



# news release

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

5 August 2009

## **AXA ASIA PACIFIC HOLDINGS LIMITED**

### **Results, new business and funds flow for the 6 months ended 30 June 2009**

AXA Asia Pacific Holdings (AXA APH) today announced its financial results, new business and funds flow for the 6 months ended 30 June 2009.

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

“The last 18 months has seen the most remarkable and unprecedented combination of falls in investment markets, extreme volatility and impacts on the broader economy leading to extensive responses from Governments, policymakers and industry.

“From its peak in November 2007 the Australian stock market (as measured by the ASX 200) fell 54 percent to its low point on 6 March 2009. The significance of the market falls can be seen in the reduction in average funds under management across the industry. This has had a material impact on revenues for all players.

“Our business model, with its inherent product and geographic diversification has served us well. Whilst all markets have been affected by the global financial crisis the economies in Asia, from where we derive approximately two thirds of our earnings, are faring better than in many OECD countries. Our financial protection and traditional life business has grown as consumers have become more risk averse. We also continue to benefit from being part of a strong global group.

“The benefits of our diversification are reflected in our half year results. Whilst understandably some of the performance is lower than the same period in 2008, when one considers the severity of the market downturn these are strong results.

“We also ended the period with a strong capital position as demonstrated by total assets in excess of our regulatory capital requirements of \$1.45 billion and a gearing ratio of 30 percent well below our target range of 40-50 percent.”

#### **Results Summary**

Group Operating Earnings for the 6 months ended 30 June 2009 were down 13 percent on the comparative period to \$255.5 million (2008 – \$295.0 million).

Profit after tax, before investment experience and non-recurring items was down 18 percent to \$267.0 million (2008 - \$324.6 million).

Investment earnings of \$55.4 million were in stark contrast to the investment losses of \$(140.4) million in the first half of 2008.

Non recurring items of \$23 million included the profit on the sale of half of our economic interest in India partially offset by restructuring costs.

Profit after tax was up 187 percent to \$270.4 million (2008 - \$94.2 million).

Group funds under management, administration and advice were down 10 percent to \$75.72 billion (2008 - \$83.86bn).

The Board has declared an interim dividend of 9.25 cents per share being the same level as the 2008 interim dividend and will be franked at a level of 30 per cent. The dividend reinvestment plan will be available for this dividend.

In Australia Operating Earnings were down 47 percent on the comparative period to \$75.0 million (2008 - \$141.0m) reflecting the impact of reduced average funds under management and approximately \$20 million less capitalised loss reversals in financial protection than in 2008.

AXA inflows were down 30 percent to \$3.69 billion (2008 - \$5.24bn) whilst net flows were down 89 percent to \$182.7 million (2008 - \$1.63bn).

Financial protection continued its strong performance with new business up 23 percent to \$58.8 million (2008 - \$48.0m).

The value of new business was down 9 percent to \$63.7 million (2008 - \$69.9m).

Funds under management, administration and advice were down 11 percent to \$54.63 billion (2008 - \$61.60bn).

New Zealand has continued to be a very difficult market and to March 2009 had experienced five successive quarters of negative economic growth. Recent data indicates that the June quarter will also be negative.

Operating Earnings in New Zealand were down 39 percent on the comparative period to NZ\$16.4 million (2008 – NZ\$27.1m).

Total wealth management retail inflows were down 26 percent to NZ\$304.2 million (2008 – NZ\$410.3m) whilst net retail outflows improved 78 percent to NZ\$(34.6) million (2008 – NZ\$(154.2)m).

Total financial protection new business was down 2 percent to NZ\$12.7 million (2008 – NZ\$12.9m).

The value of new business was down 34 percent to NZ\$5.1 million (2008 – NZ\$7.7m).

Funds under management, administration and advice were down 6 percent to NZ\$5.91 billion (2008 – NZ\$6.29bn).

In Hong Kong Operating Earnings were up 1 percent on the comparative period to HK\$969.4 million (2008 – HK\$963.1m).

Total new business index was down 7 percent to HK\$1.09 billion (2008 – HK\$1.17bn). However, the value of new business was up 2 percent to HK\$555.3 million (2008 – HK\$546.1m) as there continues to be a switch towards higher margin products. This is also reflected in the value of new business margin for the six months which was 51 percent, compared to 47 percent for the same period in 2008.

Funds under management and administration were up 9 percent to HK\$72.95 billion (2008 – HK\$66.93bn) reflecting net funds inflow and the better performance of the Hang Seng compared with other global stock markets.

Our share of Operating Earnings from South East Asia were up 10 percent on the comparative period to A\$17.2 million (2008 – A\$15.6m).

Reflecting our continued investment in India and China our share of this result was A\$(19.9) million (2008 – A\$(15.2)m).

ipac Asia which is exclusively focused on wealth management in the region with predominantly equity investments was particularly affected by the global financial crisis and incurred a loss of A\$(5.7) million (2008 – A\$(2.8)m).

On a 100 per cent share basis new business index across the region was up 13 per cent to \$267.8 million (2008 – A\$236.2m). The value of new business was up an even stronger 49 per cent to \$88.9 million (2008 – A\$59.8m).

Funds under management, administration and advice were down 1 percent to A\$4.70 billion (2008 – A\$4.77bn).

**Commenting on prospects for the future, Chief Executive Officer Andrew Penn, said:**

“The impact of the global financial crisis has been profound and it has clearly had a significant effect on the broader economy. As we foreshadowed, 2009 has been very difficult so far and it looks like it will continue to be so.

“The global financial crisis has also led to a number of reviews and inquiries around the globe, including here in Australia. Given the genesis of this crisis was the over promotion and easy availability of credit, it is perhaps not surprising that credit also sits at the heart of many of the failures that have occurred. We therefore congratulate the State and Federal Governments on the steps that have been taken to improve the regulation of lending practices.

“Whilst there will be other opportunities for improvement. It is important that we do not introduce more complexity, more cost and more uncertainty in our system and potentially damage confidence and make financial advice less accessible. Australia went into this crisis with a strong, well regulated financial services industry, strong financial institutions and a world leading superannuation system.

“Notwithstanding the short term challenges posed by the global financial crisis the fundamental characteristics that make our industry attractive have not changed.

“In addition to compulsory superannuation in Australia, a number of other countries in which we operate have systems that support long term retirement savings and it remains a high priority issue for those that don't.

“In insurance whilst there has been strong growth in recent years there continues to be low penetration in many of the markets in which we operate reflecting under insurance across our region. There is also no doubt that the global financial crisis has given customers a heightened sense of awareness of the need for protection.

“In Asia we are operating in markets with very favourable demographics for our industry and high savings rates. Also whilst the global economy is slowing quite sharply, economies in many of the countries in which we operate are likely to grow faster than world averages.

“In the first half of 2009 two thirds of our Operating Earnings came from our investments in Asia. With the breadth and strength of our operations in the region, prospects for longer term growth remain strong.

“In Australia our industry also has good long term growth prospects and we are well positioned with the quality of our product offerings and very extensive distribution networks.

“Despite the difficult environment in which we have been operating this remains a growth industry and we are extremely well positioned in some of its fastest growing markets.”

**Contact**

**Media:**

+61-(0)3 8688 4985, +61-(0)412 223 485

Francine McMullen,

Group Manager, Strategic Communications

**Investors:**

+61-(0)3 8688 3744, +61-(0)421 333 582

Melissa Heyhoe,

Group Manager, Investor Relations & Performance Reporting

**Appendix 1****Key points on AXA APH group financial result for 6 months ended 30 June 2009****Australia – key points**

- Operating Earnings down 47% to \$75.0m (2008 – \$141.0m)
  - Wealth management down 56% to \$17.3m (2008 – \$38.9m)
  - Financial protection down 44% to \$36.9m (2008 – \$65.7m)
  - Mature business down 43% to \$20.8m (2008 – \$36.4m)
- Total AXA inflows down 30% to \$3.69bn (2008 - \$5.24bn) and net AXA inflows down 89% to \$182.7m (2008 - \$1.63bn)
- Value of new business<sup>1</sup> down 9% to \$63.7m (2008 – \$69.9m)
- Funds under management, administration and advice down 11% to \$54.63bn (31 December 2008 – \$61.60bn)

**New Zealand – key points**

- Operating Earnings down 39% to NZ\$16.4m (2008 – NZ\$27.1m)
  - Wealth management down 56% to NZ\$3.2m (2008 – NZ\$7.3m)
  - Financial protection down 33% to NZ\$13.2m (2008 – NZ\$19.8m)
- Total wealth management retail gross inflows down 26% to NZ\$304.2m (2008 – NZ\$410.3m)
- Value of new business<sup>1</sup> down 34% to NZ\$5.1m (2008 – NZ\$7.7m)
- Funds under management, administration and advice down 6% to NZ\$5.91bn (31 December 2008 – NZ\$6.29bn)

**Hong Kong – key points**

- Operating Earnings up 1% to HK\$969.4m (2008 – HK\$963.1m)
  - Wealth management up 29% to HK\$168.6m (2008 – HK\$130.4m)
  - Financial protection up 18% to HK\$517.0m (2008 – HK\$436.7m)
  - Mature business down 28% to HK\$283.8m (2008 – HK\$396.0m)
- Total new business index<sup>2</sup> down 7% to HK\$1.09bn (2008 – HK\$1.17bn)
- Value of new business<sup>3</sup> up 2% to HK\$555.3m (2008 – HK\$546.1m)
- Funds under management and administration up 9% to HK\$72.95bn (31 December 2008 – HK\$66.93bn)

**Asia (ex Hong Kong) – key points**

- Operating Earnings
  - South East Asia<sup>4</sup> up 10% to A\$17.2m (2008 – A\$15.6m)
  - India & China A\$(19.9)m<sup>5</sup> (2008 – A\$(15.2)m)
  - ipac Asia A\$(5.7)m<sup>5</sup> (2008 – A\$(2.8)m)
- New business index up 13% to A\$267.8m<sup>2</sup> (2008 – A\$236.2m)
- Value of new business up 49% to A\$88.9m<sup>6</sup> (2008 – A\$59.8m)
- Funds under management, administration and advice down 1% to A\$4.70bn (31 December 2008 – A\$4.77bn)

1 Based on 10% risk discount rate, six months ended 30 June

2 New regular premiums plus 10% of single premiums

3 Based on 10.5% risk discount rate

4 Includes Singapore, Philippines, Thailand, Indonesia and Malaysia

5 Representing investment in these businesses

6 Based on risk discount rates of 11 - 20%

**Group financials – key points**

- Earnings per share up 141% to 13.5 cents (2008 – 5.6 cents). On a normalised basis<sup>7</sup>, earnings per share down 24% to 14.5 cents (2008 – 19.2 cents)
- Return on average shareholders equity before non-recurring items – 0.7% (2008 – 10.1%). On a normalised basis<sup>9</sup> return on average shareholders equity before non-recurring items – 13.1% (2008 – 16.6%)
- Group funds under management, administration and advice down 10% to \$75.72bn (31 December 2008 – \$83.86bn)
- Strong balance sheet – total debt / equity ratio of 30% (31 December 2008 – 56%), below our target range of 40% - 50%
- \$1,450m total assets above regulatory requirements (31 December 2008 – \$779m)

*(All figures are reported in Australian dollars unless otherwise stated)*

---

<sup>7</sup> "Normalised" earnings are based on the average asset mix on average capital held over the period using assumed long term investment assumptions instead of actual returns

## Appendix 2

### Financial tables – AXA APH Group financial result for the 6 months ended 30 June 2009

#### Financial performance

6 months ended 30 June	2009	2008	Change
<b>(A\$ million)</b>			
Australia	75.0	141.0	(47)%
New Zealand <sup>1</sup>	13.1	22.9	(43)%
Hong Kong <sup>2</sup>	175.8	133.5	32%
South East Asia	17.2	15.6	10%
India and China	(19.9)	(15.2)	(31)%
ipac Asia	(5.7)	(2.8)	<<
<b>Operating Earnings</b>	<b>255.5</b>	<b>295.0</b>	<b>(13)%</b>
Normalised Investment Earnings	75.0	90.0	(17)%
Corporate expenses	(27.0)	(22.0)	(23)%
Interest expense	(18.3)	(24.7)	26%
Executive share plan expense	(4.6)	(6.6)	30%
Amortisation of value of businesses acquired	(13.6)	(7.1)	(92)%
<b>Profit after tax and before investment experience</b>	<b>267.0</b>	<b>324.6</b>	<b>(18)%</b>
Investment experience	(19.6)	(230.4)	91%
Non-recurring items	23.0	-	>>
<b>Profit after tax and non-recurring items</b>	<b>270.4</b>	<b>94.2</b>	<b>187%</b>

1. New Zealand Operating Earnings in local currency for 2009 were NZ\$16.4m (2008 - NZ\$27.1m)

2. Hong Kong Operating Earnings in local currency for 2009 were HK\$969.4bn (2008 - HK\$963.1bn)

#### Shareholder returns

6 months ended 30 June	2009	2008	Change
<b>(A\$ million)</b>			
Earnings per share before non-recurring items (cents)	13.5	5.6	141%
Normalised earnings per share before non-recurring items (cents)	14.5	19.2	(24)%
Dividend per share (cents) - interim	9.25	9.25	
Dividend franking level - interim	30%	40%	
Rolling 12 months return on equity before non-recurring items	0.7%	10.1%	
Rolling 12 months normalised return on equity before non-recurring items	13.1%	16.6%	
	<b>30-Jun-09</b>	<b>31-Dec-08</b>	<b>Change</b>
Total debt / equity	30%	56%	
Regulatory capital	1,876	2,065	(9)%
Excess assets	1,450	779	86%

## Appendix 3

### AXA APH new business and funds flow for the 6 months ended 30 June 2009

#### Australia

- Market and economic conditions in the latter part of 2008 and the beginning of 2009 have been extremely challenging, which has had a significant impact on the wealth management industry. In this context, the operating environment in the first half of 2009 has been vastly different to the first half of 2008. However, equity markets showed some positive signs in the second quarter of 2009 and there has been some change in customer preference during this period from cash back towards other wealth management products.
- **Total Australia wealth management gross inflows** were down 40% to \$3.97bn (2008 – \$6.60bn) and AXA wealth management gross inflows were down 30% to \$3.69bn (2008 – \$5.24bn). Total wealth management net flows (including AllianceBernstein) were down \$9.48bn to \$(8.05)bn (2008 – \$1.43bn). AXA wealth management net flows, were down 89% to \$182.7m (2008 – \$1.63bn).
- **Platform** gross inflows were down 8% to \$1.13bn (2008 – \$1.23bn) and net inflows were down 18% to \$403.0m (2008 – \$493.5m). Continuing strong demand for North, our unique guaranteed product, has supported our overall positive net flow position.
- **Advice** gross inflows were up 66% to \$1.01bn (2008 – \$609.1m) due to the inclusion of Genesys sourced inflows. Net flows were broadly neutral at \$(0.3)m (2008 – \$62.1m) with positive net flows reported in the second quarter.
- **Investment** gross inflows were down 55% to \$1.54bn (2008 – \$3.40bn) and net flows were down \$1.29bn to \$(220.0)m (2008 – \$1.07bn).
- **AllianceBernstein** gross inflows were down 56% to \$1.62bn (2008 – \$3.70bn) and net flows were down \$9.00bn to \$(8.74)bn (2008 – \$266.4m) due to the termination of a number of client mandates, continued restructuring of clients' global equities and domestic fixed income mandates as well as continued re-balancing away from active international equities.
- **Total Australia financial protection new business** was up 23% to \$58.8m (2008 – \$48.0m) driven by continued strong sales in both individual and group life business.
- **Individual life** new business was up 19% to \$32.2m (2008 – \$27.1m) due to product and service improvements and growth in new policies sold.
- **Individual income protection** new business was up 19% to \$14.5m (2008 – \$12.2m).
- **Group risk** new business was up 39% to \$12.1m (2008 – \$8.7m) reflecting on-going tender success in regular premium business.
- Net flows from our **mature business** were \$220.6m (2008 – \$(128.7)m) as existing clients invested in our conservative saving account products during the first quarter of 2009.
- Gross inflows into AXA **superannuation and pension** products were up 2% to \$1.92bn (2008 – \$1.88bn) due to the inclusion of Genesys and strong North flows offsetting lower discretionary flows into other superannuation and pension products and net inflows were up 25% to \$324.7m (2008 – \$259.5m).
- **Total funds under management, administration and advice** in Australia were down 11% to \$54.63bn (31 December 2008 - \$61.60bn).

## New Zealand

- **New Zealand gross retail wealth management inflows** were down 26% to NZ\$304.2m (2008 – NZ\$410.3m) due to a continuation of the challenging market environment and the closure of our mortgage funds more than offsetting growth in KiwiSaver. Retail net outflows improved 78% to NZ\$(34.6)m (2008 – NZ\$(154.2)m) due to a sharp reduction in outflows from our advice business.
- **New Zealand gross wholesale wealth management inflows** were down 36% to NZ\$332.3m (2008 – NZ\$519.1m) due to lower inflows from AllianceBernstein. Net outflows improved 51% to NZ\$(295.8)m (2008 – NZ\$(597.9)m). Outflows in 2008 of low margin AFM wholesale business, due to the removal of certain tax advantages, ceased in early 2009.
- **Total New Zealand financial protection new business** was down 2% to NZ\$12.7m (2008 – NZ\$12.9m). The growth in individual financial protection of 5% was more than offset by lower group life new business.
- **Total funds under management, administration and advice** in New Zealand were down 6% to NZ\$5.91bn (31 December 2008 – NZ\$6.29bn).

## Hong Kong

- **Total new business index** was down 7% to HK\$1.09bn (2008 – HK\$1.17bn) due to lower sales of investment and unit linked products reflecting adverse market conditions. However, the shift towards higher margin traditional life business has continued since the second half of 2008.
- **Total premium income** was down 1% to HK\$6.76bn (2008 – HK\$6.86bn).
- **Total funds under management, administration and advice** in Hong Kong were up by 9% to HK\$72.95bn (31 December 2008 – HK\$66.93bn).
- New business index for **wealth management** was down 16% to HK\$508.8m (2008 – HK\$602.5m) mainly reflecting lower sales in investment products across most channels due to the uncertain economic environment, partially offset by improved sales through bancassurance.
- **Financial protection** new business index was up 3% to HK\$579.8m (2008 – HK\$563.6m). The increase was mainly due to strong growth in traditional life sales (up 22% to HK\$417.5m) reflecting the continued shift in customer preference, partially offset by lower sales of general insurance and unit linked protection products.
- Mature **premium income** was down 7% to HK\$1.35bn (2008 – HK\$1.45bn) as these products are closed to new business.

## South East Asia

- **Total new business index** for South East Asia was up 16% to A\$177.6m (2008 – A\$153.7m) driven by strong growth in Thailand. This was partially offset by lower single premium unit linked sales in the Philippines, Indonesia and Singapore reflecting customer sentiment within a difficult investment market environment. However, sales in the second quarter of 2009 were stronger than the first quarter across the region, most notably in Singapore and Indonesia.
- **Total inforce premiums** were up 3% to A\$784.9m (31 December 2008 – A\$765.2m).
- **Philippines** new business index was down 31% to Peso 392.1m (2008 – Peso 568.4m).
- **Indonesia** new business index was down 16% to Rupiah 450.1bn (2008 – Rupiah 534.9bn).
- **Thailand** new business index was up 26% to Baht 2.09bn (2008 – Baht 1.66bn).
- **Singapore** new business index was down 1% to S\$21.8m (2008 – S\$22.1m).
- **Malaysia** new business index was up 38% to Ringgit 10.9m (2008 – Ringgit 7.9m).

## India and China

- **India** new business index was up 44% to Rupee 1.95bn (2008 – Rupee 1.35bn) reflecting the expansion of our operations in 2008. However, economic conditions have impacted sales in the second quarter of 2009. During 2009, our focus is to limit further geographic growth and capitalise on our existing infrastructure.
- **China** new business index was up 44% to Rmb 123.2m (2008 – Rmb 85.4m) due to the success of our multi-distribution capability notwithstanding the challenging market conditions. With the opening of a branch in Tianjin in June 2009, we now operate in 12 cities.

## ipac Asia

- **Total gross inflows** for ipac Asia were A\$93.1m (2008 – A\$335.4m). Excluding the one-off funds transfer in 2008 of A\$224.6m, the reduction in inflows was reflective of more difficult investment market conditions. Net outflows of A\$(13.2)m were driven by institutional redemptions.
- **Total funds under management and advice** were down 4% to A\$852.9m (31 December 2008 – A\$891.3m) due to the decline in global investment markets.

## Australia

### Australia Wealth Management

6 months to 30 June	Inflows			Netflows			Funds under management, administration and advice <sup>1</sup>		
	A\$m	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08
Platforms	1,131.4	1,230.9	(8)%	403.0	493.5	(18)%	10,348.7	8,970.6	15%
Advice	1,014.1	609.1	66%	(0.3)	62.1	<<	11,939.9	11,889.0	0%
Investments	1,543.2	3,400.0	(55)%	(220.0)	1,070.0	<<	18,190.2	18,659.9	(3)%
<b>Total AXA</b>	<b>3,688.7</b>	<b>5,240.0</b>	<b>(30)%</b>	<b>182.7</b>	<b>1,625.6</b>	<b>(89)%</b>	<b>40,478.8</b>	<b>39,519.5</b>	<b>2%</b>
AllianceBernstein	1,623.1	3,704.7	(56)%	(8,737.2)	266.4	<<	28,915.1	38,635.2	(25)%
Inter-segment <sup>2</sup>	(1,345.1)	(2,349.7)	43%	507.7	(460.9)	>>	(25,747.8)	(27,544.3)	7%
<b>Total Wealth Management</b>	<b>3,966.7</b>	<b>6,595.0</b>	<b>(40)%</b>	<b>(8,046.8)</b>	<b>1,431.1</b>	<b>&lt;&lt;</b>	<b>43,646.1</b>	<b>50,610.4</b>	<b>(14)%</b>

1. included in platform w as Multiport funds under advice of \$794.1m acquired in the second quarter of 2009

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

### Australia Financial Protection

6 months to 30 June	New business			Discontinuances			Inforce Premiums		
	A\$m	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08
Individual Life	32.2	27.1	19%	(19.9)	(16.5)	(21)%	288.4	276.1	4%
Individual Income Protection	14.5	12.2	19%	(11.4)	(10.8)	(6)%	191.3	188.2	2%
<b>Total individual Financial Protection</b>	<b>46.7</b>	<b>39.3</b>	<b>19%</b>	<b>(31.3)</b>	<b>(27.3)</b>	<b>(15)%</b>	<b>479.7</b>	<b>464.3</b>	<b>3%</b>
Group	12.1	8.7	39%	(14.6)	(9.9)	(47)%	172.4	174.9	(1)%
<b>Total Financial Protection</b>	<b>58.8</b>	<b>48.0</b>	<b>23%</b>	<b>(45.9)</b>	<b>(37.2)</b>	<b>(23)%</b>	<b>652.1</b>	<b>639.2</b>	<b>2%</b>

### Australia Mature

6 months to 30 June	Inflows			Netflows			Funds under management		
	A\$m	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08
Retirement income	0.4	0.7	(43)%	(114.6)	(165.5)	31%	-	179.9	<<
Long Term Savings	862.0	756.8	14%	384.6	86.3	346%	9,502.6	9,186.3	3%
Long Term Risk	20.8	22.3	(7)%	(49.4)	(49.5)	0%	1,481.3	1,619.6	(9)%
<b>Total Mature</b>	<b>883.2</b>	<b>779.8</b>	<b>13%</b>	<b>220.6</b>	<b>(128.7)</b>	<b>&gt;&gt;</b>	<b>10,983.9</b>	<b>10,985.8</b>	<b>(0)%</b>

### Australia Superannuation and Pension (included in the tables above)

6 months to 30 June	Inflows			Netflows			
	A\$m	2009	2008	Change	2009	2008	Change
Wealth Management		1,607.8	1,481.9	8%	488.4	592.1	(18)%
Mature		316.3	399.8	(21)%	(163.7)	(332.6)	51%
<b>Total Superannuation and Pension<sup>1</sup></b>		<b>1,924.1</b>	<b>1,881.7</b>	<b>2%</b>	<b>324.7</b>	<b>259.5</b>	<b>25%</b>

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

## New Zealand

### New Zealand - Wealth Management

6 months to 30 June NZ\$m	Inflows			Netflows			Funds under management, administration and advice <sup>1</sup>		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
Retail Wealth Management	304.2	410.3	(26)%	(34.6)	(154.2)	78%	3,724.8	3,655.9	2%
Wholesale Wealth Management	332.3	519.1	(36)%	(295.8)	(597.9)	51%	3,638.8	3,896.7	(7)%
Inter-segment	(13.2)	(24.6)	46%	18.3	82.7	(78)%	(1,455.6)	(1,261.2)	(15)%
<b>Total Wealth Management</b>	<b>623.3</b>	<b>904.8</b>	<b>(31)%</b>	<b>(312.1)</b>	<b>(669.4)</b>	<b>53%</b>	<b>5,908.0</b>	<b>6,291.4</b>	<b>(6)%</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

6 months to 30 June NZ\$m	New business			Discontinuances			Inforce Premiums		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
Individual	9.6	9.1	5%	(8.6)	(8.0)	(8)%	142.2	141.2	1%
Group	3.1	3.8	(18)%	(2.6)	(2.6)	0%	34.9	34.4	1%
<b>Financial protection</b>	<b>12.7</b>	<b>12.9</b>	<b>(2)%</b>	<b>(11.2)</b>	<b>(10.6)</b>	<b>(6)%</b>	<b>177.1</b>	<b>175.6</b>	<b>1%</b>

## Hong Kong

### Hong Kong - Total

6 months to 30 June HK\$m	New business index			Premium income			Funds under management		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
<b>Total Hong Kong</b>	<b>1,088.6</b>	<b>1,166.1</b>	<b>(7)%</b>	<b>6,758.0</b>	<b>6,858.1</b>	<b>(1)%</b>	<b>72,952.8</b>	<b>66,928.9</b>	<b>9%</b>

### Hong Kong - Wealth Management

6 months to 30 June HK\$m	New business index			Net flows			Funds under management		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
Investment	371.7	451.4	(18)%						
Group retirement and investment products	137.1	151.1	(9)%						
<b>Total wealth management</b>	<b>508.8</b>	<b>602.5</b>	<b>(16)%</b>	<b>1,412.8</b>	<b>773.5</b>	<b>83%</b>	<b>17,400.6</b>	<b>14,292.6</b>	<b>22%</b>

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

6 months to 30 June HK\$m	New business index			Premium income			Regular Inforce Premiums		
	2009	2008	Change	2009	2008 <sup>2</sup>	Change	30-Jun-09	31-Dec-08	Change
Traditional life	417.5	342.5	22%						
Unit linked	21.5	66.9	(68)%						
Group risk	96.4	85.2	13%						
General insurance	44.4	69.0	(36)%						
<b>Total financial protection</b>	<b>579.8</b>	<b>563.6</b>	<b>3%</b>	<b>2,953.4</b>	<b>3,112.6</b>	<b>(5)%</b>	<b>6,272.6</b>	<b>6,101.5</b>	<b>3%</b>

1. Financial protection FUM as at 30 June 2009 was HK\$12.77bn (31 December 2008 - HK\$11.68bn)

2. Mature products premium income for 2008 of HK\$159m, previously included in financial protection, has been reclassified to mature

### Hong Kong - Mature

6 months to 30 June HK\$m	Premium income			Inforce premiums			Funds under management		
	2009	2008 <sup>1</sup>	Change	30-Jun-09	31-Dec-08	Change	30-Jun-09	31-Dec-08	Change
<b>Mature</b>	<b>1,351.1</b>	<b>1,451.1</b>	<b>(7)%</b>	<b>2,927.0</b>	<b>3,033.2</b>	<b>(4)%</b>	<b>42,786.8</b>	<b>40,955.3</b>	<b>4%</b>

1. Mature products premium income for 2008 of HK\$159m, previously included in financial protection, has been reclassified to mature

**South East Asia**

6 months to 30 June local currency	New business index			Premium income			Inforce premiums		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
Philippines (peso m)	392.1	568.4	(31)%	1,638.6	3,053.0	(46)%	1,930.8	1,861.9	4%
Indonesia (Rupiah bn)	450.1	534.9	(16)%	1,003.8	1,836.1	(45)%	2,331.6	2,081.6	12%
Thailand (Baht m)	2,092.3	1,662.4	26%	5,479.0	4,203.5	30%	9,443.9	8,128.5	16%
Singapore (Sing\$ m)	21.8	22.1	(1)%	82.3	174.4	(53)%	114.0	102.5	11%
Malaysia (Ringgit m)	10.9	7.9	38%	25.1	18.6	35%	34.8	34.3	1%

6 months to 30 June A\$m	New business index			Premium income			Inforce premiums		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
Philippines	11.6	14.6	(21)%	48.3	78.6	(39)%	49.7	55.9	(11)%
Indonesia	57.2	62.5	(8)%	127.5	214.5	(41)%	282.1	260.2	8%
Thailand	84.0	56.7	48%	220.1	143.4	53%	343.3	333.0	3%
Singapore	20.5	17.2	19%	77.6	135.9	(43)%	97.5	102.0	(4)%
Malaysia	4.3	2.7	59%	9.9	6.2	60%	12.3	14.1	(13)%
<b>Total South East Asia</b>	<b>177.6</b>	<b>153.7</b>	<b>16%</b>	<b>483.4</b>	<b>578.6</b>	<b>(16)%</b>	<b>784.9</b>	<b>765.2</b>	<b>3%</b>

**India and China**

6 months to 30 June local currency	New business index			Premium income			Inforce premiums		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
India (Rupee m)	1,946.5	1,353.1	44%	2,376.3	1,147.4	107%	4,396.7	3,415.5	29%
China (Rmb m)	123.2	85.4	44%	347.0	341.5	2%	410.1	328.8	25%

6 months to 30 June A\$m	New business index			Premium income			Inforce premiums		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
India	55.5	35.9	55%	67.8	30.4	123%	113.7	99.9	14%
China	25.4	13.1	94%	71.4	52.3	37%	74.4	68.6	8%
<b>Total</b>	<b>80.9</b>	<b>49.0</b>	<b>65%</b>	<b>139.2</b>	<b>82.7</b>	<b>68%</b>	<b>188.1</b>	<b>168.5</b>	<b>12%</b>

**ipac Asia****ipac Asia**

6 months to 30 June A\$m	Inflows			Netflows			Funds under advice/ management		
	2009	2008	Change	2009	2008	Change	30-Jun-09	31-Dec-08	Change
<b>Total ipac</b>	<b>93.1</b>	<b>335.4</b>	<b>(72)%</b>	<b>(13.2)</b>	<b>297.0</b>	<b>&lt;&lt;</b>	<b>852.9</b>	<b>891.3</b>	<b>(4)%</b>

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

**Group funds under administration, management and advice**

	Local (m)			A\$ (bn)		
	30-Jun-09	31-Dec-08	Change	30-Jun-09	31-Dec-08	Change
Australia	54,630.0	61,596.2	(11)%	54.6	61.6	(11)%
New Zealand	5,908.0	6,291.4	(6)%	4.7	5.2	(10)%
Hong Kong	72,952.8	66,928.9	9%	11.7	12.3	(5)%
Asia ex Hong Kong	n/a	n/a	n/a	4.2	4.2	0%
ipac Asia	n/a	n/a	n/a	0.9	0.9	0%
Inter-segment <sup>1</sup>	n/a	n/a	n/a	(0.4)	(0.3)	(33)%
<b>Total</b>				<b>75.7</b>	<b>83.9</b>	<b>(10)%</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**

		Average rate		Spot rate	
		30-Jun-09	30-Jun-08	30-Jun-09	31-Dec-08
New Zealand	NZ\$	1.25	1.18	1.25	1.21
Hong Kong	HK\$	5.51	7.21	6.26	5.45
Philippines	peso	33.91	38.84	38.82	33.30
Indonesia	rupiah	7,857.56	8,561.00	8,241.85	7,981.21
Thailand	baht	24.90	29.32	27.51	24.41
Singapore	sing\$	1.06	1.28	1.17	1.00
Malaysia	ringgit	2.55	2.98	2.84	2.43
India	rupee	35.04	37.71	38.68	34.20
China	rmb	4.86	6.53	5.52	4.79

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