

THE AXA "Plan behind the strategy" PLAN.

AXA Asia Pacific Holdings Strategy Briefing 2006
AXA Financial Advice Network

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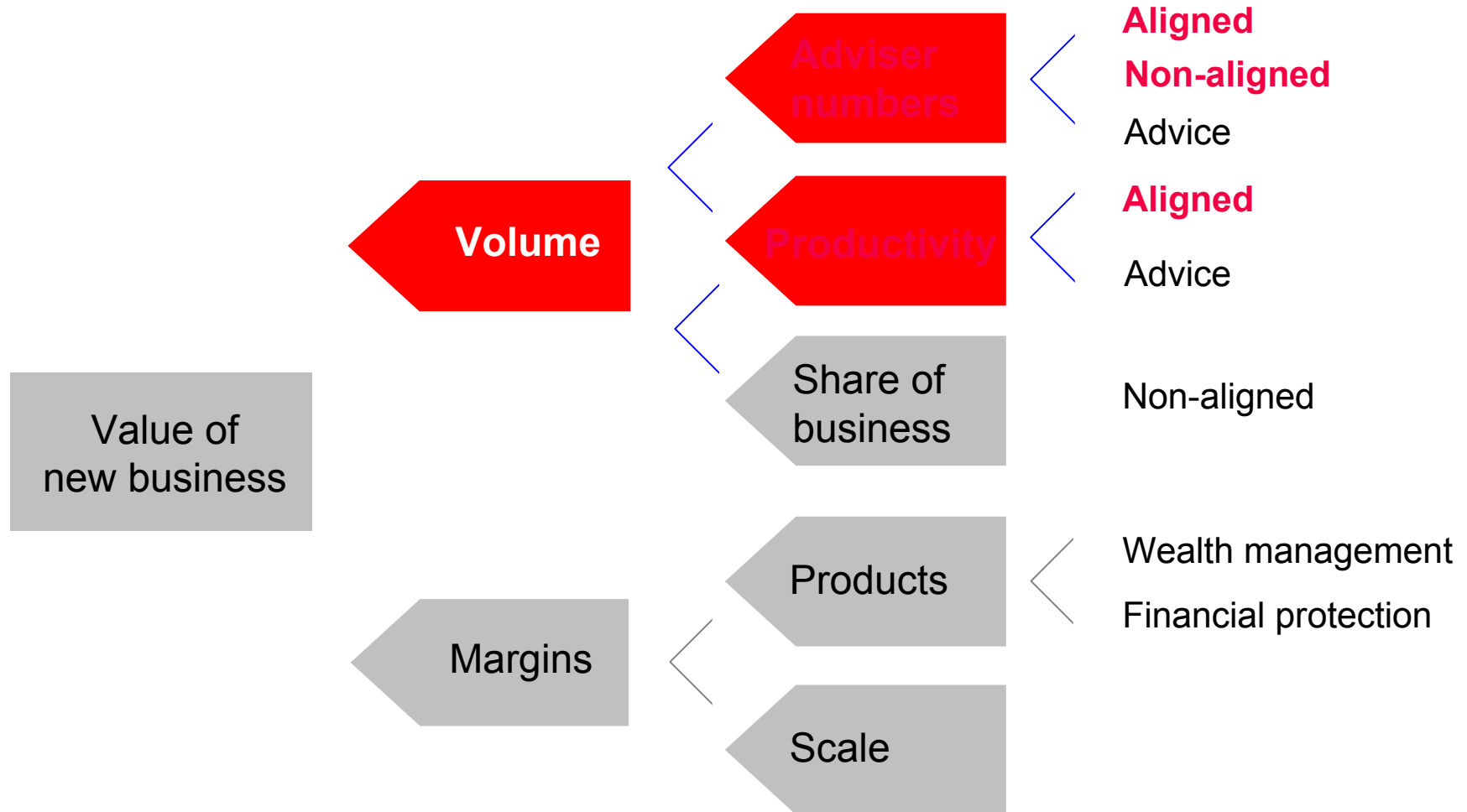
10 May 2006



AXA Financial Advice Network



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Agenda



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- AXA Financial Advice Network (FAN)
- AXA FAN value levers
- Strong momentum
- Growth strategy
- Current initiatives
- Summary

- AXA FAN delivers
 - 50% of AXA Australia's sales (excluding ipac)
~\$2bn gross and ~\$1bn net
 - 60% of sales index
 - growth of 22% pa (since 2003)
- FAN comprises
 - three businesses AXA Financial Planning (AXA FP), Charter Financial Planning (CFP) and Jigsaw Support services
 - 914 advisers in 410 practices across 19 Australian Financial Services Licenses (AFSLs)
- FAN advisers
 - provide advice and service to over 500,000 Australians
 - \$12.4bn of AXA FUM
 - \$148m of AXA annual inforce premiums

Note: All figures as at 31 December 2005

FAN offers a wide range of services to support advisers

Advisory services	Marketing support	Business planning	Research services	Technical support	Technology
<ul style="list-style-type: none"> • Licensing • Compliance • Commission • Audit • CQAP 	<ul style="list-style-type: none"> • Publications • Campaigns • Seminars • Leads • Marketing plans 	<ul style="list-style-type: none"> • Strategy plans • Operating • Succession • Marketing • Coaching • Evolutions 	<ul style="list-style-type: none"> • Approved list • Strategy • Model portfolio • Economic • Online 	<ul style="list-style-type: none"> • Strategy updates • Technical • Technical training • Paraplanning 	<ul style="list-style-type: none"> • Infield support • Hotline • Websites • Training • Software • Hardware
Training and development	Practice management	Growth initiatives	Peer network	People management	Quality advice
<ul style="list-style-type: none"> • Technical • Skills • Accreditation • Induction • Staff • Tribeca 	<ul style="list-style-type: none"> • Business structuring • Businesses coaching • Financing • Recruit & develop 	<ul style="list-style-type: none"> • 'GROW' • Succession • Recruitment • Lead referrals 	<ul style="list-style-type: none"> • Symposium • Professional development days • State forums • Local events 	<ul style="list-style-type: none"> • Induction • Training • Accreditation • Recruitment • Performance management • Interviews 	<ul style="list-style-type: none"> • Advice templates and processes • Activate • Fundamentals • Guidelines

How AXA FAN creates value



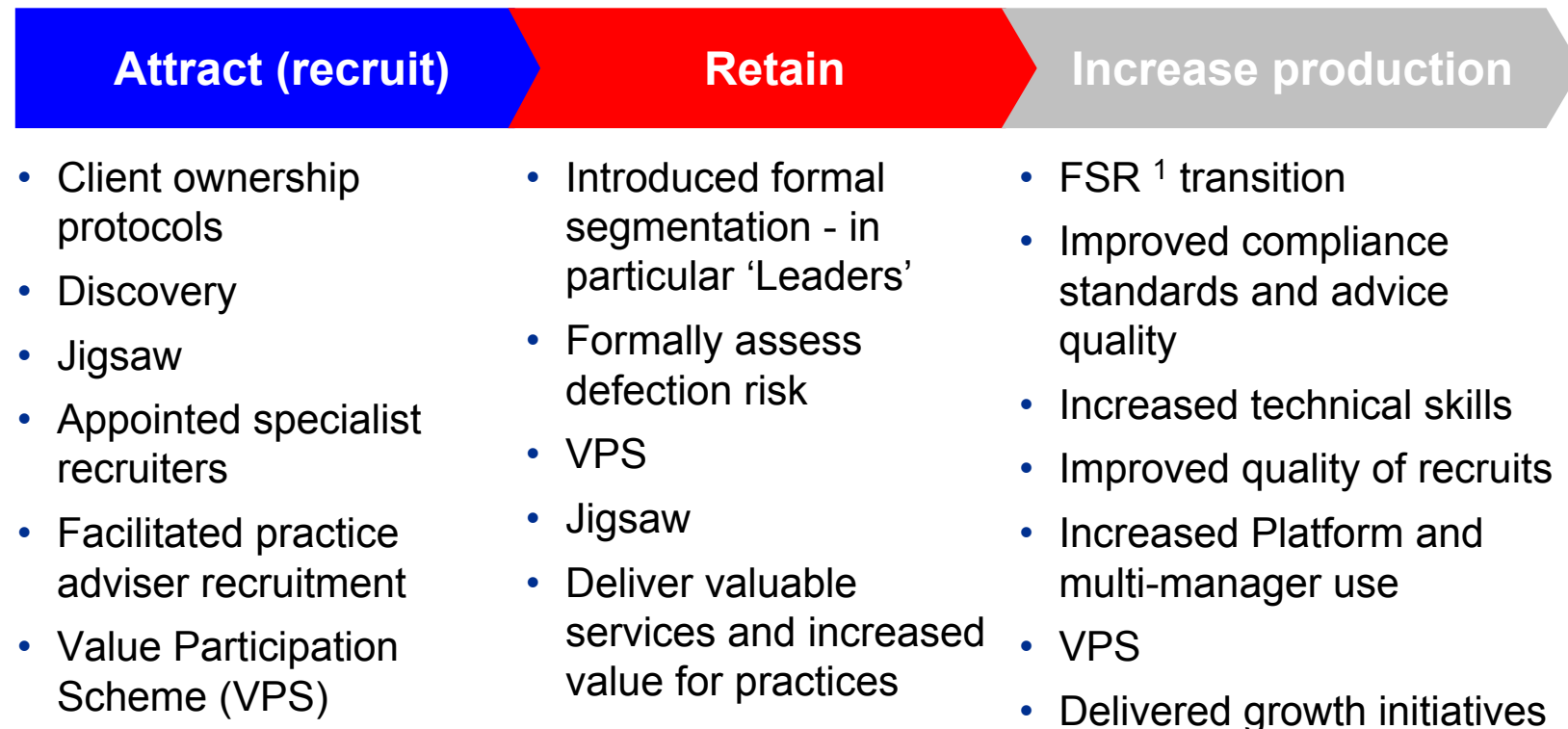
- High quality, compliant and productive advisers
 - Existing quality, compliant and productive advisers
 - Grow adviser wealth management flows and financial protection new business
-
- Driving AXA platform and product sales volume through adviser numbers and increasing productivity

Strong momentum Initiatives over last four years



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FAN value levers - major initiatives and actions which have underpinned growth momentum between 2002 and 2005



(1) FSR - Financial Services Reform Act

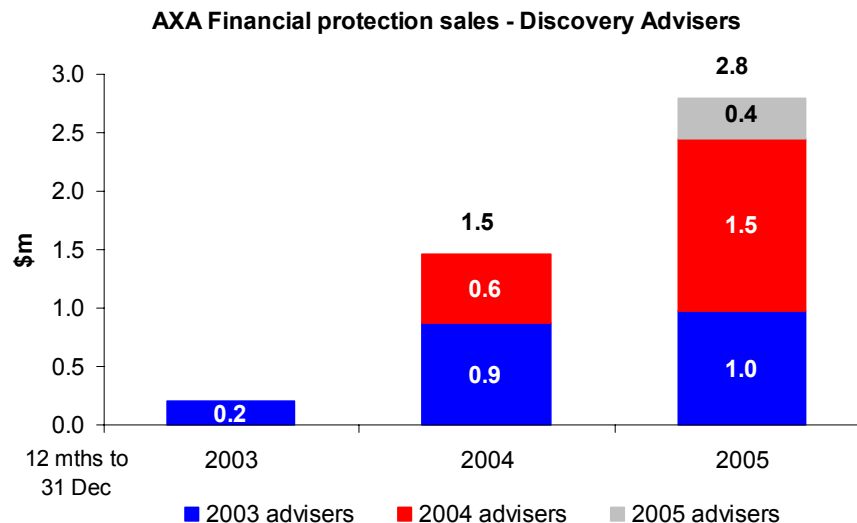
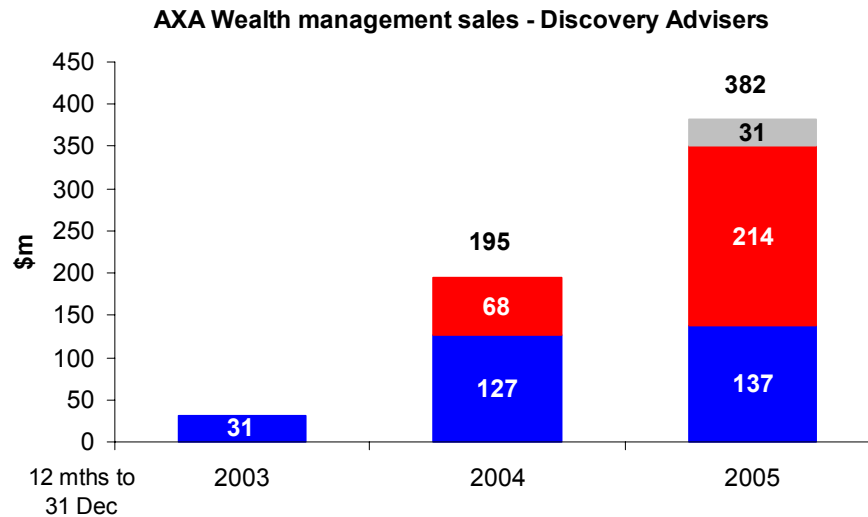
Strong momentum

An example - AXA Discovery



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AXA Discovery - Client buy back and on-sale to qualifying advisers



- Program launched June 2003
- Since inception:
 - acquired 155,000 clients
 - completed 60 acquisitions
 - recruited 128 advisers
 - operating 97 practices
- Resulting in:
 - \$608m AXA Wealth management sales
 - \$4.5m AXA Financial protection sales
 - average adviser (46) 5 years lower than existing networks
 - \$1.6bn AXA FUA

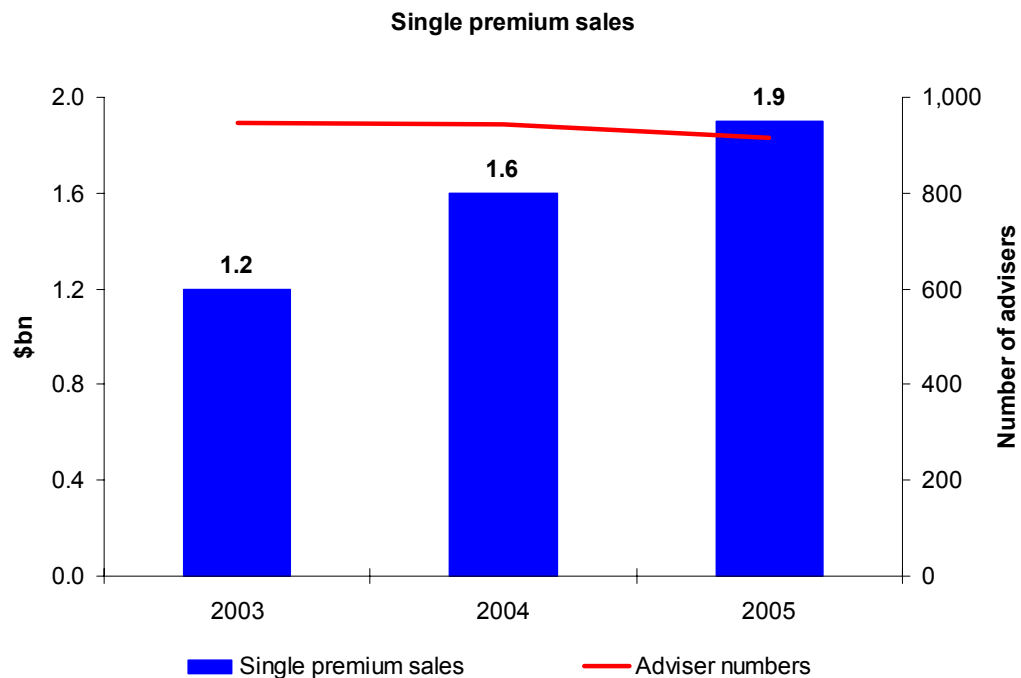
Note: All figures as at 31 December 2005

Strong momentum Adviser numbers and productivity



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Adviser numbers broadly flat, with sales increasing 22%pa since 2003



- FSR transition led to some reduction in adviser numbers across industry - now complete
- Advice quality and compliance standards have improved
- Adviser productivity up 25% pa since 2003 (wealth management)
- AXA share of sales maintained
- Higher platform and multi-manager sales
- New initiatives have delivered planned results - Discovery, Lifestyle Financial Planning (LFP)

(1) FSR introduced 11 March 2004

(2) AXA was the highest rated participant in ASIC / ACA Shadow Shopping Survey 2002

Attract (recruit)

- Continue Discovery
- Greater external focus with Jigsaw
- Improved pricing and services offer for targeted practices
- Improve recruiting effectiveness
- Encourage practices to recruit / acquire
- Establish GROW and emerging succession capability

Adviser number growth

Retain

- Rejuvenate segmentation approach - Certified Quality Advice Practice (CQAP) 'Leaders'
- Widen defection risk coverage
- Leverage new terms
- Continue to deliver services that increase the value of adviser practices

Improved adviser retention

Increase production

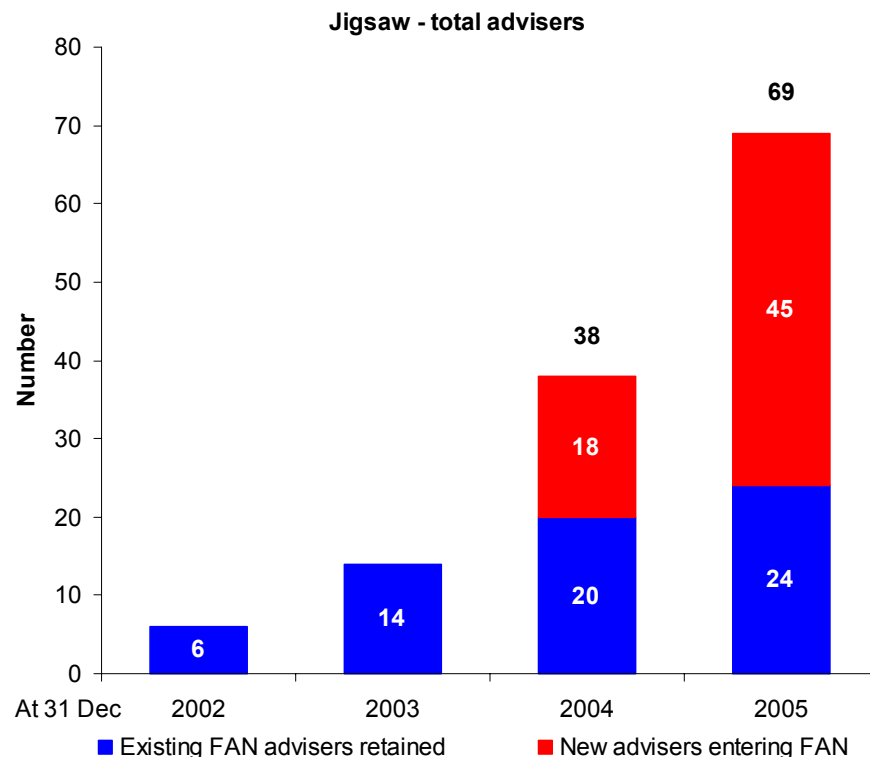
- Improve compliance standards and advice quality
- Increase technical and soft skills
- Platform and multi-manager
- Leverage new terms
- Deliver growth initiatives

Resulting in greater production

A compelling proposition for the better employed advisers

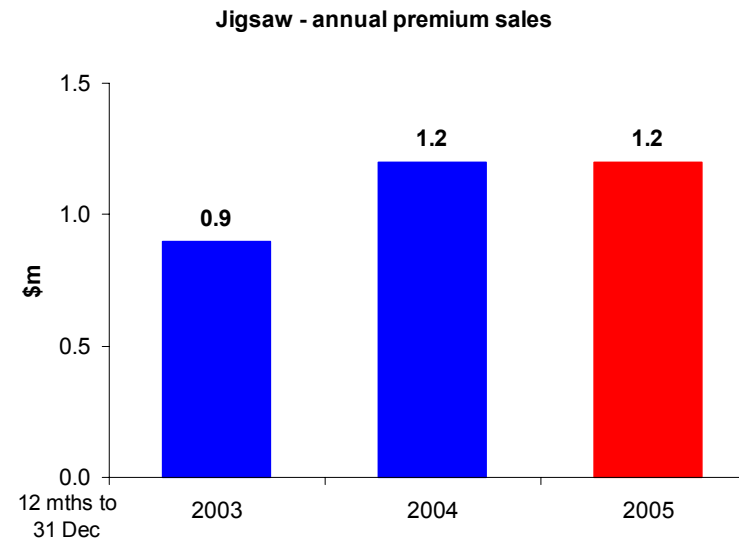
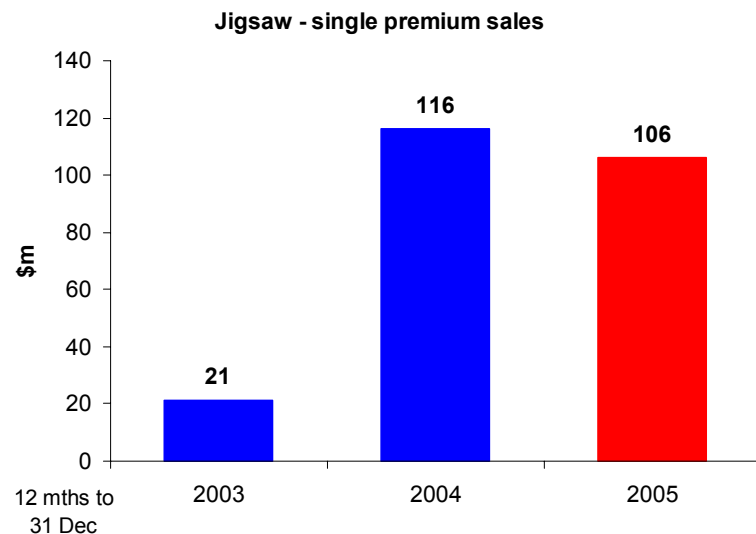
- AXA Discovery will continue in 2006
- We are targeting to recruit 40 new advisers to the programme this year
- Total Discovery programme AXA wealth management sales are expected to exceed \$1bn by the end of 2006
- AXA wealth management sales are ahead of plan in the first quarter
- In March, the programme recorded its highest ever monthly AXA wealth management sales
- Discovery financial protection sales were on plan in the first quarter. This is after increasing the targets for risk sales by 25% on last year
- We have a strong pipeline of pre qualified adviser recruits awaiting client bases

Selling our licensee services to other AFSL holders - there is growing interest from small / medium AFSLs in our products and services



- Jigsaw is expected to deliver in 2006
 - 35 advisers (net growth)
 - AXA wealth management sales of \$134m
 - AXA financial protection sales of \$2m
- By December 2006 Jigsaw is expected to have 25 AFSLs and 104 advisers
- Highly attractive proposition to small / medium AFSL's - a future driver of adviser growth
- Succession a key driver

Targeting Jigsaw contribution of 6.5% of AXA wealth management sales and 7% of AXA financial protection sales in 2006



- Jigsaw was launched in late 2001 as largely a defensive mechanism to retain adviser relationships, FUM and funds flow
- During 2002 we changed the focus to be more externally orientated, resulting in new external relationships and additional advisers and sales

A key strategy in growing adviser numbers - aids practice acquisition and succession

Expected contribution between 2006-2008



- | | | | |
|---|--|--|--|
| <ul style="list-style-type: none"> • Expect to recruit an additional 15 established non-aligned practices to either AXAFP or CFP • Resulting in an additional 63 advisers | <ul style="list-style-type: none"> • Expect to retain 42 existing FAN practices • Assisting them manage the change in ownership of their practices • Retain practices by assisting them acquire others not aligned to FAN | <ul style="list-style-type: none"> • Grow AXA Wealth management new business by \$180m • Grow AXA Financial protection new business by \$1.2m • Grow funds under advice, managed by AXAFP and CFP | <ul style="list-style-type: none"> • Launched in November 2005, Grow provides financing, due diligence, legal, tax and integration assistance for practices looking to grow through acquisition • Programme expected to deliver in 2006 <ul style="list-style-type: none"> – 21 new advisers – AXA Wealth management sales of \$17.6m – AXA Financial protection sales of \$118,000 • To access Grow, practices must join either AXAFP or CFP |
|---|--|--|--|

A response to CLERP 9 that will aid recruitment and retention

Expected contribution between 2006-2008



- Removed a price barrier which was inhibiting new recruitment
- Those practices that have sizeable AXA products and inforce will be incented to move to FAN where our volume arrangement is very competitive
- We will retain larger practices in the FAN as our revenue share model recognises practices that build AXA scale
- Our revised BOLR scheme recognises length of service
- Practices will be encouraged to grow AXA business to benefit from increasing scale benefits
- Grow AXA wealth management and financial protection new business
- Launched to advisers in February 2006
- Expect to attract 6 new practices with 19 new advisers in first year
- New pricing model equalises licensee fees between AXA and non-AXA products
- Revenue sharing model improved to recognise growth of scale with AXA

- FAN is a significant contributor to AXA Australia (ex ipac)
 - half of sales, two thirds of sales index and growing at 22% pa
- This has been achieved while transitioning our advisers (through FSR) and within a rapidly changing and competitive environment
- We have a significant adviser footprint with
 - growing production
 - higher quality advisers as a result of our focus on education and compliance standards
- We have implemented initiatives that have delivered growth momentum
- We have recently launched new initiatives that will deliver further momentum

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Q&A



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The material in this presentation is a summary of the historic results of the AXA APH Group and an update on Group activities. It is current at the date of preparation, 10 May 2006.

Further details are provided in the Company's full year accounts, Investor Compendiums and results announcements.

This presentation provides information in summary form and is not intended to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Further information including historical results and a description of the activities of the Group is available on our website, www.axaasiapacific.com.au.

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