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Company Secretary

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14 December 2009

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

Dear Sir/Madam

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

Please refer to the attached news release announcing the receipt by AXA Asia Pacific Holdings Limited of a revised scheme proposal from AMP Limited and AXA SA.

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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AXA ASIA PACIFIC HOLDINGS RECEIVES REVISED SCHEME PROPOSAL FROM AMP AND AXA SA

AXA Asia Pacific Holdings Limited (**AXA APH**) advises that it has received a revised conditional scheme proposal (**Revised Proposal**) from AMP Limited (**AMP**) and AXA SA. This Revised Proposal follows AMP and AXA SA's initial proposal (**Initial Proposal**), which was rejected by a committee of independent directors (**Independent Board Committee**) on 9 November 2009.

Under the Revised Proposal, the offer to AXA APH's minority shareholders consists of the following consideration for each AXA APH share:

- 0.6896 AMP shares, which is the same scrip ratio as under the Initial Proposal; and
- a fixed cash component of A\$1.92. This compares to the variable cash component of approximately A\$1.38 under the Initial Proposal, which was subject to adjustment for certain movements in the A\$/US\$ exchange rate.

The Independent Board Committee of AXA APH intends to take the appropriate time to carefully consider this Revised Proposal and will provide an update to the market when this assessment is completed. As a result, a transaction may or may not eventuate from the Revised Proposal and AXA APH shareholders do not need to take any action in relation to the Revised Proposal.

The Revised Proposal has increased the cash component of the proposal by 54 cents per share and leaves the scrip component unchanged. This implies an offer price of A\$6.22 per AXA APH share, based on the volume weighted average AMP share price of A\$6.24 since the announcement of the initial offer and compares to the implied value of the Initial Proposal of A\$5.34 per AXA APH share based on the AMP share price of A\$5.75 per share on 5 November 2009, and A\$5.68 per AXA APH share based on an AMP share price of A\$6.24.¹

The Revised Proposal represents an ungeared value of A\$4,413 million for AXA APH's Australian and New Zealand business and A\$9,626 million for AXA APH's Asian business.²

The offer is conditional on completion of extensive due diligence, the unanimous support of the Independent Board Committee, execution of the agreements to implement the transaction and a range of other important conditions. AMP and AXA SA have stated that the Revised Proposal will lapse if binding transaction documents

¹ In both cases, based on the A\$ / US\$ exchange rate on 5 November 2009.

² Based on exchange rates for US\$ denominated debt as at 11 December 2009.

are not entered into prior to the close of business on 21 December 2009. A summary of the detailed terms and conditions of the offer is attached. AMP and AXA SA have advised that this price represents their best and final proposal.

AXA APH Chairman, Mr Rick Allert, commented, "AXA APH has an enviable position in Asia delivering strong growth and an Australian and New Zealand business that is well positioned to take advantage of the recovery in markets and to respond to the anticipated future regulatory changes.

"The Independent Board Committee will take the appropriate time to carefully consider the Revised Proposal and we will update our shareholders and the market when this assessment has been completed."

For Investors

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APPENDIX A: SUMMARY OF KEY PROPOSAL TERMS

Term	Details
Proposal structure	<ul style="list-style-type: none"> — AMP 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. — AMP proposes to divest AXA APH's Asian operations to AXA SA. — AMP and AXA SA have entered into an exclusivity arrangement in relation to the proposal.
Business valuations	<ul style="list-style-type: none"> — The proposal states the consideration is based on an ungeared value of A\$4,413 million for AXA APH's Australian and New Zealand operations and an ungeared value of A\$9,626 million for AXA APH's Asian operations. — This implies an equity value for AXA APH's Australian and New Zealand operations of A\$3,738 million, post deduction of the value of debt of US\$225 million and A\$430 million, and an equity value for AXA APH's Asian operations of A\$9,126 million, post deduction of debt of US\$459 million. Equity values have been calculated using an A\$/US\$ exchange rate of 0.91685 as at 11 December 2009 for US\$ denominated debt.
Scheme consideration	<ul style="list-style-type: none"> — The scheme consideration for the minority shareholders per AXA APH share is proposed to comprise: <ul style="list-style-type: none"> o 0.6896 AMP shares; and o A\$1.92 in cash. — AXA APH's minority shareholders will also be offered a mix and match facility enabling them to elect to receive a greater proportion of their consideration in cash or AMP shares subject to the total pools of cash and shares available. — AMP and AXA SA have indicated that they are in discussions with the Australian Tax Office regarding the availability of CGT rollover relief for the scrip component of the scheme consideration. While AMP and AXA SA are hopeful relief will be available, they can not provide any certainty on this point
Key conditions to the offer include	<ul style="list-style-type: none"> — Detailed due diligence — 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) — Execution of all binding agreements to implement the scheme by close of business on 21 December 2009 — All required regulatory approvals in Australia, New Zealand and in respect of seven countries in which AXA APH operates in Asia — No material adverse change in AXA APH's business — No prescribed occurrence in AXA APH — AXA APH minority shareholders' approval — Court approval — A break fee payable to AMP equal to 1% of the total scheme consideration in the event a competing proposal is completed within 12 months — Cap on AXA APH FY09 final dividend of 9.25 cents per share
Governance	<ul style="list-style-type: none"> — As part of the proposal, AMP has indicated that it intends to invite two AXA APH Board members to join the AMP Board.