

2016 ANNUAL RESULTS PRESENTATION

24 February 2017



THE REAL LIFE
COMPANY

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Value of New Business

\$2,750m

+28%

Operating Profit After Tax

\$3,981m

+15%

Final Dividend per Share

63.75 HK cents

+25%

Mark Tucker

Group Chief Executive

2016 Excellent Performance Across All Key Metrics



- Value of new business **up 28%** to **\$2,750m**
- Operating profit **up 15%** to **\$3,981m**
- Underlying free surplus generation **up 11%** to **\$4,024m**
- EV Equity **up 11%** to **\$43.7b**
- AIA Co. solvency ratio of **404%**
- Final dividend per share **up 25%**

Aligned Growth Platforms and Priorities



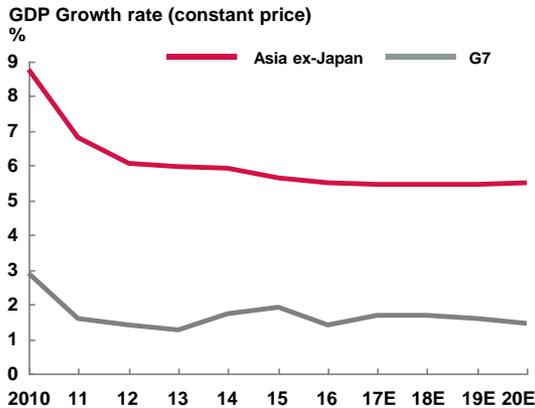
Growth Drivers	Growth Platforms	Growth Priorities
Large Population Growth	Premier Agency	<ul style="list-style-type: none"> Sustain competitive advantages in Premier Agency Recruit, develop and promote next generation of agents Enhance productivity and service through technology
Rapid Urbanisation	Profitable Partnerships	<ul style="list-style-type: none"> Expand distribution platform reach Optimise new and existing partnerships Generate additional sources of profitable growth
Rising Income & Wealth	Protection & Savings	<ul style="list-style-type: none"> Maintain protection-focused portfolio Expand integrated savings and protection covers Capture incremental high-quality savings opportunities
Low Social Welfare	Brand & Marketing	<ul style="list-style-type: none"> Transform customer experience Increase existing customer engagement levels Enhance analytics and segmentation
Low Private Cover	Financial Strength	<ul style="list-style-type: none"> Support strong new business growth and returns Maintain strong capital and cash flow Deliver prudent, sustainable and progressive dividend

Asia's Macroeconomic Advantage

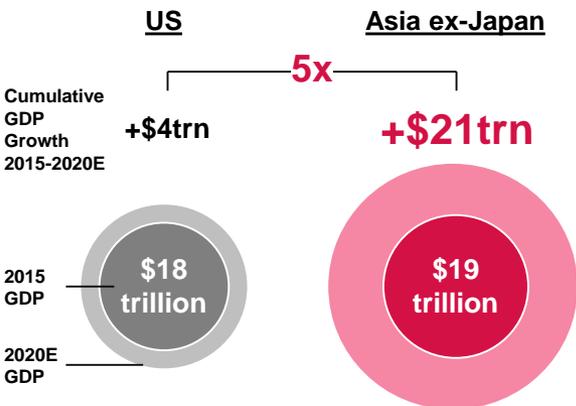


Unprecedented Growth Potential

Strong & Stable Growth Outlook

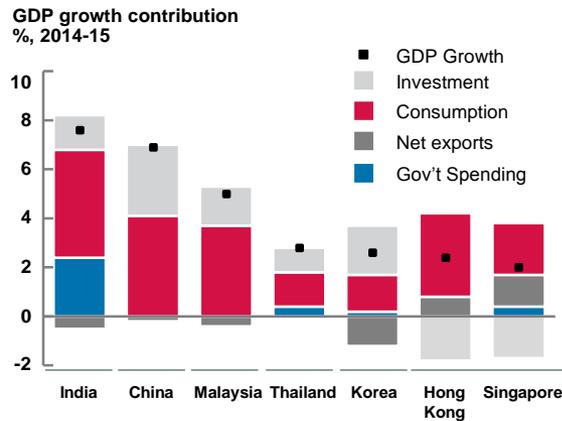


Unprecedented New Economic Activity

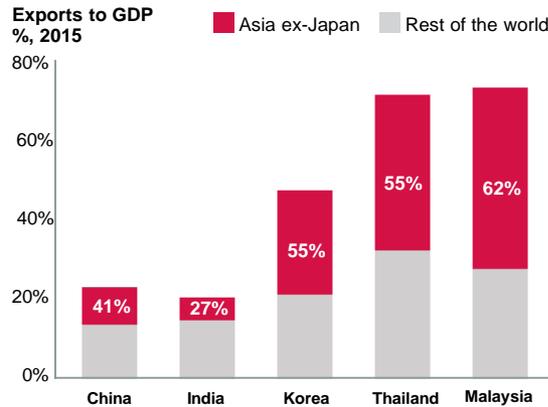


Structural Resilience

Domestic Demand Driven Growth

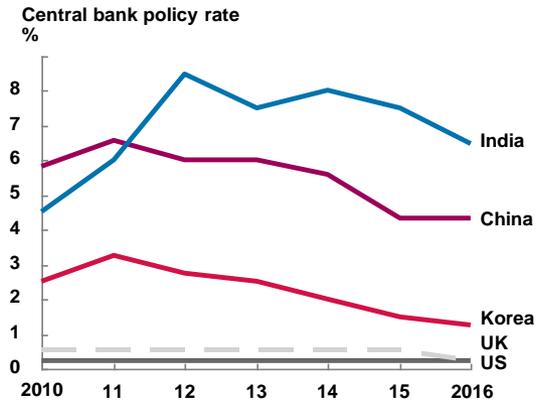


High Levels of Regional Demand

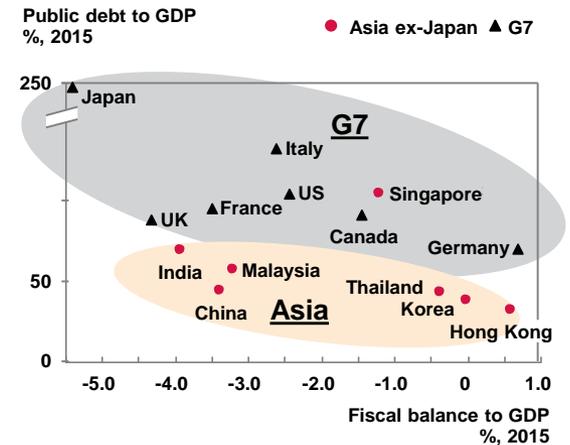


Monetary & Fiscal Flexibility

Robust Traditional Monetary Policy



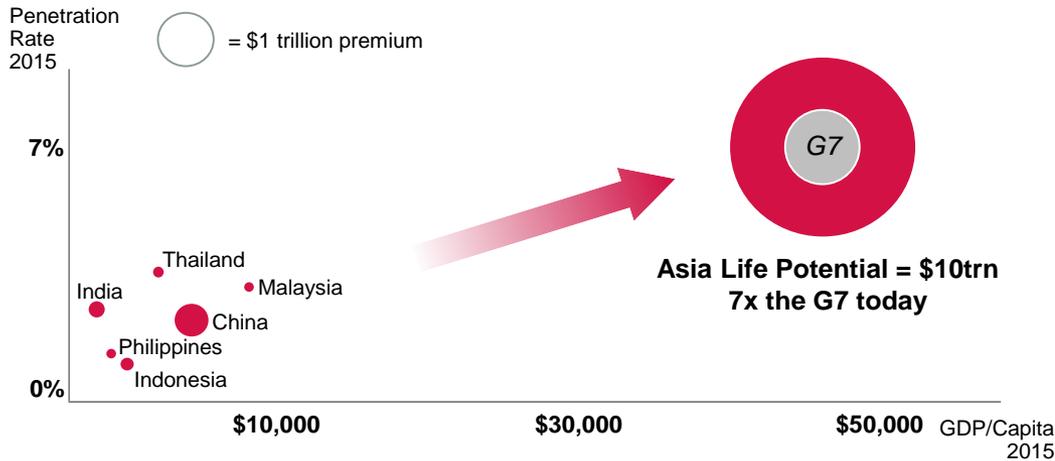
Capacity to Stimulate Domestic Demand



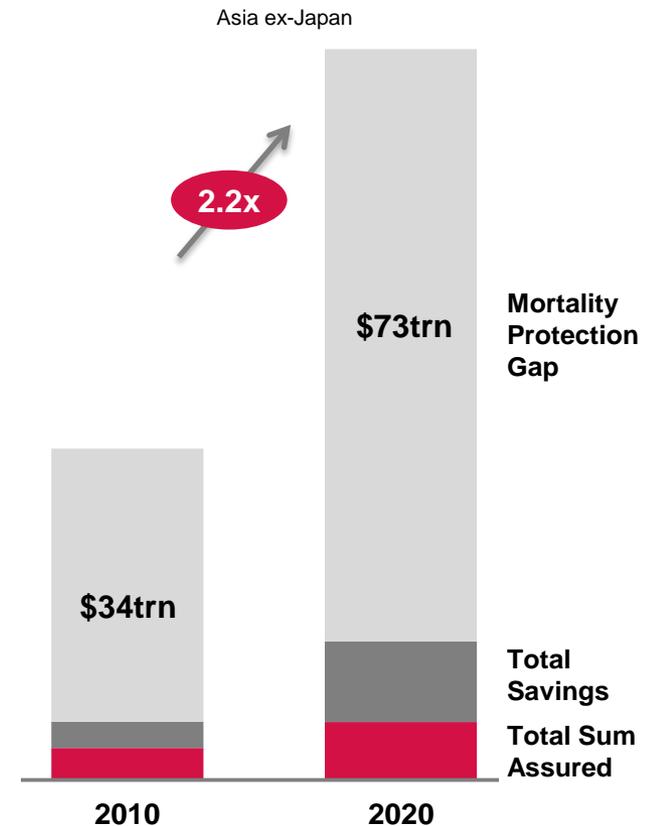
Asia's Unprecedented Growth Opportunity



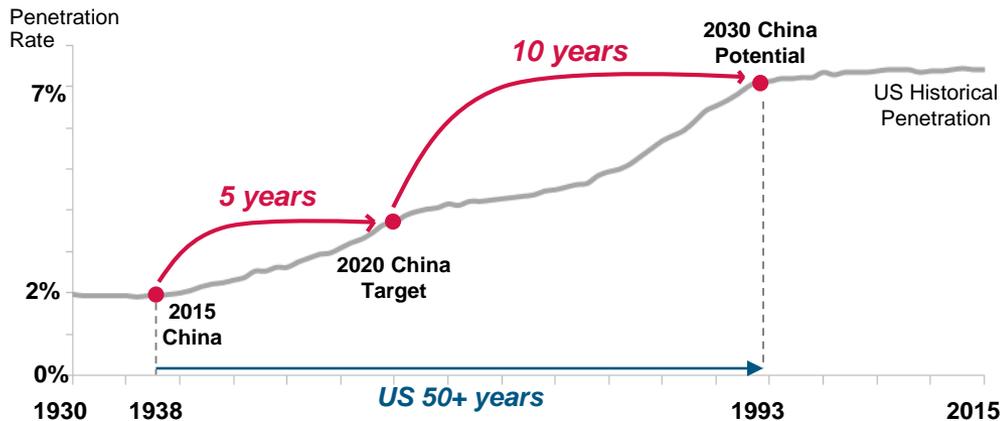
Compounding Growth – Growing GDP and Penetration



Large and Growing Mortality Protection Gap



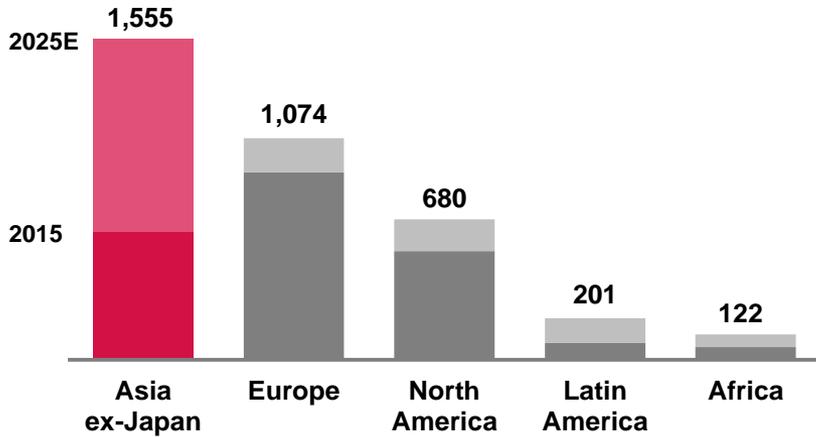
China Potential and U.S. Historical Penetration Rates



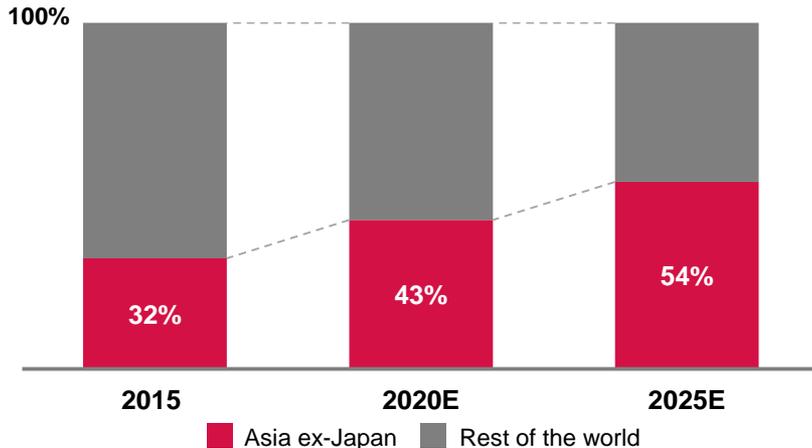
AIA is in the Right Place at the Right Time



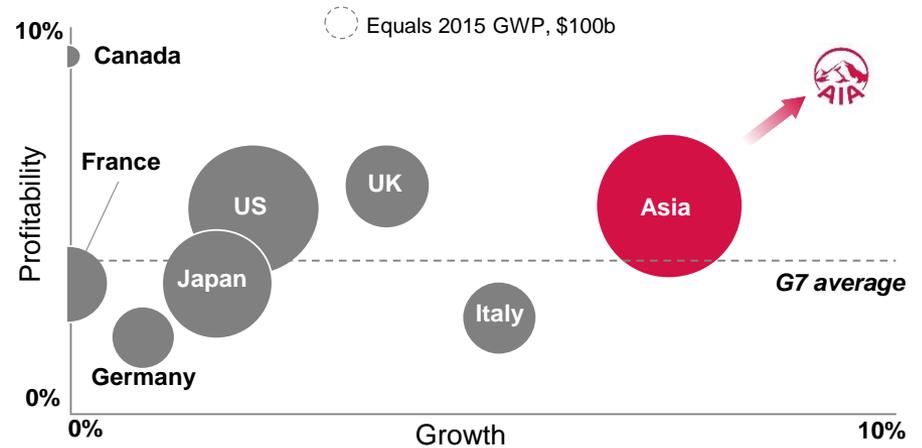
Gross Premium by Region (\$b)



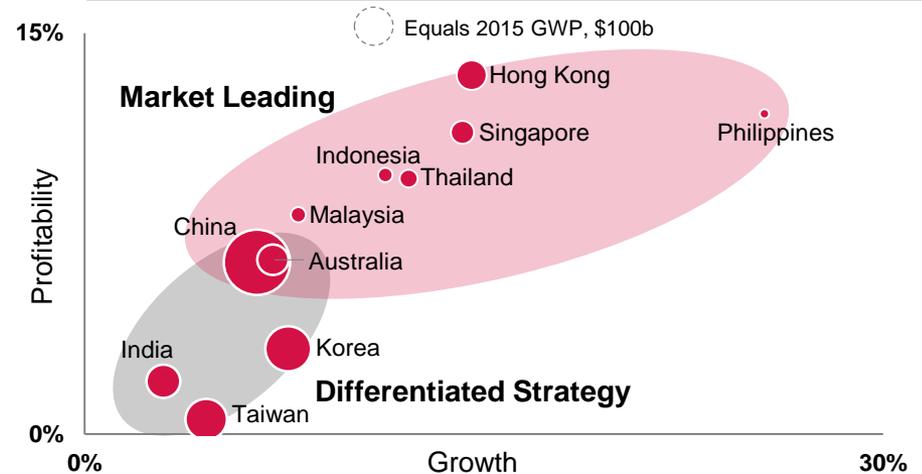
ANP by Region (\$b)



Asia vs G7 Growth and Profitability⁽¹⁾



Strategic Market Participation⁽¹⁾



Sources: McKinsey, Company estimates

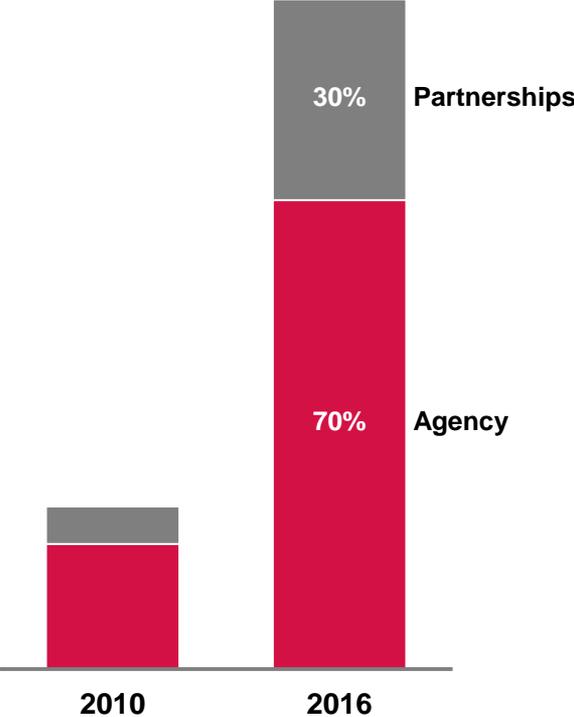
Note: (1) Y-axis: Average profitability defined by 2010-2015 OPAT / 2010-2015 GWP; X-axis: Compound Annual Growth 2010-2015 GWP

Clear Strategy, Advantaged Growth Platform



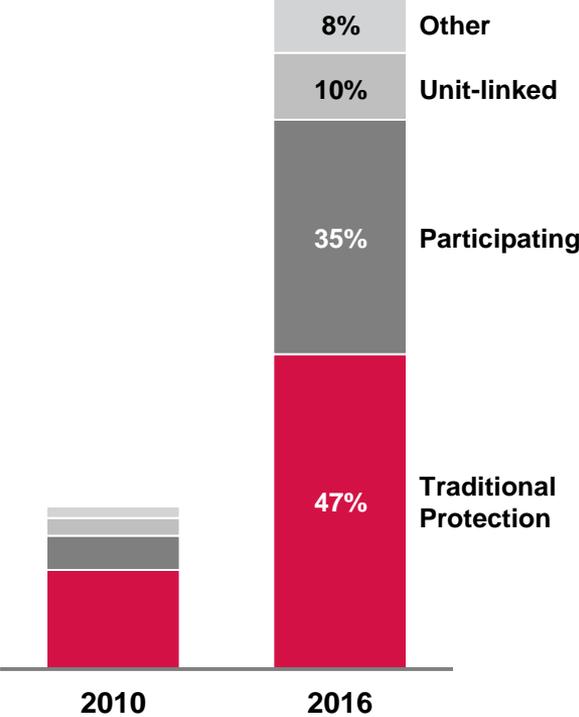
Distribution Mix

% of VONB



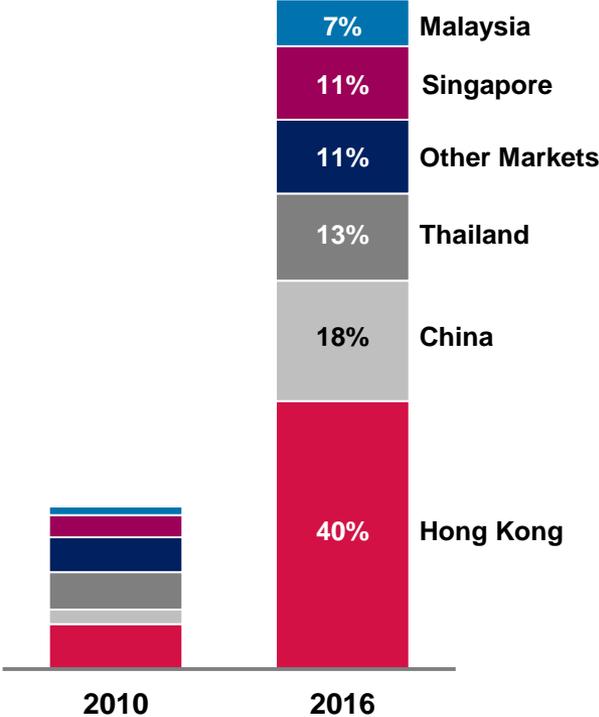
Product Mix

% of VONB



Geographical Mix

% of VONB

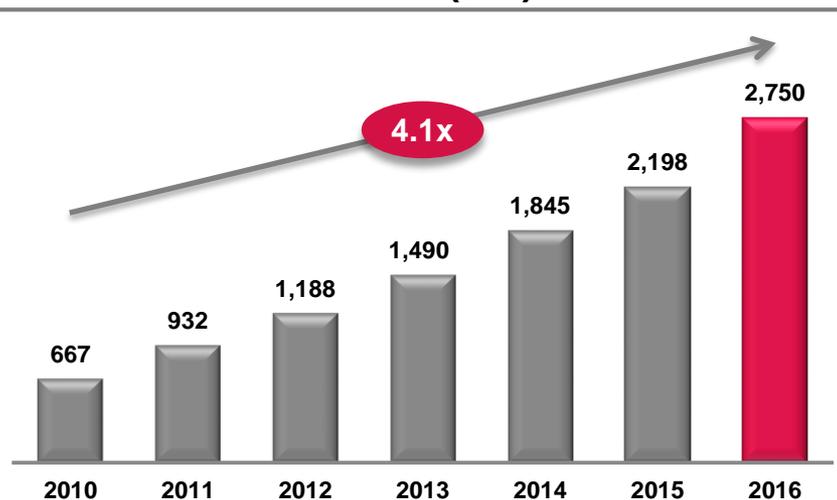


Note: Distribution mix is based on local statutory reserving and capital requirements, before the deduction of unallocated Group Office expenses and excluding pension business; Product and geographical mix are based on local statutory reserving and capital requirements, before the deduction of unallocated Group Office expenses

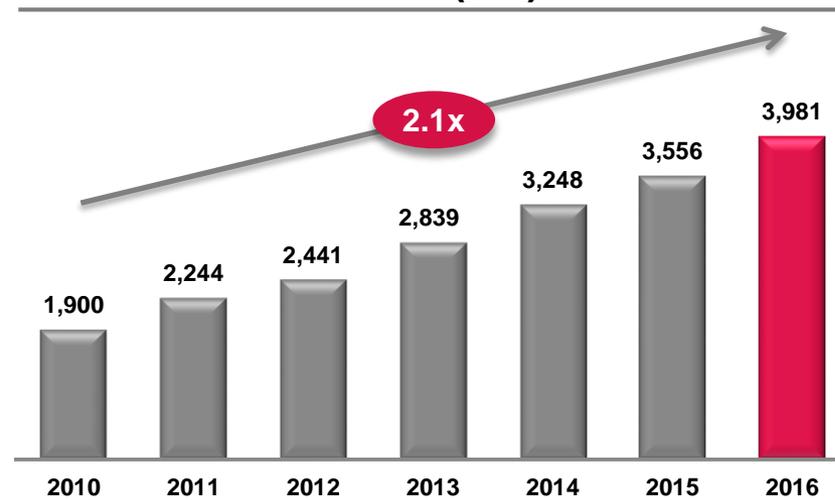
Consistent Execution, Sustained Delivery



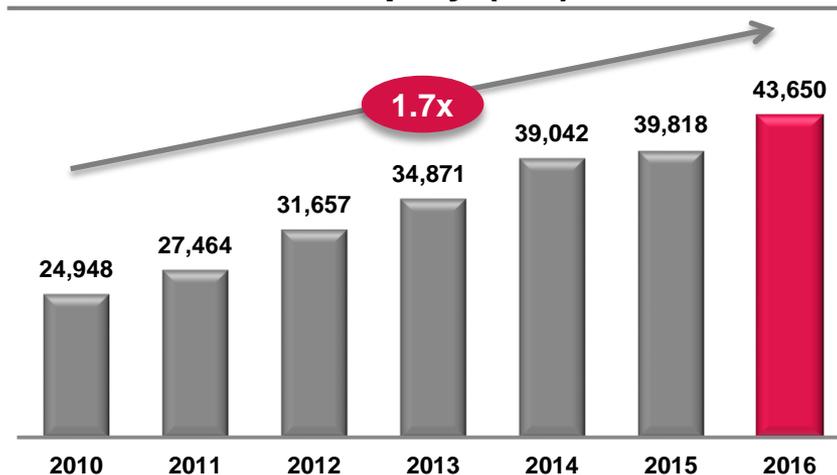
VONB (\$m)



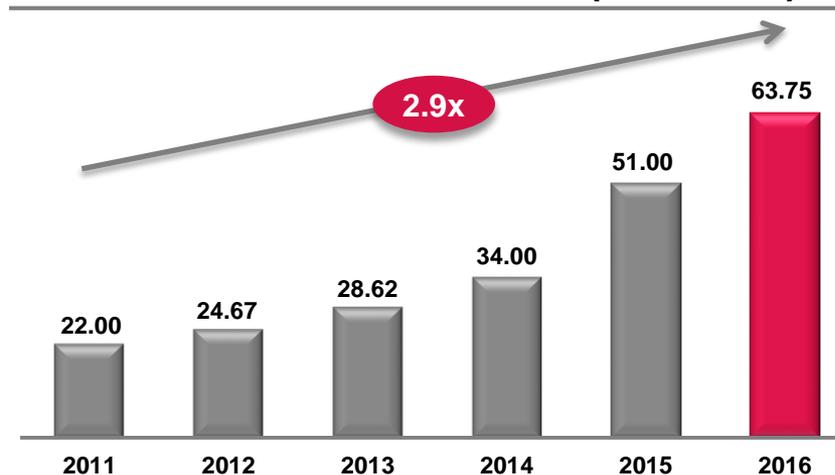
OPAT (\$m)



EV Equity (\$m)



Final Dividend Per Share (HK cents)





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Garth Jones

Group Chief Financial Officer

Excellent Financial Results – Across All Key Metrics



		(\$m)	2016	2015	CER	AER	
Growth	VONB		2,750	2,198	28%	25%	↑
	EV Operating Profit		5,887	5,068	19%	16%	↑
	EV Equity		43,650	39,818	11%	10%	↑
IFRS Earnings	Operating Profit After Tax		3,981	3,556	15%	12%	↑
	Operating Margin After Tax		18.1%	18.0%	0.1 pps	0.1 pps	↑
	Shareholders' Allocated Equity		29,632	26,705	12%	11%	↑
Capital & Dividends	Underlying Free Surplus Generation		4,024	3,719	11%	8%	↑
	AIA Co. HKICO Solvency Ratio		404%	428%	n/a	(24) pps	↓
	Final Dividend per Share (HK cents)		63.75	51.00	25%	25%	↑

Growth

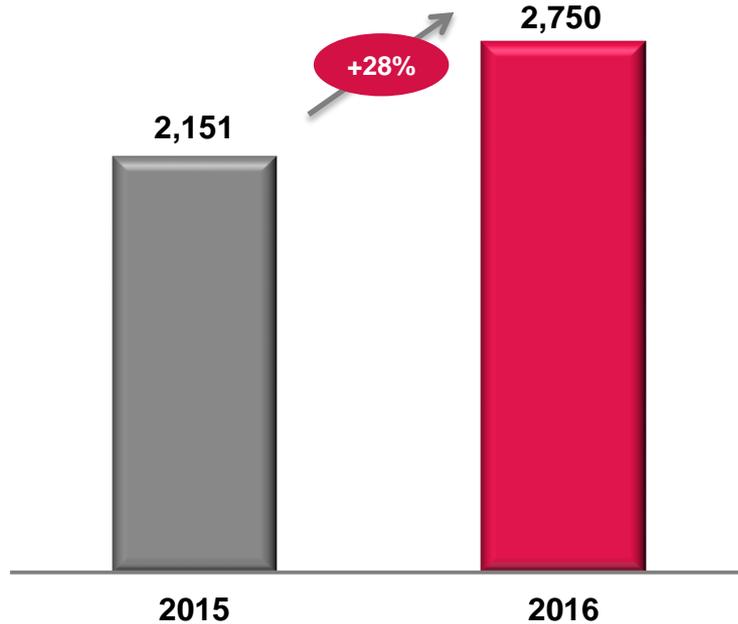
Earnings

Capital and Dividends

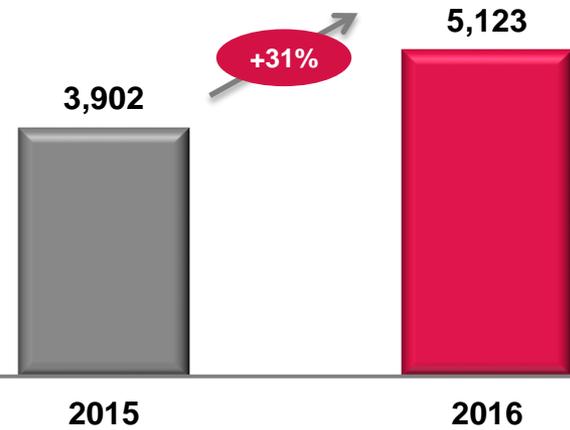
Sustained VONB Growth



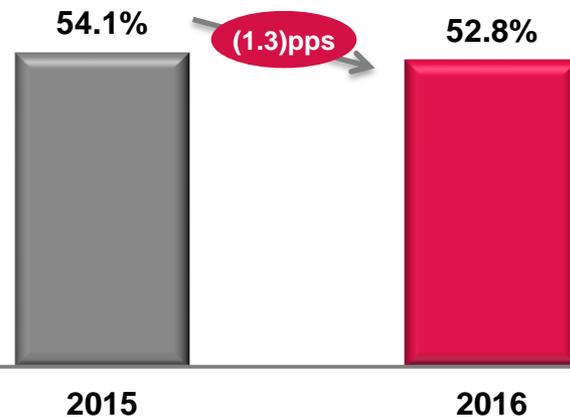
VONB (\$m)



ANP (\$m)



VONB Margin

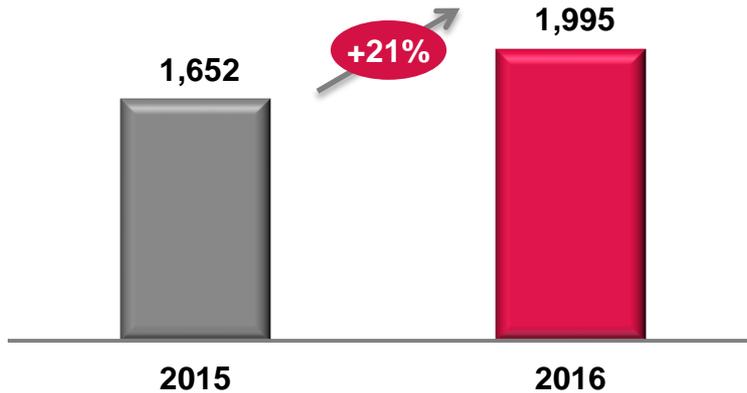


Note:
Comparatives are shown on a constant exchange rate basis

Delivering High-quality Distribution



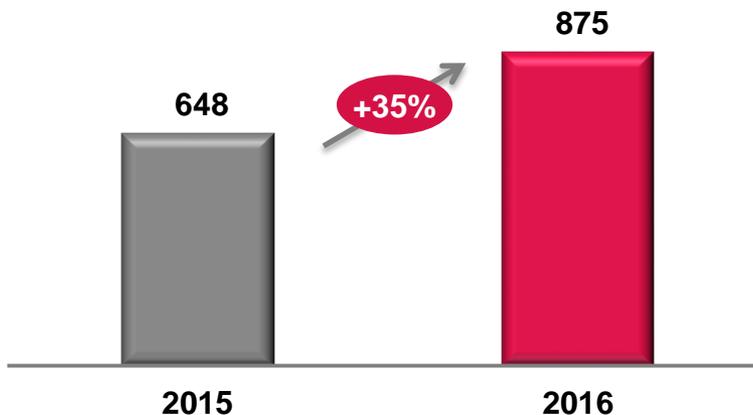
Premier Agency VONB (\$m)



Premier Agency Delivery

- VONB up 21%
- Segmented recruiting and training programmes across the region
- Active new agents up 20%
- #1 in MDRT worldwide for 2 consecutive years

Partnership Distribution VONB (\$m)



Profitable Partnership Expansion

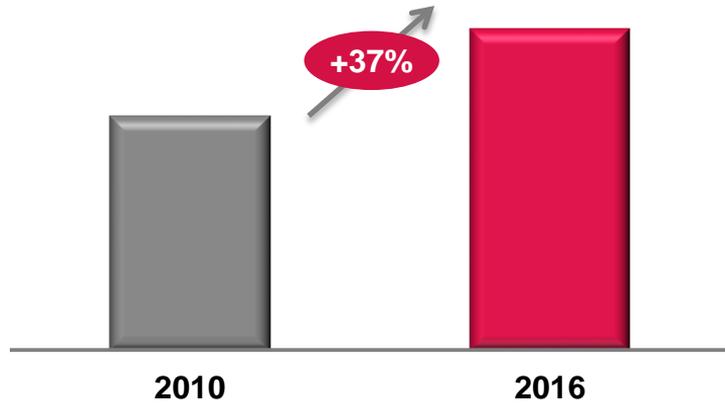
- VONB up 35%
- 30% of Group VONB
- Double-digit bancassurance VONB growth
- Excellent performance in IFA channel

Note:
VONB comparatives are shown on a constant exchange rate basis

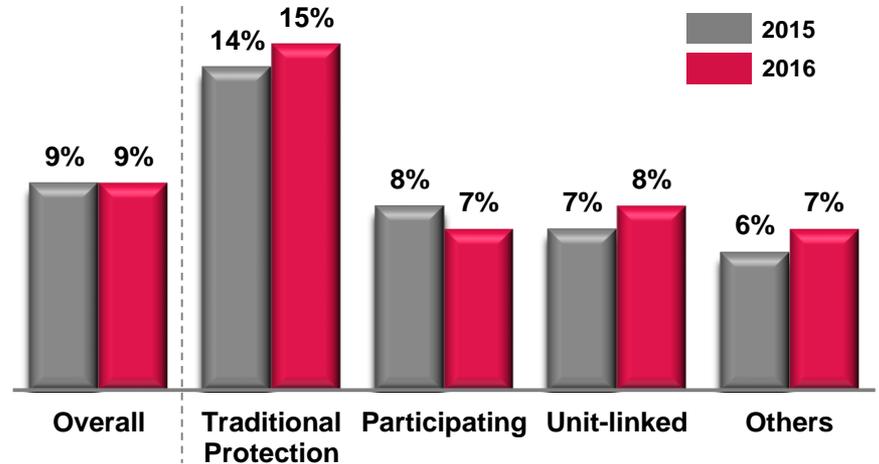
Investing Capital at Attractive Returns



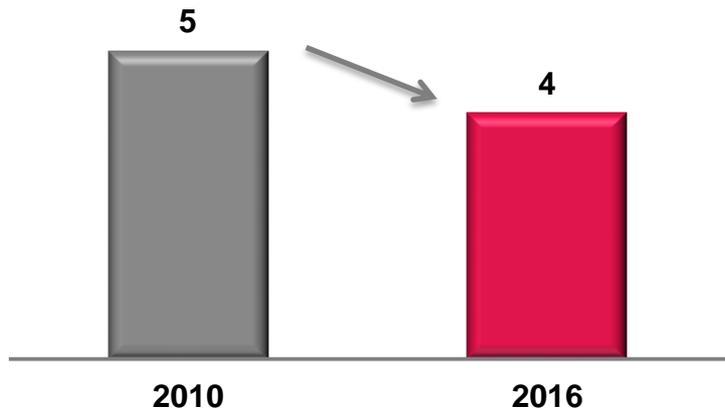
IRRs Consistently Above 20%



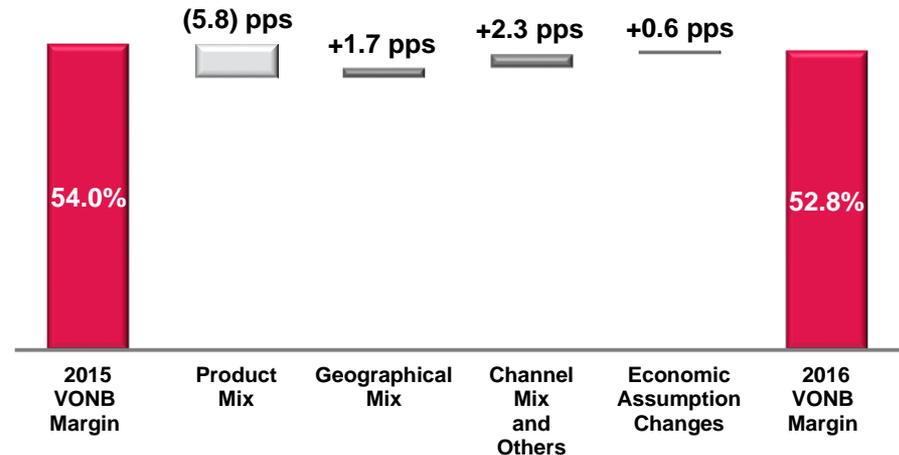
PVNB Margin by Product



Decreasing Payback Periods (Years)



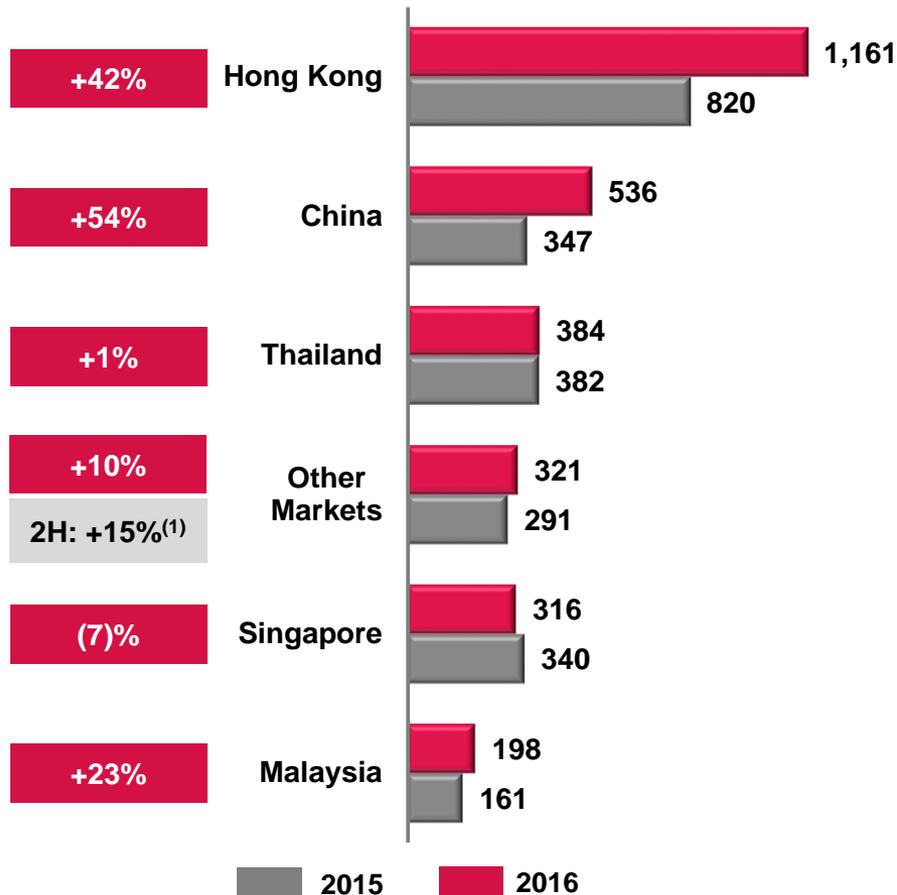
VONB Margin Movement



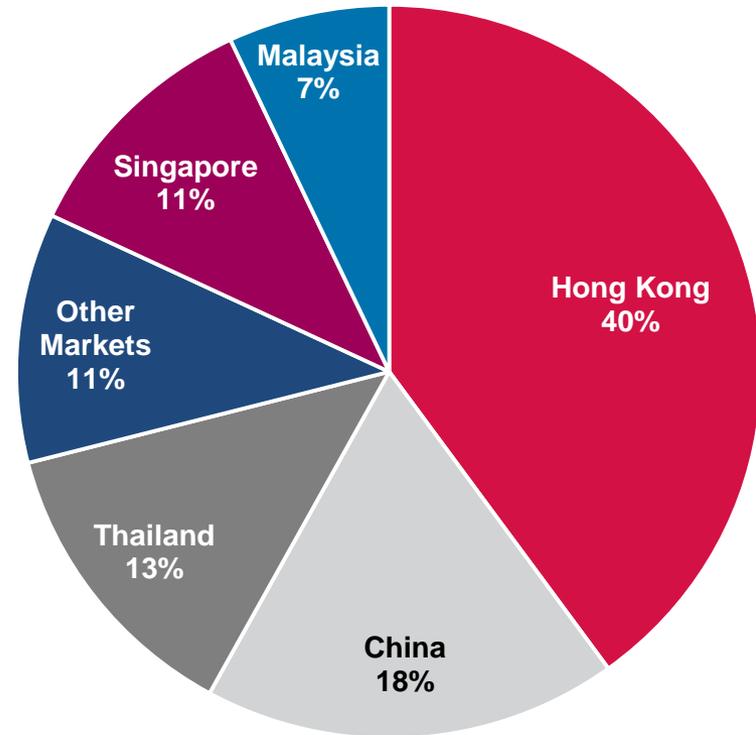
Strong and Resilient Growth Portfolio



VONB (\$m)



2016 VONB by Market Segment



Notes:

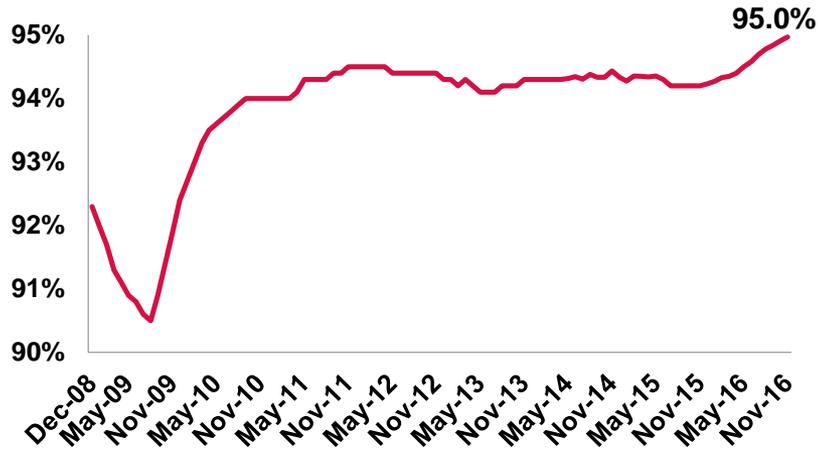
Comparatives are shown on a constant exchange rate basis

(1) Other Markets include AIA's operations in Australia, Indonesia, Korea, New Zealand, the Philippines, Sri Lanka, Taiwan and Vietnam; Other Markets including Korea 1H2016 VONB was \$136m

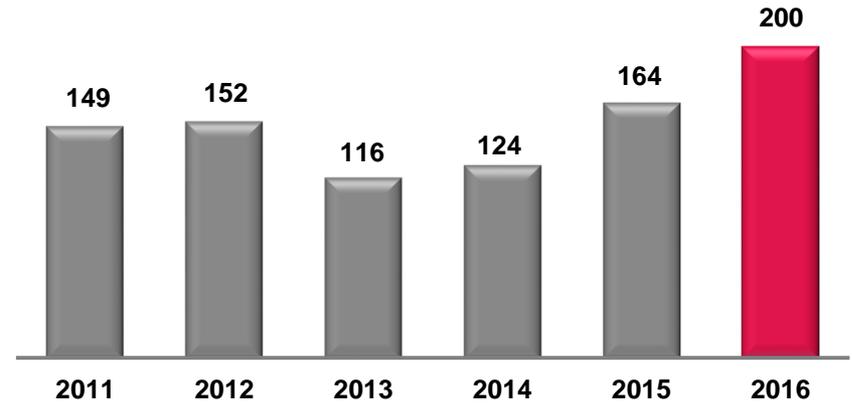
Strong Operating Performance Driving Positive Returns



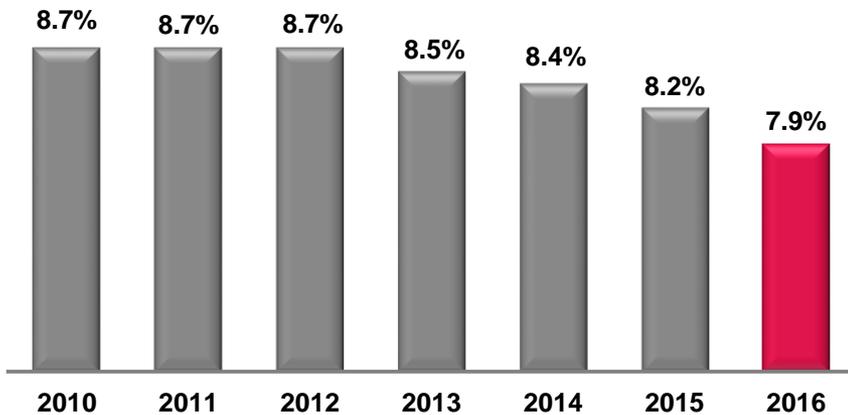
Persistency Rate



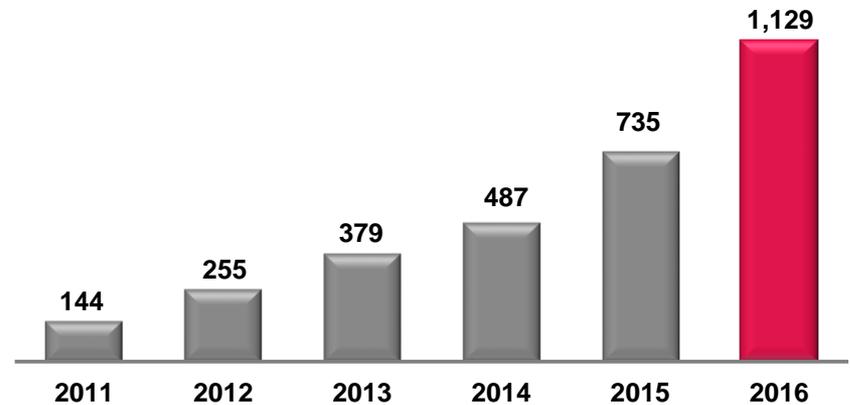
Mortality and Morbidity Claims Experience Variances (\$m)



Expense Ratio



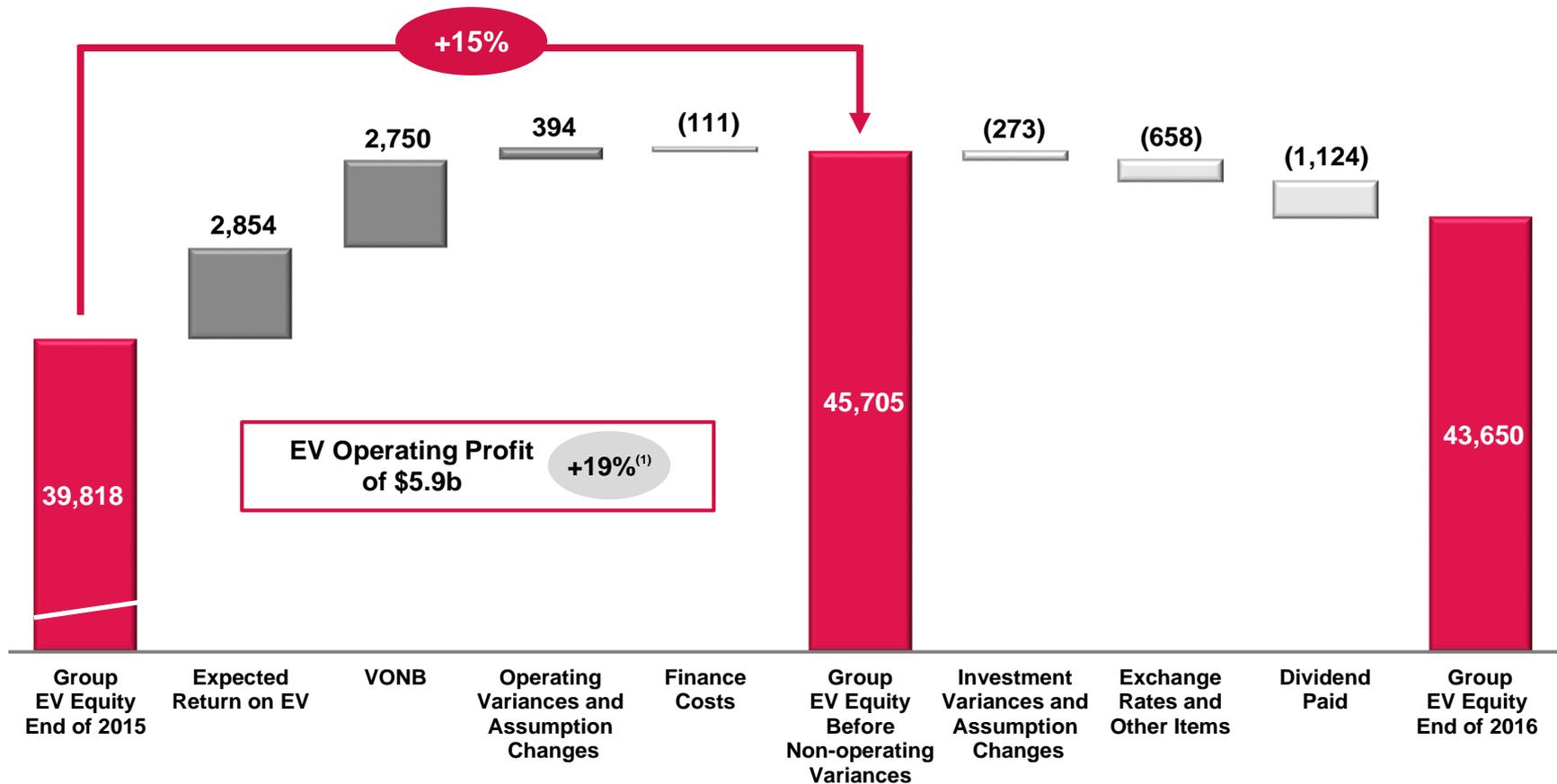
Cumulative EV Operating Variances (\$m)



EV Operating Profit up 19% – EV Equity of \$43.7b



2016 EV Equity Movement (\$m)



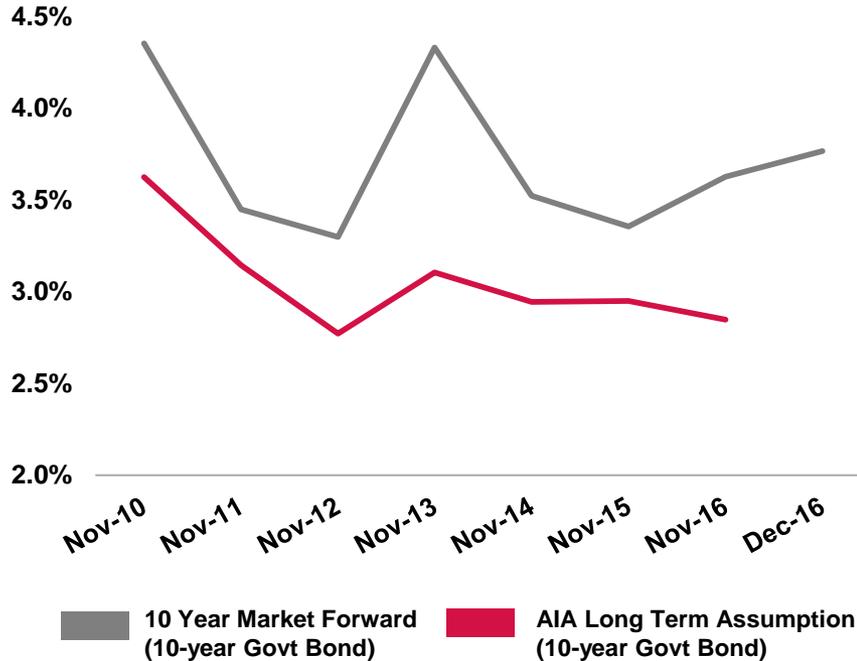
Note:
 (1) On a constant exchange rate basis

Interest Rates and EV Sensitivity



AIA Long-term Assumptions vs Market Rates

Weighted Average by Geography⁽¹⁾



Sensitivity of EV

As at 30 Nov 2016

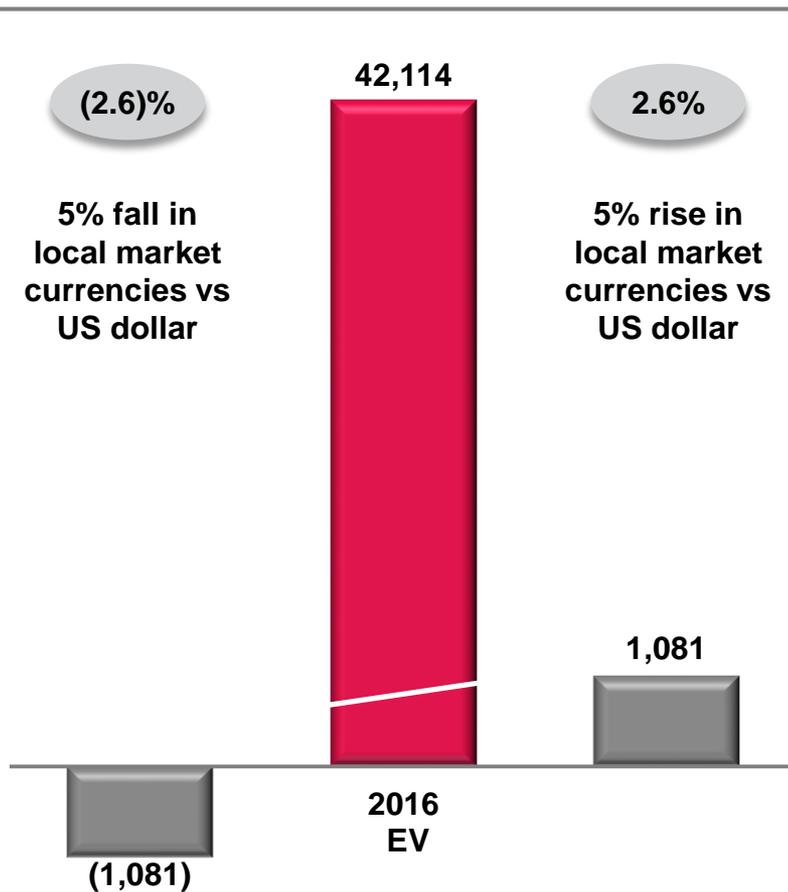


Note:
 (1) Weighted average interest rates by VIF of Hong Kong, Thailand, Singapore, China, Malaysia and Korea

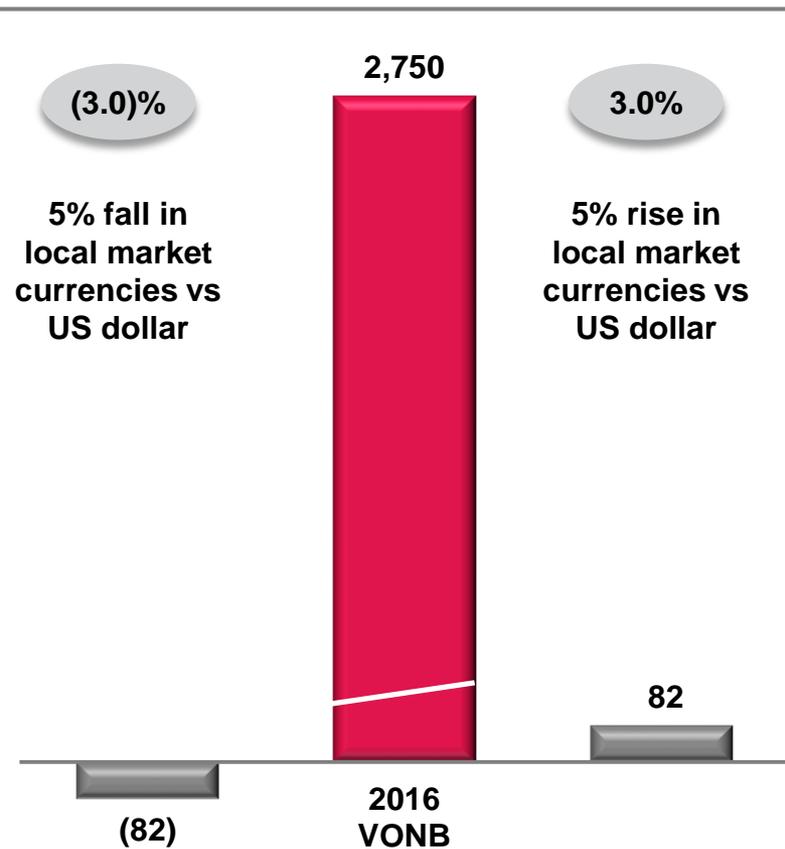
Currency Sensitivity



EV (\$m)



VONB (\$m)

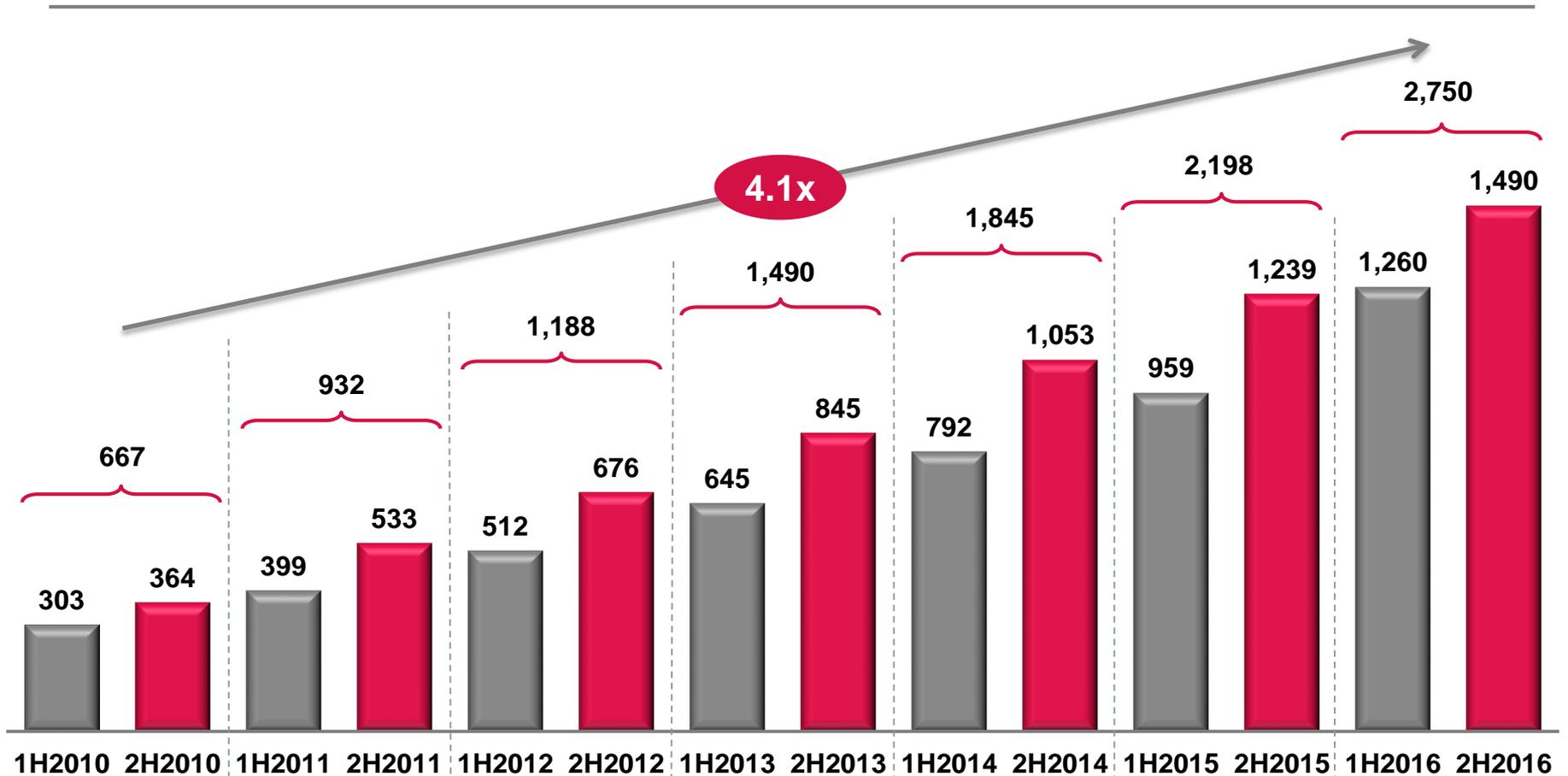


Note:
The currency sensitivities shown assume a constant Hong Kong dollar to US dollar exchange rate

Strong & Sustained Growth in Profitable New Business



VONB (\$m)



Growth

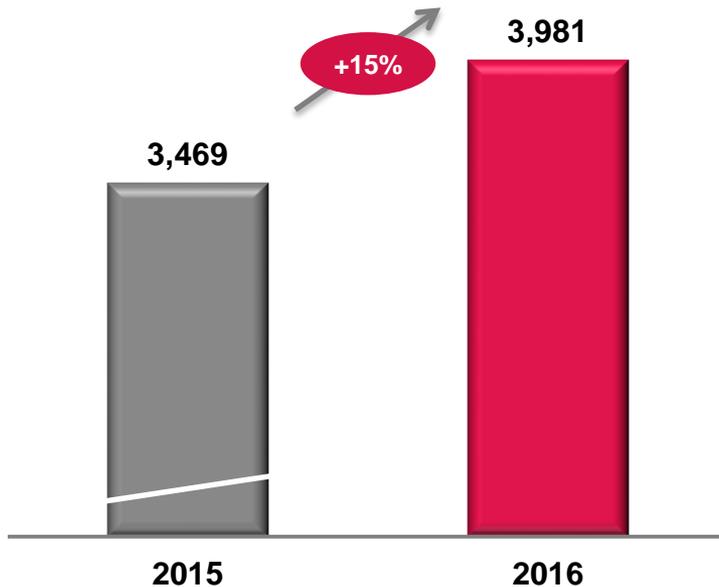
Earnings

Capital and Dividends

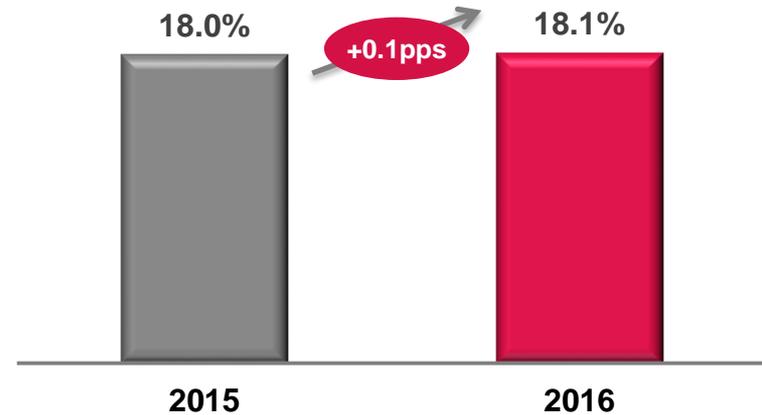
IFRS Operating Profit up 15%



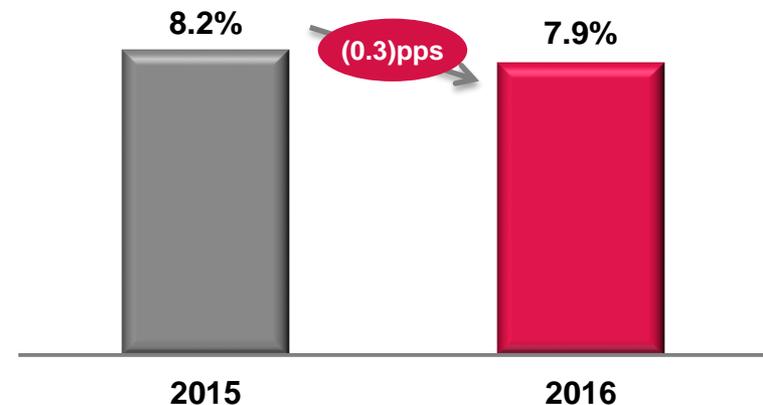
Operating Profit After Tax (\$m)



Operating Margin After Tax



Expense Ratio

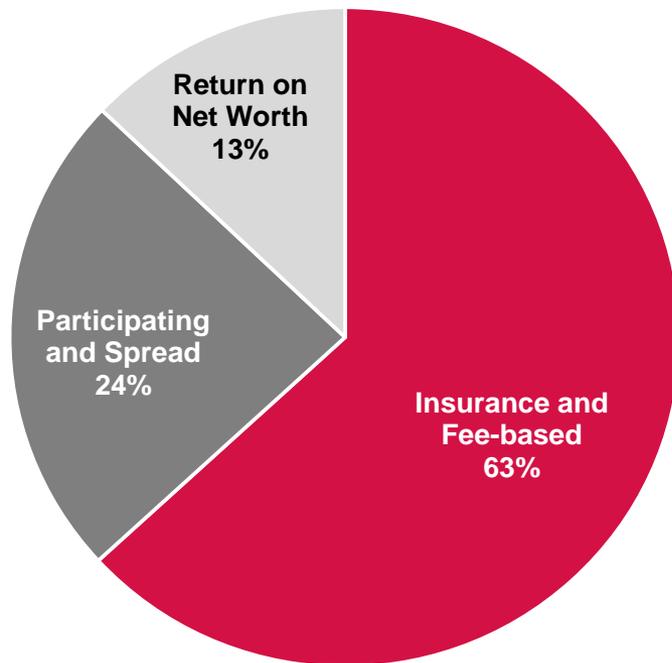


Note:
IFRS operating profit includes the expected long-term investment returns for equities and real estate. Operating profit after tax comparative is shown on a constant exchange rate basis

Resilient and Diversified Earnings



2016 Sources of IFRS Operating Profit⁽¹⁾



High-quality Business

- Balanced sources of earnings
- Majority insurance and fee-based profits
- Profitable new business mix
- Underpinned by focus on regular premiums and protection business
- Resilient across cycles

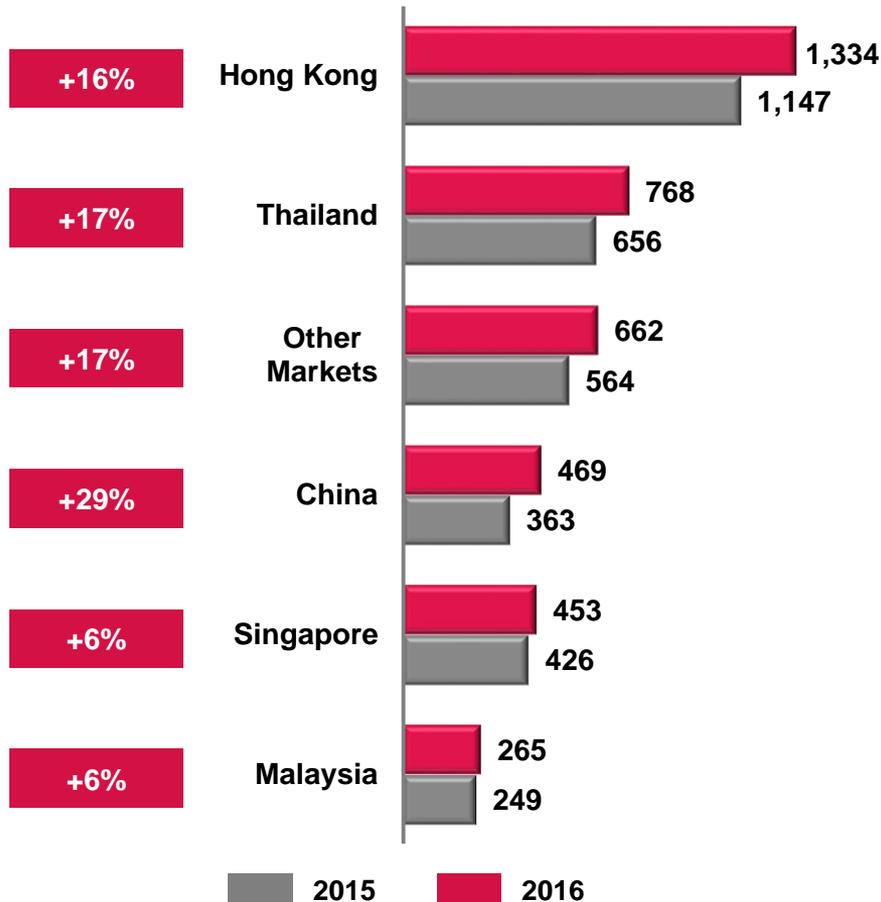
Note:

(1) Before Group Corporate Centre expenses; IFRS operating profit includes the expected long-term investment returns for equities and real estate

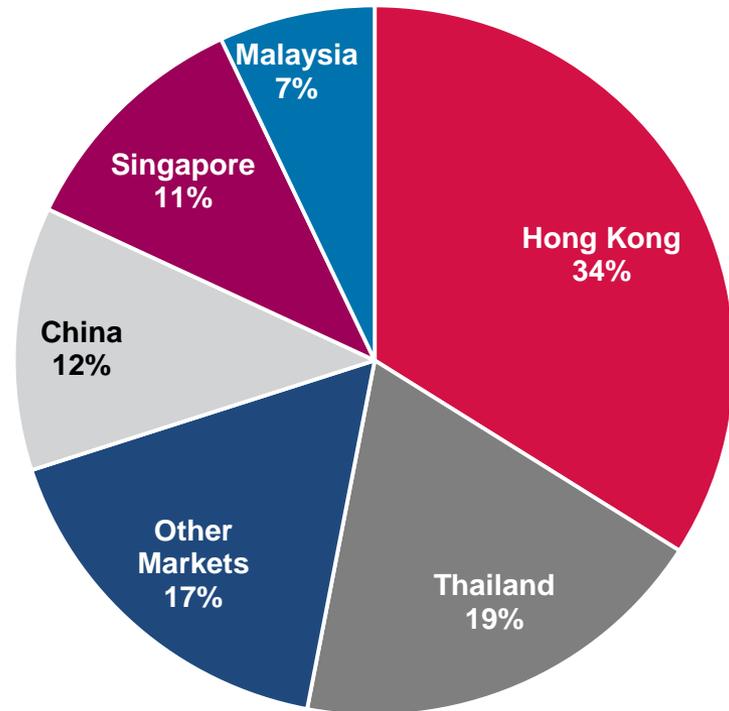
Profitable Growth – Delivered with Scale



OPAT (\$m)



2016 IFRS OPAT by Market Segment



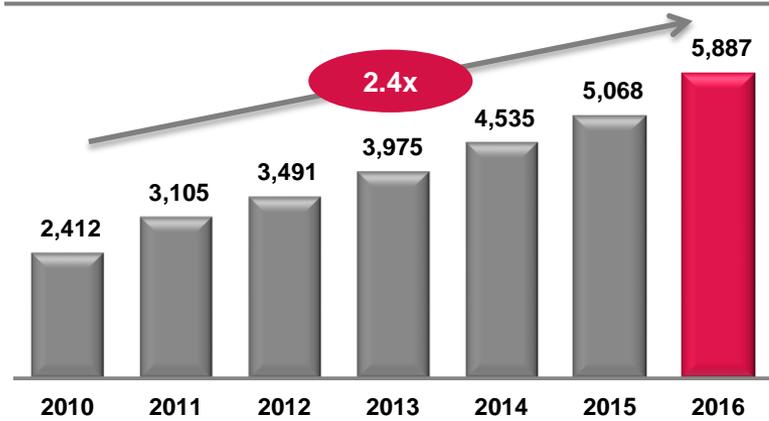
Note:
 Comparatives are shown on a constant exchange rate basis
 Other Markets include AIA's operations in Australia, Indonesia, Korea, New Zealand, the Philippines, Sri Lanka, Taiwan, Vietnam and India; Other Markets including Korea 1H2016 OPAT was \$324m

Strong ROEV and ROE Progression

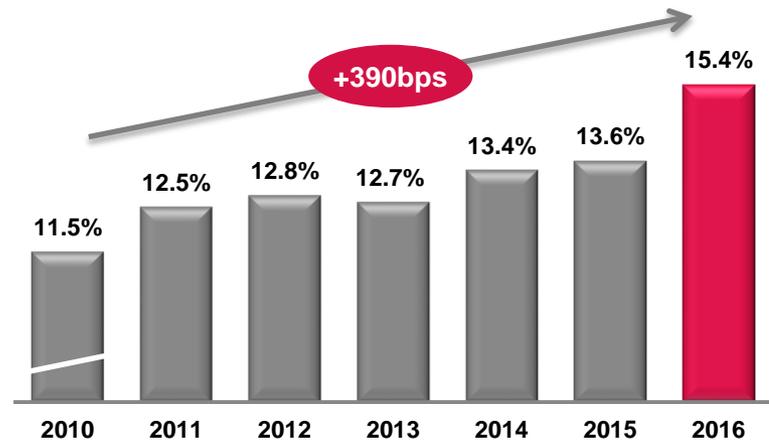


Profitable New Business Driving ROEV

EV Operating Profit (\$m)

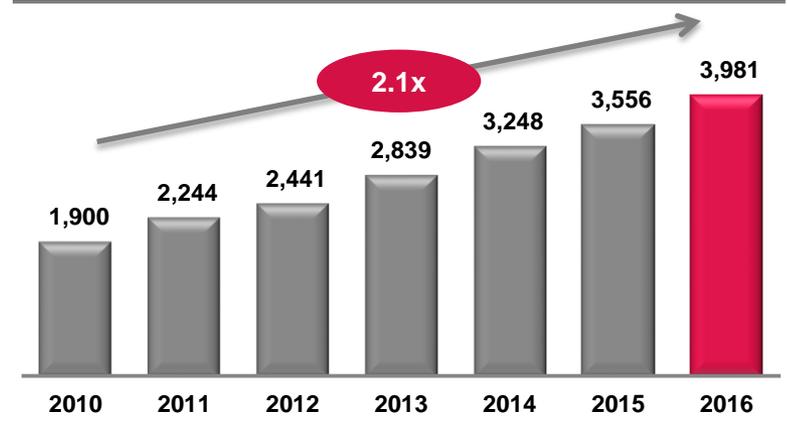


ROEV

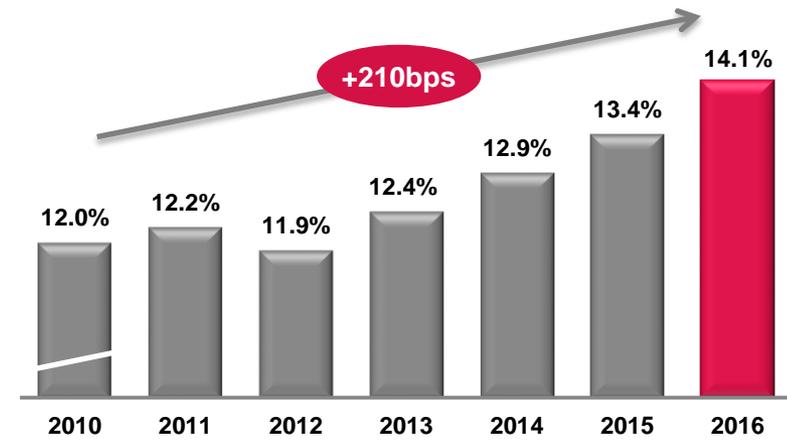


Generating Earnings & ROE Progression

OPAT (\$m)



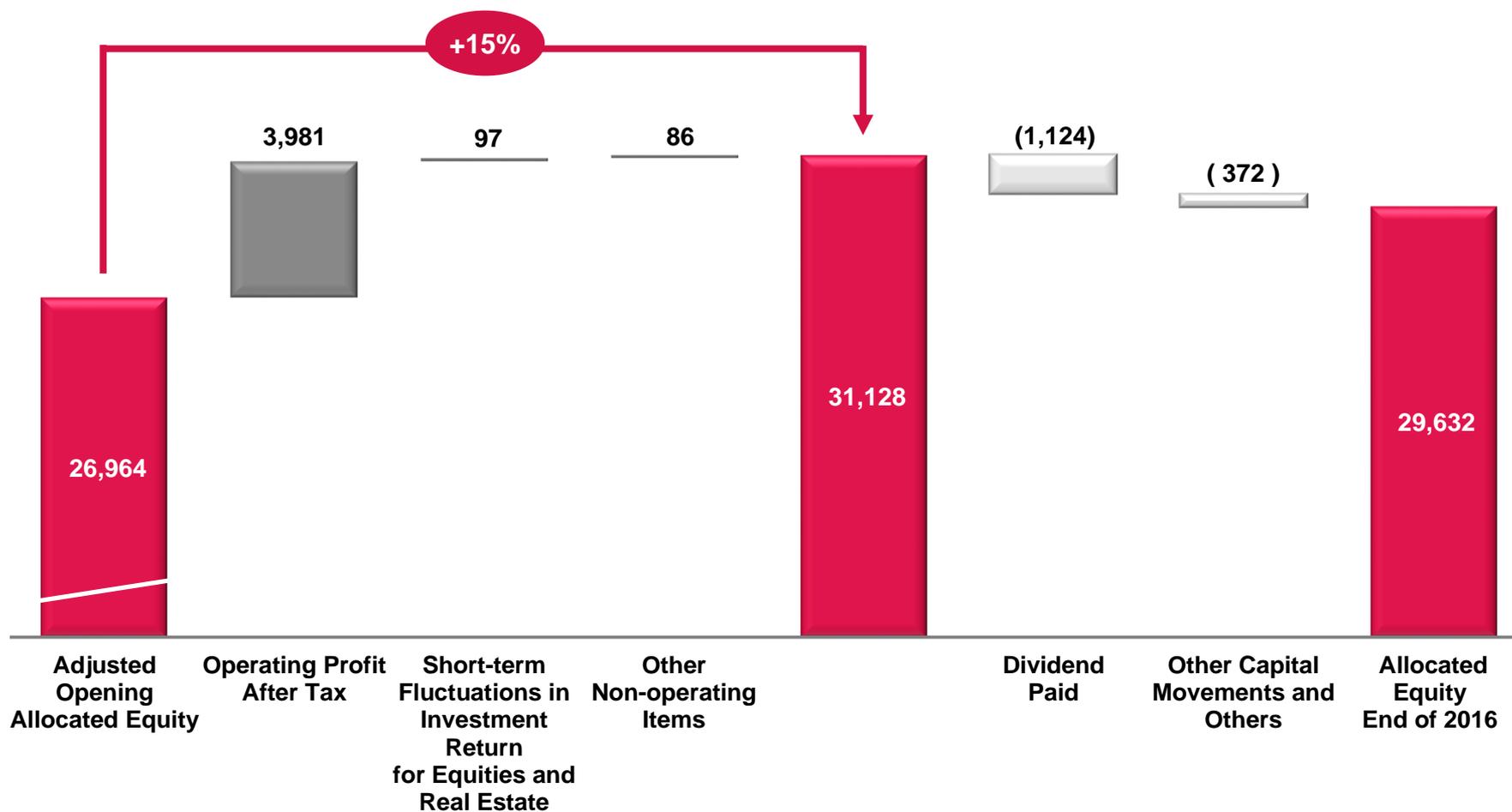
ROE



Allocated Equity Movement



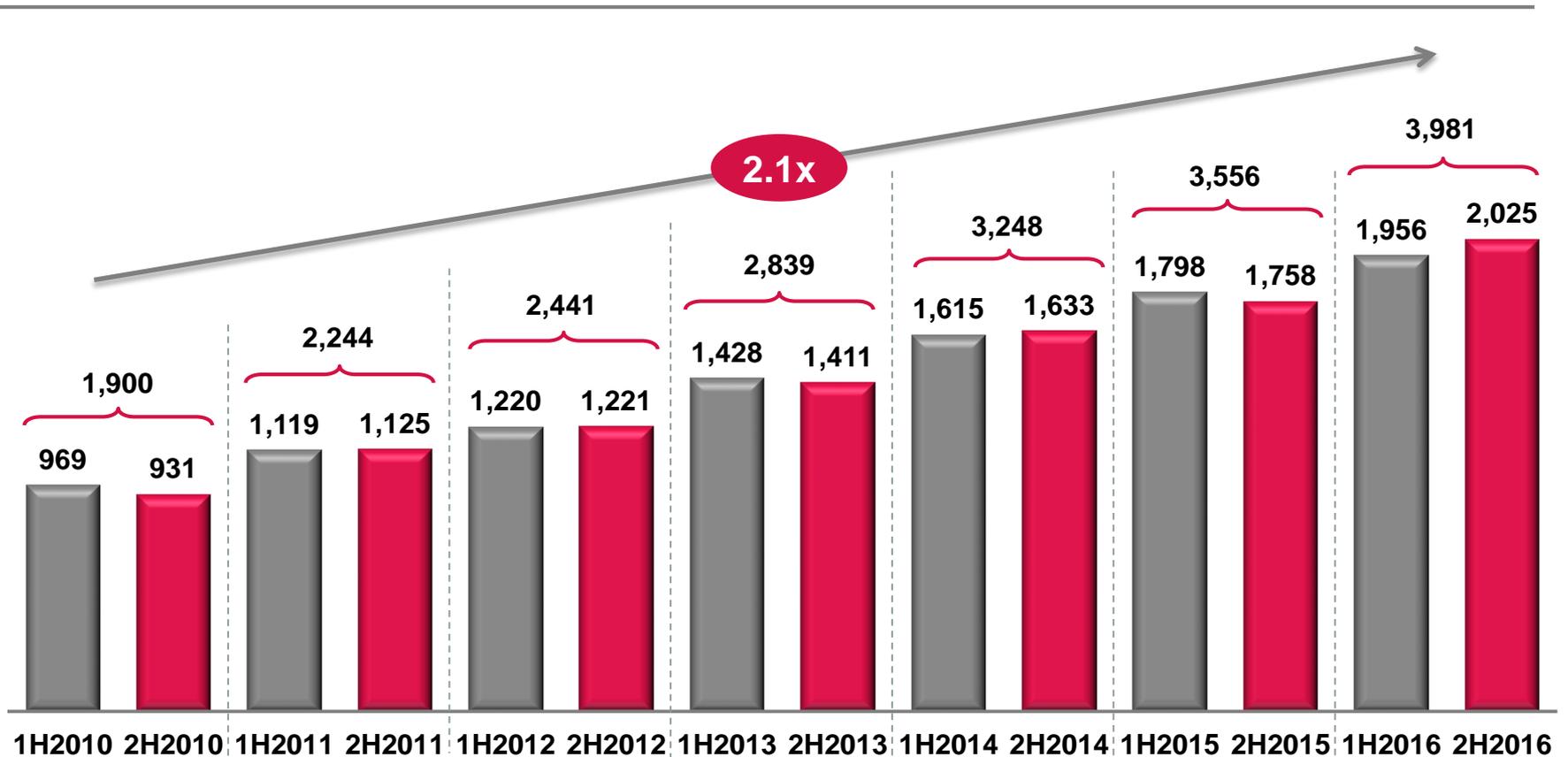
IFRS Shareholders' Allocated Equity Movement (\$m)



Strong and Sustained Earnings Growth



OPAT (\$m)



Growth

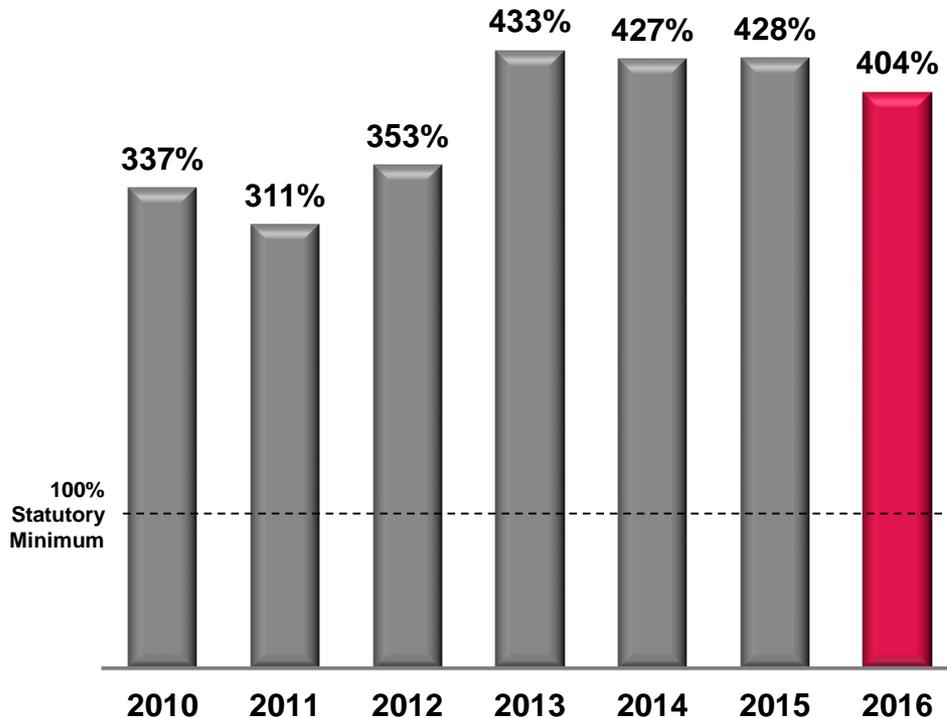
Earnings

Capital and Dividends

Solvency Ratio of 404% for AIA Co.



Solvency Ratio on HKICO Basis for AIA Co.



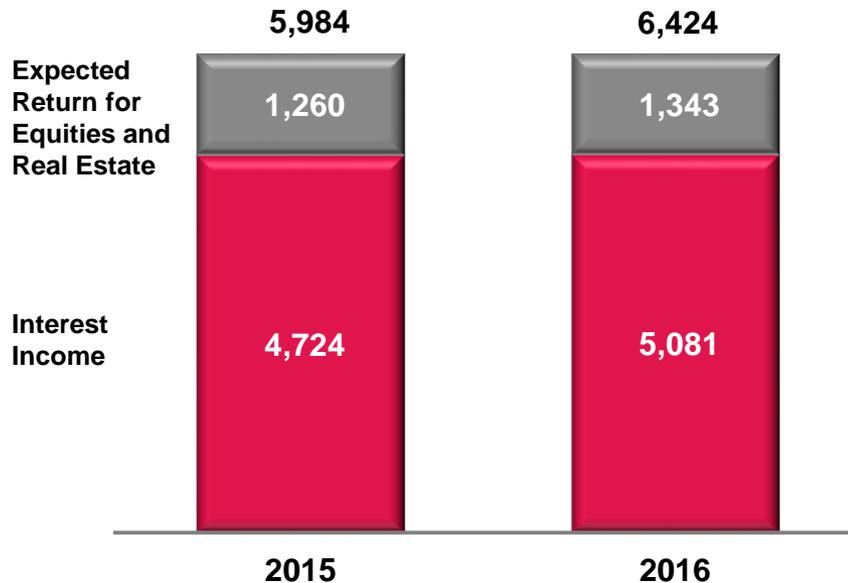
Ongoing Capital Strength

- Resilient solvency position
- Prudent HKICO reserves and capital
- Strong retained earnings
- Including the payment for the increased shareholding in Tata AIA in the first half
- AIA Co. S&P Rating of AA- and Moody's Rating of Aa3

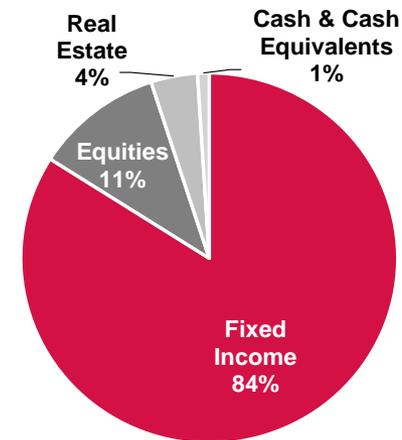
Conservative Investment Portfolio – Stable Yield



IFRS Operating Profit Investment Return (\$m)

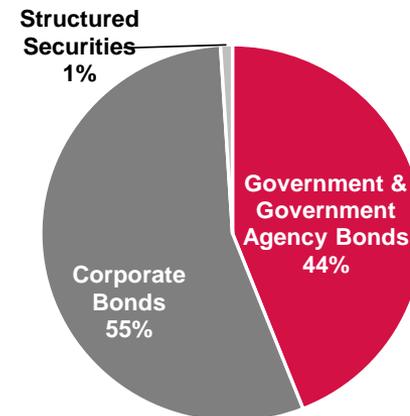


Total Investments of \$137b⁽²⁾



Total Bond Portfolio of \$109b⁽²⁾

Average Rating A



Fixed Income Yield⁽¹⁾

5.1%

4.9%

Actual Investment Return

4.6%

5.3%

Notes:

IFRS operating profit investment return comparatives are shown on a constant exchange rate basis

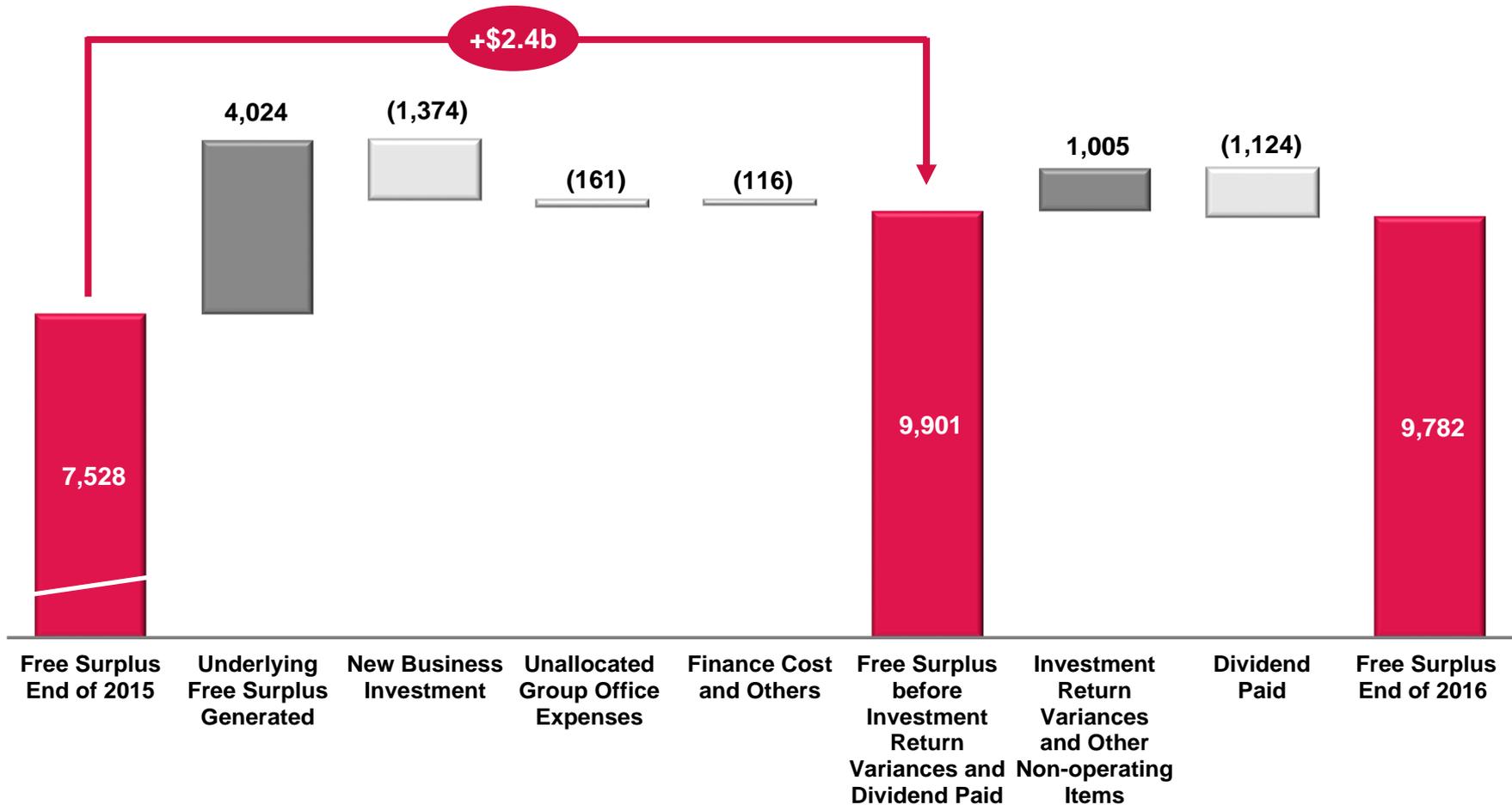
(1) Interest income from fixed income investments, as a percentage of average fixed income investments measured at amortised cost over the period. This excludes unit-linked contracts and consolidated investment funds

(2) As of 30 November 2016

Self-financed Growth at Attractive Returns



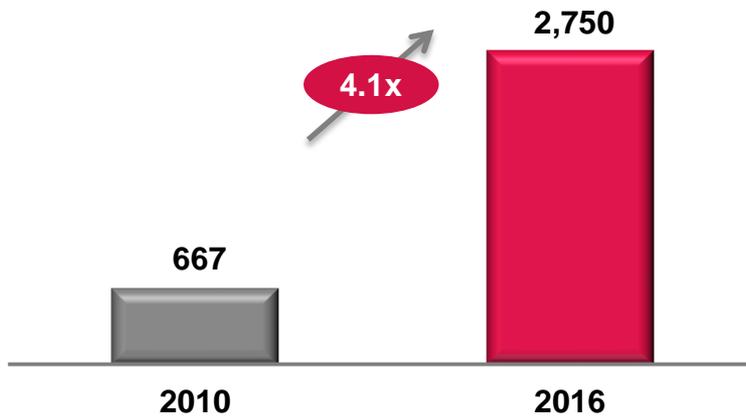
Free Surplus of \$9.8b on the HKICO Basis (\$m)



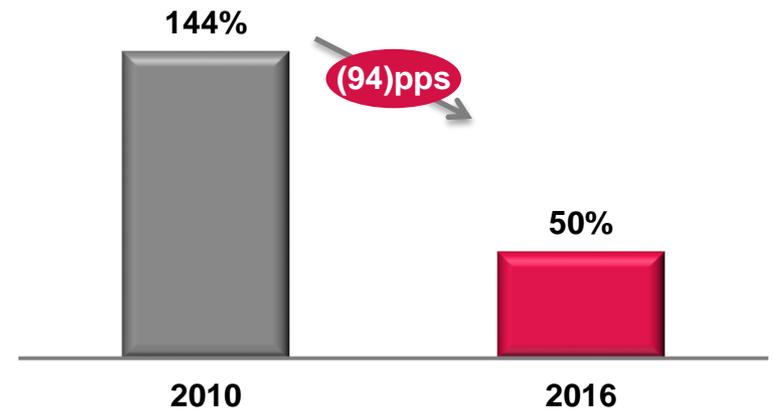
Increased Returns and Capital Efficiency Since IPO



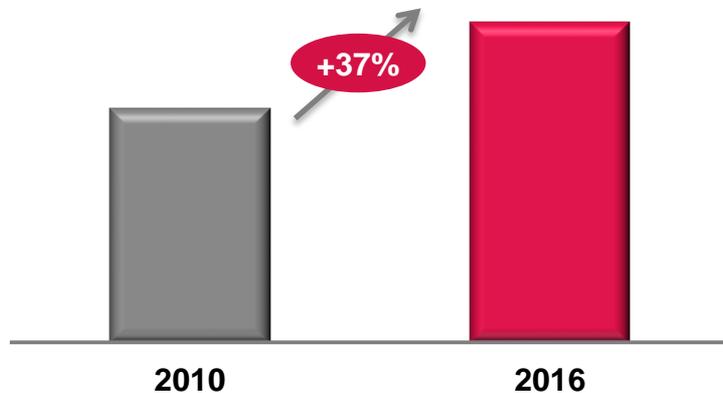
VONB (\$m)



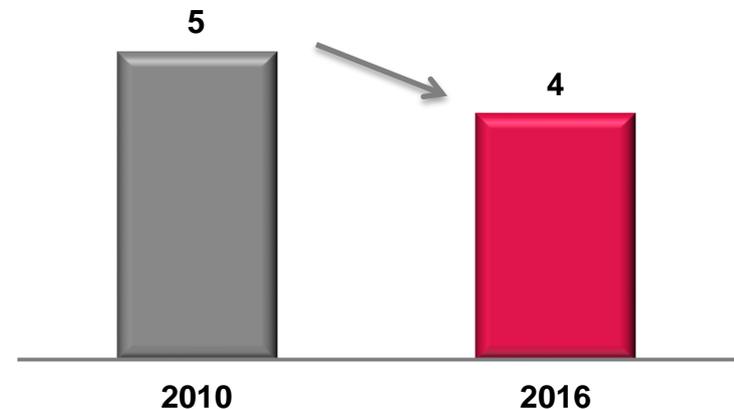
New Business Strain as % of VONB



IRRs Consistently Above 20%



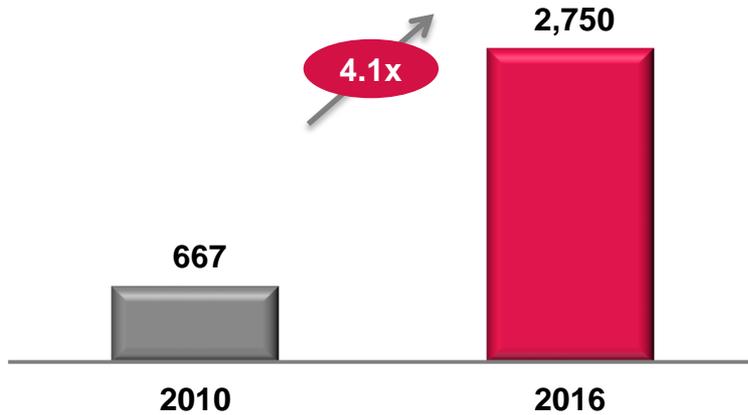
Decreasing Payback Periods (Years)



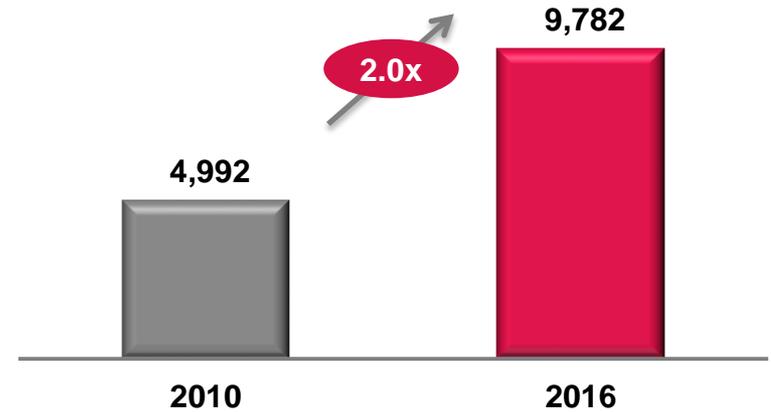
Disciplined Financial Management



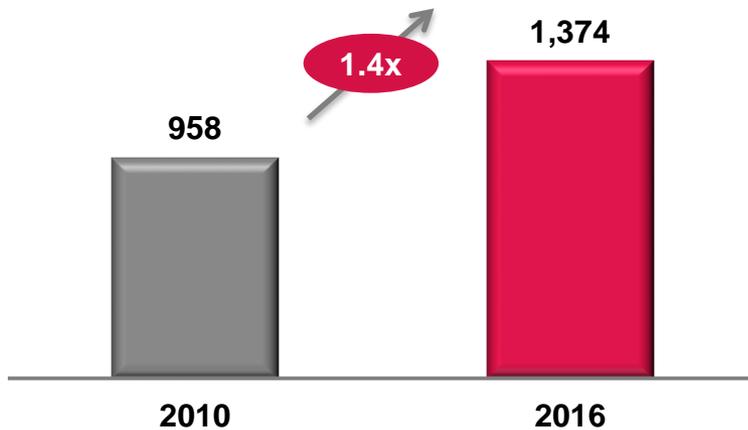
VONB (\$m)



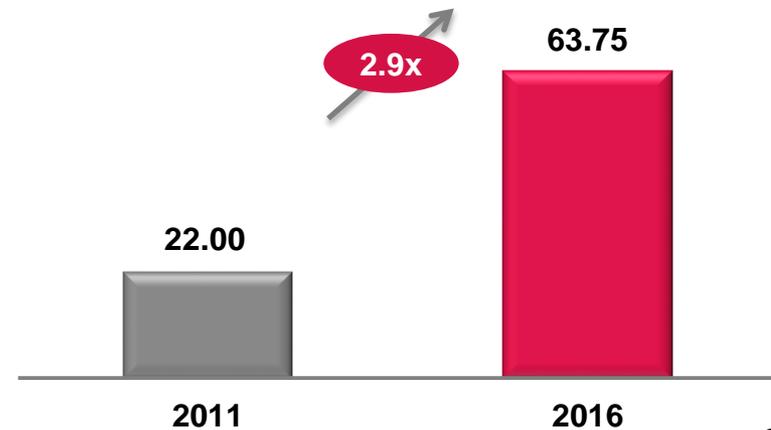
Free Surplus (\$m)



New Business Investment (\$m)



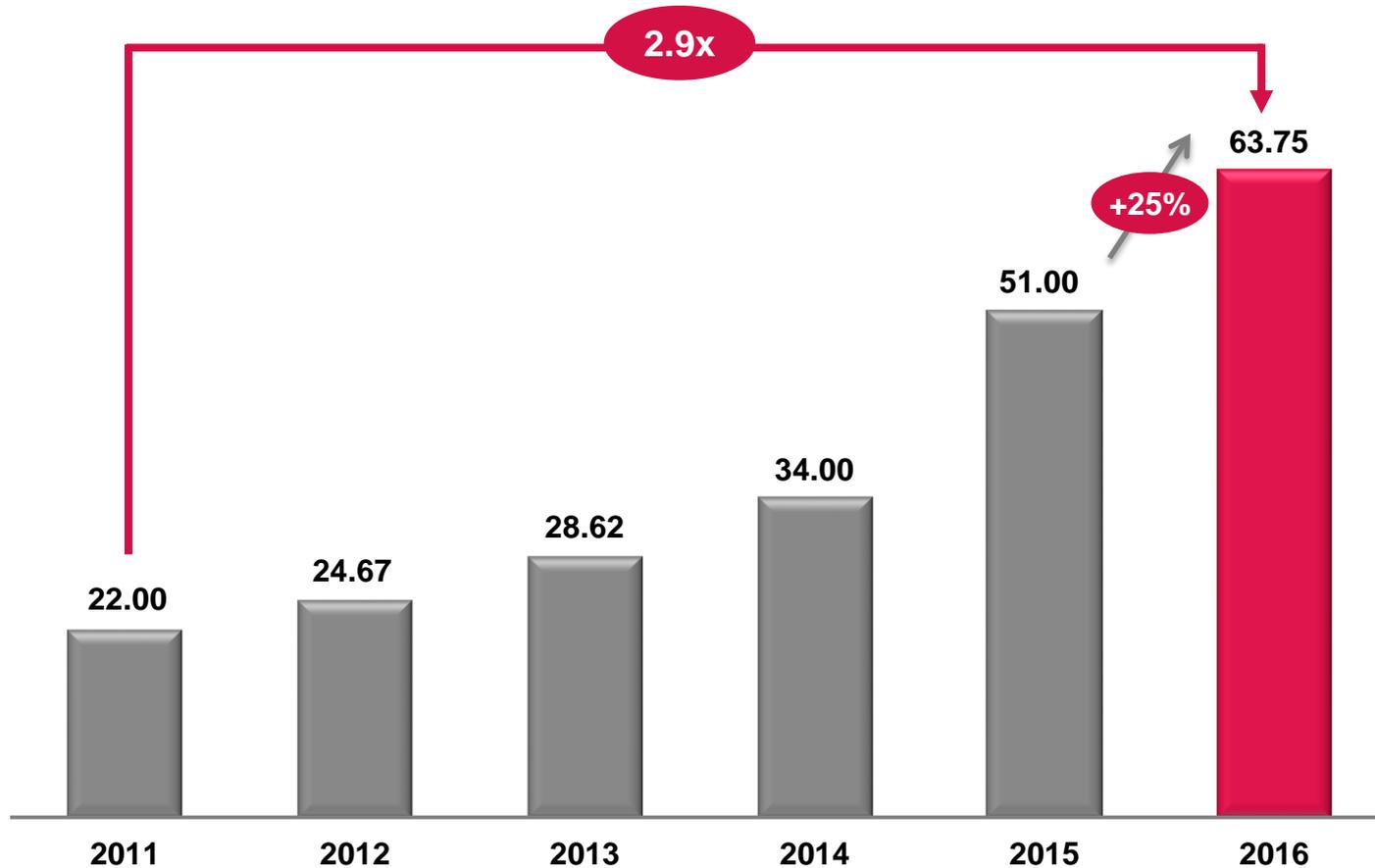
Final Dividend Per Share (HK cents)



Step Up in Final Dividend Per Share by 25%



Final Dividend Per Share (HK cents)



2016 Financial Results Summary



Growth

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

Earnings

- Strong growth in IFRS operating profit
 - Increased ROE over time
 - Diversified and large-scale sources of earnings
-

Capital & Dividends

- Substantial cash and capital generation
- Resilient solvency position
- Further step up in final dividend

Gordon Watson
Regional Chief Executive



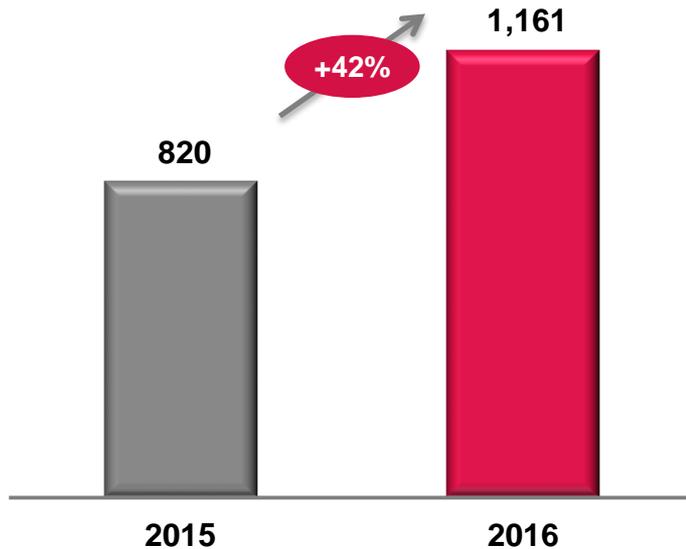
THE REAL LIFE
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Hong Kong: Another Excellent Performance



VONB (\$m)



ANP (\$m) 1,263

2,294

VONB Margin 62.0%

48.8%

■ Premier Agency

- Delivered excellent VONB growth
- New recruits up 21%
- Two-thirds of new recruits aged 35 or below
- Registered MDRT members up over 60%

■ Profitable Partnerships

- Significant VONB growth
- Strong contribution from IFA channel
- VONB from Citibank doubled

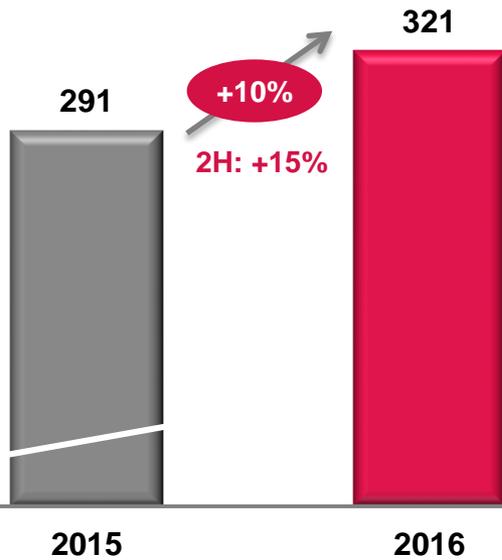
■ Products and Customers

- More than 90% of ANP from regular premium
- Take-up of *AIA Vitality* integrated products exceeded 75%

Other Markets: Delivered Solid Overall Growth



VONB (\$m)



Australia

- Double-digit VONB growth
- #1 ranked in IFA individual life market
- Continued strong growth in group insurance

Indonesia

- Double-digit agency VONB growth
- Focus on quality recruitment and agency activity
- Positive product mix shift in bancassurance

Philippines

- 2H VONB up more than 20% over 1H
- Launched new agency branch model
- #1 ranked in bancassurance market

Vietnam

- Excellent VONB growth
- Expanded innovative agency branch model
- Active agents up more than 20%

ANP (\$m)

981

969

VONB Margin

29.6%

32.9%

Note:

Comparatives are shown on a constant exchange rate basis; Other Markets include AIA's operations in Australia, Indonesia, Korea, New Zealand, the Philippines, Sri Lanka, Taiwan and Vietnam; Other Markets including Korea 1H2016 VONB was \$136m



AIA Vitality

0 says healthy can't be tasty?

THE AIA VITALITY TAKEOUT

Bill Lisle

Regional Chief Executive

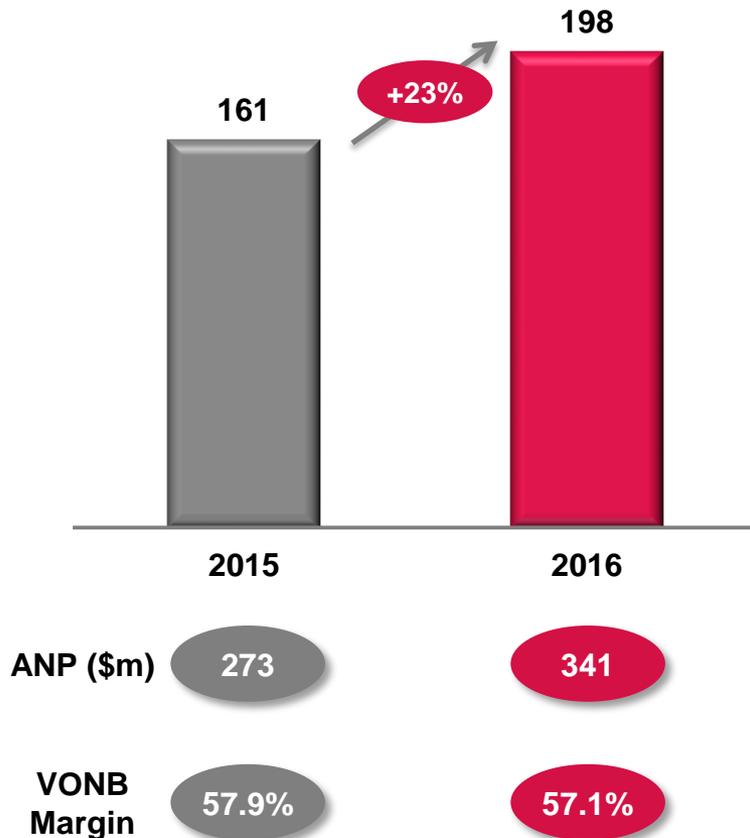


THE REAL LIFE COMPANY

Malaysia: Delivering Excellent Growth



VONB (\$m)



■ Premier Agency

- Quality recruitment and agency development
- Active new agents up 25%
- Active agent productivity up more than 20%
- 90% of new business submissions via iPoS
- Agency Takaful ANP up 90%

■ Profitable Partnerships

- Double-digit VONB growth from Public Bank

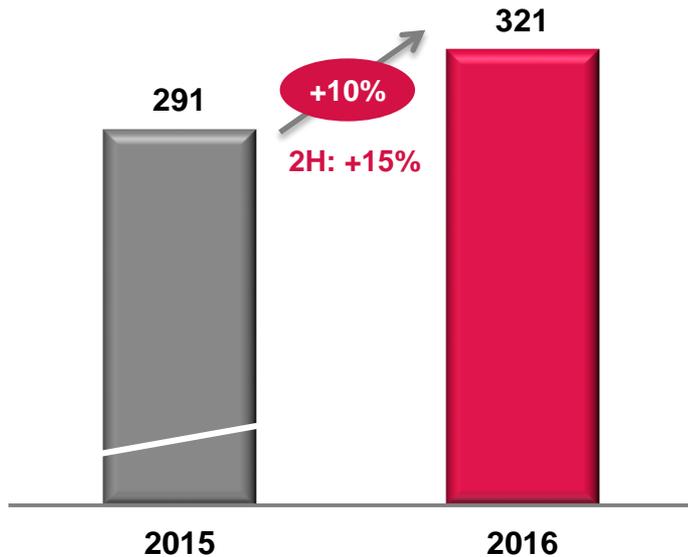
■ Products and Customers

- New mobile underwriting technology
- Launched *AIA Vitality* in June

Other Markets: Delivered Solid Overall Growth



VONB (\$m)



Korea

- Positive VONB momentum over 2H
- Clear focus on strengthening quality distribution and provision of protection products
- OPAT up 10%

Sri Lanka

- Excellent VONB growth
- Implementation of Premier Agency strategy and e-payment platform
- New long-term exclusive bancassurance partnership with DFCC Bank

India

- Focus on protection gap opportunity
- Strong and selective agency platform
- Market-leading persistency
- Profitable bancassurance

ANP (\$m)

981

969

VONB Margin

29.6%

32.9%

Note:

Comparatives are shown on a constant exchange rate basis; Other Markets include AIA's operations in Australia, Indonesia, Korea, New Zealand, the Philippines, Sri Lanka, Taiwan and Vietnam; Other Markets including Korea 1H2016 VONB was \$136m



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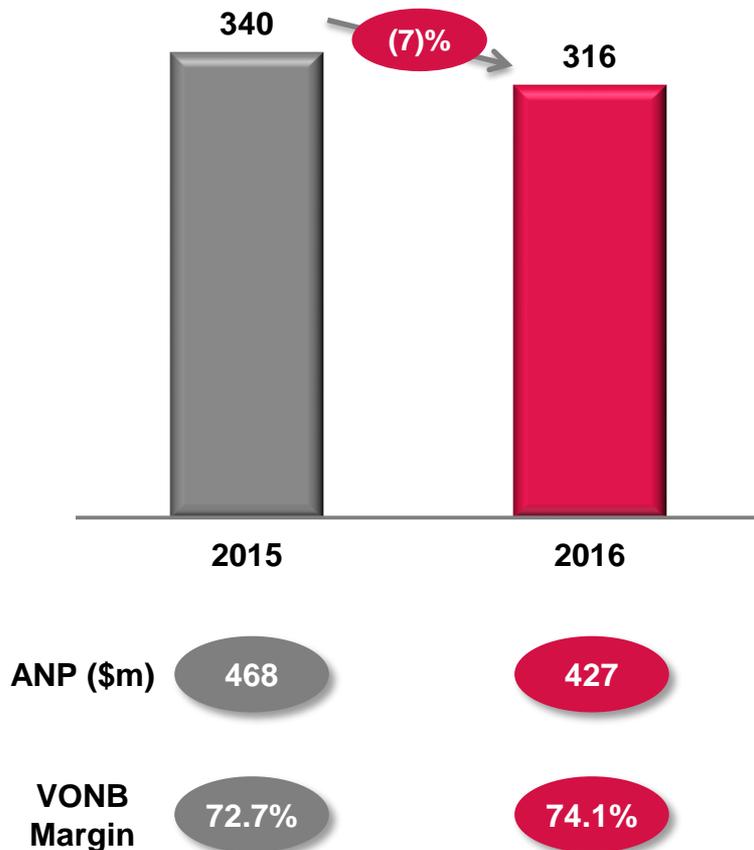


Ng Keng Hooi
Regional Chief Executive

Singapore: Strong Agency VONB Growth



VONB (\$m)



▪ Premier Agency

- Double-digit agency VONB growth
- #1 MDRT in Singapore
- MDRT qualifiers up 30%
- 80% of new business submissions via iPoS

▪ Profitable Partnerships

- Solid progress from Citibank
- Lower single premium broker sales

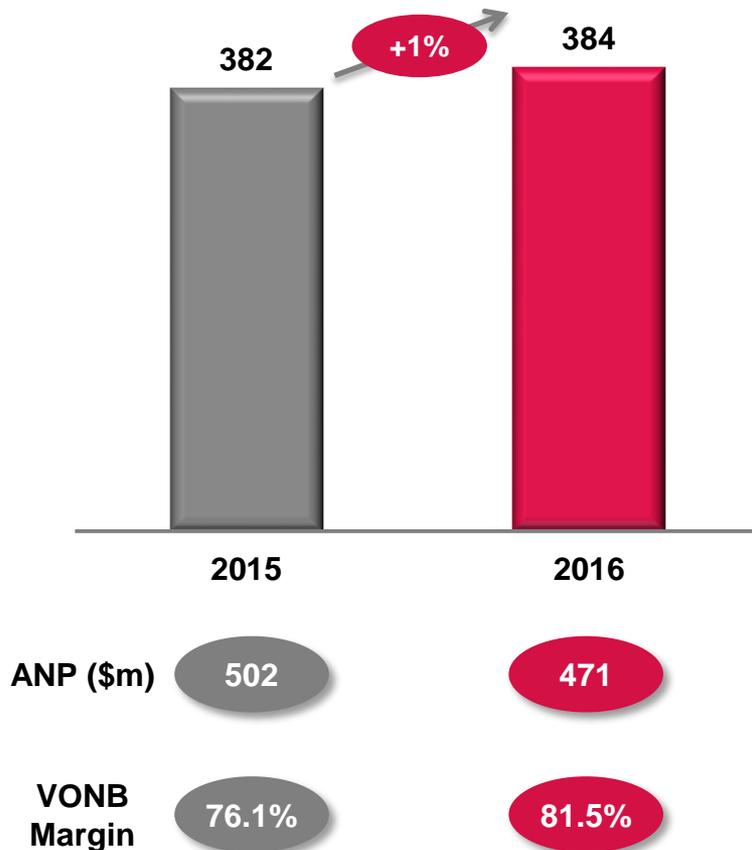
▪ Products and Customers

- VONB from regular premium up 16%
- #1 in protection market
- *AIA Vitality* integrated product VONB up 70%

Thailand: Stable Results



VONB (\$m)



■ Premier Agency

- Recruitment and training programmes targeting young, highly-educated candidates
- Financial Adviser programme recruits up 35%
- Unit-linked licensed agents up 43%
- Around 90% share of unit-linked market
- #1 MDRT in Thailand

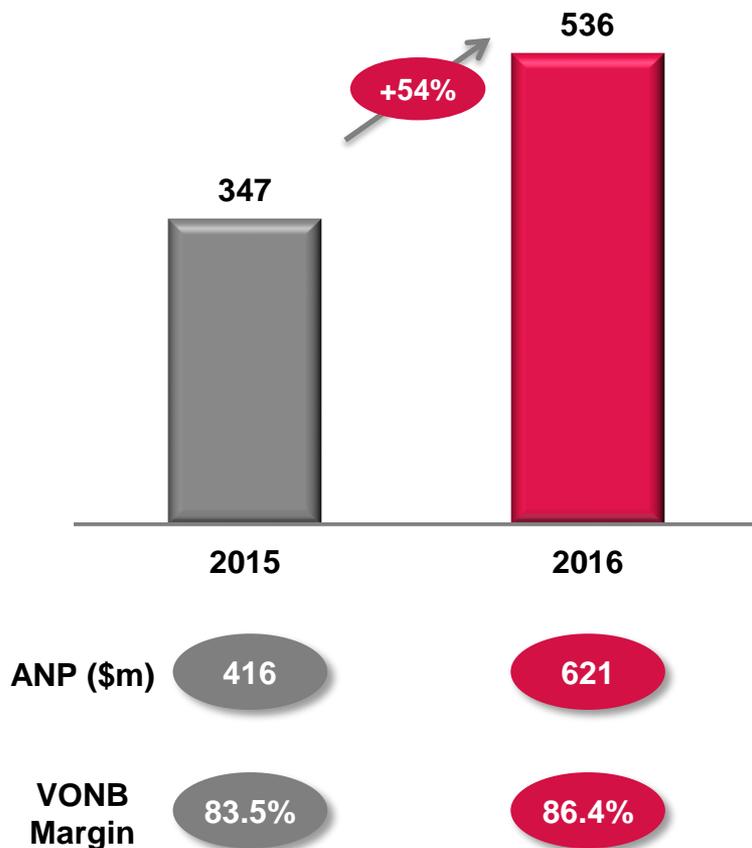
■ Products and Customers

- Leader in the protection market
- 97% of ANP from regular premium
- Launched *AIA Vitality* in June

China: Sustained Outperformance



VONB (\$m)



■ Premier Agency

- Differentiated distribution strategy
- Focus on quality recruitment, training and leadership development
- New recruits up more than 50%
- New agent productivity up over 20%
- Active agents up more than 50%

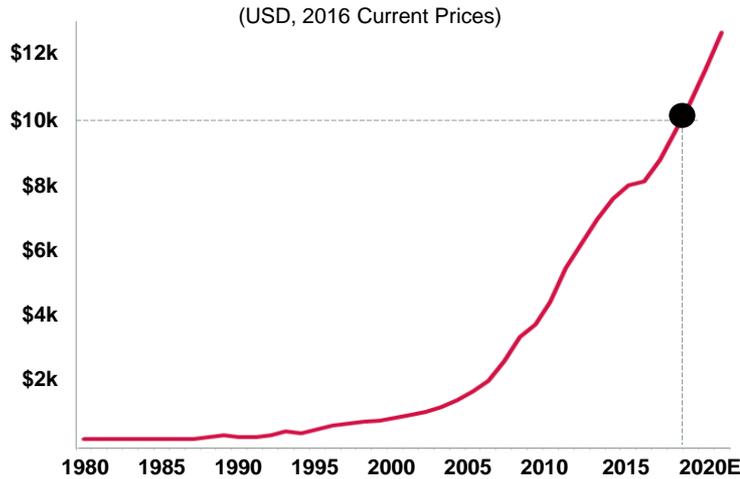
■ Products and Customers

- Vast majority of earnings from insurance profits
- Launched high-end protection products targeting rapidly growing affluent segment
- Positioned as the protection provider of choice

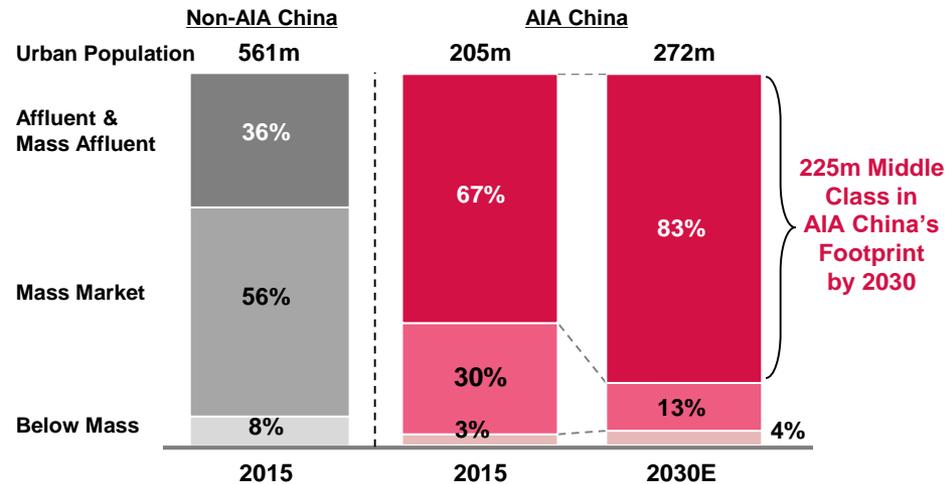
AIA China's Unprecedented Growth Potential



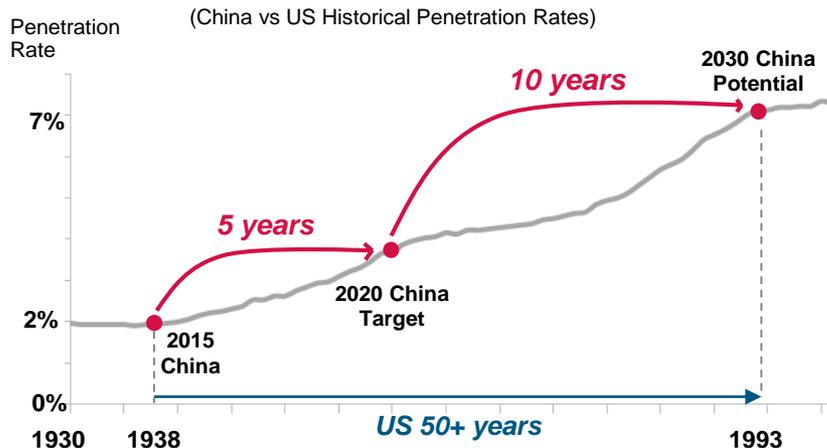
Rapidly Rising GDP per Capita



Larger and Wealthier Middle Class



China's Increasing Penetration Rate



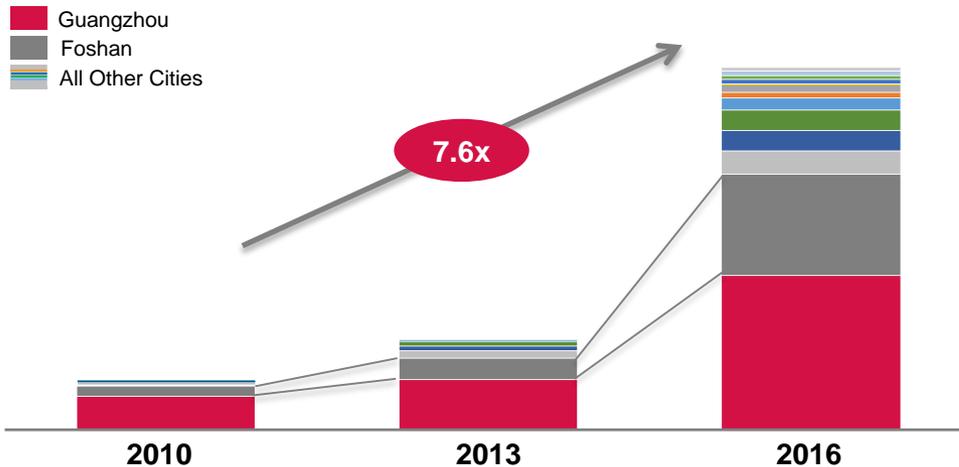
AIA China's Unprecedented Growth Potential

- China GDP per capita set to reach \$10,000 in 2019
- Rising wealth and disposable incomes are driving increasing insurance penetration – led by Guangdong and Jiangsu
- Insurance penetration doubled since 2000 and is set to nearly double again by 2020 – to reach 7% by 2030
- There will be 87m new affluent consumers in AIA China's footprint by 2030 – reaching a total of 225m

AIA China: Guangdong Example



AIA Guangdong Agency VONB Growth



AIA Guangdong's Significant Potential

- Guangdong is the largest economy in China at \$1.2trn – with GDP per capita of \$11,000
- AIA Guangdong currently covers 14 cities
- Life insurance growth has been led by the largest urban centres of Guangzhou and Foshan
- Other cities are now seeing significant take up – 12 are growing sales faster than Foshan in 2013

AIA Guangdong VONB by City



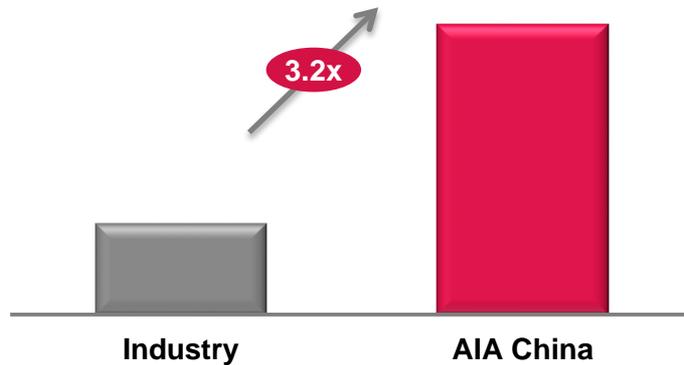
Note:
AIA Guangdong is shown excluding AIA's presence in Shenzhen

AIA China: Differentiated Strategy and Execution

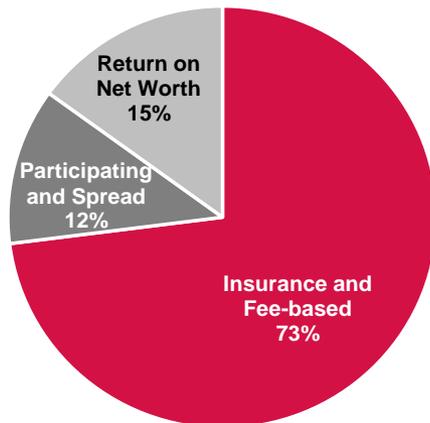


Differentiated Distribution & Product Strategy

VONB per Agent⁽¹⁾

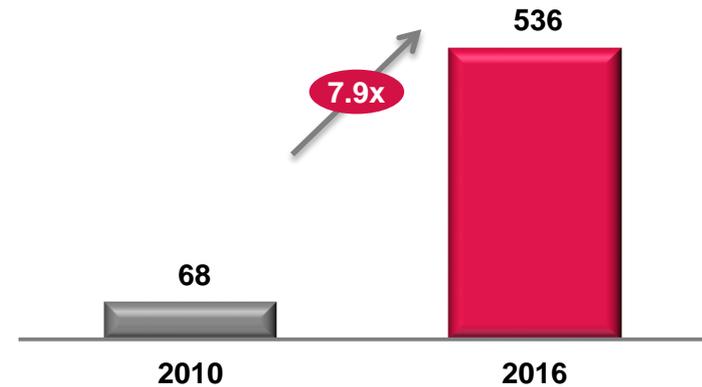


Source of IFRS Operating Profit

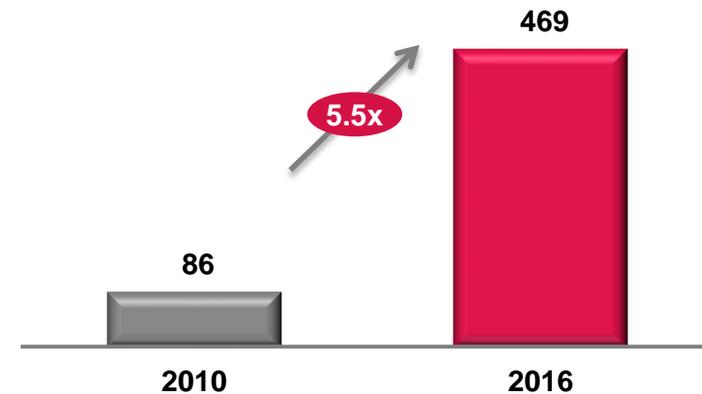


Sustained Outperformance

VONB (\$m)



OPAT (\$m)



Note:

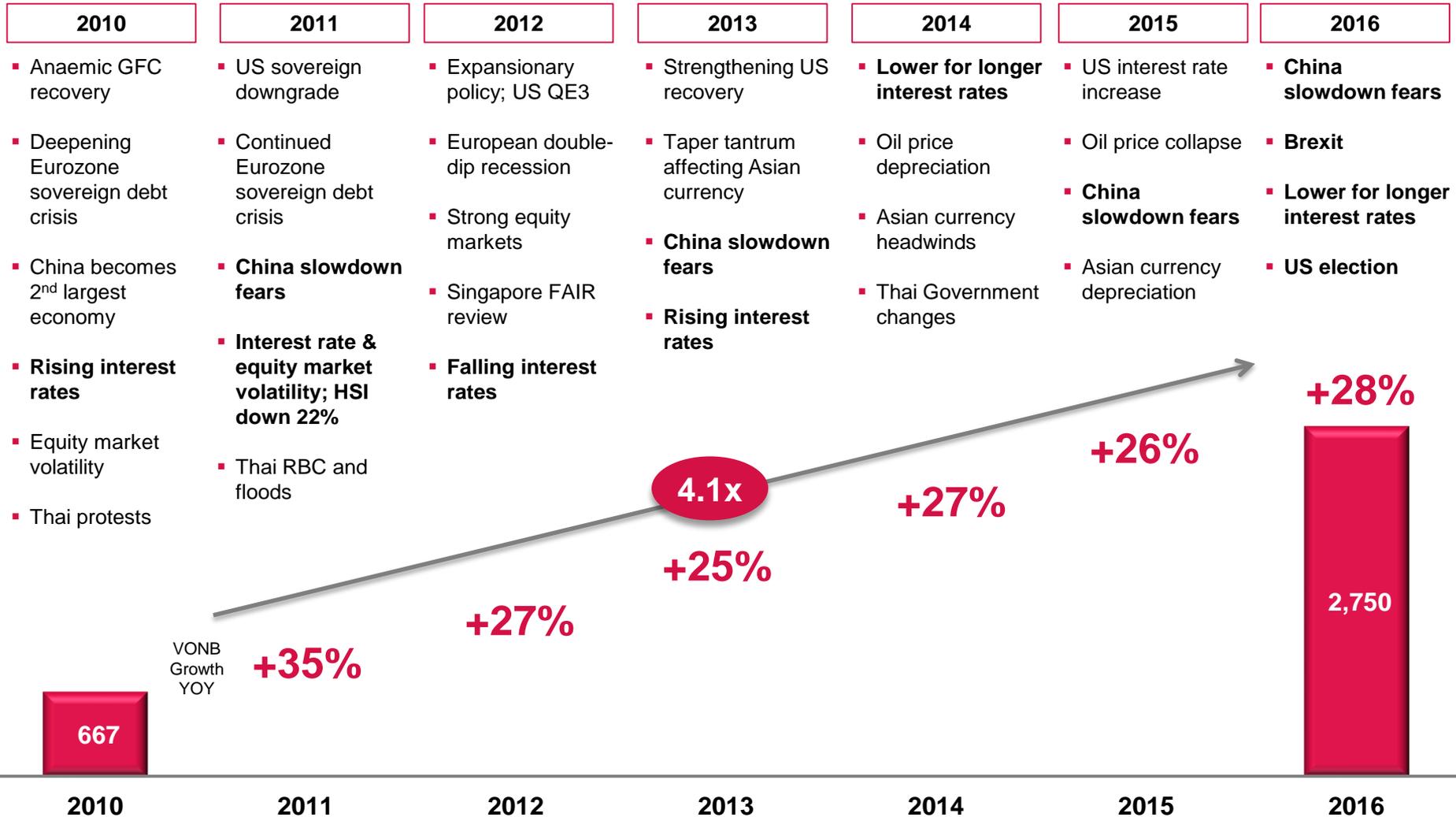
(1) For the period 1H2016; Industry statistics based on company reports

Mark Tucker

Group Chief Executive



Sustained Delivery Through Market Cycles



Note:
Chart shows VONB (\$m); Year-on-year growth is shown on a constant exchange rate basis



- **Unprecedented long-term structural growth drivers**
- **Advantaged platform and clear strategy**
- **Experienced and proven management team**
- **Strong financial discipline**
- **Consistent, sustainable execution**

Q&A Session



Definitions and Notes



- Actual investment return is the interest income from fixed income investments and actual investment returns of equities and real estate, as a percentage of average fixed income investments, equities and real estate over the period. This excludes unit-linked contracts and consolidated investment funds.
- Annualised new premiums (ANP) excludes pension business.
- Change on constant exchange rates is calculated using constant average exchange rates for 2016 and for 2015 other than for balance sheet items that use constant exchange rates as at 30 November 2016 and as at 30 November 2015.
- EV Equity is the total of embedded value, goodwill and other intangible assets attributable to shareholders of the Company.
- Fixed income yield is the interest income from fixed income investments, as a percentage of average fixed income investments measured at amortised cost over the period. This excludes unit-linked contracts and consolidated investment funds.
- Free surplus is the excess of the market value of AIA's assets over the sum of the statutory liabilities and the minimum regulatory capital. For branches of AIA Co. and AIA International, the statutory liabilities are based on HKICO statutory accounting while the required capital is based on 100% of Hong Kong statutory minimum solvency margin for non-Hong Kong branches and 150% for the Hong Kong business of AIA Co. and AIA International respectively.
- Hong Kong refers to operations in Hong Kong and Macau; Singapore refers to operations in Singapore and Brunei; and Other Markets refers to operations in Australia, Indonesia, Korea, New Zealand, the Philippines, Sri Lanka, Taiwan, Vietnam and India. The results of our joint venture in India are accounted for using the equity method. For clarity, TWPI, ANP and VONB exclude any contribution from India.
- IFRS operating profit after tax (OPAT), net profit and IFRS shareholders' equity are shown post minorities.
- IFRS operating profit includes the expected long-term investment returns for equities and real estate.
- Investment return and composition of investments exclude unit-linked contracts and consolidated investment funds.
- Investment return is defined as investment income with the addition of realised and unrealised gains and losses as a percentage of average investments excluding property held for own use.
- Investments include financial investments, investment property, property held for own use, and cash and cash equivalents. Investment property and property held for own use are at fair value.
- PVNBP margin stands for margin on a present value of new business premium basis.
- Shareholders' allocated equity is total equity attributable to shareholders of the Company less fair value reserve.
- TWPI consists of 100% of renewal premiums, 100% of first year premiums and 10% of single premiums, before reinsurance ceded.
- 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.
- $VONB \text{ margin} = VONB / ANP$. VONB for the margin calculations exclude 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 requirements, before the deduction of unallocated Group Office expenses and exclude pension business.
- VONB and VONB margin by geographical market are based on local statutory reserving and capital requirements, before the deduction of unallocated Group Office expenses.

APPENDIX



THE REAL LIFE
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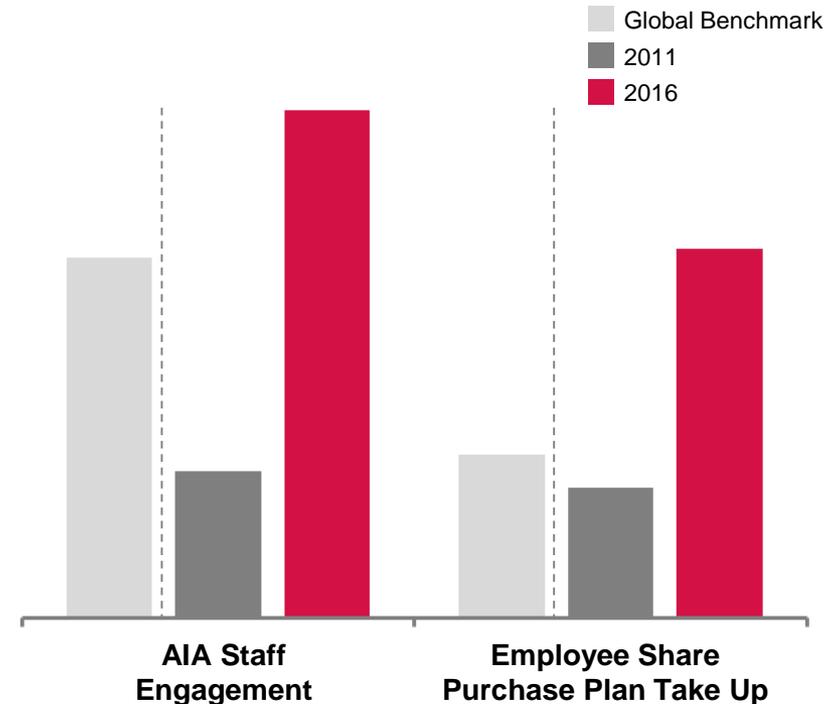
People – Our Sustainable Competitive Advantage



Our People

- Experienced management team with strong track record of execution
- Local leaders responsible for decisions on the ground
- Committed to attracting, developing and retaining the best people in Asia
- High engagement levels as measured by Gallup and Employee Share Purchase Plan (ESPP) participation
- **AIA Leadership Centre** in Thailand providing best-in-class development
- **#1 in MDRT worldwide** for two consecutive years
- Awarded '**Best Employer 2016**' by Aon in the Asia-Pacific Region

Staff Engagement and Share Purchase Plan Take Up



BESTEMPLOYERS

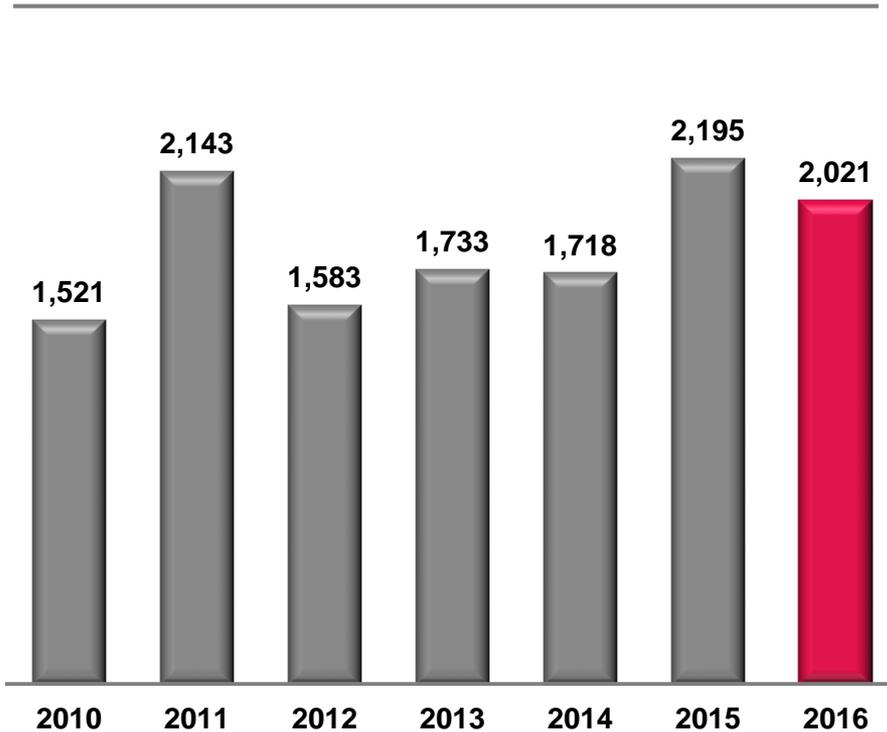
ASIA PACIFIC | 2016



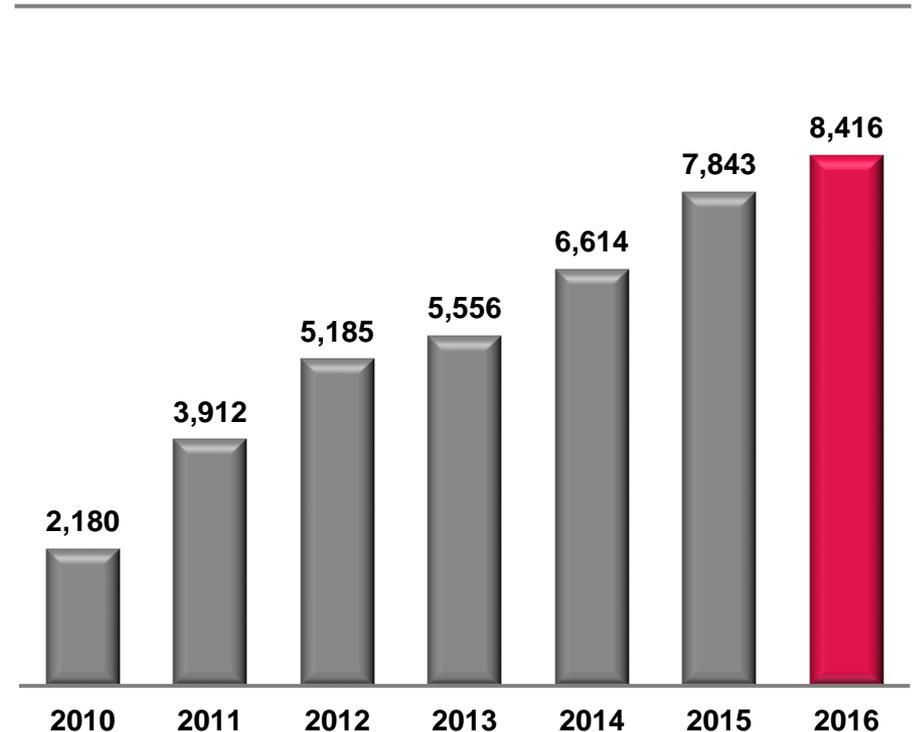
Capital Fungibility



Net Funds Remitted to Group (\$m)



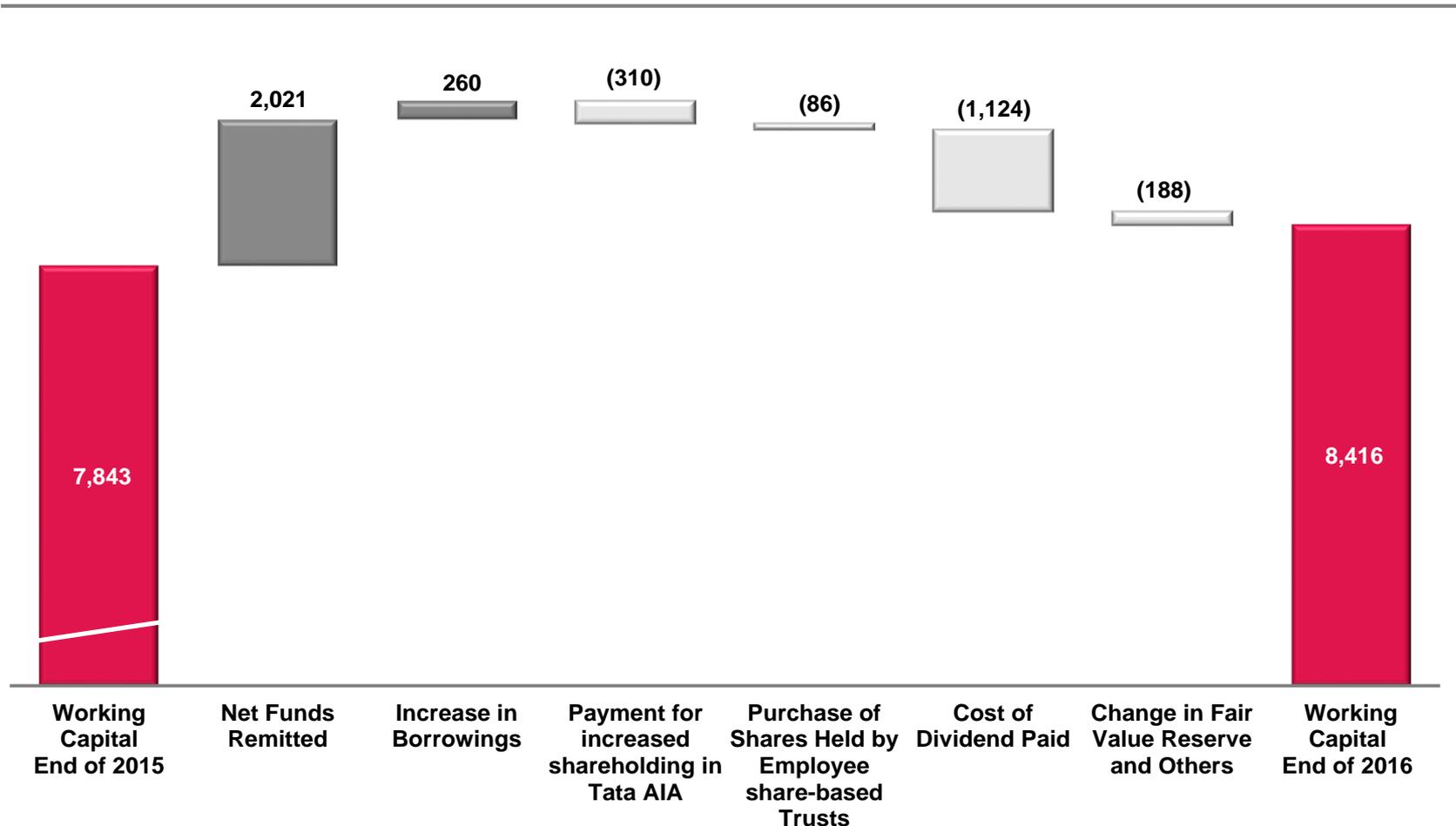
Group Working Capital (\$m)



2016 Working Capital Movement



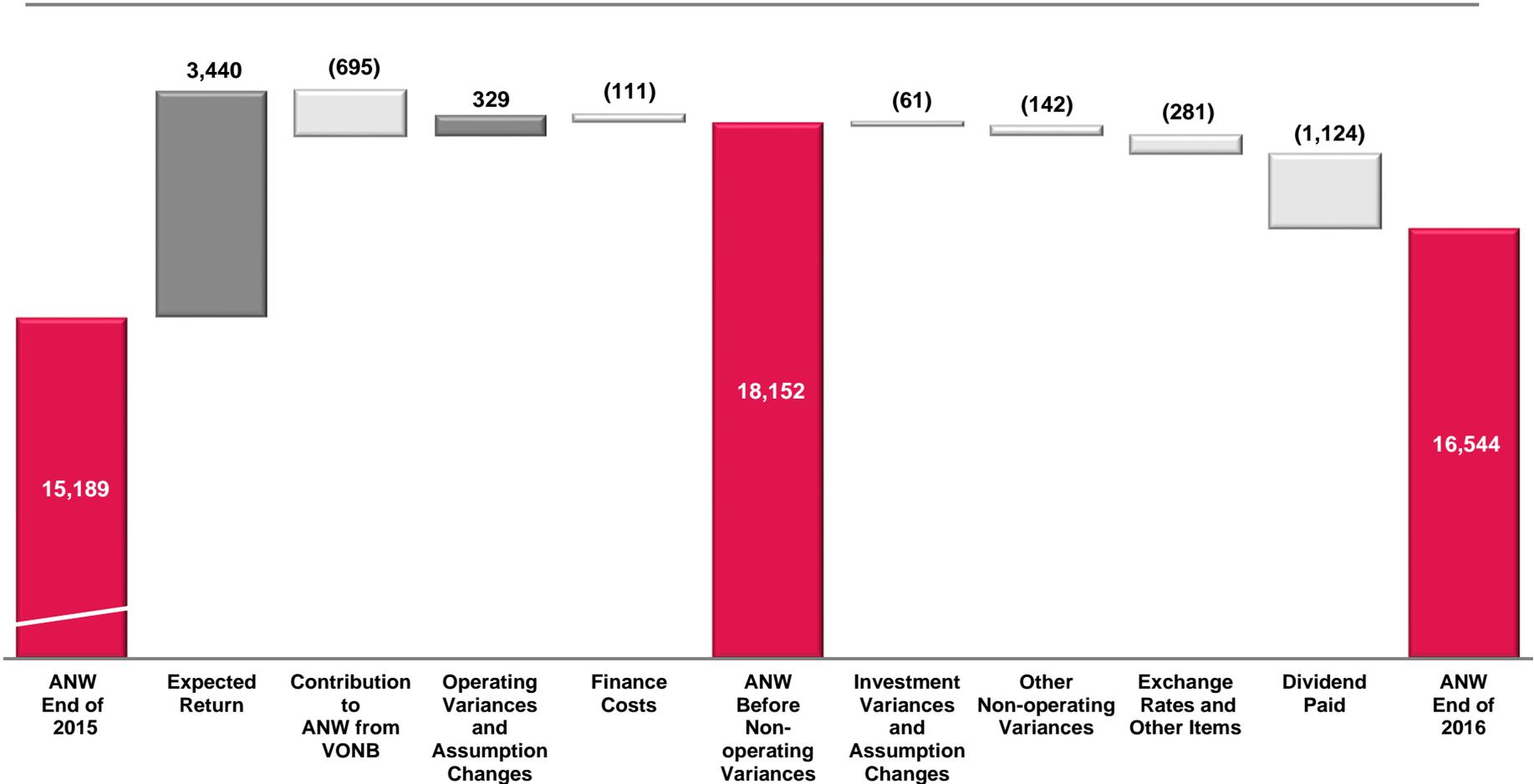
Working Capital Movement (\$m)



2016 ANW Movement



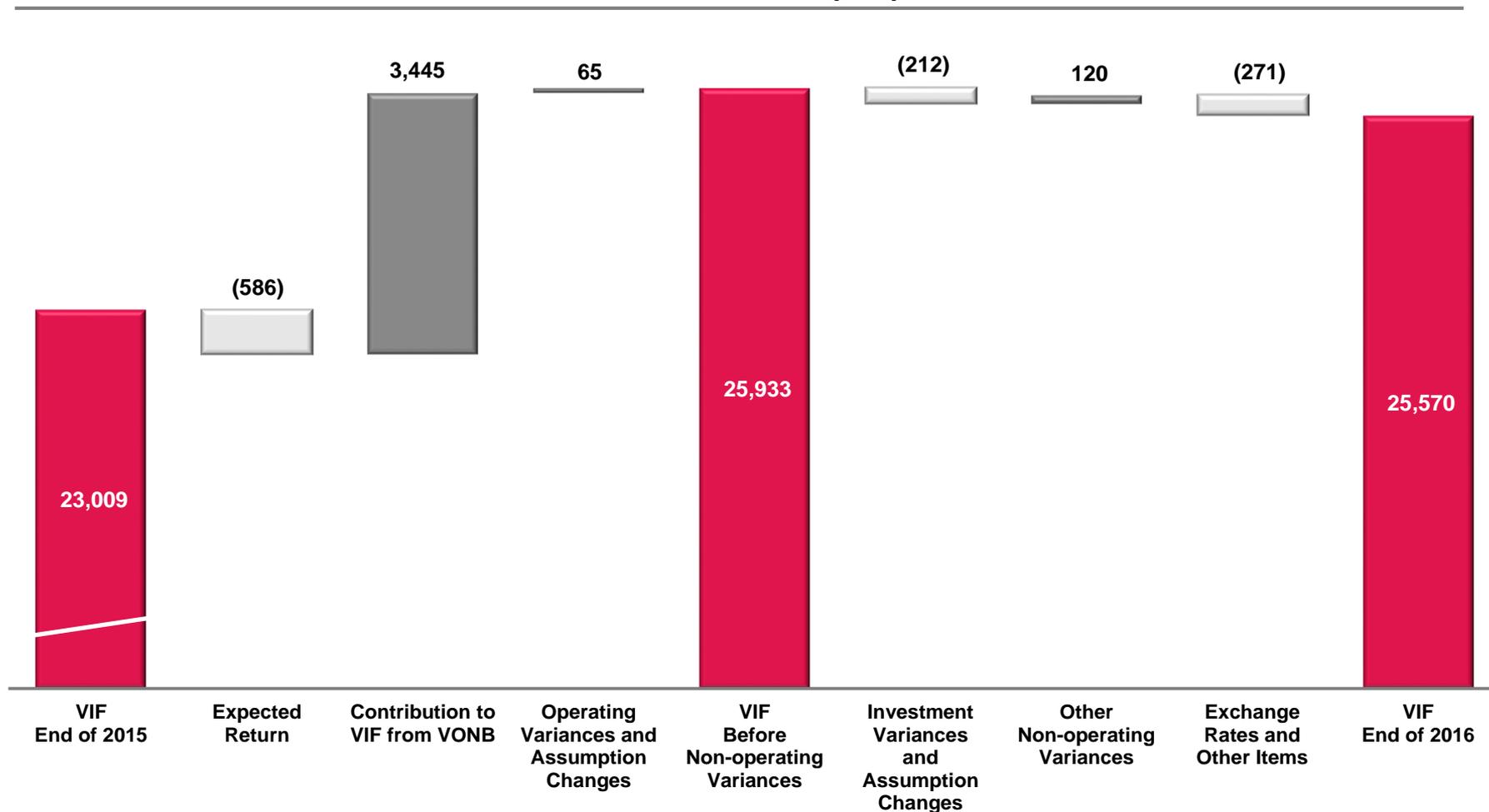
ANW Movement (\$m)



2016 VIF Movement



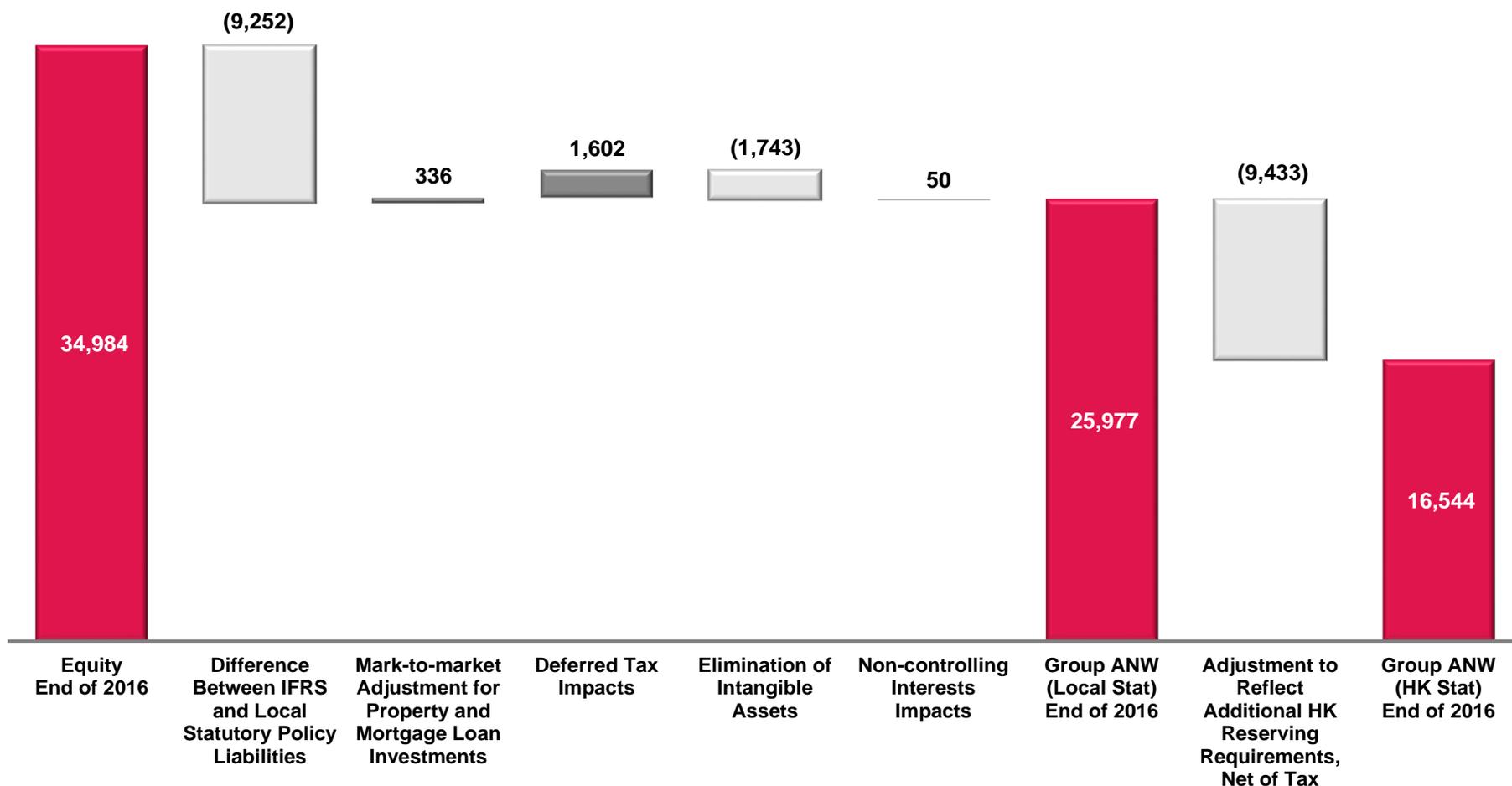
VIF Movement (\$m)



2016 IFRS Shareholders' Equity and ANW



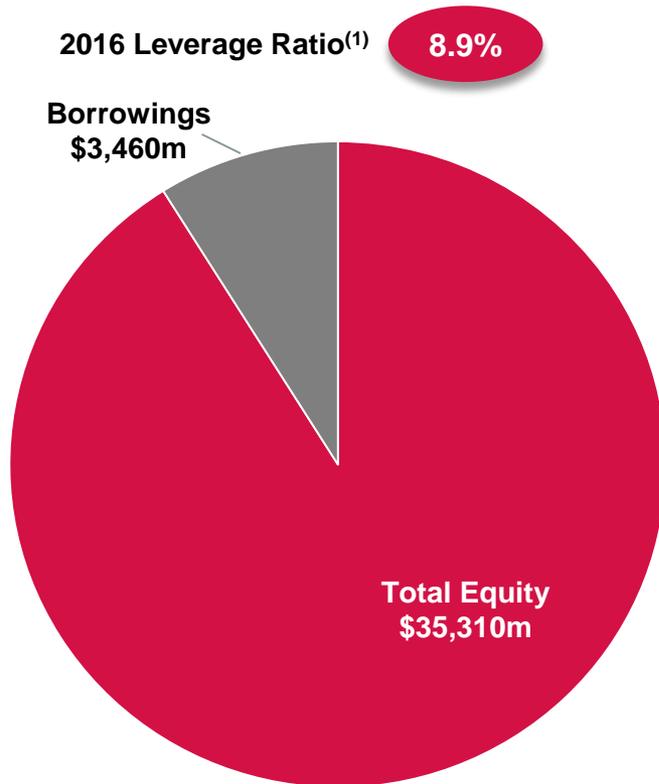
Reconciliation of IFRS Shareholders' Equity to ANW (\$m)



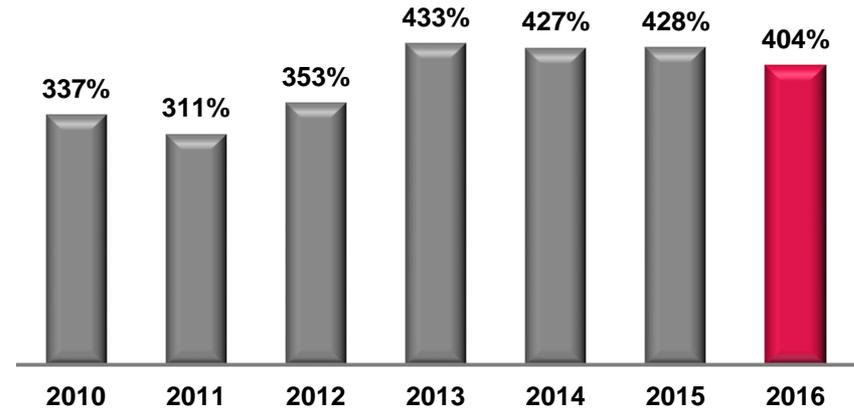
Robust Capital Structure



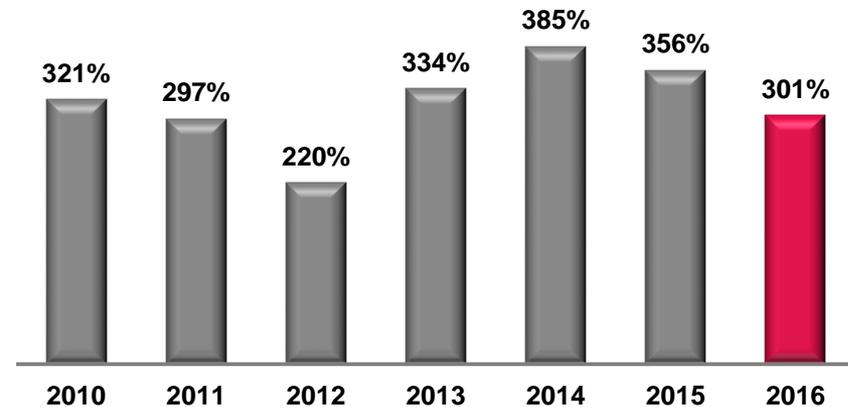
AIA Capital Structure



Solvency Ratio on HKICO Basis for AIA Co.



Solvency Ratio on HKICO Basis for AIA International



Note:

(1) Leverage ratio defined as Borrowings / (Borrowings + Total Equity)

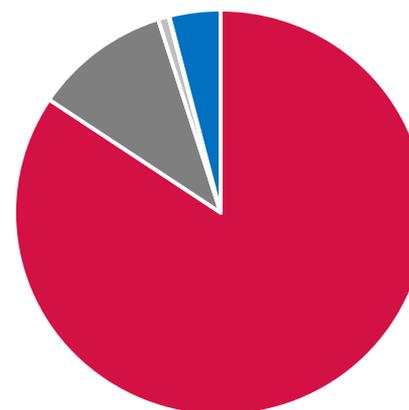
Total Invested Assets



\$m	Participating Funds	Other Policyholder and Shareholder	Total
Fixed Income	20,537	95,491	116,028
Equities	5,451	9,262	14,713
Cash and cash equivalents	179	959	1,138
Derivatives	17	87	104
Investment property and property held for own use	434	5,062	5,496
Total Invested Assets	26,618	110,861	137,479

Total Invested Assets by Type

Total \$137.5b



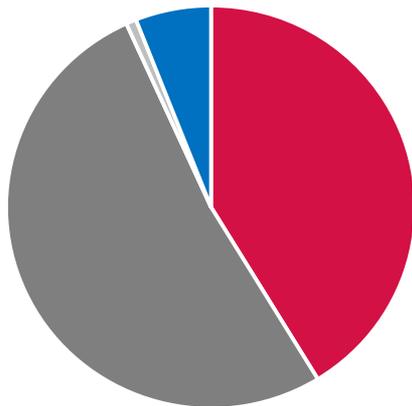
■ Fixed income	84%
■ Equities	11%
■ Cash and cash equivalents	1%
■ Derivatives	0%
■ Investment property and property held for own use	4%

Conservative and High-quality Fixed Income Portfolio



Total Fixed Income by Type

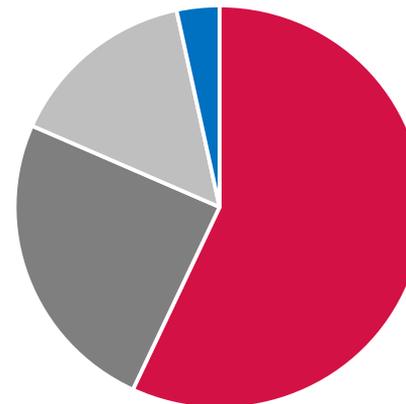
Total \$116.0b



■ Government & Government Agency Bonds	41%
■ Corporate Bonds	52%
■ Structured Securities	1%
■ Loans and deposits	6%

Total Fixed Income by Maturity

Total \$116.0b



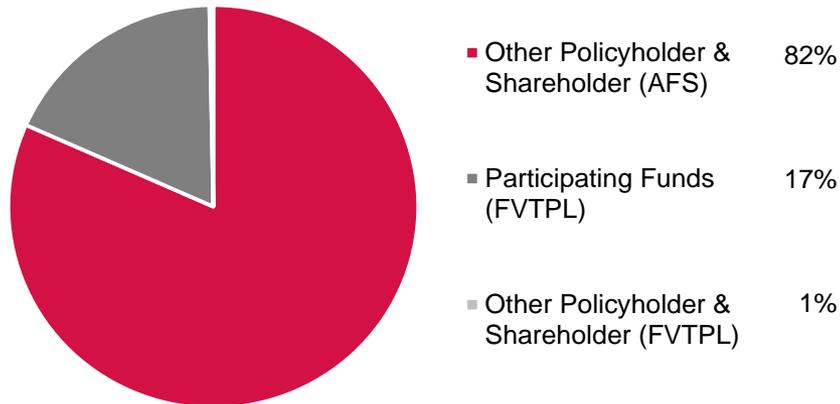
■ >10 Years & No Fixed Maturity	57%
■ 5 - 10 Years	25%
■ 1 - 5 Years	15%
■ ≤1 Year	3%

Conservative and High-quality Fixed Income Portfolio



Total Bonds by Accounting Classification

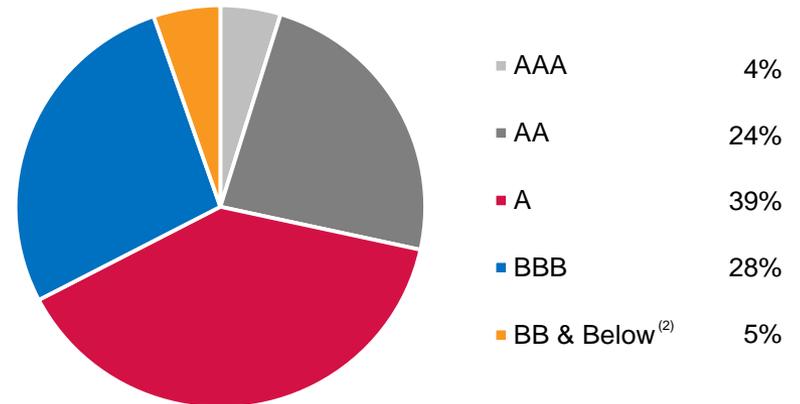
Total \$109.2b



Total Bonds by Rating⁽¹⁾

Total \$109.2b

Average Rating A



Notes:

As of 30 November 2016

(1) For government bonds and government agency bonds, ratings for local currency and foreign currency securities for the same issuer are included separately

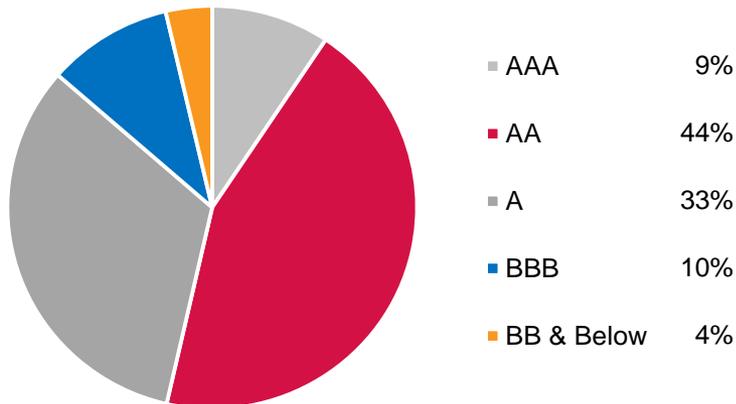
(2) Including not rated bonds

Government Bond Portfolio



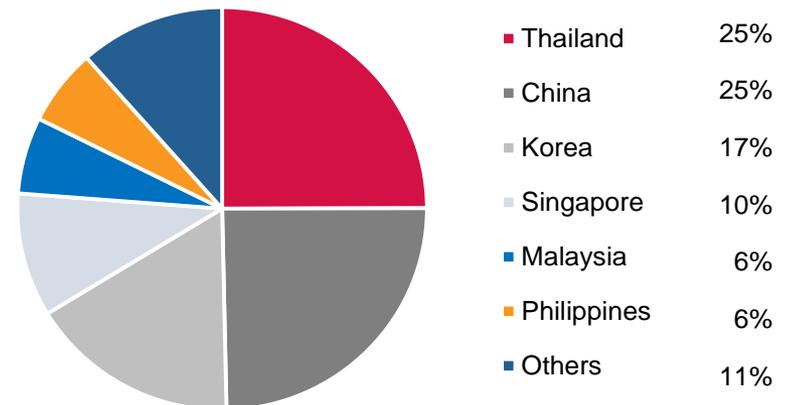
Government and Agency Bonds by Rating⁽¹⁾

Total \$47.8b



Government and Agency Bonds by Geography

Total \$47.8b



Notes:

As of 30 November 2016

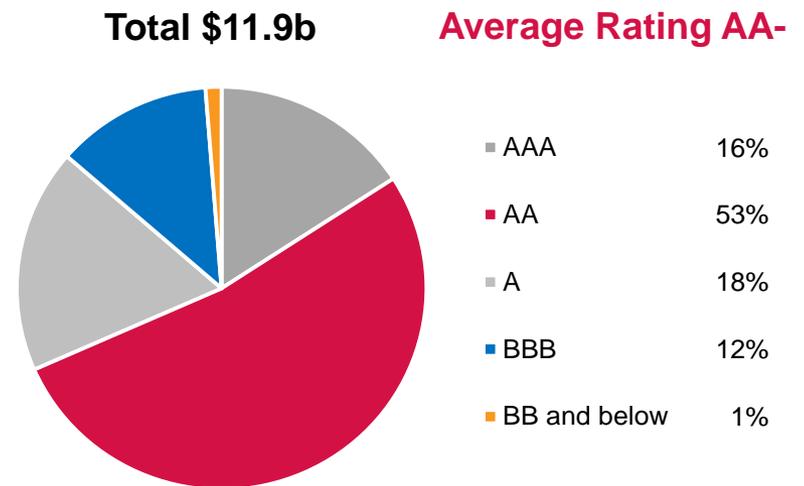
(1) For government bonds and government agency bonds, ratings for local currency and foreign currency securities for the same issuer are included separately

Government Agency Bond Portfolio



Rating	Total (\$m)
AAA	1,889
AA	6,272
A	2,146
BBB	1,474
BB and below	151
Total	11,932

Government Agency Bonds by Rating



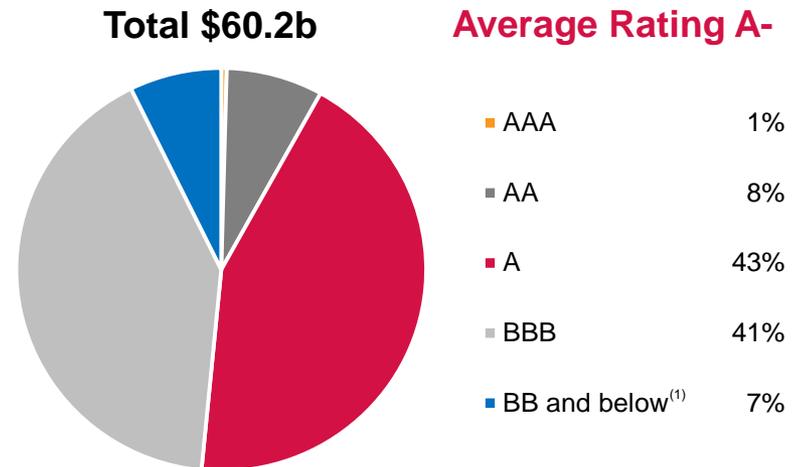
Note:
As of 30 November 2016

Corporate Bond Portfolio



Rating	Total (\$m)
AAA	285
AA	4,682
A	26,530
BBB	24,758
BB and below ⁽¹⁾	3,929
Total	60,184

Corporate Bonds by Rating



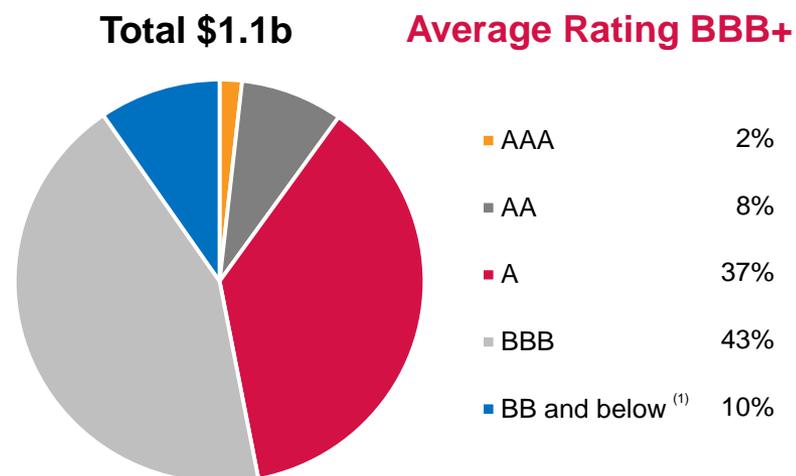
Notes:
 As of 30 November 2016
 (1) Including not rated bonds

Structured Security Portfolio



Rating	Total (\$m)
AAA	20
AA	92
A	421
BBB	493
BB and below ⁽¹⁾	109
Total	1,135

Structured Securities by Rating

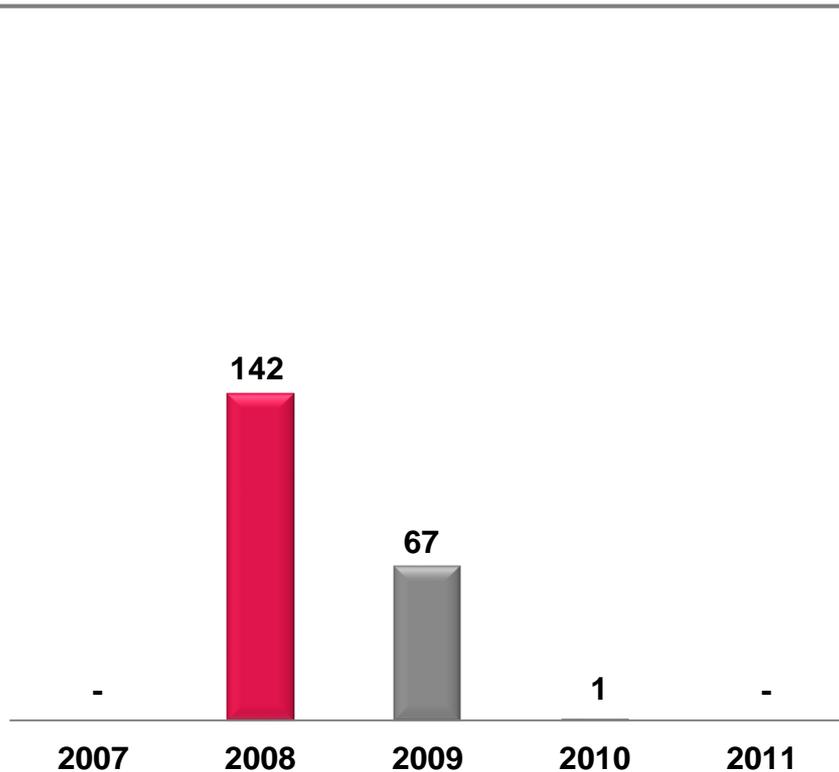


Notes:
As of 30 November 2016
(1) Including not rated bonds

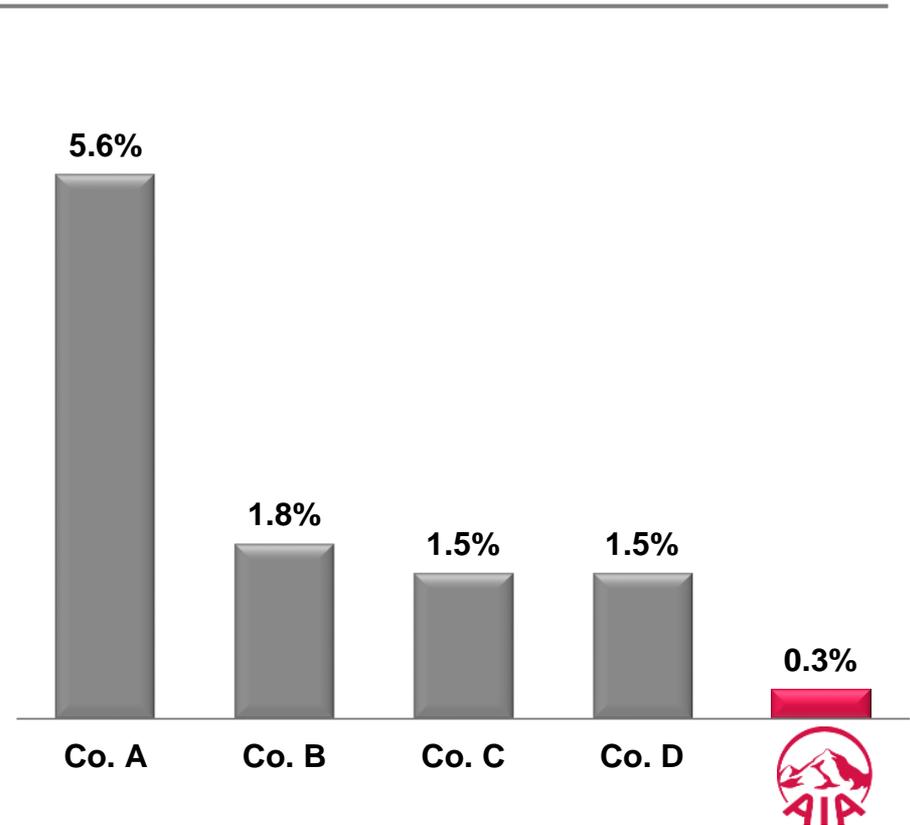
Impairment Experience During Global Financial Crisis



AIA Impairments on Invested Assets (\$m)



2008 Impairment Charges as % of Invested Assets



Risk Discount Rate and Risk Premium



%	As at 30 November 2010			As at 30 November 2016		
	Risk Discount Rates	Long-term 10-year Govt Bonds	Risk Premium	Risk Discount Rates	Long-term 10-year Govt Bonds	Risk Premium
Australia	8.75	5.65	3.10	7.35	3.00	4.35
China	10.00	3.74	6.26	9.55	3.50	6.05
Hong Kong	8.00	3.53	4.47	7.00	2.50	4.50
Indonesia	15.00	7.90	7.10	13.50	8.00	5.50
Korea	10.50	4.82	5.68	8.60	2.70	5.90
Malaysia	9.00	4.45	4.55	8.75	4.20	4.55
New Zealand	9.00	6.13	2.87	7.75	3.50	4.25
Philippines	13.00	6.00	7.00	11.00	4.50	6.50
Singapore	7.75	2.93	4.82	6.90	2.50	4.40
Sri Lanka⁽¹⁾	-	-	-	15.70	10.00	5.70
Taiwan	8.00	1.73	6.27	7.85	1.60	6.25
Thailand	9.50	3.87	5.63	8.60	3.20	5.40
Vietnam	16.00	10.20	5.80	12.80	7.00	5.80
Weighted Average⁽²⁾	8.95	3.85	5.10	8.13	3.04	5.09

Notes:

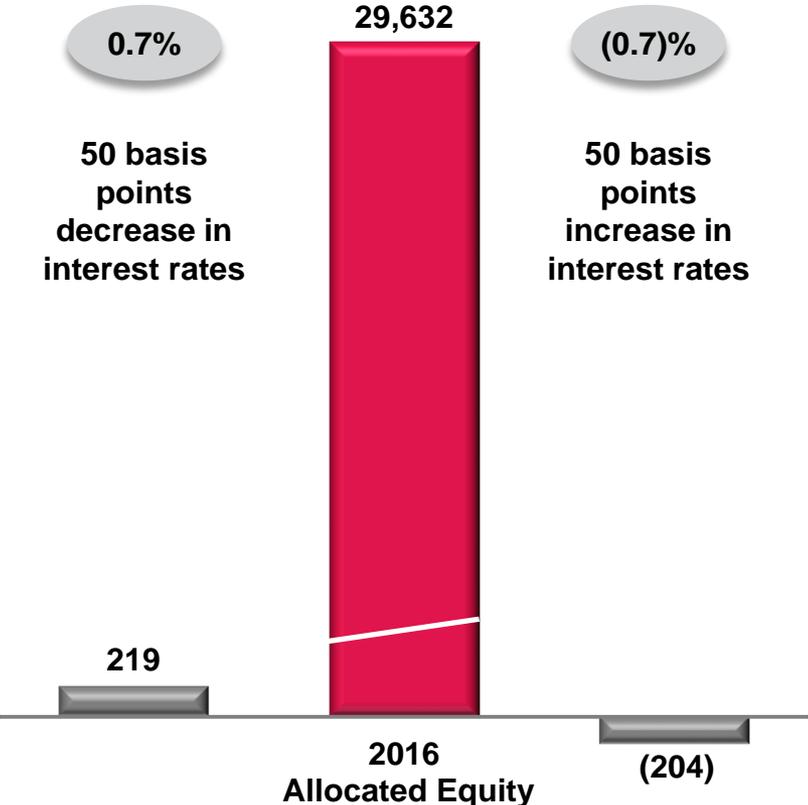
(1) Sri Lanka is included since the acquisition completion date of 5 December 2012

(2) Weighted average by VIF contribution

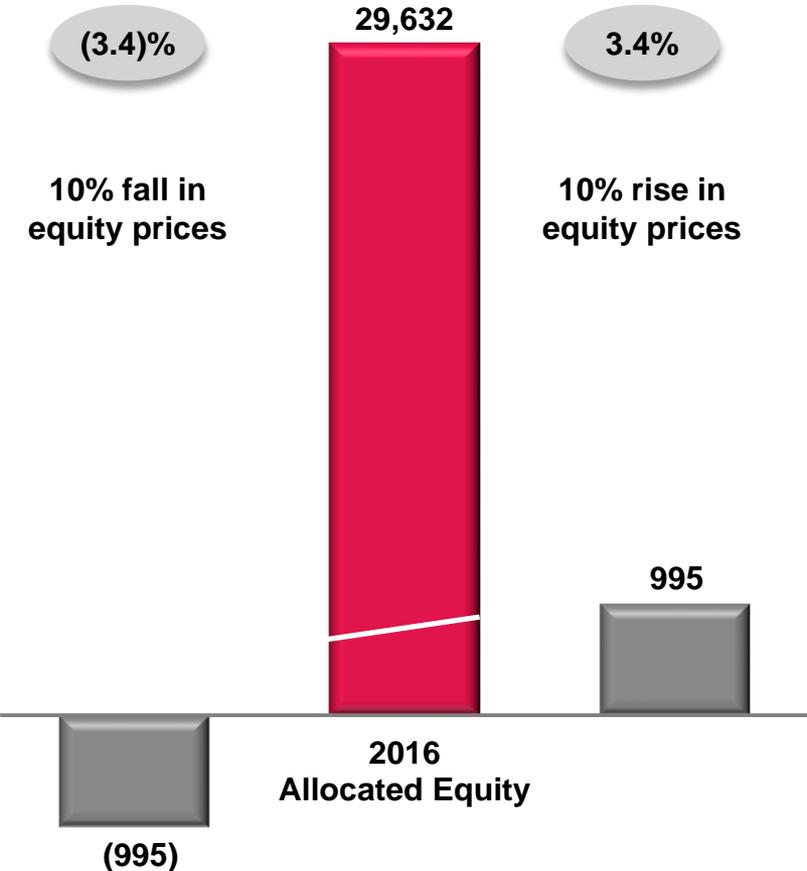
Sensitivity Analysis – Allocated Equity



Interest Rates (\$m)



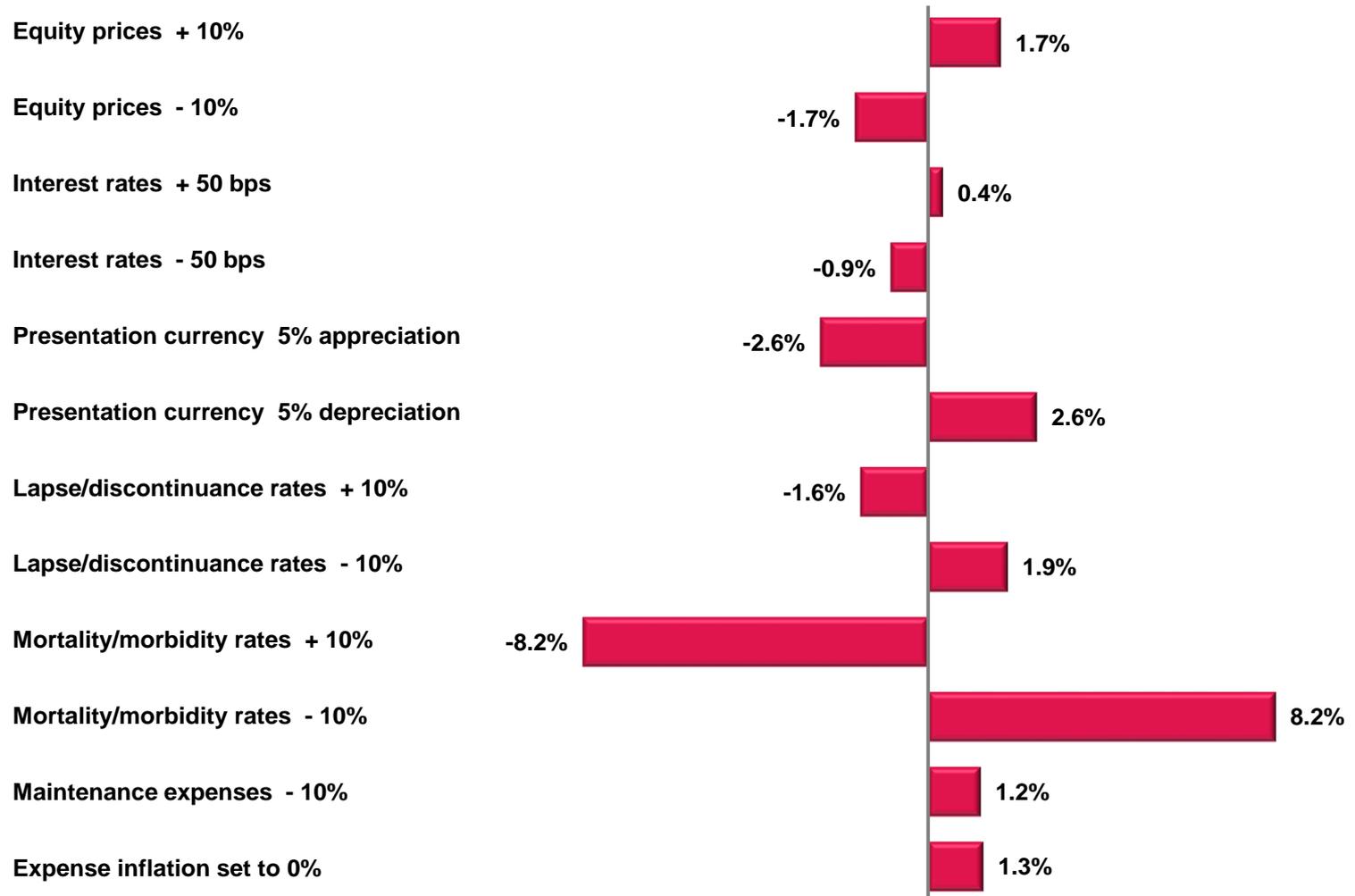
Equities (\$m)



Sensitivity Analysis – EV



Sensitivity of EV as at 30 November 2016



Sensitivity Analysis – VONB



Sensitivity of VONB as at 30 November 2016

