



Kevin Keenan
Company Secretary

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21 October 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 nine months ended 30 September 2010.

Yours sincerely

A handwritten signature in black ink, consisting of a large, stylized 'K' followed by a horizontal line that tapers off to the right.

Kevin Keenan
Company Secretary

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news release

www.axaasiapacific.com.au

21 October 2010

AXA ASIA PACIFIC HOLDINGS LIMITED

AXA Asia Pacific Holdings today announced its new business and fund flows for the 9 months ended 30 September 2010.

Chief Executive Officer, Andrew Penn, said:

"Our funds flow and new business results for the 9 months ended 30 September 2010 reflect the different dynamics of the markets in which we are operating.

"In Asia we achieved continued strong growth with new business across the region up 45 percent on the same period last year gaining share in most of our markets.

"Total new business index for Hong Kong was up 21 percent to HK\$2.0 billion (A\$288 million) reflecting higher traditional life sales driven by growth in commissioned agent numbers and improved productivity.

"In South East Asia, new business index was up 59 percent with particularly strong growth in Indonesia, Thailand and the Philippines, reflecting the strength of our bancassurance partnerships.

"New business index in India was up 24 percent to Rupee 3.4 billion (A\$83 million) and up 72 percent in China to Rmb 341 million (A\$56 million).

"In Australia and New Zealand inflows across the industry in wealth management remain subdued.

"In Australia whilst total wealth management inflows were up 5 percent to \$6.1 billion AXA retail inflows were down 15 percent to \$4.9 billion. Total individual financial protection new business was up 12 percent to \$84 million whilst group life new business was down 21 percent to \$13 million.

"In New Zealand, wealth management inflows were down 24 percent to NZ\$795 million. Total individual financial protection new business was up 15 percent to NZ\$18 million offset by lower group life sales down 37 percent.

"Total group funds under management, administration and advice over the 9 months to 30 September 2010 were down 5 percent to \$77.0 billion."

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Hong Kong

- **Total new business index** was up 21% to HK\$2.00bn (2009 – HK\$1.65bn). The increase was mainly driven by higher traditional life sales due to a higher number and improved productivity of our commissioned agents.
- **Total premium income** was up 9% to HK\$11.25bn (2009 – HK\$10.35bn).
- New business index for **wealth management** was up 14% to HK\$852.5m (2009 – HK\$751.1m) reflecting higher sales of investment products, driven by the success of a new sales incentive programme for the bancassurance channel, together with the launch of a new investment-linked product in the third quarter through the agency channel.
- **Financial protection** new business index was up 28% to HK\$1,151.8m (2009 – HK\$900.7m) reflecting higher traditional life sales driven by a higher number of commissioned agents and improved productivity in the agency channel, following the successful launch of a new critical illness product.
- **Mature** premium income was down 6% to HK\$1.92bn (2009 – HK\$2.05bn).
- **Total funds under management, administration and advice** were up 12% to HK\$90.46bn (31 December 2009 – HK\$80.49bn).

South East Asia

- **Total new business index** for South East Asia was up 59% to A\$472.9m (2009 – A\$296.8m) reflecting continued growth in most markets. The strong sales across the region were mainly driven by the strong performance of our bancassurance channels, notably in Indonesia, Thailand and the Philippines.
- **Indonesia** new business index was up 124% to Rupiah 1,910.9bn (2009 – Rupiah 854.7bn).
- **Thailand** new business index was up 40% to Baht 4,584.1m (2009 – Baht 3,267.6m).
- **Philippines** new business index was up 92% to Peso 1,285.5m (2009 – Peso 669.7m).
- **Singapore** new business index was down 4% to S\$36.4m (2009 – S\$38.0 m).
- **Malaysia** new business index was up 101% to Ringgit 59.6m (2009 – Ringgit 29.7 m).
- **Total inforce premiums** were up 30% to A\$1,213.8m (31 December 2009 – A\$931.5m).

India and China

- **India** new business index was up 24% to Rupee 3.44bn (2009 – Rupee 2.76bn) driven by growth in most channels, notably corporate broker and agency channels.
- **China** new business index was up 72% to Rmb 341.4m (2009 – Rmb 198.1m) mainly driven by strong growth in group and bancassurance.

ipac Asia

- **Total gross inflows** for ipac Asia were down 47% to A\$67.0m (2009 – A\$125.8m) and netflows were A\$(188.1)m (2009 – A\$(1.6)m) due to lower institutional inflows following the termination of an institutional partnership.
- **Total funds under management and advice** were down 24% to A\$684.6m (31 December 2009 – A\$898.8m) as a result of an institutional redemption.

Australia

- **Total Australia wealth management gross inflows** (including AllianceBernstein) were up 5% to \$6.13bn (2009 – \$5.82bn). AXA wealth management gross inflows were down 15% to \$4.90bn (2009 – \$5.76 bn). Total wealth management net flows (including AllianceBernstein) were up \$5.54bn to \$(3.06)bn (2009 – \$(8.60)bn). AXA wealth management net flows were down \$1.42bn to \$(1.04)bn (2009 – \$376.2m).
- **Platform** gross inflows were down 8% to \$1.60bn (2009 – \$1.75bn) and net flows were down 39% to \$382.7m (2009 – \$628.6m) reflecting lower sales of North, partially offset by growth in inflows into Summit.
- **Advice** gross inflows were down 10% to \$1.51bn (2009 – \$1.67bn) and net flows were down \$457.7m to \$(367.0)m (2009 – \$90.7m) which were impacted by the ongoing cautious consumer sentiment towards wealth management products.
- **Investment** gross inflows were down 23% to \$1.80bn (2009 – \$2.35bn) due to lower mezzanine and wholesale flows following poor ratings of AllianceBernstein investment products and the liquidity of mortgage and property funds. Net flows were down \$711.5m to \$(1.05)bn (2009 – \$(343.1)m).
- **AllianceBernstein** gross inflows were up 35% to \$2.71bn (2009 – \$2.0bn) and net flows improved \$7.57bn to \$(3.29)bn (2009 – \$(10.86)bn) as terminations of global equity mandates have continued to slow.
- **Total Australia financial protection new business** was up 6% to \$96.6m (2009 – \$90.8m).
- **Individual life** new business was up 11% to \$57.1m (2009 – \$51.3m) and **Individual income protection** new business was up 14% to \$27.0m (2009 – \$23.6m) following increases on the inforce business and a positive sales response to the launch of AXA Elevate to clients through AXA's platforms in May.
- **Group risk** new business was down 21% to \$12.5m (2009 – \$15.9m), reflecting lower successful tenders than in 2009; particularly in the third quarter.
- Net flows from our **mature business** were \$(306.9)m (2009 – \$(50.3)m) as large inflows into conservative products in Q1 2009 have reversed as equity markets have showed signs of recovery.
- Gross inflows into AXA **superannuation and pension** products were down 9% to \$2.66bn (2009 – \$2.94bn). Net inflows were down to \$49.1m (2009 – \$499.7m).
- **Total funds under management, administration and advice** in Australia were lower at \$54.63bn (31 December 2009 – \$59.03bn).

New Zealand

- **New Zealand gross retail wealth management inflows** were down 20% to NZ\$461.2m (2009 – NZ\$578.7m) and net inflows were down 64% to NZ\$35.4m (2009 – NZ\$98.7m), with growth in KiwiSaver, up 7%, offset by the impact of money transferred onto our platform from the Gould Wealth Management acquisition in 2009 and lower advice, mezzanine and mature product inflows.
- **New Zealand gross wholesale wealth management inflows** were down 32% to NZ\$335.8m (2009 – NZ\$493.6m) and outflows were NZ\$(1,266.0)m. AllianceBernstein relocated portfolio management to Australia in the first quarter, which resulted in a number of New Zealand clients choosing to reallocate their local and international equities and fixed income and growth portfolios. AXA successfully tendered a portion of this business and continued to attract new inflows.
- **Total New Zealand financial protection new business** was up 3% to NZ\$20.8m (2009 – NZ\$20.1m). Individual new business was up 15% reflecting growth in sales through the broker channel, together with increased activity, notably in the first half of the year, prompted by changes in the taxation of life insurance products. Group was down 37% reflecting strong price competition on new and existing business.
- **Total funds under management, administration and advice in New Zealand** were down 12% to NZ\$5.68bn (31 December 2009 – NZ\$6.42bn).

Asia

Asia - new business index

9 months to 30 September	Constant rates		
A\$m	2010	2009	Change
Hong Kong	287.6	237.0	21%
Indonesia ¹	233.6	104.5	124%
Thailand ¹	158.2	112.8	40%
Philippines ¹	31.4	16.4	91%
Singapore	29.3	30.6	(4)%
Malaysia ¹	20.4	10.2	101%
India ¹	83.4	67.0	24%
China ¹	55.9	32.5	72%
ipac	6.7	12.6	(47)%
Total	906.5	623.6	45%

1. On a 100% basis

Hong Kong

Hong Kong - Total

9 months to 30 September	New business index			Premium income			Funds under management		
HK\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Total Hong Kong	2,004.3	1,651.8	21%	11,248.5	10,351.3	9%	90,456.0	80,489.3	12%

Hong Kong - Wealth Management

9 months to 30 September	New business index			Net flows			Funds under management		
HK\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Investment	654.9	566.1	16%						
Group retirement and investment products	197.6	185.0	7%						
Total wealth management	852.5	751.1	14%	1,527.6	1,867.1	(18)%	24,163.9	21,259.9	14%

Hong Kong - Financial Protection ¹

9 months to 30 September	New business index			Premium income			Regular Inforce Premiums		
HK\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Traditional life	896.8	660.2	36%						
Unit linked	39.7	39.2	1%						
Group risk	142.8	133.3	7%						
General insurance	72.5	68.0	7%						
Total financial protection	1,151.8	900.7	28%	5,362.2	4,630.0	16%	7,243.0	6,605.1	10%

1. Financial protection FUM as at 30 Sept 2010 was HK\$16.25bn (31 December 2009 - HK\$14.73bn) as FUM of HK\$2.2bn was transferred to mature to finance dividend payments

Hong Kong - Mature

9 months to 30 September	Premium income			Inforce premiums			Funds under management ²		
HK\$m	2010	2009	Change	30-Sep-10	31-Dec-09	Change	30-Sep-10	31-Dec-09	Change
Mature	1,922.5	2,054.8	(6)%	2,730.3	2,841.1	(4)%	50,046.7	44,496.4	12%

2. Dividend payments of HK\$2.20bn has been included in the change in FUM from 31 December 2009 to 30 September 2010

South East Asia

9 months to 30 September	New business index			Premium income			Inforce premiums		
local currency	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Indonesia (Rupiah bn)	1,910.9	854.7	124%	3,172.5	1,732.1	83%	4,373.1	3,104.3	41%
Thailand (Baht m)	4,584.1	3,267.6	40%	12,710.1	8,867.5	43%	14,955.3	11,910.5	26%
Philippines (peso m)	1,285.5	669.7	92%	5,189.7	2,861.3	81%	2,632.2	2,127.4	24%
Singapore (Sing\$ m)	36.4	38.0	(4)%	161.1	127.6	26%	142.6	129.0	11%
Malaysia (Ringgit m)	59.6	29.7	101%	239.7	158.2	52%	74.3	45.1	65%

9 months to 30 September	New business index			Premium income			Inforce premiums		
A\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Indonesia	233.6	106.8	119%	387.8	216.5	79%	506.1	366.3	38%
Thailand	158.2	125.8	26%	438.6	341.4	28%	509.0	397.0	28%
Philippines	31.4	18.7	68%	127.0	79.8	59%	61.9	51.4	20%
Singapore	29.3	34.4	(15)%	129.8	115.6	12%	112.0	102.2	10%
Malaysia	20.4	11.1	84%	82.1	59.3	38%	24.8	14.6	70%
Total South East Asia	472.9	296.8	59%	1,165.3	812.6	43%	1,213.8	931.5	30%

India and China

9 months to 30 September	New business index			Premium income			Inforce premiums		
local currency	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
India (Rupee m)	3,439.8	2,764.9	24%	6,423.5	3,741.3	72%	8,528.9	5,369.8	59%
China (Rmb m)	341.4	198.1	72%	842.8	460.8	83%	750.6	533.9	41%

9 months to 30 September	New business index			Premium income			Inforce premiums		
A\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
India	83.4	75.3	11%	155.7	101.9	53%	196.0	128.4	53%
China	55.9	38.7	44%	138.1	89.9	54%	115.9	87.0	33%
Total	139.3	114.0	22%	293.8	191.8	53%	311.9	215.4	45%

ipac Asia

9 months to 30 September	Inflows			Netflows			Funds under management and advice		
A\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Total ipac	67.0	125.8	(47%)	(188.1)	(1.6)	<<	684.6	898.8	(24%)

Australia**Australia Wealth Management**

9 months to 30 September	Inflows			Netflows			Funds under management, administration and advice ¹		
A\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Platforms	1,598.1	1,745.5	(8)%	382.7	628.6	(39)%	12,476.6	12,139.5	3%
Advice	1,509.1	1,668.2	(10)%	(367.0)	90.7	<<	13,111.7	13,553.7	(3)%
Investments	1,797.5	2,348.6	(23)%	(1,054.6)	(343.1)	(207)%	18,564.7	20,019.3	(7)%
Total AXA	4,904.7	5,762.3	(15)%	(1,038.9)	376.2	<<	44,153.0	45,712.5	(3)%
AllianceBernstein	2,706.8	2,002.9	35%	(3,288.0)	(10,856.4)	70%	24,374.4	28,561.1	(15)%
Inter-segment ¹	(1,485.8)	(1,949.7)	24%	1,267.2	1,878.3	(33)%	(24,969.2)	(26,464.2)	(6)%
Total Wealth Management	6,125.7	5,815.5	5%	(3,059.7)	(8,601.9)	64%	43,558.2	47,809.4	(9)%

1. 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

9 months to 30 September	New business			Discontinuances			Inforce Premiums		
A\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Individual Life	57.1	51.3	11%	(36.4)	(30.5)	(19)%	326.7	306.0	7%
Individual Income Protection	27.0	23.6	14%	(21.1)	(18.0)	(17)%	203.5	197.6	3%
Total individual Financial Protection	84.1	74.9	12%	(57.5)	(48.5)	(19)%	530.2	503.6	5%
Group	12.5	15.9	(21)%	(18.9)	(15.2)	(24)%	168.3	174.7	(4)%
Total Financial Protection	96.6	90.8	6%	(76.4)	(63.7)	(20)%	698.5	678.3	3%

Australia Mature

9 months to 30 September	Inflows			Netflows			Funds under management		
A\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Retirement income	-	0.4	n/a	-	(114.6)	n/a	-	-	n/a
Long Term Savings	690.6	1,090.1	(37)%	(218.5)	141.7	<<	9,564.2	9,684.2	(1)%
Long Term Risk	29.4	33.1	(11)%	(88.4)	(77.4)	(14)%	1,507.0	1,531.6	(2)%
Total Mature	720.0	1,123.6	(36)%	(306.9)	(50.3)	<<	11,071.2	11,215.8	(1)%

Australia Superannuation and Pension (included in the tables above)

9 months to 30 September	Inflows			Netflows		
A\$m	2010	2009	Change	2010	2009	Change
Wealth Management	2,239.1	2,493.8	(10)%	227.8	737.0	(69)%
Mature	419.9	442.6	(5)%	(178.7)	(237.3)	25%
Total Superannuation and Pension ¹	2,659.0	2,936.4	(9)%	49.1	499.7	(90)%

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**

9 months to 30 September	Inflows			Netflows			Funds under management, administration and advice ¹		
NZ\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Retail Wealth Management	461.2	578.7	(20)%	35.4	98.7	(64)%	4,064.8	3,979.8	2%
Wholesale Wealth Management	335.8	493.6	(32)%	(1,266.0)	(328.3)	<<	2,309.2	3,679.1	(37)%
Inter-segment	(1.8)	(32.4)	94%	463.9	0.0	>>	(696.9)	(1,239.4)	44%
Total Wealth Management	795.2	1,039.9	(24)%	(766.7)	(229.6)	<<	5,677.1	6,419.5	(12)%

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

9 months to 30 September	New business			Discontinuances			Inforce Premiums		
NZ\$m	2010	2009	Change	2010	2009	Change	30-Sep-10	31-Dec-09	Change
Individual	17.9	15.5	15%	(14.9)	(13.7)	(9)%	148.1	145.1	2%
Group	2.9	4.6	(37)%	(3.1)	(3.2)	3%	36.8	37.0	(1)%
Financial protection	20.8	20.1	3%	(18.0)	(16.9)	(7)%	184.9	182.1	2%

Group funds under management, administration and advice

	Local (bn)			A\$ (bn)		
	30-Sep-10	31-Dec-09	Change	30-Sep-10	31-Dec-09	Change
Hong Kong	90.46	80.49	12%	12.03	11.56	4%
Asia ex Hong Kong	n/a	n/a	n/a	5.68	4.65	22%
ipac Asia	n/a	n/a	n/a	0.68	0.90	(24)%
Australia	54.63	59.03	(7)%	54.63	59.03	(7)%
New Zealand	5.68	6.42	(12)%	4.30	5.19	(17)%
Inter-segment ¹	n/a	n/a	n/a	(0.32)	(0.39)	18%
Total				77.00	80.94	(5)%

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-Sep-10	30-Sep-09	30-Sep-10	31-Dec-09
Hong Kong	HK\$	6.97	5.81	7.52	6.96
Philippines	peso	40.88	35.86	42.49	41.43
Indonesia	rupiah	8,181.28	8,000.00	8,641.33	8,474.58
Thailand	baht	28.98	25.97	29.38	30.00
Singapore	sing\$	1.24	1.10	1.27	1.26
Malaysia	ringgit	2.92	2.67	2.99	3.09
India	rupee	41.25	36.71	43.51	41.81
China	rmb	6.10	5.12	6.48	6.14
New Zealand	NZ\$	1.26	1.25	1.32	1.24

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