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Dear Sir/Madam

AXA Asia Pacific Holdings Limited

Please find attached an announcement for release to the market.

Yours faithfully

A handwritten signature in black ink, appearing to be 'M. Penca', with a long horizontal stroke extending to the right.

Milena Penca
Group General Counsel & Company Secretary

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news release

www.axa-asiapacific.com.au

22 July 2005

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 2005.

Group Chief Executive, Les Owen, said:

"The second quarter has seen continued growth in most of our main business segments.

"In Australia and New Zealand **total gross** fund inflows for the six months ended 30 June 2005 were \$7.43bn, up 12.1% (six months ended 30 June 2004 - \$6.63bn).

"**Gross retail** inflows in Australia and New Zealand were \$4.31bn, up 9.7% (2004 - \$3.92bn). **Net retail** inflows were \$1.37bn, down 16.4% (2004 - \$1.64bn). However, **net retail** inflows in the second quarter were \$780.5m, up 32.4% on the first quarter (three months ended 31 March 2005 - \$589.7m). Market statistics for the first quarter of 2005 showed that we retained a top 5 position in Australia for net retail fund flows, and the second quarter growth is encouraging.

"Financial protection new regular premiums in Australia and New Zealand were up 7.7% to \$51.7m (2004 - \$48.0m). We are launching improved product offers over the next few weeks and I expect new business in the second half to continue to grow strongly.

"New business in Hong Kong continued to grow with total life new business index of HK\$561.2m, up 16.9% (2004 - HK\$480.1m). There was particularly strong performance from unit linked regular premiums following the launch of 'Dimensions' in November 2004, and in MPF sales.

"New business in the rest of the Asian region continued to grow very strongly, up 97.8% to A\$61.7m on a constant currency basis (2004 - A\$31.2m). Performing particularly well were Indonesia with new business up 277.3% as a result of our bancassurance joint venture with Bank Mandiri, and Thailand, up 115% due to improvements in agent productivity and expansion of our bancassurance channel."

Australia and New Zealand – key points

- **Total gross** inflows (retail and wholesale) up 12.1% to \$7.43bn (six months ended 30 June 2004 - \$6.63bn)
- **Gross retail** inflows up 9.7% to \$4.31bn (2004 - \$3.92bn)
- **Total net** funds flow (retail and wholesale) up 9.7% to \$3.02bn (2004 - \$2.76bn)
- **Net retail** funds flow of \$1.37bn, down 16.4% (2004 - \$1.64bn). 2004 benefited from strong inflows into the Australian Monthly Income Fund through a third party distribution channel. Net funds flow into the Australian Monthly Income Fund in Q1 and Q2 2005 were \$350m lower than in the corresponding period last year
- **Net Alliance Capital wholesale** funds flow up 41.1% to \$1.65bn (2004 - \$1.17bn)
- **Platform net** flows up 63.2% to \$614.7m (2004 - \$376.7m)

- **Advice net** flows were down 27.3% to \$181.1m (2004 - \$249.0m) due mainly to reduced flows in our New Zealand advice business (Spicers) where the market environment continues to remain difficult. Recently proposed changes to New Zealand's savings and tax regimes should improve the market environment in due course
- **Individual life new business** up 16.9% to \$25.6m (2004 - \$21.9m) and **individual income protection** up 19.0% to \$11.9m (2004 - \$10.0m). We are launching improved product offers over the next few weeks and expect new business in the second half to continue to grow strongly.

Hong Kong – key points

- **Total life** new business index up 16.9% to HK\$561.2m (2004 – HK\$480.1m) and total new business index up 13.7% to HK\$616.0m (2004 – HK\$542.0m)
- **New regular** premiums up 17.3% to HK\$532.9m (2004 – HK\$454.2m) reflecting further improvements in productivity in both agency and adviser channels, as well as better leveraging of our customer database. **New unit linked** regular premium business increased by 57.0% following the launch of 'Dimensions' in November 2004. Dimensions is a hybrid participating / unit linked product
- **New regular** premiums for group retirement up 268.4% to HK\$78.1m (2004 – HK\$21.2m), with strong increases in Mandatory Provident Fund (MPF) sales through broker, direct and agency channels. Increased MPF sales reflect heightened scheme member interest due to the improved economic outlook in Hong Kong
- **New regular** premiums for group risk down 4.7% to HK\$44.2m (2004 – HK\$46.4m) and for general insurance down 11.5% to HK\$54.8m (2004 – HK\$61.9m), reflecting increased competition and our focus on profitable growth in these markets
- **Single** premiums up 8.9% to HK\$282.5m (2004 – HK\$259.4m), driven by encouraging initial inflows to our new multi manager investment platform.

China and South East Asia – key points

- Total new business index up 97.8% to A\$61.7m (2004 – A\$31.2m). Total premium income up 72.5% to A\$329.2m (2004 – A\$190.8m)
- Very strong growth in Indonesia with new business up 277.3% driven by continuing expansion of our bancassurance joint venture with Bank Mandiri and improving agent productivity due to the newly implemented regional agency blueprint
- New business in Thailand up 115.0% reflecting strong improvements in agent productivity under the new agency model, as well as further expansion of, and higher productivity in, our bancassurance channel
- New business in Singapore up 39.2% as a result of higher sales of regular premium products from our agency channel together with the successful campaign in the first quarter to rollover maturing guaranteed products into single premium investment linked plans
- New business index in Philippines up 20.4%, mainly due to growth in single premium investment linked products through our bancassurance channel together with an increase in sales of regular premium products through agents

- New business index in China down 11.1% due primarily to competition for agents and market slowdown in Shanghai. Sales in the second quarter improved, up 25.9% compared to the corresponding period last year, reflecting success in single premium sales from banks and broker channels, and early growth in the recently launched Beijing branch.

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Australia/New Zealand

(A\$ million)	Gross inflows (6 months ended)			Net flows (6 months ended)		
	30 Jun 2005	30 Jun 2004	Change	30 Jun 2005	30 Jun 2004	Change
Wealth management						
Superannuation	1,398.3	1,122.0	24.6%	495.5	383.9	29.1%
Retirement income	297.7	252.3	18.0%	(96.0)	(70.6)	(36.0)%
Investment products	1,241.2	1,442.2	(13.9)%	275.6	658.1	(58.1)%
Alliance Capital – retail mandates	1,367.9	1,107.1	23.6%	695.1	667.7	4.1%
Total A&NZ retail flows (excluding cash management trusts)	4,305.1	3,923.6	9.7%	1,370.2	1,639.1	(16.4)%
Cash management trusts	36.9	37.5	(1.6)%	0.7	(53.0)	n/a
Alliance Capital – wholesale mandates	3,084.5	2,666.4	15.7%	1,652.4	1,170.9	41.1%
Total A&NZ flows	7,426.5	6,627.5	12.1%	3,023.3	2,757.0	9.7%

Included in the above:

Platforms	1,479.5	1,030.9	43.5%	614.7	376.7	63.2%
Advice	685.2	570.6	20.1%	181.1	249.0	(27.3)%

Included in the figures above are flows that arise when AXA clients switch from one product structure to another, such as from a traditional superannuation product to a platform-based superannuation product.

(A\$ million)	Intra-group flows (6 months ended)		
	30 Jun 2005	30 Jun 2004	Change
Superannuation	208.2	79.8	160.9%
Retirement income	82.0	28.0	192.9%
Investment products	44.8	19.2	133.3%
Alliance Capital – retail mandates	200.0	0.0	n/a
<i>Included in the above:</i>			
Platforms	303.0	88.0	244.3%
Advice	210.0	88.0	138.6%

Note: These flows are both inflows and outflows into the same product line, therefore netting to zero on a net flows basis

Total funds under management, administration and advice was \$57.21bn, up 9.0% (31 December 2004 - \$52.49bn).

(A\$ million)	New business (6 months ended)			In-force (as at)		
	30 Jun 2005	30 Jun 2004	Change	30 Jun 2005	30 Jun 2004	Change
Financial protection						
New regular premiums						
Individual life	25.6	21.9	16.9%	254.1	230.6	10.2%
Individual income protection	11.9	10.0	19.0%	197.5	195.3	1.1%
Group insurance	12.7	14.6	(13.0)%	139.4	130.1	7.1%
Long term risk	1.5	1.5	(0.0)%	91.8	95.9	(4.3)%
Total	51.7	48.0	7.7%	682.8	651.9	4.7%
Single premiums	16.1	12.9	24.8%			

Note: Group insurance 2004 in-force has been adjusted upwards by \$8.5m for master trust business not previously counted

Hong Kong

(HK\$ million)	New business (6 months ended)			In-force (as at)		
	30 Jun 2005	30 Jun 2004	Change	30 Jun 2005	30 Jun 2004	Change
New regular premiums						
Individual life – non-linked	258.0	289.4	(10.9)%	4,868.0	4,760.2	2.3%
Individual life – unit linked	152.6	97.2	57.0%	582.4	398.2	46.3%
Total individual life	410.6	386.6	6.2%	5,450.4	5,158.4	5.7%
Group retirement – incl MPF	78.1	21.2	268.4%	1,268.2	1,139.3	11.3%
Group risk	44.2	46.4	(4.7)%	402.8	340.3	18.4%
Total new regular premiums	532.9	454.2	17.3%	7,121.4	6,638.0	7.3%
Single premiums						
Individual life – incl unit linked	135.0	132.5	1.9%			
Group retirement	147.5	126.9	16.2%			
Total single premiums	282.5	259.4	8.9%			
Total life new business index (“NBI”)¹	561.2	480.1	16.9%			
General insurance (P&C) ²	54.8	61.9	(11.5)%			
Total new business index	616.0	542.0	13.7%			

Note:

(1) New business index = regular premium sales + 10% of single premium sales

(2) Total premium income

Total funds under management, administration and advice was HK\$47.22bn, up 5.4% (31 December 2004 - HK\$44.82bn).

China and South East Asia

(million)	New business index ¹ (6 months ended)			Total premium income (6 months ended)		
	30 Jun 2005	30 Jun 2004	Change	30 Jun 2005	30 Jun 2004	Change
Indonesia (Rupiah)	179,476.6	47,564.6 ²	277.3%	835,497.9	242,676.0	244.3%
Thailand (Baht)	485.9	226.0	115.0%	1,224.2	599.0	104.4%
Singapore (Sing\$)	13.5	9.7	39.2%	135.7	108.4	25.2%
Philippines (Peso)	334.6	278.0	20.4%	2,195.7	1,787.0	22.9%
China (Rmb)	17.7	19.9	(11.1)%	106.4	70.2	51.6%
Total (AUD) ³	61.7	31.2	97.8%	329.2	190.8	72.5%

Note:

(1) New business index = regular premium sales + 10% of single premium sales

(2) The amount includes IDR10,509 group insurance new business that was not included in prior year

(3) On a constant currency basis, translated at average exchange rates for the six months ended 30 June 2005 of A\$/Rupiah = 0.000137; A\$/Baht = 0.032687; A\$/Sing\$ = 0.783748; A\$/Peso = 0.023552; A\$/Rmb = 0.156166. Figures represent 100% share of the businesses