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Media Release

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AIA Group bares strong 2010 financial results, builds momentum into 2011

Makati, 07 April 2011 - AIA Group Ltd., the largest independent publicly listed pan-Asian life insurance group in the world, has posted US\$ 2.7 billion in net profit, jumping by 54% year on year in terms of International Financing Reporting Standards (IFRS), according to the Group's 2010 audited consolidated financial results ending November 30 last year.

The news on AIA's strong financial performance in 2010 was warmly welcomed by Philam Life, the largest life insurance company in the Philippines, which is part of the AIA Group. Said Philam Life President and CEO Mr. Trevor Bull, "More than financial strength, the success of the AIA Group speaks well of how dedicated its people are – its management team, staff, agents, and business partners in all the 15 member companies in the region, including Philam Life. We are proud to be part of this strong and dynamic life insurance organization."

AIA Group also reported strong growth in Value of New Business (VONB), up 22% in 2010 to US\$667 million while its embedded value was up 18% to US\$21 billion and its operating profit before was also up 18% to US\$2.1 billion.

Shareholders' equity went up by US\$4.7 billion to US\$19.6 billion and the company's total assets increased to US\$107.9 billion from US\$90.7 billion, the financial results showed.

Free surplus, a distinguishing feature of AIA, increased 24% to US\$5 billion at the end of 2010, according to the 2010 performance.

Mark Tucker, AIA Group Chief Executive and President, described 2010 as "a very successful year" for the AIA Group notwithstanding some notable distractions. "Our 2010 results are a significant improvement over 2009 on all key measures, with excellent growth in profitability, driven by a strong existing in-force book of business and a material uplift in new business growth, particularly in the fourth quarter," he said.

"Our very successful IPO marked a new beginning for AIA which, together with changes we implemented in the second half of 2010, has helped to unleash the potential of our business and create strong growth momentum going into 2011," he added.

Tucker said the AIA Group's focus for 2011 will be on key strategic priorities that will deliver sustainable profitable growth and create value for shareholders. These include strengthening agency and partnership distribution channels, increasing their productivity, enhancing products and customer experience, and transforming the organization to be more nimble and customer- focused.

MORE



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“The AIA Group’s outstanding customer franchise, well-respected brand, 100% ownership in 14 of our 15 markets, very strong financial profile, product expertise and distribution reach combine to give us a unique and advantaged platform for future growth,” he said.

“We will pursue these growth opportunities with a strengthened leadership team, and more efficient organisational structure in place. As the only pan-Asian listed insurance group focused 100% on this fast-growing region, AIA is very well positioned to win.”

In the Group’s Other Markets (Australia, Indonesia, New Zealand, the Philippines, Taiwan and Vietnam), AIA delivered a strong VONB growth of 28%, demonstrating its strong position and diversified footprint across the region.

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About Philam Life

The Philippine American Life and General Insurance Company (“Philam Life”) is the largest life insurance company in the Philippines and the market leader for over 60 years. Philam Life offers an extensive line of innovative products that provides solutions to various financial needs including income protection, retirement, education, investment, health, personal accident, group life and credit life. Philam Life has the most extensive network of offices and sales agencies nationwide.

Philam Life is a member of the AIA Group Limited (AIA), the largest, independent listed pan-Asian life insurance group in the world.

About the AIA Group

AIA Group Limited and its subsidiaries (collectively “the AIA Group” or “the Group”) comprise the largest independent publicly listed pan-Asian life insurance group in the world, with a broad footprint spanning 15 markets in Asia Pacific. The Group traces its roots in the region back more than 90 years and has total assets of US\$107.9 billion.

The AIA Group meets the protection, savings and investment needs of individuals by offering a comprehensive suite of products and services covering accident and health insurance, life insurance and retirement planning. It also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of more than 260,000 agents and over 21,000 employees across Asia Pacific, AIA serves the holders of over 23 million individual policies and over 10 million participating members of group policies.

The Group has operations in Hong Kong, Thailand, Singapore, China, Malaysia, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau, Brunei and India.

The AIA Group is a market leader in the Asia Pacific region based on life insurance premiums, and holds number one positions in six of its geographical markets. Due to its historical roots in Asia, the AIA Group has built a network of mainly wholly-owned businesses operating as branches or subsidiaries. Only in India, where legislation restricts foreign ownership of insurance companies to 26%, is the Group’s main operating unit a joint venture.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock code ‘1299’.