

25 January 2005

Aviva plc
Worldwide long-term savings new business
Twelve months to 31 December 2004

- **Worldwide long-term savings new business sales including investment products up 18%⁽¹⁾ to £16,746 million (2003: £14,433 million)**
- **Worldwide life and pension sales on an APE⁽²⁾ basis up 9% to £2,550 million (2003: £2,377 million)**
- **Over 50% of the Group's life and pension new business sales from continental Europe, producing growth of 22%, with France, Netherlands, Italy and Spain outperforming local markets**
- **Total bancassurance sales up 17% to £4,022 million (2003: £3,507 million)**
- **Worldwide investment sales up 44% to £1,629 million (2003: £1,141 million)**

1 All growth rates quoted are at constant rates of exchange.

2 Annual premium equivalent (APE) is the UK industry's standard measure of new regular premiums and 10% of single premiums.

Richard Harvey, group chief executive, commented:

“We had a strong finish to the year, having seen a gradual return of customer confidence in 2004. The all round strength of our life businesses has enabled us to outperform in many of our major markets, while continuing to maintain a clear focus on creating value.

“In the UK, we saw a return to growth in 2004, with total sales up 13% to £7.4 billion. We expect further life and pensions growth over the next 12 months, with a stronger pick-up beyond that.

“Across continental Europe, our growth has accelerated with total sales rising 23% to £8.3 billion, reflecting our attractive products and effective distribution.

“In Asia, over the past year we've further developed our businesses and distribution and continued to build sales momentum, as we position Aviva to capture growth in the rapidly emerging long-term savings market in the region.

“We are confident of further profitable growth in 2005.”

Financial highlights	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	Local currency growth %
Total life and pension new business sales	15,117	13,292	15%
Total investment sales	1,629	1,141	44%
Worldwide long-term savings new business sales	16,746	14,433	18%
Life and pensions new business sales on an APE basis	2,550	2,377	9%
Investment sales on an APE basis	182	129	41%
Worldwide long-term savings new business sales on an APE basis	2,732	2,506	11%

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There will be a conference call today for wire services at 7:45am (UK time) on +44(0) 20 7784 1005. This conference call will be hosted by Philip Scott, group executive director.

There will be a conference call today for analysts and investors at 9:30am (UK time) on +44 (0) 20 7019 9509. This conference call will be hosted by Philip Scott, group executive director.

Replay will be available for two weeks until 7 February 2005. The dial in number for replay is +44 (0) 20 7984 7578 and the pass code is 370770# .

	Total new business sales		Annual premium equivalent sales ⁽²⁾	
	12 months to 31 December 2004 £m	Local currency growth ⁽¹⁾	12 months to 31 December 2004 £m	Local currency growth ⁽¹⁾
Life and pensions				
United Kingdom⁽³⁾	6,540	11%	1,118	5%
France	2,516	29%	307	30%
Ireland	269	10%	86	9%
Italy	1,574	11%	198	4%
Netherlands (including Belgium and Luxembourg)	1,279	32%	261	19%
Poland	91	46%	37	8%
Spain	1,657	16%	248	3%
Other Europe	426	25%	124	30%
Continental Europe	7,812	22%	1,261	15%
International	765	(4%)	171	(2%)
Total life and pensions	15,117	15%	2,550	9%
Investment sales				
United Kingdom	859	26%	103	26%
Netherlands	196	(2%)	20	(2%)
Poland	77	(28%)	10	(20%)
Other Europe	254	431%	25	429%
Continental Europe	527	49%	55	49%
International	243	144%	24	144%
Total investment sales	1,629	44%	182	41%
Total long-term savings	16,746	18%	2,732	11%
Navigator sales (not included above)	661	5%		

(1) Growth rates are calculated based on constant rates of exchange.

(2) Annual premium equivalent (APE) is the UK industry's standard measure of new regular premiums and 10% of single premiums.

(3) United Kingdom new business sales shown in the table do not include new business sales through Norwich Union Equity Release "NUER". Total new single premium mortgage completion sales amounted to £478 million (2003: £501 million).

United Kingdom:

Norwich Union continues to leverage successfully its strong brand, wide product offering and multi-distribution network to achieve profitable growth. Total sales, including investment sales increased by 13% to £7,399 million (2003: £6,550 million), with total sales on an APE basis up 6% to £1,221 million (2003: £1,150 million). During 2004, Norwich Union has continued to focus on delivering value and has achieved a strong new business sales performance given pricing actions in pensions, annuities and protection business. Norwich Union continues to have a market leading position, with an increased market share at the end of the third quarter of 12.3%.

Total bond sales increased by 21% to £2,260 million (2003: £1,866 million) driven by strong sales of unit-linked bonds which continued in the fourth quarter albeit at lower levels than in the third quarter, as expected. Norwich Union is benefiting from investors continuing to choose providers with strong brands and products. The broad range of investment products and funds on offer from Norwich Union give customers flexibility and the option to build balanced investment portfolios. Property and guaranteed investment funds continue to be popular. Collective investment sales were up 26% to £859 million (2003: £680 million).

Total pension sales increased 3% to £2,635 million (2003: £2,556 million), with sales of individual pensions up 16% to £2,007 million (2003: £1,727 million) and sales of group corporate pensions lower at £628 million (2003: £829 million), as employers continued to move away from final salary pension schemes. Within these numbers, combined sales of group money purchase and group personal pensions increased by 31% to £448 million (2003: £341 million), reflecting Aviva's strategic focus on the defined contribution group pensions market. Annuity sales increased by 17% to £1,278 million (2003: £1,091 million) in a flat market.

Norwich Union took a number of actions during the final quarter to reposition its pension product offering. This began with a reduction in commission levels on individual "stakeholder" pensions in October 2004. In mid December, a new "non-stakeholder" personal pension for the individual full advice market was launched, giving customers the choice to pay for their advice through fees, commission or a combination of both. The impact from these changes is difficult to predict but there may be a slight reduction in sales in the first quarter on the products where commission has reduced. However, the launch of this new product and similar competitor action on commissions is expected to compensate for any reduction in individual pensions business, over the course of 2005.

Overall, protection business sales were higher at £367 million (2003: £357 million), driven by an increase in creditor business. Norwich Union re-priced its term assurance business in January 2005 in order to make its product more competitive.

Total sales for the full year from the joint venture¹ with The Royal Bank of Scotland Group (RBSG) were lower at £777 million (2003: £847 million). There has been some benefit to sales during the fourth quarter, due to the closer integration of the salesforce with the bank network. However, Norwich Union continues to work with RBSG to deliver improved future sales growth, in line with expectations. Additional products will be added to the range in 2005 together with an increase in branch-based advisers. Delivering improved sales is high on RBSG's priorities.

Norwich Union is well placed for the changes taking place in distribution as a result of depolarisation. Distribution agreements with Bankhall, Sesame (protection only) and Portman Building Society have already been announced. In addition to this, Norwich Union has also secured agreements with another major network, a national intermediary (Millfield) and a number of other distributors. Discussions with a number of key distribution groups are in the advanced stages and will represent an opportunity to further strengthen Norwich Union's distribution portfolio. Further details of these arrangements will be released in the first quarter. Wraps² are expected to be a major distribution feature of the UK long-term savings market and Norwich Union is well advanced with its plans to launch the Lifetime wrap platform.

In 2004 Norwich Union consolidated its market-leading position and starts 2005 with a greater degree of confidence in the market. Some further market growth is expected over the next 12 months with a stronger pick up beyond then and Norwich Union is confident that its multi-distribution capability, strong brand and wide product range will enable it to capitalise on this.

France:

Aviva France achieved strong growth in 2004, with total new business sales of £2,516 million (2003: £1,996 million), a 29% increase on the previous year. This excellent performance includes total new business sales from the new bancassurance joint venture partnership with Crédit du Nord of £109 million (£17 million on an APE basis). Excluding Crédit du Nord sales, growth during the year of 23% outperforms an estimated increase in the total individual life and savings market of 14% during the first 11 months of 2004.

AFER is the largest savings association in France and continues to be an important source of new business growth for Aviva France, with more than 616,000 members at the end of 2004. Total sales through AFER increased by 33% to £1,594 million (2003: £1,225 million) making 2004 the highest year of production since the creation of the association. Over 40% of this growth is due to policies purchased by the 38,000 new members joining the association in 2004, a significant increase compared to 2003. Sales of single premium AFER euro funds were 23% higher at £1,389 million (2003: £1,157 million), compared with estimated market growth of 10% during the first 11 months of 2004. This very high level of growth in AFER sales, particularly in the fourth quarter, is very encouraging.

The proportion of the French market invested into unit-linked funds continues to benefit from steadily improving equity markets and total Aviva France sales of unit-linked funds nearly doubled to £698 million (2003: £358 million). This equates to growth of 91% excluding Crédit du Nord sales and compares to an estimated 34% increase in the individual unit-linked life and savings market during the first 11 months of 2004. Included within unit-linked funds is strong growth in SFER, the unit-linked funds sold through AFER, with increased sales of £205 million (2003: £68 million). Unit-linked products sold through AFER now represent 13% of total AFER sales and AFER customers now have access to a wider range of funds, following the launch of two new funds during the year.

Total regular premiums for euro and unit-linked funds increased by 71% to £45 million (2003: £27 million), or 46% growth excluding Crédit du Nord. Sales of Plan d'Epargne Retraite (PERP) continue to be moderate as higher net worth individuals, who are the target market for Aviva France, have yet to embrace annuity type products. As consumer awareness gradually increases, the pensions market in France is expected to grow in importance in the longer-term.

From 1 October 2004, sales through the new bancassurance joint venture with Crédit du Nord came on stream and total sales amounted to £109 million. This is an encouraging start for the partnership, which gives Aviva France exclusive distribution for life business through Crédit du Nord's network of over 600 branches.

Ireland:

Hibernian Life and Pensions continues to be the third largest Irish life and pension provider and reported a 10% increase in total sales to £269 million (2003: £250 million). This performance benefits from both strong single premium pension sales throughout the year and increased sales of savings products in the fourth quarter. Sales on an APE basis increased by 9% to £86 million (2003: £81 million).

New single premium pension sales were 11% higher at £149 million (2003: £137 million) and benefited from strong fourth quarter sales. New regular premium pension sales were up 7% to £48 million (2003: £46 million), which reflects Hibernian's

¹ Aviva's share of these total sales and sales by product mix is shown in supplementary analysis 4.

² A wrap is an IT service that allows financial advisers to manage and transact a range of different client investments.

ability to offer policyholders competitive products and a wide range of investment funds. Investment into the two geared property funds, added to the range for the main October and November pension selling season, was encouraging.

Life regular premium sales increased to £18 million (2003: £16 million) reflecting an increase in protection business and additional new premiums on existing Special Savings Incentive Account (SSIA) policies. Life single premium sales also increased to £54 million (2003: £51 million). Although the market throughout the year was marked by continued investor caution and reduced demand for unit-linked and with-profit products, the fourth quarter benefited from significant sales of the innovative Guaranteed Fund savings product, launched in August 2004.

Italy:

In Aviva Italy, total new business sales increased by 11% to £1,574 million (2003: £1,453 million), notwithstanding lower single premium one-off direct business of £82 million (2003: £187 million). Sales momentum accelerated in the fourth quarter, benefiting from marketing campaigns with bancassurance partners launched during the quarter, the majority of which closed at the end of 2004. Strong underlying growth in total sales of 21% during the year, after excluding the impact of one-off business, is an excellent performance in a flat Italian new business market in the first 11 months of 2004.

Sales through UniCredito Italiano were lower at £753 million (2003: £814 million), reflecting more difficult trading conditions for savings products. However, new business sales in the fourth quarter of £250 million were the highest of any quarter this year and include the benefit of a marketing campaign focusing on single premium business. Furthermore, sales in the fourth quarter were also helped by new product launches, which will continue into 2005.

The most recent agreement with Banca Popolare Commercio e Industria, now part of Banche Popolari Unite (BPU), achieved strong growth with total sales of £267 million (2003: £138 million). Sales benefited from the continued success of structured investment bonds. New regular premium products were introduced as planned in the fourth quarter to broaden the product range. Preparations for the extension of the agreement with BPU to a further 380 branches have been successfully completed and Aviva Italy looks forward to the additional benefits from the start of 2005.

Total sales from Banca Popolare di Lodi Group were higher at £361 million (2003: £243 million) and sales through Banca delle Marche were also higher at £77 million (2003: £50 million). Both partners launched campaigns on structured investment bonds which boosted sales in the fourth quarter.

Aviva Italy continues to develop its strong partnerships across Italy and work with their partners to market a range of products to meet customers' needs. The long-term growth potential remains strong, although the timing of marketing campaigns and product launches, which vary throughout the year, result in some volatility in sales levels each quarter.

Netherlands (including Belgium and Luxembourg):

Delta Lloyd, a top-five life and pensions business in the Netherlands, achieved strong growth across all major product lines during the year, with a 32% increase in total life and pension sales to £1,279 million (2003: £989 million). Within this total, sales through the joint venture with ABN AMRO grew by 7% to £238 million (2003: £227 million), with a 33% increase in sales on an APE basis to £65 million (2003: £50 million).

Total pension and annuity sales increased by 28% to £716 million (2003: £569 million), including 30% growth in group pensions to £441 million (2003: £344 million). Delta Lloyd continues to target group pensions business and sales through the intermediary business were particularly strong in the fourth quarter. Sales tend to be variable quarter on quarter due to the size and timing of contracts, with a particular focus on the end of the year. Growth in annuity sales has been steady over 2004, as market pricing disciplines have improved.

Total life product sales rose by 37% to £563 million (2003: £420 million), with improved sales of single premium savings policies in Belgium and through the direct operations in the Netherlands. Bond and saving products sold through ABN AMRO continue to be successful, particularly regular premium sales. Unit-linked products continue to be attractive to investors as equity markets stabilise. Investment sales were £196 million (2003: £204 million).

Poland:

Aviva's Polish operations reported a pleasing performance with life and pension sales up 46% to £91 million (2003: £64 million). Mutual fund sales were lower at £77 million (2003: £110 million), reflecting investor caution following the strong stock market performance which benefited 2003 and more attractive returns on bank deposits following interest rate rises in the second half of the year.

Life sales increased to £55 million (2003: £41 million), reflecting increased demand for single premium investment products. Pension sales were higher at £36 million (2003: £23 million), benefiting from sales through the State Agency to members of the workforce without a chosen pensions provider.

CU Polska remains the market leader in individual life and private pensions with a 14.4% share of the life market measured by total premium income in the nine months of 2004, and a 28% share of the private pensions market measured by total assets under management.

Spain:

In Spain, Aviva's new business sales grew by 16% to £1,657 million (2003: £1,464 million) following further growth in its developing bancassurance partnerships. Included in these headline numbers are one-off sales of £242 million (2003: £149 million) or £30 million (2003: £30 million) on an APE basis. Excluding one-off sales, good underlying growth of 10% in total new business sales for the year was achieved. This compares with a market increase of 5% in gross written premiums in the first nine months of 2004.

Aviva remains the number one bancassurance group in the Spanish life market and number two in the market overall based on gross written premiums in the first nine months of 2004. It also increased market share from 10.0% in 2003 to 10.6%.

The focus in the fourth quarter has been on pension campaigns in advance of the fiscal year end, with strong sales of single premium pension products.

In Aviva Spain's bancassurance distribution channels, the life product focus during 2004 has been on higher margin protection products over traditional savings products. Sales through Bancaja reflect this change in product mix and were consequently lower at £671 million (2003: £799 million), notwithstanding that fourth quarter sales were the highest of the year due to increased pensions business. Underlying growth was achieved from the partnerships with Unicaja, Caja de Granada and Caixa Galicia, where total sales increased to £773 million (2003: £434 million). Included within the Caixa Galicia sales was a large bulk pension transfer during the year, generating total one-off premium sales of £242 million (2003 one-off total sales: £149 million).

At Aviva Vida y Pensiones, which distributes through a direct salesforce and intermediaries, new business sales increased by 37% to £78m (2003: £57 million), including strong sales of pensions business in the fourth quarter.

Growth prospects remain strong across Aviva's Spanish bancassurance partnerships, particularly through the more recent agreements, as it looks to increase customer penetration. However, quarterly sales are variable due to the timing of marketing campaigns with our banking partners and product launches.

Other Europe:

Total sales for Other Europe businesses were £426 million (2003: £353 million), including total sales in Germany of £218 million (2003: £163 million). Sales in Germany include the benefit of a limited offer, tax-efficient investment product, launched ahead of the German tax law changes in 2005.

In Turkey, total new business premiums increased to £38 million (2003: £27 million), reflecting good levels of regular premium sales in the personal pensions market, launched at the end of 2003. Aviva has achieved a number three ranking in the pensions market, measured by total assets under management at 1 November 2004. Accession talks to allow Turkey to join the European Union will begin in October 2005, providing a more positive outlook for the economy.

Sales through Norwich Union's Dublin-based offshore life and savings business were £110 million (2003: £82 million), while sales of Luxembourg UCITS increased to £254 million (2003: £49 million) as a result of improved investor sentiment and further development of the broker relationships and distribution channels, including sales through the Italian representative office, set up at the end of 2003.

International – Asian businesses:

Asia offers significant potential for future growth, as demand for long-term savings product increases. Aviva has taken a number of further steps during the year to achieve its longer-term ambitions for expansion in these markets.

Singapore: Total sales through Aviva Singapore were £38 million (2003: £30 million) on an APE basis. This includes total single premium sales of £115 million (2003: £53 million), which benefited from a successful limited single premium product offer, launched during the third quarter. Aviva has over a 50% market share of bancassurance regular premium new business and is the market leader in the developing broker market. It also leads in the employee benefits and healthcare life business. The focus continues to be on higher margin, regular premium business. While not included in the new business figures, total Navigator Asia sales increased to £13 million (2003: £8 million).

Hong Kong: In addition to the successful partnership with DBS in Singapore, total sales through Aviva's partnership with DBS in Hong Kong continued to grow strongly to £27 million (2003: £4 million).

India: Sales on an APE basis from Aviva's joint venture life business with Dabur Group were £19 million (2003: £9 million), ranking it eighth among private providers. Aviva's 26% share of new business sales on an APE basis amounted to £5 million (2003: £2 million). Sales are through its six bancassurance partnerships including Canara Bank, India's second largest bank, and its 3,200 strong direct sales force.

China: Total sales through Aviva's joint-venture life business, Aviva COFCO, have continued to grow to £5 million (2003: £3 million), with operations now in Beijing, Guangzhou and Chengdu. Its 50% share of new business sales was £3 million (2003: £1 million). All geographical and business scope restrictions on foreign insurers were lifted in China in December 2004, opening up key markets such as group insurance, health insurance and annuities. In 2005, Aviva COFCO was granted regulatory approval to broaden its business scope, and will begin to write group life insurance policies later this month. It is one of the first among foreign or Sino-foreign life insurers operating in China to launch group insurance policies.

Other international businesses:

Australia: Total life and pension sales on an APE basis were higher at £61 million (2003: £58 million) which includes growth from Aviva's corporate pension product. Sales of investment products in the region have improved as a result of more positive investor sentiment towards equity markets, with unit trusts sales of £243 million (2003: £98 million). While not included in the new business figures, sales of Navigator increased to £648 million (2003: £617 million), also benefiting from improvements in product offerings and a more competitive fee structure.

United States: Total life and pension sales have benefited from a strong fourth quarter, ending the year at £359 million (2003: £538 million). Sales levels, compared to the prior year, reflect the reduction in fixed annuity sales due to the low interest rate environment, during which Aviva continues to maintain pricing disciplines and revise product terms as appropriate.

Notes to Editors

1. Aviva is the world's fifth largest insurance group, based on 31 December 2003 gross written premiums. It is one of the top-five life companies in Europe and is the UK's largest insurer.

Aviva's principal business activities are long-term savings, fund management and general insurance, with worldwide premium income and retail investment sales from continuing operations of around £30 billion for the year ended 31 December 2003 and assets under management of more than £240 billion at 31 December 2003.

The Aviva media centre at www.aviva.com/media includes images, company and product information and a news release archive.

2. All figures have been translated at average exchange rates applying for the period. The average rates employed in this announcement are 1 euro = £0.68 (31 December 2003: 1 euro = £0.69).
3. All growth rates are quoted in local currency.
4. Definitions:

Annual premium equivalent (APE) is a UK industry standard for calculating life, pensions and investments new business levels. It is the total of new regular premiums and 10% of single premiums.

5. Norwich Union Equity Release "NUER" new business sales
United Kingdom new business sales shown in this press release do not include new business sales through NUER. Sales relate to mortgage completions. Cumulative NUER new business sales in 2003 and 2004 on a quarterly basis are shown in the table below.

	Cumulative total single premium sales							
	2003				2004			
	Q1 £m	Q2 £m	Q3 £m	Q4 £m	Q1 £m	Q2 £m	Q3 £m	Q4 £m
NUER	125	250	370	501	90	197	332	478

6. Aviva France reclassification of new business sales
France new business sales shown in this press release in supplement 1 have been reclassified to show total sales analysed between euro and unit-linked savings contracts and protection business. Cumulative new business sales for the fourth quarter of 2003 and each quarter of 2004 are shown in the table below.

	Q4 2003		Q1 2004		Q2 2004		Q3 2004		Q4 2004	
	Single £m	Regular £m	Single £m	Regular £m	Single £m	Regular £m	Single £m	Regular £m	Single £m	Regular £m
France										
Euro savings	1,565	13	458	3	837	6	1,214	8	1,745	15
Unit-linked savings	344	14	171	5	325	10	474	16	668	30
Protection	41	19	11	5	21	11	31	13	41	17
	<u>1,950</u>	<u>46</u>	<u>640</u>	<u>13</u>	<u>1,183</u>	<u>27</u>	<u>1,719</u>	<u>37</u>	<u>2,454</u>	<u>62</u>

7. Cautionary statements:

This announcement may contain "forward-looking statements" with respect to certain of Aviva's plans and its current goals and expectations relating to its future financial condition, performance and results. By their nature, all forward looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Aviva's control, including amongst other things, UK domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing impact and other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which Aviva and its affiliates operate. As a result, Aviva's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in Aviva's forward-looking statements.

Aviva undertakes no obligation to update the forward-looking statements contained in this announcement or any other forward-looking statements we may make.

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Statistical Supplement

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Detailed worldwide long-term savings new business analysis

	Single			Regular			Total
	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	Local currency growth ⁽¹⁾	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	Local currency growth ⁽¹⁾	Local currency growth ⁽¹⁾
	United Kingdom						
Individual pensions	1,742	1,479	18%	265	248	7%	16%
Group pensions	540	727	(26%)	88	102	(14%)	(24%)
Annuities	1,278	1,091	17%	-	-	-	17%
Bonds	2,260	1,866	21%	-	-	-	21%
Protection	204	173	18%	163	184	(11%)	3%
Total life and pensions	6,024	5,336	13%	516	534	(3%)	11%
Peps/Isas/Unit trusts/Oeics	840	664	27%	19	16	19%	26%
	6,864	6,000	14%	535	550	(3%)	13%
France							
Euro funds ⁽²⁾	1,745	1,565	14%	15	13	19%	14%
Unit-linked funds	668	344	98%	30	14	115%	99%
Protection business	41	41	4%	17	19	(9%)	-
	2,454	1,950	29%	62	46	37%	29%
Ireland							
Life and savings	54	51	7%	18	16	15%	9%
Pensions	149	137	11%	48	46	7%	10%
	203	188	10%	66	62	9%	10%
Italy							
Life and savings	1,529	1,399	12%	45	54	(15%)	11%
	1,529	1,399	12%	45	54	(15%)	11%
Netherlands (including Belgium & Luxembourg)							
Life	467	344	38%	96	76	29%	37%
Pensions	664	506	34%	52	63	(16%)	28%
Total life and pensions	1,131	850	36%	148	139	9%	32%
Unit trusts	196	204	(2%)	-	-	-	(2%)
	1,327	1,054	29%	148	139	9%	26%
Poland							
Life and savings	40	24	71%	15	17	(11%)	37%
Pensions	20	8	154%	16	15	11%	62%
Total life and pensions	60	32	92%	31	32	(1%)	46%
Mutual funds	75	109	(28%)	2	1	50%	(28%)
	135	141	(1%)	33	33	1%	-
Spain							
Life and savings	1,061	1,022	6%	52	55	(4%)	6%
Pensions	505	331	56%	39	56	(29%)	43%
	1,566	1,353	18%	91	111	(17%)	16%
Other Europe							
Life and pensions	336	280	23%	90	73	32%	25%
UCITS and other	254	49	431%	-	-	-	431%
	590	329	84%	90	73	32%	75%
International							
Life and pensions	660	740	(4%)	105	113	(1%)	(4%)
Unit trusts	243	98	144%	-	-	-	144%
	903	838	15%	105	113	(1%)	13%
Total long-term savings	15,571	13,252	19%	1,175	1,181	1%	18%
<i>Analysed:</i>							
Life and pensions	13,963	12,128	17%	1,154	1,164	1%	15%
Investment sales	1,608	1,124	44%	21	17	19%	44%
Total long-term savings	15,571	13,252	19%	1,175	1,181	1%	18%
Navigator sales (not included above)	661	625	5%	-	-	-	5%

(1) Growth rates are calculated based on constant rates of exchange.

(2) Euro funds are savings that receive an annual bonus declaration, based on the investment performance of the underlying funds.

Analysis of UK long-term savings by distribution channel

	Single			Regular			Total
	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	Local currency growth ⁽¹⁾	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	Local currency growth ⁽¹⁾	Local currency growth ⁽¹⁾
IFA							
- life & pensions products	4,712	4,031	17%	414	420	(1%)	15%
- investment products	392	382	3%	1	2	(50%)	2%
	5,104	4,413	16%	415	422	(2%)	14%
Bancassurance partnership with RBSG							
- life & pensions products	398	439	(9%)	17	23	(26%)	(10%)
- investment products	53	90	(41%)	17	13	31%	(32%)
	451	529	(15%)	34	36	(5%)	(14%)
Other partnerships/Direct							
- life & pensions products	914	866	6%	85	91	(7%)	4%
- investment products	395	192	106%	1	1	-	105%
	1,309	1,058	24%	86	92	(7%)	21%
Total UK long-term savings	6,864	6,000	14%	535	550	(3%)	13%

(1) Growth rates are calculated based on constant rates of exchange.

Annual premium equivalent ⁽¹⁾

	Life and pensions sales		Investment sales		Total sales	
	12 months to 31 December 2004 £m	Local currency growth ⁽²⁾	12 months to 31 December 2004 £m	Local currency growth ⁽²⁾	12 months to 31 December 2004 £m	Local currency growth ⁽²⁾
IFA	885	8%	40	-	925	7%
Bancassurance partnership with RBSG	57	(15%)	22	-	79	(11%)
Other partnerships/Direct	176	(1%)	41	105%	217	10%
Total UK long-term savings	1,118	5%	103	26%	1,221	6%

(1) Annual premium equivalent (APE) is the UK industry's standard measure of new regular premiums and 10% of single premiums.

(2) Growth rates are calculated based on constant rates of exchange.

Analysis of France long-term savings by distribution channel

	Single			Regular			Total
	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	Local currency growth ⁽¹⁾	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	Local currency growth ⁽¹⁾	Local currency growth ⁽¹⁾
AFER							
- Euro funds	1,389	1,157	23%	-	-	-	23%
- Unit-linked funds	205	68	207%	-	-	-	207%
	1,594	1,225	33%	-	-	-	33%
Bancassurance partnership with Crédit du Nord							
- Euro funds	80	-	-	2	-	-	-
- Unit-linked funds	22	-	-	5	-	-	-
	102	-	-	7	-	-	-
Other							
- Euro funds	276	408	(31%)	13	13	(8%)	(30%)
- Unit-linked funds	441	276	63%	25	14	63%	63%
- Protection	41	41	4%	17	19	(9%)	-
	758	725	7%	55	46	24%	8%
Total France long-term savings	2,454	1,950	29%	62	46	37%	29%

(1) Growth rates are calculated based on constant rates of exchange.

(2) Euro funds are savings that receive an annual bonus declaration, based on the investment performance of the underlying funds.

Analysis of sales via our principal bancassurance channels

	Total new business sales		Annual premium equivalent sales ⁽²⁾	
	12 months to 31 December 2004 £m	Local currency growth ⁽¹⁾	12 months to 31 December 2004 £m	Local currency growth ⁽¹⁾
Life and pensions				
United Kingdom				
Royal Bank of Scotland Group	415	(10%)	57	(15%)
	415	(10%)	57	(15%)
France				
Crédit du Nord	109	-	17	-
	109	-	17	-
Italy				
UniCredito Italiano	753	(6%)	88	(12%)
Banca Popolare di Lodi Group	361	52%	40	25%
Banca delle Marche	77	57%	29	32%
Banche Popolari Unite	267	98%	27	93%
	1,458	20%	184	10%
Netherlands				
ABN AMRO	238	7%	65	33%
	238	7%	65	33%
Spain				
Bancaja	671	(14%)	91	(16%)
Caixa Galicia	491	117%	63	37%
Unicaja	202	25%	36	9%
Caja Espana	135	(21%)	20	(20%)
Caja de Granada	80	111%	15	39%
	1,579	15%	225	1%
International				
DBS	153	164%	41	78%
	153	164%	41	78%
Total life and pensions	3,952	18%	589	11%
Investment sales				
United Kingdom				
Royal Bank of Scotland Group	70	(32%)	22	-
	70	(32%)	22	-
Total bancassurance sales	4,022	17%	611	11%

(1) Growth rates are calculated based on constant rates of exchange.

(2) Annual premium equivalent (APE) is the UK industry's standard measure of new regular premiums and 10% of single premiums.

Analysis of total new business sales via our joint venture with Royal Bank of Scotland Group (RBSG)

Total sales through our joint venture with RBSG are provided below on a 100% basis and for Aviva's share. In reporting our life and pensions results, we have included our 50% share of sales written through the joint venture life company and 100% of single premium with-profit bond sales written through a Norwich Union fund. Investment sales represent our 50% share of the collective investment sales.

	Total RBSG sales		Aviva's share	
	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m	12 months to 31 December 2004 £m	12 months to 31 December 2003 £m
Single premium with-profit bond sales	193	283	193	283
Other life and pensions sales	444	358	222	179
Total life and pension sales	637	641	415	462
Collective investment sales	140	206	70	103
Total RBSG bancassurance sales	777	847	485	565