



Bancassurance Joint Venture: **Bank Mandiri & AXA Asia Pacific Holdings**

30 January 2003



Bank Mandiri & AXA Asia Pacific

We are committed to building
a winning partnership
together to create the
Premier Bancassurer in
Indonesia.



Bank Mandiri & AXA Vision Statements

Bank Mandiri's Vision

The Trusted and Preferred Bank



AXA's Vision

To be the world leader in financial protection and wealth management



Our Joint Vision



Working together, we aim to build the leading bancassurance venture in Indonesia which is recognised by customers and competitors alike, as the benchmark in financial protection and wealth management.

Who is Bank Mandiri?

Indonesia's leading bank

- Bank Mandiri is the largest bank in Indonesia by total assets
- Formed in 1999 from the merger of four state owned banks
- The Bank's management is highly professional with most senior management having international experience
- Awarded "Best Emerging Market Bank 2002" and "Best Domestic Trade Finance Bank 2002" by Global Finance and "Best Domestic Bank 2002" by Finance Asia
- A snapshot of the Bank's key statistics are:

| | |
|---|------------------------|
| Customers | 6.7 million |
| Branches | 682 |
| Total Assets | US\$28 bn |
| Total Customer Deposits | US\$20.54 bn |
| Number of Employees | 17,572 |
| Market Share (Deposits) | 23% |
| Profit After Tax (Sept 30, 2002) | US\$310 million |
| Capital Adequacy Ratio | 29.6% |

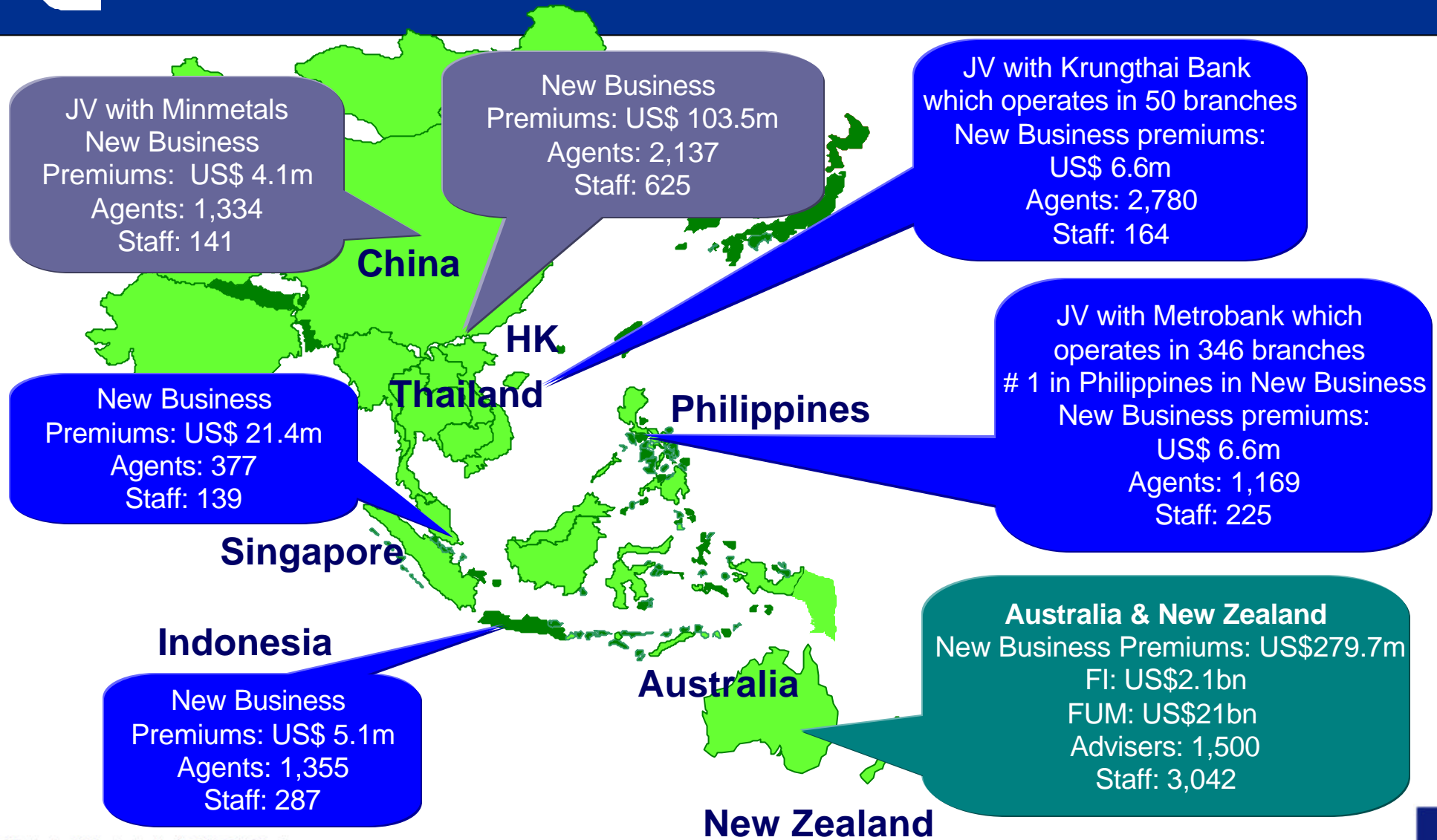
Source: September 30, 2002 Bank Mandiri's Condensed Financial Statement

Who is AXA?

- AXA Group is a worldwide leader in financial protection and wealth management with diverse operations covering Western Europe, North America and the Asia Pacific area in 60 countries with 140,000+ employees
- As at January 2002, AXA Group had US\$ 806 bn in total assets under management.
- As at June 2002, AXA Group net asset value was US\$ 24.3 bn
- AXA Pacific Holdings has presence in eight Asia Pacific markets, including Australia, New Zealand, Hong Kong, Indonesia, Singapore, the People's Republic of China, the Philippines and Thailand
- AXA Australia & AXA New Zealand are two of the largest providers of life, fund management and superannuation in their local markets and AXA China Region is one of the largest insurance companies in Hong Kong
- A snapshot of the AXA Asia Pacific's key statistics are:

| | |
|-------------------------------|-----------------------------------|
| Clients | Over 3 million |
| Number of Employees | 4,500 |
| Number of Agents | over 4,700 |
| Bancassurance presence | Philippines & Thailand |
| Countries presence | 8 |
| Operating earnings | USD 174 million |

AXA Regional Presence



AXA Regional Bancassurance Overview



Established bancassurance arrangement with Krung Thai Bank, currently with 50 branches rolled-out, target a future expansion to 200 branches in 2003

Thailand

Philippines



Established bancassurance arrangement with Metro Bank - Philippine AXA Life's BankAssure is a market Leader. BankAssure currently operates in 346 branches

Indonesia

BANK MANDIRI



Bancassurance JV signed with Bank Mandiri, the largest bank in Indonesia by total assets, in Jan 2003

BANK MANDIRI



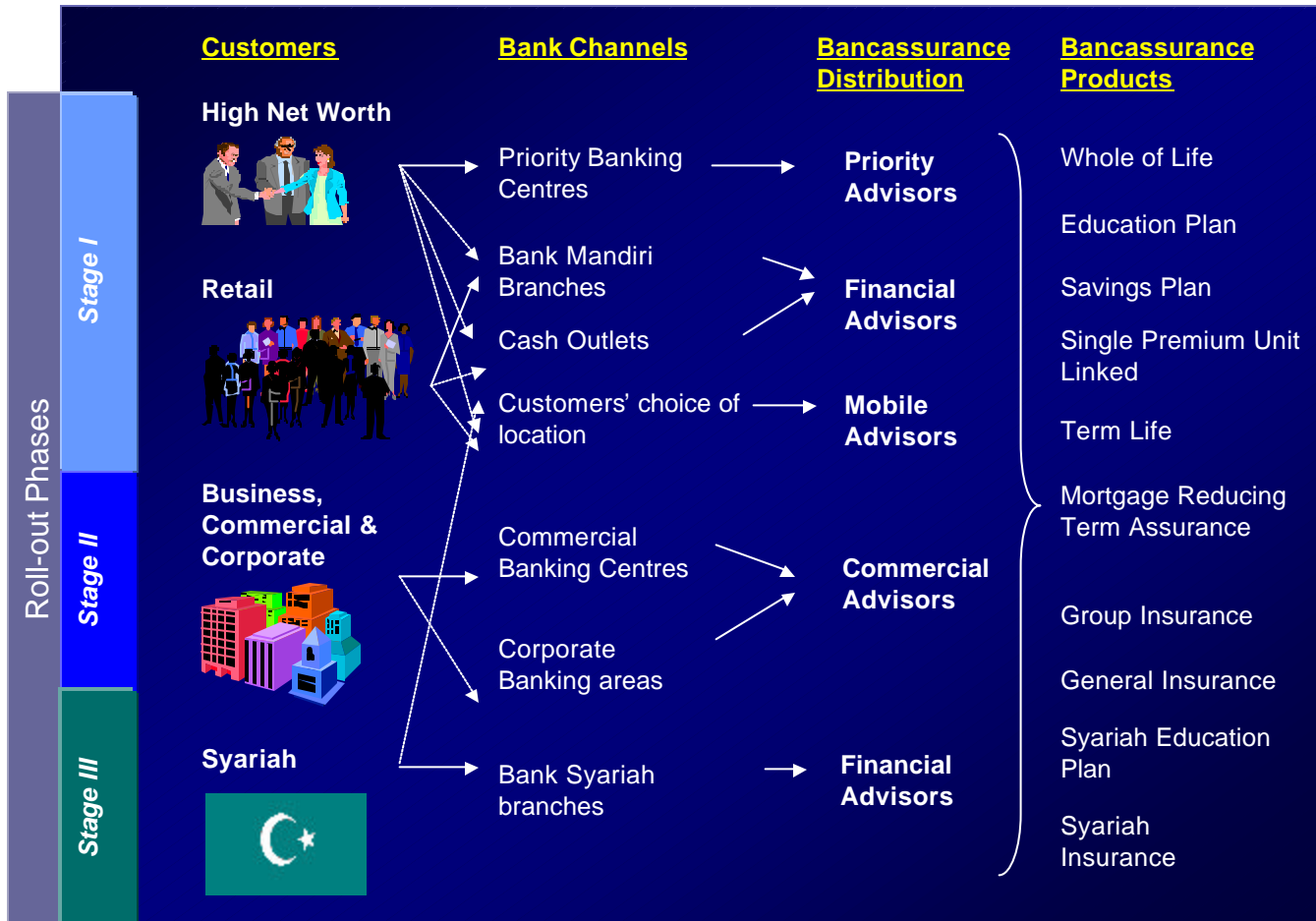


Philippines' Success Story



- **JV Agreement signed in 1998 transformed Metrobank's life insurance arm, Pan Philippines Life, into Philippine AXA Life**
- **As at December 2001, Philippine AXA Life has assets amounting to US\$49 mn and US\$29 mn gross premium income - making it one of the top five life insurers in the country and a leading bancassurer in Asia**
- **In 2001, new bancassurance regular annual premium reached US\$1.2 mn and bancassurance single premium was US\$15 mn, making the JV a leader in the market**
- **The bancassurance model has:**
 - Enhanced the image of both AXA and Metrobank
 - Provided synergy and leveraged strengths from both parties
 - Enhanced services to the Bank's customer base
 - Increased shareholder value
 - Increased customer satisfaction

Proposed Bancassurance - Business Model



AXA will leverage on our **Multi-Distribution Approach** to service and target Bank Mandiri's different customer segments:

- ⇒ selling the **right products**,
- ⇒ to the **right customer segments**,
- ⇒ through the **right channels**
- ⇒ by using the **right people** to achieve **joint success!**

Our Aspirations

- Commence business by second half of 2003
- Penetration of 3% of Bank Mandiri's customer base by year 5
- US\$350 mn of AUM by year 5
- Achieve statutory profits from year 4 onwards
- Top 3 player

In Summary

We are committed to making this bancassurance joint venture a success through:

- Agreeing on clear strategy
- Development of Indonesian human resources & management through specialist expertise and training
- Building strong synergy through Bank Mandiri's distribution and AXA's product capabilities
- Offering a comprehensive product and service proposition around the Bank's customer needs
- Leveraging a combination of local and global cultures and brand strengths
- Creating economies of scale from AXA's and Bank Mandiri's operations locally, regionally and globally



Bancassurance Joint Venture: **Bank Mandiri & AXA Asia Pacific Holdings**

30 January 2003