



**Kevin Keenan**  
Company Secretary

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3 February 2010

Australian Securities Exchange  
Company Announcements Office  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**AXA Asia Pacific Holdings Limited – New Business and Fund Flows**

Please find attached details of new business and fund flows for the 12 months ended 31 December 2009.

Yours sincerely

A handwritten signature in black ink, consisting of a large, stylized 'K' followed by a horizontal line.

Kevin Keenan  
Company Secretary

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# news release

[www.axaasiapacific.com.au](http://www.axaasiapacific.com.au)

3 February 2010

## **AXA ASIA PACIFIC HOLDINGS LIMITED**

AXA Asia Pacific Holdings today announced its new business and fund flows for the 12 months ended 31 December 2009.

### **Chief Executive Officer, Andrew Penn, said:**

“We performed strongly in 2009 with growth in most of our businesses. This was against the background of a difficult year for our industry with the impact of the global financial crisis affecting investor confidence and reducing industry sales in many of the markets in which we operate.

“In Asia we performed particularly well.

“Total new business index for Hong Kong was up a modest 3 percent to HK\$2.3 billion against the background of a market that reduced 17 percent for the nine months to September 2009. Sales in the second half of the year were up 13 percent on the first half and up 49 percent in the final quarter compared to the final quarter of 2008.

“In South East Asia, our new business index was up 51 percent to A\$452 million with very strong growth in Indonesia, Thailand, Singapore and Malaysia.

“New business index in India was up 14 percent to Rupee 3.8 billion (A\$99 million) and up a very strong 73 percent in China to Rmb 298 million (A\$55 million) reflecting the benefit of our geographic expansion.

“In Australia, AXA wealth management inflows were up 6 percent in the second half compared to the first. However, wealth management inflows were down 22 percent for the full year to A\$7.61 billion reflecting general market conditions. Sales of North in 2009 were A\$934 million compared to A\$295 million in 2008.

“Total Australian individual financial protection new business was up 20 percent to A\$105 million.

“Total group funds under management, administration and advice grew by 7 percent in the second half although they were down 3 percent over the year to A\$81.0 billion.”

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## Hong Kong

- **Total new business index** was up 3% to HK\$2.31bn (2008 – HK\$2.24bn) due to growth in agent numbers and higher traditional life business sales. New business index for the second half of 2009 was up 13% compared to the first half and up 49% for the December 2009 quarter compared to the same quarter in 2008.
- **Total premium income** was up 1% to HK\$14.00bn (2008 – HK\$13.87bn) mainly due to growth in traditional life business partially offset by lower single premium wealth management sales.
- New business index for **wealth management** was down 6% to HK\$1.04bn (2008 – HK\$1.11bn) due to lower sales of retirement products, partially offset by growth in investment products, particularly through the bancassurance channel.
- **Financial protection** new business index was up 13% to HK\$1.27bn (2008 – HK\$1.12bn). The growth in traditional life business was partially offset by lower sales of unit linked protection and general insurance products.
- Mature **premium income** was down 7% to HK\$2.77bn (2008 – HK\$2.99bn). These products are closed to new business.
- **Total funds under management, administration and advice** in Hong Kong were up 20% to HK\$80.49bn (31 December 2008 – HK\$66.93bn).

## South East Asia

- **Total new business index** for South East Asia was up 51% to A\$451.7m (2008 – A\$299.3m) driven by strong growth in Indonesia, Thailand and Singapore. The performance over the second half of 2009 was particularly strong. This was driven by the excellent performance of our bancassurance and telemarketing channels and the launch of new Takaful products in Indonesia and the broker channel in Singapore. We also saw a much stronger emphasis on regular premium business.
- **Total inforce premiums** were up 22% to A\$931.5m (31 December 2008 – A\$765.2m).
- **Philippines** new business index was up 1% to Peso 1.03bn (2008 – Peso 1.02bn).
- **Indonesia** new business index was up 71% to Rupiah 1,497.8bn (2008 – Rupiah 877.6bn).
- **Thailand** new business index was up 34% to Baht 4.74bn (2008 – Baht 3.53bn).
- **Singapore** new business index was up 63% to S\$56.6m (2008 – S\$34.8m).
- **Malaysia** new business index was up 116% to Ringgit 39.8m (2008 – Ringgit 18.4m).

## India and China

- **India** new business index was up 14% to Rupee 3.76bn (2008 – Rupee 3.31bn) driven by higher average agent numbers and several successful new partnerships in alternate channels (bancassurance, corporate agents and brokers).
- **China** new business index was up 73% to Rmb 297.8m (2008 – Rmb 171.7m) due to the success of our increased geographical coverage achieved in the latter part of 2008.

## ipac Asia

- **Total gross inflows** for ipac Asia were A\$142.4m (2008 – A\$497.8m). Excluding the one-off funds transfer in 2008 of A\$224.6m, the reduction in inflows was reflective of the difficult investment climate, particularly in the first half of 2009. Negative net flows of A\$(32.2)m were mainly the result of institutional redemptions.
- **Total funds under management and advice** were up 1% to A\$898.8m (31 December 2008 – A\$891.3m).

## Australia

- **Total Australia wealth management gross inflows** were down 32% to \$8.19bn (2008 – \$12.09bn) and AXA wealth management gross inflows were down 22% to \$7.61bn (2008 – \$9.70bn). Total wealth management net flows (including AllianceBernstein) were down \$8.76bn to \$(10.04)bn (2008 – \$(1.28)bn). AXA wealth management net flows were down 67% to \$365.5m (2008 – \$1.09bn). 2009 was clearly a difficult year for wealth management although second half performance showed improvement over the first half.
- **Platform** gross inflows were up 4% to \$2.30bn (2008 – \$2.21bn) and net flows were up 10% to \$801.1m (2008 – \$725.0m), reflecting the continued strength of our North product.
- **Advice** gross inflows were up 39% to \$2.25bn (2008 – \$1.62bn) due to the inclusion of Genesys from 30 June 2008. Genesys and our existing advice businesses have now reported three consecutive quarters of positive net flows.
- **Investment** gross inflows were down 48% to \$3.06bn (2008 – \$5.87bn) due to lower sales in global equities, mortgage and property funds. Net flows were down \$824.0m to \$(593.7)m (2008 – \$230.3m).
- **AllianceBernstein** gross inflows were down 56% to \$3.11bn (2008 – \$7.01bn) and net flows were down \$10.66bn to \$(12.58)bn (2008 – \$(1.93)bn) due to the termination of a number of client mandates in global equities and domestic fixed income.
- **Total Australia financial protection new business** was up 9% to \$125.9m (2008 – \$115.6m).
- **Individual life** new business was up 17% to \$71.2m (2008 – \$61.1m), supported by product improvements during the year, including the launch of AXA Elevate in August 2009.
- **Individual income protection** new business was up 29% to \$33.3m (2008 – \$25.9m) due to the impact of price increases on the existing book and an increase in new sales.
- **Group risk** new business was down 25% to \$21.4m (2008 – \$28.6m). In the second half of 2008, a particularly large plan was successfully re-tendered and expanded. Excluding this, group risk new business has continued to increase reflecting ongoing success in tenders.
- Net flows from our **mature business** were \$(253.5)m (2008 – \$76.6m). Market conditions influenced customer sentiment leading to significant inflows into our conservative saving account products during the last quarter of 2008 and the first quarter of 2009. This started to reverse in the second half of 2009 as markets started to recover.
- Gross inflows into AXA **superannuation and pension** products were up 4% to \$3.85bn (2008 – \$3.71bn) due to the inclusion of Genesys and strong North inflows. Net flows were up 111% to \$604.4m (2008 – \$286.0m).
- **Total funds under management, administration and advice** in Australia were down 4% to \$59.03bn (31 December 2008 - \$61.60bn).

## New Zealand

- **New Zealand gross retail wealth management inflows** were down 7% to NZ\$719.8m (2008 – NZ\$770.1m) largely as a result of the suspension of our mortgage funds in October 2008 which have been placed in managed wind down. This also impacted outflows with NZ\$135m returned to investors. Gross inflows were partially offset by conversions from Gould Wealth Management and continued growth in KiwiSaver. Notwithstanding the impact of mortgage funds net retail flows improved to NZ\$95.9m (2008 – NZ\$(354.3)m) due to lower outflows across the business.
- **New Zealand gross wholesale wealth management inflows** were down 18% to NZ\$712.8m (2008 – NZ\$866.4m), although inflows have continued to grow over the last three quarters. Net wholesale outflows improved 44% to NZ\$(653.3)m (2008 – NZ\$(1.17)bn). Outflows in 2009 largely relate to the loss of some AllianceBernstein mandates.
- **Total New Zealand financial protection new business** was broadly stable at NZ\$28.2m (2008 – NZ\$28.1m). The 4% growth in individual financial protection new business was offset by a reduction in group new business. While a number of new group plans were successfully tendered, increases to existing plans were lower than last year. Discontinuances have continued to improve and were down 12% on last year.
- **Total funds under management, administration and advice** in New Zealand were up 2% to NZ\$6.42bn (31 December 2008 – NZ\$6.29bn).

## Hong Kong

### Hong Kong - Total

12 months to 31 December HK\$m	New business index			Premium income			Funds under management		
	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
<b>Total Hong Kong</b>	<b>2,314.5</b>	<b>2,238.5</b>	<b>3%</b>	<b>14,003.8</b>	<b>13,870.3</b>	<b>1%</b>	<b>80,489.3</b>	<b>66,928.9</b>	<b>20%</b>

### Hong Kong - Wealth Management

12 months to 31 December HK\$m	New business index			Net flows			Funds under management		
	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
Investment	796.1	766.2	4%						
Group retirement and investment products	245.9	348.0	(29)%						
<b>Total wealth management</b>	<b>1,042.0</b>	<b>1,114.2</b>	<b>(6)%</b>	<b>2,451.3</b>	<b>1,537.2</b>	<b>59%</b>	<b>21,259.9</b>	<b>14,292.6</b>	<b>49%</b>

### Hong Kong - Financial Protection<sup>1</sup>

12 months to 31 December HK\$m	New business index			Premium income			Regular Inforce Premiums		
	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
Traditional life	971.0	755.9	28%						
Unit linked	54.2	111.1	(51)%						
Group risk	155.9	137.5	13%						
General insurance	91.4	119.8	(24)%						
<b>Total financial protection</b>	<b>1,272.5</b>	<b>1,124.3</b>	<b>13%</b>	<b>6,273.0</b>	<b>5,951.2</b>	<b>5%</b>	<b>6,605.1</b>	<b>6,101.5</b>	<b>8%</b>

1. Financial protection FUM as at 31 Dec 2009 was HK\$14.73bn (31 December 2008 - HK\$11.68bn)

### Hong Kong - Mature

12 months to 31 December HK\$m	Premium income			Inforce premiums			Funds under management		
	2009	2008	Change	31-Dec-09	31-Dec-08	Change	31-Dec-09	31-Dec-08	Change
<b>Mature</b>	<b>2,769.6</b>	<b>2,991.7</b>	<b>(7)%</b>	<b>2,841.1</b>	<b>3,033.2</b>	<b>(6)%</b>	<b>44,496.4</b>	<b>40,955.3</b>	<b>9%</b>

South East Asia<sup>1</sup>

12 months to 31 December	New business index			Premium income			Inforce premiums		
local currency	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
Philippines (peso m)	1,034.9	1,022.2	1%	4,477.4	5,372.7	(17)%	2,127.4	1,861.9	14%
Indonesia (Rupiah bn)	1,497.8	877.6	71%	2,597.2	2,864.9	(9)%	3,104.3	2,081.6	49%
Thailand (Baht m)	4,739.4	3,534.0	34%	12,693.1	9,052.4	40%	11,910.5	8,128.5	47%
Singapore (Sing\$ m)	56.6	34.8	63%	186.7	251.2	(26)%	129.0	102.5	26%
Malaysia (Ringgit m)	39.8	18.4	116%	176.9	43.9	303%	45.1	34.3	31%

12 months to 31 December	New business index			Premium income			Inforce premiums		
A\$m	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
Philippines	27.7	27.4	1%	119.8	143.8	(17)%	51.4	55.9	(8)%
Indonesia	184.2	108.8	69%	319.5	355.2	(10)%	366.3	260.2	41%
Thailand	175.8	127.2	38%	470.9	325.8	45%	397.0	333.0	19%
Singapore	49.6	29.3	69%	163.6	211.3	(23)%	102.2	102.0	0%
Malaysia	14.4	6.6	118%	64.0	15.7	308%	14.6	14.1	4%
<b>Total South East Asia</b>	<b>451.7</b>	<b>299.3</b>	<b>51%</b>	<b>1,137.8</b>	<b>1,051.8</b>	<b>8%</b>	<b>931.5</b>	<b>765.2</b>	<b>22%</b>

1. All metrics are reported on a 100% basis

India and China<sup>1</sup>

12 months to 31 December	New business index			Premium income			Inforce premiums		
local currency	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
India (Rupee m)	3,761.8	3,312.9	14%	5,311.5	2,883.4	84%	5,369.8	3,415.5	57%
China (Rmb m)	297.8	171.7	73%	832.9	589.2	41%	533.9	328.8	62%

12 months to 31 December	New business index			Premium income			Inforce premiums		
A\$m	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
India	99.0	90.7	9%	139.7	78.9	77%	128.4	99.9	29%
China	55.4	29.3	89%	155.1	100.5	54%	87.0	68.6	27%
<b>Total</b>	<b>154.4</b>	<b>120.0</b>	<b>29%</b>	<b>294.8</b>	<b>179.4</b>	<b>64%</b>	<b>215.4</b>	<b>168.5</b>	<b>28%</b>

1. All metrics are reported on a 100% basis

ipac Asia<sup>1</sup>

12 months to 31 December	Inflows			Netflows			Funds under management and advice		
A\$m	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
<b>Total ipac</b>	<b>142.4</b>	<b>497.8</b>	<b>(71)%</b>	<b>(32.2)</b>	<b>391.6</b>	<b>(108)%</b>	<b>898.8</b>	<b>891.3</b>	<b>1%</b>

1. The 2008 flows include \$224.6m of funds originated from AXA Singapore

## Australia

**Australia - Wealth management**

12 months to 31 December	Inflows			Netflows			Funds under management, administration and advice <sup>1</sup>		
	A\$m	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08
Platforms	2,299.4	2,205.8	4%	801.1	725.0	10%	12,139.5	8,970.6	35%
Advice	2,245.9	1,620.4	39%	158.1	138.6	14%	13,553.7	11,889.0	14%
Investments	3,064.6	5,873.6	(48)%	(593.7)	230.3	<<	20,019.3	18,659.9	7%
<b>Total AXA</b>	<b>7,609.9</b>	<b>9,699.8</b>	<b>(22)%</b>	<b>365.5</b>	<b>1,093.9</b>	<b>(67)%</b>	<b>45,712.5</b>	<b>39,519.5</b>	<b>16%</b>
AllianceBernstein	3,111.1	7,008.6	(56)%	(12,584.8)	(1,925.1)	<<	28,561.1	38,635.2	(26)%
Inter-segment <sup>2</sup>	(2,532.2)	(4,615.0)	45%	2,175.9	(450.5)	>>	(26,464.2)	(27,544.3)	4%
<b>Total wealth management</b>	<b>8,188.8</b>	<b>12,093.4</b>	<b>(32)%</b>	<b>(10,043.4)</b>	<b>(1,281.7)</b>	<b>&lt;&lt;</b>	<b>47,809.4</b>	<b>50,610.4</b>	<b>(6)%</b>

1. Included in platform was Multiport funds under advice of \$794.1m acquired in the second quarter of 2009

2. Inter-segment flows are single flows that reoccur across the value chain. Adjusting for these provides a single count view of Australia-wide funds under management, administration and advice and flows

**Australia - Financial protection**

12 months to 31 December	New business			Discontinuances			Inforce premiums		
	A\$m	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08
Individual life	71.2	61.1	17%	(41.3)	(36.6)	(13)%	306.0	276.1	11%
Individual income protection	33.3	25.9	29%	(23.9)	(23.0)	(4)%	197.6	188.2	5%
<b>Total individual financial protection</b>	<b>104.5</b>	<b>87.0</b>	<b>20%</b>	<b>(65.2)</b>	<b>(59.6)</b>	<b>(9)%</b>	<b>503.6</b>	<b>464.3</b>	<b>8%</b>
Group	21.4	28.6	(25)%	(21.6)	(16.8)	(29)%	174.7	174.9	(0)%
<b>Total financial protection</b>	<b>125.9</b>	<b>115.6</b>	<b>9%</b>	<b>(86.8)</b>	<b>(76.4)</b>	<b>(14)%</b>	<b>678.3</b>	<b>639.2</b>	<b>6%</b>

**Australia - Mature**

12 months to 31 December	Inflows			Netflows			Funds under management		
	A\$m	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08
Retirement income <sup>1</sup>	0.4	1.8	(78)%	(114.6)	(277.5)	(59)%	-	179.9	<<
Long term savings <sup>2</sup>	1,335.7	1,716.7	(22)%	(39.0)	464.1	<<	9,684.2	9,186.3	5%
Long term risk	41.2	43.9	(6)%	(99.9)	(110.0)	9%	1,531.6	1,619.6	(5)%
<b>Total mature</b>	<b>1,377.3</b>	<b>1,762.4</b>	<b>(22)%</b>	<b>(253.5)</b>	<b>76.6</b>	<b>&lt;&lt;</b>	<b>11,215.8</b>	<b>10,985.8</b>	<b>2%</b>

1. Retirement income FUM at 30 June 2009 was nil. Therefore, no flows were reported post 30 June 2009 in retirement income

2. GSA funds under management as at 31 December 2009 was \$1.42bn (31 December 2008 - \$1.18bn)

**Australia - Superannuation and pension (included in the tables above)**

12 months to 31 December	Inflows			Netflows		
	A\$m	2009	2008	Change	2009	2008
Wealth management	3,268.0	2,991.8	9%	919.4	929.0	(1)%
Mature	585.8	718.2	(18)%	(315.0)	(643.0)	51%
<b>Total Superannuation and Pension<sup>1</sup></b>	<b>3,853.8</b>	<b>3,710.0</b>	<b>4%</b>	<b>604.4</b>	<b>286.0</b>	<b>111%</b>

1. Represents all direct flows into AXA superannuation and pension products. Internal transfers from superannuation to pension are not included as an inflow or an outflow. Flows into AXA investment products through superannuation products provided by other manufacturers are excluded

## New Zealand

### *New Zealand - Wealth management*

12 months to 31 December NZ\$m	Inflows			Netflows			Funds under management, administration and advice <sup>1</sup>		
	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
Retail wealth management	719.8	770.1	(7)%	95.9	(354.3)	>>	3,979.8	3,655.9	9%
Wholesale wealth management	712.8	866.4	(18)%	(653.3)	(1,171.3)	44%	3,679.1	3,896.7	(6)%
Inter-segment	(41.8)	(28.6)	(46)%	30.5	128.6	(76)%	(1,239.4)	(1,261.2)	2%
<b>Total wealth management</b>	<b>1,390.8</b>	<b>1,607.9</b>	<b>(14)%</b>	<b>(526.9)</b>	<b>(1,397.0)</b>	<b>62%</b>	<b>6,419.5</b>	<b>6,291.4</b>	<b>2%</b>

1. Inter-segment flows are single flows that reoccur across retail and wholesale. Adjusting for these provides a single count view of New Zealand-wide funds under management, administration and advice and flows

### *New Zealand - Financial protection*

12 months to 31 December NZ\$m	New business			Discontinuances			Inforce Premiums		
	2009	2008	Change	2009	2008	Change	31-Dec-09	31-Dec-08	Change
Individual	21.6	20.7	4%	(17.7)	(18.9)	6%	145.1	141.2	3%
Group	6.6	7.4	(11)%	(4.1)	(5.9)	31%	37.0	34.4	8%
<b>Financial protection</b>	<b>28.2</b>	<b>28.1</b>	<b>0%</b>	<b>(21.8)</b>	<b>(24.8)</b>	<b>12%</b>	<b>182.1</b>	<b>175.6</b>	<b>4%</b>

## Group funds under administration, management and advice

### Group funds under management, administration and advice

	Local (bn)			A\$ (bn)		
	31-Dec-09	31-Dec-08	Change	31-Dec-09	31-Dec-08	Change
Hong Kong	80.5	66.9	20%	11.6	12.3	(6)%
Asia ex Hong Kong	n/a	n/a	n/a	4.7	4.2	12%
ipac Asia	n/a	n/a	n/a	0.9	0.9	-
Australia	59.0	61.6	(4)%	59.0	61.6	(4)%
New Zealand	6.4	6.3	2%	5.2	5.2	-
Inter-segment <sup>1</sup>	n/a	n/a	n/a	(0.4)	(0.3)	(33)%
<b>Total</b>				<b>81.0</b>	<b>83.9</b>	<b>(3)%</b>

1. Inter-segment represents AXA Life Singapore funds administered on the ipac Dublin platform and investments managed by ipac Australia. The balance of funds administered on the ipac Dublin platform and investments managed by ipac Australia are also included. In total group FUM these funds are included once

### Exchange rates<sup>1</sup>

		Average rate		Spot rate	
		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
Hong Kong	HK\$	6.09	6.57	6.96	5.45
Philippines	peso	37.38	37.36	41.43	33.30
Indonesia	rupiah	8,130.08	8,064.52	8,474.58	7,981.21
Thailand	baht	26.96	27.79	30.00	24.41
Singapore	sing\$	1.14	1.19	1.26	1.00
Malaysia	ringgit	2.77	2.80	3.09	2.43
India	rupee	38.01	36.55	41.81	34.20
China	rmb	5.37	5.86	6.14	4.79
New Zealand	NZ\$	1.25	1.19	1.24	1.21

1. Inflows, netflows, new business, discontinuances, new business index and premium income are translated using the respective average rate. Funds under management, administration and advice and inforce premiums are translated using the respective spot rate