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## **AXA IPO attracts \$2.75 billion**

By Editorial Staff    *Thu, May 10, 2018*

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French insurer AXA SA's initial public offering (IPO) of its U.S. division raised \$2.75 billion by pricing at \$20 per share on Wednesday, below its targeted range of \$24-27 per share, Reuters reported Wednesday. Despite coming in below target, it is still the biggest U.S. IPO so far in 2018 based on proceeds raised.

AXA, which is Europe's second-biggest insurer by market capitalization behind Allianz, has said that the proceeds will help finance its earlier acquisition of insurer XL Group.

It is the second U.S. insurance IPO this year to price below its target range, after Goosehead Insurance Inc last month.

Investors have previously voiced concerns over the exposure of many U.S. insurers to the long-term care (LTC) industry. LTC is insurance coverage that pays out for end-of-life medical care, or when a person needs assistance bathing or feeding themselves.

The U.S. arm of AXA, dubbed AXA Equitable Holdings Inc., offers such protection to clients through a rider on life insurance products. It is one of America's oldest life insurers, with roots going back to 1859 in New York. AXA acquired the business in 1992.

AXA Equitable Holdings offered 137.25 million shares in its IPO. The listing values the U.S. entity at \$11.22 billion.

The source asked not to be identified ahead of an official announcement. A spokeswoman for AXA did not immediately respond to a request for comment. Morgan Stanley, JP Morgan, Barclays and Citigroup are the main investment banks involved in the IPO.

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