

Annual and Interim Reports

AXA Asia Pacific Holdings is committed to reducing both the financial and environmental impacts of producing the Annual and Half Year Reports for our approximately 380,000 shareholders. If you would like to elect not to receive a printed copy of the reports, complete the form enclosed and return it to:

COMPUTERSHARE INVESTOR SERVICES

by fax 61 3 9611 5710,
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or email melbourne.services@computershare.com.au

Please note that all Annual and Half Year Reports are available on our website, www.axa-asiapacific.com.au

Change of Balance Date

This year, AXA Asia Pacific Holdings Limited will move its balance date from 30 September to 31 December, in alignment with the global AXA Group. The change will provide substantial cost savings and efficiency benefits.

Please refer to the Financial Calendar for the key dates in 2002.

If you have any queries, please contact the Share Registry on 1300 367 373 and 03 9611 5986 in Australia or 0800 669 955 and 09 488 8777 in New Zealand.

Become an AXA eShareholder

By going online, eShareholders will not only help AXA reduce costs, they will also gain access to more information, more often. The Annual Report, webcasts of major announcements and the AGM, company releases, share prices and shareholder details direct from the share registry are available online. eShareholders can also update their personal share registry details and gain access to their dividend history.

Visit the AXA Asia Pacific website at www.axa-asiapacific.com.au

AXA HALF YEAR REPORT

Six months to 31 March 2001



AXA Asia Pacific Holdings Limited ABN 78 069 123 011

Group Highlights

- Operating Profit after Tax and before Abnormals up 12% to \$162 million (31/3/00 - \$145 million)
- Operating Earnings up 68% to \$168m (31/3/00 - \$100 million)
- Investment Earnings down 25% to \$95 million (31/3/00 - \$127 million)
- Earnings per share up 12% to 9.2 cents (31/3/00 - 8.2 cents)
- Joint venture in asset management with Alliance Capital launched
- AXA Health covers around 1 million lives
- Significant progress in many aspects of the transformation programme

Financial Calendar

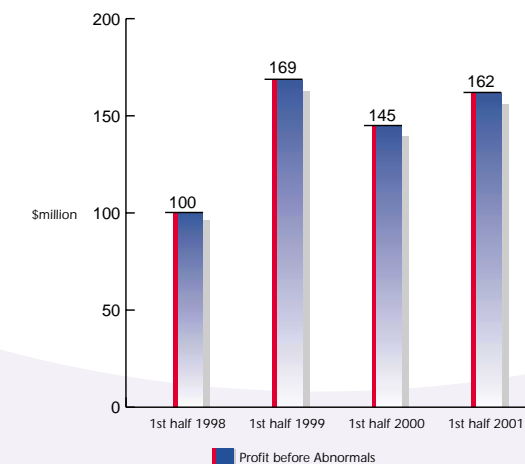
DECEMBER 2001 - OCTOBER 2002

Summary 12 months to 30 September 2001 report	December 2001
End of company's 2001 financial year	31 December 2001
End of year results announcement	28 February 2002
Annual Report at 31 December 2001 sent to shareholders	March 2002
Full year dividend sent to shareholders	5 April 2002
Annual General Meeting	18 April 2002
End of company's 2002 half year	30 June 2002
Half year results announcement	29 August 2002
Interim dividend sent to shareholders	1 October 2002

Half Year Dividend

The half year dividend is 4.75 cents per share, unfranked.

Consolidated Profit After Tax



Share Price



Chairman's Report



In my address to shareholders at the Annual General Meeting in February this year I reiterated that the Board is confident that the right foundations to achieve our long term objectives have been put in place, that we were embarking on a period of major change and that much hard work lay ahead.

In the context of these significant changes I am pleased to report to shareholders that for the six months to 31 March 2001 the company has made an operating profit after tax and before abnormal items of \$162 million, which is 12 per cent higher than the corresponding result in the previous financial year (\$145 million).

Operating earnings for the period of \$168 million were 68 per cent up (31 March 2000 - \$100 million), but investment earnings of \$95 million were 25 per cent lower (31 March 2000 - 127 million), reflecting weaker equity markets, particularly in Asia. The most satisfying improvement in performance came from our health insurance business in Australia, where profit after tax was up 164% to \$71 million (31 March 2000 - \$27 million).

The weaker Australian dollar and the fact that we had 100 per cent ownership of AXA China Region Ltd for the full six months, rather than for only part of the period (as was the case in the six months to March 2000), resulted in improved operating earnings of \$72 million, up 23 per cent.

An interim dividend of 4.75 cents per share has been declared by the Board, which is 0.25 cents higher than the previous interim payment. However, due to a number of factors, which I talked about at the AGM, the interim dividend will be unfranked.

AXA Asia Pacific Holdings still has much to do to deliver the performance to which we aspire. However, we have in place a strong management team to drive the business forward and our Board remains confident that many of the steps needed to deliver that performance have been taken.

RICHARD ALLERT AM, FCA
Chairman

Group Chief Executive's Report



The 12% improvement in operating profit after income tax represents further evidence of improving performance. In Australia and New Zealand we saw increases in operating earnings in all business areas with our Health business being particularly successful. We now provide health insurance to around 1 million Australians.

In December we completed the establishment of our joint venture partnership with Alliance Capital – one of the world's most successful fund managers and a fellow member of the Global AXA Group. In March we launched our first new investment products and in July we will be launching a full range of retail mutual funds. This is a very significant step and I am confident that these new products will be received very positively in the market. We have also entered a partnership with Deutsche Bank in direct property management. We now offer advisers and customers world class capability and performance across all major asset classes.

We have continued to take action to return our income protection business to profitability involving major changes in pricing, product design, underwriting and claims management.

Our recurring management expenses reduced by 12% compared to last year reflecting strong focus on improving the efficiency of our business at all levels in the organisation.

Turning to our International Operations, the market in Hong Kong has continued to be challenging. Over the last 12 months we have suffered from aggressive poaching of agents by certain competitors. This is not a practice we intend to follow and we have introduced a range of agent retention strategies. The launch of our new unit linked product range – Honey – in January has been very successful and by April accounted for over 50% of new business sales with agent productivity up by 36%. We have strengthened the AXA China Region senior management team and are actively working on alternative distribution strategies. I am confident that our strengths, low cost base and powerful brand positions us well for the future. Our other international operations in Singapore, Indonesia, Thailand and Philippines have all generated strong growth in new business.

We have made good progress over the last 12 months in improving our organisation, people and capabilities. We still have much to do but we are on the right track.

LES OWEN
Group Chief Executive

The Group Financial Performance

Operating Profit after Income Tax and before Abnormals for the half year ended 31 March 2001 was \$162 million, a 12% increase on the profit for the previous comparable half year (31 March 2000 - \$145 million).

Total Profit after Income Tax and Abnormals was \$162 million. There were no Abnormal Items in the period.

Directors declared an interim unfranked dividend of 4.75 cents per share, a 5.6% increase on the previous comparable half year dividend of 4.5 cents per share, which was franked to 60%.

The interim dividend is unfranked due principally to a higher level of debt in the Australian companies, profits earned offshore not generating franking credits and the transitional relief provisions of the Business Tax Reform changes meaning that a large portion of fee income is exempt from tax. These factors mean that franking levels will remain low for the immediate future.

Group Result	\$ million	1st half 2001	1st half 2000
Operating Earnings (including Capitalised Losses)		168	100
Investment Earnings		95	127
Corporate Expenses*		(33)	(26)
Interest Expense		(43)	(33)
Provisions/Non-Recurring Costs		(25)	(23)
Operating Profit after Income Tax before Abnormals		162	145
Abnormals		-	109
Total Profit after Income Tax and Abnormals		162	254
* including Goodwill Amortisation			

Operating Earnings for the half year were \$168 million, an increase of 68%, reflecting a 145% increase in Australia and New Zealand to \$93 million and a 23% increase in AXA China Region (AXA CR) to \$72 million. The improvement in Australia and New Zealand was driven by substantial growth in the health insurance business. In AXA CR it resulted from the purchase of the minority interests in December 1999 although on a 100% basis Operating Earnings in AXA CR in Hong Kong dollars were down by 7%, the major cause of the decline being higher discontinuance rates.

Investment Earnings on Net Assets of \$95 million were 25% lower, with the strong performance by Australia and New Zealand offset by a 53% decline in AXA CR to \$36 million resulting from weak equity markets.

Interest expense of \$43 million was 30% higher as a result of additional borrowings for the purchase of the AXA CR minority interests.

Other Provisions/Non-Recurring Costs of \$25 million comprised transformation programme expenses and a provision in respect of potential costs, arising from an investment product issued by the company.

Consolidated Balance Sheet

\$ million	6 months ending	
	31/3/01	30/9/00
ASSETS		
Cash at Bank and Deposits On Call	1,977	2,384
Receivables	1,641	694
Equity Securities	7,532	7,002
Debt Securities	11,655	10,755
Property Investments	2,658	2,638
Other Investments	1,805	1,796
Other Assets	84	172
Operating Assets	97	141
Intangibles	22	23
Excess of Market Value over Net Assets of Controlled Entities	1,220	1,220
Total Assets	28,691	26,825
LIABILITIES		
Payables	1,961	1,006
Borrowings	1,948	1,878
Provisions	472	597
Other Liabilities	294	273
Subordinated Debt	283	286
Life Insurance Policy Liabilities	20,453	19,624
Total Liabilities	25,411	23,664
Net Assets	3,280	3,161

SHAREHOLDERS' EQUITY

Share Capital	1,186	1,186
Reserves	16	15
Retained Profits	1,714	1,636
	2,916	2,837
Outside Equity Interests in Controlled Entities	364	324
Total Shareholders' Equity	3,280	3,161

The consolidated balance sheet reflects the adoption of AASB 1038. The consolidated balance sheet at 31/03/00 has not been restated to reflect the adoption of AASB 1038 and therefore has not been included.