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Media Release

AIA Delivers Record Results

Value of New Business Up 24 Per Cent Strong Earnings Growth and Increased Dividend

HONG KONG, 26 February 2015 – The Board of Directors of AIA Group Limited (stock code: 1299) is pleased to announce that AIA has achieved another excellent set of results for the year ended 30 November 2014.

The highlights of AIA's performance in 2014 include:

Record value of new business (VONB)

- 24 per cent growth in VONB to US\$1,845 million
- Annualised new premium (ANP) of US\$3,700 million, up 11 per cent
- 5.0 pps increase in VONB margin to 49.1 per cent

Strong IFRS operating profit growth

- 16 per cent growth in IFRS operating profit after tax (OPAT) to US\$2,910 million
- IFRS operating earnings per share up 16 per cent to 24.31 US cents
- Net profit up 22 per cent to US\$3,450 million

Sustainable value creation and robust capital position

- 14 per cent growth in embedded value (EV) operating profit to US\$4,535 million
- US\$4.2 billion increase in EV Equity to US\$39.0 billion, up 12 per cent
- Solvency ratio for AIA Co. of 427 per cent on the HKICO basis

The Board of Directors has recommended a final dividend increase of 19 per cent to 34.00 Hong Kong cents per share, subject to shareholders' approval. This brings the total dividend for 2014 to 50.00 Hong Kong cents per share.

Mark Tucker, AIA's Group Chief Executive and President, said:

"AIA achieved another excellent set of results in 2014, delivering a record VONB of US\$1,845 million, up 24 per cent from 2013. Our performance is a clear reflection of the strength of AIA's business model, the determined execution of our proven growth strategy and our position as the leading insurer exclusively focused on the Asia-Pacific region. The consistency in our performance year on year, with each of our key financial metrics reaching new highs, demonstrates AIA's potential for future value creation.

“Asia is one of the world’s most attractive and dynamic insurance markets. Urbanisation, rising disposable incomes, relatively low levels of social welfare and a rapidly-growing middle class continue to provide enormous structural growth opportunities across our markets. AIA is exceptionally well-positioned with our market-leading positions, extensive geographical reach, deep experience in Asia and exceptional financial strength. We are committed to growing our business by helping our customers meet their long-term protection needs and wealth aspirations. We will continue to do this in a way that reflects our aim of making a difference to the real lives of people and their communities.

“We have achieved a great deal since our IPO but, as I have said many times before, I strongly believe that we are still at an early stage in a long journey to realising AIA’s full potential. That is a very exciting prospect for our business. 2015 will be our fifth year since becoming an independently listed company and throughout this time we have generated year-on-year profitable growth and made substantial progress in delivering increase in long-term sustainable value for our shareholders. The Board has recommended a 19 per cent increase in our final dividend, a clear reflection of the health of our business, the strong results and our confidence in AIA’s outstanding prospects.”

- End -

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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**APPENDIX
Financial Summary**

Key Performance Highlights

US\$ millions, unless otherwise stated	2014	2013	YoY
New Business Value			
Value of new business (VONB)	1,845	1,490	24%
VONB margin	49.1%	44.1%	5.0 pps
Annualised new premium (ANP)	3,700	3,341	11%
EV Equity	39,042	34,871	12%
IFRS			
Operating profit after tax (OPAT)	2,910	2,506	16%
Total dividend per share (HK cents)	50.00	42.55	18%

New Business Performance by Segment

US\$ millions, unless otherwise stated	2014			2013			VONB Change
	VONB	VONB Margin	ANP	VONB	VONB Margin	ANP	
Hong Kong	619	62.3%	952	468	57.6%	781	32%
Thailand	361	63.2%	572	319	56.3%	565	13%
Singapore	299	61.2%	489	269	67.3%	400	11%
Malaysia	161	50.1%	320	120	37.8%	319	34%
China	258	83.1%	311	166	66.4%	249	55%
Korea	82	21.7%	380	91	26.8%	338	(10)%
Other Markets	212	31.3%	676	220	32.0%	689	(4)%
Subtotal	1,992	53.1%	3,700	1,653	48.9%	3,341	21%
Adjustment to reflect additional Hong Kong reserving and capital requirements	(50)	n/m	n/m	(67)	n/m	n/m	n/m
After-tax value of unallocated Group Office expenses	(97)	n/m	n/m	(96)	n/m	n/m	n/m
Total	1,845	49.1%	3,700	1,490	44.1%	3,341	24%

Notes:

- (1) Change is shown on a year-on-year basis unless otherwise stated.
- (2) VONB is calculated based on assumptions applicable at the point of sale and before deducting the amount attributable to non-controlling interests. The amounts of VONB attributable to non-controlling interests in 2014 and 2013 were US\$13 million and US\$11 million respectively.
- (3) VONB includes pension business. ANP and VONB margin exclude pension business.
- (4) ANP represents 100 per cent of annualised first year premiums and 10 per cent of single premiums, before reinsurance ceded and excluding pension business.
- (5) IFRS operating profit after tax (OPAT), net profit and operating earnings per share are shown after non-controlling interests unless otherwise stated.
- (6) EV Equity includes goodwill and other intangible assets.
- (7) 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, New Zealand, the Philippines, Sri Lanka, Taiwan and Vietnam.

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- (8) AIA's previously-announced acquisitions of ING Management Holdings (Malaysia) Sdn. Bhd. (ING Malaysia) and Aviva NDB Insurance (ANI) in Sri Lanka completed in December 2012. The financial results of these two newly-acquired businesses are accounted for in the Group's 2013 results from the respective dates of completion.
- (9) The results of our joint venture in India are accounted for using the equity method. For clarity, ANP and VONB exclude any contribution from India.
- (10) 2013 financial information as well as EV and EV Equity have been adjusted to reflect the adoption of new and revised accounting standards by AIA in 2014.

The Group's financial information in this document is based on the audited consolidated financial statements and supplementary embedded value information for the year.

This document contains forward-looking statements relating to AIA Group Limited that are based on the beliefs of the Group's management as well as assumptions made by and information currently available to the Group's management. These forward-looking statements are, by their nature, subject to significant risks and uncertainties. When used in this document, the words "will", "future" and similar expressions are intended to identify forward-looking statements. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. Actual results and events may differ materially from information contained in the forward-looking statements.

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