

21 February 2006

AXA Asia Pacific Holdings acquires MLC Hong Kong and MLC Indonesia

AXA Asia Pacific Holdings (AXA APH) today announced that it has reached agreement with National Australia Bank to purchase 100 per cent of MLC Hong Kong and MLC Indonesia for \$575 million.

Les Owen, Group Chief Executive of AXA APH, said

“We are very pleased to be able to announce this acquisition which is a strategically attractive opportunity to accelerate our growth in the Asian region. Our strong capital position means that we can take advantage of strategic opportunities such as this.

“Life insurance margins in Hong Kong are very attractive and, with high savings ratios there is considerable growth potential for life insurance, investment products and wealth management. Our existing 2,400 strong agency and adviser distribution force will be strengthened with the addition of over 800 agents.

“In Indonesia our agency and adviser distribution force will grow by nearly 1,000 agents to over 2,200, and the acquisition positions AXA as the second largest life insurer in terms of new business.”

The funding of the transaction will be from internal capital resources. The acquisition will be earnings neutral in 2006 (before one-off integration costs) and is expected to be earnings accretive in 2007. There is significant potential value upside as we integrate MLC Hong Kong with the AXA Hong Kong business.

Completion of the acquisition is subject to regulatory approvals in Hong Kong and Indonesia.

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