

2013 RESULTS PRESENTATION PERFORMANCE THROUGH CONSISTENT EXECUTION

21 February 2014

AIA confidential and proprietary information. Not for distribution.



**THE REAL LIFE
COMPANY**

Disclaimer



This document (“document”) has been prepared by AIA Group Limited (the “Company”) and its advisers solely for use at the presentation (the “Presentation”) held in connection with the announcement of the Company’s financial results. Document in this disclaimer shall be construed to include any oral commentary, statements, questions, answers and responses at the Presentation.

No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. The information and opinions contained herein are subject to change without notice. The accuracy of the information and opinions contained in this document is not guaranteed. Neither the Company nor any of its affiliates or any of their directors, officers, employees, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any information contained or presented in this document or otherwise arising in connection with this document.

This document contains certain forward-looking statements relating to the Company that are based on the beliefs of the Company’s management as well as assumptions made by and information currently available to the Company’s management. These forward-looking statements are, by their nature, subject to significant risks and uncertainties. When used in this document, the words “anticipate”, “believe”, “could”, “estimate”, “expect”, “going forward”, “intend”, “may”, “ought” and similar expressions, as they relate to the Company or the Company’s management, are intended to identify forward-looking statements. These forward-looking statements reflect the Company’s views as of the date hereof with respect to future events and are not a guarantee of future performance or developments. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. Actual results and events may differ materially from information contained in the forward-looking statements. The Company assumes no obligation to update or otherwise revise these forward-looking statements for new information, events or circumstances that occur subsequent to such dates.

This document does not constitute or form part of, and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of the Company or any holding company or any of its subsidiaries in any jurisdiction or an inducement to enter into investment activity. No part of this document, nor the fact of its distribution, shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. No shares of the Company may be sold in the United States or to U.S. persons without registration with the United States Securities and Exchange Commission except pursuant to an exemption from, or in a transaction not subject to, such registration. In Hong Kong, no shares of the Company may be offered to the public unless a prospectus in connection with the offering for sale or subscription of such shares has been authorised by The Stock Exchange of Hong Kong Limited for registration by the Registrar of Companies under the provisions of the Companies Ordinance, and has been so registered.

By accepting this document, you agree to maintain absolute confidentiality regarding the information contained herein. The information herein is given to you solely for your own use and information, and no part of this document may be copied or reproduced, or redistributed or passed on, directly or indirectly, to any other person (whether within or outside your organisation/firm) in any manner or published, in whole or in part, for any purpose. The distribution of this document may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

Agenda



| Presenter | Position | Topic |
|-----------------------|--------------------------------------|--|
| Mark Tucker | Group Chief Executive | 2013 Group Review |
| Garth Jones | Group Chief Financial Officer | 2013 Financial Results |
| Ng Keng Hooi | Regional Chief Executive | China, Thailand, Singapore, Malaysia |
| Gordon Watson | Regional Chief Executive | Hong Kong, Korea, Other Markets |
| Mark Tucker | Group Chief Executive | AIA – A Rare and Powerful Combination |
| All Presenters | ExCo Members | Q&A |

Performance Through Consistent Execution

- **Delivered another year of strong growth**
 - **Maintained track record of excellent results**
 - **Progressed strategic priorities**
 - **Expanded leading presence**
 - **Captured growth opportunities**
- 

Excellent Financial Results – Across All Key Metrics



| | \$m | 2013 | 2012 | YoY | |
|------------------------------|--|--------|--------|---------|---|
| Value Creation | VONB | 1,490 | 1,188 | 25% | ↑ |
| | VONB Margin | 44.1% | 43.6% | 0.5 pps | ↑ |
| | ANP | 3,341 | 2,696 | 24% | ↑ |
| | EV Equity | 34,875 | 31,657 | 10% | ↑ |
| IFRS Results | Operating Profit After Tax | 2,504 | 2,159 | 16% | ↑ |
| | Net Profit | 2,822 | 3,019 | (7)% | ↓ |
| | TWPI | 17,808 | 15,360 | 16% | ↑ |
| | Expense Ratio | 8.9% | 8.7% | 0.2 pps | ↓ |
| Capital and Dividends | Net Remittance | 1,733 | 1,583 | 9% | ↑ |
| | AIA Co. HKICO Solvency Ratio | 433% | 353% | 80 pps | ↑ |
| | Final Dividend per Share (HK cents) | 28.62 | 24.67 | 16% | ↑ |
| | Total Dividend per Share (HK cents) | 42.55 | 37.00 | 15% | ↑ |

Right Priorities for 2013 – Well Executed



Distribution Effectiveness

- ✓ Enhanced Premier Agency
 - ✓ Progressed recruitment of next generation of agents
 - ✓ Expanded profitable partnership distribution
 - ✓ Targeted emerging group insurance opportunity
-

Product Targeting

- ✓ Launched tailored products by channel, market and segment
 - ✓ Enhanced comprehensive protection products
 - ✓ Further integrated protection with savings
 - ✓ Simplified products and processes; easier to sell and understand
-

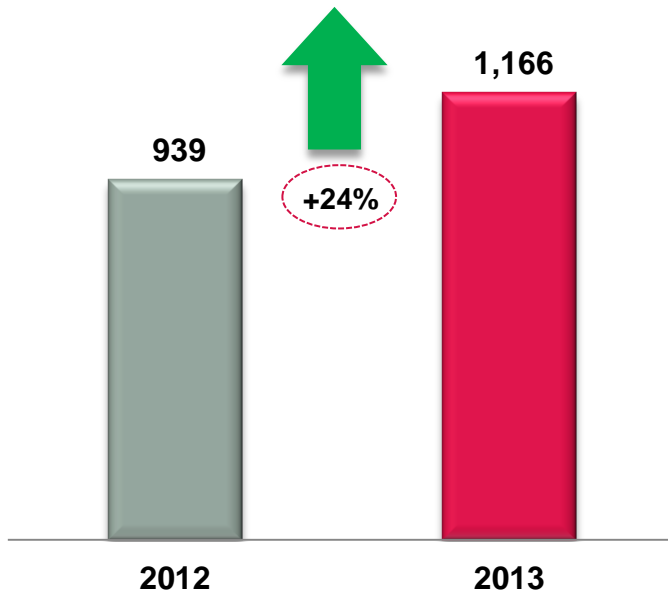
Customer Engagement

- ✓ Created additional value from existing customer management
- ✓ Improved customer experience
- ✓ Continued to roll out leading iPoS technology platform
- ✓ Implemented better analytics and segmentation

Premier Agency Delivery



VONB (\$m)



ANP (\$m)

1,738

2,165

VONB
Margin

54.0%

53.9%

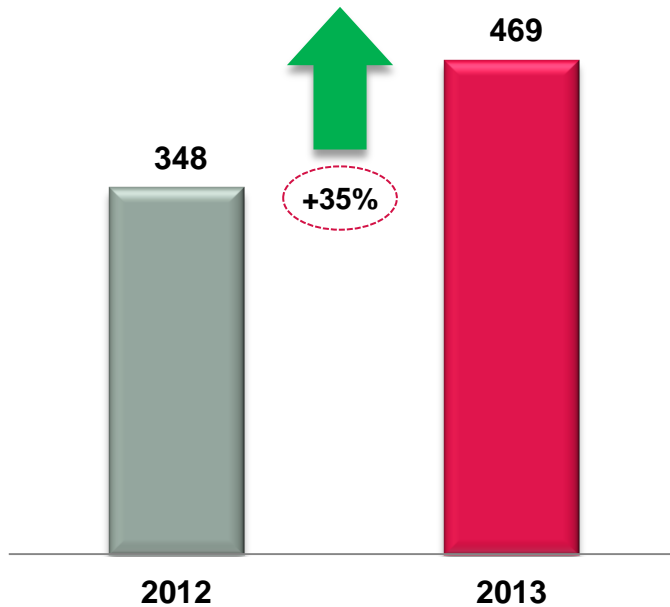
Premier Agency

- VONB up 24%
- Double-digit increase in active agents
- AIA Premier Academy support
- Agency leadership development
- Quality recruitment focus
 - Active new agents up 27%
- MDRT qualifiers up 20%
- Further successful roll-out of iPoS

Profitable Partnership Expansion



VONB (\$m)



ANP (\$m)

958

1,176

VONB
Margin

36.4%

39.8%

Partnership Expansion

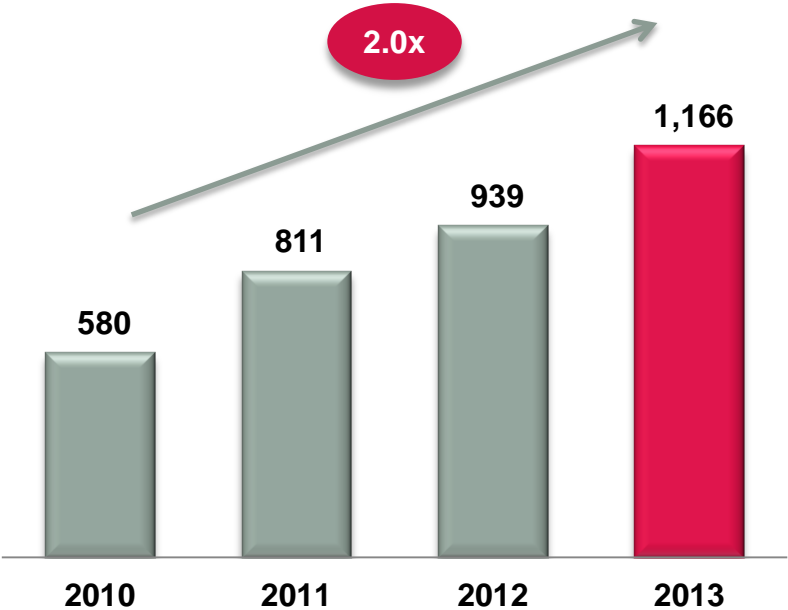
- VONB up 35%
- Bancassurance execution
 - VONB up 57%
 - VONB Margin up 4.0 pps
 - New relationships successfully launched
- Disciplined direct marketing expansion
- Continued growth in IFA channel
- Group insurance overall VONB up 26%

Delivering Substantial Growth



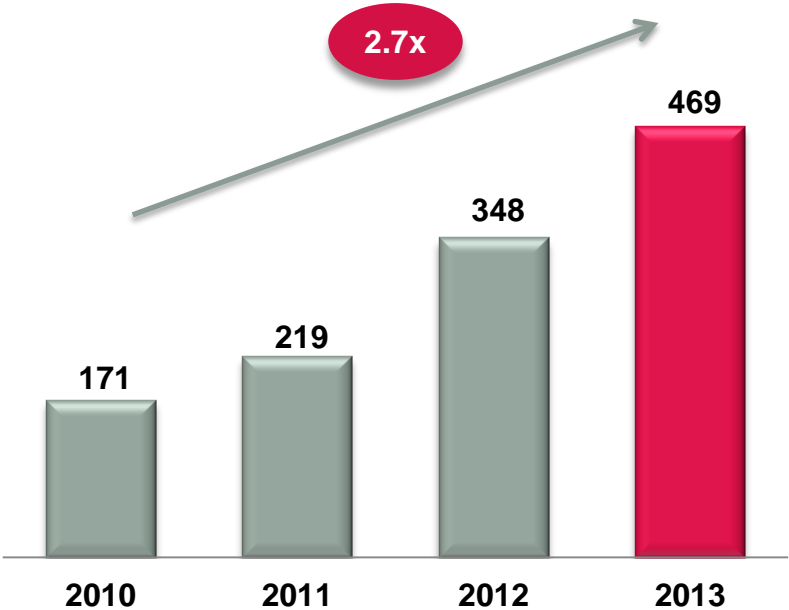
Premier Agency Delivery

VONB (\$m)



Profitable Partnership Expansion

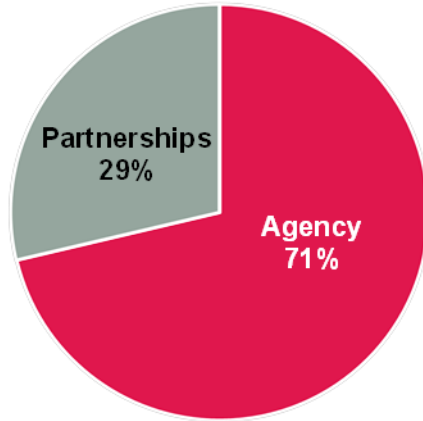
VONB (\$m)



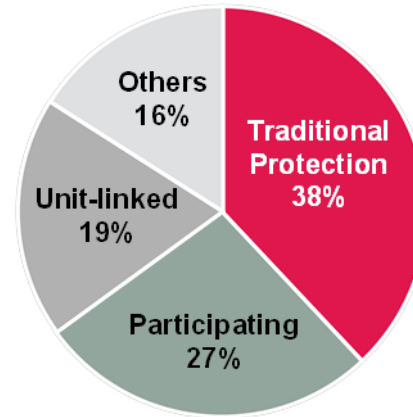
The Right Distribution and Product Mix



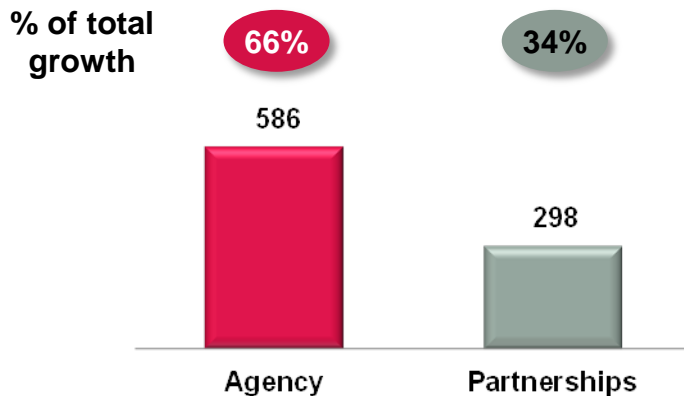
2013 Distribution Mix⁽¹⁾
% of Total



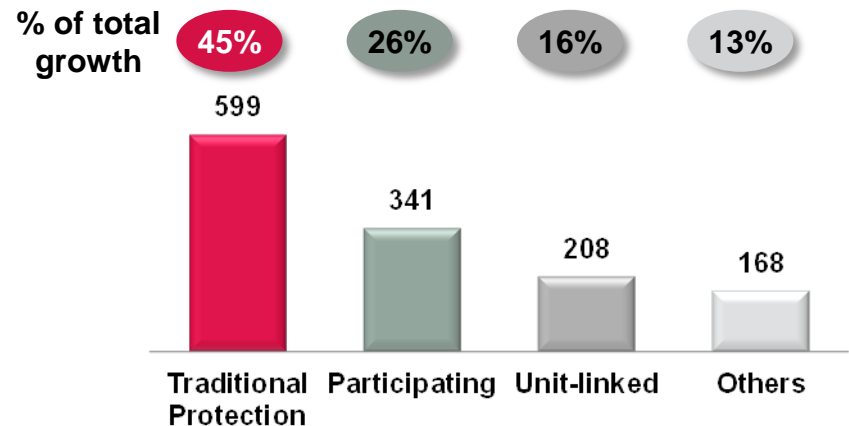
2013 Product Mix⁽²⁾
% of Total



Contribution to Growth by Channel⁽¹⁾
Since IPO (\$m)



Contribution to Growth by Product⁽²⁾
Since IPO (\$m)



Notes:
(1) Based on VONB (2) Based on ANP

Extending Brand Leadership



Leading Asian Insurance Brand

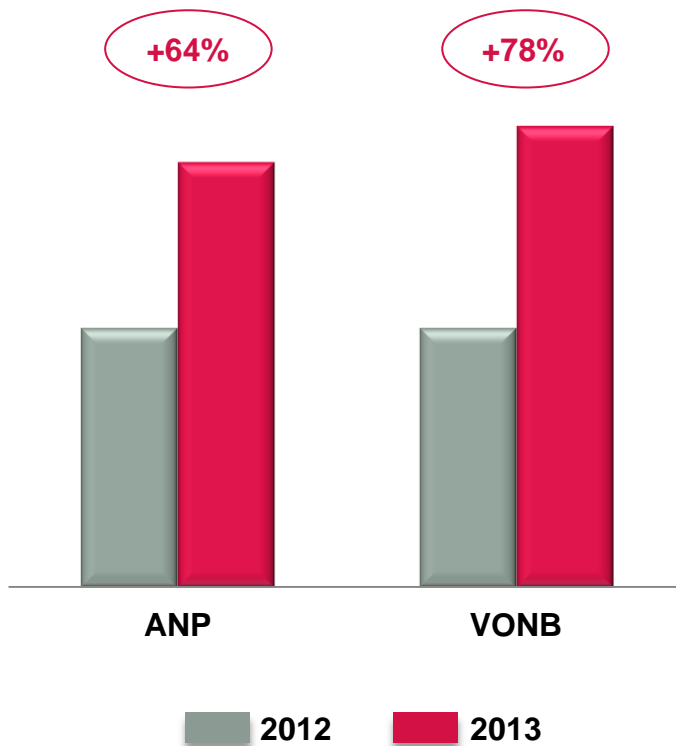
- Launched new brand positioning as The Real Life Company
- Rolled out across 15 markets in 2013
- Comprehensive multi-media campaign
- Locally adapted and tailored to deepen customer engagement
- Launched *AIA Vitality*
- First global sponsorship with Tottenham Hotspur Football Club



Improving Existing Customer Management



Existing Customer Marketing Results⁽¹⁾



Significant Growth Opportunity

- Over 28m individual in-force policies and 16m group members
- Active marketing initiatives targeting existing customers across the region
- Additional 1 million policies sold to existing customers
- Large-scale existing customer base – a significant source of potential future growth

Note:

(1) Results of eight markets including Hong Kong, Thailand, Singapore, Malaysia, China, Korea, Indonesia and the Philippines; and includes HealthShield upgrade in Singapore.

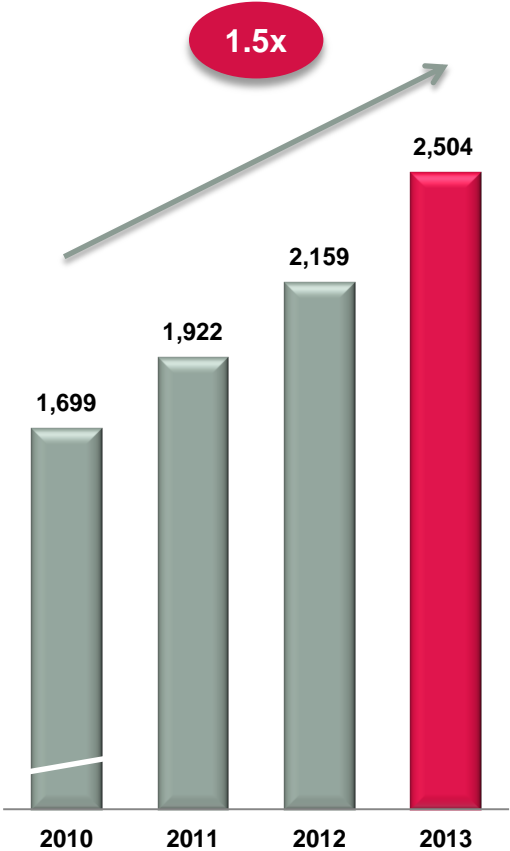
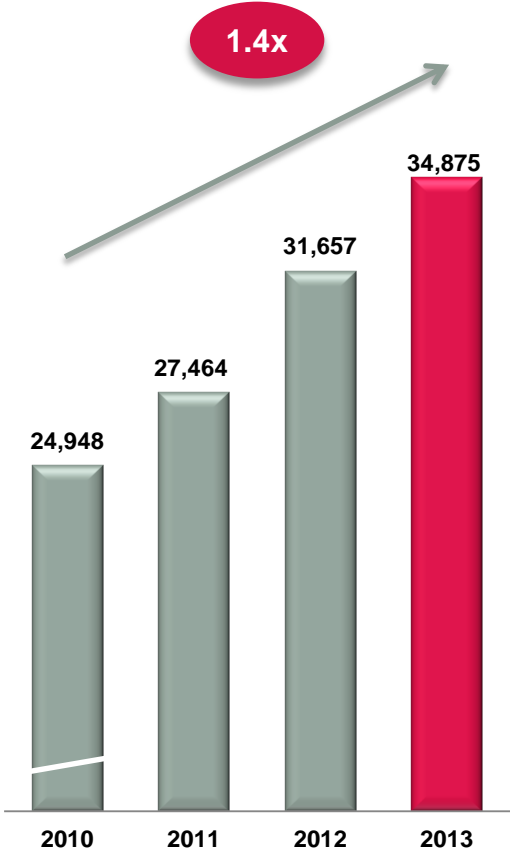
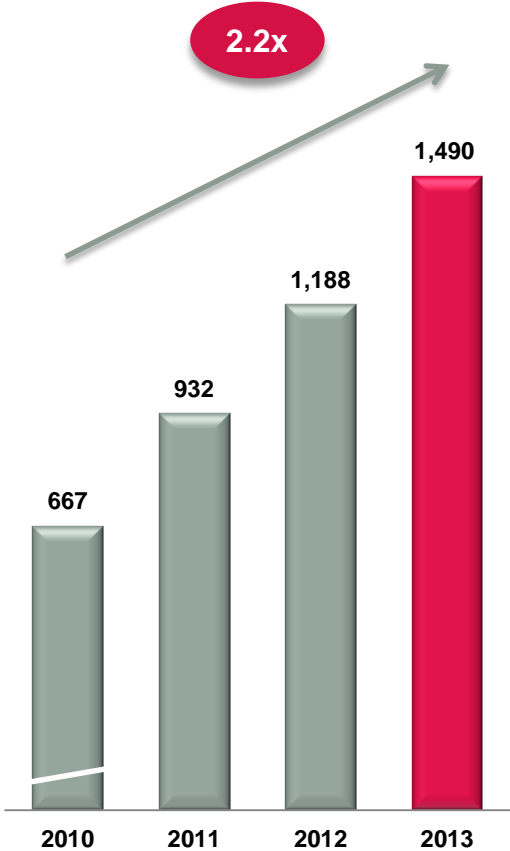
Sustained Momentum Across Key Metrics



VONB (\$m)

EV Equity (\$m)

OPAT (\$m)





2013 Group Review

Mark Tucker

2013 Financial Results

Garth Jones

2013 Business Review

**Ng Keng Hooi
Gordon Watson**

AIA – A Rare and Powerful Combination

Mark Tucker

Value Creation

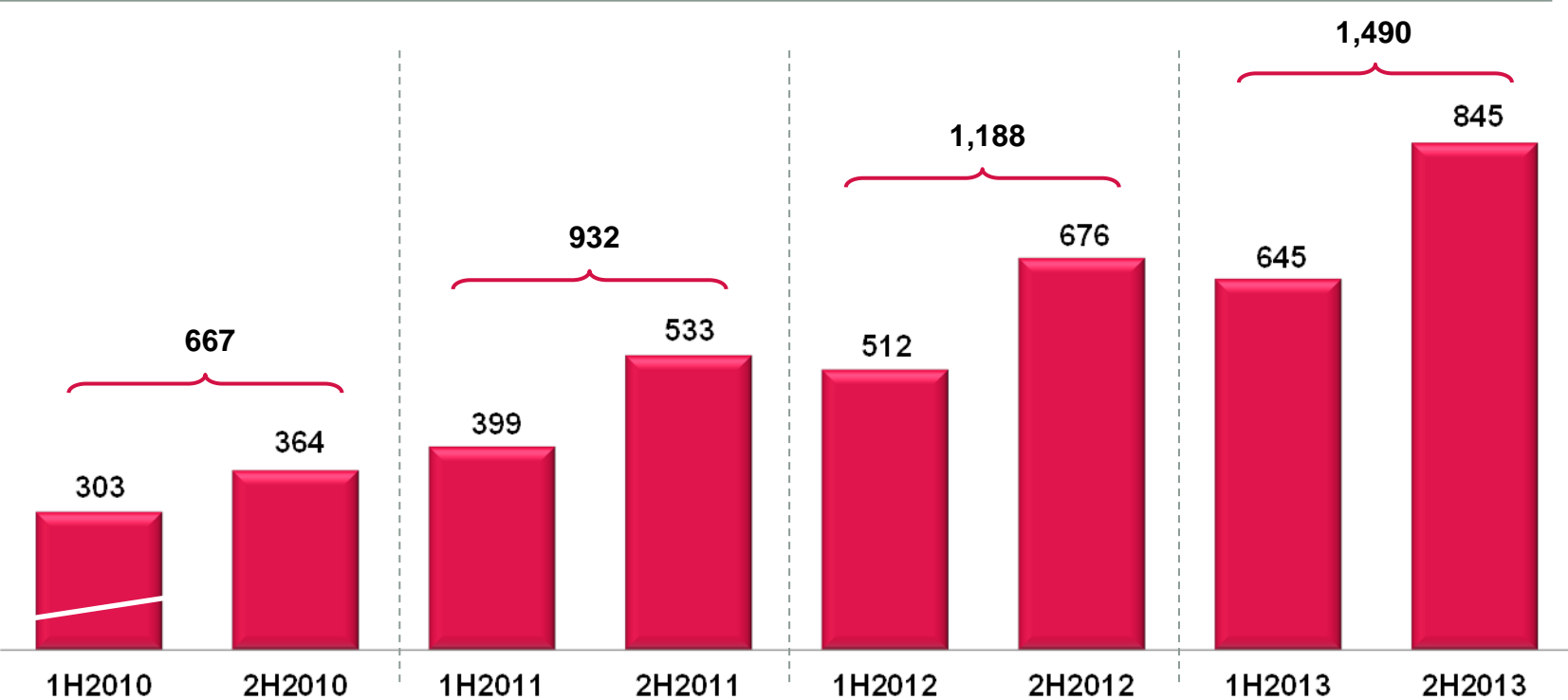
IFRS Results

Capital and Dividends

Sustained Growth in New Business Profitability



VONB (\$m)

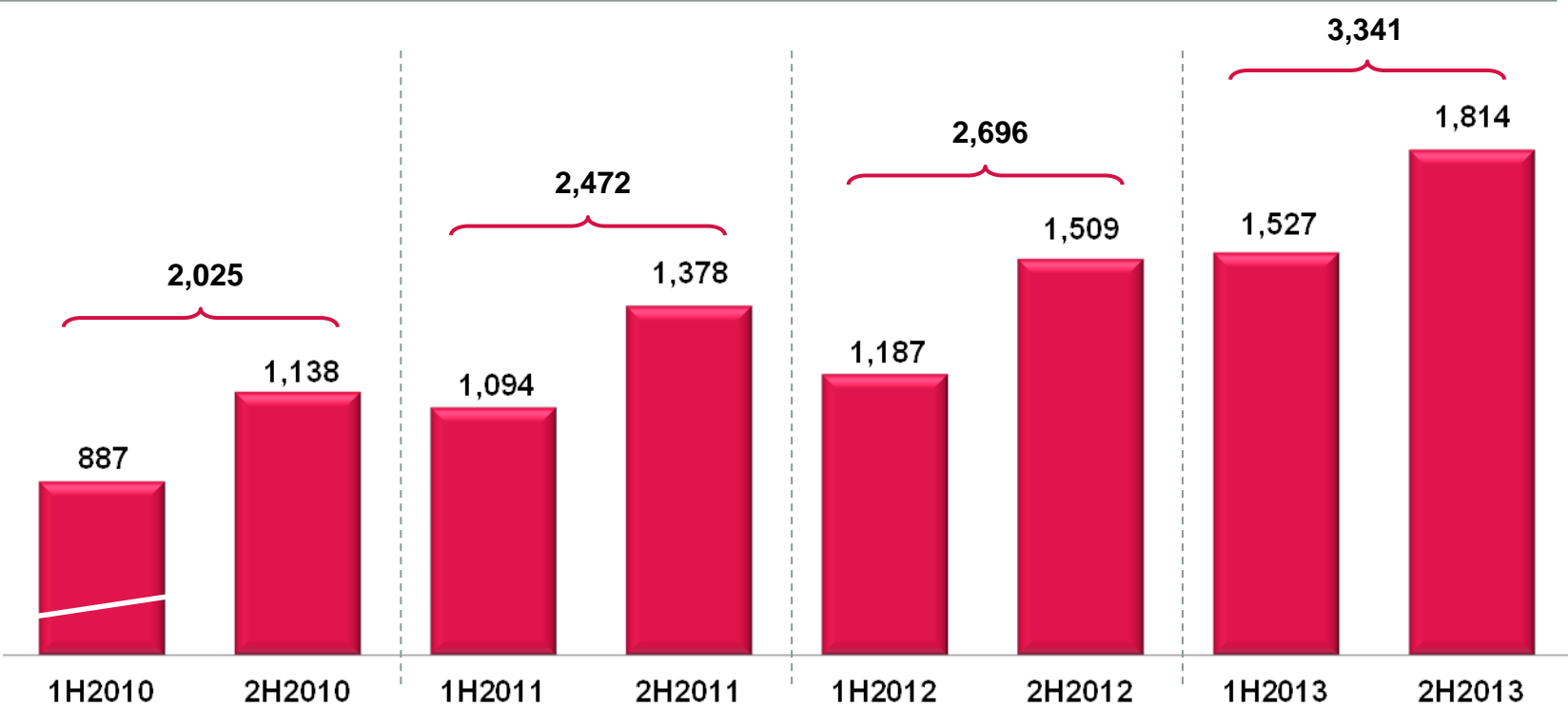


2013 vs 2012 **+25%**

Strong Growth in New Business Production



ANP (\$m)

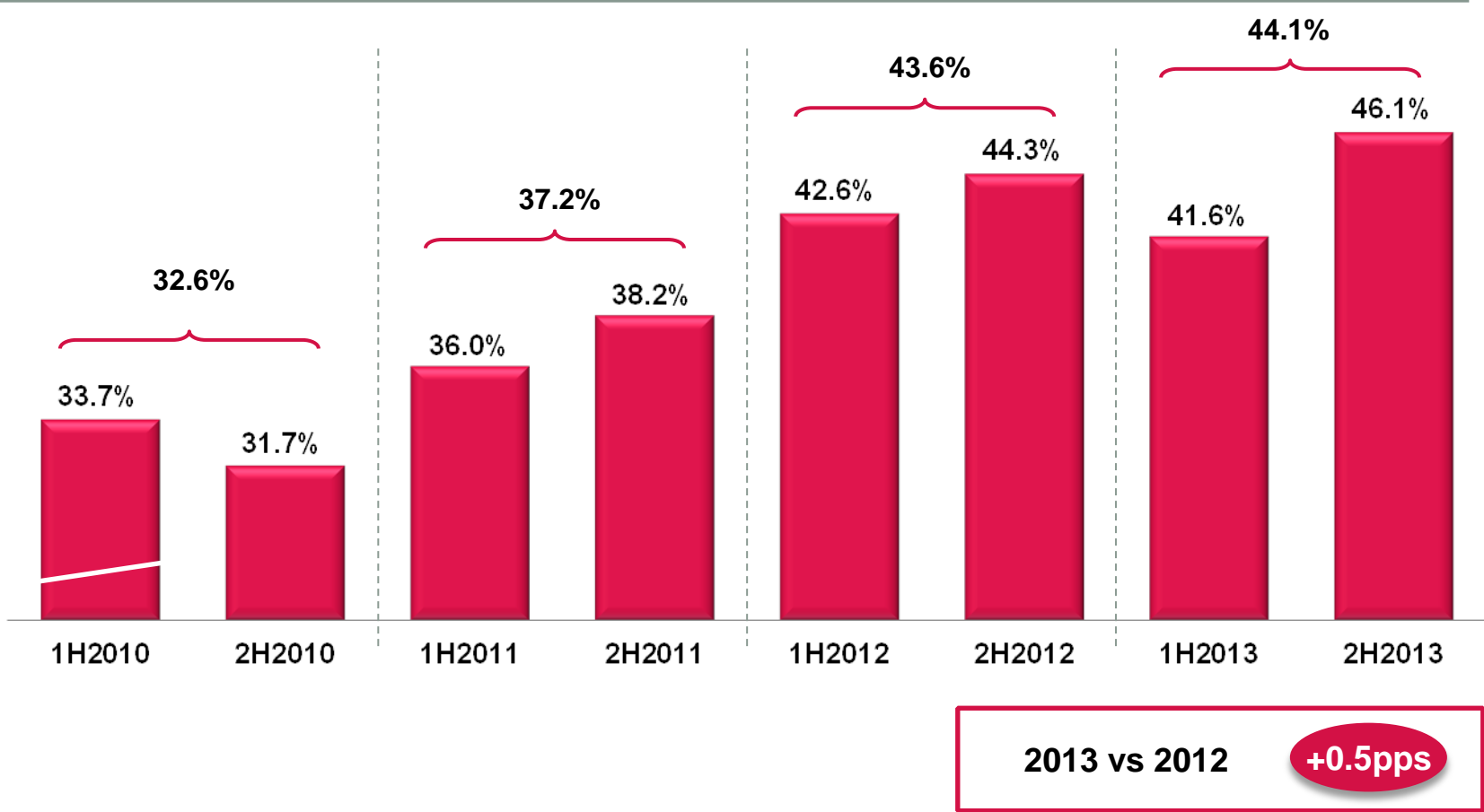


2013 vs 2012 **+24%**

Positive Actions on Product Mix and Pricing



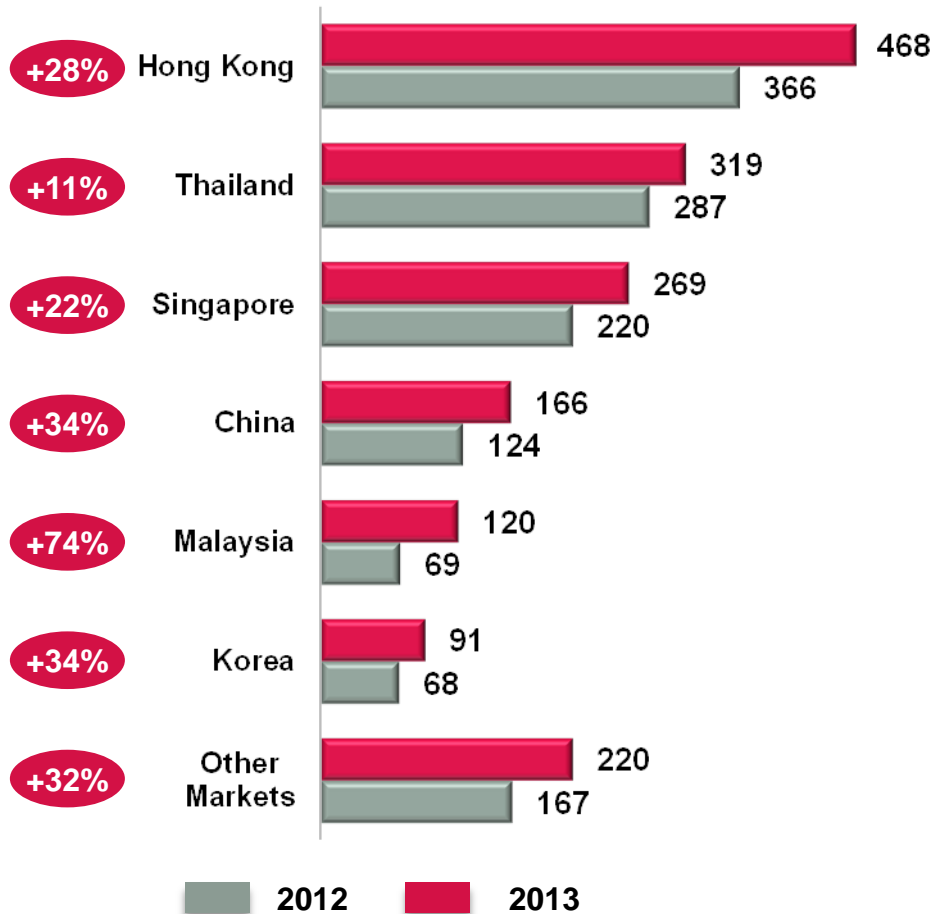
VONB Margin



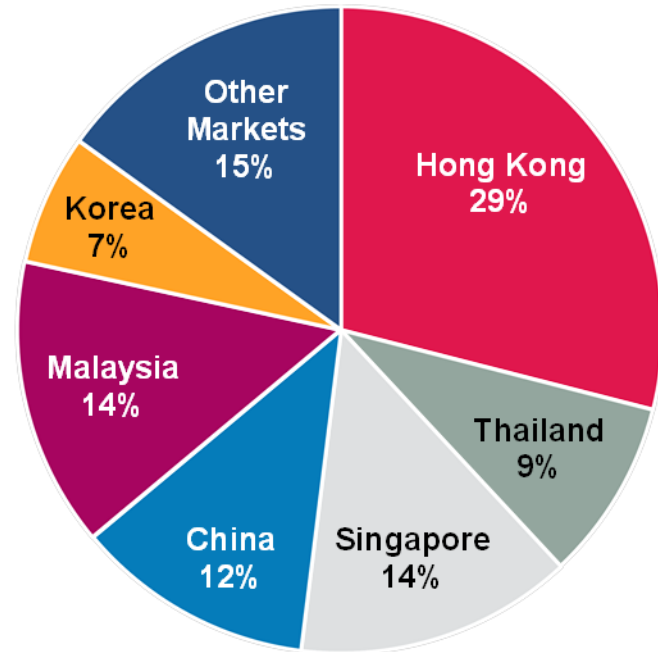
Growth, Scale and Diversity



VONB (\$m)



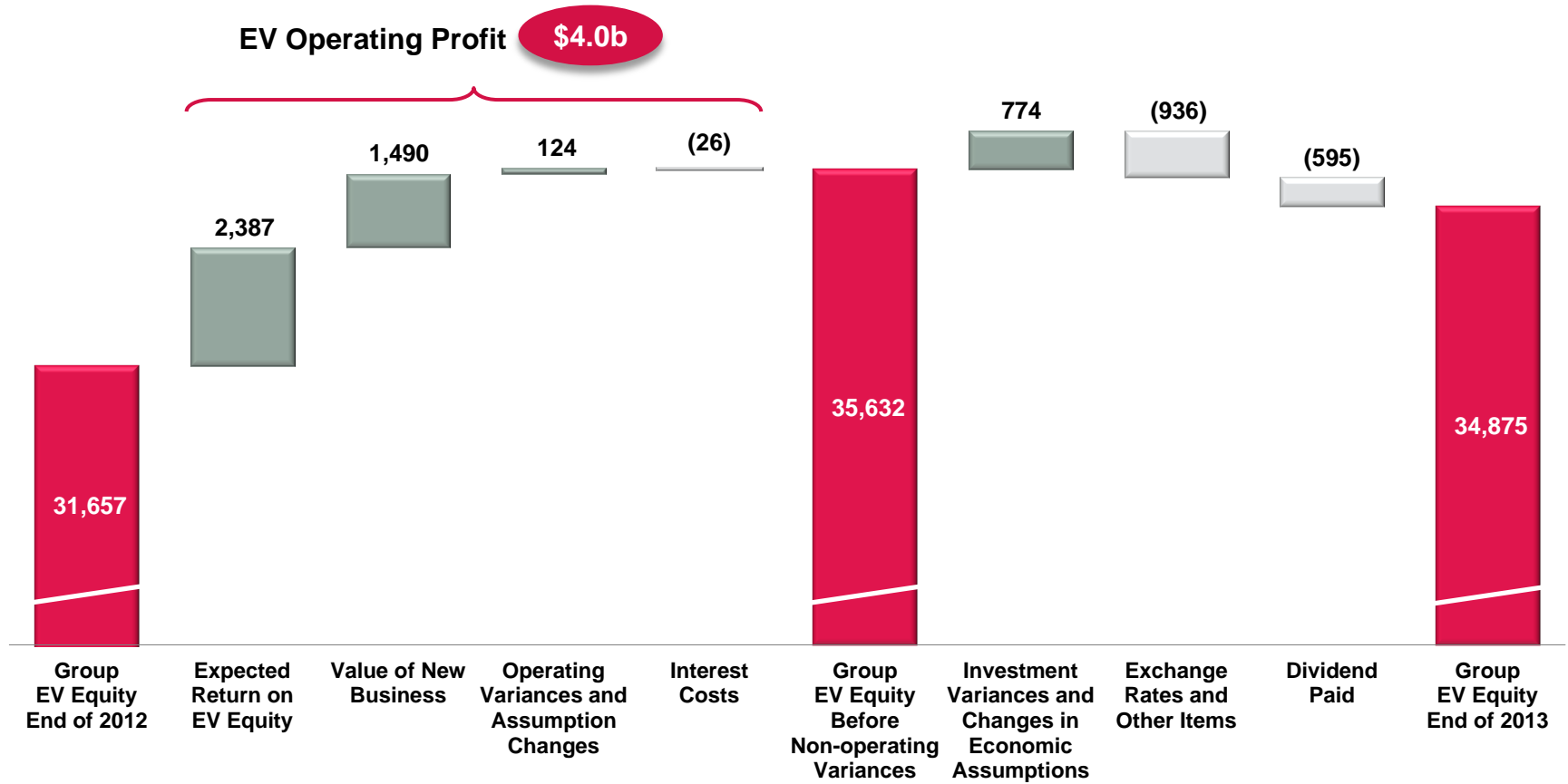
Contribution to 2013 VONB Growth by Market Segment



EV Equity up 10% – Strong Operating Performance



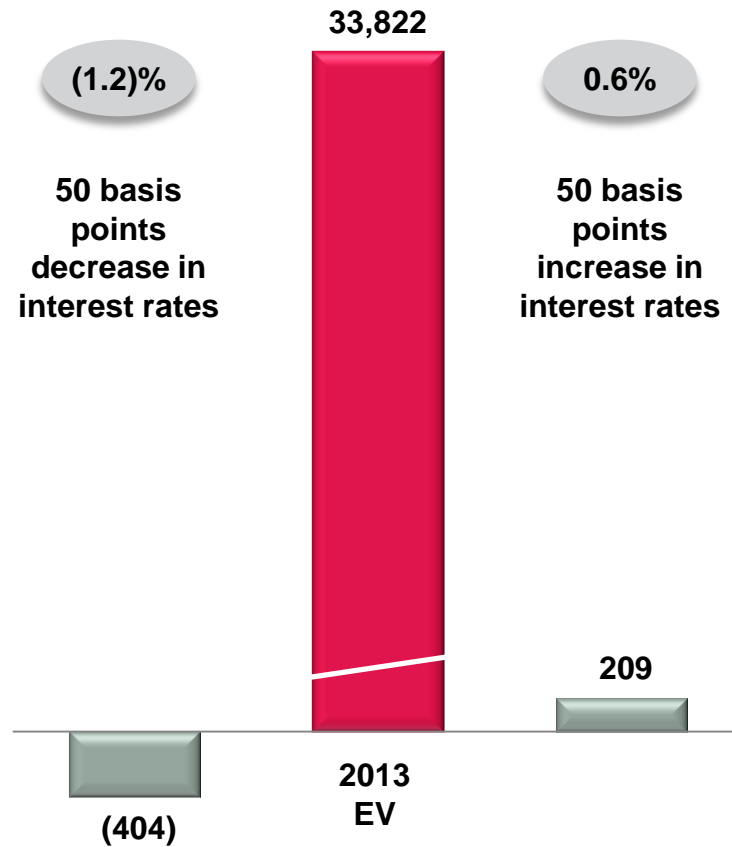
2013 EV Equity Movement (\$m)



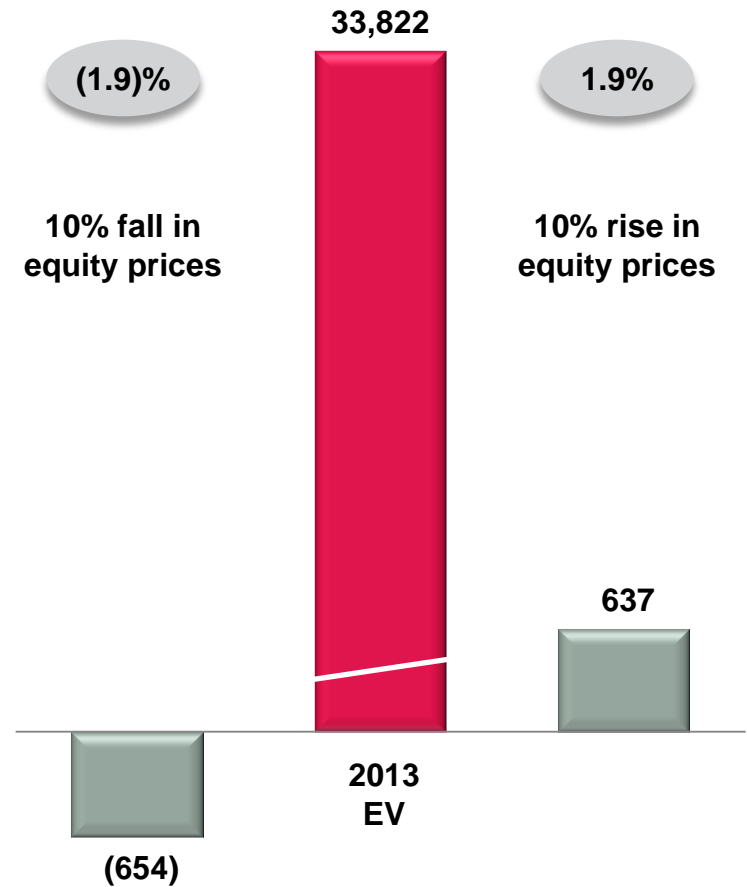
EV Sensitivity to Capital Market Movements



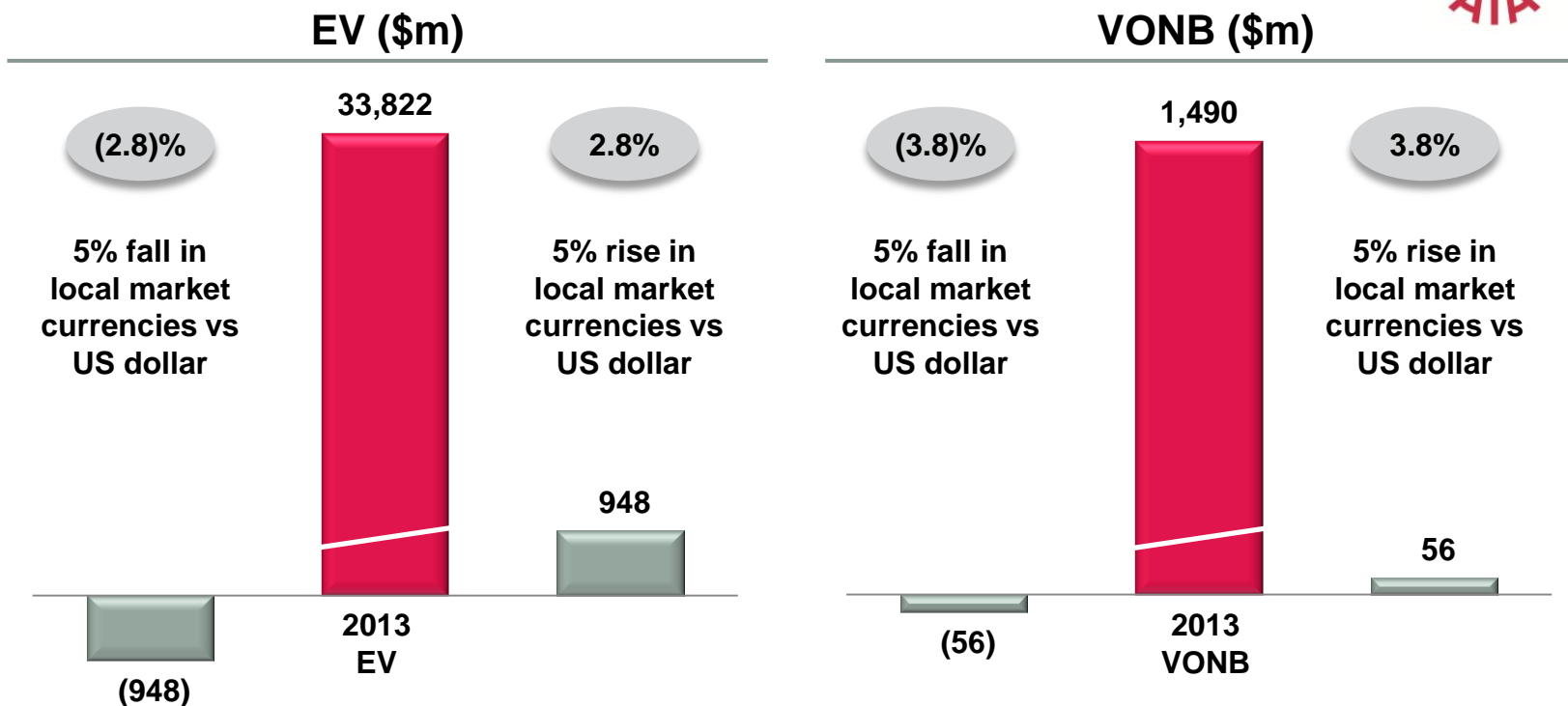
Interest Rates (\$m)



Equities (\$m)



Sensitivity to Currency Translation



Growth in Key Metrics at Constant Exchange Rates

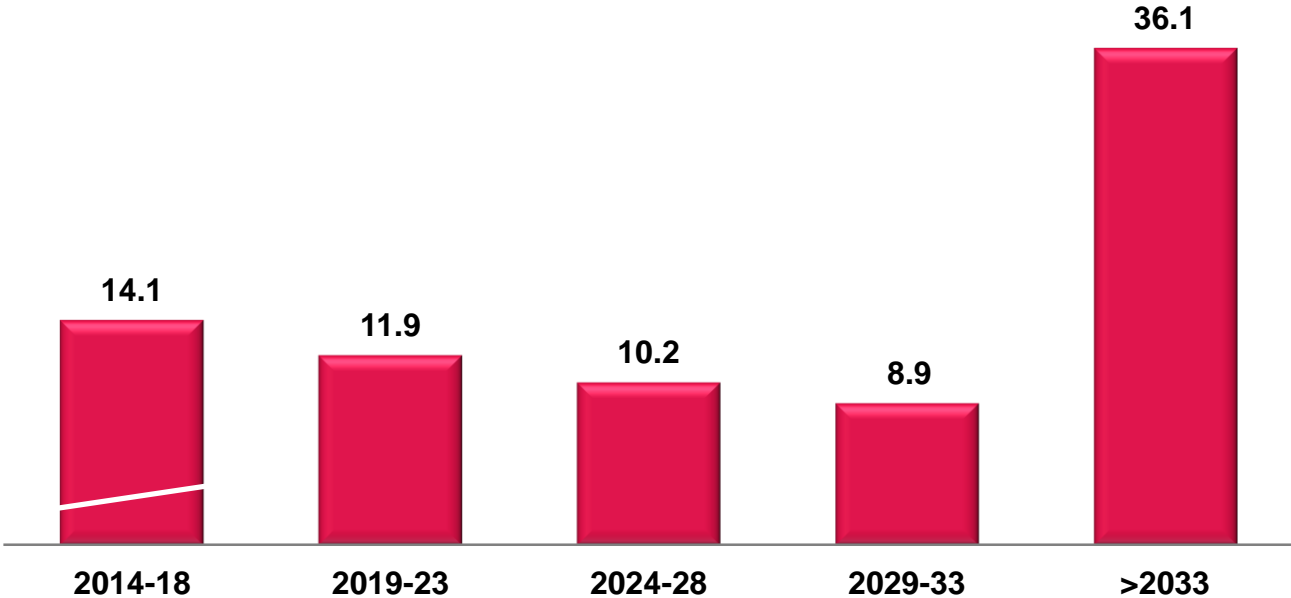
| \$m | 2013 | 2012 | YoY Actual | YoY Constant |
|------------------|--------|--------|------------|--------------|
| VONB | 1,490 | 1,188 | 25% | 26% |
| EV Equity | 34,875 | 31,657 | 10% | 13% |
| OPAT | 2,504 | 2,159 | 16% | 15% |

Note: The translation sensitivities shown assume a constant Hong Kong dollar and US dollar exchange rate.

Substantial Cash Flow Generation



Undiscounted Net Cash Flows⁽¹⁾ (\$b)



| | | | | | |
|-------------------|------------|------------|------------|------------|------------|
| % of Total | 17% | 15% | 13% | 11% | 44% |
|-------------------|------------|------------|------------|------------|------------|

Note:
 (1) Undiscounted net cash flows are defined as the after-tax surplus generated from the assets backing the statutory reserves and required capital of the in-force business of AIA on the Embedded Value basis.

Value Creation

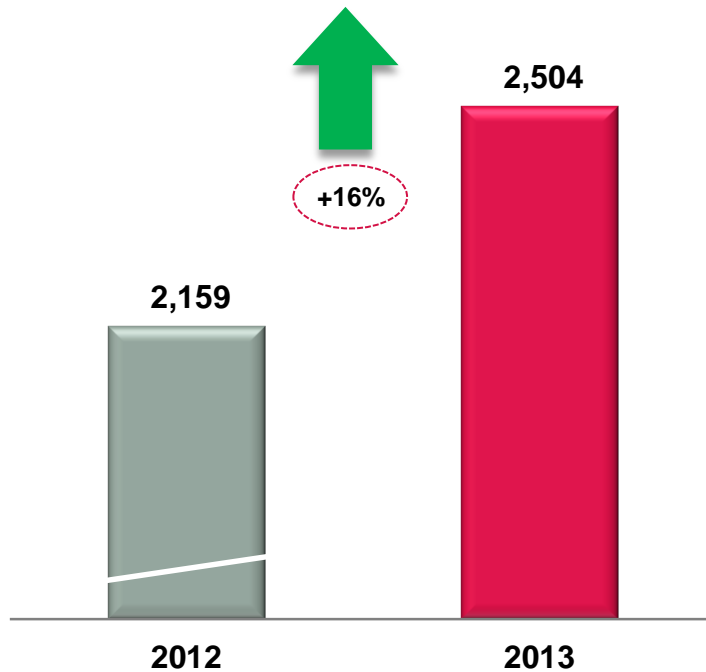
IFRS Results

Capital and Dividends

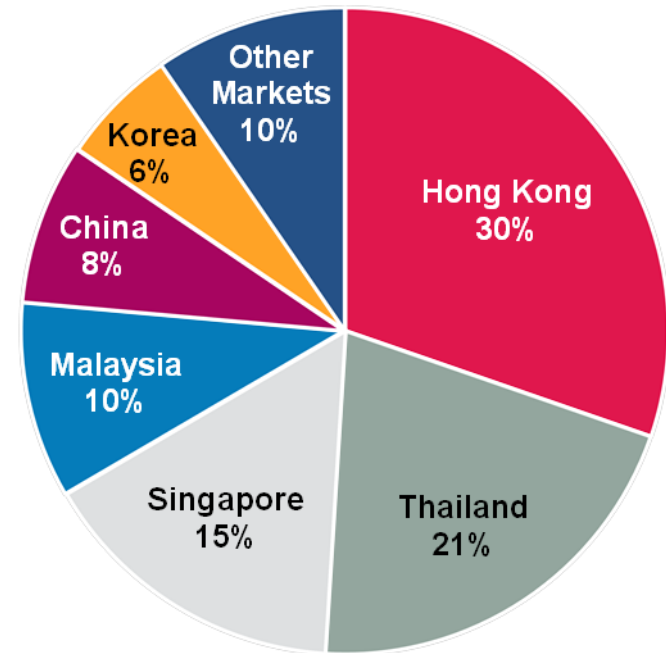
Operating Profit up 16% with Diversified Earnings



Operating Profit After Tax (\$m)



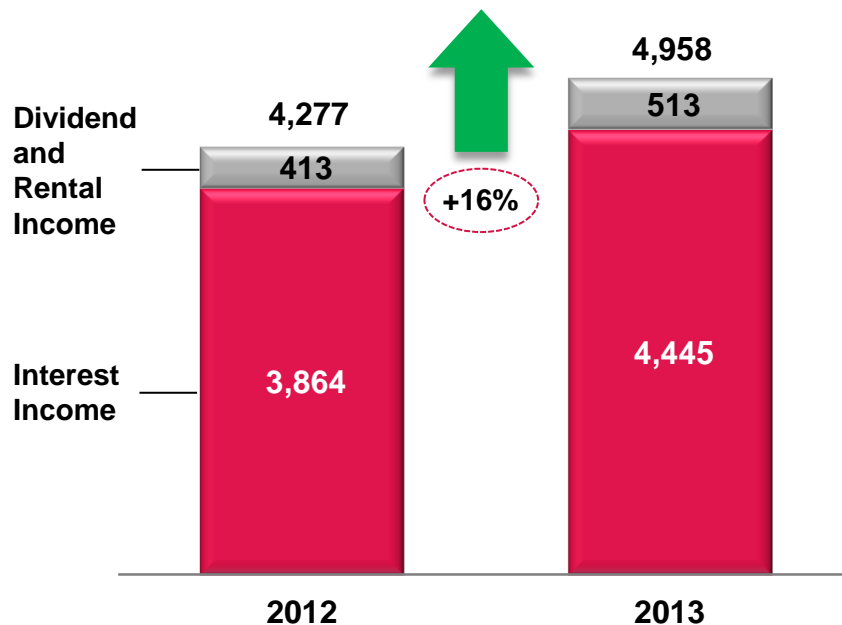
2013 OPAT by Market Segment



Stable Investment Yield with Income up 16%



Investment Income (\$m)



Invested Assets Composition (\$m)

| | As at 30 Nov 2012 | As at 30 Nov 2013 |
|----------------------------------|----------------------|----------------------|
| Fixed Income ⁽¹⁾ | 87% | 88% |
| Equity | 10% | 10% |
| Fixed Income & Equity | 97% | 98% |
| Cash & Cash Equivalents | 2% | 1% |
| Properties | 1% | 1% |
| Total | 100% | 100% |
| Total Invested Assets | 98,240 | 105,174 |

| | | |
|-------------------|------|------|
| Investment Yield | 4.8% | 4.8% |
| Investment Return | 6.7% | 4.9% |

Note:

(1) Includes debt securities, loans and term deposits.

Net Profit of \$2.8b



Net Profit (\$m)

| | 2012 | 2013 | |
|---|--------------|--------------|-------------|
| Operating Profit After Tax | 2,159 | 2,504 | 16% |
| Net gains from equities, net of tax | 787 | 424 | |
| Other non-operating investment experience and other items, net of tax | 73 | (106) | |
| Net Profit | 3,019 | 2,822 | (7)% |

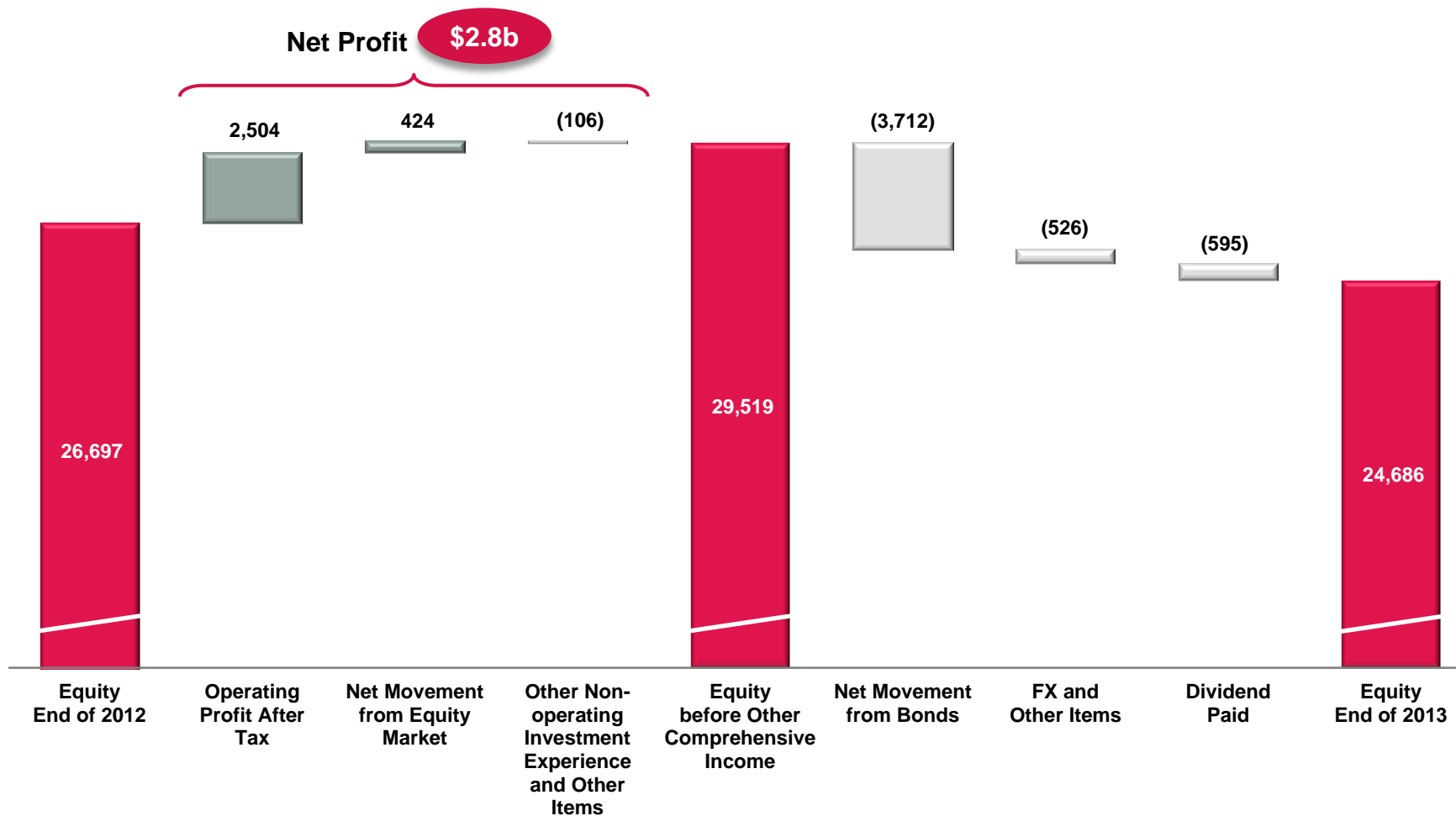
Treatment of Investment Return

- Net profit includes mark-to-market of equities
- Operating profit excludes any actual or assumed gains
- Average non-operating gains of \$465m from past four financial years
- Net profit excludes unrealised gains and losses on AFS bonds

Shareholders' Equity of \$24.7b



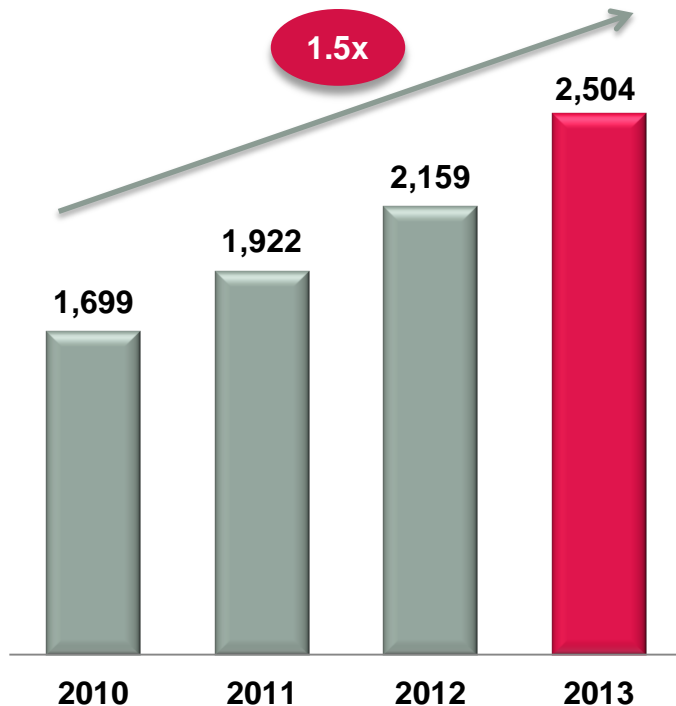
Shareholders' Equity Movement (\$m)



Profitable Earnings Growth – Delivered with Scale



OPAT (\$m)



| OPAT | 2010 | 2013 |
|------------|---|---|
| >\$750m | - | Hong Kong |
| \$550-750m | Hong Kong | - |
| \$350-550m | - | Thailand Singapore |
| \$150-350m | Thailand Singapore | Malaysia China Korea Other Markets |
| <\$150m | Malaysia China Korea Other Markets | ↑ |

Value Creation

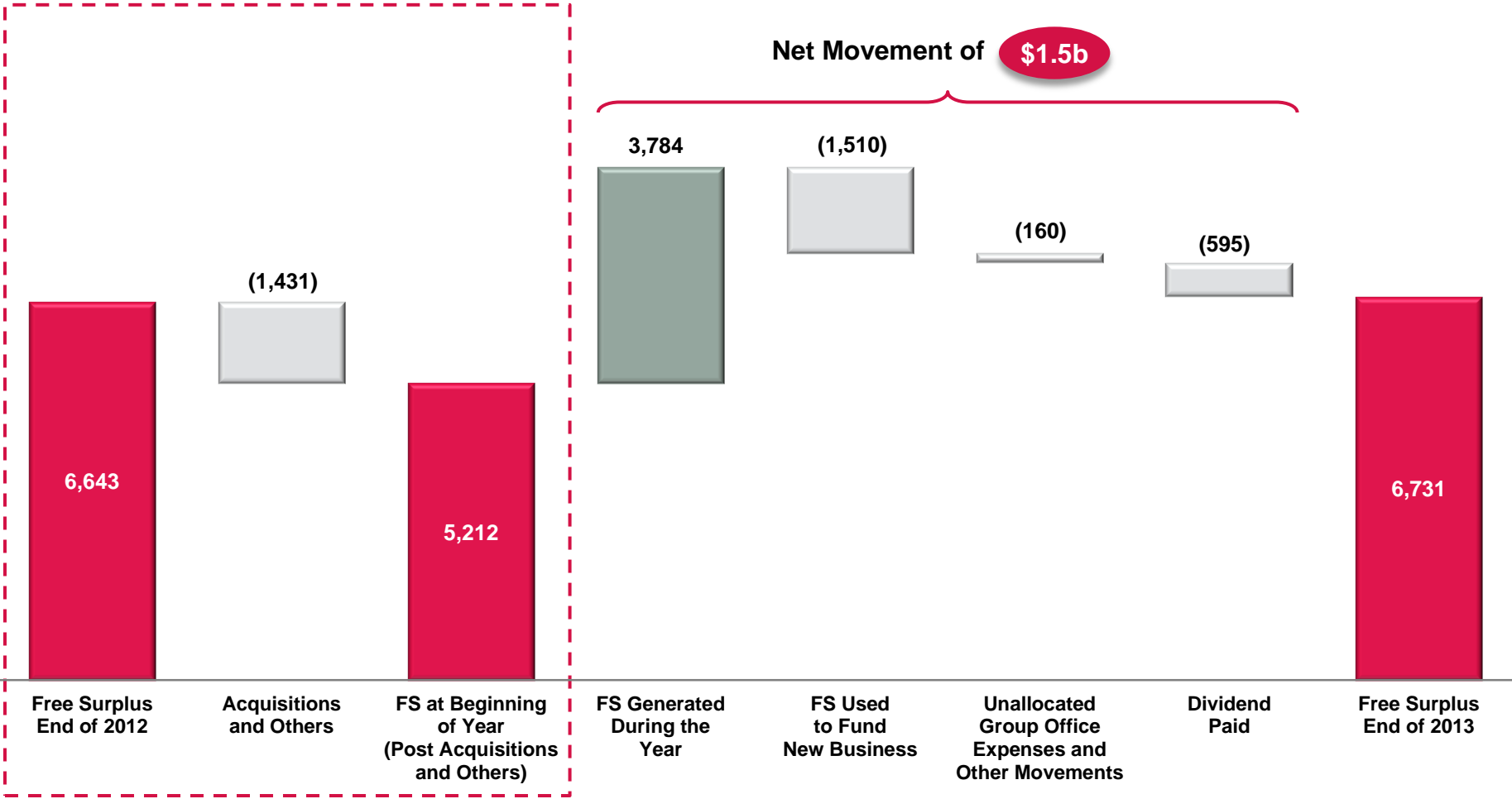
IFRS Results

Capital and Dividends

Self-financed Growth at High Returns



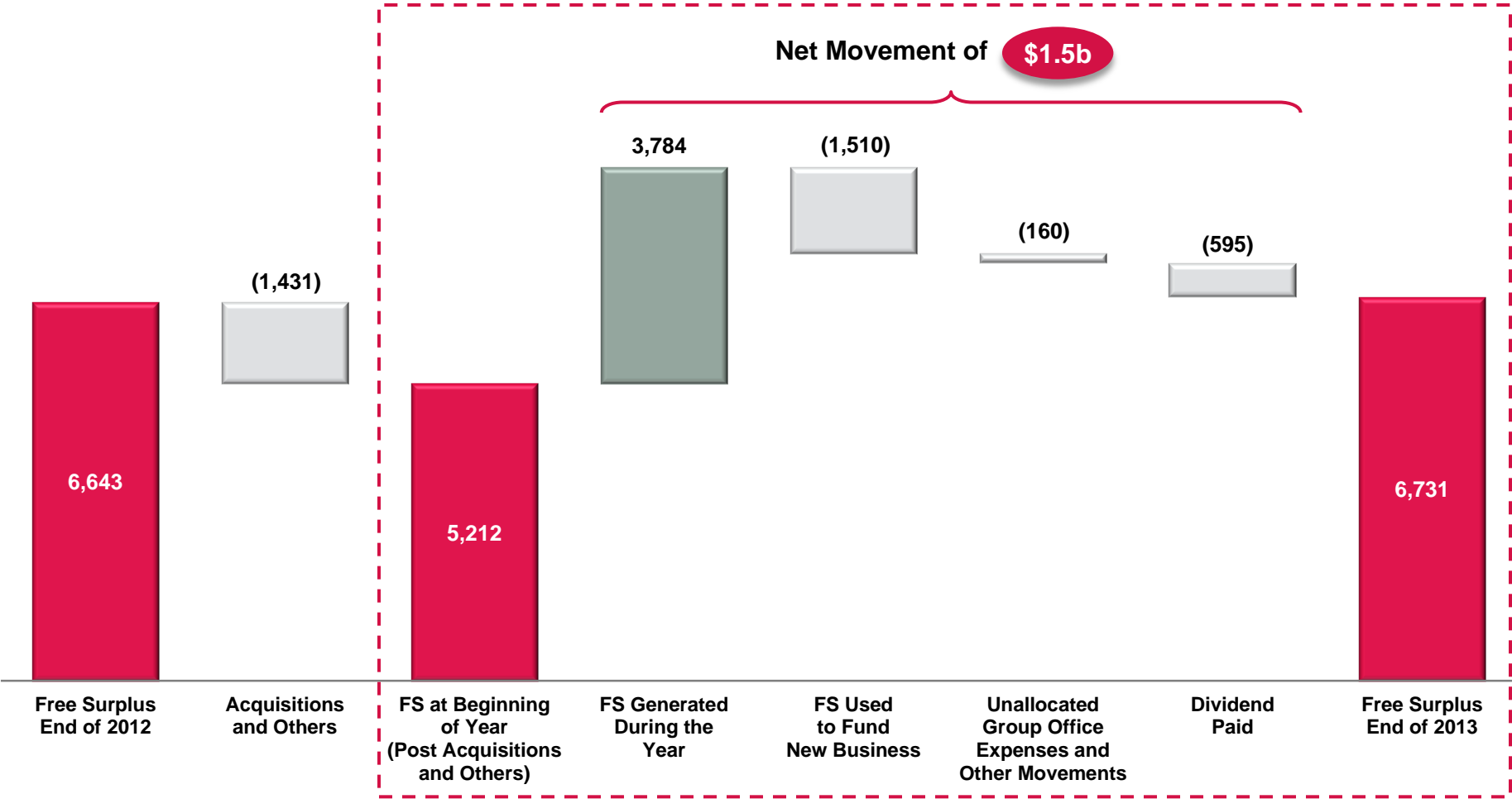
Free Surplus on the HKICO Solvency Basis (\$m)



Self-financed Growth at High Returns



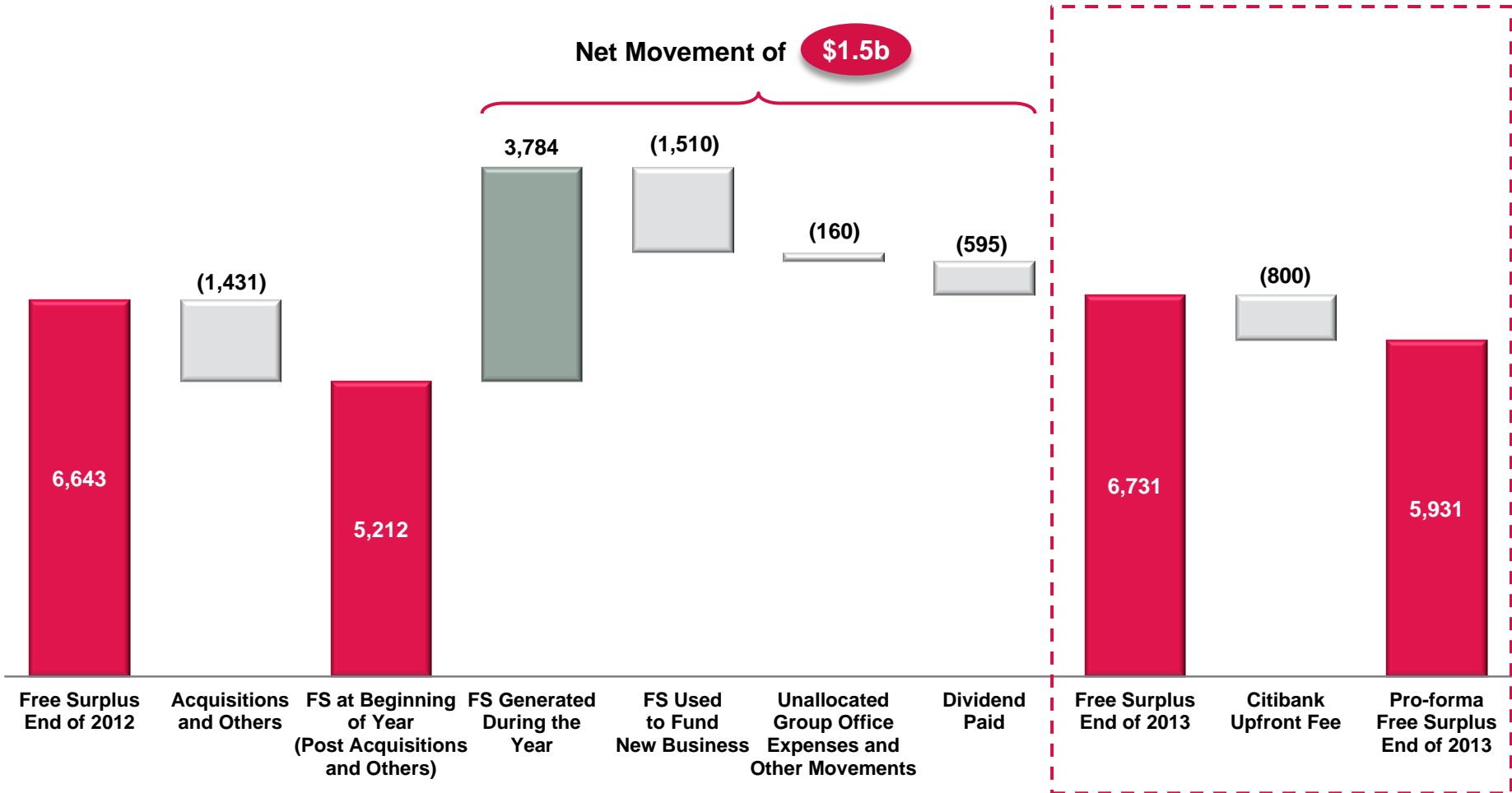
Free Surplus on the HKICO Solvency Basis (\$m)



Pro-forma Free Surplus



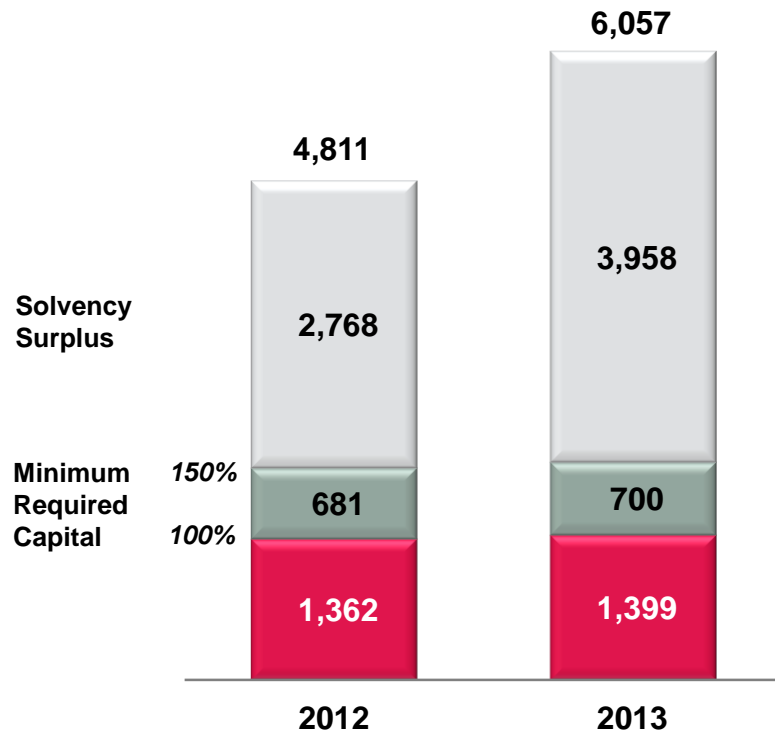
Free Surplus on the HKICO Solvency Basis (\$m)



Regulatory Solvency Ratio of 433%



Solvency Surplus (\$m) and Solvency Ratio on HKICO basis for AIA Co.



| | | |
|-----------------------------|-------------|-------------|
| HKICO Solvency Ratio | 353% | 433% |
|-----------------------------|-------------|-------------|

Ongoing Capital Strength

- Rigorous approach to capital management
- Resilient solvency position
- Prudent HKICO reserves and capital
- Growth driven by retained earnings and positive effect of rising interest rates
- AIA Co. S&P Rating of AA- (Stable)
- Completed \$1b senior debt offering in March 2013

Prudent, Sustainable and Progressive Dividend



- **Final dividend of HK28.62 cents per share, up 16%**
- **Total dividend for 2013 of HK42.55 cents per share**

Summary – 2013 Financial Results



Value Creation

- Considerable growth in profitable new business
 - Significant capital investment at high returns
 - Improvement in new business capital efficiency
-

IFRS Results

- Strong increase in IFRS operating profit
 - Consistent double digit growth across the region
 - Diversified and scale source of earnings
-

Capital and Dividends

- Substantial cash and capital generation
- Resilient solvency position
- Prudent, sustainable and progressive dividend



2013 Group Review

Mark Tucker

2013 Financial Results

Garth Jones

2013 Business Review

**Ng Keng Hooi
Gordon Watson**

AIA – A Rare and Powerful Combination

Mark Tucker

Ng Keng Hooi

China, Thailand, Singapore, Malaysia

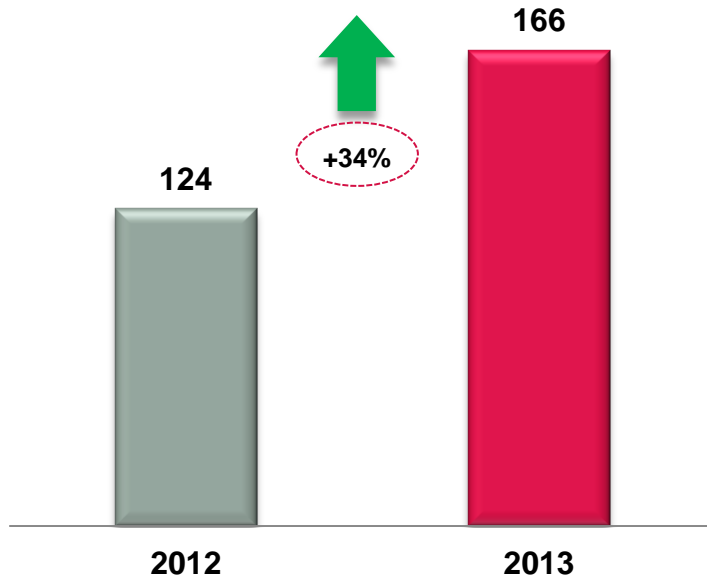
Gordon Watson

Hong Kong, Korea, Other Markets

China: Focus on Distribution Quality



VONB (\$m)



▪ Premier Agency

- Focus on quality recruitment
- Active new agents up 35%
- MDRT qualifiers up 30%
- Growth in agent incomes and productivity

▪ Products and Customers

- Strong sustained sales of All-In-One
- Further success in product innovation
 - Flagship savings plan
 - Comprehensive health product
- Good progress in sales of Next Gen ULP

ANP (\$m)

215

249

VONB
Margin

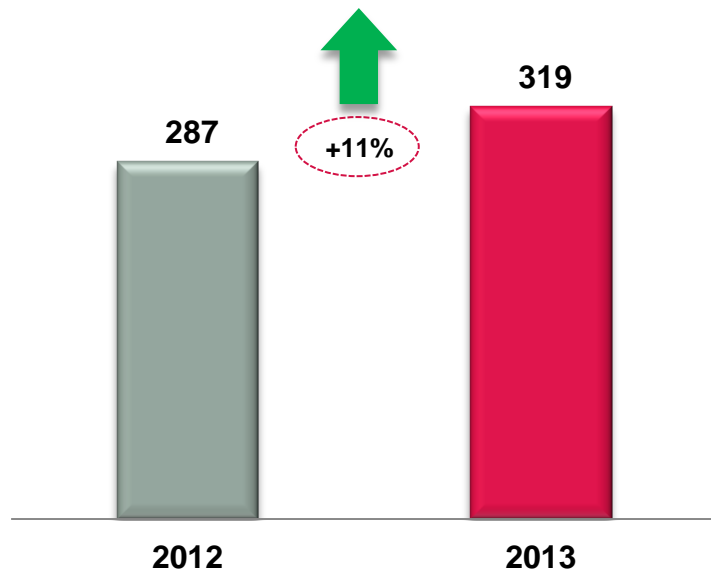
57.5%

66.4%

Thailand: Reinforcing our Competitive Advantage



VONB (\$m)



■ Premier Agency

- Revised agency compensation launched
- Active new agents up 14%
- Sustained No.1 MDRT ranking

■ Profitable Partnerships

- VONB up 27%
- Expanded DM call centre capacity

■ Products and Customers

- Launched Next Gen ULP and a comprehensive health plan
- Higher rider attachment

ANP (\$m)

532

565

VONB
Margin

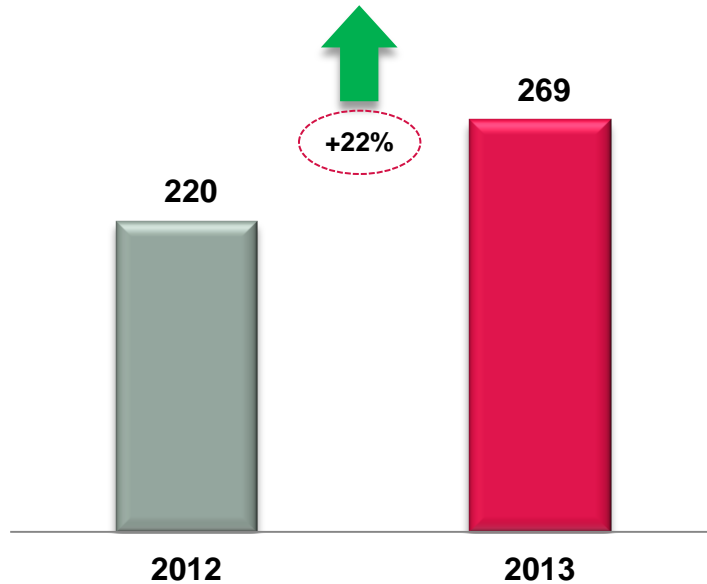
53.9%

56.3%

Singapore: Continuing to Innovate



VONB (\$m)



ANP (\$m)

339

400

VONB
Margin

65.1%

67.3%

■ Premier Agency

- New agency career structure
 - Active new agents up 44%
 - Active agents up 15%
 - Improved productivity

■ Profitable Partnerships

- Strong bancassurance performance

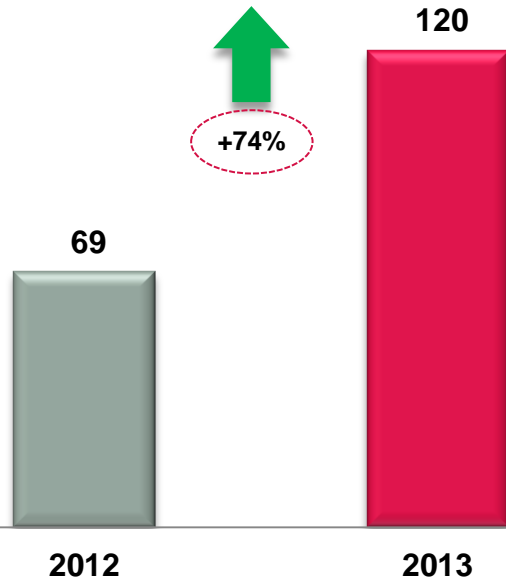
■ Products and Customers

- Enhanced product portfolio to meet protection, savings and retirement needs
- Substantially increased HealthShield business with government scheme upgrade
- Launched *AIA Vitality*

Malaysia: Strengthening our Growth Platform



VONB (\$m)



ANP (\$m)

151

319

VONB
Margin

46.0%

37.8%

Malaysia Integration

- Legal integration achieved on schedule
- Margin 40.2% in 2H13 vs 35.3% in 1H13
- Expense synergies above expectation

Premier Agency

- New recruitment initiatives launched
- Over 70% adoption of iPoS

Profitable Partnerships

- Strong start with Public Bank

Products and Customers

- Enhanced single product set
- Unit-linked mix improvement
- Market-leader in group insurance

Ng Keng Hooi

China, Thailand, Singapore, Malaysia

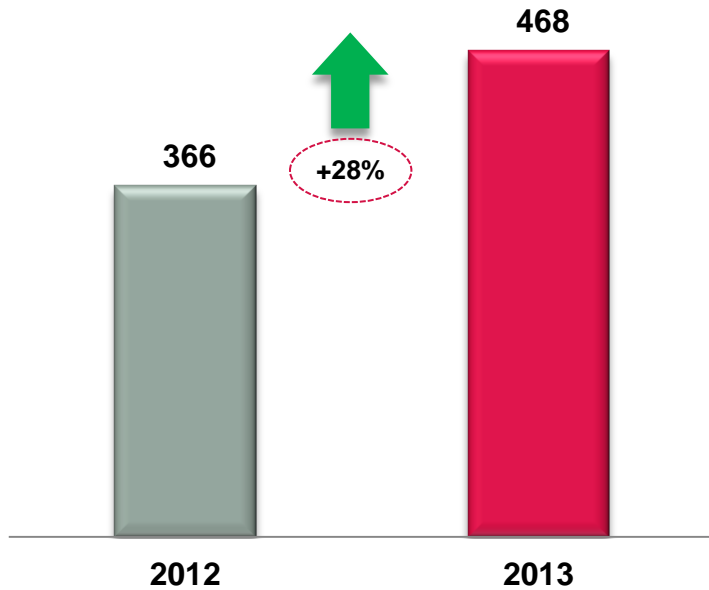
Gordon Watson

Hong Kong, Korea, Other Markets

Hong Kong: Sustaining Strong Performance



VONB (\$m)



ANP (\$m)

604

781

VONB
Margin

58.4%

57.6%

■ Premier Agency

- Focused on productivity and recruitment
- MDRT qualifiers grew by 31%
- 13% of agents qualified for MDRT
- New recruits up 37%
- Launched Gen Y recruitment campaigns and new leader development programmes

■ Products and Customers

- New products targeting new segments
- VONB from existing customers up over 80%

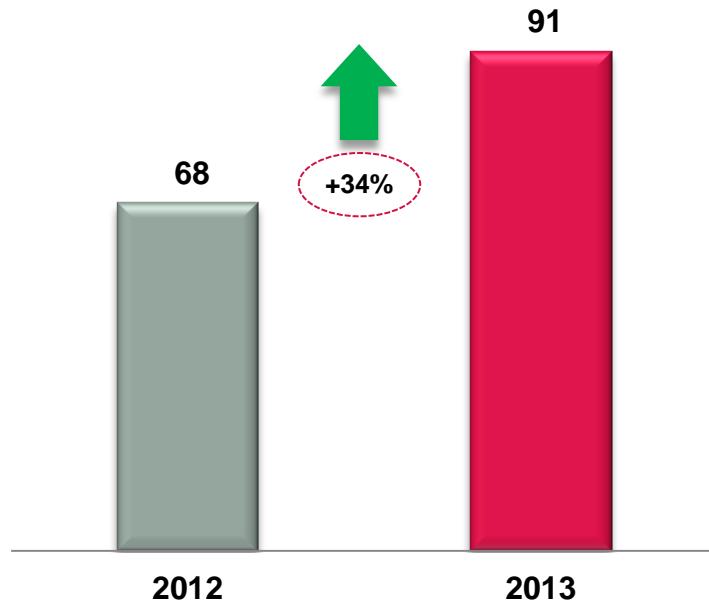
■ Group Insurance

- VONB up 43%

Korea: Solid Progress



VONB (\$m)



■ Premier Agency

- Steady progress in Agency
- Active agents up 17%
- Agency productivity up 24%

■ Direct Marketing

- Improved performance through productivity
- Number of TSRs grew by 30%

■ Products and Customers

- Simplified protection product for DM
- New health product targeting senior segment

ANP (\$m)

237

338

VONB
Margin

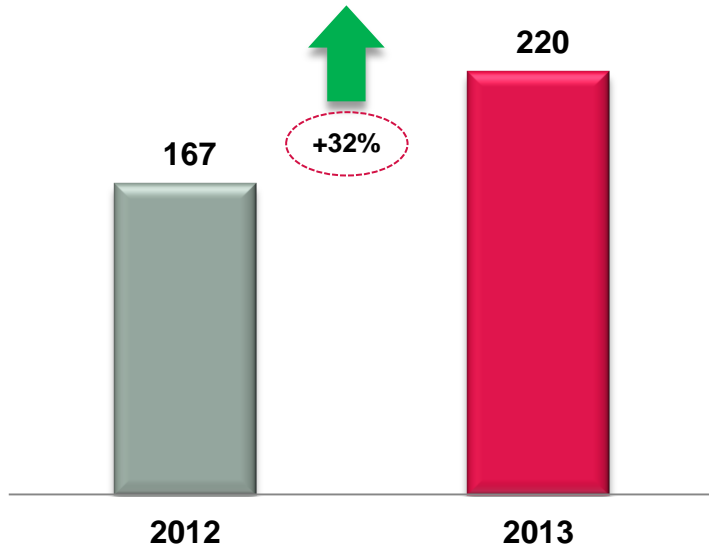
28.5%

26.8%

Other Markets: Delivering Strong Performance



VONB (\$m)



Australia

- Solid VONB results
- Expansion of Premier IFA model
- Independent risk specialist

Indonesia

- Bancassurance VONB up 67%
- Number of active in-branch insurance specialists up by 26%
- Rolled out Next Gen ULP to bank partners

Philippines

- VONB up over 90%
- Active new agents up 79%
- Strong growth in bancassurance

ANP (\$m)

618

689

VONB Margin

27.0%

32.0%



2013 Group Review

Mark Tucker

2013 Financial Results

Garth Jones

2013 Business Review

**Ng Keng Hooi
Gordon Watson**

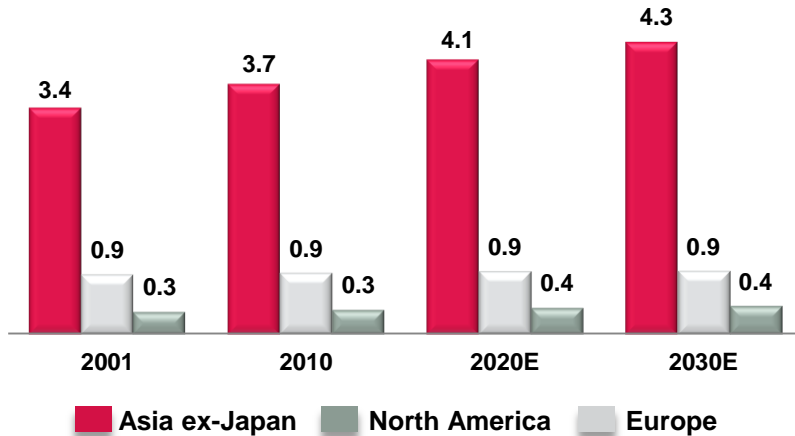
AIA – A Rare and Powerful Combination **Mark Tucker**

Asia's Significant Growth Opportunity



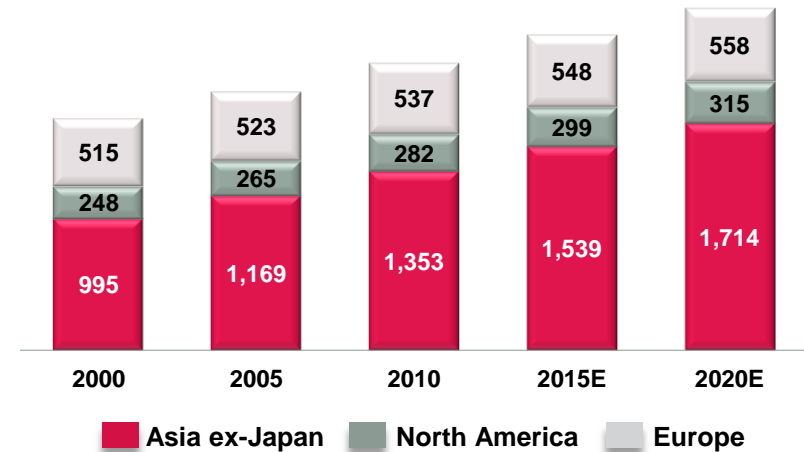
Population by Region

(Billions)



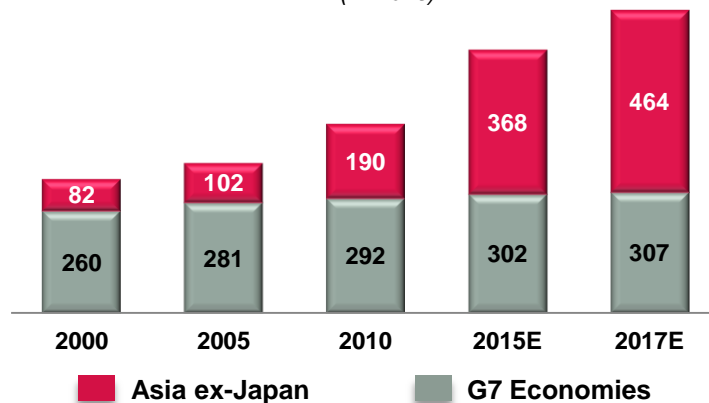
Rapid Urbanisation

Urban population (Millions)



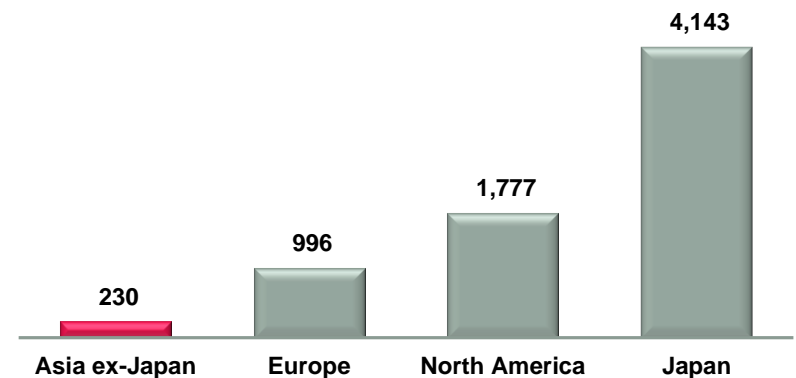
Growth in Disposable Incomes

No. of households with disposable income above US\$10k (Millions)



Underpenetrated Asian Life Insurance

2012 Density Rate (US\$)

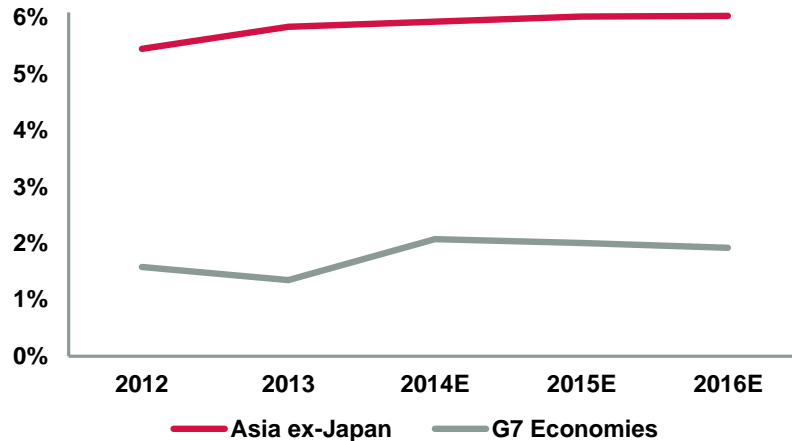


Asia's Macroeconomic Stability



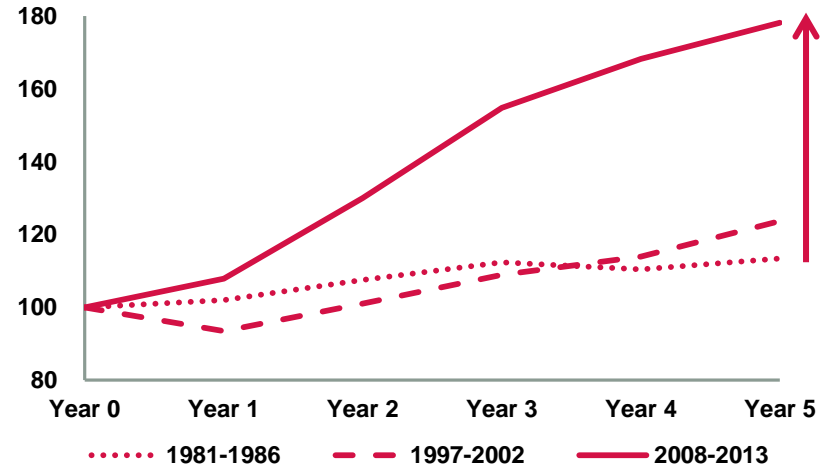
Asia's Stable Growth Outlook

Real GDP Growth Rates



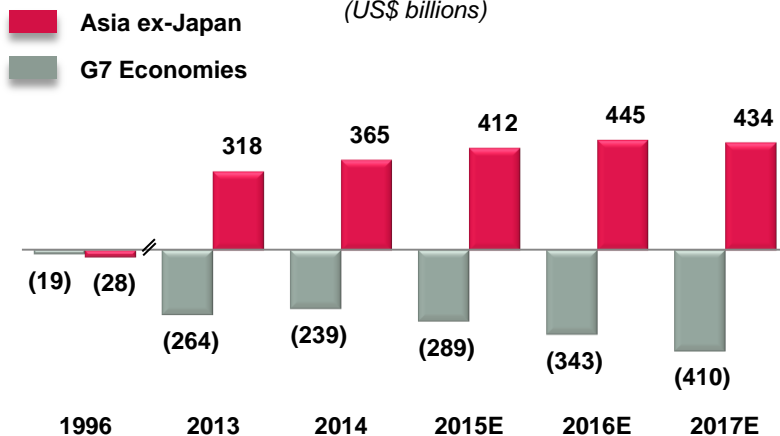
Asia ex-Japan Macroeconomic Resilience

GDP at Current Prices (Rebased to 100)



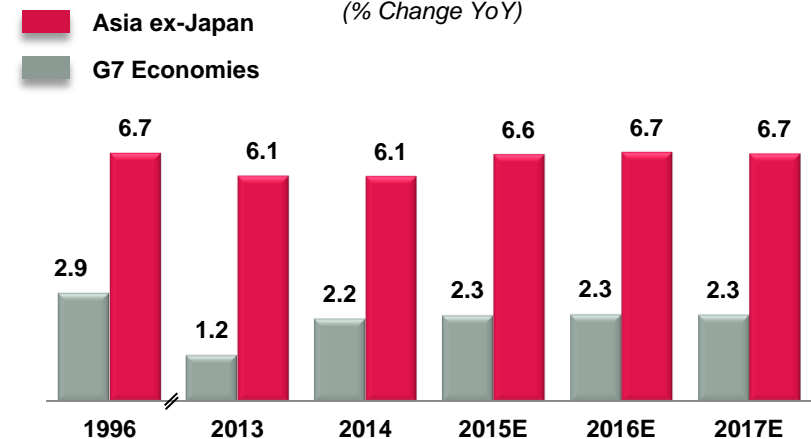
Current Accounts⁽¹⁾

(US\$ billions)



Domestic Demand⁽¹⁾

(% Change YoY)



Right Priorities for 2014



Distribution

- Sustain competitive advantages in Premier Agency
 - Recruit, develop, and promote next generation of agents
 - Deliver profitable partnership growth
-

Product

- Maintain protection-focused portfolio
 - Expand integrated savings and protection cover
 - Capture incremental high-quality savings opportunities
-

Customer

- Transform customer experience
 - Increase existing customer engagement levels
 - Enhance analytics and segmentation
-

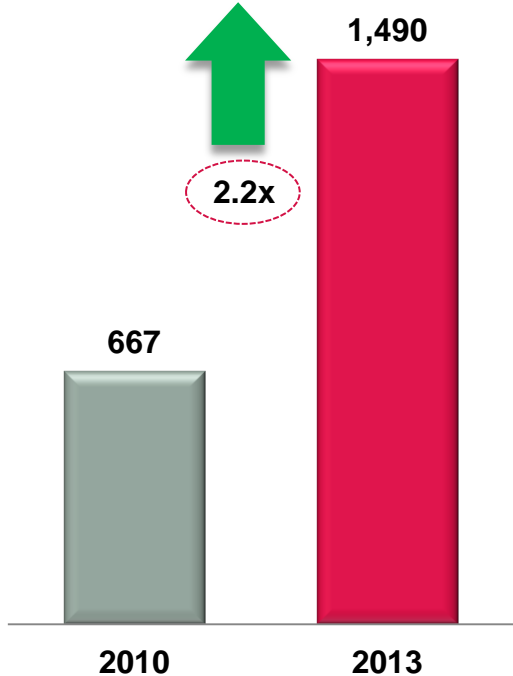
Financial

- Support strong new business growth and returns
- Maintain strong capital and cash flow
- Prudent, sustainable and progressive dividend

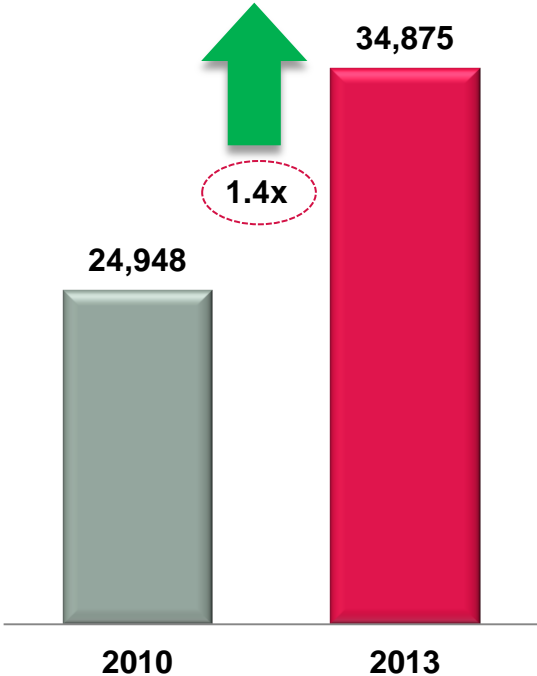
Record of Delivery



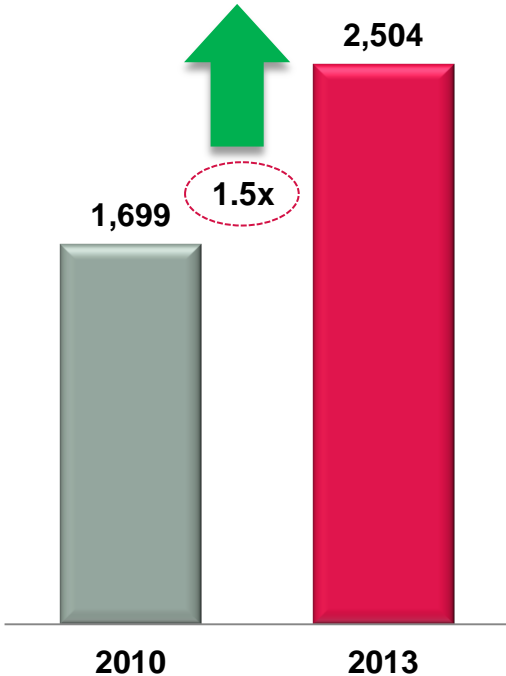
VONB (\$m)



EV Equity (\$m)



OPAT (\$m)



AIA – A Rare and Powerful Combination

- **Significant growth opportunities**
- **Asia based and Asia focused**
- **Advantaged platform**
- **Executing relentlessly on priorities**
- **Ideally positioned to capture growth**

REAL LIFE NEVER STOPS

No matter what happens in life, we believe in never giving up on what's important to you.



THE REAL LIFE
COMPANY

Definitions and Notes



- 2013 figures include the financial and operational results of AIA's acquisitions from the respective dates of completion.
- Annualised new premium (ANP) excludes pension business.
- Certain segmental reclassifications have been made in the prior period VONB and VONB margin results to conform to current period presentation. The reclassification has no impact on the total VONB and VONB margin of the Group for the year ended 30 November 2012.
- EV Equity is the total of embedded value, goodwill and other intangible assets attributable to shareholders of the Company.
- Free surplus is the excess of the market value of AIA's assets over the sum of the statutory liabilities and the minimum regulatory required capital. For branches of AIA Co. and AIA International, the statutory liabilities are based on HKICO statutory accounting and the required capital based on 150% HKICO minimum solvency margin.
- Hong Kong market includes Macau; Singapore market includes Brunei; Other Markets includes Australia, the Philippines, Indonesia, Vietnam, Taiwan, New Zealand and Sri Lanka.
- Investment income and invested assets composition exclude unit-linked contracts.
- Investment return is defined as investment income with the addition of realised and unrealised gains and losses as a percentage of average invested assets.
- Investment yield is defined as net investment income as a percentage of average policyholder and shareholder invested assets for the relevant periods (i.e. excluding unit-linked investments); AIA's net investment income does not include realised or unrealised gains and losses.
- Market positions in Malaysia are based on the aggregate of new business individual life and group life businesses for 2012 using data from industry sources. Individual life business is based on annualised first year premium plus 10% of single premium. Group life business is based on total gross premium.
- Operating profit after tax, net profit and IFRS shareholders' equity are shown post minorities.
- Operating profit before tax excludes non-operating items such as investment experience, investment income and investment management expenses related to unit-linked contracts, corresponding changes in insurance and investment contract liabilities in respect of unit-linked contracts and participating funds and other significant items considered to be non-operating income and expenses.
- VONB is after unallocated Group Office expenses and adjustment to reflect additional Hong Kong reserving and capital requirements; includes pension business and is shown before minorities.
- VONB margin = VONB / ANP. VONB for the margin calculations excludes pension business to be consistent with the definition of ANP.
- VONB and VONB margin by distribution channel are based on local statutory reserving and capital basis, before the deduction of unallocated Group Office expenses and exclude pension business.
- VONB and VONB margin by market are based on local statutory reserving and capital basis, before the deduction of unallocated Group Office expenses and include pension business.