



THE MARKET

With a total of around \$640 billion in funds under management in Australia and New Zealand, and with growth of around ten to twelve per cent per annum, the financial services market is both very large and vital for the economy. It is important to the individuals whose savings and other assets are managed and protected by fund managers and whose lives, property and businesses are covered by insurers. It is also important to the nation as a whole because one of its critical tasks is the efficient management of an enormous quantity of investment capital.

ACHIEVEMENTS

Today, AMP is a leading international financial services company. It provides wealth management products and advice to more than 8 million customers worldwide, including one in five Australian adults, one in six New Zealand adults and one in ten adults in the United Kingdom.

AMP has 17,000 employees and planners around the world who help these customers through a range of convenient channels. A growing international network of financial planners, which includes the largest and most productive planner force in Australasia, sets AMP apart from its competitors.

Customers can access advice and services 24 hours a day, 7 days a week through direct channels like AMP's web sites and call centre operations.

In addition to a clear and sustained emphasis on improving financial performance, AMP also has

a clear focus on the broader principles of corporate social responsibility. This focus encompasses not just economic measures but the environment, employment and wider community interests. AMP was an Australian and New Zealand leader in introducing family friendly employment policies as part of a wider "employer of choice" initiative, and is now widely recognised for these policies.

The AMP Foundation, which was formed in 1992 in Australia, has donated more than A\$12 million to its partner charities including the Leukaemia Foundation of Australia, the National Breast Cancer Centre and local initiatives. AMP runs similar initiatives in New Zealand and in the UK.

HISTORY

AMP – the Australian Mutual Provident Society – was founded in Sydney, Australia in 1849, around 153 years ago. It quickly expanded into New Zealand and the United Kingdom, where it has now operated for almost 150 years. Today, AMP operates in 16 markets, with leading positions in its three "home" markets of Australia, New Zealand and the United Kingdom.

In Australia and New Zealand, AMP played a vital role in the rapid development of the economy by directing the savings and life insurance premiums of policyholders into investments which provided the capital needed for economic growth.

Between 1918 and 1939, AMP made widespread investment in primary industries. During the Great

Depression, the Society extended the terms of rural loans and made other arrangements which allowed many farmers to stay on their properties.

In 1941, AMP secured an amendment to its Act of Incorporation which allowed a widening of its investment powers, allowing it to invest in all types of public companies.

In its Centenary year, as a way of celebrating its first 100 years in business by helping to develop Australia, AMP provided funding and logistic

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support to the South Australian Land Development Scheme. This provided jobs and land for returned soldiers, and in the process turned barren mallee country into rich and productive farmland which is still worked today.

Although AMP was the largest mutual insurance company in the British Empire in 1908, it only began its rapid expansion in the UK in 1989.

In that year, AMP acquired London Life and then the Pearl Assurance in what was then the largest takeover of a British institution by a foreign-owned one.

AMP has since acquired Henderson plc, the National Provident Institution (NPI), a large independent financial adviser organisation called Towry Law, and an on-line financial service called Interactive Investor International (iii). It has a joint venture operation with Virgin, called Virgin Money, and alliances with other British, European and Asian organisations.

In 1998, AMP demutualised and listed on the Australian and New Zealand stock exchanges. When it listed, around 1.6 million Australians – some eleven per cent of the adult Australian population – received shares in the company.

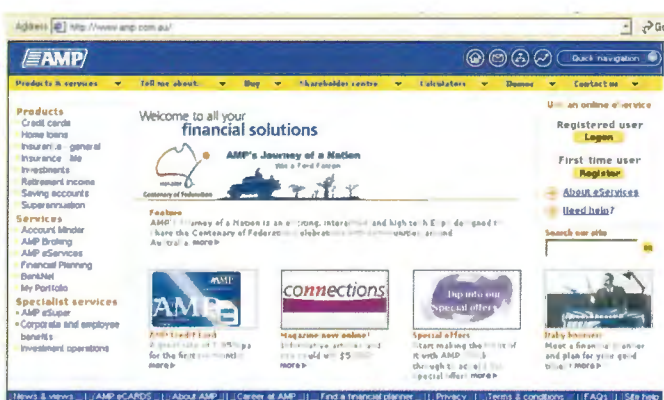
Today, AMP has a market capitalisation of A\$20 billion, and more than one million shareholders in Australia and around the world.

Individual investors comprise 55 per cent of AMP's shareholder base, with institutional investors making up the other 45 per cent.

THE PRODUCT

AMP's core business is wealth creation and management. It offers customers choice, control and ease of access in an increasingly complex financial world.

Major products cover financial planning, banking and investment, with particular strength in superannuation and retirement pensions. AMP is one of a handful of financial services companies worldwide with an international, value-adding funds management operation in-house.



The need for good financial advice is growing worldwide, and AMP has proven expertise in financial planning. Its 4000 planners around the world provide a critical market advantage, given the increasing complexity of financial markets and the widening range of savings options.

As the bulk of the baby boomer generation reaches retirement age over the next 10 to 20 years, the western world will experience the largest retirement boom in history. AMP is well placed to lead in the markets that will service this growth in Australia, New Zealand and the UK.

RECENT DEVELOPMENTS

AMP has been an international company for most of its history, but during the past few years it has firmly focused on increasing international expansion. The company has grown through a series of strategic mergers and acquisitions, partnerships, joint ventures and alliances. Outside Australia, New Zealand and the UK it also has a presence in countries like Italy, Hong Kong, Japan, India and Canada.

The company is now entering a new era in its development, broadening its business mix while expanding rapidly overseas. It is seeking new markets and sources of capital and it is encountering new stakeholders with widely differing agendas and perceptions. AMP is, in essence, in a period of transformation from an Australian-based insurance

and superannuation provider to an international financial services organisation focused on wealth management.

In the process the company has moved into new distribution methods, products and technology, as well as areas like banking.

PROMOTION

The largest and most recent major promotional activity conducted by AMP was sponsorship of the Sydney 2000 Olympic Games. Of special significance was the Sydney 2000 Olympic Torch Relay, which was presented by AMP. This was an event recognised internationally as the most successful Torch Relay in history. The event also succeeded in rallying Australians behind the Olympic Games.

Millions of Australians, from 1000 communities over 100 days, were part of the Torch Relay while millions more from around the world looked on, providing a perfect opportunity for AMP to increase international awareness.

AMP has been awarded a National Marketing Excellence Award in the Financial Services category at the 2001 Australian Marketing Institute Awards for the AMP Community Cauldron Project. The company was also awarded Sports Sponsorship of the Year and Sponsorship of the Year at the 2001 Australian Financial Review Magazine Awards, for the Sydney 2000 Olympics Games.

AMP also sponsored the Sydney 2000 Paralympic Games. These two



events provided a great opportunity to further show the company's commitment to giving back to the community which supports it.

During the Sydney 2000 Olympics, AMP launched a series of three TV commercials focusing on the importance of planning for the future. The campaign captured the benefits of peace of mind, confidence and the personal liberation that comes with addressing the future with the help of AMP.

Following the success of the Sydney Olympics, AMP is conducting a national tour called "AMP's Journey of a Nation - A Celebration of our Federation Expo" as a part of Australia's Centenary of Federation celebrations.

BRAND VALUES

Throughout more than a century and a half of history, AMP has built a strong heritage of working with and investing in the communities in which it operates.

AMP's focus has been on the protection of wealth, and the company has traditionally been known as a trusted financial services provider with experience and expertise in superannuation and insurance. The company is proud of its heritage and of being an Australian owned business. Consumer awareness of AMP in its home markets of Australia and New Zealand is almost universal, and the 'blue parallelogram' logo has come to symbolise trustworthiness and stability.

AMP has built a strong history by working with and helping the communities in which it operates through the activities of the AMP Foundation.

THINGS YOU DIDN'T KNOW ABOUT AMP

- AMP is in the Top 50 fund managers in the world and is the only Australian company in the Top 100.
- AMP is the leading provider of superannuation in Australia, with around 30 per cent of all superannuation funds under management.
- AMP has an international bank, called AMP Banking, with operations in Australia, New Zealand and the UK. This is a direct bank, which means it does not operate through branches. It opened its "virtual" doors in 1998.
- At the time of Australia's Federation, one of the unifying factors of the first Cabinet was that they were all AMP policyholders. Indeed, one of them sat on the Victorian AMP Board.