

## News release

Aviva plc interim management statement for the 3 months to 31 March 2009

### RESILIENT NEW BUSINESS SALES AND ENHANCED CAPITAL POSITION

#### Sales remain resilient

- Worldwide sales up 5% to £10,313 million
- Life and pensions sales up 11% to £9,569 million
- Group margin in line with full year 2008
- Total bancassurance sales up 15%
- Benefiting from diverse distribution, geography and currency movements

#### General insurance on track

- Group COR in line with 'meet or beat' target of 98%

#### Significantly enhanced capital position

- IGD solvency surplus £2.5 billion at 31.3.09 after deducting final dividend (31.12.08: £2.0 billion)
- Increased hedging for equity market movements at 31.03.09: 40% fall would reduce IGD by just £0.2 billion; a 40% rise would increase IGD by £0.8 billion

#### Andrew Moss, Aviva's chief executive, commented:

"It's encouraging to see that people are continuing to save with companies they trust, like Aviva. Sales are resilient and we've taken action to improve margins in key markets. It is particularly pleasing to see bancassurance sales rebound as banks refocus on insurance as an important contributor to their earnings.

"We continue to manage our capital position effectively. At the end of March our capital surplus was significantly increased at £2.5 billion, after allowing for payment of the 2008 final dividend.

"A disciplined approach to writing business and a focus on capital management will continue to serve us well. We have a diversified business which spans 28 countries and sells through a range of distribution channels. We continue to navigate a steady course through challenging times."

### Key financial highlights

	3 months 2009 £m	Restated <sup>1</sup> 3 months 2008 £m	Sterling growth %	Local currency growth %
<b>Life and pensions business (PVNBP)<sup>2</sup></b>				
United Kingdom	<b>2,505</b>	2,850	<b>(12)%</b>	(12)%
Europe	<b>4,735</b>	4,279	<b>11%</b>	(6)%
North America	<b>1,929</b>	1,048	<b>84%</b>	33%
Asia Pacific	<b>400</b>	437	<b>(8)%</b>	(20)%
<b>Total life and pensions</b>	<b>9,569</b>	8,614	<b>11%</b>	(4)%
<b>Total investment sales<sup>3</sup></b>	<b>744</b>	1,234	<b>(40)%</b>	(45)%
<b>Total long-term savings</b>	<b>10,313</b>	9,848	<b>5%</b>	(9)%

<sup>1</sup> Restated numbers reflect the move from European Embedded Value (EEV) to Market Consistent Embedded Value (MCEV) basis

<sup>2</sup> All references to sales in this announcement refer to the present value of new business premiums (PVNBP) unless otherwise stated. PVNBP is the present value of new regular premiums plus 100% of single premiums.

<sup>3</sup> Investment sales are calculated as new single premium plus the annualised value of new regular premiums.

## Information

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Investor contacts	Media contacts	Timings	Contents
Andrew Moss +44 (0)20 7662 2286	Hayley Stimpson +44 (0)20 7662 7544	Real time media conference call 07:45am (BST)	News release  Overview.....1
Philip Scott +44 (0)20 7662 2264	Sue Winston +44 (0)20 7662 8221	Analyst conference call 09:30am (BST)	Business review.....2
Charles Barrows +44 (0)20 7662 8115	James Murgatroyd/Matthew Newton (Finsbury) +44 (0)20 7251 3801		Capital management.....7  Supplementary schedules.....9
Jessie Burrows +44 (0)20 7662 2111			

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### Media

There will be a conference call today for real-time media at 0745 hrs (BST) on +44 (0)20 7162 0025 (quoting "Aviva, Andrew Moss"). The conference call will be hosted by Andrew Moss, chief executive.

The Aviva media centre at [www.aviva.com/media](http://www.aviva.com/media) includes images, company information and news release archive. Photographs are available on the Aviva media centre at [www.aviva.com/media](http://www.aviva.com/media).

### Analysts

There will be a conference call today for analysts and investors at 0930 hrs (BST) on +44 (0)20 7162 9961 (quoting "Aviva, Andrew Moss"). This conference call will be hosted by Andrew Moss, chief executive.

Replay will be available until 11 May 2009 on +44 (0)20 7031 4064. The pass code for the whole conference call, including the question and answer session, is 832876 and for the question and answer session only the pass code is 2652498.

## OVERVIEW

In announcing our first quarter sales for 2009, we should acknowledge that the world is a very different place to the same period last year: world equity markets have fallen between 30% and 50%, sterling has weakened significantly against the euro and the dollar, and many economies are now in recession. Against this challenging backdrop, Aviva has delivered more than £10 billion of new long-term savings sales in the first quarter (2008: £9,848 million) and maintained margins (full year 2008: 2.1%). This is a resilient and encouraging result. People are continuing to save with companies they can trust and our business has in-built strength through the diversity of its products, geography and distribution.

A clearer picture of the emerging trend in the current climate can be seen by comparing the first three months of this year with the final quarter of 2008. Worldwide life and pensions sales are 2% down on a local currency basis. Within this, sales in Europe have rebounded strongly, up 16%. In the UK life and pension sales are down by 17% following our decision not to write some corporate business where margins do not currently meet requirements, notably bulk purchase annuities. After excluding these large corporate transactions, consumer-driven sales remained relatively stable in the UK. In the US, sales are down 12% and annuity margins are beginning to rise as we seek to moderate volume growth and balance the high demand for attractive guaranteed products with our desired capital position. In Asia sales are down 6%.

Sales through bank partnerships accounted for almost a third of our life and pensions sales in the first quarter, with sales up 20% over the same period a year ago. While the banking sector has been through a tough period, customers are still turning to their banks for advice and banks are now keen to increase their focus on insurance sales as an important contributor to their earnings.

We have significantly enhanced our capital position over the last three months. We have taken action to increase the IGD capital surplus, the benchmark of capital strength in our industry, from £2.0 billion at the end of 2008 to £2.5 billion at the end of March, after deducting the 2008 final dividend. The significant take-up of the scrip dividend has reduced the cash and capital cost of the final dividend by nearly £0.2 billion and we intend to offer a scrip dividend to shareholders for 2009. We have increased equity hedges to provide important protection in the event of further equity market falls and we retain significant capital benefit if equity markets improve. Consequently a 40% fall in equity markets would reduce the IGD by only £0.2 billion at 31 March 2009 but a 40% rise in markets would benefit the IGD by £0.8 billion.

Performance in the first quarter was satisfactory in the general insurance business. People still want to protect their homes, cars and businesses. We remain on track to deliver a combined operating ratio in line with our group 'meet or beat' target of 98%.

The move to a global brand, a key part of the "One Aviva, twice the value" strategy, is well advanced. In the UK Norwich Union will become Aviva on 1 June and we will become Aviva in Ireland and Poland next year. Our UK campaign has proved highly effective. Lower media costs and greater effectiveness mean we have been able to cut the planned overall costs significantly. In a recent report by *Brand Finance*, Aviva was the only insurance brand to have moved up the rankings on brand valuation in the past year and is now ranked as the fourth most valuable insurance brand in the world.

The economic outlook remains uncertain for 2009. We remain steadfast in our focus on managing a healthy capital position while transforming our business to take advantage of profitable growth opportunities when the world economy recovers.

## BUSINESS REVIEW

### Long-term savings

Our worldwide life and pensions new business sales have increased by 11% since the same period last year, down 4% on a local currency basis. Compared to the last quarter of 2008 sales are up 3% in sterling and down 2% in local currency. A regional analysis of these results is presented below.

Note that all 2008 PVNBP figures included in the comments below have been restated on to a market consistent embedded value basis. Unless stated, growth numbers are presented on a sterling basis.

#### United Kingdom

In the first quarter of 2009, Aviva's UK life business has continued to focus on a strategy of disciplined deployment of capital, product innovation, execution of the simplification agenda and reduction of operating expenses, while improving customer service. In parallel, preparations for the change of brand on 1 June are progressing well and reaction has been positive from customers and distributors.

Life and pensions new business sales were 12% lower at £2,505 million (2008: £2,850 million) and sales of collective investments were also lower by 60% at £175 million. In a market where customers' ability to save and plan effectively has been impacted, the fall in sales reflects our focus on re-shaping the business by moving away from lower margin products and the discipline of writing new business above target hurdle rates of return. This focus has seen us reduce commission in late 2008 and early 2009 for individual pensions, group pensions and bonds. As a result, the capital consumed<sup>1</sup> in the first quarter of 2009 was over one third lower than the same period last year, and margins were ahead of those achieved in 2008.

We continue to manage the risks associated with the UK commercial property portfolio closely. In the first quarter of 2009 there have been no new defaults. Interest service cover<sup>2</sup>, which represents the main source of security, remains at a healthy 1.3 times. Of the interest due in the first quarter of this year, 99% has been received and our borrowers are not experiencing additional difficulties in rental collections.

The core life and pensions sales performance in the first quarter of this year bears greater comparison with the final quarter of 2008, coinciding with the start of the recession in the UK. Excluding the effect on sales of bulk purchase annuity (BPA) and lumpy group money purchase schemes in the fourth quarter of last year, the overall sales performance has remained stable (1Q 2009: £2.4 billion; 4Q 2008: £2.4 billion). We have seen at least a 12% increase in sales in a number of product lines when compared to the fourth quarter, including individual pensions (1Q 2009: £900 million; 4Q 2008: £777 million), protection excluding creditor (1Q 2009: £232 million; 4Q 2008: £207 million) and individual annuities (1Q 2009: £407 million; 4Q 2008: £328 million).

The first quarter results include a strong performance from the joint venture with the Royal Bank of Scotland, where life and pensions sales increased by 27% to £382 million (2008: £300 million), principally driven by the comprehensive and simplified pension proposition launched at the end of 2008 and a sustained level of protection sales following our partner's renewed emphasis on the retail mortgage market.

Pension sales fell to £989 million (2008: £1,116 million) relative to the same period last year. We are continuing to extend and enrich Aviva's proposition, an example being the February launch of our new Pension Tracker capability providing customers with an engaging, simple way of managing their pension plans using a Virtual Online Guide. The pipeline of group pension new business tender activity has increased significantly following the launch of this innovative tool.

Overall protection sales have fallen by 24% to £245 million as a result of the Competition Commission's ruling on payment protection insurance heavily impacting creditor sales. Sales of protection products, excluding creditor, were £232 million, down only 1% relative to the same period last year but up 12% on the fourth quarter of 2008. This is driven by our broad distribution reach through the RBS and other

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<sup>1</sup> New business strain and associated required capital

<sup>2</sup> Interest service cover is the ratio of rental income on the properties divided by interest due on the loans

partnerships, and the attractiveness of our Simplified Life proposition which contributes over 35% of core protection weekly new business applications.

Total annuity sales have fallen by 8% to £475 million (2008: £518 million). We continue to actively quote for BPA business, but our disciplined approach to targeting a minimum level of return has resulted in sales of £68 million (2008: £32 million), lower than the previous three quarters. Sales of individual annuities of £407 million fell by 16% compared to a very strong first quarter in 2008. The 24% increase in sales compared to the fourth quarter of 2008 is encouraging.

Bond sales have fallen by 16% to £713 million (2008: £849 million). We continue to reshape our approach to this market by moving away from lower margin products and to focus on improving returns using targeted commission reductions. In line with this emphasis on profitability, we recently announced the withdrawal of the Inflation Protected Guarantee option, which has proved increasingly difficult to price in the volatile stock market conditions.

Equity Release sales grew by 89% to £83 million (2008: £44 million) benefiting from proposition enhancements and extension of distribution through key IFA relationships.

Business simplification continues at pace. The migration of the Lifetime book to Scottish Friendly is complete, as is the first tranche of the collective investment portfolio to IFDS<sup>3</sup>. In March we successfully completed another phase of the outsourcing to Swiss Re; 1.7 million policies have now been migrated with further migrations planned later this year. These business simplification initiatives, which have allowed us to decommission 225 systems, have resulted in us announcing earlier this month headcount reductions of 1,100 permanent and 590 contractor roles.

Negotiations with the policyholder advocate on the re-attribution of the inherited estates of CGNU and CULAC are drawing to a close. The estimated estate value at the end of March was £1.4 billion. No decision has yet been made but the capital impact of any offer, if agreed, would be substantially lower than previously announced and would be largely mitigated by future planned capital actions and there would be no need to raise additional external capital.

## Europe

We have a strong portfolio of businesses across Europe, with operations in both mature western economies such as France, Spain, Italy, the Netherlands, Belgium, Germany and Ireland, and a number of developing central and eastern economies. Our focus in 2009 is to manage sales growth in line with our approach of prudent capital management. Across the region we meet customers' needs through a broad product offering and a range of distribution channels. This diversity has enabled us to deliver a resilient sales performance despite a challenging economic environment. In addition, the strength of the euro has had a positive impact on total sales.

Life and pensions sales increased by 11% to £4,735 million (2008: £4,279 million), supported by the strength of the euro. On a local currency basis sales were down 6%. In comparison to the fourth quarter of 2008, life and pension sales were up 20%, 16% in local currency. Investment sales of £300 million (2008: £300 million) were in line with the prior year. Against a backdrop of continuing economic uncertainty, this is a robust performance achieved through the strength of our geographical and channel diversity. In particular a number of our bancassurance partnerships have performed well this quarter, with bank partners increasingly recognising the potential of this channel in a difficult economic environment.

In **France** sales were up 20% reflecting the beneficial effect of the euro. On a local currency basis sales were level in a declining market. Although volatility in global investment markets continues to impact unit-linked sales, this was offset by an increase in the performance of other savings products. We also experienced excellent sales in the bancassurance joint venture with Crédit du Nord.

In **Poland**, life and pension sales were 38% lower. This is principally because 2008 sales included significant volumes of short-term endowment policies sold through Deutsche Bank, before this special promotion was

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<sup>3</sup> IFDS are International Financial Data Services, the UK's leading supplier of services and systems to retail and institutional fund managers, fund distributors and platforms

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closed later in 2008. Regular premium life sales continued to perform well with a strong increase reflecting additional policies sold to the existing customer base during the quarter.

Sales in **Italy** were considerably higher, up 68% against the prior period. Bancassurance sales performed well, and were boosted by strong sales of a profit-sharing product offering guarantees sold through UniCredit and the inclusion of sales from our UBI Vita<sup>4</sup> acquisition. While unit-linked sales were lower, sales through Avipop helped to lift protection sales.

In **Spain**, sales increased by 16% including the favourable impact of exchange but were 4% lower in local currency. Lower pension and protection sales were partially offset by an increase in savings sales with many customers selecting these products following reductions in short-term interest rates.

Sales through **Delta Lloyd** were 8% ahead of the prior year reflecting the strength of the euro. On a local currency basis sales were down 10% reflecting the continuation of challenging market conditions. Following its acquisition in June 2008 Swiss Life Belgium contributed sales of £139 million, whereas the prior period included £114 million of one-off large corporate pension business.

In **Ireland** sales were down 43%, in line with the sharp decline in the Irish life and pensions market. This reflects reduced demand across both retail and bancassurance channels with consumers being deterred by volatile equity markets, the slowdown in economic growth and property market uncertainty.

**Other Europe** includes a number of markets which, although currently experiencing challenging conditions, have high potential for future growth. Sales in these markets were lower by 14%. Sales in Turkey grew by 26% reflecting both an increase in policies sold and a focus on higher premium business. Sales in Romania were higher due to the introduction of compulsory pensions during 2008. Sales in Hungary were lower, reflecting a decline in the popularity of unit-linked products. On 14 April we announced the acquisition of ING's non-state pension fund business in Russia, making us the leading foreign owned provider in this sector of the Russian market.

### North America

In the US, total sales increased by 84% to £1,929 million (2008: £1,048 million). On a local currency basis sales were up 33%. We have adjusted the growth strategy that has driven our historical sales results with an approach designed to further focus on profitability, productivity, and capital efficiency. While first-quarter sales remained strong as consumers continued to seek products with guarantees during the current economic turbulence and recognise Aviva as one of the stronger market participants, compared to the fourth quarter of 2008 sales were flat on a sterling basis and down 12% in local currency.

Annuity sales increased 152% to £1,752 million (2008: £694 million). This growth is equivalent to an 83% increase on a local currency basis, as compared to the first quarter 2008. Sales were flat compared to the stand-alone fourth quarter 2008 on a local currency basis. To align our growth with the overall annuity market, we have taken a number of actions including reducing broker commissions and increasing pricing of our products. These actions will have a positive effect on our new business margins for the full year 2009.

Life product sales, which mainly include indexed and non-indexed universal life and term assurance products, totalled £177 million (2008: £132 million), equivalent to a 3% fall on a local currency basis. This result reflects the slow down in the overall life sales market as life products are increasingly being considered a discretionary purchase by consumers. Despite the current trends, we remain optimistic for future growth. In the first quarter, we signed five Brokerage General Agencies, adding a new distribution channel to enhance our life sales. In the first quarter, we also launched a new competitive life product, and are actively marketing our "Wellness for Life" programme in key States. This programme provides premium reductions to customers who maintain healthy lifestyles. We provide wellness information through our affiliation with the world-renowned Mayo Clinic Health Solutions.

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<sup>4</sup> 18 June 2008

To balance the overall level of sales there were no funding agreement sales in the first quarter (2008: £222 million). While funding agreements will not be a primary focus in 2009, we will continue to evaluate opportunities against our overall strategy on a case-by-case basis.

### Asia Pacific

Life and pension sales were 8% lower at £400 million (2008: £437 million), reflecting economic contraction and the low interest environment which causes customers in most markets to prefer bank deposits (which are government guaranteed in a number of markets) over insurance products. When compared to the last quarter, sales were broadly flat. Investment sales were 46% lower at £269 million (2008: £498 million) due to investor caution in the current volatile markets.

Our new joint venture in **South Korea** has contributed 23% of the region's life and pension sales. The sales have come mainly via the bancassurance channel with our partner Woori Bank and its subsidiaries. Sales from **Malaysia** and **Taiwan** are higher than the same period last year but have dropped against last quarter due to the withdrawal of capital intensive products.

Our joint venture in **China**, Aviva-COFCO, has maintained life and pension sales in line with the same quarter last year and broadly in line with last quarter. The low interest rates in this market have meant that insurance savings products are now relatively less attractive to customers than in prior periods. As a result, sales growth has slowed. We have recently expanded our distribution network to Hubei province and are now in ten provinces, with a total of 40 city branches (2008: eight provinces, 27 city branches).

Life and pensions sales in **Singapore** and **Hong Kong** were down 6% and 67% respectively against the prior year, reflecting lower bancassurance sales and the staged withdrawal of capital inefficient products in Hong Kong.

In **Australia**, life and pension sales were down 24% due to the closure of a Capital Protection product at the end of 2008 and lower superannuation and group risk sales resulting from less fluidity in the employment market.

Investment sales in both Singapore and Australia were dampened by the economic climate and specifically in Singapore by a prior year change to local pension laws which restricts external contributions from the government pension fund.

In **India**, life and pension sales were 60% down on the prior year reflecting market and economic conditions, higher expected lapses and merger activity in bancassurance partnerships. However, against last quarter, sales have improved from successful product launches.

Despite the global economic and financial turbulence, Asia remains an attractive region with high growth potential and strong industry prospects. We will continue to expand our distribution network and develop our relationships with our business partners.

## General insurance

Our first quarter combined operating ratio is in line with our target to 'meet or beat' a combined operating ratio of 98% and we expect to achieve our target for the year. During the quarter, weather experience has been neutral across the group as favourable experience in the UK has offset the cost of storms in France.

### United Kingdom

The UK general insurance operation, first quarter performance has benefited from better than expected weather resulting in reduced claims frequency. Premium volumes have reduced reflecting our stance of writing business for profit rather than volume, the withdrawal of single premium creditor products and the impact of the depressed economic climate, particularly in commercial lines where exposures are reducing. We have maintained excellent progress on our programmes to transform the business with their focus on core insurance skills, customer service and driving down distribution costs and are on track to deliver further annual cost savings of £150 million by 2010, bringing the total savings to £350 million from this business. We remain ahead of plan in the transformation of customer service centres with nearly half of business now being undertaken by the new centres of excellence.

### Europe

Our general insurance and health businesses continue to perform well. In France, premiums have increased in a mature and very competitive market. In contrast, Ireland continues to be affected by aggressive competition.

In Ireland our health business is outperforming our competitors by a significant margin in terms of new members. By leveraging the Aviva brand and the established distribution network we have increased our membership to 200,000, achieving a 9% market share at the end of the first quarter of 2009.

In the Netherlands we expect continuing pressure on rates and aggressive competition to impact general insurance premiums. The sale of our health business to OWM CZ Groep Zorgverkeeraar completed on 1 January 2009.

### North America

In Canada we continue to experience premium growth, despite the difficult economic environment, due to a combination of strong commercial lines growth and better retention in personal property. We have implemented a new approach to pricing in personal lines in Ontario which is improving segmentation of the renewal book and competitive pricing on new business.

## Fund management

### Aviva Investors

Aviva Investors has performed in line with management expectations for the first quarter of 2009, recording total net funded inflows of £1.9 billion, of which £1.1 billion were sourced from third party clients and £0.8 billion from fellow Aviva group companies. The business continues to seek to grow while maintaining a close focus on cost control and underlying market conditions.

While the business continues to implement its longer term strategy, opportunities have also been taken to launch and to market products aligned to investor demand in the current climate. This has included a focus on areas such as liquidity funds, with growing investor inflows in France and the UK during the quarter contributing strongly to sales performance, as well as convertible and high yield bonds. Cross border sales remains a key focus with opportunities being pursued across the Aviva Investors regions in North America and Asia Pacific as well as UK and Europe.



## CAPITAL MANAGEMENT

### IGD solvency

The estimated group regulatory capital position based on the EU Insurance Groups Directive solvency surplus has increased to £2.5 billion as at 31 March 2009 after taking into account the 2008 final dividend in full. We have increased equity hedges to provide important protection in the event of further equity market falls and we retain significant capital benefit if equity markets improve. Consequently, a 40% fall in equity markets would reduce the IGD by only £0.2 billion at 31 March 2009 but a 40% rise in markets would benefit the IGD by £0.8 billion.

The considerable increase in the surplus IGD results from the ongoing operating profits of the group, 80% of which is derived from our general insurance businesses and the in-force books of our long term savings businesses, and also from a number of management actions. These include the issue of hybrid capital and additional re-insurance in our UK life business. The 35% take up of the scrip dividend has benefitted the IGD in terms of reducing the impact of the dividend payment by nearly £0.2 billion. There is also an increased contribution from the Delta Lloyd business, which includes the benefits of the sale of the DL Health business on 1 January 2009. These benefits have been achieved despite the adverse movements in markets world-wide in the first quarter of the year.

As we outlined in March this year, the group has a number of options available to increase the IGD surplus and this result demonstrates that we are able to execute these. There remain a number of other options available to increase IGD further, including re-insurance and securitisation, as well as ongoing earnings retention.

### Ratings

The Standard & Poors (S&P) ratings of the main operating subsidiaries are AA- ("very strong") with a Negative outlook. The group is rated Aa3 ("excellent") by Moody's and the rating is under review for possible downgrade. AM Best's ratings of the main operating subsidiaries are A ("excellent") with a Stable outlook.

### Notes to editors

– Aviva is the leading provider of life and pension products in Europe (including the UK) with substantial positions in other markets around the world, making it the world's fifth largest insurance group based on gross worldwide premiums at 31 December 2007.

– Aviva's principal business activities are long-term savings, fund management and general insurance, with worldwide total sales\* of £51.4 billion and funds under management of £381 billion at 31 December 2008.

\* Based on 2008 published life and pensions PVNBP on an MCEV basis, total investment sales and general insurance and health net written premiums, including share of associates' premiums.

The Aviva media centre at [www.aviva.com/media](http://www.aviva.com/media) includes images, company and product information and a news release archive.

– All figures have been translated at average exchange rates applying for the period. The average rates employed in this announcement are 1 euro = £0.91 (3 months to 31 March 2008: 1 euro = £0.76) and £1 = US\$1.44 (3 months to 31 March 2008: £1 = US\$1.99).

– Growth rates in the press release have been provided in sterling terms. The supplements following present this information on both a sterling and local currency basis.

– Definition: Present value of new business premiums (PVNBP)

PVNBP is derived from the single and regular premiums of the products sold during the financial period and is expressed at the point of sale. The PVNBP calculation is equal to total single premium sales received in the period plus the discounted value of regular premiums expected to be received over the term of the new contracts. The discount rate used reflects the appropriate risk-free rate for the country and duration of business. The projection assumptions used to calculate PVNBP for each product are the same as those used to calculate new business contribution. The discounted value of regular premiums is also expressed as annualised regular premiums multiplied by a Weighted Average Capitalisation Factor (WACF). The WACF will vary over time depending on the mix of new products sold, the average outstanding term of the new contracts and the projection assumptions.

– Cautionary statements:

This announcement may include oral and written "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. These forward-looking statements sometimes use words such as 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe' or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which may be beyond Aviva's control, including, among other things, UK domestic and global economic and 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, the possible effects of inflation or deflation, the timing impact and other uncertainties relating to acquisitions by the Aviva group and relating to other future acquisitions or combinations within relevant industries, the impact of tax and other legislation and regulations in the jurisdictions in which Aviva and its affiliates operate, as well as the other risks and uncertainties set forth in our 2008 Annual Report to Shareholders. 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, and persons receiving this announcement should not place undue reliance on forward-looking statements.

Aviva undertakes no obligation to update the forward-looking statements made in this announcement or any other forward-looking statements we may make. Forward-looking statements made in this announcement are current only as of the date on which such statements are made.

Aviva plc is a company registered in England No. 2468686.

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# Statistical Supplement

## Contents

### Analyses

1. Geographical analysis of life, pension and investment sales
2. Analysis of sales via bancassurance channels
3. Analysis of regular and single premiums
4. Detailed worldwide investment sales analysis

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### 1 – Geographical analysis of life, pension and investment sales

	Present value of new business premiums <sup>1</sup>			
	3 months 2009 £m	Restated 3 months 2008 £m	% Growth Sterling	% Growth Local currency
<b>Life and pensions business</b>				
Individual pensions	900	945	(5)%	(5)%
Group pensions	89	171	(48)%	(48)%
Annuities	475	518	(8)%	(8)%
Bonds	713	849	(16)%	(16)%
Protection	245	323	(24)%	(24)%
Equity release	83	44	89%	89%
<b>United Kingdom</b>	<b>2,505</b>	<b>2,850</b>	<b>(12)%</b>	<b>(12)%</b>
Euro funds	1,027	682	51%	26%
Unit-linked funds	179	322	(44)%	(54)%
Protection business	64	57	12%	(7)%
<b>France</b>	<b>1,270</b>	<b>1,061</b>	<b>20%</b>	<b>-</b>
Life and savings	61	152	(60)%	(66)%
Pensions	126	178	(29)%	(41)%
<b>Ireland</b>	<b>187</b>	<b>330</b>	<b>(43)%</b>	<b>(53)%</b>
<b>Italy</b>	<b>1,136</b>	<b>678</b>	<b>68%</b>	<b>40%</b>
Life	191	331	(42)%	(52)%
Pensions	751	543	38%	15%
<b>Netherlands</b> (incl Belgium and Germany)	<b>942</b>	<b>874</b>	<b>8%</b>	<b>(10)%</b>
Life and savings	79	254	(69)%	(69)%
Pensions	272	315	(14)%	(10)%
<b>Poland</b>	<b>351</b>	<b>569</b>	<b>(38)%</b>	<b>(36)%</b>
Life and savings	594	463	28%	7%
Pensions	143	174	(18)%	(32)%
<b>Spain</b>	<b>737</b>	<b>637</b>	<b>16%</b>	<b>(4)%</b>
<b>Other Europe</b>	<b>112</b>	<b>130</b>	<b>(14)%</b>	<b>(17)%</b>
<b>Europe</b>	<b>4,735</b>	<b>4,279</b>	<b>11%</b>	<b>(6)%</b>
Life	177	132	34%	(3)%
Annuities	1,752	694	152%	83%
Funding agreements	-	222	(100)%	(100)%
<b>North America</b>	<b>1,929</b>	<b>1,048</b>	<b>84%</b>	<b>33%</b>
Australia	75	99	(24)%	(25)%
China	81	81	-	(31)%
Hong Kong	28	86	(67)%	(77)%
India	34	86	(60)%	(64)%
Singapore	59	63	(6)%	(27)%
South Korea	92	-	-	-
Other Asia	31	22	41%	14%
<b>Asia Pacific</b>	<b>400</b>	<b>437</b>	<b>(8)%</b>	<b>(20)%</b>
<b>TOTAL LIFE AND PENSIONS</b>	<b>9,569</b>	<b>8,614</b>	<b>11%</b>	<b>(4)%</b>

1. All references to sales in this announcement refer to the present value of new business premiums (PVNBP) unless otherwise stated. PVNBP is the present value of new regular premiums plus 100% of single premiums

2. Restated on to MCEV basis

1 – Geographical analysis of life, pension and investment sales continued

	3 months 2009 £m	Restated 3 months 2008 £m	% Growth Sterling	Local currency
<b>Investment sales<sup>3</sup></b>				
<b>United Kingdom<sup>4</sup></b>	<b>175</b>	436	<b>(60)%</b>	(60)%
Netherlands	<b>162</b>	161	<b>1%</b>	(16)%
Poland	<b>10</b>	32	<b>(69)%</b>	(67)%
Other Europe <sup>4</sup>	<b>128</b>	107	<b>20%</b>	-
<b>Europe</b>	<b>300</b>	300	<b>-</b>	(16)%
Australia <sup>4</sup>	<b>187</b>	350	<b>(47)%</b>	(47)%
Singapore	<b>82</b>	148	<b>(45)%</b>	(57)%
<b>Asia Pacific</b>	<b>269</b>	498	<b>(46)%</b>	(50)%
<b>Total investment sales</b>	<b>744</b>	1,234	<b>(40)%</b>	(45)%
<b>TOTAL LONG-TERM SAVINGS SALES</b>	<b>10,313</b>	9,848	<b>5%</b>	(9)%

3. Investment sales are calculated as new single premium plus the annualised value of new regular premiums

4. Investment sales include sales from the retail operations of Aviva Investors

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### 2 – Analysis of sales via bancassurance channels

	Present value of new business premiums <sup>1</sup>			
	3 months 2009 £m	Restated 3 months 2008 £m	Sterling growth	Local currency growth <sup>2</sup>
<b>Life and pensions</b>				
<b>United Kingdom</b>	<b>382</b>	300	<b>27%</b>	27%
<b>France</b>	<b>379</b>	222	<b>71%</b>	42%
<b>Ireland</b>	<b>82</b>	184	<b>(55)%</b>	(63)%
UniCredit Group	<b>667</b>	325	<b>105%</b>	71%
Banca Popolare	<b>23</b>	8	<b>188%</b>	138%
Banca delle Marche	<b>2</b>	8	<b>(75)%</b>	(75)%
Eurovita	<b>66</b>	41	<b>61%</b>	34%
Unione di Banche	<b>328</b>	289	<b>13%</b>	(6)%
<b>Italy</b>	<b>1,086</b>	671	<b>62%</b>	35%
<b>Netherlands</b>	<b>121</b>	132	<b>(8)%</b>	(23)%
<b>Poland</b>	<b>17</b>	180	<b>(91)%</b>	(90)%
Bancaja	<b>188</b>	164	<b>15%</b>	(4)%
Caixa Galicia	<b>65</b>	78	<b>(17)%</b>	(31)%
Unicaja	<b>272</b>	137	<b>99%</b>	66%
Caja España	<b>82</b>	63	<b>30%</b>	8%
Caja de Granada	<b>27</b>	30	<b>(10)%</b>	(23)%
Cajamurcia	<b>36</b>	88	<b>(60)%</b>	(66)%
<b>Spain</b>	<b>670</b>	560	<b>20%</b>	-
<b>Other Europe</b>	<b>9</b>	13	<b>(31)%</b>	(31)%
<b>Europe</b>	<b>2,364</b>	1,962	<b>20%</b>	1%
<b>North America</b>	-	4	<b>(100)%</b>	(100)%
<b>Asia Pacific</b>	<b>159</b>	161	<b>(1)%</b>	(16)%
<b>Total life and pensions</b>	<b>2,905</b>	2,427	<b>20%</b>	3%
<b>Investment sales<sup>3</sup></b>				
<b>United Kingdom</b>	<b>44</b>	137	<b>(68)%</b>	(68)%
<b>TOTAL BANCASSURANCE SALES</b>	<b>2,949</b>	2,564	<b>15%</b>	(1)%

1. Present value of new business premiums (PVNBP) is the present value of new regular premiums plus 100% of single premiums, calculated using assumptions consistent with those used to determine new business contribution.

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

3. Investment sales are calculated as new single premium plus annualised value of new regular premiums.

### 3 – Analysis of regular and single premiums

	Regular premiums						Single premiums			
	3 months 2009	Local currency growth	WACF	Present value	3 months 2008	WACF	Present value	3 months 2009	3 months 2008	Local currency growth
	£m			£m	£m		£m	£m		
Individual pensions	110	-	4.8	533	110	4.4	479	367	466	(21)%
Group pensions	6	(65)%	5.2	31	17	5.0	85	58	86	(33)%
Annuities	-	-	-	-	-	-	-	475	518	(8)%
Bonds	-	-	-	-	-	-	-	713	849	(16)%
Protection	39	(13)%	6.2	240	45	6.4	286	5	37	(86)%
Equity release	-	-	-	-	-	-	-	83	44	89%
<b>United Kingdom</b>	155	(10)%	5.2	804	172	4.9	850	1,701	2,000	(15)%
Euro funds	8	17%	7.6	61	6	6.5	39	966	643	25%
Unit-linked funds	9	(33)%	6.4	58	12	6.5	78	121	244	(59)%
Protection business	8	(13)%	7.9	63	8	7.0	56	1	1	-
<b>France</b>	25	(15)%	7.3	182	26	6.7	173	1,088	888	2%
Life and savings	6	(29)%	5.5	33	7	6.1	43	28	109	(79)%
Pensions	13	(54)%	4.0	52	24	4.0	95	74	83	(25)%
<b>Ireland</b>	19	(48)%	4.5	85	31	4.5	138	102	192	(56)%
<b>Italy</b>	40	3%	6.9	274	33	5.8	192	862	486	48%
Life	14	(37)%	8.4	118	19	8.5	161	73	170	(64)%
Pensions	36	50%	10.0	359	20	9.7	193	392	350	(7)%
<b>Netherlands</b> (incl Belgium and Germany)	50	8%	9.5	477	39	9.1	354	465	520	(25)%
Life and savings	10	11%	6.1	61	9	6.2	56	18	198	(90)%
Pensions	15	(11)%	15.8	237	18	15.5	279	35	36	-
<b>Poland</b>	25	(4)%	11.9	298	27	12.4	335	53	234	(77)%
Life and savings	29	(29)%	5.9	171	34	6.3	213	423	250	41%
Pensions	11	(25)%	4.5	49	12	5.1	61	94	113	(31)%
<b>Spain</b>	40	(28)%	5.5	220	46	6.0	274	517	363	19%
<b>Other Europe</b>	23	10%	4.4	101	21	4.4	93	11	37	(70)%
<b>Europe</b>	222	(12)%	7.4	1,637	223	7.0	1,559	3,098	2,720	(5)%
Life	21	7%	8.3	175	14	8.9	125	2	7	(86)%
Annuities	-	-	-	-	-	-	-	1,752	694	83%
Funding agreements	-	-	-	-	-	-	-	-	222	(100)%
<b>North America</b>	21	7%	8.3	175	14	8.9	125	1,754	923	37%
<b>Asia</b>	53	23%	4.8	257	39	6.4	248	68	90	(41)%
<b>Australia</b>	14	(7)%	4.1	57	15	3.5	52	18	47	(62)%
<b>Asia Pacific</b>	67	15%	4.7	314	54	5.6	300	86	137	(48)%
<b>TOTAL LIFE AND PENSIONS</b>	465	(8)%	6.3	2,930	463	6.1	2,834	6,639	5,780	(2)%

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### 4 – Detailed worldwide investment sales analysis

	3 months 2009 £m	3 months 2008 £m	Regular Local currency growth	3 months 2009 £m	3 months 2008 £m	Single Local currency growth	PVNB Local currency growth
<b>United Kingdom<sup>1</sup></b>	<b>17</b>	24	(29)%	<b>153</b>	378	(60)%	<b>(60)%</b>
Netherlands (incl Belgium and Germany)	-	-	-	<b>162</b>	161	(16)%	<b>(16)%</b>
Poland	<b>1</b>	2	(50)%	<b>9</b>	30	(70)%	<b>(67)%</b>
Other Europe	-	-	-	<b>128</b>	107	-	-
<b>Europe</b>	<b>1</b>	2	(50)%	<b>299</b>	298	(16)%	<b>(16)%</b>
Australia	-	-	-	<b>186</b>	350	(47)%	<b>(47)%</b>
Singapore	-	-	-	<b>82</b>	148	(57)%	<b>(57)%</b>
<b>Asia Pacific</b>	-	-	-	<b>268</b>	498	(50)%	<b>(50)%</b>
<b>TOTAL INVESTMENT SALES</b>	<b>18</b>	26	(31)%	<b>720</b>	1,174	(45)%	<b>(45)%</b>

1. UK regular premium investment sales include SIPP products. These are similar in nature to pension products and their payment pattern is stable and predictable and accordingly they have been capitalised. Regular premium SIPP sales for the 3 months to 31 March 2009 totalled £1.3 million (2008: £8.6 million) and have been capitalised using a weighted average capitalisation factor of 5.0 (2008: 5.0). As such, regular premium SIPP sales have produced an overall contribution to investment sales of £6 million (2008: £43 million) out of the UK investment sales of £175 million (2008: £436 million).