annual financial statements and transformed into financial statements which comply with the methods of presentation and valuation of the German AXA Group. Equity has been consolidated using the book value method by charging the historical costs against the percentage equity of the subsidiaries at the time of acquisition or on the date of initial consolidation. Differences resulting from purchases of shares in AXA Versicherung AG or AXA Lebensversicherung AG have been offset against revenue reserves with no effect on results.

The amounts of difference calculated for the former Albingia Group acquired in 1999 are shown on the assets side of the balance sheet as goodwill owing to their substantial size and will be gradually written off in principle against revenue reserves over the next 30 years with no effect on results. The value of goodwill will be checked on an annual basis and possibly written down off-schedule or of set with no effect on results. In addition an interim profit of € 31.5 million arose from the transfer in 2004 of shares in AXA Krankenversicherung AG, hitherto held by Deutsche Ärzteversicherung AG, to AXA Konzern AG. This was not eliminated in application of Section 341j German Commercial Code (HGB), but led to a corresponding increase in goodwill.

The profit payable to and losses attributable to the minority shareholders are shown separately on the balance sheet after the consolidated net profit for the year attributable to the Group. The profit payable to and losses attributable to the minority shareholders have been determined in accordance with the relative size of their equity interest in respect of the respective result shown on the restated commercial balance sheet after consolidation measures.

Accounts receivable and payable, intercompany interim results as well as earnings, income and expenses have been eliminated where this had not already been done owing to the insignificance of the business transactions. Interim profits were not eliminated pursuant to Section 341j (2) of the German Commercial Code insofar as these profits led to policyholder claims.

Interim results from associated companies (Section 304 (1) of the German Commercial Code) were not eliminated in accordance with Section 312 (5) of the German Commercial Code since the facts required for an assessment were neither known nor accessible.

All foreign currencies for the foreign subsidiaries incorporated in the consolidated financial statements were translated into euros uniformly at the average exchange rate prevailing on the balance sheet reporting date.
In addition to AXA Konzern AG, the consolidated annual financial statements include all affiliated subsidiaries which have a noticeable influence on the net worth, financial and profit situation. In accordance with the principle of materiality, smaller insurance and intermediary companies have not been consolidated. Similarly, smaller management and asset management companies have also not been incorporated in the scope of consolidated companies insofar as they have no mentionable influence on the balance sheet figures. Non-affiliated companies, in respect of which the AXA Konzern AG or an affiliated consolidated subsidiary exercise a considerable influence, have been incorporated in the consolidated annual financial statements using the equity method insofar as they were not of subordinate significance for the assessment of the net worth and profit situation.

The scope of consolidated companies changed in 2004 as follows:

- **AXA Bausparkasse AG, Dortmund**, was deconsolidated as at 1 January 2004 due to the sale of the company.
- By virtue of the merger of **Guardian Royal Exchange Continental Europe Holding GmbH, Hamburg**, with AXA Konzern AG with retrospective effect to 1 January 2004 the company was no longer incorporated as an independent company.
- **Nordstern Grundbesitz-, Vermietungs- und Verwaltungsgesellschaft GbR, Cologne**, was liquidated in 2004 and deconsolidated as at 31 December 2004.
- During the 2004 business year essential parts of the private equity portfolio of AXA Versicherung AG and AXA Lebensversicherung AG were transferred to the companies **AXA Alternative Participations SICAV I and SICAV II, Luxembourg**. These companies were therefore incorporated in the scope of consolidated companies of AXA Konzern AG.
- Furthermore, **Pluto Gesellschaft für Beteiligungsverwaltungs GmbH, Cologne**, was included in the scope of consolidated companies in 2004.
- **Jurpartner Services Gesellschaft für Rechtsschutz-Schadenversicherung mbH, Cologne**, was added to those enterprises incorporated at equity via the Roland group.

A summarising list of shareholdings and the complete scope of consolidated companies is given on the following pages. The complete list of shareholdings in accordance with Section 313 (2) of the German Commercial Code (HGB) is deposited at the Commercial Register of the Local Court of Cologne under registration number 672.
Shareholdings and Scope of Consolidated Companies

### 1a) Consolidated affiliated companies

<table>
<thead>
<tr>
<th></th>
<th>Gross premium income(^b) in € ‘000s</th>
<th>Equity(^b) in € ‘000s</th>
<th>Net profit for the year(^b) in € ‘000s</th>
<th>Percentage share capital(^b) in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Parent company</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AXA Konzern AG, Cologne</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Property and casualty insurance companies Germany</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AXA Versicherung AG, Cologne</td>
<td>2,513</td>
<td>1,115,457</td>
<td>236,191</td>
<td>99.86</td>
</tr>
<tr>
<td>AXA Art Versicherung AG, Cologne</td>
<td>55</td>
<td>55,386</td>
<td>0</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA “die Alternative” Versicherung AG, Cologne</td>
<td>121</td>
<td>33,563</td>
<td>0</td>
<td>100.00</td>
</tr>
<tr>
<td>DARAG Deutsche Versicherungs- und Rückversicherungs-AG, Berlin</td>
<td>69</td>
<td>18,497</td>
<td>535</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Property and casualty insurance companies abroad</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colonie Insurance (Ireland) plc., Dublin</td>
<td>0</td>
<td>60,512</td>
<td>2,228</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Art Insurance Corp., New York</td>
<td>21</td>
<td>21,929</td>
<td>2,520</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Art Insurance Ltd., London</td>
<td>26</td>
<td>12,705</td>
<td>–1,576</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Art Versicherung AG, Zürich</td>
<td>6</td>
<td>11,783</td>
<td>1,912</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Life insurance companies Germany</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AXA Lebensversicherung AG, Cologne</td>
<td>2,042</td>
<td>104,167</td>
<td>1,570</td>
<td>99.14</td>
</tr>
<tr>
<td>Deutsche Ärzteversicherung AG, Cologne</td>
<td>481</td>
<td>22,033</td>
<td>400</td>
<td>97.87</td>
</tr>
<tr>
<td>Pro bAV Pensionskasse AG, Cologne</td>
<td>92</td>
<td>38,050</td>
<td>0</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Health insurance company, Germany</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AXA Krankenversicherung AG, Cologne</td>
<td>893</td>
<td>73,984</td>
<td>20,000</td>
<td>100.00</td>
</tr>
</tbody>
</table>

### 1b) Consolidated affiliated companies

<table>
<thead>
<tr>
<th>Financial service providers, service and holding companies</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>AXA Alternative Participations SICAV I, Luxembourg</td>
<td>105,990</td>
<td>147</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Alternative Participations SICAV II, Luxembourg</td>
<td>181,641</td>
<td>–377</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Art Holdings Incorporated, New York</td>
<td>21,905</td>
<td>–11</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Art Services Ltd., London</td>
<td>201</td>
<td>165</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Bank AG, Cologne</td>
<td>66,249</td>
<td>1,771</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Customer Care GmbH, Cologne</td>
<td>663</td>
<td>103</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Nordstern France S.A., Paris</td>
<td>5,787</td>
<td>3,420</td>
<td>100.00</td>
</tr>
<tr>
<td>AXA Service AG, Cologne</td>
<td>858</td>
<td>11</td>
<td>100.00</td>
</tr>
<tr>
<td>CIMAG-Colonia Immobilien AG, Cologne</td>
<td>1,183</td>
<td>167</td>
<td>100.00</td>
</tr>
<tr>
<td>GANYMED Erste Beteiligungsverwaltungs-Gesellschaft mbH &amp; Co. KG, Cologne</td>
<td>98,319</td>
<td>3,209</td>
<td>100.00</td>
</tr>
<tr>
<td>GANYMED Zweite Beteiligungsverwaltungs-Gesellschaft mbH &amp; Co. KG, Cologne</td>
<td>63,870</td>
<td>1,415</td>
<td>100.00</td>
</tr>
<tr>
<td>Pluto Gesellschaft für Beteiligungsverwerte mbH, Cologne</td>
<td>112,476</td>
<td>11,012</td>
<td>100.00</td>
</tr>
</tbody>
</table>

\(^{a}\) Direct and assumed business excluding one-off premiums from the provisions for premium refund  
\(^{b}\) In accordance with individual balance sheets drawn up under commercial law and converted using the average rates of exchange on the balance sheet reporting date  
\(^{c}\) Directly and indirectly held by AXA Konzern AG before consideration of shares of other shareholders
### 2. Associated companies

<table>
<thead>
<tr>
<th></th>
<th>Gross premium income(^a) in € mill.</th>
<th>Equity(^a) in € '000s</th>
<th>Net profit for the year(^a) in € '000s</th>
<th>Percentage share capital(^a) in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roland group:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roland Rechtsschutz-Versicherungs-AG, Cologne</td>
<td>214</td>
<td>60,901</td>
<td>7,193</td>
<td>39.88</td>
</tr>
<tr>
<td>Roland Schutzbrief-Versicherung AG, Cologne</td>
<td>17</td>
<td>5,875</td>
<td>0</td>
<td>39.88</td>
</tr>
<tr>
<td>Roland Beteiligungsverwaltung GmbH, Cologne</td>
<td>22,309</td>
<td>1,158</td>
<td>39.88</td>
<td></td>
</tr>
<tr>
<td>Roland Assistance GmbH, Cologne</td>
<td>2,598</td>
<td>279</td>
<td>20.34</td>
<td></td>
</tr>
<tr>
<td>Roland ProzessFinanz AG, Cologne</td>
<td>2,756</td>
<td>333</td>
<td>39.88</td>
<td></td>
</tr>
<tr>
<td>Roland Italia s.r.l., Milan</td>
<td>172</td>
<td>5</td>
<td>39.88</td>
<td></td>
</tr>
<tr>
<td>Assistance Partner Services s.r.l., Milan</td>
<td>29</td>
<td>5</td>
<td>39.88</td>
<td></td>
</tr>
<tr>
<td>Dürendal Inkasso GmbH, Cologne</td>
<td>100</td>
<td>0</td>
<td>39.88</td>
<td></td>
</tr>
<tr>
<td>Jurpartner Rechtsschutz-Versicherung AG, Cologne(^d)</td>
<td>1</td>
<td>4,977</td>
<td>0</td>
<td>39.88</td>
</tr>
<tr>
<td>Jurpartner Services Gesellschaft für Rechtsschutz-Schadensregulierung mbH, Cologne</td>
<td>3,036</td>
<td>0</td>
<td>39.88</td>
<td></td>
</tr>
<tr>
<td>Truck Assistance International S.A., Lyons(^d)</td>
<td>2,241</td>
<td>679</td>
<td>39.88</td>
<td></td>
</tr>
<tr>
<td>Roland Partner Beteiligungsverwaltung GmbH, Cologne</td>
<td>915</td>
<td>44</td>
<td>12.70</td>
<td></td>
</tr>
</tbody>
</table>

### 3. Non-consolidated companies

#### Insurance companies
- Deutsche Ärzteversicherung
- Allgemeine Versicherungs-AG, Cologne 9 5,725 2,892 100.00

#### Other companies
- SVD Versicherungs-Dienst GmbH, Cologne 652 968 100.00

### 4. Other important equity interests held indirectly via Group companies

<table>
<thead>
<tr>
<th>Direct or indirect interest in</th>
<th>Corporate purpose</th>
<th>Equity(^a) in € '000s</th>
<th>Net profit for the year(^a) in € '000s</th>
<th>Percentage share capital(^a) in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruckner GmbH &amp; Co. Projekt-entwicklungs-KG, Augsburg</td>
<td>Real estate company</td>
<td>50,671</td>
<td>2,255</td>
<td>100.00</td>
</tr>
<tr>
<td>Phoebus Beteiligungsverwaltungs-gesellschaft mbH, Cologne</td>
<td>Holding company</td>
<td>885</td>
<td>14,488</td>
<td>100.00</td>
</tr>
<tr>
<td>RWE AG, Essen</td>
<td>Energy and environment</td>
<td>4,981,361</td>
<td>1,243,605</td>
<td>0.29</td>
</tr>
</tbody>
</table>

\(^a\) Direct and assumed business excluding one-off premiums from the provisions for premium refund
\(^b\) In accordance with individual balance sheets drawn up under commercial law and converted using the average rates of exchange on the balance sheet reporting date
\(^c\) Directly and indirectly held by AXA Konzern AG before consideration of shares of other shareholders
\(^d\) No net profit for the year stated because a profit transfer agreement exists
\(^e\) Equity and net profit for the year as of 31 December 2003
**Methods of Presentation and Valuation**

**Assets**

The annual financial statements of the AXA Konzern AG and its consolidated German and foreign subsidiaries upon which the consolidated financial statements are based, have been drawn up uniformly in accordance with the methods of presentation and valuation used by AXA Konzern AG.

The miscellaneous intangible assets refer to computer software, which, if acquired against payment, is shown on the balance sheet at its purchase cost less scheduled depreciation in line with its normal serviceable life.

The item also contains an amount of difference from capital consolidation which is shown as goodwill and depreciated over a serviceable life of 30 years without having an effect on results.

Land, titles to land, including buildings on leased land are valued at their acquisition or production cost plus dormant reserves allocated within the framework of the initial consolidation and less scheduled and non-scheduled depreciation.

**Shares in affiliated companies (not consolidated) and equity interests** are shown at their cost of acquisition plus dormant reserves allocated within the framework of the initial consolidation and less necessary depreciation. A lower recognition from the past was written up to the cost of acquisition or the lower fair value if the requirements of Section 280 (1) Sentence 1 of the German Commercial Code were satisfied.

**Loans to affiliated companies and companies in which an equity interest is held** are carried at their nominal values.

Equity interests in associated companies are shown at equity using the book-value method whereby the uniform valuation methods of AXA Konzern AG were not applied here.

**Shares, investment fund shares and other non-fixed interest securities attributable to current assets** are shown at their purchase price plus dormant reserves allocated within the framework of the initial consolidation or at lower stock market prices; lower valuations from the past were always written up to the purchase price or lower stock market price if the conditions of Section 280 (1) Sentence 1 German Commercial Code (HGB) were satisfied.

Where necessary, valuation units were created between securities in the portfolio and corresponding derivative financial instruments.

**Bearer bonds and other fixed interest securities** attributable to current assets are shown at their purchase price plus dormant reserves allocated within the framework of the initial consolidation.

We assumed a permanent reduction in value of a security if the current market value of a security dropped steeply at year-end due to exchange rate fluctuations, or the rating/financial standing of an issuer worsened considerably.

Bearer bonds and other fixed interest securities attributable to current assets are shown at their purchase price plus dormant reserves allocated within the framework of the initial consolidation or at lower stock market prices; lower valuations from the past were always written up to the purchase price or lower stock market price. Where necessary, valuation units were created between securities in the portfolio and corresponding derivative financial instruments.
Mortgage, land charge and annuity charge loans as well as registered bonds, debentures and loans are shown at their redemption value or nominal value less repayments except in individual cases in which value adjustments had to be made. Premiums and discounts are shown as deferred income and charges respectively and distributed over the term. Loans and advanced payments on policies and other loans are shown at their nominal value. Bank deposits and deposits in assumed reinsurance business are shown at their nominal value. Investments for the account and risk of holders of life insurance policies are shown at their current value, applying the principle of prudence. 

Accounts receivable on direct business as well as accounts receivable on reinsurance business and other accounts receivable are shown at their nominal value. Individual sum and lump sum adjustments are carried as assets. Tangible assets are shown at the cost of acquisition less necessary depreciation in line with their normal serviceable life. Minor assets are written off in full in the year of purchase. Inventories are shown at the cost of acquisition less necessary depreciation.

Current accounts with banks, cheques and cash at hand, other assets and accrued interest and rents are shown at their nominal value except in individual cases in which value adjustments on interest and rental receivables were necessary. The projected tax relief in subsequent business years was formed for the amounts of difference arising from the uniform valuation within the Group, the consolidation affecting profits and the differences between commercial balance sheet and tax balance sheet. In accordance with the German Accounting Standard No. 10 of the German Standardisation Council (DSR), amounts on the assets and liabilities side of the balance sheet are not offset against each other.

Shareholders’ equity and liabilities

Subordinated liabilities are shown at the repayment amount. Unearned premiums for direct business are determined on an accrual basis. The portions ceded to reinsurers are calculated from gross unearned premiums using the tasks of the reinsurer under consideration of a deduction for non-transferable premium parts. The shares of the reinsurer in the unearned premiums have been determined from the gross figures. The actuarial reserve for life, health and casualty insurance business is calculated on an actuarial basis in accordance with individual agreements with the exception of unit-linked life insurance in accordance with the prospective method and for insurance subject to premium with implied consideration of future costs. Unit-linked life insurance is calculated according to the retrospective method. In respect of the portfolio of occupational disability and occupational disability add-on insurance of the German life insurance companies which were not calculated according to the current tables DAV 1997 I, TI and RI, a comparison is made for the actuarial reserve under consideration of graduated life tables DAV 1997 I, TI and RI. An adjustment requirement for the new business was immediately taken into consideration in the actuarial reserve. As far as the annuity insurance policies of German life insurance companies is concerned which were not calculated according to the graduated life table DAV 1994 R, the actuarial reserve was determined under application of the DAV 1994 R graduated life table. The top-up resulting from the comparison with the original accounting base is made in accordance with the recommendations of
the Federal Supervisory Authority for Insurance Business (now Federal Agency for Financial Services Supervision) (MRBAV 11/1995) and the supplementary business plan approved by the Federal Supervisory Authority. With respect to the existing annuity portfolio, the business plan provides for a comparative calculation using table DAV 2004 R-Bestand and individual capital selection right ratios. Positive differences between comparative reserves were topped up. Acquisition costs covered in accounting terms which have not yet been repaid are allocated to the individual actuarial reserves only insofar as this practice does not produce negative results for the life insurance companies. In the health insurance segment, negative reserves are netted against positive reserves. The actuarial reserve in the life insurance business assumed in reinsurance was created in accordance with the instructions of the preinsurer.

Provisions for outstanding claims entail provisions for known claims, claims incurred but not reported, the annuity reserve and the provisions for claim settlement expenses as well as re-purchases and guarantee amounts from casualty insurance with premium reimbursement guarantee. Whilst maintaining principles of prudence these reserves will be valued as realistically as possible. The adequacy of these reserves will be checked by regular actuarial inspections.

When calculating the individual claim reserves, claims from recoveries and premises were deducted where it was certain that they would be realised or could be determined without doubt. The provisions for claims incurred but not reported on the date the Claim Register had closed are determined on the basis of empirical values of the previous years. The annuity reserve is calculated on an actuarial basis. The portions ceded to reinsurers in the provisions for outstanding claims are calculated in accordance with contractual agreements. In underwriting business accepted in reinsurance we followed the instructions of the ceding company.

The provisions for premium refund created by the German life insurers are determined in accordance with the provisions of Section 28 (7) of the RechVersV. In this respect term-independent final profit shares for insurance policies not expiring in the subsequent year as well as term-dependent final profit shares, insofar as dependent on the insured sum entitled to profit-sharing, were determined individually and prospectively. The former were discounted at an interest rate of 7.5% and the latter at an interest rate of 7.0%. These interest rates contain appropriate surcharges by way of correction for final profit shares expiring as a result of premature maturities and death. In casualty insurance, premium refunds for outstanding claims equalisation reserve and provisions for claim settlement expenses as well as re-purchased were determined in accordance with the legal ordinance issued pursuant to Section 12c VAG (surplus ordinance). The appropriation of these resources has been permitted by the independent trustee and the appropriation was made according to contractual agreement.

The claims equalisation reserve and similar reserves are determined in accordance with Section 341 (h) of the German Commercial Code (HGB) in connection with Section 29, Section 30 and the Annex in respect of Section 29 RechVersV. The calculation of the reserve for imminent losses in underwriting business is made on the basis of average underwriting losses over a three-year period under consideration of interest income, esidual terms and claims equalisation reserve.

Other underwriting provisions are created in accordance with the statutory provisions, contractual agreements and empirical values from the past. In the case of the actuarial reserve in the area of life insurance if investment risk covered by policyholders, the actuarial capital of each individual unit-linked life insurance is determined according to the principles notified to the Federal Insurance Supervisory Agency (now Federal Agency for Financial Services Supervision) in accordance with Section 13d No. 6 VAG.

The underwriting provisions of foreign subsidiaries were taken over in an unaltered form provided that these were based on local insurance-related valuations. The pension provisions are calculated on the basis of the applicable principles of the subsidiaries under consideration of statutory regulations and transferred to the consolidated financial statements unchanged. The new “reference tables of Dr. Klaus Heubeck 1998” provided the basis for calculation for the consolidated German companies.
Reserves are formed for anniversary bonuses promised in writing provided that the applicable rights were acquired after 31 December 1992. They are valued in accordance with the partial value method provided for by Section 5 (4) of the German Income Tax Act (EStG) in connection with Section 52 (6) of the German Income Tax Act (EStG) under consideration of a letter written by the Federal Minister of Finance dated 29 October 1993. Other amounts under commercial law principles are allocated to the reserves as determined according to taxation regulations.

Other provisions are valued according to foreseeable requirements.

Deposit liabilities are carried at nominal amount.

All other liabilities are carried at their redemption values.

Methods of determining current market value of investments

The disclosure of current market values of investments is made in the consolidated annual financial statements analogous to the provisions of Sections 54 et seq. RechVersV, whereby we additionally publish the current market values of investments which were shown at nominal value. The current market values are basically determined in accordance with the circular M-Tgb. no. 95/96 dated 24 October 1996 of the Federal Association of the German Insurance Industry (Gesamtverband der deutschen V ersicherungs-wirtschaft e.V.). The information is provided as of balance sheet reporting date. The following individual calculation procedures were used:

The current market values for land, titles to land and buildings including buildings on leased land were determined in 2004 according to the Valuation Directive and Valuation Ordinance (part of the Federal Building Code, 11 June 1991) and the Valuation Ordinance (dated 6 December 1988).

In the case of investments in affiliated companies and equity interests, the financial interests were shown at stock exchange value as of 31 December 2004 less an appropriate deduction. In respect of companies not listed on the stock exchange, the current values were determined on the basis of the discounted cash flow and appraisal value method. In the case of equity interests acquired in the year under review, the purchase costs were taken as current market value. For all remaining equity interests, the total of proportionate equity and, insofar as calculable and recognisable, the portion of statutory unrealised values on capital investments were used as current market value.

The current market values of shares, investment fund shares and other non-fixed income securities were determined on the basis of stock exchange prices or repurchase prices as of 31 December 2004 (key date valuation). In respect of current market values of bearer bonds and other fixed-interest securities, the stock exchange prices as of 31 December 2004 were used.

The current market values of mortgage, land charge and annuity charge loans were determined in accordance with the yield calculation according to Moosmüller (interest curve as of 31 December 2004). Owing to the short-term nature of bank deposits the current market value corresponds to the book value.
<table>
<thead>
<tr>
<th>Assets</th>
<th>2003 balance sheet values</th>
<th>Exchange rate fluctuations</th>
<th>Additions⁽¹⁾</th>
<th>Transfers</th>
<th>Disposals⁽¹⁾</th>
<th>Write-ups</th>
<th>Depreciation</th>
<th>Balance sheet values</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Intangible assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Goodwill</td>
<td>577,145</td>
<td>31,462</td>
<td>-19,732</td>
<td></td>
<td></td>
<td></td>
<td>588,875</td>
<td></td>
</tr>
<tr>
<td>II. Miscellaneous intangible assets</td>
<td>12,088</td>
<td>11,151</td>
<td>-11,083</td>
<td></td>
<td></td>
<td></td>
<td>12,156</td>
<td></td>
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<tr>
<td>Subtotal</td>
<td>589,233</td>
<td>42,613</td>
<td>-30,815</td>
<td></td>
<td></td>
<td></td>
<td>601,031</td>
<td></td>
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<tr>
<td>C. Investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Land, titles to land and buildings including buildings on leased land</td>
<td>523,320</td>
<td>123,712</td>
<td>-45,868</td>
<td>-42,483</td>
<td></td>
<td></td>
<td>558,680</td>
<td></td>
</tr>
<tr>
<td>2. Investments in affiliated companies and equity interests</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Shares in affiliated companies</td>
<td>312,857</td>
<td>208</td>
<td>867,128</td>
<td>-1,375</td>
<td>-1,002,832</td>
<td>2,241</td>
<td>-6,217</td>
<td>172,010</td>
</tr>
<tr>
<td>2. Loans to affiliated companies</td>
<td>580,191</td>
<td>-5,214</td>
<td>347,553</td>
<td>-423,676</td>
<td></td>
<td></td>
<td></td>
<td>498,854</td>
</tr>
<tr>
<td>3. Equity interests in associated companies</td>
<td>23,153</td>
<td></td>
<td></td>
<td>188</td>
<td></td>
<td></td>
<td></td>
<td>22,965</td>
</tr>
<tr>
<td>4. Equity interests</td>
<td>428,139</td>
<td>381,219</td>
<td>1,350</td>
<td>-308,146</td>
<td>1,302</td>
<td>-13,143</td>
<td></td>
<td>490,721</td>
</tr>
<tr>
<td>5. Loans to companies in which an equity interest is held</td>
<td>16,225</td>
<td></td>
<td>8,014</td>
<td>-24,162</td>
<td>-77</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal II.</td>
<td>1,360,565</td>
<td>-5,006</td>
<td>1,603,914</td>
<td>-25</td>
<td>-1,759,004</td>
<td>3,543</td>
<td>-19,360</td>
<td>1,184,627</td>
</tr>
<tr>
<td>4. Other investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Shares, investment fund shares and other non-fixed interest securities</td>
<td>12,870,130</td>
<td>-1,672</td>
<td>7,216,349</td>
<td>-440</td>
<td>-9,655,471</td>
<td>46,344</td>
<td>-184,528</td>
<td>10,291,591</td>
</tr>
<tr>
<td>2. Bearer bonds and other fixed-interest securities</td>
<td>3,732,904</td>
<td>-13,512</td>
<td>1,278,056</td>
<td>-415</td>
<td>-2,440,852</td>
<td>497</td>
<td>-983</td>
<td>2,555,696</td>
</tr>
<tr>
<td>4. Other loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Registered bonds</td>
<td>5,464,360</td>
<td>4,621,996</td>
<td>500</td>
<td>-1,598,498</td>
<td>0</td>
<td></td>
<td>8,488,359</td>
<td></td>
</tr>
<tr>
<td>b) Debentures and loans</td>
<td>4,526,149</td>
<td>-2,216</td>
<td>3,706,206</td>
<td>-500</td>
<td>-1,255,597</td>
<td>73</td>
<td>-2,083</td>
<td>6,972,032</td>
</tr>
<tr>
<td>c) Loans and advance payments on policies</td>
<td>23,108</td>
<td>258,679</td>
<td>0</td>
<td>-7,327</td>
<td>274,459</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) Other loans</td>
<td>218,234</td>
<td>6,375</td>
<td></td>
<td>-30,297</td>
<td>-16</td>
<td></td>
<td>194,296</td>
<td></td>
</tr>
<tr>
<td>5. Bank deposits</td>
<td>1,740,582</td>
<td>-238</td>
<td></td>
<td>-1,412,069</td>
<td>328,274</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Other investments</td>
<td>246,570</td>
<td></td>
<td></td>
<td>-15,854</td>
<td>230,716</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal III.</td>
<td>32,472,617</td>
<td>-17,638</td>
<td>17,185,966</td>
<td>25</td>
<td>-17,034,458</td>
<td>46,914</td>
<td>-195,730</td>
<td>32,457,695</td>
</tr>
<tr>
<td>IV. Deposits in assumed reinsurance business</td>
<td>49,117</td>
<td>-210</td>
<td>130,950</td>
<td>-136,794</td>
<td></td>
<td></td>
<td>43,063</td>
<td></td>
</tr>
<tr>
<td>Total investments</td>
<td>34,405,619</td>
<td>-22,854</td>
<td>19,044,542</td>
<td>0</td>
<td>-18,976,125</td>
<td>50,457</td>
<td>-257,573</td>
<td>34,244,065</td>
</tr>
</tbody>
</table>

⁽¹⁾ Including additions and disposals through changes in the scope of consolidated companies
Of the total depreciation of € 258 million, € 236 million are non-scheduled. Disposals of special reserves having an effect on results and based purely on tax provisions were not made. There were no write-downs on investments pursuant to Section 281 (2) of the German Commercial Code (HGB).

2-5 C. Investments

<table>
<thead>
<tr>
<th></th>
<th>of which life/</th>
<th>of which property/</th>
<th>of which holding/</th>
<th>Total 2004</th>
<th>Total 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>of which health</td>
<td>of which casualty</td>
<td>of which other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Land, titles to land and buildings including buildings on leased land</td>
<td>420,981</td>
<td>79,267</td>
<td>58,432</td>
<td>558,680</td>
<td>523,320</td>
</tr>
<tr>
<td>II. Investments in affiliated companies and equity interests</td>
<td>769,348</td>
<td>307,999</td>
<td>107,280</td>
<td>1,184,627</td>
<td>1,360,565</td>
</tr>
<tr>
<td>III. 1. Shares, investment fund shares and other non-fixed interest securities</td>
<td>7,211,448</td>
<td>3,071,432</td>
<td>8,711</td>
<td>10,291,591</td>
<td>12,870,130</td>
</tr>
<tr>
<td>II. Investments in affiliated companies and equity interests</td>
<td>769,348</td>
<td>307,999</td>
<td>107,280</td>
<td>1,184,627</td>
<td>1,360,565</td>
</tr>
<tr>
<td>4. a) Registered bonds</td>
<td>7,538,099</td>
<td>950,260</td>
<td>0</td>
<td>8,488,359</td>
<td>5,464,360</td>
</tr>
<tr>
<td>b) Debentures and loans</td>
<td>6,056,519</td>
<td>913,007</td>
<td>2,506</td>
<td>6,972,032</td>
<td>4,526,149</td>
</tr>
<tr>
<td>c) Loans and advance payments on policies</td>
<td>273,354</td>
<td>1,105</td>
<td>0</td>
<td>274,459</td>
<td>23,108</td>
</tr>
<tr>
<td>d) Other loans</td>
<td>191,570</td>
<td>2,726</td>
<td>0</td>
<td>194,296</td>
<td>218,234</td>
</tr>
<tr>
<td>5. Bank deposits</td>
<td>99,850</td>
<td>97,238</td>
<td>131,186</td>
<td>328,274</td>
<td>1,740,582</td>
</tr>
<tr>
<td>6. Other investments</td>
<td>230,716</td>
<td>0</td>
<td>0</td>
<td>230,716</td>
<td>246,570</td>
</tr>
<tr>
<td>IV. Deposits receivable</td>
<td>197</td>
<td>42,866</td>
<td>0</td>
<td>43,063</td>
<td>49,117</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26,819,573</strong></td>
<td><strong>6,378,915</strong></td>
<td><strong>1,045,577</strong></td>
<td><strong>34,244,065</strong></td>
<td><strong>34,405,619</strong></td>
</tr>
</tbody>
</table>

The balance sheet value of the land and buildings used wholly or predominantly by insurance companies themselves amounts to € 16.1 million.
Investments not valued according to the principle of the lower of cost or market

<table>
<thead>
<tr>
<th></th>
<th>Life/health Current market values</th>
<th>Property/casualty Current market values</th>
<th>Total Current market values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares, investment shares and other non-fixed interest bearing securities</td>
<td>7,137,124 7,207,778</td>
<td>3,082,657 3,088,977</td>
<td>10,219,781 10,296,755</td>
</tr>
<tr>
<td>Bearer bonds and other fixed-interest bearing securities</td>
<td>1,652,046 1,688,602</td>
<td>745,526 753,001</td>
<td>2,397,572 2,441,603</td>
</tr>
<tr>
<td><strong>Total securities</strong></td>
<td><strong>8,789,170</strong> <strong>8,896,380</strong></td>
<td><strong>3,828,183</strong> <strong>3,841,978</strong></td>
<td><strong>12,617,353</strong> <strong>12,738,358</strong></td>
</tr>
<tr>
<td>Amount of difference compared with balance sheet value</td>
<td>107,210</td>
<td>13,795</td>
<td>121,005</td>
</tr>
</tbody>
</table>

As of 31 December 2004 investments were allocated to fixed assets whose current market values in property/casualty insurance were € 7.6 million below book value and in life and health insurance € 101.5 million below book value.

Information pursuant to Section 285 no. 18 German Commercial Code (HGB)

<table>
<thead>
<tr>
<th>Balance sheet item</th>
<th>Nominal volumes</th>
<th>Current value</th>
<th>Book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and currency swaps</td>
<td>426,759</td>
<td>31,392</td>
<td>Loans to affiliated companies</td>
</tr>
<tr>
<td>Forward exchange dealings</td>
<td>71,915</td>
<td>4,228</td>
<td>Equity interests</td>
</tr>
<tr>
<td>Derivative products</td>
<td>114,582</td>
<td>97,178</td>
<td>Registered bonds</td>
</tr>
</tbody>
</table>

The derivative financial instruments were carried as valuation units with the corresponding financial assets. The market values of the derivative financial instruments were determined using valuation methods.

Transactions with derivative financial instruments, structured investments and advance purchases were only conducted within the framework of provisions of supervisory law (BAV circular R 3/2000).

6 F.I. Accounts receivable on direct insurance business

<table>
<thead>
<tr>
<th></th>
<th>Life/ health 2004</th>
<th>Property/ casualty 2004</th>
<th>Total 2004</th>
<th>Total 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policyholders</td>
<td>309,668</td>
<td>49,617</td>
<td>359,285</td>
<td>329,607</td>
</tr>
<tr>
<td>Agents</td>
<td>77,937</td>
<td>146,003</td>
<td>223,940</td>
<td>251,811</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>387,605</strong></td>
<td><strong>195,620</strong></td>
<td><strong>583,225</strong></td>
<td><strong>581,418</strong></td>
</tr>
</tbody>
</table>
## 7 F.III. Other accounts receivable

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>Total 2004</th>
<th>2003</th>
<th>Total 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued interest and rents receivable</td>
<td>39,749</td>
<td>24,538</td>
<td>248,700</td>
<td>222,759</td>
</tr>
<tr>
<td>Tax receivable</td>
<td>248,700</td>
<td>222,759</td>
<td>25,279</td>
<td>47,557</td>
</tr>
<tr>
<td>Accounts receivable from other claims settlements</td>
<td>22,110</td>
<td>160,171</td>
<td>34,170</td>
<td>6,277</td>
</tr>
<tr>
<td>Payment transactions still to be allocated owing to advance account closing dates</td>
<td>13,876</td>
<td>53,081</td>
<td>19,202</td>
<td>55,533</td>
</tr>
<tr>
<td>Extraordinary fund dividends</td>
<td>7,108</td>
<td>90,477</td>
<td>106,717</td>
<td>62,570</td>
</tr>
<tr>
<td>Accounts receivable from associated companies</td>
<td>107,293</td>
<td>60,630</td>
<td>74,347</td>
<td>62,399</td>
</tr>
<tr>
<td>Remaining other accounts receivable</td>
<td>698,551</td>
<td>62,399</td>
<td>845,992</td>
<td></td>
</tr>
</tbody>
</table>

## 8 G. I. Tangible assets and inventories

This item comprises technical equipment and machinery (computers), operating and business fittings, inventories and office material.

## 9 H. Trust assets

The trust assets from accounts receivable from customers are directly related to the trust liabilities towards banks.

## 10 I. I. Accrued interest and rent

This includes all interest and rents receivable arising within the period under review but not yet due for payment.

## 11 I. II. Other accruals/ J. Accruals and deferred income

These items on the assets side contain premiums on other loans attributable to subsequent years amounting to € 154.4 million. The accruals on the shareholders’ equity and liabilities’ side contain bonuses attributable to subsequent years arising from mortgages and other loans of € 11.9 million.

## 12 J. Projected tax relief in subsequent business years in accordance with Section 274/306 of the German Commercial Code (HGB)

A further € 31 million of this figure refers to internal transfers (interim profits) and the ban on showing software produced within the Group on the assets side of the balance sheet (€ 6 million) and the different valuations in the commercial balance sheet and tax balance sheet in the property segment (€ 10 million).

The deferred taxes on the liabilities side of the balance sheet of € 14 million result from initial consolidation processes in the property segment (€ 4.5 million) and from the reallocation of special reserves to the revenue reserves (€ 5.6 million). According to the DSRS 10 tax deferrals are to be made.

An additional € 4.5 million refers to the disclosure of undisclosed reserves and € 1 million to the ban on carrying software created by the Group on the assets side of the balance sheet.
Shareholders’ equity and liability

A. Shareholders’ equity

13 I. Subscribed capital of AXA Konzern AG

II. Capital reserves of AXA Konzern AG

14 III. Revenue reserves

1. Statutory revenue reserves of AXA Konzern AG

2. Other revenue reserves including profits carried forward of AXA Konzern AG and Group companies as well as amounts of difference on the assets and liabilities side netted against each other resulting from capital consolidation and netted goodwill.

Group equity developed as follows for 2003/2004

<table>
<thead>
<tr>
<th></th>
<th>Subscribed capital</th>
<th>Capital reserves</th>
<th>Revenue reserves</th>
<th>Consolidated profit</th>
<th>Minority shares</th>
<th>Equity total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status at 31 December 2002</td>
<td>79,840</td>
<td>264,199</td>
<td>105,579</td>
<td>3,775</td>
<td>3,011</td>
<td>456,404</td>
</tr>
<tr>
<td>Allocation to the reserves</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>–</td>
<td>–</td>
<td>–37,775</td>
<td>–37,775</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Exchange rate fluctuations</td>
<td>–</td>
<td>–</td>
<td>–4,666</td>
<td>–</td>
<td>13</td>
<td>–4,653</td>
</tr>
<tr>
<td>Initial consolidations</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Consolidation reversals</td>
<td>–</td>
<td>–</td>
<td>12,291</td>
<td>–</td>
<td>80</td>
<td>12,371</td>
</tr>
<tr>
<td>Netting of goodwill</td>
<td>–</td>
<td>–</td>
<td>–19,731</td>
<td>–</td>
<td>–</td>
<td>–19,731</td>
</tr>
<tr>
<td>Unrealised profits from securities</td>
<td>–</td>
<td>–</td>
<td>2,980</td>
<td>–</td>
<td>–</td>
<td>2,980</td>
</tr>
<tr>
<td>Capitalisation of deferred taxes</td>
<td>–</td>
<td>–</td>
<td>47,040</td>
<td>–</td>
<td>–</td>
<td>47,040</td>
</tr>
<tr>
<td>Restructuring of special reserves</td>
<td>–</td>
<td>–</td>
<td>13,816</td>
<td>–</td>
<td>–</td>
<td>13,816</td>
</tr>
<tr>
<td>Acquisition of majority equity interests</td>
<td>–</td>
<td>–</td>
<td>–725</td>
<td>–</td>
<td>206</td>
<td>–519</td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>–</td>
<td>–</td>
<td>570,672</td>
<td>–</td>
<td>351</td>
<td>571,023</td>
</tr>
<tr>
<td>Status at 31 December 2003</td>
<td>79,840</td>
<td>264,199</td>
<td>123,207</td>
<td>570,672</td>
<td>3,124</td>
<td>1,041,042</td>
</tr>
<tr>
<td>Allocation to the reserves</td>
<td>–</td>
<td>–</td>
<td>570,672</td>
<td>–570,672</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>–</td>
<td>–</td>
<td>–37,152</td>
<td>–</td>
<td>–480</td>
<td>–37,632</td>
</tr>
<tr>
<td>Exchange rate fluctuations</td>
<td>–</td>
<td>–</td>
<td>–1,703</td>
<td>–</td>
<td>–</td>
<td>–1,703</td>
</tr>
<tr>
<td>Initial consolidations</td>
<td>–</td>
<td>–</td>
<td>1,437</td>
<td>–</td>
<td>–53</td>
<td>1,384</td>
</tr>
<tr>
<td>Consolidation reversals</td>
<td>–</td>
<td>–</td>
<td>–14,260</td>
<td>–</td>
<td>5</td>
<td>–14,265</td>
</tr>
<tr>
<td>Netting of goodwill</td>
<td>–</td>
<td>–</td>
<td>–19,731</td>
<td>–</td>
<td>–</td>
<td>–19,731</td>
</tr>
<tr>
<td>Unrealised profits from securities</td>
<td>–</td>
<td>–</td>
<td>–1,056</td>
<td>–</td>
<td>–</td>
<td>–1,056</td>
</tr>
<tr>
<td>Acquisition of majority equity interests</td>
<td>–</td>
<td>–</td>
<td>–130</td>
<td>–</td>
<td>31</td>
<td>–99</td>
</tr>
<tr>
<td>Net loss for the year</td>
<td>–</td>
<td>–</td>
<td>–57,946</td>
<td>–67,946</td>
<td>413</td>
<td>–67,533</td>
</tr>
</tbody>
</table>

15 IV. The consolidated net loss for the year of € –67.9 million equals the sum total of the results from the individual restated consolidated financial statements including consolidation measures having an effect on results, less profits payable and plus losses attributable to minority shareholders.

16 V. The adjustment item for minority shareholders contains minority interests in the equity of subsidiaries.

17 B. Subordinated liabilities

In order to strengthen Group solvency AXA, Paris, extended an interest-bearing subordinated loan of € 350 million to AXA Germany at the end of 2003.
### C. Underwriting provisions

#### in € '000s

<table>
<thead>
<tr>
<th></th>
<th>Direct insurance business</th>
<th>Business assumed</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Life/health</td>
<td>Property/casualty</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>I. Unearned premiums</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>282,804</td>
<td>337,426</td>
<td>10,817</td>
<td>631,047</td>
</tr>
<tr>
<td>Portion ceded in reinsurance</td>
<td>42,477</td>
<td>4,862</td>
<td>717</td>
<td>48,056</td>
</tr>
<tr>
<td></td>
<td>240,327</td>
<td>332,564</td>
<td>10,100</td>
<td>582,991</td>
</tr>
<tr>
<td><strong>II. Actuarial reserve</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>23,631,466</td>
<td>529,809</td>
<td>8,604</td>
<td>24,169,879</td>
</tr>
<tr>
<td>Portion ceded in reinsurance</td>
<td>818,146</td>
<td>–664</td>
<td>21,140</td>
<td>838,622</td>
</tr>
<tr>
<td></td>
<td>22,813,320</td>
<td>530,473</td>
<td>–12,536</td>
<td>23,331,257</td>
</tr>
<tr>
<td><strong>III. Provisions for outstanding claims</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portion ceded in reinsurance</td>
<td>10,781</td>
<td>461,638</td>
<td>158,214</td>
<td>630,633</td>
</tr>
<tr>
<td></td>
<td>272,734</td>
<td>3,218,048</td>
<td>512,293</td>
<td>4,003,075</td>
</tr>
<tr>
<td><strong>IV. Provisions for premium refunds (profit and non-profit-linked)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>1,485,441</td>
<td>64,969</td>
<td>0</td>
<td>1,550,410</td>
</tr>
<tr>
<td>Portion ceded in reinsurance</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>1,485,441</td>
<td>64,969</td>
<td>0</td>
<td>1,550,410</td>
</tr>
<tr>
<td><strong>V. Claims equalisation reserve and similar</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>0</td>
<td>960,450</td>
<td>54,496</td>
<td>1,014,946</td>
</tr>
<tr>
<td><strong>VI. Other underwriting provisions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>13,160</td>
<td>21,157</td>
<td>–67</td>
<td>34,250</td>
</tr>
<tr>
<td>Portion ceded in reinsurance</td>
<td>–17,679</td>
<td>0</td>
<td>–17,679</td>
<td>–2,676</td>
</tr>
<tr>
<td></td>
<td>13,160</td>
<td>38,836</td>
<td>–67</td>
<td>51,929</td>
</tr>
<tr>
<td>2004</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>25,696,386</td>
<td>5,593,497</td>
<td>744,357</td>
<td>32,034,240</td>
</tr>
<tr>
<td>Portion ceded in reinsurance</td>
<td>871,404</td>
<td>448,157</td>
<td>180,071</td>
<td>1,499,632</td>
</tr>
<tr>
<td>Total</td>
<td>24,824,982</td>
<td>5,145,340</td>
<td>564,286</td>
<td>30,534,608</td>
</tr>
<tr>
<td>2003</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross</td>
<td>25,711,788</td>
<td>5,398,667</td>
<td>863,340</td>
<td>31,973,795</td>
</tr>
<tr>
<td>Portion ceded in reinsurance</td>
<td>830,406</td>
<td>690,600</td>
<td>279,639</td>
<td>1,800,645</td>
</tr>
<tr>
<td>Total</td>
<td>24,881,382</td>
<td>4,708,067</td>
<td>583,701</td>
<td>30,173,150</td>
</tr>
</tbody>
</table>
20 F. IV. Other provisions

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holiday pay, management bonuses, profit participation</td>
<td>48,780</td>
<td>34,423</td>
</tr>
<tr>
<td>Anniversary payments</td>
<td>19,763</td>
<td>19,871</td>
</tr>
<tr>
<td>Early retirement payments</td>
<td>5,310</td>
<td>3,773</td>
</tr>
<tr>
<td>Social plan provisions</td>
<td>66,660</td>
<td>93,922</td>
</tr>
<tr>
<td>Commission claims, compensation, competitions</td>
<td>52,923</td>
<td>52,975</td>
</tr>
<tr>
<td>Guarantee provisions and risks of unoccupied buildings</td>
<td>45,822</td>
<td>66,213</td>
</tr>
<tr>
<td>Funds for building society collateral</td>
<td>0</td>
<td>17,882</td>
</tr>
<tr>
<td>Special risks from pending and forthcoming disputes</td>
<td>88,540</td>
<td>82,468</td>
</tr>
<tr>
<td>Interest pursuant to Section 233 AO</td>
<td>52,869</td>
<td>38,902</td>
</tr>
<tr>
<td>Payment received but not yet accounted for</td>
<td>33,862</td>
<td>30,571</td>
</tr>
<tr>
<td>Reduction - purchase price General Re</td>
<td>35,062</td>
<td>33,974</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>61,030</td>
<td>93,536</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>510,621</td>
<td>568,510</td>
</tr>
</tbody>
</table>

21 H.I. Accounts payable on direct insurance business

<table>
<thead>
<tr>
<th></th>
<th>Life/health</th>
<th>Property/casualty</th>
<th>Total 2004</th>
<th>Total 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policyholders</td>
<td>1,634,898</td>
<td>92,011</td>
<td>1,726,909</td>
<td>1,813,597</td>
</tr>
<tr>
<td>Agents</td>
<td>37,923</td>
<td>30,772</td>
<td>68,705</td>
<td>47,476</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,672,831</td>
<td>122,783</td>
<td>1,795,614</td>
<td>1,861,073</td>
</tr>
</tbody>
</table>

22 H. III. Accounts payable to banks

Accounts payable to banks primarily include liabilities towards AXA Bank of € 301.2 million. The other amounts relate to temporary transactions as of the balance sheet reporting date. Accounts payable with a residual term of more than five years exist towards AXA Bank amounting to € 40.3 million.
With the exception of the accounts payable from loans and mortgages all accounts payable have a residual term of less than one year.

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment transactions not yet allocated as a result of advance accounting dates</td>
<td>77,601</td>
<td>94,194</td>
</tr>
<tr>
<td>Social security contributions still to be made</td>
<td>7,579</td>
<td>10,845</td>
</tr>
<tr>
<td>Taxes still to be paid</td>
<td>25,109</td>
<td>33,828</td>
</tr>
<tr>
<td>Accounts payable - trade</td>
<td>11,156</td>
<td>10,179</td>
</tr>
<tr>
<td>Accounts payable from investments/savings deposits</td>
<td>16,387</td>
<td>18,118</td>
</tr>
<tr>
<td>Accounts payable for purchase price and settlement liabilities on investments</td>
<td>0</td>
<td>27,224</td>
</tr>
<tr>
<td>Other deposit liabilities</td>
<td>0</td>
<td>23,115</td>
</tr>
<tr>
<td>Accounts payable to other insurance companies/policyholders</td>
<td>16,399</td>
<td>24,882</td>
</tr>
<tr>
<td>Accounts payable from loans and mortgages</td>
<td>459,614</td>
<td>503,508</td>
</tr>
<tr>
<td>Accounts payable to affiliated companies</td>
<td>104,005</td>
<td>18,555</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>57,984</td>
<td>32,141</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>775,834</strong></td>
<td><strong>796,589</strong></td>
</tr>
</tbody>
</table>

Other information to be provided in accordance with Section 4 of the Ordinance on Rendering of Accounts of Insurance Companies

Accounts receivable and other accounts payable vis-à-vis affiliated companies or companies in which an equity interest is held

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>to affiliated companies</td>
<td></td>
<td>to companies in which an equity interest is held</td>
<td></td>
</tr>
<tr>
<td><strong>24 Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable from direct insurance business</td>
<td>422</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Accounts receivable from reinsurance business</td>
<td>10,690</td>
<td>54,818</td>
<td>383</td>
<td>255</td>
</tr>
<tr>
<td>Other accounts receivable</td>
<td>106,717</td>
<td>62,570</td>
<td>4,404</td>
<td>5,052</td>
</tr>
<tr>
<td><strong>25 Shareholders’ equity and liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable on direct insurance business</td>
<td>100</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Accounts payable on reinsurance business</td>
<td>11,474</td>
<td>10,274</td>
<td>844</td>
<td>1,238</td>
</tr>
<tr>
<td>Accounts payable to banks</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>104,005</td>
<td>18,555</td>
<td>29</td>
<td>26</td>
</tr>
</tbody>
</table>

in € '000s
## Notes to the Consolidated Profit and Loss Account

### I. and II. Underwriting account

<table>
<thead>
<tr>
<th>26</th>
<th>Gross premiums written</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a)</strong> Breakdown by class of business</td>
<td></td>
</tr>
<tr>
<td>Direct business</td>
<td></td>
</tr>
<tr>
<td>Life</td>
<td>2,608,387</td>
</tr>
<tr>
<td>Health</td>
<td>888,978</td>
</tr>
<tr>
<td>Property and casualty</td>
<td></td>
</tr>
<tr>
<td>Motor vehicle</td>
<td>947,102</td>
</tr>
<tr>
<td>Casualty</td>
<td>218,902</td>
</tr>
<tr>
<td>Liability</td>
<td>498,263</td>
</tr>
<tr>
<td>Transport and aviation</td>
<td>112,323</td>
</tr>
<tr>
<td>Fire</td>
<td>164,489</td>
</tr>
<tr>
<td>Other</td>
<td>761,176</td>
</tr>
<tr>
<td><strong>Total direct business</strong></td>
<td>6,199,620</td>
</tr>
<tr>
<td>Business assumed</td>
<td>107,028</td>
</tr>
<tr>
<td><strong>Total business</strong></td>
<td>6,306,648</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>27</th>
<th>3. Interest income from operating business</th>
</tr>
</thead>
<tbody>
<tr>
<td>In gross direct underwriting business, interest income from operating business was calculated on the annuity reserves, premium reserves and provisions for premium refunds. The income from the annuity reserves was calculated at 4% for annuities registered by 30 June 2000 and at 3.25% for annuities registered from 1 July 2000 from the arithmetic mean of the starting and closing amount of the reserves. In casualty insurance with guaranteed premium refunds, interest income from operating business was calculated on the premium reserve and the provisions for premium refunds on the basis of the average projected yield on the companies’ investments.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>28</th>
<th>7. a) Gross operating expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Of the gross operating expenses in property and casualty insurance in the business year, operating expenses accounted for € 367.7 million and administrative expenses for € 422.7 million.</td>
<td></td>
</tr>
</tbody>
</table>
## III. Non-underwriting business

### 29 II.2. Income from investments

<table>
<thead>
<tr>
<th></th>
<th>Life/health</th>
<th>Property/casualty/</th>
<th>Other business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Income from equity interests</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>aa) in non-consolidated companies</td>
<td>15,072</td>
<td>65,541</td>
<td>31,029</td>
<td>185,693</td>
</tr>
<tr>
<td>ab) in associated companies</td>
<td>0</td>
<td>0</td>
<td>3,082</td>
<td>3,347</td>
</tr>
<tr>
<td>b) Income from other investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ba) Income from land, titles to land and buildings including buildings on leased land</td>
<td>35,105</td>
<td>48,654</td>
<td>27,631</td>
<td>28,076</td>
</tr>
<tr>
<td>bb) Income from other investments</td>
<td>1,118,360</td>
<td>1,258,711</td>
<td>293,594</td>
<td>312,526</td>
</tr>
<tr>
<td>c) Income from reinstated deprecation</td>
<td>5,374</td>
<td>21,862</td>
<td>45,083</td>
<td>9,231</td>
</tr>
<tr>
<td>d) Profits from the disposal of investments</td>
<td>444,696</td>
<td>693,481</td>
<td>73,147</td>
<td>774,071</td>
</tr>
<tr>
<td>e) Income from the writing back</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total of income from investments</td>
<td>1,618,607</td>
<td>2,088,249</td>
<td>473,566</td>
<td>1,312,944</td>
</tr>
</tbody>
</table>

### 30 Interest income from building society loans

<table>
<thead>
<tr>
<th></th>
<th>Life/health</th>
<th>Property/casualty/</th>
<th>Other business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
</tr>
</tbody>
</table>

### 31 III.4. Expenses on investments

<table>
<thead>
<tr>
<th></th>
<th>Life/health</th>
<th>Property/casualty/</th>
<th>Other business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Expenses on the management of investments, interest expenses and other expenses on investments</td>
<td>53,048</td>
<td>65,093</td>
<td>131,612</td>
<td>98,455</td>
</tr>
<tr>
<td>b) Amortisation on investments</td>
<td>137,645</td>
<td>775,229</td>
<td>119,928</td>
<td>238,933</td>
</tr>
<tr>
<td>c) Loss from the disposal of investments</td>
<td>371,518</td>
<td>244,946</td>
<td>9,124</td>
<td>79,887</td>
</tr>
<tr>
<td>d) Expenses on absorption of losses from associated companies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>e) Allocation to the special reserves</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total expenses on investments</td>
<td>562,211</td>
<td>1,085,268</td>
<td>260,664</td>
<td>417,275</td>
</tr>
</tbody>
</table>

### 31 Subtotal

<table>
<thead>
<tr>
<th></th>
<th>Life/health</th>
<th>Property/casualty/</th>
<th>Other business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-realised profits/losses from investments</td>
<td>33,288</td>
<td>28,595</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Investment result

<table>
<thead>
<tr>
<th></th>
<th>Life/health</th>
<th>Property/casualty/</th>
<th>Other business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,089,684</td>
<td>1,031,576</td>
<td>212,902</td>
<td>908,516</td>
</tr>
</tbody>
</table>

### III.4. Expenses on investments

<table>
<thead>
<tr>
<th></th>
<th>Life/health</th>
<th>Property/casualty/</th>
<th>Other business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>b) Amortisation on investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortisation on real property</td>
<td>33,473</td>
<td>14,970</td>
<td>9,010</td>
<td>5,237</td>
</tr>
<tr>
<td>Amortisation on equity interests</td>
<td>6,248</td>
<td>44,598</td>
<td>13,112</td>
<td>38,227</td>
</tr>
<tr>
<td>Amortisation on fixed-interest securities including mortgages</td>
<td>10,262</td>
<td>95,543</td>
<td>940</td>
<td>19,316</td>
</tr>
<tr>
<td>Amortisation on shares, investment shares and other non-fixed-interest investments</td>
<td>87,662</td>
<td>620,118</td>
<td>96,866</td>
<td>176,153</td>
</tr>
<tr>
<td>Total expenses on investments</td>
<td>137,645</td>
<td>775,229</td>
<td>119,928</td>
<td>238,933</td>
</tr>
</tbody>
</table>

### III. Non-underwriting business

In € ’000s
Information in accordance with Section 4 of the Ordinance on the Rendering of Accounts of Insurance Companies

<table>
<thead>
<tr>
<th></th>
<th>Profit and loss account</th>
<th>Property and casualty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Life/health</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income from equity interests in non-consolidated companies</td>
<td>14,520</td>
<td>64,625</td>
</tr>
<tr>
<td>Income from other investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Property and casualty</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income from equity interests in non-consolidated companies</td>
<td>18,414</td>
<td>166,961</td>
</tr>
<tr>
<td>Income from other investments</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**32 III. 8. Other income**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from the writing back of reserves</td>
<td>23,334</td>
<td>19,580</td>
</tr>
<tr>
<td>Exchange rate profits</td>
<td>2,194</td>
<td>8,247</td>
</tr>
<tr>
<td>Other interest and similar income not originating from investments</td>
<td>29,848</td>
<td>36,341</td>
</tr>
<tr>
<td>Income from services for other companies</td>
<td>21,811</td>
<td>23,380</td>
</tr>
<tr>
<td>Commission for the negotiation of insurance business</td>
<td>32,914</td>
<td>28,256</td>
</tr>
<tr>
<td>Income from the writing back of adjustments</td>
<td>6,262</td>
<td>1,922</td>
</tr>
<tr>
<td>Income from the sale of the Strasbourg branch</td>
<td>8,257</td>
<td>0</td>
</tr>
<tr>
<td>Commission revenue – financial service providers</td>
<td>17,396</td>
<td>33,213</td>
</tr>
<tr>
<td>Miscellaneous other income</td>
<td>57,999</td>
<td>25,227</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200,015</strong></td>
<td><strong>176,166</strong></td>
</tr>
</tbody>
</table>
### 33 III. 9. Other expenses

<table>
<thead>
<tr>
<th>b) Miscellaneous</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and similar expenses</td>
<td>57,314</td>
<td>57,299</td>
</tr>
<tr>
<td>Transfer of interest to pension provisions</td>
<td>48,489</td>
<td>46,095</td>
</tr>
<tr>
<td>Other depreciation and adjustments</td>
<td>36,824</td>
<td>28,637</td>
</tr>
<tr>
<td>Exchange rate losses</td>
<td>23,453</td>
<td>6,794</td>
</tr>
<tr>
<td>Other expenses including on the rendering of services</td>
<td>29,228</td>
<td>56,652</td>
</tr>
<tr>
<td>Allocation to provisions for the risk of vacant buildings</td>
<td>17,657</td>
<td>53,917</td>
</tr>
<tr>
<td>Foundation Initiative of German Industry</td>
<td>99</td>
<td>106</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>7,279</td>
<td>88,975</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>220,343</strong></td>
<td><strong>338,475</strong></td>
</tr>
</tbody>
</table>

### 34 IV. 4. Extraordinary result

The income of € 772,000 refers to the writing back of the removal expenses provision of Colonia Insurance (Ireland) plc., Dublin.
Other Notes and Information

### Average number of employees

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaried employees</td>
<td>8,252</td>
<td>9,221</td>
</tr>
<tr>
<td>of which:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>office staff</td>
<td>7,428</td>
<td>8,270</td>
</tr>
<tr>
<td>sales staff</td>
<td>824</td>
<td>951</td>
</tr>
<tr>
<td>Average number of employees in associated companies</td>
<td>810</td>
<td>800</td>
</tr>
<tr>
<td>Personnel costs in € '000s</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>451,333</td>
<td>483,359</td>
</tr>
<tr>
<td>Social security payments</td>
<td>73,101</td>
<td>81,084</td>
</tr>
<tr>
<td>Expenses for old-age pensions and assistance</td>
<td>37,482</td>
<td>50,409</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>561,916</td>
<td>614,852</td>
</tr>
</tbody>
</table>

As member of the Pharmaceutical Reinsurance Association, companies within the Group are obliged to assume, proportionate to their share, the payment obligation of any member no longer participating in the pool. There are similar obligations attached to membership in the German Nuclear Reactor Insurance Association and the German Aviation Pool.

Pursuant to Section 5 (10) of the statutes of the deposit guarantee fund, AXA Konzern AG as well as AXA, Paris, provided an indemnity declaration to the Bundesverband deutscher Banken e.V., Berlin, for the AXA Bank AG, Cologne. The indemnity declaration serves to secure against any case of assistance in favour of the Bank if this should prove necessary due to losses incurred. In addition, there is a letter of support amounting to € 17.5 million in connection with the granting of borrowers’ note loans.

In addition to providing a non-repayable and non-interest-bearing organisation fund totalling € 50,000 for Pr m bAV Pensionskasse AG, AXA Konzern AG has undertaken to provide the amounts necessary for any annual losses occurring in the first seven business years and not covered by withdrawals from the organisation fund. AXA Konzern AG has also undertaken to provide contributions having an effect on liquidity during any year at the request of the Federal Financial Supervisory Authority (BaFin) or Pr m bAV, in order in particular to guarantee the solvency of the company, to cover underwriting liabilities and to satisfy solvency requirements at all times.

As part of the take-over of the share in Deutsche Ärzte Finanz Beratungs- und Vermittlungs-AG from Deutsche Ärzteversicherung AG a subsequent payment or purchase price reimbursement was aged after the 2007 business financial year depending on the results achieved by Deutsche Ärzte Finanz Beratungs- und Vermittlungs-AG.

In connection with the control agreements concluded by AXA Konzern AG with its subsidiaries, there are dividend guarantees towards outside shareholders of some € 0.5 million.

In connection with the sale of AXA Immobilien AG in 2001/2002, AXA Konzern AG gave AXA Merkens Fonds GmbH a so-called placement guarantee. This amounts to a maximum of € 250 million and extends beyond the closing date of 31 December 2004 to a fund project with a guarantee to take over non-placed fund shares of some € 20 million. The fee for this placement guarantee is € 255,000 per year. With respect to the fund shares already placed, the transfer agreements contain further guarantee commitments inter alia for taxes, prospectuses, claims of former employees, intermediaries and suppliers. The claims have not been asserted to date.

In order to strengthen the market position of its subsidiary DARAG AG, Berlin, AXA Konzern AG issued guarantees to different brokers. Claims to these guarantees have not been asserted to date and are also not expected in view of the positive development. Guarantees usual for company purchase agreements were assumed in connection with the sale of AXA Bausparkasse AG. Claims to these guarantees have not been asserted to date.

Guarantees usual for company purchase agreements were assumed in connection with the sale of AXA Austria. Claims to these guarantees have not been asserted to date.
Furthermore, subsequent payment obligations amounting to € 463 million exist for equity interests and affiliated companies. Of this figure, € 225 million is attributable to Protektor Lebensversicherungs-AG, € 198 million to investments in private equity funds in which primarily equity interests are held in companies not listed on the stock exchanges, and € 40 million to the real estate fund AXA Real Invest Europa. Since mid 2002 investigations have been in progress against leading industrial insurers in Germany initiated by the Federal Cartel Authority due to alleged concerted practices. On 22 March 2005 AXA Versicherung AG was ordered to pay a fine in the two-figure million euro range to which an objection has been filed. Sufficient provisions have been created for the cartel proceedings.

There were further contingency liabilities of € 460 million (2003: € 378 million) for rental commitments, € 25 million (2003: € 23 million) for leases and € 67 million for irrevocable credit commitments and disbursement commitments for financing loans. At the balance-sheet reporting date securities with a nominal value of € 30 million were pledged in favour of an affiliated company as well as an additional € 126 million in connection with the World Trade Center claims. Bank guarantees of € 2 million exist as well as letters of credit from assumed reinsurers of € 17 million (2003: € 7 million).

As already reported in previous years, together with numerous European insurance companies, action was also taken against several companies of our Group in the USA through collective action and requests by the US authorities for compensation for unpaid insurance claims to the victims of the Holocaust. The court dismissed these actions on 8 December 2000. As part of our social duty we recognise our moral obligations to the Holocaust victims arising from the past. Compensation will be made through the foundation initiative of the German industry “Remembrance, Responsibility and Future” which the German AXA Group has joined with the intention to express the requisite respect for the injustice done to the victims and to restore legal peace.
Remuneration of Management Board and Supervisory Board

The remuneration of the members of the Boards of AXA Konzern AG consists of a fixed and a variable portion. The amount of the fixed portion is below market average. To balance out the below-average fixed salaries the bonuses, i.e. the variable portion of the remuneration, are above market average. There are no guaranteed bonuses. The variable pay component is intended to create an appropriate performance incentive. This also creates a relationship with the German insurance market and with the philosophy of the international AXA Group. The bonus targets are composed of global AXA objectives (10%), German AXA Group objectives (40%) and personal targets (50%). In their turn the personal targets consist of quantitative business goals (80%) and qualitative business and management goals (20%). The members of the Management Board of AXA Konzern AG received the following remuneration for their work in the parent company and in the subsidiaries:

<table>
<thead>
<tr>
<th>Name</th>
<th>Fixed remuneration</th>
<th>Bonus 2004 (due in 2005)</th>
<th>Cash remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Claus-Michael Dill</td>
<td>550</td>
<td>819</td>
<td>1,369</td>
</tr>
<tr>
<td>Dr. Wulf Böttger*</td>
<td>79</td>
<td>69</td>
<td>148</td>
</tr>
<tr>
<td>Frank J. Heberger</td>
<td>250</td>
<td>381</td>
<td>631</td>
</tr>
<tr>
<td>Dr. Markus Hofmann</td>
<td>208</td>
<td>284</td>
<td>492</td>
</tr>
<tr>
<td>Dr. Frank W. Keuper**</td>
<td>128</td>
<td>100</td>
<td>228</td>
</tr>
<tr>
<td>Noel Richardson</td>
<td>235</td>
<td>294</td>
<td>529</td>
</tr>
<tr>
<td>Norbert Rohrig</td>
<td>235</td>
<td>279</td>
<td>514</td>
</tr>
<tr>
<td>Dr. Heinz-Peter Roß</td>
<td>250</td>
<td>316</td>
<td>566</td>
</tr>
<tr>
<td>Gernot Schlösser</td>
<td>235</td>
<td>286</td>
<td>521</td>
</tr>
<tr>
<td>Andreas M. Tömer</td>
<td>300</td>
<td>315</td>
<td>615</td>
</tr>
</tbody>
</table>

*) Member of the Management Board since 1 August 2004
**) Member of the Management Board to 31 July 2004

The advantages in money’s worth composed of non-pecuniary and fringe benefits granted within the scope of overall remuneration (essentially usual insurance benefits and company car arrangements) amounted to € 127,000.
The members of the Management Board of AXA Konzern AG receive no remuneration for Supervisory Board mandates in Group companies.

As of 31 December 2004 provisions for pension commitments to members of the Management Board active on this date amounted to € 2,785,000.
The remuneration outlined below was processed in the annual financial statements for the 2004 business year. Differences with respect to the remuneration presented result from the shift in variable pay phases (setting and payment of bonuses in the subsequent year) and the consideration of provisions.

For the 2004 business year the members of the Management Board of AXA Konzern AG received remuneration totalling € 6,397,000 (2003: € 5,112,000) for their work in the parent company and in the subsidiaries, of which € 2,598,000 (2003: € 2,583,000) was fixed and € 3,799,000 (2003: € 2,583,000) variable pay for the previous year. The share of variable pay in the total remuneration of the Management Board was therefore 59%.

In addition, the members of the Boards and other executives in the company participate in a global stock option programme (“Long Term Incentive Plan”) of AXA, Paris. As part of this programme both stock options and performance units of AXA, Paris, are awarded depending on the result of the respective business year and the scope of individual responsibility and the individual share in the business result.

The options issued in 2004 for the 2003 business year provided for a subscription price of € 17.68 (share price on the balancing sheet reporting date 31 December 2004: € 18.18) per share. The options have a holding period; one third of the option rights awarded to a beneficiary may be exercised from 26 March 2006 / 26 March 2007 / 26 March 2008 respectively. The options are forfeited if they are not exercised by 26 March 2014.
The performance units are awarded in thirds to the beneficiary on 25 March 2005 / 25 March 2006 / 25 March 2007 respectively, whereby the amount depends on the target achievement of the respective national company (AXA Konzern AG) and of AXA, Paris, in the respective previous year. On 25 March 2007 the performance units are settled and the beneficiary is paid an amount resulting from the number of performance units awarded multiplied by the current price of the share of AXA, Paris. If more than 1,000 performance units are issued to one beneficiary, 30% of the performance units payable are invested in shares of AXA, Paris, and may only be sold by the beneficiary after two years.

The options issued in 2005 for the 2004 business year provide for a subscription price of €20.61 (share price on the balance sheet reporting date 31 December 2004: €18.18) per share. One third of the option rights awarded to a beneficiary may be exercised from 26 March 2007 / 26 March 2008 / 27 March 2009 respectively. The options are forfeited if they are not exercised by 26 March 2015.

The performance units are awarded in thirds to the beneficiary on 25 March 2006 / 25 March 2007 / 25 March 2008 respectively, whereby the amount depends on the target achievement of the respective national company (AXA Konzern AG) and of AXA, Paris, in the respective previous year. The performance units are settled on 25 March 2008. The regulations outlined above otherwise apply. The remaining details of this programme have been disclosed by AXA, Paris. Since this is a programme offered by AXA, Paris, no expenses are incurred by AXA Konzern AG.

### Award in 2004 for 2003
<table>
<thead>
<tr>
<th></th>
<th>Stock Options</th>
<th>Performance Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Claus-Michael Dill</td>
<td>93,500</td>
<td>16,536</td>
</tr>
<tr>
<td>Dr. Wulf Böttger*</td>
<td>2,290</td>
<td>162</td>
</tr>
<tr>
<td>Frank J. Heberger</td>
<td>28,035</td>
<td>1,026</td>
</tr>
<tr>
<td>Dr. Markus Hofmann</td>
<td>21,375</td>
<td>810</td>
</tr>
<tr>
<td>Dr. Frank W. Keuper**</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Noel Richardson</td>
<td>28,935</td>
<td>1,026</td>
</tr>
<tr>
<td>Norbert Rohrig</td>
<td>21,780</td>
<td>648</td>
</tr>
<tr>
<td>Dr. Heinz-Peter Roß</td>
<td>21,735</td>
<td>1,026</td>
</tr>
<tr>
<td>Gernot Schlösser</td>
<td>19,935</td>
<td>1,026</td>
</tr>
<tr>
<td>Andreas M. Törner</td>
<td>18,090</td>
<td>864</td>
</tr>
</tbody>
</table>

### Award in 2005 for 2004
<table>
<thead>
<tr>
<th></th>
<th>Stock Options</th>
<th>Performance Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Claus-Michael Dill</td>
<td>37,500</td>
<td>5,000</td>
</tr>
<tr>
<td>Dr. Wulf Böttger*</td>
<td>9,750</td>
<td>1,300</td>
</tr>
<tr>
<td>Frank J. Heberger</td>
<td>8,250</td>
<td>1,100</td>
</tr>
<tr>
<td>Dr. Markus Hofmann</td>
<td>14,250</td>
<td>1,900</td>
</tr>
<tr>
<td>Dr. Frank W. Keuper**</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Noel Richardson</td>
<td>7,500</td>
<td>1,000</td>
</tr>
<tr>
<td>Norbert Rohrig</td>
<td>6,000</td>
<td>800</td>
</tr>
<tr>
<td>Dr. Heinz-Peter Roß</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Gernot Schlösser</td>
<td>7,500</td>
<td>1,000</td>
</tr>
<tr>
<td>Andreas M. Törner</td>
<td>9,750</td>
<td>1,300</td>
</tr>
</tbody>
</table>

*) Member of the Management Board since 1 August 2004  
**) Member of the Management Board to 31 July 2004

Former members of the Management Board and their surviving dependants received payments totalling €2,209,000 (2003: €2,165,000). A total of €21,806,000 (2003: €22,428,000) is shown on the shareholders’ equity and liabilities side of the balance sheet as at 31 December 2003 for these persons in form of provisions for old-age pensions and pension rights.

The remuneration for members of the Supervisory Board was determined by the Annual General Meeting and regulated in Article 15 of the Articles of Association. The remuneration of a member of the Supervisory Board consists of two components: a fixed amount of €25,000 per business year and a variable, dividend-dependent amount which is calculated as follows: in the case of dividends paid out to the ordinary shareholders exceeding an amount of 4% of the proportionate share capital of the ordinary shareholders, the member of the Supervisory Board receives an amount of €1,050 for every additional percent of dividend paid out. The variable dividend-dependent remuneration of a Supervisory Board member may not exceed an amount of €45,000. The Chairman of the Supervisory Board receives double, the Deputy Chairman one and a half that of the amounts specified.
The members of the Supervisory Board receive the following remuneration for their work in the Supervisory Board of AXA Konzern AG (net remuneration excluding value-added tax stated):

<table>
<thead>
<tr>
<th>Name</th>
<th>Fixed Remuneration 2004</th>
<th>Variable Remuneration 2004**</th>
<th>Total 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claas Kleyboldt (Chairman)</td>
<td>50,000</td>
<td>38,430</td>
<td>88,430</td>
</tr>
<tr>
<td>Manfred Weyrich (Deputy Chairman)*</td>
<td>37,500</td>
<td>28,823</td>
<td>66,323</td>
</tr>
<tr>
<td>Alfred Bouckaert</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Claude Brunet</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Henri de Castries</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Harry Clemens*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Kurt Döhmel (from 2.9.2004)</td>
<td>8,264</td>
<td>6,352</td>
<td>14,616</td>
</tr>
<tr>
<td>Dr. Thomas R. Fischer (from 8.7.2004)</td>
<td>11,944</td>
<td>9,181</td>
<td>21,125</td>
</tr>
<tr>
<td>Dr. Michael Frenzel</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Christof W. Göldi (up to 30.8.2004)</td>
<td>16,667</td>
<td>12,810</td>
<td>29,477</td>
</tr>
<tr>
<td>Pia Heller*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Robert J. Köhler (from 8.7.2004)</td>
<td>11,944</td>
<td>9,181</td>
<td>21,125</td>
</tr>
<tr>
<td>Thierry Langreney (from 20.7.2004)</td>
<td>11,181</td>
<td>8,593</td>
<td>19,774</td>
</tr>
<tr>
<td>Herbert Mayer*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Dr. Dieter Murmann (up to 8.7.2004)</td>
<td>13,056</td>
<td>10,035</td>
<td>23,090</td>
</tr>
<tr>
<td>Dr. h.c. Alfred Freiherr von Oppenheim (up to 8.7.2004)</td>
<td>13,056</td>
<td>10,035</td>
<td>23,090</td>
</tr>
<tr>
<td>Klaus Schütze*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Prof. Dr. Elkehard D. Schulz</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Jürgen Sengera (up to 8.7.2004)</td>
<td>13,056</td>
<td>10,035</td>
<td>23,090</td>
</tr>
<tr>
<td>Jürgen Stachan*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Andreas Thomisen*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Christian Zahn*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td>Matthias Zils*</td>
<td>25,000</td>
<td>19,215</td>
<td>44,215</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>536,667</td>
<td>412,482</td>
<td>949,149</td>
</tr>
</tbody>
</table>

* Elected by the employees
** The variable remuneration for 2004 was determined on the basis of the dividend recommended to the Annual General Meeting.

In addition Mr. Claas Kleyboldt received remuneration of € 100,000 respectively as chairman of the supervisory boards of AXA Versicherung AG and AXA Lebensversicherung AG (the following information is stated excluding value-added tax). As member of the supervisory board of AXA Versicherung Messrs. Uwe Beckmann and Herbert Mayer each received remuneration of € 50,000. As member of the supervisory board of AXA Lebensversicherung AG Messrs. Manfred Weyrich and Klaus Schütze each received remuneration of € 50,000 and Mr. Robert J. Köhler of € 26,111. As deputy chairman of the supervisory board of AXA Service AG, Mr. Herbert Mayer received remuneration of € 25,500. Mr. Jürgen Stachen received € 17,000 as member of the supervisory board.

The following remuneration of the members of the Supervisory Board of AXA Konzern AG was processed in the annual financial statements in 2004. Differences with respect to the remuneration presented result from the shift in variable pay phases (setting and payment of bonuses in the subsequent year), the consideration of provisions and the incorporation of value-added tax reimbursed to the supervisory boards.

Remuneration for members of the Supervisory Board totalled € 2,758,000 (2003: € 2,368,000) of which € 1,349,000 (2003: € 145,000) was non-performance related and € 1,409,000 (2002: € 2,223,000) performance-related. Supervisory Board members have loans totalling € 873,000 with interest rates of between 3.2% and 6.1%. A total of € 13,000 was repaid in the 2004 business year with repayment rates between 0% and 1% plus accrued interest. The terms of the loans are fixed for five and ten years and expire between 2006 and 2018. At year-end loans to members of the Management Board totalled € 681,000. A total of € 39,000 was repaid in the 2004 business year. The interest rates ranged from 5.27% to 6.64% with repayment rates of between 6.0% and 8.5% plus accrued interest. No liability relations were entered into.
Relationships with related entities

The companies of the German AXA Group maintain various business relationships with related entities. Related entities for the AXA Konzer AG are the parent company AXA, Paris, with its affiliated companies, their affiliated companies as well as their management board and supervisory board members. These business relationships are essentially co-operation agreements, service or function spin-off agreements, loan agreements and reinsurance treaties. The existing agreements have been concluded on usual market terms.

Co-operation agreements exist between AXA Versicherung AG and the operative companies with the exception of AXA Lebensversicherung AG and AXA Lebensversicherung AG. AXA Versicherung derived € 67.4 million (2003: € 58.5 million) from related entities in 2004. AXA Konzern AG achieved revenue of € 46.0 million (2003: € 54.0 million) in the 2004 business year for services provided within the framework of service agreements concluded both with the operative companies in our Group and with the service companies. It provided services for an amount of € 24.5 million (2003: € 28.4 million). Expenses totalling € 12.2 million (2003: € 11.9 million) arose in 2004 from additional service agreements existing with AXA, Paris, and Groupement d’Intérêt Economic AXA, Paris.

Loan relationships to AXA, Paris, exist in form of a subordinated loan of € 350 million. Interest expenses in this respect for the 2004 business year amounted to € 17.2 million (2003: € 0.4 million). An amount of € 280 million (2003: € 260 million) of this subordinated loan was passed on to AXA Lebensversicherung AG and Deutsche Ärzteversicherung AG and produced interest income of € 14.2 million (2003: € 0.3 million). Interest expenses of € 35.6 million (2003: € 41.2 million) were incurred for other loans amounting to € 955 million (2003: € 582 million) from operative companies. In addition loan agreements exist between AXA Lebensversicherung AG and AXA UK PLC, UK, for £ 283 million, and for US dollar 80 million between AXA Versicherung AG and AXA Investment Managers S.A., Paris. The companies received interest amounting to € 23.6 million (2003: € 12.7 million). A liquidity assistance agreement is in force between the Group companies to balance out short-term liquidity shortfalls. The liquidity assistance attracts interest at usual market rates. AXA Versicherung AG maintains reinsurance relationships with AXA Cessions, Paris, and with AXA Corporate Solutions companies. The premiums from the reinsurance business ceded amounted to € 60.3 million in 2004 (2003: € 67.1 million) to AXA Cessions and to € 27.2 million (2003: € 11.9 million) to AXA Corporate Solutions companies. The premiums from the reinsurance business assumed from AXA Corporate Solutions companies amounted to € 15.3 million (2003: € 9.0 million).

In 2004 AXA Lebensversicherung AG acquired a shares package in RW Holding AG, Düsseldorf, from Phoebus Beteiligungsverwaltungs-Gesellschaft mbH for a purchase price of € 67.6 million. This produced a book profit of € 9.5 million at Phoebus Beteiligungsverwaltungs-Gesellschaft mbH. The sale of the equity interest in AXA Krankenversicherung of 11.6% held by Deutsche Ärzteversicherung AG to AXA Konzern AG was effected on the basis of an external valuation appraisal at usual market terms.

AXA Konzern AG grants its members of the Supervisory Board and Management Board loans at usual market terms. Supervisory Board members have loans totalling € 873,000 with interest rates of between 3.2% and 6.4%. A total of € 13,000 was repaid in the 2004 business year with repayment rates between 0% and 1% plus accrued interest. The terms of the loans are fixed for five and ten years and expire between 2006 and 2018. At year-end loans to members of the Management Board totalled € 681,000. A total of € 39,000 was repaid in the 2004 business year. The interest rates ranged from 5.27% to 6.64% with repayment rates of between 6.0% and 8.5% plus accrued interest. No liability relations were entered into. AXA, Paris, acquired a total of 115,620 ordinary and 189,750 preferred shares in AXA Konzern AG in 2004. In April 2005 Management Board and Supervisory Board submitted the declaration of compliance with the recommendations of the German Corporate Governance Code under Section 161 of the German Company Act (AktG) and made this permanently accessible to shareholders in the Internet.

Cologne, 27 April 2005

AXA Konzern Aktiengesellschaft

The Management Board

Dr. Dill, Dr. Böttger, Heberger, Dr. Hofmann, Richardson, Rohrig, Dr. Roß, Schlösser, Tömer
We have audited the consolidated financial statements (consisting of balance sheet, profit and loss account, notes, cash flow analysis, segment report and equity analysis) and the group management report prepared by AXA Konzern Aktiengesellschaft, Cologne, which is combined with the management report of the company, for the business year from 1 January to 31 December 2004. The preparation of the consolidated financial statements and group management report in accordance with German commercial law, in particular Section 341 et seq. German Commercial Code (HGB) and the RechVersV (special regulations for insurance companies) and supplementary provisions in the articles of incorporation agreement are the responsibility of the company’s management. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Section 317 German Commercial Code (HGB) in connection with Section K German Commercial Code (HGB) and the generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit so that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the company and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of the companies included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report combined with the management report of the company. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the company in accordance with the German principles of proper accounting. On a whole the combined management report provides a suitable understanding of the Group’s position and suitably presents the risks of future development.

Düsseldorf, 9 May 2005

PwC Deutsche Revision
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

D. Fassott
ppa. L. Koslowski
Auditor
Auditor

1) Voluntary translation. It should be noted that only the German auditor’s certification, which is based on the audit of the German version of the company’s annual financial statements, is authoritative.
AXA Konzern AG performs management and control functions within the German AXA Group. It holds direct and indirect majority interests in the following companies in particular:

- AXA Versicherung AG
- AXA Lebensversicherung AG
- Deutsche Ärzteversicherung AG
- Pro bAV Pensionskasse AG
- AXA Krankenversicherung AG
- AXA Art Versicherung AG
- AXA Bank AG

In order to tighten up the equity interest structure the merger with Guardian Royal Exchange Continental Eur ope Holding GmbH was implemented with retrospective effect to 1 January 2004. Also taking effect on 1 January 2004 AXA Konzern AG took over 51.3% of the shares in AXA Lebensversicherung AG, i.e. all shares hitherto held by AXA Versicherung AG, for a purchase price of € 336 million.

Furthermore, AXA Konzern AG acquired the 11.7% share held by Deutsche Ärzteversicherung AG in AXA Krankenversicherung AG. The proportionate addition to book value is € 34 million. In the purchase agreement dated 20 January 2004 AXA Konzern AG sold its 66.7% share and AXA Lebensversicherung AG its 33.3% share in AXA Bausparkasse AG with retrospective effect to 1 January 2004.

**Net profit for the year of € 208 million**

Adjusted to allow for the gains achieved in the year before, particularly from the disposal of the joint-ventu General Re-CKAG Reinsurance and Investment S.a r.l., the ordinary income from equity interests and other securities of AXA Konzern AG in the 2004 business year remained unaltered at € 290 million. Lower income from equity interests of € 11 million was compensated by higher interest income particularly from the subordinated loans extended to AXA Lebensversicherung AG and Deutsche Ärzteversicherung AG. Interest expenditure rose by € 4 million to € 62 million. This is essentially attributable to the interest on the subordinated loan of € 350 million extended by AXA, Paris, to finance additional shares in AXA Lebensversicherung AG. Income of € 27 million was generated in the above merger in the 2004 business year; this merger gain results from retained earnings of Guardian Royal Exchange Continental Europe Holding GmbH. For better comparability the previous year’s figures have been adjusted to allow for the contribution of the result of the merged intermediate holding company

**Appropriate payment of dividends aspired to for 2005**

In the current business year AXA Konzern AG intends to enter into a profit transfer agreement with AXA Versicherung AG which will be presented at the annual general meetings of the two companies. For the case that the profit transfer agreement is registered in the 2005 business year, thereby becoming effective immediately, this will mean that the entire profit will be transferred to AXA Konzern AG. These measures will be explained in the annual general meeting and put up for resolution. Despite a continuing difficult market and economic environment we assume that our life and non-life insurance companies will assert themselves well on the market in 2005. We expect positive effects here for new business and the portfolio through the introduction of a series of product innovations. The pursuit of a profit-orientated underwriting policy and further cost optimisation measures is reflected in the positive development of the underwriting results in recent years.

Based on a moderate recovery of the capital markets we are therefore expecting a positive result for AXA Konzern AG in 2005, which will make it possible to pay out an appropriate dividend and satisfy the solvency requirements placed on the Group. If subsidiaries of AXA Konzern AG generate losses for the year for example due to difficult capital market developments, these would have to be balanced out by AXA Konzern AG on the basis of the control agreements. We refer to the statements in the Group management report with respect to the presentation of the risk situation of the company.

Cologne, 27 April 2005

AXA Konzern AG
The Management Board
## Balance Sheet
at 31 December 2004

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Fixed assets</strong></td>
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<tr>
<td>I. Intangible assets</td>
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</tr>
<tr>
<td>1. Software</td>
<td>43</td>
<td>744</td>
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<tr>
<td>II. Tangible assets</td>
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<tr>
<td>1. Land, titles to land and buildings</td>
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<tr>
<td>including buildings on leased land</td>
<td>4,672</td>
<td>5,204</td>
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<td>2. Office equipment</td>
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<td></td>
<td>4,818</td>
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<td>III. Financial assets</td>
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<tr>
<td>1. Shares in affiliated companies</td>
<td>2,449,819</td>
<td>1,802,209</td>
</tr>
<tr>
<td>2. Loans to affiliated companies</td>
<td>291,797</td>
<td>303,462</td>
</tr>
<tr>
<td>3. Equity interests</td>
<td>20,632</td>
<td>20,632</td>
</tr>
<tr>
<td>4. Investments held as fixed assets</td>
<td>3,514</td>
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<td>5. Other loans</td>
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<tr>
<td></td>
<td>2,768,268</td>
<td>2,134,234</td>
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<tr>
<td><strong>B. Current assets</strong></td>
<td>2,773,129</td>
<td>2,140,402</td>
</tr>
<tr>
<td>I. Accounts receivable and other assets:</td>
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<tr>
<td>1. Due from affiliated companies</td>
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<td>213,013</td>
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<td>2. Due from companies in which an equity interest is held</td>
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<td>3. Other assets</td>
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<td>14,179</td>
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<td>270,960</td>
<td>234,155</td>
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<td>II. Cash in bank accounts</td>
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<td>90,959</td>
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<td></td>
<td>299,035</td>
<td>325,114</td>
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<tr>
<td><strong>C. Accruals</strong></td>
<td>0</td>
<td>495</td>
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<td><strong>D. Projected tax relief in subsequent business years under Section 274 (2) of the German Commercial Code</strong></td>
<td>1,293</td>
<td>2,793</td>
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<tr>
<td></td>
<td>3,073,457</td>
<td>2,468,804</td>
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</table>
### SHAREHOLDERS’ EQUITY AND LIABILITIES

#### in € '000s

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<thead>
<tr>
<th>A. Shareholders’ equity:</th>
<th>2004</th>
<th>2003</th>
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<tr>
<td>I. Subscribed capital</td>
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<td>II. Capital reserves</td>
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<td>264,199</td>
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<td>III. Revenue reserves</td>
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<tr>
<td>1. Statutory reserves</td>
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<td>2. Other revenue reserves</td>
<td>928,673</td>
<td>563,473</td>
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<tr>
<td>(allocation in 2004: € 365,200,000,</td>
<td></td>
<td></td>
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<tr>
<td>allocation in 2003: € 298,200,000)</td>
<td>928,698</td>
<td>563,498</td>
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<tr>
<td>IV. Balance sheet profit</td>
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<td>298,219</td>
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<td>1,377,021</td>
<td>1,205,756</td>
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<th>B. Provisions:</th>
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<td>1. Provisions for pensions and similar liabilities</td>
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<td>130,942</td>
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<td>2. Tax provisions</td>
<td>129,833</td>
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<td>3. Miscellaneous provisions</td>
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<td>333,230</td>
<td>274,473</td>
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<table>
<thead>
<tr>
<th>C. Accounts payable:</th>
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<tr>
<td>1. Accounts payable to affiliated companies</td>
<td>1,355,494</td>
<td>976,607</td>
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<td>2. Other accounts payable</td>
<td>1,374</td>
<td>4,740</td>
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<tr>
<td>thereof resulting from taxes:</td>
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<td></td>
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<tr>
<td>€ 277,000 (2003: € 3,516,000)</td>
<td>1,356,868</td>
<td>981,347</td>
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<tr>
<td>within the framework of social security:</td>
<td></td>
<td></td>
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<tr>
<td>€ 209,000 (2003: € 250,000)</td>
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<tr>
<td></td>
<td>1,356,868</td>
<td>981,347</td>
</tr>
</tbody>
</table>

| D. Accruals and deferred income | 6,338 | 7,228 |
|                                | 3,073,457 | 2,468,804 |
### Profit and Loss Account

1 January to 31 December 2004

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>2004 in € '000s</th>
<th>2003 in € '000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Income from equity interests</td>
<td>268,896</td>
<td>216,493</td>
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<tr>
<td>thereof € 264,766,000 (2003: € 216,493,000) from affiliated companies</td>
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<tr>
<td>2. Income from profit transfer agreements</td>
<td>6,091</td>
<td>2,587</td>
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<td>3. Income from other securities and loans</td>
<td>15,524</td>
<td>16,344</td>
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<tr>
<td>thereof € 15,344,000 (2003: € 1,963,000) from affiliated companies</td>
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<tr>
<td>4. Other interest and similar income</td>
<td>869</td>
<td>4,706</td>
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<tr>
<td>thereof € 0 (2003: € 70,000) from affiliated companies</td>
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<td></td>
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<tr>
<td>5. Other operating income</td>
<td>53,038</td>
<td>525,519</td>
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<tr>
<td>6. Personnel expenses</td>
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<td></td>
</tr>
<tr>
<td>a) Salaries</td>
<td>10,617</td>
<td>13,735</td>
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<tr>
<td>b) Social security and expenditure on old-age pensions and support</td>
<td>1,496</td>
<td>9,154</td>
</tr>
<tr>
<td>plus group allocation</td>
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<td></td>
</tr>
<tr>
<td>thereof € 8,292,000 (2003: € 6,994,000) for old-age pensions</td>
<td>9,292</td>
<td>1,595</td>
</tr>
<tr>
<td>7. Depreciation on intangible assets and fixed tangible assets</td>
<td>1,306</td>
<td>1,347</td>
</tr>
<tr>
<td>8. Other operating expenses</td>
<td>70,178</td>
<td>36,462</td>
</tr>
<tr>
<td>9. Depreciation on financial investments and securities in current</td>
<td>37</td>
<td>497</td>
</tr>
<tr>
<td>assets</td>
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<td></td>
</tr>
<tr>
<td>10. Interest and similar expenses</td>
<td>61,575</td>
<td>48,982</td>
</tr>
<tr>
<td>thereof € 53,818,000 (2003: € 42,167,000) to affiliated companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Expenses from loss absorption</td>
<td>808</td>
<td>41,025</td>
</tr>
<tr>
<td>thereof € 808,000 (2003: € 41,025,000) from affiliated companies</td>
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<td></td>
</tr>
<tr>
<td>12. Result from ordinary activities</td>
<td>189,109</td>
<td>596,508</td>
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<tr>
<td>13. Extraordinary income</td>
<td>27,326</td>
<td>0</td>
</tr>
<tr>
<td>14. Taxes on income and profit plus group allocation:</td>
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<td></td>
</tr>
<tr>
<td>1,904 plus group allocation:</td>
<td>2,050</td>
<td>–56,865</td>
</tr>
<tr>
<td>3,954 plus group allocation:</td>
<td>56,890</td>
<td>25</td>
</tr>
<tr>
<td>15. Other taxes plus group allocation:</td>
<td>63</td>
<td>81</td>
</tr>
<tr>
<td>4,000 plus group allocation:</td>
<td>4,063</td>
<td>0</td>
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<tr>
<td>16. Net profit for the year</td>
<td>208,418</td>
<td>596,402</td>
</tr>
<tr>
<td>17. Profit brought forward from the previous year</td>
<td>67</td>
<td>17</td>
</tr>
<tr>
<td>18. Allocations to other revenue reserves</td>
<td>104,200</td>
<td>298,200</td>
</tr>
</tbody>
</table>
Notes
Methods of Balance Sheet Presentation and Valuation

Assets

The annual financial statements and the management report have been compiled in accordance with the regulations contained in the German Commercial Code (HGB) and the German Company Act (AktG). The balance sheet has been drawn up making partial use of the annual results. The object of the reporting company has been taken into consideration in the layout of the annual financial statements. For this reason, and in derogation of Section 275 (2) of the German Commercial Code (HGB), income from equity interests is shown as Item 1, income from result transfer agreements as Item 2, income from other securities and loans forming part of financial assets as Item 3, and other interest and similar income as Item 4 of the profit and loss account.

The intangible assets consisted entirely of computer software. They are shown at historical cost less scheduled depreciation in accordance with the usual duration of use.

Land, titles to land and buildings including buildings on leased land are valued at the cost of acquisition or production and depreciated at the rates permitted by taxation law.

Office equipment was valued at acquisition cost less depreciation for usual duration of use. Minor assets are written off in full in the year of their acquisition.

Shares in affiliated companies and equity interests are shown at their cost of acquisition less unscheduled depreciation in accordance with Section 253 (2) 3 of the German Commercial Code.

Loans to affiliated companies and loans to companies in which an equity interest is held are shown at nominal value.

Securities held as fixed assets are shown at the cost of acquisition, although the lower valuations of the past have been maintained.

Other loans are shown at their nominal value.

Accounts receivable and other assets are shown at their nominal value.

Cash in bank accounts is shown at nominal value.

Accruals are shown on the assets side of the balance sheet at nominal value.

The tax relief for subsequent business years was created to the amount of the projected tax relief.

Shareholders’ equity and liabilities

Provisions for pensions are calculated using the partial value method pursuant to Section 6a of the German Income Tax Act (EStG) at an interest rate of 6% on the basis of the tables laid down by Dr. Klaus Heubeck, making allowance for operation-related modifications of the probability of invalidity.

Provisions have been formed for anniversary bonuses using the partial value method provided for by Section 5 (4) of the German Income Tax Act (EStG) in connection with Section 52 (6) of the German Income Tax Act. In calculating the value only those commitments to employees were included who had worked for the company for at least ten years on the balance sheet date. The provisions of the previous year were modified by the commitments transferred to other companies during the year under review.

Tax provisions and other provisions have been created in accordance with projected requirements.

Liabilities are shown at their repayment amount.

All foreign currency assets and liabilities are subject to the principle of individual valuation. Foreign currency accounts receivable and payable are valued at the exchange rate prevailing on the balance sheet closing date.

Disclosures on non-comparable amounts of previous years pursuant to Section 265 (2) German Commercial Code (HGB)

The previous year’s figures are not comparable with those of the current business year in some items due to the merger of Guardian Royal Exchange Continental Europe Holding GmbH to AXA Konzern AG. Effects arise in particular in the shares in affiliated companies. Furthermore, tax provisions and other provisions have been taken over. The liabilities to affiliated companies contain a loan of AXA Versicherung AG of € 179 million which passed to AXA Konzern AG as a result of the merger. Furthermore, the income from the dividends received from AXA Versicherung AG in the same period increased by the share previously attributable to Guardian Royal Exchange Continental Europe Holding GmbH.
Development of Fixed Assets in the 2004 b

<table>
<thead>
<tr>
<th></th>
<th>Acquisition and production costs</th>
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</thead>
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<tr>
<td></td>
<td>1.1. 2004</td>
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<tr>
<td>I. Intangible assets</td>
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<tr>
<td>1. Software</td>
<td>3,552</td>
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<tr>
<td></td>
<td>3,552</td>
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<tr>
<td>II. Tangible assets</td>
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</tr>
<tr>
<td>1. Land and buildings</td>
<td>18,363</td>
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<td>2. Office equipment</td>
<td>1,919</td>
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<td></td>
<td>20,282</td>
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<td>III. Financial assets:</td>
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<tr>
<td>1. Shares in affiliated</td>
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<tr>
<td>companies</td>
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<tr>
<td>2. Loans to affiliated</td>
<td>303,462</td>
</tr>
<tr>
<td>companies</td>
<td></td>
</tr>
<tr>
<td>3. Equity interests</td>
<td>20,632</td>
</tr>
<tr>
<td>4. Investments held</td>
<td>5,384</td>
</tr>
<tr>
<td>as fixed assets</td>
<td></td>
</tr>
<tr>
<td>5. Other loans</td>
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<td></td>
<td>2,185,838</td>
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<tr>
<td>Total fixed assets</td>
<td>2,209,672</td>
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### Depreciation in € '000s

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<tr>
<td>2,808</td>
<td>701</td>
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<td>43</td>
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<tr>
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<td>744</td>
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<td>13,159</td>
<td>532</td>
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<td>–</td>
<td>–</td>
<td>4,672</td>
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<td>1,699</td>
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<td>–</td>
<td>–</td>
<td>291,797</td>
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<td>303,462</td>
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<td>51,604</td>
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<td>2,768,267</td>
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<td>69,270</td>
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<td>–382</td>
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<td></td>
<td></td>
<td></td>
<td>2,140,402</td>
</tr>
</tbody>
</table>
Notes to the Balance Sheet

Assets

The book value of the land and buildings dropped from € 5.2 million in the previous year to € 4.7 million. Straight-line depreciation totalling € 532,000 (2002: € 532,000) was made in the period under review. The additions in shares in affiliated companies totalled € 1,384 million in the period under review. Of this figure, € 927 million were attributable to AXA Versicherung AG, Cologne. This is attributable to the merging of Guardian Royal Exchange Continental Europe Holding GmbH, Hamburg, which held a share of 25.6% in AXA Versicherung AG, with AXA Konzern AG. Furthermore, all shares held by AXA Versicherung AG (51.3%) in AXA Lebensversicherung AG, Cologne, were taken over at a price of € 335.8 million. In addition, € 56 million were paid into the capital reserves of Prof. o. bAV Pensionskasse AG, Cologne. A purchase price of € 33.6 million was paid to Deutsche Ärzteversicherung AG, Cologne, for the take-over of 676,000 shares in AXA Krankenversicherung AG, Cologne. In order to make use of synergies, the merger of the sales companies Campus Financial Consulting AG, Cologne, as acquiring company, and Deutsche Ärzte Finanz Beratungs- und Vermittlungs-AG, Cologne, was effected in the business year. The new company now operates under the name Deutsche Ärzte Finanz Beratungs- und Vermittlungs-AG, Cologne, and has been carried as an addition with a value of € 20 million plus a subsequent purchase price payment of € 2.3 million. Further additions are attributable to the allocation to the capital reserve of Deutsche Ärzteversicherung AG, Cologne, amounting to € 5 million and of AXA Krankenversicherung AG, Cologne, amounting to € 4.4 million.

The disposals in shares in affiliated companies in the 2004 business year totalled € 737.1 million, of which € 682.6 million referred to Guardian Royal Exchange Continental Europe Holding GmbH, Hamburg, € 20 million to Deutsche Ärzte Finanz Beratungs- und Vermittlungs-AG, Cologne, and € 23.5 million to the sale of AXA Bausparkasse AG, Dortmund. Other disposals referred to Phoebus Beteiligungsverwaltungs-GmbH, Cologne (€ 7.9 million), Dr. o. bAV Pensionsfonds AG, Cologne (€ 3 million), and AXA eSolutions GmbH, Cologne (€ 137,000).

Loans to affiliated companies dropped by comparison with the previous year by € 11.7 million to € 291.8 million. Phoebus Beteiligungsverwaltungs-GmbH, Cologne, repaid the loan of € 2.2 million extended in the year previous. Repayment of the loan to Phoebus Pensionskasse AG, Cologne, amounting to € 16 million was waived. Furthermore, the loan to Guardian Royal Exchange Continental Europe Holding GmbH, Hamburg, of € 13.7 million was cancelled due to the merger. In the period under review subordinated loans were extended to Deutsche Ärzteversicherung AG, Cologne, amounting to € 20 million and to Colonia Finanz-Beratungs- und Vermittlungs Immobilien-beteiligungs-KG “Merkens vier”, Cologne, amounting to € 200,000.

Accounts receivable from affiliated companies of € 254 million (2003: € 213 million) essentially refer to income from equity interests recorded at the same time but not yet due for payment in the 2004 business year. Of this figure, an amount of € 235.8 million was attributable to AXA Versicherung AG, Cologne, an amount of € 6.2 million to AXA Krankenversicherung AG, Cologne, € 4.7 million to Deutsche Ärzte-Versicherung Allgemeine Versicherungs-AG, Cologne, € 1.5 million to AXA Lebensversicherung AG, Cologne, € 1.4 million to AXA Bank AG, Cologne, and € 282,000 to Deutsche Ärzteversicherung AG, Cologne. € 6.1 million refer to accounts receivable from AXA Art Versicherung AG, Cologne, and AXA Service AG, Cologne, from profit transfer agreements. Outstanding amounts from current transfer business are still to be considered in this item.

All receivables have a residual term of less than one year. Other assets contain accounts receivable of € 15.7 million for tax receivables.

The projected tax relief in subsequent years under Section 274 (2) of the German Commercial Code (HGB) of € 1.3 million refers to the different measurements of pre-retirement part-time employment provisions and social plan provisions compared with the tax balance sheet.
Shareholders’ equity and liabilities

At the end of 2004 the subscribed capital remained unaltered at € 79.8 million, divided into 26,230,760 ordinary shares with no nominal value and 5,000,000 preferred shares with no voting right and with no nominal value.

An amount of € 365 million was allocated to other revenue reserves, € 261 million of which is attributable to the appropriation of balance sheet profit 2003.

Profit carried forward from the previous year of € 67,000 is included in the balance sheet profit for 2004.

The pension provisions and similar liabilities shown on the balance sheet show a minus of € 132,000 owing to the fiscal ban as of 31 December 2004.

Tax provisions increased in the 2004 business year by € 35 million. As a result of the merger of Guardian Royal Exchange Continental Eurepo Holding GmbH, Hamburg, € 28 million in trade tax was assumed.

Miscellaneous provisions include in particular the sale of the equity interest General Re-CKAG Reinsurance and Investment S.à r.l, Luxembourg. This item also includes provisions for the assumption of the commitments of Deutsche Ärzte Finanz Beratungs- und Vermittlungs-AG, Cologne, (previous year: Campus Financial Consulting AG, Düsseldorf) as well as provisions for legal proceedings, interest on possible back tax arising from external audits, personnel-related provisions and bonuses, remuneration of the Supervisory Board, as well as contributions to the Chamber of Commerce.

Group companies granted interest-bearing loans totalling € 132.4 million (2003: € 132.4 million) to finance the shares in Nordstern Allgemeine Versicherungs-AG, Cologne, taken over from UAP in 1995. The new interest-bearing subordinated loan totalling € 350 million extended by AXA, Paris, will fall due on 22 December 2018. Of this amount, subordinated loans were granted to AXA Lebensversicherung AG, Cologne (€ 250 million), and Deutsche Ärzteversicherung AG, Cologne (€ 30 million). The payment of the subordinated loan to Pr VaV Pensionskasse AG, Cologne, of € 16 million was waived. By virtue of the merger with Guardian Royal Exchange Continental Eurepo Holding GmbH, Hamburg, the company assumed a loan commitment to AXA Versicherung AG, Cologne, of € 179.1 million. Furthermore, AXA Versicherung AG, Cologne, took out a new loan of € 165 million in the business year.

Accounts payable arising from the acceptance of liabilities for service companies’ pension provisions and for Deutsche Ärzteversicherung AG, Cologne, came to € 478.8 million (2003: € 449.2 million). Our company has taken on the pension obligations of these companies by way of the liability acceptance scheme. In order to cover the resultant obligations, our company received funds to the value of the pension provisions for the above-mentioned companies. Loan agreements were entered into for an indeterminate period. All other accounts payable to affiliated companies and third parties have a residual term of less than one year.

Accruals and deferred income of € 6.3 million result from the purchase of accounts payable of CKA Unternehmensverwaltung und Beteiligungs-GmbH, Cologne.
Notes to the Profit and Loss Account

In 2004, income from equity interests increased by € 52.4 million to € 268.9 million.

This was achieved with affiliated companies, including an amount of € 235.8 million with AXA Versicherung AG, Cologne, € 7.9 million with AXA Krankenversicherung AG, Cologne, € 7.3 million with Deutsche Ärzteversicherung Allgemeine Versicherungs-AG, Cologne, € 5.1 million with AXA Investment Managers, Frankfurt, € 4.1 million with Deutsche Phoebus Beteiligung GmbH, Cologne, € 2.2 million with AXA Lebensversicherung AG, Cologne, € 2.2 million with Kölnische Verwaltungs-AG für Versicherungswerte, Cologne, € 1.8 million with AXA Bank AG, Cologne, € 1.7 million with Phoebus Beteiligungsverwaltungs GmbH, Cologne, € 620,000 with Deutsche Ärzteversicherung AG, Cologne, and € 238,000 with AXA eSolutions GmbH, Cologne.

The Annual General Meeting of AXA Versicherung AG was postponed to 12 July 2005 due to the extensive reporting required on the intended squeeze-out and on the profit transfer agreement. The same-period collection of dividends is not impaired by the postponement of the Annual General Meeting because the decisive supervisory board meeting of AXA Versicherung AG took place before that of AXA Konzern AG.

The company received income from profit transfer agreements from AXA Art Ver sicherung AG, Cologne, (€ 5.5 million) and from AXA Service AG, Cologne, (€ 549,000).

Income from other securities and loans forming part of financial assets increased in the business year by € 12.9 million to € 15.5 million. The following interest income was achieved with affiliated companies: € 12.3 million with AXA Lebensversicherung AG, Cologne, € 1.5 million with CKA Unternehmensverwaltung und Beteiligungs-GmbH, Cologne, € 1.0 million with Deutsche Ärzteversicherung AG, Cologne, € 550,000 with ProAV Pensionskasse AG, Cologne, and € 4,000 with Colonia Finanzberatungs- und Vermittlungs Immobilienbeteiligungs-KG “Merkens vier”, Cologne.

As in the year previous, the remaining interest of € 180,000 referred to fixed interest securities and borrower’s note loans.

The miscellaneous other operating income item essentially refers to income from service agreements of € 46.0 million (2003: € 54.0 million). The position further contains income from the disposal of investments. This refers to the sale of AXA Bausparkasse AG, Dortmund, with a sum of € 1.2 million and ProAV Pensionsfonds AG, Cologne, with a sum of € 103,000. Rental income in the year under review totalled € 1.4 million (2003: € 1.4 million).


Depreciation on intangible and fixed tangible assets based on purely fiscal provisions was not made in the period under review. The net profit for the year was not affected by fiscal depreciation.

The services booked under other operating expenses amounted to € 24.5 million (2003: € 28.4 million) in the period under review.

The waiving of loan payment to ProAV Pensionskasse AG, Cologne, amounted to € 16 million.

Remuneration for members of the Supervisory Board amounted to € 1.9 million (2003: € 1.7 million). Further expenses referred to business and legal consulting fees of € 1.1 million (2003: € 887,000), travel expenses of € 410,000 (2003: € 634,000) and to the management of property totalling € 435,000 (2003: € 597,000). This figure contains expenses unrelated to the accounting period of € 4,000 (2003: € 87,000). Exaneous services within the Group also arose in the business year of € 280,000 (2003: € 331,000).

Depreciation on financial investments was made to the amount of € 37,000 which referred to Colonia Finanzberatungs- und Vermittlungs Immobilienbeteiligungs-KG “Merkens vier”, Cologne.

At € 53.8 million (2003: € 42.2 million) interest expenses refer to loans received from Group and parent companies. An adjustment to interest of € 4.5 million was made which is expected to be paid in the current arbitration proceedings.

Expenses for loss absorption of € 808,000 resulted from payments to ProAV Pensionskasse AG, Cologne, amounting to € 769,000 and to AXA eSolutions GmbH, Cologne, amounting to € 39,000. The extraordinary income of € 27 million refers to the merger gains.
Compulsory Information pursuant to Section 285 No. 10 of the German Commercial Code

Supervisory Board

Claas Kleyboldt
Chairman
Former Chairman of the Management Board of AXA Konzen AG

Supervisory Board mandates:
- AXA Versicherung AG (Chairman)
- AXA Lebensversicherung AG (Chairman)
- AXA Service AG (since 1 January 2005, Chairman since 1 March 2005)
- Kölnische Rückversicherungs-Gesellschaft AG (up to 28 February 2005)
- Hapag Lloyd AG
- Maxdata AG
- Köln Messe GmbH (up to 31 December 2004)
- AXA Art Insurance Limited, United Kingdom
- WestLB International Luxembourg, Luxembourg
- AXA Art Insurance Corporation, USA
- Blue Flame Data Inc., USA

Manfred Weyrich
Deputy chairman
Company employee

Supervisory Board mandate:
- AXA Lebensversicherung AG

Uwe Beckmann
Company employee

Supervisory Board mandate:
- AXA Versicherung AG

Alfred Bouckaert
Managing Director of AXA Belgium S.A.

Supervisory Board mandates:
- AXA Holdings Belgium, Belgium
- AXA Bank Belgium, Belgium
- AXA REIM Belgium, Belgium
- Servis, Belgium
- Servis Life, Belgium
- Banque IPPA & Associés, Luxembourg
- Contere, Luxembourg
- L’Ardennne Prévoyante, Belgium
- UAB, Belgium (up to 24 May 2004)
- AXA Luxembourg S.A., Luxembourg
- AXA Assurance Luxembourg S.A., Luxembourg
- AXA Assurances Ve Luxembourg S.A., Luxembourg
- R.B. Investissements S.A. Luxembourg, Luxembourg
- Union des Entreprises de Bruxelles, Belgium
- De Waere N.V., Netherlands
- AXA Nederland B.V., Netherlands
- AXA Verzekeringen B.V., Netherlands
- Vlaxis, Belgium
- C.F.C.I.B., Belgium
- Entraide Francaise, Belgium

Claude Brunet
Member of the Management Board of AXA

Supervisory Board mandate:
- GIE AXA Group Solutions, France

Henri de Castries
Chairman of the Management Board of AXA

Supervisory Board mandates:
- FINAXA, France
- AXA Assurances IARD Mutuelle, France
- AXA Assurances Vie Mutuelle, France
- AXA Courtage Assurance Mutuelle, France
- AXA France IARD, France
- AXA France Ve, France
- AXA UK Plc., United Kingdom
- AXA Belgium S.A., Belgium
- AXA Holdings Belgium, Belgium
- Alliance Capital Management Corp., USA
- AXA Equitable Life Insurance Company USA
- AXA Financial Inc., USA
- AXA America Holdings Inc., USA
- MONY Life Insurance Company USA
- MONY Life Insurance Company of America, USA

Harry Clemens
Executive employee
No mandates requiring disclosure
Kurt Döhmel  
(since 2 September 2004)  
Chairman of Management of  
Deutsche Shell Holding GmbH  
No mandates requiring disclosure

Dr. Thomas R. Fischer  
(since 8 July 2004)  
Chairman of the Management Board of WestLB  
**Supervisory Board mandates:**  
- RWE AG  
  (Chairman)  
- Audi AG  
- DekaBank Deutsche Girozentrale  
- Hapag-Lloyd AG  
- HSH Nordbank AG  
- TUI AG  
  (up to 26 January 2005)  
- WestLB Akademie  
  Schloß Krickenbeck GmbH  
- Amvescap Plc, United Kingdom

Dr. Michael Frenzel  
Chairman of the Board of TUI AG  
**Supervisory Board mandates:**  
- Continental AG  
- Deutsche Bahn AG  
  (Chairman)  
- E.ON Energie AG  
- Hapag-Lloyd AG  
  (Chairman)  
- Hapag-Lloyd Flug GmbH  
  (Chairman)  
- ING Bank Deutschland AG  
- ING BHF Holding AG  
  (up to 29 December 2004)  
- TUI Deutschland GmbH  
  (Chairman)  
- TUI Beteiligungs AG  
  (since 1 July 2004, Chairman)  
- Volkswagen AG  
- Norddeutsche Landesbank  
- TUI China Travel Co Ltd., China  
  (since 16 February 2004)  
- Preussag North America Inc., USA

Peter Freyaldenhoven  
(since 1 January 2005)  
Employee  
No mandates requiring disclosure

Christof W. Göldi  
(since 30 August 2004)  
Directeur International of AXA  
**Supervisory Board mandates:**  
- AXA Lebensversicherung AG  
  (up to 30 August 2004)  
- AXA Versicherung AG  
  (up to 21 February 2005)  
- AXA Re, France  
  (up to 30 June 2004)  
- AXA Cessions, France  
  (up to 30 June 2004)  
- AXA Liabilities Managers, France  
  (up to 30 June 2004)  
- Saint Georges Re, France  
  (up to 30 June 2004)  
- AXA Re Finance, France  
  (up to 30 June 2004)  
- Inter Partner Assistance S.A., Belgium  
  (up to 30 June 2004)  
- AXA Compagnie d’Assurances, Switzerland  
  (up to 30 June 2004)  
- AXA Compagnie d’Assurances sur la Vie, Switzerland  
  (up to 30 June 2004)

Pia Heller  
Trade union secretary of verdi  
No mandates requiring disclosure

Robert J. Koehler  
(since 8 July 2004)  
Chairman of the Management Board of SGL Carbon AG  
**Supervisory Board mandates:**  
- Benteler AG  
  (Chairman)  
- Pfliegerer AG  
- Heidelberger Druckmaschinen AG  
- Wacker Chemie GmbH

Thierry Langeney  
(since 20 July 2004)  
Directeur of AXA  
**Supervisory Board mandates:**  
- AXA Versicherung AG  
- AXA Lebensversicherung AG  
- AXA Nederland B.V., Netherlands  
- AXA Verzekeringen B.V., Netherlands  
- AXA Luxembourg S.A., Luxembourg  
- AXA Assurances Luxembourg S.A., Luxembourg  
- AXA Assurances Ve Luxembourg S.A., Luxembourg  
- AXA Bank Belgium, Belgium  
- AXA Belgium, Belgium  
- AXA Holdings Belgium, Belgium  
- Inter Partner Assistance S.A., Belgium

Herbert Mayer  
Company employee  
**Supervisory Board mandates:**  
- AXA Service AG  
- AXA Versicherung AG

Dr. Dieter Murmann  
(up to 8 July 2004)  
Chairman of the Advisory Board of J.P. Sauer & Sohn Maschinenbau  
Beteiligungsgesellschaft mbH  
**Supervisory Board mandate:**  
- Sauer Zandov a.s., Czech Republic
Dr. h. c. Alfred Freiherr von Oppenheim
( up to 8 July 2004)
Chairman of the Supervisory Board of Sal. Oppenheim jr & Cie. KGaA

Supervisory Board mandates:
- Bankhaus Sal. Oppenheim jr & Cie. KGaA (Chairman)
- Kölnische Rückversicherungsgesellschaft AG
- RWE Power AG
- Köln Messe GmbH
- Verlag M. DuMont Schauberg
- AXA, France
- Bankhaus Sal. Oppenheim jr & Cie. AG, Switzerland
- Sal. Oppenheim jr & Cie. Luxembourg S.A., Luxembourg
- Sal. Oppenheim International S.A., Luxembourg

Klaus Schütze
( up to 31 December 2004)
Company employee
Supervisory Board mandate:
- AXA Lebensversicherung AG

Jürgen Sengera
( up to 8 July 2004)
Former Chairman of the Board of WestLB AG
Supervisory Board mandates:
- Deutsche Post AG (up to 31 July 2004)
- Ford-Werke AG (up to 25 June 2004)
- Ford Deutschland Holding GmbH (up to 18 August 2004)
- Rockwool Beteiligungs GmbH
- Rockwool International A/S, Denmark

Jürgen Stachan
Trade union secretary of verdi
Supervisory Board mandate:
- AXA Service AG

Andreas Thomsen
Company Employee
No mandates requiring disclosure

Christian Zahn
Member of the National Board of verdi
Supervisory Board mandates:
- Wüstenrot & Württembergische Versicherung AG
- GAGFAH (Chairman up to 1 September 2004)

Matthias Zils
Company employee
No mandates requiring disclosure

Prof. Dr. Ekkehard D. Schulz
Chairman of the Board of ThyssenKrupp AG

Supervisory Board mandates:
- Commerzbank AG
- Deutsche Bahn AG
- MAN AG
- RAG AG
- ThyssenKrupp Automotive AG (Chairman)
- ThyssenKrupp Services AG (Chairman)
- ThyssenKrupp Steel AG (Chairman)
- ThyssenKrupp Budd Company USA
- TUI AG
Management Board

**Dr. Claus-Michael Dill**
Chairman

**Supervisory Board mandates:**
- AXA Krankenversicherung AG*
  (Chairman)
- AXA Art Versicherung AG*
  (Chairman)
- Deutsche Ärzteversicherung AG*
  (Chairman)
- Bertelsmann AG
  (since 17 May 2004)
- Kölnerische Rückversicherungs-
  Gesellschaft AG
- Roland Rechtsschutz-
  Versicherungs-AG
- TÜV Rheinland Holding AG
  (Chairman)
- AXA Financial Inc., USA
- AXA Equitable Life Insurance
  Company, USA
- MONY Life Insurance Company USA
  (since 8 July 2004)

**Dr. Wulf Böttger**

**Supervisory Board mandate:**
- AXA „die Alternative“ Versicherung AG*
  (since 1 August 2004, Chairman)

**Frank J. Heberger**

**Supervisory Board mandates:**
- AXA „die Alternative“ Versicherung AG*
- moderne stadt GmbH
- moderenes köln GmbH

**Dr. Markus Hofmann**

**Supervisory Board mandates:**
- Deutsche Ärzteversicherung
  Allgemeine Versicherungs-AG*
  (since 1 August 2004, Chairman)
- AXA Cessions S.A., France

**Dr. Frank W. Keuper**
(up to 31 July 2004)

**Supervisory Board mandates:**
- AXA „die Alternative“ Versicherung AG*
  (up to 31 July 2004, Chairman)
- Deutsche Ärzteversicherung
  Allgemeine Versicherungs-AG*
  (up to 31 July 2004, Chairman)

**Noel Richardson**

**Supervisory Board mandates:**
- CIMG-Colonia Immobilien
  Gesellschaft*
  (Chairman)
- Pro bAV Pensionskasse AG*
  (since 16 January 2005)
- AXA „die Alternative“ Versicherung AG*
  (since 12 January 2005)
- AXA Immobilien AG
- Deutsche Ärzte Finanz Beratungs-
  und Vermittlungs-AG*
  (formerly Campus Financial
  Consulting AG)
  (up to 4 October 2004)
- Kölnerische Verwaltungs-AG für
  Versicherungswerte
  (since 15 April 2004)
- West LB RW Holding AG
- Colonia Insurance Plc., Ireland
- Artemis Fine Arts S.A., Luxembourg
- Millenium Partners, USA

**Norbert Rohrig**

**Supervisory Board mandate:**
- Plenum AG

**Dr. Heinz-Peter Roß**

**Supervisory Board mandates:**
- AXA Bausparkasse AG*
  (up to 8 June 2004, Chairman)
- AXA Bank AG*
  (Chairman)
- Pro bAV Pensionskasse AG*
  (Chairman)
- Protektor Lebensversicherungs-AG
  (since 1 April 2004)
- AXA Banque, Belgium

**Gernot Schlösser**

**Supervisory Board mandates:**
- Deutsche Ärzte Finanz Beratungs-
  und Vermittlungs-AG*
  (Chairman)
- Lucramount AG*
  (Chairman)
- Pro bAV Pensionskasse AG*
  (up to 19 April 2004)
- Deutsche Proventus AG
  (Chairman)
- Roland Schutzbrief-Versicherung AG
- Damp Holding AG
- APO Asset Management GmbH

**Andreas M. Tönnor**

**Supervisory Board mandates:**
- AXA Bank AG*
- Deutsche Ärzte Finanz Beratungs-
  und Vermittlungs-AG*
  (formerly Campus Financial
  Consulting AG)
  (up to 4 October 2004, Chairman)
- ZSH Vermittlung von Versicherungen
  und Vermögensanlagen
  Verwaltungs-GmbH
  (since 1 March 2005)

* Companies of the German AXA Group
within the meaning of Section 100 (2) of
the German Company Act
An average of 162 (2003: 231) employees were on the company’s payroll in the year under review. The members of the Supervisory Board and of the Management Board are listed on pages 6 and 7 and on pages 95 to 98 of this Report.

The Management Board drew remuneration in 2004 of €1,823,000 (2003: €1,576,000) of which €785,000 (2003: €698,000) was non-performance related and €1,058,000 (2003: €878,000) performance related. The total remuneration for former members of the Board and surviving dependants came to €1,949,000 (2003: €1,901,000). As of 31 December 2004, there were provisions for current pensions and pension rights for this group of people amounting to €19,156,000 (2003: €19,748,000).

The remuneration for the Supervisory Board totalled €1,734,000 (2003: €1,679,000) of which €623,000 (2003: €95,000) was non-performance related and €1,111,000 (2003: €1,584,000) performance related. There was a control agreement dating back to 1994 with Nordstern Allgemeine Versicherungs-AG which dissolved in 1999 as a result of the merger into AXA Versicherung AG. The appropriateness of compensation and settlement to be paid to the external shareholders of Nordstern Allgemeine Versicherungs-AG is being examined in arbitration proceedings pursuant to Section 306 of the German Company Act. In addition, several external shareholders of former Albingia Versicherungs-AG filed proceedings with regard to the appropriateness of compensation and settlement to be paid to the external shareholders before the Regional Court of Cologne pursuant to Section 306 of the German Company Act. In 2002 additional proceedings were filed by several external shareholders of AXA V ersicherung AG before the Regional Court of Cologne pursuant to Section 306 of the German Company Act. In 2002 additional proceedings were filed by several external shareholders of AXA Versicherung AG before the Regional Court of Cologne pursuant to Section 306 of the German Company Act with regard to the appropriateness of compensation and settlement to be paid to the external shareholders according to the control agreement concluded in 2000.

Shares in Deutsche Ärzte Finanz Beratungs-und Vermittlungs-AG, Cologne, were taken over from Deutsche Ärzteversicherung AG, Cologne, and from Deutsche Ärzte-V ersicherung Allgemeine Versicherungs-AG, Cologne. Within the framework of this transaction the possibility of reimbursing the purchase price or subsequent payment after the 2007 or 2008 business year was agreed as independent on profits achieved.

Pursuant to Section 5 (10) of the statutes of the deposit guarantee fund, AXA Konzern AG, Cologne, as well as AXA, Paris, provided an indemnity declaration to the Bundesverband deutscher Banken e.V., Berlin, for the AXA Bank AG, Cologne. The indemnity declaration serves to secure against any case of assistance in favour of the Bank if this should prove necessary due to losses incurred. A letter of support for €17.5 million also exists in connection with the extension of borrowers’ note loans.

As part of the sale of AXA Immobilien AG in 2001/2002, AXA Konzern AG gave Merkens Fonds GmbH a so-called placement guarantee. This amounts to a maximum of €250 million and extends beyond the closing date of 31 December 2004 to a fund project with a guarantee to take over non-placed fund shares of some €20 million. The fee for this placement guarantee is €255,000 per year. With respect to the fund shares already placed, the agreements contain further guarantee commitments inter alia for taxes, prospectuses, claims of former employees, intermediaries and suppliers. Claims have not been filed to date.

In November 1999 several external shareholders of AXA Versicherung AG filed proceedings with regard to the appropriateness of compensation and settlement to be paid to the external shareholders before the Regional Court of Hamburg pursuant to Section 306 of the German Company Act. In order to strengthen the market position of its subsidiary DARAG AG, Berlin, AXA Konzern AG issued guarantees to different brokers. Claims to these guarantees have not been asserted to date and are also not expected to be paid in the future. Guarantees usual for company purchase agreements were assumed in connection with the sale of AXA Bausparkasse AG. Claims to these guarantees have not been asserted to date.
AXA Konzern AG has entered into control agreements with the following companies:
- AXA Versicherung AG, Cologne
- AXA Lebensversicherung AG, Cologne
- AXA Krankenversicherung AG, Cologne
- AXA Service AG, Cologne
- AXA Art Versicherung AG, Cologne
- AXA Bank AG, Cologne
- Deutsche Ärzteversicherung AG, Cologne
- Pro bAV Pensionskasse AG, Cologne
- Deutsche Ärzte Finanz Beratungs- und Vermittlungs-AG, Cologne (new in the 2004 business year)

As a company in majority ownership, AXA Konzern AG is obliged to draw up a report on the relationship with affiliated companies in accordance with Section 312 of the German Company Act (AktG) for the 2004 business year. In this report the Management Board conclusively states that according to the circumstances known at the time legal transactions were made with affiliated companies, the company received an appropriate counter-performance for every legal transaction and was not disadvantaged by any measures taken. Reference is made to page 85 of the management report in this respect.

AXA, Paris, holds majority shares directly and indirectly via Vinci B.V., Rotterdam, in the share capital of our company. Kölnische Verwaltungs-Aktiengesellschaft für Versicherungswerte, Cologne, similarly holds indirect shares in the share capital of our company. AXA Konzern AG is therefore a company in majority ownership of AXA within the meaning of Section 16 (1) of the German Company Act (AktG).

AXA Konzern AG and its subsidiaries have been included in the consolidated financial statements of AXA, Paris, drawn up for the largest group of companies and deposited at the Local Court of Paris (Tribunal de Commerce de Paris) under RSC (Register du Commerce et des Sociétés) 572099.920.

Our company’s consolidated financial statements are deposited at the Commercial Register of the Local Court of Cologne under the registration no. 672. Management Board submitted the declaration of compliance with the recommendations of the German Corporate Governance Code under Section 161 of the German Company Act (AktG) in April 2005 and made this permanently accessible to shareholders in the Internet.

Cologne, 27 April 2005

AXA Konzern AG

The Management Board

Dr. Dill, Dr. Böttger, Heberger, Dr. Hofmann, Richardson, Rohrig, Dr. Roß, Schlösser, Torner
We have audited the annual financial statements, together with the bookkeeping system, and the management report of AXA Konzern Aktiengesellschaft, Cologne, which is combined with the management report of the company, for the business year from 1 January to 31 December 2004. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law and supplementary provisions in the articles of incorporation agreement are the responsibility of the company’s management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with Section 317 German Commercial Code (Handelsgesetzbuch HGB) and the generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the company and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion. Our audit has not led to any reservations.

In our opinion, the financial statements give a true and fair view of the net assets, financial position and results of operations of the company in accordance with the German principles of proper accounting. On a whole the combined management report provides a suitable understanding of the company’s position and suitably presents the risks of future development.

Düsseldorf, 9 May 2005
PwC Deutsche Revision Aktiengesellschaft
D. Fassott ppa. L. Koslowski
Auditor Auditor

Voluntary translation. It should be noted that only the German auditor’s certification, which is based on the audit of the German version of the company’s annual financial statements, is authoritative.
Glossary
Technical Terms and Definitions

**Acquisition costs**
Costs incurred by the insurer which arise in the negotiation of new insurance policies or extension of existing insurance policies, in particular selling commission and costs of proposal processing. The acquisition costs ratio of the life insurers is the relationship of acquisition costs to total new business premium.

**Actuarial reserve**
In the case of life and health insurance as well as property and casualty insurance which is operated in the same way as a life insurance, the actuarial reserve represents the cash value of future commitments arising from insurance policies less the cash value of future premium payments.

**Adjustment items for the shares of other shareholders**
This item covers minority shareholdings in Group equity of shareholders who do not belong to the parent company.

**Administrative cost ratio**
Relationship between administrative costs and premiums earned.

**Allocation rate to the provisions for premium refund**
Allocation to the provisions for premium refund in relation to the gross profit after taxes and before allocation to the provision for premium refund.

**Associated companies**
Are equity interests in companies which are associated with a decisive influence on the business and financial policy of the company. It is assumed that a decisive influence is exercised with a minimum voting right of 20%. These equity interests are consolidated using the equity method whereby the equity interest book value is updated according to the equity development – also over and above the purchase costs.

**Assumed business**
Business assumed in reinsurance (active reinsurance).

**Cancellation rate**
Term applied predominantly in life insurance. It describes the relationship between prematurely terminated policies and average policy portfolio measured in terms of ordinary and annual premium and is an indication of the portfolio resilience and the quality of insurance mediation.

**Claims and benefits**
Payments from the insurance business in favour of policyholders (life/health).

**Claims equalisation reserve**
Reserve per insurance line which is only created in property and casualty insurance. It serves to balance out fluctuations in the claims situation in future years. In years with below average claims, amounts are allocated to it which can be taken out in years with above-average claims (period of observation generally 15 years).

**Claims expenditure**
→ Claims incurred.

**Claims incurred**
These contain expenses for claims incurred during the business year including costs of claims settlement of previous years as well as the result from the settlement of claims. Added to these is the change in the provisions for claims incurred by the key date but not yet notified (late claims provisions).

**Claims ratio**
Underwriting term in property and casualty insurance to describe the relationship between claims incurred and gross premiums earned.

**Claims reserve**
Reserve for commitments from claims already made on the reporting date but not yet settled or not yet registered.

**Consolidated income**
is composed of the premium income and the income from financial services of the Group.

**Consolidated net profit for the year**
Net profit for the year of the Group after revaluation and capital consolidation as well as under consideration of other profits owing to and losses attributable to minority shareholders.
**Consolidated premium income**
Premium income of the Group after elimination of inter-Group reinsurance.

**Cost ratio/rate**
The cost ratio describes the relationship between gross operating expenses and gross premium earned; the cost rate describes the relationship between gross operating expenses and gross premiums written.

**Deferred taxes**
Taxes from temporal differences between valuations in commercial and tax balance sheets and due to differences in evaluation during consolidation with an effect on results. These also include deferred tax on tax loss carried forward if it can be used in future.

**Deposits in assumed reinsurance**
Accounts receivable from assumed reinsurance business. The accounts receivable of the reinsurer from the ceding company from the cash or security deposits provided by the reinsurer are shown here.

**Deposits in reinsurance business ceded**
Accounts payable from the reinsurer business ceded by an insurance company. They are formed from the cash and security deposits provided by the reinsurer.

**Earnings per share (DVFA/GDV result)**
Consolidated result per share corrected by special influences which has been determined in accordance with the recommendations of the DVFA Deutsche Vereinigung für Finanzanalyse und Asset Management (German Association for Financial Analysis and Asset Management) and the GDV Gesamtverband der Deutschen Versicherungswirtschaft (National Federation of the German Insurance Industry).

**Equity method**
Valuation of equity interests in associated companies in the consolidated balance sheet. The equity value is stipulated according to the profit situation and profit appropriation policy of the associated company.

**Equity ratio**
Equity in relation to net premiums.

**Goodwill**
The amount of difference between the purchase price of a company and the value of the individual assets taken over less debts.

**Group equity**
Equity of all companies in the Group after capital consolidation. This includes subscribed capital, capital and revenue reserves as well as consolidated net profit for the year.

**Gross/net in underwriting terminology**
Gross means before deduction of reinsurance and net after deduction of reinsurance. Net is a synonym for net of reinsurance. In reinsurance an insurance company (ceding company) passes insurance cover for parts of a risk to a reinsurer company (reinsurer).

**Gross profit**
Profit for the year of any insurance company before allocations to the provisions for premium refund.
Interest rate for accounting purposes (interest income from underwriting business)
Statutory interest rate to be applied to the actuarial reserve; also applies to provisions for pensions in property and casualty insurance.

Net combined ratio
Total of claims ratio as per centage of the premiums earned net of reinsurance plus operating expenses net of reinsurance as a per centage of the premiums earned in total in relationship to the premiums income net of reinsurance.

Net of reinsurance
After deduction of reinsurance (= net).

Operating expenses
Expenses for the conclusion and administration of insurance policies.

Payment commitments
In life and health insurance, payment commitments are the future payments to policyholders. They contain the actuarial reserve, a reserve for claims outstanding, the accumulated surplus as well as a reserve for premium refund.

Payments
→ Payments to policyholders.

Pensions actuarial reserve
Reserves which property and casualty insurers must form for future liabilities and pensions not yet claimed.

Provisions for premium refund
Reserve from which a part of profits is paid out to policyholders at a later date.

Provisions for unsettled claims
→ Claims reserve

Retention
Relationship between net premiums written and gross premiums written.

Subordinated liabilities
This item contains liabilities (subordinated loans) which, in the case of liquidation or bankruptcy are only met after the claims of other creditors.

Surplus appropriation ratio
Allocation to the provisions for premium refund and debit credit in relationship to the gross margin after taxation (in health insurance).

Premiums/premium income
Gross premiums written. All premiums collected in the business year from insurance policies of direct business including subsidiary payments (such as insurance policy fees) and from the business assumed in reinsurance.

Premiums earned. The premiums attributable to the business year under consideration of the change in unearned premiums.

Unearned premiums. These contain that part of premium income which is paid and collected in the business year but refers to the subsequent period.

Ceded reinsurance premiums. Share of premiums received by the reinsurer for the risks assumed in reinsurance. The premiums written net of reinsurance are the result of gross premiums written and premiums ceded in reinsurance.
**Underwriting account**
Part of the profit and loss account of the insurance companies to be classified according to statutory requirements. In the case of composite insurers and reinsurers it must be drawn up for the entire portfolio and for individual insurance branches and classes.

**Underwriting provisions/reserves**
Summarising term for reserves which directly refer to insurance business or are to be created to safeguard permanent satisfaction of obligations arising from insurance policies. The most important underwriting reserves are:
- actuarial reserves
- provisions for premium refund
- claims equalisation reserve
- reserve for unsettled claims.

**Underwriting result**
Balance from income and expenditure in property and casualty insurance which can be allocated to the insurance business (subtotal) plus the change in the claims equalisation reserve and similar reserves. In life and health insurance it also contains the entire investment result.

**Unit-linked life insurance**
In this particular form of life insurance the amount of payment/benefit depends on the development of the value of the assets in a special fund. The investment risk is borne by the investor who has the opportunity to directly participate in the increase in value of the fund, whilst bearing the risk of losses in value.
# Addresses

24-hour customer service: (0 180 3) 55 66 22

<table>
<thead>
<tr>
<th>Group holding company</th>
<th>AXA Konzern AG</th>
<th>Colonia-Allee 10–20</th>
<th>51067 Cologne</th>
<th>Postal address: 51171 Cologne</th>
<th>Facsimile: (02 21) 148-2 17 04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and casualty insurance</td>
<td>AXA Versicherung AG</td>
<td>Colonia-Allee 10–20</td>
<td>51067 Cologne</td>
<td>Postal address: 51171 Cologne</td>
<td>Telephone: (02 21) 148-1 05</td>
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<tr>
<td>AXA „die Alternative“ Versicherung AG</td>
<td>Colonia-Allee 10–20</td>
<td>51067 Cologne</td>
<td>Postal address: 51171 Cologne</td>
<td>Telephone: (02 21) 148-1 05</td>
<td>Facsimile: (02 21) 148-2 27 40</td>
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<tr>
<td>AXA Art Versicherung AG</td>
<td>Colonia-Allee 10–20</td>
<td>51067 Cologne</td>
<td>Postal address: 51171 Cologne</td>
<td>Telephone: (02 21) 148-2 45 80</td>
<td>Facsimile: (02 21) 148-2 47 70</td>
</tr>
<tr>
<td>DARAG Deutsche Versicherungs- und Rückversicherungs-AG</td>
<td>Gustav-Adolf-Straße 130</td>
<td>13086 Berlin</td>
<td>Postal address: Postfach 10</td>
<td>13062 Berlin</td>
<td>Telephone: (0 30) 4 77 08-0</td>
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<tr>
<td>Roland Rechtsschutz-Versicherungs-AG</td>
<td>Roland Schutzbrie-Versicherung AG</td>
<td>Deutz-Kalker-Straße 46</td>
<td>50679 Cologne</td>
<td>Postal address: 50664 Cologne</td>
<td>Telephone: (02 21) 82 775 00</td>
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<td>Financial services</td>
<td>AXA Bank AG</td>
<td>Colonia-Allee 10–20</td>
<td>51067 Cologne</td>
<td>Postal address: Postfach 920342</td>
<td>51153 Cologne</td>
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<tr>
<td>Group service companies</td>
<td>AXA Service AG</td>
<td>Colonia-Allee 10–20</td>
<td>51067 Cologne</td>
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<td>Telephone: (02 21) 148-1 20</td>
</tr>
<tr>
<td>AXA Customer Care GmbH</td>
<td>Widdersdorfer Straße 225a</td>
<td>50825 Cologne</td>
<td>Telephone: (02 21) 148-2 05 10</td>
<td>Facsimile: (02 21) 148-2 05 13</td>
<td></td>
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<tr>
<td>AXA Technology Services Germany GmbH</td>
<td>Colonia-Allee 10–20</td>
<td>51067 Cologne</td>
<td>Postal address: 51173 Cologne</td>
<td>Telephone: (02 21) 148-3 17 95</td>
<td>Facsimile: (02 21) 148-4 31 17 95</td>
</tr>
</tbody>
</table>

| Life insurance | AXA Lebensversicherung AG | Colonia-Allee 10–20 | 51067 Cologne | Postal address: 51172 Cologne | Telephone: (02 21) 148-1 06 | Facsimile: (02 21) 148-2 27 50 |
| Deutsche Ärzteversicherung AG | Colonia-Allee 10–20 | 51067 Cologne | Postal address: 50592 Cologne | Telephone: (02 21) 148-2 27 00 | Facsimile: (02 21) 148-2 14 42 |

| Pension scheme | Pro bAV Pensionskasse AG | Colonia-Allee 10–20 | 51067 Cologne | Postal address: 51172 Cologne | Telephone: (02 21) 148-3 51 67 | Facsimile: (02 21) 148-4 43 51 67 |

<p>| Health insurance | AXA Krankenversicherung AG | Colonia-Allee 10–20 | 51067 Cologne | Postal address: 50592 Cologne | Telephone: (02 21) 148-1 25 | Facsimile: (02 21) 148-3 62 02 |</p>
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<th>Country</th>
<th>Address</th>
<th>Telephone</th>
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<tbody>
<tr>
<td>Belgium</td>
<td>AXA Art Versicherung AG Meir 12 2000 Antwerp</td>
<td>(00 32 3) 2 31 00 90</td>
<td>(00 32 3) 2 31 57 06</td>
</tr>
<tr>
<td>France</td>
<td>AXA Art S.A. d’Assurances 61, Rue de Courcelles</td>
<td>(00 33 1) 44 15 85 85</td>
<td>(00 33 1) 42 67 20 79</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>AXA Art Insurance Ltd. Furness House 106, Fenchurch Street London EC3M 5JE</td>
<td>(00 44 2 07) 2 65 46 00</td>
<td>(00 44 2 07) 7 02 00 16</td>
</tr>
<tr>
<td>Ireland</td>
<td>AXA Versicherung AG – Ireland Branch Wolf Tone House, Wolf Tone Street IFSC Dublin 1</td>
<td>(00 35 31) 8 72 98 88</td>
<td>(00 35 31) 8 72 15 00</td>
</tr>
<tr>
<td>Italy</td>
<td>AXA Art Versicherung AG Rappresentanza per l’Italia Corso Europa 7 20122 Mailand</td>
<td>(00 39 02) 77 42 91</td>
<td>(00 39 02) 76 39 92 17</td>
</tr>
<tr>
<td>Switzerland</td>
<td>AXA Art Versicherung AG Talackerstraße 5 8065 Zürich</td>
<td>(00 41 1) 8 74 84 84</td>
<td>(00 41 1) 8 74 84 00</td>
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<tr>
<td>Spain</td>
<td>AXA Art Versicherung AG Sucursal en España C/Marqués de Villamejor No. 3–1º Dcha. 28006 Madrid</td>
<td>(00 34 91) 7 81 58 90</td>
<td>(00 34 91) 5 78 26 41</td>
</tr>
<tr>
<td>USA</td>
<td>AXA Art Insurance Corp. 4 West 58th Street, 8º Floor New York, NY 10019–2515</td>
<td>(00 12 12) 4 15 84 00</td>
<td>(00 12 12) 4 15 84 20</td>
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<tr>
<td>Event</td>
<td>Date</td>
<td></td>
<td></td>
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<tr>
<td>--------------------------------------------</td>
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<tr>
<td>Annual General Meeting</td>
<td>13 July 2005</td>
<td></td>
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<tr>
<td>Shareholders’ letter</td>
<td>25 August 2005</td>
<td></td>
<td></td>
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<tr>
<td>(interim report for the first six months of 2004)</td>
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<td>Meeting of the Supervisory Board/Shareholders’ letter</td>
<td>10 March 2006</td>
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<td>Meeting of the Supervisory Board</td>
<td>31 May 2006</td>
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<tr>
<td>Annual General Meeting</td>
<td>20 July 2006</td>
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**Group Communication**

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### Ten Year Review of the AXA Group

#### Premium income

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross premiums written (€ mill.)</th>
<th>Retention %</th>
<th>Property/Casualty (€ mill.)</th>
<th>Life (€ mill.)</th>
<th>Health (€ mill.)</th>
<th>Assumed (€ mill.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>6,306</td>
<td>94.4</td>
<td>2,702</td>
<td>889</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>6,264</td>
<td>94.1</td>
<td>2,684</td>
<td>779</td>
<td>156</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>6,418</td>
<td>90.7</td>
<td>2,993</td>
<td>676</td>
<td>169</td>
<td></td>
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<tr>
<td>2001</td>
<td>6,814</td>
<td>91.0</td>
<td>3,246</td>
<td>597</td>
<td>167</td>
<td></td>
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<tr>
<td>2000</td>
<td>6,616</td>
<td>90.6</td>
<td>2,803</td>
<td>532</td>
<td>200</td>
<td></td>
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<tr>
<td>1999</td>
<td>6,114</td>
<td>89.9</td>
<td>2,513</td>
<td>485</td>
<td>172</td>
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<tr>
<td>1998</td>
<td>5,369</td>
<td>86.8</td>
<td>2,299</td>
<td>440</td>
<td>157</td>
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<td>1997</td>
<td>5,626</td>
<td>85.9</td>
<td>2,274</td>
<td>433</td>
<td>188</td>
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<td>1996</td>
<td>5,528</td>
<td>85.4</td>
<td>2,160</td>
<td>384</td>
<td>181</td>
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<td>1995</td>
<td>5,189</td>
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#### Claims and benefits

<table>
<thead>
<tr>
<th>Category</th>
<th>Year</th>
<th>Claims expenses (net) (€ mill.)</th>
<th>Net combined ratio %</th>
<th>Payments to policyholders (€ mill.)</th>
<th>Change in payments to policyholders (€ mill.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property/Casualty</td>
<td>2004</td>
<td>1,799</td>
<td>94.4</td>
<td>2,702</td>
<td>–299</td>
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<tr>
<td>Life</td>
<td>2004</td>
<td>2,668</td>
<td>69.4</td>
<td>2,303</td>
<td>805</td>
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<tr>
<td>Health</td>
<td>2004</td>
<td>–299</td>
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<td>2,303</td>
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#### Underwriting provisions

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<th>Provision Type</th>
<th>Year</th>
<th>Amount (€ mill.)</th>
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<tr>
<td>Total (net)</td>
<td>2004</td>
<td>31,044</td>
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<tr>
<td>Property/Casualty</td>
<td>2004</td>
<td>5,145</td>
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<tr>
<td>Life</td>
<td>2004</td>
<td>23,203</td>
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<tr>
<td>Health</td>
<td>2004</td>
<td>2,131</td>
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#### Bank

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<tr>
<th>Provision Type</th>
<th>Year</th>
<th>Amount (€ mill.)</th>
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<tbody>
<tr>
<td>Loans extended (property loans)</td>
<td>2004</td>
<td>715</td>
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</table>

#### Employees

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>Year</th>
<th>Amount (€ mill.)</th>
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<tbody>
<tr>
<td>Salaried employees</td>
<td>2004</td>
<td>8,196</td>
</tr>
<tr>
<td>Freelance staff</td>
<td>2004</td>
<td>2,759</td>
</tr>
<tr>
<td>Total employees</td>
<td>2004</td>
<td>10,955</td>
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#### Investments

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<thead>
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<th>Year</th>
<th>Amount (€ mill.)</th>
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<td>2004</td>
<td>34,753</td>
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#### Group equity

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<thead>
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<th>Year</th>
<th>Amount (€ mill.)</th>
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<tr>
<td>2004</td>
<td>900</td>
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#### Balance sheet total

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<thead>
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<th>Year</th>
<th>Amount (€ mill.)</th>
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<td>2004</td>
<td>37,962</td>
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#### Consolidated result

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<th>Provision Type</th>
<th>Year</th>
<th>Amount (€ mill.)</th>
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<tr>
<td>before taxes on income</td>
<td>2004</td>
<td>21</td>
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<tr>
<td>Consolidated net profit for the year</td>
<td>2004</td>
<td>–66</td>
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<td>DVA earnings per share (new)</td>
<td>2004</td>
<td>0.40</td>
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<tr>
<td>Earnings per share (new) before goodwill depreciation</td>
<td>2004</td>
<td>1.40</td>
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#### Dividend of AXA Konzern AG

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<th>Share Type</th>
<th>Year</th>
<th>Amount (€ mill.)</th>
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<td>Ordinary share</td>
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<td>0.57</td>
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<td>Preferred share</td>
<td>2004</td>
<td>0.63</td>
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#### Total dividend

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<thead>
<tr>
<th>Year</th>
<th>Amount (€ mill.)</th>
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<tr>
<td>2004</td>
<td>18.1</td>
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