



**THE REAL LIFE
COMPANY**

Media Release

AIA Bhd. Delivers Another Year of Outstanding Financial Results

- Measure of new business profit grew 34% to RM590 million
- Focus on organic recruitment generated 29% increase in active Life Planners

KUALA LUMPUR, 16 March 2015 – AIA Bhd. achieved strong growth across all its distribution channels with an overall increase of 34% in value of new business (VONB) – an important measure of new business profit for insurers -- for the year ended 30 November 2014. The strong performance placed AIA Bhd. as AIA Group's second largest growth market by VONB terms in Asia Pacific. Operating profit after tax rose by 12% to RM1.02 billion, reflecting positive underlying business growth and improved product profitability. The company paid out more than 4.2 million individual claims last year.

Takaful VONB increased by more than 50% from a year ago as AIA PUBLIC Takaful Bhd. benefited from the distribution strength of AIA's 17,000-strong Life Planner force in Malaysia and the launch of a comprehensive recruitment strategy that more than doubled the number of new recruits joining AIA compared with 2013.

Bill Lisle, Chief Executive Officer of AIA Bhd. said, "AIA Malaysia's outstanding results, which follow an equally strong financial performance in 2013, are a clear indication that our business transformation strategy and focused execution are delivering the desired results. More importantly, these results reflect the significant progress we have made over the past year to further bridge the wide protection and savings gaps that exist in Malaysia."

To enhance its product offering, AIA Bhd. launched a series of new riders that can be attached to basic plans to boost cover and benefits tailored to the needs of the different market segments namely women, young adults as well as young and mature families. VONB from this investment-linked segment grew by 38% compared with 2013.

In addition, AIA Bhd.'s exclusive bancassurance partnership with Public Bank made a material contribution to VONB with a growth of 31%. The expansion of its product offering and training of in-branch sales executives have increased productivity and improved the product mix.

The life insurer's market-leading group insurance business also performed strongly with the successful launch of its pre-retirement health product A-Health Maximiser, delivering 60% VONB growth compared with 2013.

To strengthen its distribution footprint, AIA Bhd. continued to focus on the active recruitment of full-time Life Planners. New recruitment programmes were targeted at the under-35 age group and contributed to a 29% increase in the number of active new Life Planners last year. "By adding new Life Planners, we are able to reach a wider segment of the population to drive consumer education on life insurance and address customers' under-served life stage needs," Lisle explained at media briefing held today.

"Our latest results reaffirm that we are on the right track and well positioned to capture the key opportunities in Malaysia's life insurance industry. There still exists a large protection gap here with the latest statistics pointing to an average sum assured per person of RM38,500, whereas it should be in the region of RM200,000," Lisle said, adding that while the penetration rate has risen to 54%, this is still far from the Government's target of 75% penetration by 2020.

In 2015, AIA Bhd. will step up efforts to widen its distribution footprint through active recruitment of full-time life planners and by strengthening its bank partnerships. Plans to expand AIA's Takaful business will be supported by the launch of new Shariah solutions to further unlock the immense growth opportunity in the family Takaful space where penetration stands at only 15% currently.

Technology will continue to play a key role in boosting the convenience factor for AIA customers in Malaysia. These efforts will build on the innovative interactive point of sales tool (iPoS) launched by AIA Bhd. two years ago that enables policy applications to be submitted electronically after a customer's signature has been captured biometrically. Several service transformation initiatives have also been earmarked for launch in 2015 to enhance its customers' purchasing and service experiences.

About AIA Bhd.

AIA Bhd. is a leading insurer in Malaysia, where we have been privileged to do business since 1948. We offer a suite of high quality products including Protection, Health, Personal Accident, General Insurance, Employee Benefits, Retirement and Family Takaful solutions to meet our customers' protection and financial security needs at every life stage. Through our wide and diverse distribution footprint which comprises a 17,000-strong Life Planner force, our exclusive bank partner's branches nationwide as well as corporate sales teams and brokers, we give our customers the choice of deciding how, when and where they connect with us.

Part of the AIA Group, the largest independent publicly listed pan-Asian life insurance group, AIA Bhd. has the financial strength, experience, service centre network as well as a well-trained team of more than 2,000 staff to serve our 3 million customers nationwide. As at end 2014, AIA Bhd.'s total asset worth was RM46 billion, with a paid-up capital of RM767 million.

About AIA

AIA Group Limited and its subsidiaries (collectively "AIA" or the "Group") comprise the largest independent publicly listed pan-Asian life insurance group. It has operations in 17 markets in Asia-Pacific – wholly-owned branches and subsidiaries in Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau, Brunei, a 97 per cent subsidiary in Sri Lanka, a 26 per cent joint venture in India and a representative office in Myanmar.

The business that is now AIA was first established in Shanghai over 90 years ago. It is a market leader in the Asia-Pacific region (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It had total assets of US\$167 billion as of 30 November 2014.

AIA meets the long-term savings and protection needs of individuals by offering a range of products and services including life insurance, accident and health insurance and savings plans. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents, partners and employees across Asia-Pacific, AIA serves the holders of more than 28 million individual policies and over 16 million participating members of group insurance schemes.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock code "1299" with American Depositary Receipts (Level 1) traded on the over-the-counter market (ticker symbol: "AAGIY").

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