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Company Secretary

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17 December 2009

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

Dear Sir/Madam

**AXA Asia Pacific Holdings Limited announces agreement  
with National Australia Bank Limited**

**AXA Asia Pacific Holdings Limited rejects revised scheme  
proposal from AMP and AXA SA**

Please refer to the attached news release announcing that AXA Asia Pacific Holdings Limited ('AXA APH') has agreed terms with National Australia Bank Limited ('NAB') for the Independent Directors to unanimously recommend a new conditional proposal for AXA APH.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K. Keenan', written over a white background.

**Kevin Keenan**  
Company Secretary

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17 December 2009

**AXA ASIA PACIFIC ANNOUNCES AGREEMENT WITH NAB  
AXA ASIA PACIFIC REJECTS REVISED SCHEME PROPOSAL FROM AMP AND AXA SA**

AXA Asia Pacific Holdings Limited (**AXA APH**) today advises that it has agreed terms with National Australia Bank Limited for the Independent Directors to unanimously recommend a new conditional proposal for AXA APH (**NAB Proposal**), in the absence of a superior proposal and subject to the review of an independent expert. The NAB Proposal will be implemented under a scheme of arrangement and AXA APH's minority shareholders will be offered the choice of:

- **A\$6.43 cash** per AXA APH share (**NAB Cash Alternative**); or
- 0.1745 National Australia Bank shares and A\$1.59 cash per AXA APH share (**NAB Share and Cash Alternative**). Based on National Australia Bank's 10-Day VWAP of A\$28.16<sup>1</sup>, the NAB Share and Cash Alternative represents **A\$6.50 per AXA share**.

In addition, AXA APH shareholders will receive up to 9.25 cents dividend for their AXA APH shares in relation to the second half 2009 results. The shares issued under the NAB Proposal will also be entitled to receive National Australia Bank's interim dividend payable in July 2010.

Under the proposal, National Australia Bank would acquire 100% of AXA APH, merge the Australian and New Zealand businesses of AXA APH with its own operations and divest the Asian business of AXA APH to AXA SA.

The NAB Proposal is subject to a number of important matters including completion of due diligence by National Australia Bank, reaching agreement with AXA SA for National Australia Bank to essentially step into the position of the AMP Limited (**AMP**) and for AXA SA to maintain its net cash and financing contribution for the Asian assets of AXA APH<sup>2</sup> as per the revised scheme proposal from AMP and AXA SA announced on 14 December 2009 (**AMP / AXA SA Revised Proposal**).

The NAB Cash Alternative of A\$6.43 represents a 50% premium to the closing share price of AXA APH of A\$4.30 on 6 November 2009, being the last trading day prior to the announcement of the initial proposal from AMP and AXA SA, and a price earnings ratio of 24.1 times FY09 earnings<sup>3</sup>.

<sup>1</sup> Based on the volume weighted average price of NAB shares between 3 December and 16 December 2009 (inclusive) of A\$28.16.

<sup>2</sup> A net cash payment of A\$1,514 million, debt attributable to AXA APH Australian and New Zealand debt of US\$225 million and A\$430 million and the assumption of AXA APH Asian debt of US\$459 million.

<sup>3</sup> Based on analyst consensus forecast FY09 NPAT before amortisation and non-recurring items.

The Independent Board Committee also advises that it has rejected the AMP / AXA SA Revised Proposal. The AMP / AXA SA Revised Proposal implied an offer value of A\$6.22 per AXA APH minority share<sup>4</sup> or A\$6.13 based on AMP's closing share price on 16 December 2009<sup>5</sup>. It is the unanimous view of the Independent Directors that this proposal is not in the best interests of AXA APH's minority shareholders.

AXA APH Chairman, Mr Rick Allert, commented, "The Independent Board Committee has carefully and thoroughly examined the value and terms of the AMP / AXA SA Revised Proposal and the NAB Proposal."

"The Independent Board Committee has unanimously concluded that the NAB Proposal is in the best interests of AXA APH minority shareholders and superior to the rejected AMP / AXA SA Revised Proposal, in both its value and terms. Provided AXA SA agrees to the terms proposed and the parties execute formal documentation to implement the NAB Proposal, the Independent Board Committee intends to recommend the NAB Proposal, in the absence of a superior proposal and subject to the review of an independent expert."

"The Independent Board Committee believes the NAB Proposal offers minority shareholders fair value for their investment in AXA APH and provides them with an attractive combination of the certainty of the NAB Cash Alternative and the upside of the NAB Share and Cash Alternative."

AXA APH and National Australia Bank have entered into a binding Terms Deed under which they have agreed to give effect to the NAB Proposal. The Terms Deed is subject to various conditions including completion of due diligence by National Australia Bank, reaching agreement with AXA SA and execution by National Australia Bank, AXA APH and AXA SA of formal documentation. A summary of the Terms Deed is attached.

The Independent Board Committee will seek to complete legal documentation with National Australia Bank and AXA SA as soon as possible. This timing will depend, in part, on the terms of the exclusivity arrangements between AXA SA and AMP in their consortium deed. The Independent Board Committee understands those exclusivity arrangements will terminate on the earlier of: (i) 6 February 2010; or (ii) AMP terminating its discussions with AXA SA in relation to their combined proposal.

AXA APH Chairman, Mr Rick Allert, commented, "The Independent Directors would like to take this opportunity to thank the continued efforts of all our employees and the continued support of all our advisers, partners and customers. AXA APH has built an outstanding business that offers highly valuable services and products to customers across Asia, Australia and New Zealand. We believe the NAB Proposal recognises the strength of this franchise and its growth prospects."

<sup>4</sup> Based on the volume weighted average price of AMP shares between 9 November and 11 December 2009 (inclusive) of A\$6.24.

<sup>5</sup> AMP's closing share price as at 16 December 2009 was A\$6.10.

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## APPENDIX A: SUMMARY OF KEY PROPOSAL TERMS

Term	Details
<b>Proposal structure</b>	<ul style="list-style-type: none"> <li>- NAB proposes to acquire all the shares in AXA APH, with AXA SA's shareholding to be acquired under a sale agreement and the remaining shares to be acquired by way of a scheme of arrangement.</li> <li>- NAB proposes to divest AXA APH's Asian operations to AXA SA.</li> </ul>
<b>Timing</b>	<ul style="list-style-type: none"> <li>• - The Proposal is conditional on AXA APH, NAB and AXA SA reaching agreement (and finalising definitive transaction documents) by the <b>later</b> of: <ul style="list-style-type: none"> <li>• 16 February 2010; and</li> <li>• 6 weeks after the exclusivity period ends under the consortium deed entered into between AMP Limited and AXA SA.</li> </ul> </li> <li>- AXA APH or NAB can terminate the Terms Deed if no agreement is reached (and definitive transaction documents are not finalised) by this end date.</li> </ul>
<b>Key conditions of the proposal include</b>	<ul style="list-style-type: none"> <li>- Confirmatory due diligence</li> <li>- Agreement of transaction documents with AXA APH, NAB and AXA SA</li> <li>- Unanimous agreement of AXA APH's Independent Directors to recommend the Proposal (subject to the opinion of an independent expert and no superior proposal emerging)</li> <li>- All required regulatory approvals in Australia, New Zealand and certain countries in which AXA APH operates in Asia</li> <li>- No material adverse change in AXA APH's business</li> <li>- No prescribed occurrence affecting AXA APH</li> <li>- AXA APH minority shareholders' approval</li> <li>- Court approval</li> <li>- Cap on AXA APH FY09 final dividend of 9.25 cents per share</li> </ul>
<b>Termination rights</b>	<p>Termination rights include the ability to terminate the Terms Deed:</p> <ul style="list-style-type: none"> <li>- by either AXA APH or NAB, if agreement on transaction documents is not reached by the end date referred to above</li> <li>- by NAB if the results of confirmatory due diligence trigger a due diligence adverse change, if a prescribed occurrence or material adverse change occurs in respect of AXA APH or if AXA APH enters into an agreement with a party other than NAB to sell all or substantially all of its Australian and New Zealand operations</li> <li>- by AXA APH if it enters into an agreement with a party other than NAB to sell all or substantially all of its Australian and New Zealand operations</li> </ul>