



Kevin Keenan
Company Secretary

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15 February 2011

Australian Securities Exchange
Company Announcements Office
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

AXA Asia Pacific Holdings Limited

Materials that are being lodged in relation to the results of AXA Asia Pacific Holdings Limited for the year ended 31 December 2010 consist of:

- Part one:** Appendix 4E for the year ended 31 December 2010
- Part two:** Press Release
- Part three:** Investor Compendium providing detailed information concerning the results
- Part four:** Independent Expert's Confirmation
- Part five:** Presentation slides
- Part six:** Speaker notes

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'K' followed by a horizontal line.

Kevin Keenan
Company Secretary

AXA Asia Pacific Holdings Limited
ABN 78 069 123 011
750 Collins Street, Docklands VIC 3008

Appendix 4E Final report

Name of entity:

AXA ASIA PACIFIC HOLDINGS LIMITED

ABN:

78 069 123 011

1 Reporting period

Year ended ('reporting period'):

31 December 2010

Previous year ended ('previous corresponding period'):

31 December 2009

2 Results for announcement to the market

Profit after tax and before investment experience and non-recurring items for the 12 months ended 31 December 2010 was \$593 million (2009: \$587 million).

(\$ million)	2010	2009	Change
Operating earnings	572	554	3%
Normalised investment earnings	150	150	
Corporate costs, interest and amortisation	(129)	(117)	
Profit after tax and before investment experience and non-recurring items	593	587	1%
Investment experience	35	35	
Non-recurring items after tax	(26)	57	
Profit after tax, attributable to owners of AXA APH Limited	602	679	(11%)

Operating earnings, a key indicator of the underlying performance of the business, has grown by 3% to \$572 million (2009: \$554 million).

In Australia, operating earnings grew 8 per cent to \$190 million (2009: \$176 million), while New Zealand operating earnings grew 22 per cent to \$34 million (2009: \$28 million). Operating earnings have increased primarily due to higher average funds under management following rebounds in investment markets.

In Hong Kong, operating earnings fell 11 per cent to \$297 million (2009: \$333 million), adversely impacted by currency movements. In Hong Kong dollars, operating earnings were up 4 per cent to HK\$2,116 million (2009: HK\$2,029 million).

South East Asia operating earnings increased strongly by 44 per cent to \$72 million (2009: \$50 million), through continued growth primarily in Indonesia and Thailand.

Losses of \$15 million were contributed by India and China (2009: losses of \$25 million) as we continue to invest in these businesses to achieve scale.

A positive investment result of \$185 million was stable with the prior year (2009: \$185 million).

- Normalised investment earnings were \$150 million (2009: \$150 million)
- Investment experience was \$35 million (2009: \$35 million).

Corporate costs, interest and amortisation have increased by \$12 million to \$129 million as we increased costs in relation to our upgrade of the Regional Asian IT and operational infrastructure.

Non-recurring items in 2010 include costs associated with the proposed change in AXA APH ownership and a write-down of our investment in India due to industry regulatory changes introduced in September, partially offset by a tax benefit for the deductibility of future income rights in Australia.

2 Results for announcement to the market (continued)

	2010 \$m	2009 \$m	Movement %
2.1 Revenue from ordinary activities			
Premium, fees and other revenue	3,321	3,163	
Investment revenue and marked to market adjustment on shareholder and policyholder invested assets ¹	1,993	2,942	
Total revenue	5,314	6,105	(13%)
2.2 Profit from ordinary activities after tax attributed to shareholders	602	679	(11%)
2.3 Net profit for the period attributable to shareholders	602	679	(11%)
Dividends	Amount per security	Franked amount per security	
2.4 Interim dividend (paid)	9.25c	0.93c	
Final dividend (proposed)	9.25c	nil	
2.5 Record date for determining entitlements to the final dividend	4 March 2011		
2.6 Brief explanation (if required) of any of the figures reported above.			
¹ Marked to market movements on policyholder investment assets are largely offset by the change in policyholder liabilities within the Income Statement.			
Refer Investor Compendium and Financial Report for analysis of figures reported above.			

A final unfranked dividend in respect of the 12 months ended 31 December 2010 of \$191 million (9.25 cents per share), was declared and is payable to shareholders on 25 March 2011. An interim dividend of 9.25 cents per share, franked to 10 per cent (totalling \$192 million) was paid in cash during the year ended 31 December 2010.

The dividend reinvestment plan ('DRP') introduced in 2008 was not made available to shareholders for the 2010 interim dividend and will not be made available to shareholders for the 2010 final dividend.

2a Basis of preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

The accounting policies adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in the 2010 financial report.

3 Income Statement

(\$ million)	Note	2010	2009
Net premiums, fees and other revenue	3.1(a)	3,321	3,163
Investment income	3.1(a)	1,993	2,942
Revenue		5,314	6,105
Net claims expense	3.1(b)	(1,095)	(1,113)
Changes in net policy liabilities and policyowner retained profits	4.3	(1,651)	(2,403)
Commission and investment management expenses		(900)	(823)
Operating expenses	3.1(b)	(919)	(888)
Loss / (profit) attributable to non-controlling interests in controlled unit trusts		7	(5)
Expenses		(4,558)	(5,232)
Share of net profits of associates accounted for using the equity method	11	51	19
Finance costs	3.1(b)	(35)	(41)
Profit before income tax		772	851
Income tax expense attributable to shareholders and policyholders		(175)	(171)
Net profit from continuing operations after tax attributable to shareholders of AXA APH Limited		597	680
Profit attributable to:			
Owners of AXA APH Limited		602	679
Non-controlling interests		(5)	1
		597	680

3.1 Notes to the Income Statement

(\$ million)	2010	2009
Revenue and expense		
Included in profit before income tax are the following items of revenue and expense:		
(a) Revenue		
Net premium revenue		
Gross premium revenue received and receivable	4,498	4,860
Less deposits recognised as an increase in policy liabilities	(1,932)	(2,352)
Outward reinsurance expense	(124)	(121)
Total net premium revenue	2,442	2,387
Fees and other revenue		
Fees	639	584
Other revenue	240	192
Total fees and other revenue	879	776
Net premiums, fees and other revenue	3,321	3,163
Investment income		
Equity securities		
Dividends		
- Other parties	81	95
Net realised gains / (losses)	24	(51)
Net unrealised gains	583	2,881
Unit trust distributions	257	149
Debt securities		
Interest income		
- Other parties	570	604
Net realised gains / (losses)	154	(86)
Net unrealised gains / (losses)	239	(357)
Property investments		
Net property rental		
- Other parties	3	3
Net realised losses	(30)	(216)
Net unrealised gains	37	114
Unit trust distributions	53	64
Other investments		
Net exchange gains on foreign currency transactions	15	128
Net realised losses	(92)	(223)
Net unrealised gains / (losses)	99	(163)
Investment income	1,993	2,942
Total revenue	5,314	6,105

3.1 Notes to the Income Statement (continued)

(\$ million)	2010	2009
Revenue and expense (continued)		
(b) Expense		
Net claims expense		
Gross claims expenses paid and payable	3,229	3,243
Less withdrawals recognised as a decrease in policy liabilities	(2,033)	(2,028)
Reinsurance recoveries revenue	(101)	(102)
Total net claims expense	1,095	1,113
Operating expenses		
Employee benefits expense	479	465
Consultancy and legal costs	77	64
IT and telecommunication costs	68	74
Depreciation and amortisation	102	95
Asian regional costs	46	45
Goodwill impairment charge	-	2
Other expenses	147	143
Total operating expenses	919	888
Finance costs		
Interest		
- Other related parties	33	47
- Other parties	2	(6)
Total finance costs	35	41
(c) Non-recurring items		
During the current and comparative reporting periods, the following individually significant non-recurring items, net of tax, have been recognised within the Income Statement:		
Write-back of deferred tax on tax legislation change	40	-
(Impairment of) / profit on sale of interest in an associate	(27)	39
Expenses associated with the proposed AXA APH ownership change	(23)	(7)
Write-off of prior year broker business in Singapore	(10)	-
Organisational restructure costs	(2)	(19)
Litigation	(1)	-
Other	(3)	-
NMUK tax provision	-	39
Tax benefit on sale of AXA IM	-	11
Integration costs of Genesys	-	(4)
Goodwill impairment charge	-	(2)
Total non-recurring items	(26)	57
(d) Specific expense disclosures		
Included within operating expenses above are the following specific items:		
Depreciation and amortisation of:		
Operating assets	8	10
Deferred acquisition costs	31	21
Customer lists	17	15
Capitalised software	18	19
Value of business in-force	28	30
	102	95
Operating lease rental expense	1	3
Defined contribution superannuation expense	18	16

4 Balance Sheet

(\$ million)	Note	2010	2009
Assets			
Cash and cash equivalents	5.1(a)	1,816	3,323
Receivables		968	1,155
Current tax receivable		52	89
Equity securities	4.1	12,458	12,057
Debt securities	4.1	11,113	10,224
Property investments	4.1	953	1,088
Other financial assets	4.1	-	14
Plant and equipment		55	56
Deferred tax assets		582	657
Investments accounted for using the equity method		330	283
Goodwill	4.2	1,679	1,706
Intangible assets		403	458
Deferred acquisition costs		286	258
Total Assets		30,695	31,368
Liabilities			
Payables		999	1,302
Provisions		153	163
Deferred tax liabilities		181	203
Retirement benefit obligations		134	156
Financial liabilities		431	401
Subordinated debt and redeemable preference shares		699	792
Non-controlling interests in controlled unit trusts		328	380
Policy liabilities	4.3	23,307	23,496
Total Liabilities		26,232	26,893
Net Assets		4,463	4,475
Equity			
Contributed equity		1,843	1,841
Reserves		(444)	(221)
Shareholders' retained profits	8	3,060	2,848
Equity attributable to owners of AXA APH Limited		4,459	4,468
Non-controlling interests		4	7
Total Equity		4,463	4,475

4.1 Financial assets

(\$ million)	2010	2009
Financial assets		
Equity securities		
Equities held directly	3,716	4,251
Equities held via unit trusts	8,742	7,806
	12,458	12,057
Debt securities		
Interest bearing securities		
Government	1,638	1,786
Other public sector	791	719
Private sector (unsecured)	5,073	4,236
Private sector (secured)	41	58
Held via unit trusts	3,180	3,041
Loans to		
Other parties (unsecured)	283	288
Other parties (secured)	107	96
	11,113	10,224
Property investments		
Freehold and leasehold properties	10	10
Held via unit trusts	943	1,078
	953	1,088
Other financial assets		
Other investments	-	14
	-	14
Total financial assets	24,524	23,383

4.2 Goodwill

(\$ million)	2010	2009
Gross carrying amount		
Opening balance - at the start of the year	1,768	1,845
Additional amounts recognised through business combinations	8	29
Cost of business combinations adjustments	(5)	(35)
Movement due to translation of foreign currencies	(30)	(71)
Balance - at the end of the year	1,741	1,768
Accumulated impairment losses		
Opening balance - at the start of the year	(62)	(60)
Impairment losses recognised during the year	-	(2)
Balance - at the end of the year	(62)	(62)
Total goodwill	1,679	1,706

The consolidated entity tests the recoverable amount of goodwill at least annually. Goodwill is allocated for impairment testing purposes to cash-generating units. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. Value-in-use comprises an appraisal value range which is equivalent to the embedded value (net worth plus the value of business in-force) plus the value of future new business (based on a new business multiple applied to the value of one year's new business).

No impairment losses were incurred during the current financial year (2009: \$2 million attributable to the Asia ex Hong Kong cash-generating unit. This reflected a deterioration in operating conditions in Taiwan, where reduced sales coupled with some expense overruns collectively reduced the appraisal value).

Goodwill acquired through business combinations has been allocated to the following cash-generating units for impairment testing as follows:

(\$ million)	2010	2009
AXA China Region	1,006	1,035
Australian Advice	522	515
Platform Administration Services	16	15
New Zealand Wealth Management	79	80
Asia ex Hong Kong	56	61
Total goodwill	1,679	1,706

4.3 Policy liability and life insurance business

(\$ million)	2010	2009
Policy liabilities and policyowner retained profits at the end of the year	23,307	23,496
Policy liabilities and policyowner retained profits at the end of the previous year	23,496	23,891
Net decrease in policy liabilities and policyowner retained profits	(189)	(395)
Net decrease in policy liabilities and policyowner retained profits	189	395
Premiums recognised as an increase in policy liabilities	1,932	2,352
Claims recognised as a decrease in policy liabilities	(2,033)	(2,028)
Dividends paid in the current year	(149)	(141)
Exchange adjustment	(1,590)	(2,981)
Changes in net policy liabilities and policyowner retained profits, gross of tax in Income Statement	(1,651)	(2,403)
Policyholder tax expense	(155)	(209)
Changes in net policy liabilities and policyowner retained profits, net of tax	(1,806)	(2,612)
Components of policy liabilities		
Life insurance contracts		
Best estimate liability ¹		
Value of future policy benefits ²	16,112	15,939
Value of future expenses	1,848	1,556
Value of future premiums	(14,249)	(13,956)
Total best estimate liability	3,711	3,539
Value of future profits ¹		
Value of future policyowner bonuses ³	2,822	3,024
Value of shareholder profit margins	3,533	3,403
Total value of future profits	6,355	6,427
Total value of declared bonuses ⁴	50	43
Net policy liabilities for insurance contracts	10,116	10,009
Life investment contracts		
Investment contract liability	13,184	13,493
Management services asset or liability	7	(6)
Net policy liabilities for investment contracts	13,191	13,487
Total value for net policy liabilities	23,307	23,496
Represented by:		
Policy liabilities	22,236	22,423
Policy liabilities ceded under reinsurance	(319)	(309)
Dividends on deposit	995	1,001
Policyowner retained profits	395	381
	23,307	23,496

¹ For businesses valued by the projection method, the future charges for acquisition expenses are not an identified component of the policy liability.

² Future policy benefits include bonuses credited to policyowners in prior periods but exclude current period bonuses as shown in (4) and future bonuses (3).

³ Future bonuses exclude current period bonuses.

⁴ Current period declared bonuses valued in accordance with the actuarial standard.

5 Statement of Cash Flows

(\$ million)	Note	2010	2009
Cash flows from Operating Activities			
Premiums received		4,488	5,023
Interest received		544	597
Dividends / trust distributions received		410	310
Fees, rents and other cash received		882	779
Policy payments		(3,746)	(4,196)
Interest and other finance costs paid		(35)	(41)
Income tax paid		(11)	(40)
Fees and commissions paid		(900)	(823)
Payments to suppliers and employees		(1,132)	(848)
Additional funding contributions to defined benefit superannuation plans		(35)	(32)
Net cash provided by Operating Activities	5.1(b)	465	729
Cash flows from Investing Activities			
Payments for investment in controlled entities, net of cash acquired		(13)	(33)
Payments for investment in associated entities		(55)	(2)
(Payments for) / net proceeds from sale of investment in equity securities		(249)	494
Payments for investment in debt securities		(1,117)	(1,042)
Net proceeds from sale of investment in property investments		139	29
Payments for operating and intangible assets		(120)	(120)
Net cash used in Investing Activities		(1,415)	(674)
Cash flows from Financing Activities			
Dividends paid during the year		(383)	(105)
Proceeds from / (repayment of) borrowings		15	(430)
Proceeds from exercise of allocation and performance rights		2	10
Proceeds from issuance of shares, net of transaction costs		-	872
Net cash (used in) / provided by Financing Activities		(366)	347
Net (decrease) / increase in cash and cash equivalents held		(1,316)	402
Cash and cash equivalents at the beginning of the financial year		3,323	3,193
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies at the beginning of the financial year		(191)	(272)
Cash and cash equivalents at the end of the financial year	5.1(a)	1,816	3,323

5.1 Notes accompanying the Statement of Cash Flows

(\$ million)	2010	2009
(a) Reconciliation of cash and cash equivalents		
For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:		
Cash and cash equivalents	1,816	3,323
Cash and cash equivalents at the end of the financial year	1,816	3,323
(b) Reconciliation of net cash provided by operating activities to operating profit after income tax		
Operating profit after income tax	597	680
Foreign exchange losses on operating profit items	1,308	2,279
Depreciation and amortisation of operating and intangible assets	102	95
Share-based payment expense	8	13
Share of net profit of associates not received as dividends	(34)	(2)
Goodwill impairment	-	2
Net revaluation of and realised gains on investment assets	(1,257)	(1,899)
Best estimate of contingent consideration payable in respect of business combinations acquired	(4)	(3)
Actuarial (losses) / gains	(8)	36
Decrease in receivables	187	98
Decrease in deferred tax assets	75	224
Decrease in payables	(303)	(203)
Increase / (decrease) in provision for income tax	37	(104)
Decrease in deferred tax liabilities	(22)	(17)
Increase / (decrease) in provisions	(10)	1
Decrease in net policy liabilities	(189)	(395)
Decrease in retirement benefit obligation	(22)	(76)
Net cash provided by operating activities	465	729
(c) Financing facilities		
The total facilities available at balance date were as follows:		
Loan facilities and subordinated debt (denominated in US\$)	419	730
Loan facilities and subordinated debt (denominated in A\$)	1,094	760
Loan facilities and subordinated debt (denominated in HK\$)	-	33
Total financing facilities	1,513	1,523
Used at balance date:		
Loan facilities and subordinated debt (denominated in US\$)	419	730
Loan facilities and subordinated debt (denominated in A\$)	711	430
Loan facilities and subordinated debt (denominated in HK\$)	-	33
Total financing facilities used	1,130	1,193
Unused at balance date:		
Loan facilities and subordinated debt (denominated in US\$)	-	-
Loan facilities and subordinated debt (denominated in A\$)	383	330
Loan facilities and subordinated debt (denominated in HK\$)	-	-
Total financing facilities unused	383	330

Loan facilities - Senior debt

Senior debt is provided by the ultimate parent entity, AXA SA. During the year, the US\$ components of our senior debt have been converted to A\$. Additionally, A\$48 million of senior debt was drawn by the Group (2009: A\$430 million was repaid).

Our senior debts have maturities of September 2011 (\$100 million facility, \$48 million drawn), March 2012 (\$584 million facility, \$253 million drawn) and September 2013 (\$130 million facility, \$130 million drawn).

Subordinated debt

Subordinated debt is provided by the ultimate parent entity, AXA SA, and its related parties. The HK\$ component of our subordinated debt (A\$33 million as at 31 December 2009) was repaid during the year (2009: nil).

The A\$ component of our subordinated debt (\$280 million) will mature in September 2011.

Redeemable preference shares

No redeemable preference shares were issued or redeemed during the year (2009: nil).

US\$430 million of redeemable preference shares (A\$419 million) remain issued to a related entity (the ultimate parent entity, AXA SA). These redeemable preference shares are perpetual in nature. However, AXA SA and AXA APH have agreed that these will be redeemed before 2 March 2011.

6 Dividends

Date the final dividend (distribution) is payable

25 March 2011

		Amount per security	Franked to	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend:	Current half year	9.25 cents	10%	0.93 cents	8.32 cents
	Previous half year	9.25 cents	30%	2.78 cents	6.47 cents
Final dividend:	Current year end	9.25 cents	0%	0 cents	9.25 cents
	Previous year end	9.25 cents	25%	2.31 cents	6.94 cents

Ordinary securities (each class separately)
Preference securities (each class separately)
Other equity instruments (each class separately)
Total

Current period	Previous corresponding period
\$Am	\$Am
383	344
-	-
-	-
383	344

7 Dividend reinvestment plans

Dividend reinvestment plans in operation

None

The dividend reinvestment plan ("DRP") introduced in 2008 was not made available to shareholders for the 2009 final dividend or the 2010 interim dividend paid during the financial year ended 31 December 2010. It will also not be made available to shareholders for the 2010 final dividend.

The DRP was made available to eligible shareholders for the 2009 interim dividend. Eligible shareholders reinvested all or part of their dividends in additional AXA APH shares at a 2.5% discount to the average Volume Weighted Average Price of sales of AXA APH shares during the 5 days that commenced on the second trading day after the record date.

8 Statement of retained earnings

(\$ million)	2010	2009
Shareholders' retained profits		
Opening balance - at the start of the year	2,848	2,472
Net profit for the year	602	679
Actuarial (losses) / gains	(8)	36
Dividends paid	(383)	(344)
Dividends paid into Executive Share Plan	1	2
Non-controlling interests arising on first time consolidation	-	3
Balance - at the end of the year	3,060	2,848

9 Net tangible assets per security

Net tangible assets per ordinary security

Current period	Previous corresponding period
\$ 1.01	\$ 0.99

10 Entities over which control has been gained or lost during the current year

	Control gained	Control lost
10.1 Name of entity (or group of entities)	1. Suwarraow Pty Ltd 2. AR Group Pty Ltd 3. Resourcing Services SDN BHD 4. Adviser Resourcing Pty Ltd 5. Accountants Resourcing (Australia) Pty Ltd 6. ipac Financial Care Pty Ltd 7. Genesys Holdings Limited 8. Strategic Wealth Solutions Pty Ltd 9. Financial Composure Pty Ltd 10. Lindwall Group Pty Ltd 11. AXA APH GESP Deferred (Australia) Pty Limited 12. AXA APH GESP Exempt (Australia) Pty Limited	Not applicable
10.2 Date from which control was gained / lost	1. February 2010 2. April 2010 3. April 2010 4. April 2010 5. April 2010 6. June 2010 7. July 2010 8. July 2010 9. September 2010 10. October 2010 11. March 2010 12. March 2010	Not applicable
10.3 Profit / (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the current period on which control was acquired (control gained) or for the current period to date of loss of control (control lost)	1. < \$1 million 2. < \$1 million 3. < \$1 million 4. < \$1 million 5. < \$1 million 6. < \$1 million 7. < \$1 million 8. < \$1 million 9. < \$1 million 10. < \$1 million 11. < \$1 million 12. < \$1 million	Not applicable
10.4 Profit / (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	Not applicable	Not applicable

11 Details of associates

Equity accounted associates	Percentage of ownership interest held at the end of period or date of disposal		Contribution to net profit / (loss) *	
	Current period	Previous corresponding period	Current period	Previous corresponding period
	%	%	\$Am	\$Am
AllianceBernstein Australia Limited	50	50	2	3
AllianceBernstein New Zealand Limited	50	50	1	-
IMB Financial Planning Pty Limited	50	50	-	-
Exford Pty Ltd	50	50	-	-
King Financial Services Pty Ltd	35	39	-	-
PPS Financial Planning Pty Ltd	40	40	1	-
PPS UT Acquisitions Pty Ltd	40	-	-	-
PSK Financial Services Group Pty Ltd	21	20	1	-
Geobay Nominees Pty Ltd	40	40	-	-
ipac Financial Care Pty Ltd	67	50	-	-
AON Wealth Management Ltd	-	20	-	-
AXA Life Insurance Corporation (Philippines)	45	45	9	11
Krungthai AXA Life Insurance Company Limited	50	50	26	13
AXA AFFIN Life Insurance BERHAD	49	49	(2)	4
PT. AXA Mandiri Financial Services	49	51	26	13
AXA India Wealth Management	34	34	(3)	(4)
Bharti AXA Life Insurance Company Limited	13	13	(8)	(17)
AXA Group Regional Business Management (Shanghai) Co. Ltd	49	49	-	-
AXA China S.A	49	49	-	-
AXA Minmetals Assurance Company Limited	25	25	(2)	(4)
AXA APH GESP Deferred (Australia) Pty Ltd	100	49	-	-
AXA APH GESP Exempt (Australia) Pty Ltd	100	49	-	-
Strategic Wealth Solutions Pty Ltd	100	25	-	-
Pension Transfers Direct Pty Ltd	25	25	-	-
The Value of Advice Pty Ltd	40	40	-	-
DVG Pty Ltd	50	50	-	-
Australian Financial Risk Management Pty Ltd	40	-	-	-
Trenthills Financial Services Pty Ltd	45	-	-	-
Domane Financial Advisers Pty Ltd	49	-	-	-
Planwell Geelong Pty Ltd	38	-	-	-
Total	Not applicable	Not applicable	51	19
Other material interests	Not applicable	Not applicable		
Total	Not applicable	Not applicable	51	19

* Amounts that show \$nil contribution to net profit are under \$0.5 million. Due to rounding, no balance is displayed.

12 Other significant items

No shares were issued by AXA APH during the current year.

In 2009, AXA APH raised issued capital of \$872 million (net of transaction costs) to strengthen its regulatory capital position and reduce borrowings. The raising consisted of:

- \$500 million institutional placement (175,438,597 new shares);
- \$165 million share repurchase plan (58,068,994 new shares);
- \$213 million top up offer (74,618,358 new shares); less
- \$6 million of transaction expenses were incurred in raising the capital.

On 14 January 2011, Supreme Court approval of the Scheme of Arrangement associated with the potential change in AXA APH ownership was obtained. A shareholder meeting to vote on the Scheme has been scheduled for 2 March 2011. No impacts, other than the recognition of expenses incurred to date, of the proposed transaction have been accounted for in the financial report as at 31 December 2010. No other matter has arisen since the end of the year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

13 Applicable Accounting Standards (foreign entities only)

Not applicable. AXA APH Limited is not a foreign entity.

14 Earnings per share

	2010	2009
Weighted average number of ordinary shares used in the calculation of basic earnings per share and excluding non-recurring items ¹	2,062,528,009	1,937,924,120
Add: weighted average number of potential ordinary shares ¹	4,727,172	4,539,597
Weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share and excluding non-recurring items ¹	2,067,255,181	1,942,463,717
	\$ million	\$ million
Net profit used in calculating basic earnings per share	602	679
Net profit used in calculating basic earnings per share excluding non-recurring items	628	622
Net profit used in calculating diluted earnings per share	602	679
Net profit used in calculating diluted earnings per share excluding non-recurring items	628	622
	Cents per share	Cents per share
Basic earnings per share ¹	29.19	35.04
Basic earnings per share excluding non-recurring items ¹	30.45	32.10
Diluted earnings per share ¹	29.12	34.96
Diluted earnings per share excluding non-recurring items ¹	30.38	32.02

¹ Prior year numbers have been restated to be comparable with the current year in relation to the exclusion of Treasury shares from the calculation of the weighted average number of ordinary and potential shares.

14.1 Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker to make strategic decisions, as required by AASB 8 "Operating Segments". It considers the business from a geographic perspective and has identified three reportable segments as follows:

Australia and New Zealand: life insurance and wealth management
Hong Kong: life insurance and wealth management
Asia ex Hong Kong: life insurance and wealth management in Singapore, Indonesia and various other countries across the Asian region.

The Group operates in the life and wealth management segments which includes life, term, trauma, and income protection insurance, as well as retail funds, wealth management and superannuation.

The revenue, result, assets and liabilities of each segment includes items directly attributable to the segment and also those items that can be allocated on a reasonable basis. Inter-segment pricing is determined on an arm's length basis. The presentation of these results is the same as that provided to the chief operating decision maker.

Note the Other segment relates to corporate activity which is not allocated across the operating segments, as these activities benefit the entire organisation.

Income Statement									
12 months ended 31 December	Australia and New Zealand		Hong Kong		Asia ex Hong Kong		Other		Total
\$ million	2010	2009	2010	2009	2010	2009	2010	2009	2010 2009
Premium revenue	888	849	1,295	1,323	259	215	-	-	2,442 2,387
Fees and other revenue	798	753	63	5	18	18	-	-	879 776
Premium, fees and other revenue	1,686	1,602	1,358	1,328	277	233	-	-	3,321 3,163
Operating earnings ¹									
Financial protection	102	105	148	173	51	17	-	-	301 295
Wealth management	72	53	42	50	-	-	-	-	114 103
Mature	50	46	107	110	-	-	-	-	157 156
Total operating earnings	224	204	297	333	51	17	-	-	572 554
Normalised investment earnings ²	52	53	83	85	15	12	-	-	150 150
Corporate expenses	(25)	(25)	(31)	(19)	(5)	(6)	-	-	(61) (50)
Long term incentive expenses	-	-	-	-	-	-	(11)	(11)	(11) (11)
Interest expense	-	-	-	-	-	-	(27)	(29)	(27) (29)
Amortisation of VBI and customer list intangibles	(16)	(11)	(14)	(16)	-	-	-	-	(30) (27)
Profit / (loss) after tax and before investment experience and non-recurring items	235	221	335	383	61	23	(38)	(40)	593 587
Investment experience ³	17	(53)	16	81	2	7	-	-	35 35
Non-recurring items ⁴	34	24	-	(4)	(37)	37	(23)	-	(26) 57
Profit / (loss) after tax and non-recurring items attributable to shareholders	286	192	351	460	26	67	(61)	(40)	602 679

Total revenue of \$5.314 billion, as disclosed in the Income Statement and Note 3.1, comprises of premium, fees and other revenue of \$3.321 billion (2009: \$3.163 billion) and investment income of \$1.993 billion (2009: investment income of \$2.942 billion), which are embedded within operating earnings, normalised investment earnings and investment experience within the table above.

- Operating earnings represent the planned profit margins, including investment earnings (based on long term assumptions) on assets backing policy liabilities. Any non-investment experience items, where actual results differ to best estimate, are recognised in operating earnings.
- Normalised investment earnings relate to earnings (based on long term assumptions) on assets in excess of policy liabilities.
- Investment experience represents the actual experience under or over normalised investment earnings on both assets backing policy liabilities and on assets in excess of policy liabilities.
- Expenses associated with the potential change in AXA APH ownership have been allocated to the "Other" segment in the current year. In the prior year, this was allocated to both the Australia and New Zealand and Hong Kong segments (\$3 million and \$4 million respectively) which have not been restated.

Balance Sheet								
As at 31 December	Australia and New Zealand ³		Hong Kong		Asia ex Hong Kong		Total	
\$ million	2010	2009	2010	2009	2010	2009	2010	2009
Segment assets ¹	19,236	23,562	12,414	13,183	5,924	1,859	37,574	38,604
Investments in associates ²	52	44	-	28	278	211	330	283
Consolidation adjustments - assets ¹	(3,017)	(6,916)	(18)	(433)	(4,174)	(170)	(7,209)	(7,519)
Total assets	16,271	16,690	12,396	12,778	2,028	1,900	30,695	31,368
Segment liabilities ¹	14,806	18,007	10,284	10,910	3,881	1,479	28,971	30,396
Consolidation adjustments - liabilities ¹	(363)	(3,047)	(32)	(433)	(2,344)	(23)	(2,739)	(3,503)
Total liabilities	14,443	14,960	10,252	10,477	1,537	1,456	26,232	26,893
Total net assets	1,828	1,730	2,144	2,301	491	444	4,463	4,475

- National Mutual International Pty Limited ("NMI"), an Australian incorporated entity, is the holding company for the vast majority of the Group's Asian investments. This entity has historically been allocated to the Australia and New Zealand segment, but in the current year, has been allocated to the Asia ex Hong Kong segment. This treatment is consistent with the analysis of segments should the potential change in AXA APH ownership occur in 2011. Prior year numbers have not been restated for this presentational change.

The impact of this presentational change is to gross up the segment assets and liabilities in the current year for the balance sheet of NMI in the Asia ex Hong Kong operating segment. Consequently, the consolidation adjustments, which reflect the elimination of investment in NMI and the intercompany loan balance within liabilities, have also been grossed up, relative to 2009 where no restatement has been made. Similarly, the segment assets and liabilities of the Australia and New Zealand operating segment have declined in 2010, as have the consolidation adjustments relating to NMI which were shown in this segment in the prior year. There is no impact to total net assets of the Group.

- The investment in associate AXA Minmetals Assurance Company Limited, has been reallocated from the Hong Kong segment to the Asia ex Hong Kong segment in the current year in order to better reflect the geographic segment in which this business sits. Prior year numbers have not been restated for this presentational change. There is no impact to total net assets of the Group.

3. Long term incentive expenses, interest expense and expenses associated with the potential change in AXA APH ownership that have been allocated to the "Other" segment in the Income Statement above, are included within the Australia and New Zealand segment in the Balance Sheet. These expenses relate to corporate activity which is not allocated to operating segments, as these activities benefit the entire organisation and would only be arbitrarily determined if allocated across segments. However, as they have been incurred by the Company, an Australian incorporated entity, they have been included within the net assets of the Australia and New Zealand segment in the Balance Sheet.

15 Information on audit or review

This preliminary final report is based on accounts to which one of the following applies:

☒

The accounts have been audited.

☐

The accounts have been subject to review.

☐

The accounts are in the process of being audited or subject to review.

☐

The accounts have not yet been audited or reviewed.

Description of likely dispute or qualification if the accounts have not yet been audited or subject to review or are in the process of being audited or subjected to review.

N/A

Description of dispute or qualification if the accounts have been audited or subjected to review.

N/A