



Bharti AXA Life Insurance Company Ltd. commences operations

- *Opens first branch office in Hyderabad*
- *Introduces 2 unit linked products – ‘Future Confident’ and ‘Wealth Confident’*
- *Plans to roll out over 30 branches by December 2007*

Hyderabad, August 22, 2006: Bharti AXA Life Insurance Company Limited kicked off operations with the opening of its first branch office in Hyderabad today. IRDA Chairman, Mr. C.S. Rao graced the branch inauguration ceremony.

Bharti AXA has laid out aggressive plans for expansion and will be launching operations across the country in the coming months. The Company is in the process of putting in place a robust product architecture that will cater to different segments of the Indian populace. Besides the metros and mini metros, Bharti AXA will be well represented in the tier 2 and upcountry markets. Bharti AXA plans to roll out over 30 branches by December 2007 and will be supplemented with other points of presence through strategic partnerships. The Company has introduced 2 unit linked products – ‘Future Confident’ and ‘Wealth Confident’, both products conceived in keeping with the essence of the brand promise - ‘Be Life Confident’.

Mr. Sunil Bharti Mittal, Chairman & Group Managing Director, Bharti Enterprises and Chairman, Bharti AXA Life Insurance said “The launch of the first branch of Bharti AXA Life Insurance is a major step towards accomplishing Bharti’s vision to play a dominant role in the financial services sector. This small step today will be the front runner to a giant foot print in the future, just like our flagship telecom brand Airtel. I am confident that our partnership with AXA will help us become the top 5 insurance brands in the country in a short span of time.”

Bharti AXA will adopt a multi channel, multi product and a pan India approach. The Bharti AXA combine will leverage Bharti Airtel’s well-entrenched distribution capabilities, its large customer base of over 25 million, their local knowledge and vast experience in telecom retail while AXA will bring to the partnership their global insurance expertise, best practices, knowledge base and leadership skills in insurance and asset management with the intent to achieve market leadership. The joint venture will also utilise AXA’s well established state-of-the-art business processing set up, AXA Business Services to deliver best in class service levels.

Speaking on the occasion, **Mr. Mark Pearson**, Regional Chief Executive, AXA Asia Pacific Holdings Limited, said, “We are absolutely delighted at the opening of the first branch in India. This signifies AXA’s strong commitment to the Indian insurance market

along with our partner Bharti. Over time, our ambition is to play a large role in the development of the Indian insurance market”.

The life insurance industry collected weighted new premium income of Rs. 220.3 billion in FY2005/06, exhibiting a growth of 42% over the previous year. However, with an insurable population estimated to be around 300 million, the current penetration rate is only 12%. Even as a percentage of GDP, the life insurance premium penetration rate stands at a mere 2.35 % (as of March 2005), all pointing towards a huge opportunity for insurance companies in India, which is rated as one of the fast growing economies in Asia.

Mr. Nitin Chopra, CEO, Bharti AXA Life Insurance, while speaking on the occasion said “Our objective is to become the preferred company in financial protection and wealth management in India”. The worldwide success of the AXA brand has come from being ‘Close and Qualified’ to its customers. Bharti AXA Life Insurance will leverage AXA’s learning and best practices to identify compelling consumer insights in the insurance space.

Mr. Chopra added “Being a second wave entrant, our opportunity lies in bettering our offering and service ahead of the market. We’ve put in place a robust business model for Hyderabad which will then be rolled out across the country. Core to the proposition is hiring and training of the best talent”.

Hyderabad, with a population of over 7 million has over the past few years transformed into a metropolitan city from a mini metro, and expected to grow into a mega polis by 2010. This truly reflects the concerted efforts of the government in encouraging investments by IT and ITES companies. This has made the city a melting pot of various cultures and is representative of a good demographic mix, especially the progressive middle class of young nuclear families. This offers a huge business opportunity and provides a nice platform for the launch.