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Media Release

AIA Extends Pan-Asian Leadership Position with Acquisition of ING Malaysia

On the back of record new business results, acquisition highly complementary with AIA's strategic strengths and priorities; Establishes AIA as Number 1 life insurer in Malaysia

HONG KONG, 11 October 2012 – AIA Group Limited (“AIA”) has reached agreement with ING to acquire its insurance subsidiaries in Malaysia for a cash consideration of Euro 1.336 billion (US\$1.73 billion). The acquisition remains subject to regulatory approval and the execution of the appropriate legal documentation. Once approved, the acquisition will be immediately accretive to AIA's earnings and will make AIA the Number One ranked insurance provider by total premiums in the high-growth Malaysian market.

Mark Tucker, AIA's Group Chief Executive and President, said, “This is a compelling and unique opportunity for AIA to further enhance our ability to sustain high-quality growth in the fastest-growing insurance region in the world and in one of the most attractive markets in the region. ING's business in Malaysia represents an excellent strategic fit with AIA where we already have a well-established and strong business and the ability to integrate ING's businesses with our own. This means a highly attractive investment proposition with very positive benefits for all stakeholders: customers, employees, agents and shareholders.”

ING Malaysia is the third largest insurer in Malaysia, serving more than 1.6 million customers and offering a suite of products including life, general, employee benefits as well as Takaful insurance products through a joint venture.

The acquisition will deliver a range of important benefits for AIA, including:

- It will transform AIA's position in the profitable Malaysian life insurance market, moving AIA from number four to Number One in the market;
- It provides a rare opportunity to enlarge AIA's agency distribution in Malaysia through the addition of 9,200 agents;
- It broadens AIA's existing bancassurance distribution through the addition of an exclusive long-term bancassurance arrangement with Public Bank, one of Malaysia's leading banking groups with over 5 million customers and more than 250 branches;
- It is expected to provide opportunities for material growth and profit upside through leveraging on AIA's track record of profitable growth, attractive product mix, strong margins, superior distribution and unrivalled brand reach.
- This transaction represents a compelling financial investment and one that will immediately boost operating profitability.

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The acquisition will be funded through an efficient combination of internal cash resources and external debt financing that will retain AIA's existing strong financial position.

The parties are working towards completion by the first quarter of 2013.

The announcement of the acquisition of ING's Malaysian business coincides with the reporting of AIA's third quarter new business highlights. AIA continues to achieve record value of new business (VONB) with a 22 per cent increase in VONB to US\$300 million.

"As our third quarter results clearly demonstrate, AIA continues to achieve profitable growth momentum driven by the scale of our franchise, our leading brand, our premier agency, high quality workforce and sole focus on Asia, the most dynamic economic growth region in the world. In that context, this acquisition will enable a step-change in the scale and reach of our important business in Malaysia as we become the largest life insurer in one of South East Asia's most attractive growth markets. In doing so, we will extend AIA's Pan-Asian leadership position, taking us to number one position in seven growth markets in Asia," Mark Tucker added.

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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 wholly-owned main operating subsidiaries or branches in 14 markets in Asia Pacific – Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau and Brunei and a 26 per cent joint venture shareholding in India.

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\$119,494 million as of 31 May 2012.

AIA meets the savings and protection needs of individuals by offering a range of products and services including retirement saving plans, life insurance and accident and health insurance. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents and employees across Asia Pacific, AIA serves the holders of more than 24 million individual policies and over 10 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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