

## AIA reports record 2011 new business growth

AIA Group has just announced record new business results for the year ended November 30, 2011 with impressive figures.

The firm reported a 40 per cent increase in value of new business (VONB) to \$932 million. VONB is the group's key performance indicator, measuring its business results, and representing the shareholder value created from new business written during 2011.

The group's annualised new premium (ANP) reached 22 per cent increase to \$2.472 billion and it gained 13 per cent increase in operating profit after tax (OPAT) to \$1.922 billion. Commenting on the record performance, Mark Tucker, AIA's Group chief executive and president, said: "We are proud to have delivered an excellent set of results for our shareholders in 2011.

These results reflect the combined impact of our powerful distribution platform across Asia Pacific, our financial and technical strength and the consistency with which we are implementing our clear strategy of targeting sustained growth in shareholder value. These results demonstrate that the momentum in value creation which we generated in 2010 has been sustained throughout 2011."

Also according to Tucker, "during 2011 the AIA Group concentrated our efforts on building our Premier Agency sales force and boosting agency productivity to help meet the savings and protection needs of customers across Asia Pacific, with a particular focus on promoting the take-up of accident and health cover.

AIA has also taken steps to make further improvements in the persistency and additional sales achieved from our in-force book and to enhance our customer service experience. Outside the agency channel, AIA has focused on developing deeper and more profitable relationships with our distribution partners. We are confident that we have created a powerful base from which to deliver increasing future value for our shareholders."

The board recommends a final dividend of 22 Hong Kong cents per share. This brings the total dividend in respect of the 2011 financial year to 33 Hong Kong cents per share, in line with the guidance given at the 2011 interim results announcement.

"This year's level of dividend payment reflects our strong cash flow position and our commitment to reflect the value achieved for shareholders through dividend returns as well as capital growth," Tucker said.

Total shareholders' equity increased by 9 per cent in 2011 to \$21.313 billion. Net profit of \$1.6 billion includes the mark-to-market valuation of equity investments as required under the International Financial Reporting Standards. \$500 million of investment gains on bonds, which are not included in net profit, are included in shareholders' equity.

Tucker concluded: "AIA Group remains a very attractive growth story with an unmatched opportunity to benefit from strong economic growth, favourable demographic trends and latent demand for both savings and protection products in Asia. This remains the world's most dynamic region, which has been our home for over ninety years and is our sole area of operation. Our focus on Asia Pacific markets in which we have a leading position and depth of experience, combined with our financial strength and a highly motivated team, put us in a very strong position to optimise opportunities for further growth and generate strong and sustainable returns for our shareholders."

Also at this time, AIA Vietnam has preliminarily reviewed its business results for the fiscal year 2011. These estimated and before-audit figures reflect strong growth in major business criteria: 29 per cent increase in new business, 25 per cent increase in total premium received, 21 per cent increase in total in-force policies and 46 per cent increase in insurance claims and policyholder's benefits.

Stephen Clark " CEO of AIA Vietnam shared: "Our company managed to achieve these impressive figures despite the challenges

we experienced both in the local as well as global economy. All credit must go to the sustained efforts of our agents together with all our staff at AIA Vietnam.?

According to Clark, strong customer focus, competitive products and professional agents ? are key factors to AIA?s success.

?By focusing on these core factors, we continue to improve as a company and I?m confident we can become the company that people immediately think of either when they need insurance solutions, or as a company to work for to build a long term successful career,? he said.

AIA Vietnam is a 100 per cent foreign-owned life insurer and a member of the AIA Group, the largest independent publicly listed pan-Asian life insurance group in the world, with a broad footprint spanning 15 markets in Asia Pacific.

AIA Vietnam officially started operations in Vietnam in February, 2000. Over the last 12 years, AIA Vietnam has been focusing on laying a strong foundation for its sustainable growth through the training and development of its human resources.

Today, 12 years after its inception, AIA Vietnam has grown to be a trusted brand in Vietnam. AIA Vietnam serves the holders of about 300,000 policies across the country. Until the end of 2011, AIA has paid out a total of more than VND860 billion for insurance benefits with nearly 132,000 cases. In addition, the company has been highly recognised by honorable awards such as ?Well-known Brand? and ?Certificate of Merit? from the Ministry of Finance for its outstanding contributions to the life insurance industry in Vietnam.

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