



AIA Singapore

1 Robinson Road, AIA Tower
Singapore 048542
T : 1800 248 8000

AIA.COM.SG

Media Release

AIA Introduces First-in-Market Technology to Insure Customers as Fast as Within One Day

AIA's focus on innovation sets the benchmark in providing quality financial advice, enhanced customer service and greater operational efficiency to bridge the protection gap of families in Asia

Singapore, 29 August 2012 – AIA Singapore announced today that it is launching a fully mobile and secure interactive Point of Sales (iPoS) system on an iPad. AIA Singapore is the first insurer globally to introduce a standalone point-of-sales system on iPad, which enables comprehensive financial advisory process with secured electronic submission of life insurance policies. By doing so, the system increases the efficiency of the insurance-purchasing process and customers can now obtain insurance coverage as fast as within one day.

Approximately 3,500 AIA Financial Services Consultants (FSCs) in Singapore will now be able to focus more time on providing quality financial advice to customers and spend less time on administrative matters which are now automated. The iPoS system on an iPad follows the successful launch of AIA Singapore's fully mobile iPad Sales Quotation System (SQS) in January this year which saw more than 70% of AIA's agency force adopt the SQS.

The iPoS system will support business growth by boosting productivity, aligned with Singapore's drive to boost productivity to sustain economic progress¹.

Key features and advantages of the iPoS system include:

Fully secure digital process	Provides a one-stop shop from AIA products, financial review through to signed e-applications and e-submissions. Allows our AIA FSCs to provide customers with comprehensive financial advice.
Insured as fast as within one day	E-application forms are electronically submitted for underwriting and customers are covered as soon as the underwriting process is completed and policy contracts issued.
Easy-to-use interface on the iPad	Simplify the insurance purchase for customers.
Mobility and Convenience	Our AIA FSCs can meet their customers anytime and anywhere, at customers' convenience, with an automated system.

¹ Pay rise without higher productivity dangerous: PM Lee' (May 1, 2012) The Straits Times. Available at: http://www.straitstimes.com/BreakingNews/Singapore/Story/STIStory_794285.html

Traffic light navigations	The iPoS system prompts the FSCs to verify that information included is sufficient and correct before the forms can be e-submitted.
Go Green initiative	The iPoS system reduces paper usage as there is less need to create, use or store physical documents such as the Financial Health Review and application forms.
Attuned to preferences of potential recruits and customers	Moving to an automated system will also ensure that AIA Singapore is more attuned to the preferences of potential recruits and customers. Approximately one in three Singaporeans owns a tablet, placing Singapore second on a global ranking of tablet ownership rates in 2012 ² .
Complementary Protection iBook application, to enhance the overall customer insurance purchase experience, together with the iPoS on iPad	The complementary Protection iBook application is a pre-sales tool kit that helps customers better understand financial planning and insurance. It consists of AIA Protection Calculators, product information and other useful resources, for AIA FSCs to initiate conversations with customers which is done on the iPad. Together with the iPoS, the Protection iBook will enhance the overall customer insurance purchase experience.

Bill Lisle, AIA Group Chief Distribution Officer, said; “One of AIA Group’s strategic priorities is continuing to advance our Premier Agency force. The iPoS innovation we are delivering today will enable our Premier Agents serve our customers faster and more efficiently, with more focus providing quality advice and less time spent on administrative matters. In doing so, we are deepening our engagement with our customers and improving the customer experience. We will continue to work to ensure our agency force is equipped with industry-leading technology as we provide the best available advice to help meet our customers' protection and financial needs.”

Tan Hak Leh, Chief Executive Officer, AIA Singapore, said; “AIA Singapore is proud to spearhead AIA Group’s innovative initiative which will help increase our competitiveness in the market. iPoS will further enhance our ability to focus on providing comprehensive financial advice and quality service to our customers. This reflects AIA’s commitment to proactively help more Singaporeans to take action in order to ensure they are adequately protected.

iPoS will be the key component in our training programmes for new recruits, which will raise their productivity. With this innovation, these new FSCs will be able to effectively and efficiently provide customers with comprehensive financial advice, at their customers’ convenience.”

² Singapore No.2 worldwide in tablet craze’ (19 June 2012). Irene Tham. *The Straits Times*, Available at: http://www.straitstimes.com/BreakingNews/Singapore/Story/STIStory_812570.html

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“Our priority remains to help families in Singapore to bridge their protection gaps and I am heartened that the under-insurance gap in Singapore has been halved from 7.6 times the annual income in 2006. That said, inflation and increasing medical costs are some factors which highlight the need for more to be done to get Singaporeans adequately protected.³ AIA Singapore’s pioneering initiative is yet another of our efforts to pro-actively address this need,” he added.

While a working adult in Singapore needs to be insured by approximately S\$626,000⁴ to be adequately covered, the average Singaporean is only covered by 61% and has a shortfall of S\$242,500, or 3.7 times the annual income. This is according to a 2011 study by the Life Insurance Association, Singapore (LIA) released in early August 2012. In addition, the 2011 AIA Singapore Nationwide Protection Survey found that 62% of Singaporeans believe that purchasing insurance is a demonstration of commitment to their family, and 76% agree that purchasing insurance is about ensuring that their dependents will have money to rely on for a few years, upon their demise or permanent disability.

AIA Group delivered another record set of results for the first half of 2012, with Value of New Business (VONB) up by 28% to US\$512 million compared to the same period last year. This strong performance is, in part, attributed to the Group’s focus on ensuring our agency force is equipped with tools and technology that support the sales process and the customer experience with AIA. It also reflects AIA’s sole focus on the Asia-Pacific region, combined with key competitive advantages around AIA’s people, proprietary agency distribution channel, partnership relationships, brand and financial strength.

AIA Singapore recently reported strong growth in the six months ended 31 May 2012; achieving US\$99 million in VONB which is a 27% increase and Operating Profit After Tax (OPAT) of US\$168 million, an 8% increase compared to 2011 for the same period. AIA Singapore will continue to drive business growth momentum for the rest of the year by leveraging innovation to bridge the protection gap in Singapore.

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About AIA

AIA Group Limited and its subsidiaries (collectively “AIA” or “the Group”) comprise the largest independent publicly listed pan-Asian life insurance group in the world. It has wholly-owned main operating subsidiaries or branches in 14 markets in Asia Pacific – Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the

³ ‘Protection gap of Singaporeans has narrowed: Results of LIA 2011 Protection Gap Study’ (3 August 2012) Press Release by the Life Insurance Association. Available at: http://www.lia.org.sg/files/news/2012/08/LIA_Protection_Gap_Study_2012_MediaRelease_3Aug12.pdf

⁴ Based on the average annual income of S\$65,500, each working adult needs about 10 times his annual salary for adequate coverage.

Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau and Brunei and a 26% joint venture shareholding in India.

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\$119,494 million as of 31 May 2012.

AIA meets the savings and protection needs of individuals by offering a range of products and services including retirement planning, life insurance and accident and health insurance. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents and employees across Asia Pacific, AIA serves the holders of more than 24 million individual policies and over 10 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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