Aviva

Morgan Stanley
European Financials Conference
Disclaimer

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Objectives for 2011

- Improving operating performance
- Allocating capital to chosen markets where we can grow and earn the highest returns
- Simplifying the portfolio
- Balance sheet strength
Focus on value and increasing profitability

IFRS operating profit

2010: £2,026m Ex DL
2011: £2,155m Ex DL

Target: £1.5 - £1.8bn

Life IRR

2010: 13.3%
2011: 14.4%

Target: 12%

GI COR

2010: 97.1%
2011: 96.8%

Target: 98%
Target: 97%

Operating capital generation

2010: £1.7bn
2011: £2.1bn

Target: £1.5bn

IFRS NAV

2010: 454p
2011: 435p

Dividend

2010: 25.5p
2011: 26.0p
A fitter and stronger Aviva

**Profitability**
- **2009**: Life IRR 10.6%, GI COR 99.4%
- **2011**: Life IRR 14.4%, GI COR 96.8%

**Operating capital generation**
- **2009**: Capital generated £1.0 billion
- **2011**: Capital generated £2.1 billion

**Markets**
- **2009**: 30 countries
- **2011**: 21 countries

**Efficiency**
- **2009**: Cost base £5.1 billion, Headcount 54,700
- **2011**: Cost base £4.1* billion, Headcount 36,600

**Balance sheet**
- **2009**: Economic capital surplus 140%
- **2011**: Economic capital surplus** c.145 - 150%

**Operating profit**
- **2009**: £2.0 billion
- **2011**: £2.5 billion

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* on a continuing basis
** on 29 February 2012
Track record of growth in Life

Operating profit

<table>
<thead>
<tr>
<th>Region</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>US &amp; Asia</td>
<td>£1.6bn</td>
<td>£2.0bn</td>
<td>£2.1bn</td>
</tr>
<tr>
<td>Europe</td>
<td>£761m</td>
<td>£893m</td>
<td>£898m</td>
</tr>
<tr>
<td>UK</td>
<td>£672m</td>
<td>£850m</td>
<td>£920m</td>
</tr>
</tbody>
</table>

Net operating capital generation

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>£0.4bn</td>
<td>£0.8bn</td>
<td>£1.3bn</td>
<td></td>
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</tbody>
</table>

IRR

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.6%</td>
<td>13.3%</td>
<td>14.4%</td>
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</tbody>
</table>

All numbers exclude Delta Lloyd. 2009 excludes Australia.
Track record of growth in GI

Operating profit

- **Aviva Re & Other**
  - 2009: £762m
  - 2010: £849m
  - 2011: £907m

- **Canada**
  - 2009: £144m
  - 2010: £222m
  - 2011: £32m

- **Europe**
  - 2009: £97m
  - 2010: £64m
  - 2011: £113m

- **UK**
  - 2009: £424m
  - 2010: £476m
  - 2011: £508m

**COR**

- 2009: 99.4%
- 2010: 97.1%
- 2011: 96.8%

**Sales**

- 2009: £7.3bn
- 2010: £7.7bn
- 2011: £8.3bn

*All numbers exclude Delta Lloyd*
Progress in the UK

Market leading brand recognition
400,000 new motor customers
25% market share individual annuities
15% market share in protection

Unparalleled customer reach through intermediaries, corporate partners and direct

UK General Insurer of the Year
Best Pension Provider of the Year
UK Health Insurer of the Year
Europe: resilience in a tough environment

<table>
<thead>
<tr>
<th>Country</th>
<th>IFRS Operating Profits</th>
<th>Resilient Life Result</th>
<th>Bancassurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>£467m</td>
<td>13% growth in bancassurance sales</td>
<td>Tied agency network AFER Bancassurance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IRR up to 11.4% (2010: 9.4%)</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Strong GI result</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>£216m</td>
<td>IRR of 23.3% (2010: 21.6%)</td>
<td>Bancassurance</td>
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<tr>
<td></td>
<td></td>
<td>Record operating profits</td>
<td></td>
</tr>
<tr>
<td>Poland*</td>
<td>£167m</td>
<td>IRR of 24.3% (2010: 25.3%)</td>
<td>Direct &amp; Bancassurance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Consistently strong results</td>
<td></td>
</tr>
<tr>
<td>Italy*</td>
<td>£140m</td>
<td>Sharply decreased volumes to improve margins</td>
<td>Bancassurance</td>
</tr>
<tr>
<td>Ireland</td>
<td>£91m</td>
<td>Combining with the UK to improve profitability</td>
<td>Direct &amp; Brokers</td>
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<tr>
<td>Russia &amp; Turkey*</td>
<td>£5m</td>
<td>Growth potential</td>
<td>Direct &amp; Bancassurance</td>
</tr>
</tbody>
</table>

* Life profits only
Canada & USA: record profits

**Canada**
- **IFRS operating profits**
  - 2010: £222m
  - 2011: £254m
  - Increase: 14%

- **NWP**
  - 2010: £2.0bn
  - 2011: £2.1bn

- **COR**
  - 2010: 97%
  - 2011: 95%

**USA**
- **IFRS operating profits**
  - 2010: £174m
  - 2011: £197m
  - Increase: 13%

- **L&P sales**
  - 2010: £3.7bn
    - Indexed annuities: £1.0bn
    - Life: £1.1bn
  - 2011: £3.9bn
    - Indexed annuities: £2.8bn
    - Life: £1.1bn

- **IRR**
  - 2010: 14.1%
  - 2011: 14.4%
Continuing profit growth in Asia Pacific

**Life sales**

- **2009**: £1.1bn
- **2010**: £1.6bn
- **2011**: £1.8bn

**IRR**

- **2009**: 6%
- **2010**: 11%
- **2011**: 13%

**Underlying IFRS operating profit**

- **2009**: £(31)m
- **2010**: £4m
- **2011**: £45m

*Underlying operating profit excludes Singapore reserve release in FY09, FY10 excludes China GAAP adjustment, FY11 excludes HK reserve release.*

2009 excludes Australia.
Looking ahead:

**A changing world**

- Eurozone outlook improved, but still tough
- Low interest rate environment
- Regulatory uncertainty
- RDR & auto-enrolment in the UK
- Consumer behaviour in a digital world

**We’re well positioned**

- Sharply improved operational capital generation
- Competitive and profitable in our chosen markets
- Benefits of a diversified portfolio
- Beating profitability targets
- Continuing strong credit track record

A changing world

Low interest rate environment

Regulatory uncertainty

RDR & auto-enrolment in the UK

Consumer behaviour in a digital world

We’re well positioned

Sharply improved operational capital generation

Competitive and profitable in our chosen markets

Benefits of a diversified portfolio

Beating profitability targets

Continuing strong credit track record
Objectives for 2012

- Improving operating performance
- Allocating capital to chosen markets where we can grow and earn the highest returns
- Simplifying the portfolio
- Balance sheet strength
Increasing the targets for 2012

- 13% Life new business IRR with a payback period of less than 10 years
- 97% Group COR
- £1.6 billion - £1.9 billion net operating capital generation
- £400 million cost and efficiency savings by end 2012