20 February 2007

AXA ASIA PACIFIC HOLDINGS LIMITED
Results for the 12 months ended 31 December 2006

AXA Asia Pacific Holdings (AXA APH) today announced a 25 per cent increase in profit after tax and before non-recurring items to $677.8 million for the 12 months ended 31 December 2006 (12 months ended 31 December 2005 – $542.4 million).

Operating Earnings continued to grow strongly, up 24 per cent to $454.5 million (2005 – $367.8 million)[1].

The Directors have declared a final dividend of 11.25 cents per share (35 per cent franked), up 45 per cent (2005 – 7.75 cents per share).

Group Chief Executive Andrew Penn said

"By all measures this is a very good result. It continues the strong pattern of growth that we have established in recent years. The 24 per cent growth in Operating Earnings reflects the underlying strength of our businesses.

"Notwithstanding our recent acquisitions we have a strong capital position enabling us to significantly increase our final dividend, undertake an on-market share buy-back of up to $250 million [2], and increase our long term dividend payout policy from 50 per cent to 60 per cent of profits after tax.

"Operating Earnings for the Australian and New Zealand businesses were up 20 per cent and we have achieved our AXA 6 overarching goal – to increase enterprise value by 65% – one year early. The value of new business was up 25 per cent and we further improved our cost to income ratio.

"Our Operating Earnings in Hong Kong were up 24 per cent reflecting strong new business growth, highly attractive margins, continued improvements in persistency, and the contribution from MLC Hong Kong.

"During the year we commenced joint venture operations in India and Malaysia, and we saw exceptional growth in the rest of Asia with new business index up 61 per cent and the value of new business up 51 per cent.

"We have successfully integrated MLC Hong Kong and the cost and revenue synergies from that acquisition have been better than target. We also recently signed the formal agreement with AXA SA to acquire Winterthur Life Hong Kong. This acquisition will further increase our market share in Hong Kong, provide greater access to the attractive high net worth market, and increase our presence in the unit linked market segment. The acquisition is subject to shareholder approval at this year's Annual General Meeting."

(All figures are reported in Australian Dollars unless otherwise stated)

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[1] Operating Earnings in 2005 restated by $9m to include Singapore wealth management business and ipac Asia previously included within "corporate expenses" ($8m) and Investment Earnings ($1m) to allow for prior period comparison

[2] Subject to regulatory approval

Future outlook

Commenting on prospects for the future, Group Chief Executive Andrew Penn, said

"All our businesses are performing strongly and we are well positioned to continue to grow shareholder value."

"In Australia and New Zealand market conditions remain strong. The Federal Budget changes to superannuation in Australia will enhance its attractiveness as the key long term savings vehicle. The forthcoming tax changes and introduction of KiwiSaver in New Zealand should assist savings there as well. We are firmly on track to achieve our AXA 6 goals by the end of 2007 having achieved our overarching goal one year early.

"Our position in Asia is a key differentiator, providing us with very attractive organic and non-organic growth opportunities. In Hong Kong we have successfully integrated the MLC business ahead of plan, and the proposed acquisition of Winterthur Life Hong Kong provides us with another attractive growth opportunity in a market we know well.

"Our Asia (ex Hong Kong) operations continue to grow strongly and are becoming material in terms of value. With growth accelerating in all Asian markets we are on track to achieve our Asia 6 goals.

"Our strong balance sheet enables us to pursue capital management initiatives and attractive growth opportunities as they arise."

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Australia and New Zealand – key points

- Strong growth in Operating Earnings, up 20% to $244.8 million (2005 – $203.7 million)
  - Wealth management up 14% to $145.0 million (2005 – $127.3 million)[3]
  - Financial protection up 31% to $99.8 million (2004 – $76.4 million)
- Net AXA retail inflows[4] up 82% to $2.85 billion (2005 – $1.56 billion)
- Value of new business[5] up 25% to $142.5 million (2005 – $113.6 million)
- Funds under management and administration up 21% to $85.42 billion (2005 – $70.34 billion)
- Funds under advice up 31% to $8.25 billion (2005 – $6.28 billion)
- AXA 6 overarching goal – to increase illustrative enterprise value by 65% - achieved one year early.

Hong Kong – key points

- Strong growth in Operating Earnings, up 22% to HK$1.23 billion[6] (2005 – HK$1.01 billion)
  - Financial protection up 21% to HK$1.06 billion (2005 – HK$0.87 billion)
  - Wealth management up 36% to HK$129.3 million (2005 – HK$94.8 million)
  - Group medical and general insurance up 10% to HK$48.6 million (2005 – HK$44.0 million)
- Total life new business index[6, 7] up 37% to HK$1.74 billion (2005 – HK$1.27 billion)
- Value of new business[6, 8] up 24% to HK$937.2 million (2005 – HK$756.3 million)
- Funds under management up 20% to HK$57.70 billion[6, 9] (2005 – HK$47.97 billion)
- Successfully integrated MLC Hong Kong – cost and revenues better than target
- Progressing well towards Hong Kong 6 goals.

Asia (ex Hong Kong) – key points

- Operating Earnings[10, 11] of $(2.0) million (2005 – $(6.8) million)
  - South East Asia[12] $13.2 million (2005 - $0.8 million)
  - New Markets[13] $(7.0) million (2005 - $(1.0) million) reflecting the funding of branch expansion in China and commencement of operations in India and Malaysia
  - ipac Asia $(8.2) million (2005 - $(6.6) million)
- New business index up 61% to $232.2 million [10, 11] (2005 – $144.0 million)
- Value of new business[14] up 51% to $59.9 million [10, 11] (2005 – $39.7 million)
- Funds under management up 57% to $2.79 billion[15] (2005 – $1.78 billion)
- ipac Asia funds under advice up 110% to $215.2 million (2005 – $102.5 million)
- Commenced joint venture operations in India and Malaysia
- Very strong growth in all operations – progressing well towards Asia 6 goals.

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[3] Up 23% after excluding $9.1 million benefit from transitional tax relief in 2005
[4] Excluding AllianceBernstein mandates, cash management trusts and Assure Funds Management
[5] Based on 10% risk discount rate, equal to assumed equity return, includes AFM and remaining 67% of Tynan Mackenzie since acquisition
[6] Includes MLC Hong Kong since 8 May 2006
[7] New regular premiums plus 10% of single premiums (excluding general insurance)
[8] Based on 10.5% risk discount rate, equal to assumed equity return rate; 12% for ex MLC Hong Kong
[9] After HK$2.1 billion dividends paid to AXA APH
[10] Includes ex MLC Indonesia since 8 May 2006
[11] Constant currency basis at average exchange rates over the period
[12] Our share of earnings from Singapore, Indonesia, Philippines and Thailand
[13] Our share of earnings from China, India and Malaysia
[14] 100% share; based on risk discount rates of 11% for Singapore and ipac Asia, and 16% - 20% for other Asia (ex Hong Kong) operations; includes ipac Asia
[15] 100% share; based on exchange rate at 31 December 2006, includes A$180.7 m FUM from ex MLC Indonesia

Group financials – key points

- Earnings per share (before non-recurring items) up 25% to 38.9 cents (2005 – 31.1 cents). On a normalised basis [16], earnings per share (before non-recurring items) up 8% to 31.3 cents (2005 – 29.0 cents)
- Return on average shareholders equity (before non-recurring items) – 18.2% (2005 – 16.3%). On a normalised basis [16] return on average shareholders equity (before non-recurring items) – 14.9% (2005 – 15.3%)
- Group funds under management and administration up 21% to $97.65 billion (2005 – $80.56 billion)
- Strong balance sheet – total debt / equity ratio of 28% (2005 – 36%), below our target range of 40% - 50%
- $1.26 billion capital above regulatory requirements
- $665 million capital above internal target surplus.

(All figures are reported in Australian Dollars unless otherwise stated)

[16] "Normalised" earnings are based on the average asset mix on average capital held over the period using assumed long term investment assumptions instead of actual returns

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AXA APH Group result

(A$ million) 12 months ended 31 December	2006	2005	Change
Operating Earnings			
Australia	204.3	169.9	20%
New Zealand	40.5	33.8	20%
Australia & New Zealand	**244.8**	**203.7**	**20%**
Hong Kong	211.7	170.9	24%
South East Asia [1]	13.2	0.8	>>
New Markets [2]	(7.0)	(1.0)	<<
ipac Asia	(8.2)	(6.6)	(24)%
Asia	**209.7**	**164.1**	**28%**
Operating Earnings	**454.5**	**367.8**	**24%**
Investment Earnings	342.9	257.6	33%
Corporate expenses	(61.9)	(57.6)	(7)%
Interest expense	(44.9)	(17.9)	(151)%
Executive share plan expense	(9.7)	(7.5)	(29)%
Amortisation of value of businesses acquired	(3.1)	-	-
Profit after tax and before non-recurring items	**677.8**	**542.4**	**25%**
Non-recurring items	(10.1)	-	-
Profit after tax and non-recurring Items	**667.7**	**542.4**	**23%**

(1) Our share of earnings from Singapore, Indonesia, Philippines and Thailand
(2) Our share of earnings from China, India and Malaysia

AXA Australia and New Zealand result

(A$ million) 12 months ended 31 December	2006	2005	Change
Wealth management	145.0	127.3	14%
Financial protection	99.8	76.4	31%
Operating Earnings	**244.8**	**203.7**	**20%**
Investment Earnings	134.5	136.2	(1)%
Amortisation of value of business acquired	(0.8)	-	-
Profit after tax and before non-recurring items	**378.5**	**339.9**	**11%**
Non-recurring items	(1.2)	-	-
Profit after tax and non-recurring items	**377.3**	**339.9**	**11%**

AXA Hong Kong result

(A$ million) 12 months ended 31 December	2006	2005	Change
Operating Earnings	**211.7**	**170.9**	**24%**
Investment Earnings	207.4	121.1	71%
Amortisation of value of business acquired	(2.3)	-	-
Profit after tax and before non-recurring items	**416.8**	**292.0**	**43%**
Non-recurring items	(8.9)	-	-
Profit after tax and non-recurring items	**407.9**	**292.0**	**40%**

(HK$ million) 12 months ended 31 December	2006	2005	Change
Operating Earnings	**1,233.2**	**1,012.1**	**22%**
Investment Earnings	1,208.1	715.9	69%
Amortisation of value of business acquired	(13.7)	-	-
Profit after tax and before non-recurring items	**2,427.6**	**1,728.0**	**40%**
Non-recurring items	(51.9)	-	-
Profit after tax and non-recurring items	**2,375.7**	**1,728.0**	**37%**