news release

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AXA ASIA PACIFIC HOLDINGS LIMITED
NEW BUSINESS AND FUND FLOWS

AXA Asia Pacific Holdings today announced details of new business and fund flows for the six months ended 30 June 2006.

Group Chief Executive, Les Owen, said:

"We have had a particularly good second quarter in most areas of the business.

"In Australia and New Zealand very strong gross and net fund flows into superannuation, investment products and platforms contributed to a 19.0% increase in gross inflows to $8.83bn for the six months ended 30 June 2006 (six months ended 30 June 2005 – $7.43bn). Gross retail inflows (excluding AllianceBernstein retail mandates and ex Bank of New Zealand business) were up 30.6% to $3.84bn (2005 – $2.94bn) and net retail inflows were up 122.9% to $1.50bn (2005 – $0.68bn).

"In Hong Kong total life new business index was up 39.2% to HK$781.2m (2005 – HK$561.2m), with total new regular premiums up 22.4% to HK$652.4m (2005 – HK$532.9m) and single premiums up 355.8% to HK$1.29bn (2005 – HK$0.28bn). These figures include new business from MLC Hong Kong written since the acquisition was completed on 8 May.

"New business index in the rest of Asia was up 26.1% to A$83.7m on a constant currency basis (2005 – A$66.4m) with particularly strong growth in Singapore – up 54.1% – and China – up 104.0%.

"I am very pleased with our excellent fund flow and new business performance."

Australia and New Zealand – key points

- **Total gross** inflows (***retail*** and ***wholesale***) up 19.0% to $8.83bn (2005 – $7.43bn). **Total net** inflows (***retail*** and ***wholesale***) down 19.7% to $2.43bn (2005 – $3.02bn)

- Excluding flows from Bank of New Zealand Investment Management Limited (acquired on 31 January 2006 and since renamed Assure Funds Management (AFM)) and AllianceBernstein retail mandates, **gross *retail*** inflows were up 30.6% to $3.84bn (2005 – $2.94bn) and **net *retail*** inflows were up 122.9% to $1.50bn (2005 – $0.68bn)

- ***Superannuation*** **gross** inflows up 31.3% to $1.84bn (2005 – $1.40bn) and **net** inflows up 67.3% to $828.9m (2005 – $495.5m) assisted by a $170m transfer from a new ipac equity partner and strong inflows into our platform personal superannuation products

- ***Investment products*** **gross** inflows up 39.9% to $1.74bn (2005 – $1.24bn) and **net** inflows up 169.5% to $742.7m (2005 – $275.6m) due to the continued success of our international equity funds, with net inflows of $474.5m (2005 – $205.7m) into the wholesale Global Equity Value fund

- ***Platform*** **net** inflows up 77.6% to $1,092.0m (2005 – $614.7m) due to a $220m transfer from the new ipac equity partner and increased gross inflows into our Summit and ipac superannuation products

- ***Advice*** **net** inflows up 133.0% to $422.0m (2005 – $181.1m) largely due to the ipac equity partner transfer

- ***AllianceBernstein gross retail*** inflows down 16.9% to $1.14bn (2005 – $1.37bn) and **net *retail*** inflows down 69.2% to $214.1m (2005 – $695.1m). Inflows in the first half of 2005 were exceptionally strong

- ***AllianceBernstein gross wholesale*** inflows up 19.3% to $3.68bn (2005 – $3.08bn). **Net *wholesale*** inflows down 50.9% to $0.81bn (2005 – $1.65bn). Inflows in the first half of 2005 were exceptionally strong. Mandates tend to be lumpy

- ***AFM*** **net *retail*** and **net *wholesale*** outflows are in line with expectations when the Bank of New Zealand funds management business was acquired

- ***Individual life*** new business up 6.6% to $27.3m (2005 – $25.6m) and ***individual income protection*** up 0.8% to $12.0m (2005 – $11.9m). Good growth in new business in Australia was offset by weaker new business in New Zealand

- ***Group risk*** new business down 26.8% to $9.3m (2005 – $12.7m) reflecting our strategy to write only profitable business. The profitability of group risk business is significantly up in the first half of this year.

Hong Kong – key points

- **Total *life*** new business index [1] up 39.2% to HK$781.2m (2005 – HK$561.2m). Excluding the contribution from ex MLC Hong Kong agents, total life new business index was up 31.2%

- **New *individual life regular*** premiums up 28.6% to HK$528.1m (2005 – HK$410.6m) driven by strong sales across all our distribution channels – agency, salaried sales force and brokers. This includes HK$44.0m of new business index from ex MLC Hong Kong agents written since May

- **New *non linked individual life regular*** premiums up 49.1% to HK$384.6m (2005 – HK$258.0m) driven by strong sales from agency and broker channels. **New *unit linked individual life regular*** premium business down 6.0% to HK$143.5m (2005 – HK$152.6m) following a very strong first half in 2005 which included HK$58.0m from the Dimensions product launched in November 2004

- Exceptionally strong growth in **total *single*** premiums, up 355.8% to HK$1,287.5m (2005 – HK$282.5m)

- ***Individual life single premiums*** up 321.7% to HK$569.3m (2005 – HK$135.0m) due to strong inflows into unit linked products, especially through the broker channel

[1] Regular premiums + 10% of single premiums

- ***Group retirement and investment product single premiums*** up 386.9% to HK$718.2m (2005 – HK$147.5m) due to strong sales of our new multi-manager unit trust products sold through bank distribution agreements. This business is volatile quarter to quarter

- **Total** premium income up 42.1% to HK$5,296.1m (2005 – HK$3,726.3m), which includes HK$244.3m contributed from ex MLC Hong Kong business.

Asia (ex Hong Kong) – key points

- **Total** new business index up 26.1% to A$83.7m [2] (2005 – A$66.4m). **Total** premium income up 13.5% to A$402.3m [2] (2005 – A$354.6m)

- Strong growth in ***Singapore*** with new business index up 54.1% as a result of a substantial increase in single premium investment linked and regular premium protection products. Excluding a one-off rollover of maturing products in the first quarter of 2005, on a like-for-like basis new business index and total premium income were up 109.9% and 81.1% respectively

- ***China*** new business index up 104.0% as a result of sales growth through bank alliances, improved agent productivity and an increase in the size of the agency force

- New business index in ***Philippines*** up 33.2% due to continued growth in single premium investment products via the Metrobank bank channel and improved agent productivity

- ***Thailand*** new business index up 33.1% due to a further increase in agent productivity and growth in agent and adviser numbers

- ***Indonesia*** returned to growth in the second quarter with sales almost double the first quarter due to the improved economic outlook and stabilised interest rates. New business index for the first half of 2006 was broadly in line with last year and includes a Rp20.8bn contribution from ex MLC Indonesia agents.

Asia wealth management – key points

- ***Total*** gross inflows into ipac financial planning in Hong Kong and Singapore ("ipac Asia") up 138.5% to A$58.2m [2] (2005 – A$24.4m) driven by improved adviser productivity

- ipac Asia's ***total*** funds under advice up 46.8% to A$157.7m [2] (31 December 2005 – A$107.4m).

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[2] On a constant currency basis

Australia and New Zealand

Wealth management

(A$ million)	Gross inflows (6 months ended) 30 Jun 2006	30 Jun 2005	Change	Net flows (6 months ended) 30 Jun 2006	30 Jun 2005	Change
Superannuation	1,836.3	1,398.3	31.3%	828.9	495.5	67.3%
Retirement income	262.2	297.7	(11.9)%	(67.1)	(96.0)	30.1%
Investment products	1,736.6	1,241.2	39.9%	742.7	275.6	169.5%
Total A&NZ retail flows (ex AllianceBernstein, cash management trusts and AFM)	**3,835.1**	**2,937.2**	**30.6%**	**1,504.5**	**675.1**	**122.9%**
AllianceBernstein – retail mandates [1]	1,137.3	1,367.9	(16.9)%	214.1	695.1	(69.2)%
Total A&NZ retail flows (ex cash management trusts and AFM)	**4,972.4**	**4,305.1**	**15.5%**	**1,718.6**	**1,370.2**	**25.4%**
Cash management trusts	37.9	36.9	2.7%	5.2	0.7	642.9%
AllianceBernstein – wholesale mandates	3,680.0	3,084.5	19.3%	811.6	1,652.4	(50.9)%
Total A&NZ flows (ex AFM)	**8,690.3**	**7,426.5**	**17.0%**	**2,535.4**	**3,023.3**	**(16.1)%**
AFM – retail [2]	46.7	-	n/a	(51.3)	-	n/a
AFM – wholesale mandates [2]	97.8	-	n/a	(56.2)	-	n/a
Total A&NZ flows	**8,834.8**	**7,426.5**	**19.0%**	**2,427.9**	**3,023.3**	**(19.7)%**
Included in the above:						
Platforms	1,933.0	1,479.5	30.7%	1,092.0	614.7	77.6%
Advice	845.0	685.2	23.3%	422.0	181.1	133.0%

Note:
(1) All of these mandates are from retail providers. However, some flows may be institutionally sourced. As the flows are via mandates, we do not have a split
(2) Represents flows following the acquisition of Bank of New Zealand Investment Management Limited on 31 January 2006, since renamed Assure Funds Management (AFM). These levels of net flows are in line with expectations when this business was acquired

Included in the figures above are flows that arise through switches from one product to another, such as from a traditional superannuation product to a platform-based superannuation product.

Intra-group inflows

(A$ million)	Gross inflows (6 months ended) 30 Jun 2006	30 Jun 2005	Change
Superannuation	179.4	208.2	(13.8)%
Retirement income	38.0	82.0	(53.7)%
Investment products	30.7	44.8	(31.5)%
AllianceBernstein – retail mandates	0.0	200.0	(100.0)%
Total intra-group flows	**248.1**	**535.0**	**(53.6)%**
Included in the above:			
Platforms	213.1	303.0	(29.7)%
Advice	128.5	210.0	(38.8)%

Total funds under management and administration up 8.7% to $76.49bn (31 December 2005 – $70.34bn).

Total funds under advice up 8.8% to $6.83bn (31 December 2005 – $6.28bn).

Australia and New Zealand

Financial protection

(A$ million)	New business (6 months ended)			Inforce (as at)		
	30 Jun 2006	30 Jun 2005	Change	30 Jun 2006	30 Jun 2005	Change
New regular premiums						
Individual life	27.3	25.6	6.6%	281.7	254.1	10.9%
Individual income protection	12.0	11.9	0.8%	199.8	197.5	1.2%
Total individual Financial protection	**39.3**	**37.5**	**4.8%**	**481.5**	**451.6**	**6.6%**
Group insurance	9.3	12.7	(26.8)%	132.2	139.4	(5.2)%
Long term risk	1.3	1.5	(13.3)%	82.3	91.8	(10.3)%
Total Financial protection	**49.9**	**51.7**	**(3.5)%**	**696.0**	**682.8**	**1.9%**
Single premiums	16.4	16.1	1.9%			

Hong Kong

(HK$ million)	New business (6 months ended)		
	30 Jun 2006	30 Jun 2005	Change
New regular premiums			
Individual life – non-linked	384.6	258.0	49.1%
Individual life – unit linked	143.5	152.6	(6.0)%
Total individual life	**528.1**	**410.6**	**28.6%**
Group retirement – incl MPF	64.6	78.1	(17.3)%
Group risk	59.7	44.2	35.1%
Total new regular premiums	**652.4**	**532.9**	**22.4%**
Single premiums			
Individual life – incl unit linked	569.3	135.0	321.7%
Group retirement and investment products	718.2	147.5	386.9%
Total single premiums	**1,287.5**	**282.5**	**355.8%**
Total life new business index [1,2]	**781.2**	**561.2**	**39.2%**
General insurance (P&C) [3]	48.2	54.8	(12.0)%

Note:
(1) New business index = new regular premiums + 10% of single premiums
(2) Includes HK$44.9m contributed from ex MLC Hong Kong agents
(3) Total premium income

Hong Kong

(HK$ million)	Inforce regular premiums (as at) 30 Jun 2006	30 Jun 2005	Change
Individual life – non-linked	6,499.1	4,868.0	33.5%
Individual life – unit linked	832.8	582.4	43.0%
Total individual life	**7,331.9**	**5,450.4**	**34.5%**
Group retirement – incl MPF	1,451.2	1,268.2	14.4%
Group risk	504.4	402.8	25.2%
Total inforce	**9,287.5**	**7,121.4**	**30.4%**

Note:
(1) Includes HK$1,458.0m contributed from ex MLC Hong Kong business

(HK$ million)	Total premium income (6 months ended) 30 Jun 2006	30 Jun 2005	Change
Individual life – non-linked	2,753.7	2,332.8	18.0%
Individual life – unit linked	856.7	368.3	132.6%
Total individual life	**3,610.4**	**2,701.1**	**33.7%**
Group retirement – incl MPF	1,352.4	719.7	87.9%
Group risk	285.2	250.7	13.7%
General insurance (P&C)	48.2	54.8	(12.0)%
Total premium income	**5,296.1**	**3,726.3**	**42.1%**

Note:
(1) Includes HK$244.3m contributed from ex MLC Hong Kong business since 8 May

Total funds under management and administration up 7.5% to HK$51.6bn [3] (31 December 2005 – HK$48.0bn), including HK$4.5bn contributed by the previous MLC Hong Kong business.

[3] After HK$3.2bn investment in MLC Hong Kong and HK$0.2bn dividend paid to AXA APH

Asia (ex Hong Kong)

	New business index [1] (6 months ended)			Total premium income (6 months ended)		
	30 Jun 2006	**30 Jun 2005**	**Change**	**30 Jun 2006**	**30 Jun 2005**	**Change**
China (Rmb m)	36.1	17.7	104.0%	247.8	106.4	132.9%
Singapore (Sing$ m)	20.8	13.5	54.1%	180.7	135.7	33.2%
Philippines (Peso m)	445.8	334.6	33.2%	3,331.5	2,195.7	51.7%
Thailand (Baht m)	646.9	485.9	33.1%	1,643.8	1,224.2	34.3%
Indonesia (Rupiah bn) [2]	176.7	179.5	(1.6)%	445.4	835.5	(46.7)%
Total (A$m) [3]	**83.7**	**66.4**	**26.1%**	**402.3**	**354.6**	**13.5%**

Note:
(1) New business index = regular premium sales + 10% of single premium sales
(2) 2006 figures include Rupiah 20.8bn new business index and Rupiah 61.3bn total premium income contributed from ex MLC Indonesia business since 8 May
(3) On a constant currency basis, translated at average exchange rates for the six months ended 30 June 2006 of A$/Rmb = 0.167882; A$/Sing$ = 0.837748; A$/Peso = 0.025856; A$/Baht = 0.034831; A$/Rupiah = 0.000148. Figures represent 100% share of the businesses

Asia wealth management

	Gross inflows (6 months ended)			Funds under advice (as at)		
	30 Jun 2006	**30 Jun 2005**	**Change**	**30 Jun 2006**	**31 Dec 2005**	**Change**
ipac financial planning						
Hong Kong (HK$m)	203.3	74.3	173.6%	563.2	407.7	38.1%
Singapore (Sing$m)	27.3	13.7	99.3%	70.8	43.3	63.5%
Total (A$m) [1]	**58.2**	**24.4**	**138.5%**	**157.7**	**107.4**	**46.8%**

Note:
(1) On a constant currency basis, with gross inflows translated at average exchange rates for the six months ended 30 June 2006 of A$/HK$ = 0.173841; A$/Sing$ = 0.837748, and funds under advice translated at 30 June 2006 closing exchange rates of A$/HK$ = 0.172945; A$/Sing$ = 0.851027