Colin Sharman
Chairman
Review of the business
The Aviva World – right markets, right time

Europe
- Mature, growing markets in western Europe
- Strong growth prospects in southern Europe, central eastern Europe and Russia
- Develop distribution
- Aim to grow in-line with or better than the market
UK Life: achievements in 2006

- New management team with a track record for operational excellence
- Implementing a clear strategy, balancing sales growth and maximising value of the in-force book
- Increasing market share in a growing market
- Net winners from A-Day
- Improving service standards and reducing costs
UK GI: achievements in 2006

- Taking the lead in tackling the insurance cycle
- Delivering on RAC profitability targets
- On track to deliver cost savings initiatives
- Successful launch of PAYD
- Strengthening the balanced distribution portfolio
- In **Ireland**, sales nearly doubled following AIB bancassurance JV
- In **Italy**, increased to 1100 UniCredit branches
- In **Turkey**, new bancassurance JV with Ak Bank
- In **The Netherlands**, acquired Erasmus, midsized Life and GI insurer

- Demonstrating portfolio benefits
  - Multi-distribution
  - Multi-product
  - Multi-national

- Demonstrable growth
  - Europe growing ahead of market
  - Strong growth in CEE
The Aviva World – right markets, right time

Asia Pacific
- High growth markets
- Accelerating growth in India and China
- Expand multi-channel distribution
- New markets of Taiwan and Malaysia
- Growth of Navigator platform
Asia-Pacific growth

- **In China**, licensed to trade in 17 cities. 1st foreign insurer to win license in Zhuzhou
- In **Hong Kong & Singapore**, continued strength of DBS and IFA channel, with sales growth of 59%
- In **India** new bancassurance JV with IndusInd. Sales force up to 14,000
- In **Malaysia** new JV, subject to regulatory approval
- In **Taiwan** established branch
- In **Australia**, excellent Navigator sales growth of 34%

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![Graph](image)

Asia - Sales Growth

- **£m**
  - 2002: 300
  - 2003: 500
  - 2004: 700
  - 2005: 900
  - 2006: 1100

CAGR 22.1%

PVNP**

GI NWP**

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*L&P sales ** General Insurance and Health Net Written Premiums include continuing, and acquired business
The Aviva World – right markets, right time

North America
- 30% of world-wide savings
- Demographics provide huge growth potential
- Aviva USA delivering growth
- Canadian GI delivering sustained profits
Aviva USA

- 21% growth in AmerUs sales
- In 2006 signed distribution agreements with Annexus and 2 other IMOs
- Positive outlook for 2007
- Integration programme on track to deliver
- Strength and commitment of the management team

* Excluding funding agreement sales of £330 million in 2006
Financial review
Aviva

2006 pro forma sales £43.4bn(1)

An international company...
- European portfolio growing ahead of the market
- 91% growth in the Asian portfolio
- AmerUs provides the platform for growth in America

...with leading positions in its home market
- Strong general insurance profits
- Positive UK life and pensions outlook

(1) 2006 total long-term savings new business sales and GI and health net written premiums
2006 results highlights

- Record long-term savings sales up 21%, maintaining focus on value
- Operating profit up 12% on an EEV basis and 46% on an IFRS basis
- General insurance COR of 94%, ahead of 98% meet- or beat- target
- Return on equity shareholders' funds of 13.1%
- Dividend per share up 10% to 30p per share
- NAV per share of 683p
Track record of growth

Group Operating Profit* (EEV)
- £m
- 2002: £500
- 2003: £1,000
- 2004: £1,500
- 2005: £2,000
- 2006: £2,500

Group Operating Profit** (IFRS)
- £m
- 2002: £1,500
- 2003: £2,000
- 2004: £2,500
- 2005: £3,000
- 2006: £3,500

Long term savings sales
- £m
- 2002: £500
- 2003: £1,000
- 2004: £1,500
- 2005: £2,000
- 2006: £2,500

Net Asset Value* (inc. goodwill)
- £m
- 2002: £10,000
- 2003: £15,000
- 2004: £20,000
- 2005: £25,000
- 2006: £30,000

* 2002 - Achieved Profits Basis, 2003 - 2006 EEV Basis
** 2002 MSSB Basis, 2003 - 2006 IFRS Basis

CAGR 17.2% (EEV)
CAGR 26.4% (IFRS)
CAGR 13.4%
CAGR 12.1%
## Quarter 1 Life new business

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Change</th>
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<tbody>
<tr>
<td>Total worldwide long-term business sales</td>
<td>£9.2bn</td>
<td>+18%</td>
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<tr>
<td>UK total sales</td>
<td>£3.5bn</td>
<td>+9%</td>
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<td>Continental Europe sales</td>
<td>£4.1bn</td>
<td>+6%</td>
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<td>USA sales</td>
<td>£0.8bn</td>
<td>+67% (pro-forma)</td>
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<tr>
<td>Asia-Pacific sales</td>
<td>£0.7bn</td>
<td>+34%</td>
</tr>
<tr>
<td>Life and Pension sales</td>
<td>£7.8bn</td>
<td>+16%</td>
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<tr>
<td>Investment sales</td>
<td>£1.4bn</td>
<td>+30%</td>
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<tr>
<td>New business margin (gross)</td>
<td>3.5%</td>
<td>no change</td>
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Group executive team
(July 2007)

Philip Scott
group finance director

Mark Hodges
chief executive, Norwich Union Life

Andrew Moss
group chief executive

Tidjane Thiam
group executive director, Aviva Europe

Igal Mayer
chief executive, Norwich Union Insurance

Tom Godlasky
chief executive, North America

Simon Machell
chief executive, Asia Pacific

John Ainley
group human resources director

Anupam Sahay
group strategy and development director