AVIVA

Focus

Strengthen

Perform

Feedback on Aviva

Strengths	But clear challenges
Strong core businesses and a great brand	Complex business
Growing GI business with improving CORs	Weaker than peers on leverage and capital with Eurozone volatility
UK Life business performing strongly	Issues on strategic execution
A greater emphasis on cash flow and new business capital efficiency	Uncertainty over growth and metrics

Source: External advisors to the board

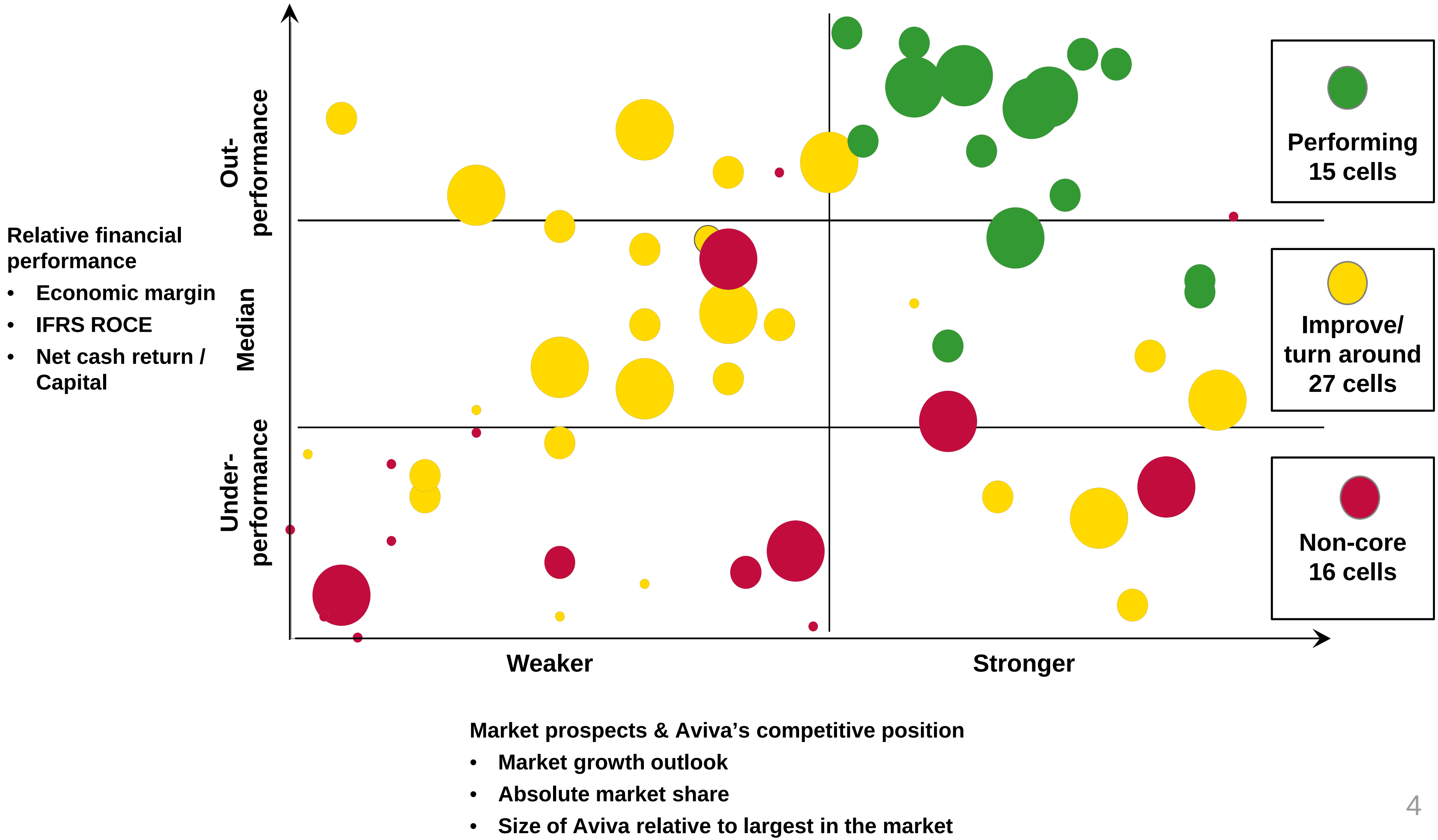
Focus, Strengthen, Perform

Narrowed Focus	• Allocate capital to most attractive businesses • Improve underperforming segments • Exit non core businesses • Create an attractive portfolio foundation for the future
Financial Strength	• 160% – 175% economic capital surplus target range • Reduce capital volatility • Reduce leverage
Improved Performance	• Revenue growth where possible • Expense savings of £400 million from end of 2011 • Lower losses & claims • Increase return on equity through capital efficiency

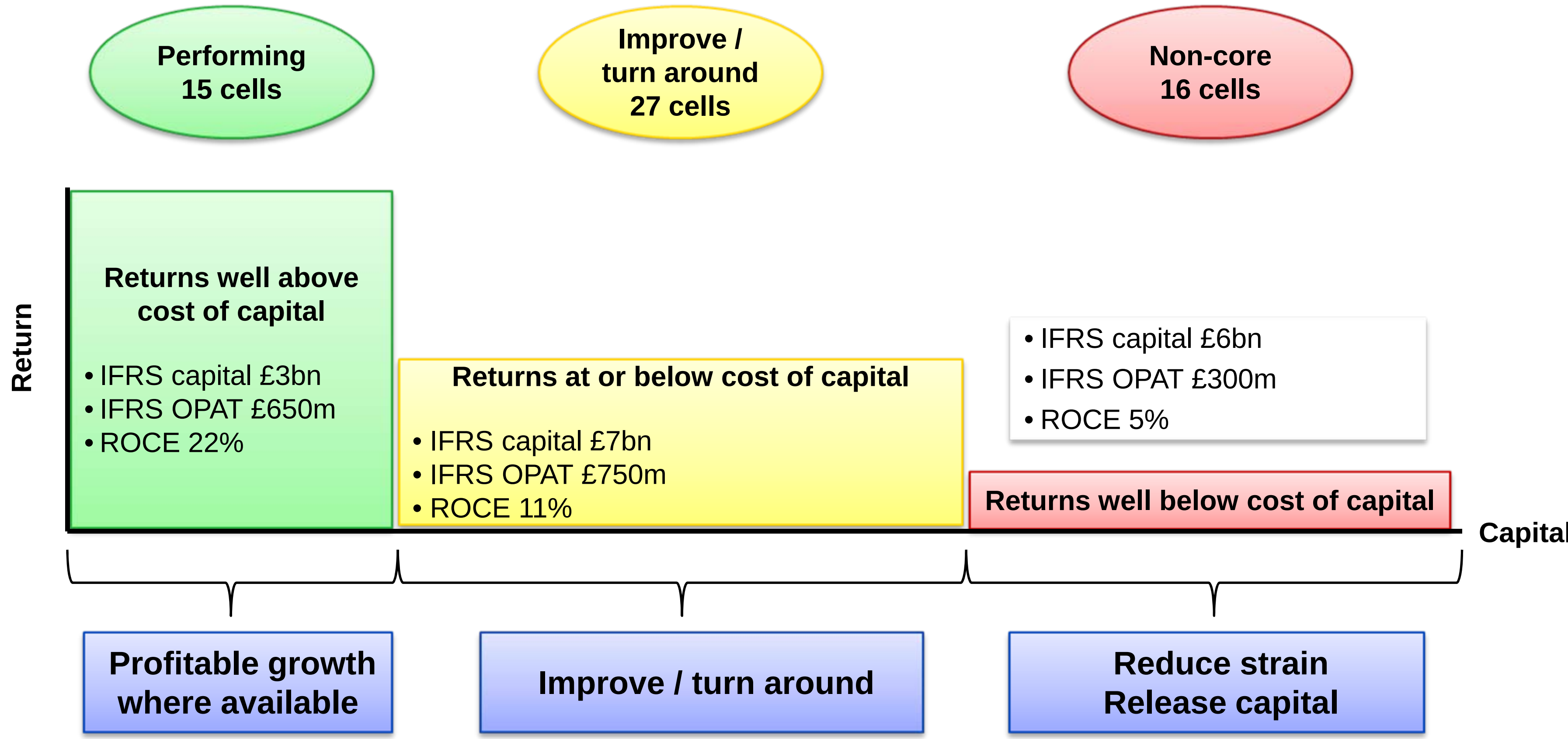
**The economic capital surplus represents an estimated unaudited position. The capital requirement is based on Aviva's own internal assessment and capital management policies. The term 'economic capital' does not imply capital as required by regulators or other third parties. Pension scheme risk is allowed for through five years of stressed contributions.*

Narrowed focus

Portfolio assessed on relative financial performance & market prospects / competitive position



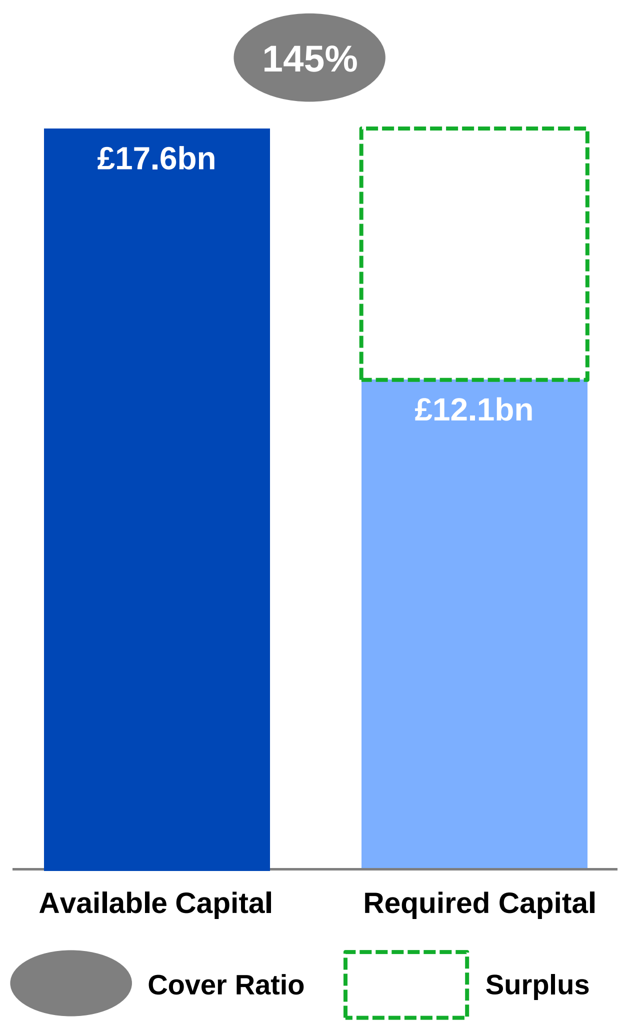
Dynamic capital allocation



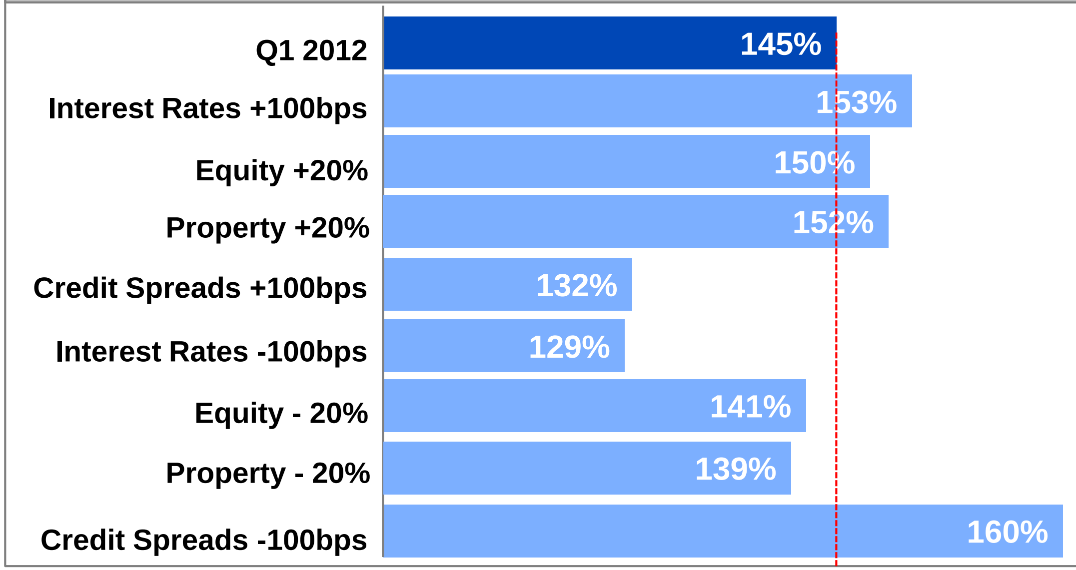
1. OPAT = operating profit after tax and minority interests
2. Nothing contained in the presentation is, or can be construed as, a profit forecast

Economic capital

Estimated economic* capital Q1 2012



Sensitivities based on Q1 position



Q1 economic capital surplus of £5.5 billion

Coverage 164% if US included on an equivalence basis

Principal sensitivities to credit and equity movements

Interest rate sensitivity driven mainly by cost of guarantees in France and the US

A number of levers are available to control these exposures

Economic capital* cover of approximately 140% as at end June

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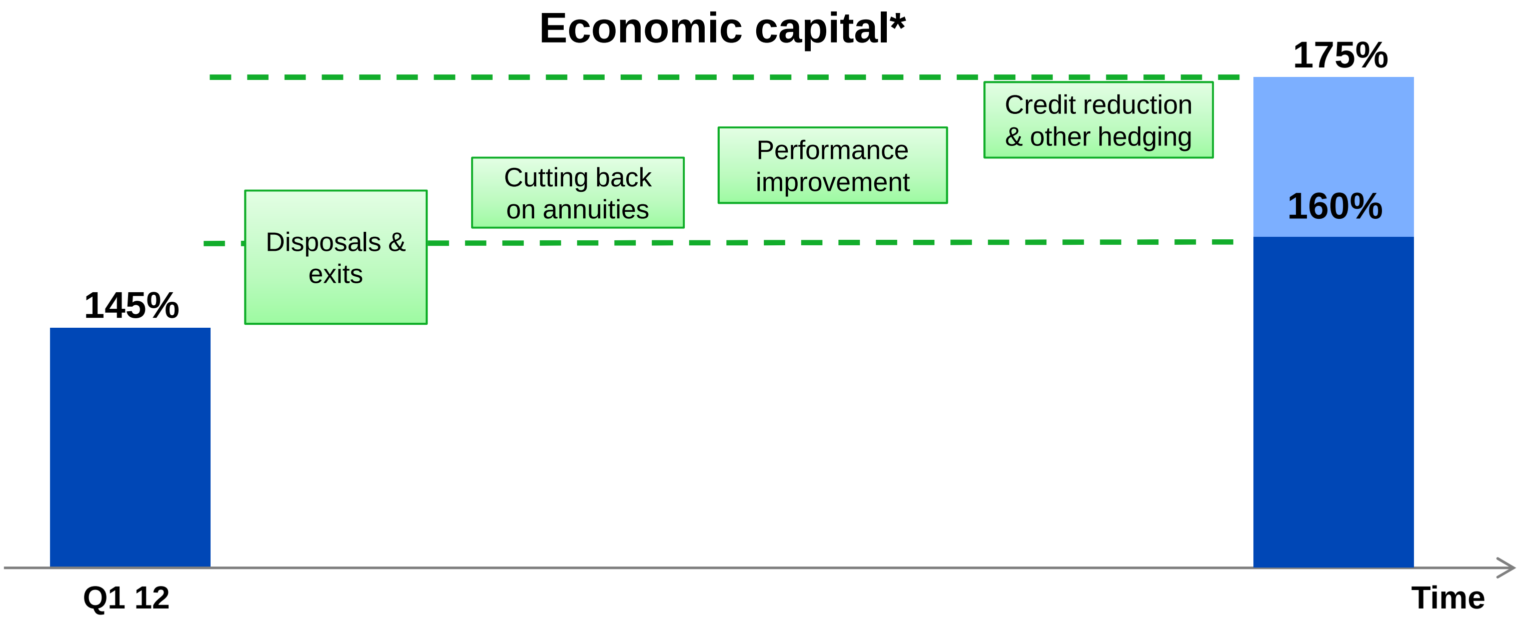
How we are going to get our target range



Mechanisms for and impact from increasing capital surplus

<u>Impact of disposals</u>
- Decreases required capital – in some cases materially
- Increases available capital depending on proceeds

<u>Impact of actions on profits</u>
- Disposals and hedging decrease profits
- Offset by the performance improvement programme

<u>Increase available capital</u>:
- Reduce costs (in-force cost savings are capitalised)
- Lower claims
- Increased persistency

<u>Decrease required capital:</u>
- Reduce product guarantees
- Asset mix changes
- Hedging
- Reinsurance

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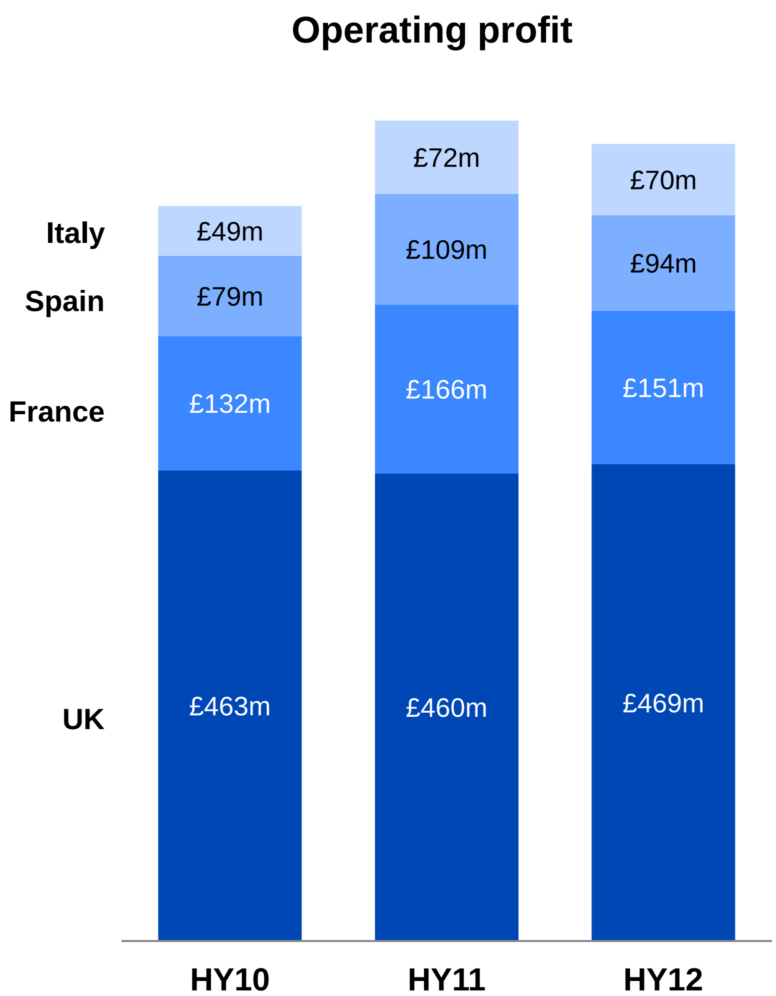
Group-wide performance improvement themes

Theme	Area	Actions
Revenue growth where possible	**Focused growth**	• Develop Higher Growth segment, seek revenue opportunities in Developed markets where available • Develop additional cross-segment revenue streams
	Product portfolio & asset allocation	• Reduce exposure to Life guarantee products – eg bancassurance product mix • Reduce exposure to IPIGS sovereign debt
Productivity	**Expenses**	• Lower the cost / income ratio • Review of Group Centre & other support, technology and operating costs • Reduce intervening layers from 9 to 5
Lower losses & claims	**Underwriting, pricing, claims & retention**	• More sharing of best practice across the organisation • Greater pricing discipline – measurement of profitability at sub-cell level • Continuing claims and retention initiatives to limit losses
	Increase return on equity through capital efficiency	• Allocate capital to high performing businesses, away from non core, improve turn around segments • Clear performance metrics including economic margin

Cultural change

- Implement a group-wide cultural and values change programme to achieve a high performance ethic through stretched goals and rigorous performance management
- Eliminate unusually high levels of bureaucracy whilst maintaining strong risk controls and increasing personal accountability

Life: resilience in the UK, lower profits in France, Spain and Italy



Italy	HY10	HY11	HY12	% change
Operating profit (£m)	49	72	70	(3)%
Operating Capital Generation (£m)	(41)	-	42	-
Average reserves (£bn)	18	19	17	(11)%
Annualised ROCE*	4.8%	7.9%	7.6%	(0.3)ppt

Spain	HY10	HY11	HY12	% change
Operating profit (£m)	79	109	94	(14%)
Operating Capital Generation (£m)	17	24	26	8%
Average reserves (£bn)	11	12	11	(8)%
Annualised ROCE*	7.9%	12.6%	11.4%	(1.2)ppt

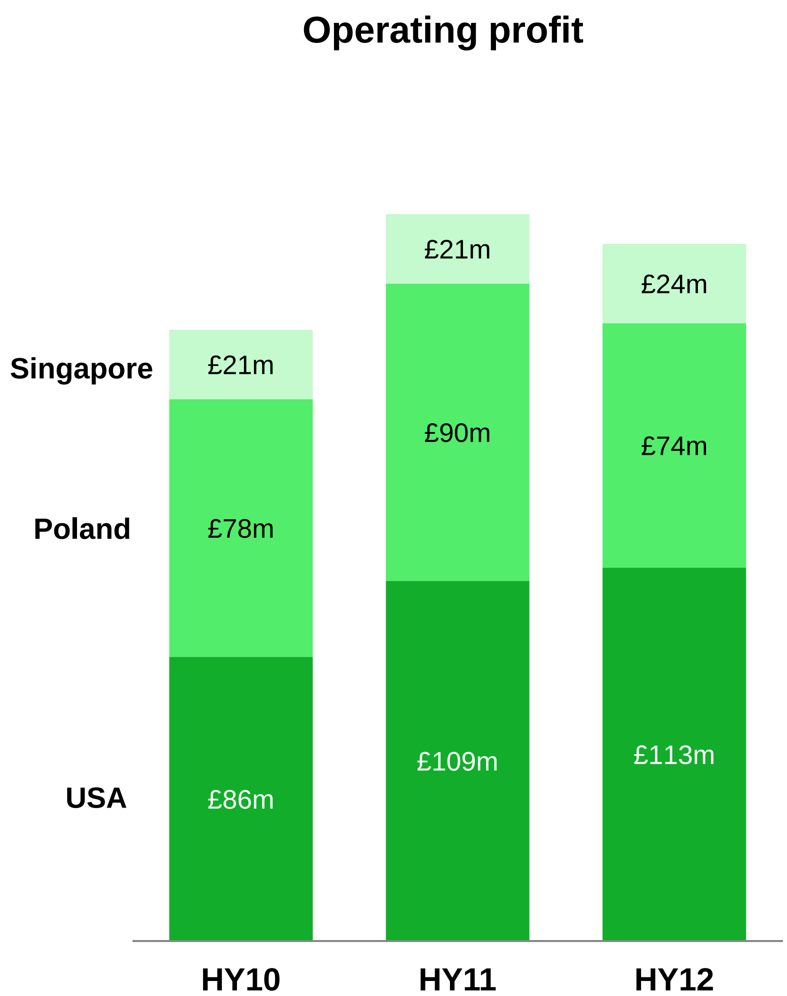
France	HY10	HY11	HY12	% change
Operating profit (£m)	132	166	151	(9)%
Operating Capital Generation (£m)	11	110	128	16%
Average reserves (£bn)	59	64	59	(8)%
Annualised ROCE*	10.7%	12.3%	10.6%	(1.7)ppt

UK	HY10	HY11	HY12	% change
Operating profit (£m)	463	460	469	2%
Operating Capital Generation (£m)	235	184	374	103%
Average reserves (£bn)	103	113	115	2%
Annualised ROCE*	14.6%	19.6%	16.1%	(3.5)ppt

** Gross of minority interest where applicable*

Life: higher profits in the US and Singapore, lower profits in Poland

AVIVA



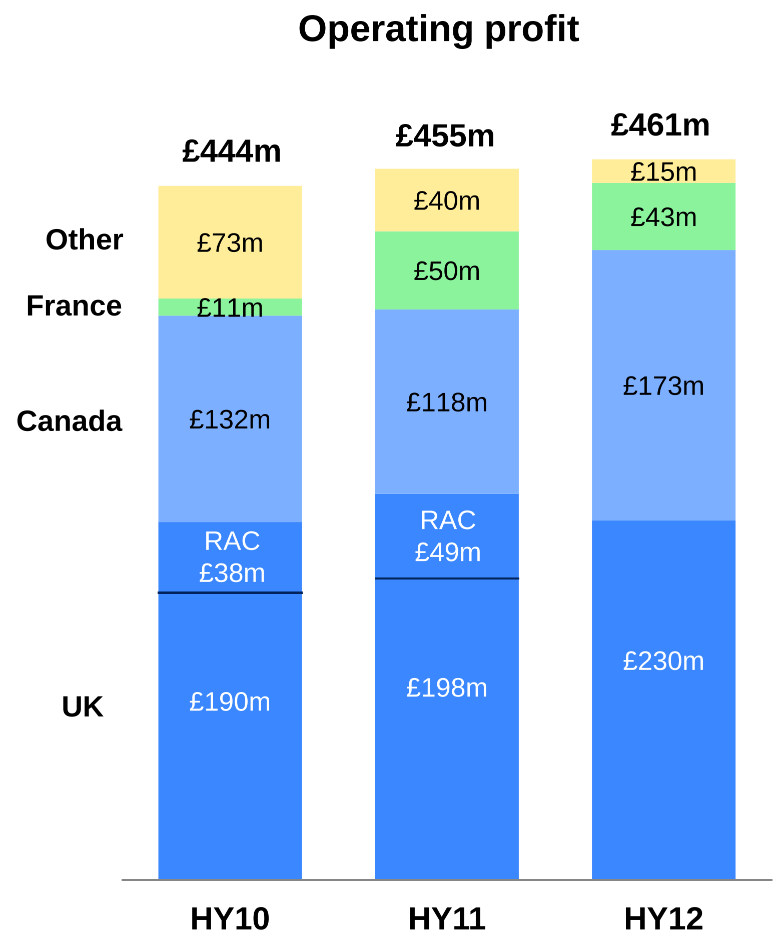
Singapore	HY10	HY11	HY12	% change
Operating profit (£m)	21	21	24	14%
Operating Capital Generation (£m)	(6)	7	4	(43)%
Average reserves (£bn)	1	2	2	-
Annualised ROCE*	18.0%	14.3%	18.8%	4.5ppt

Poland	HY10	HY11	HY12	% change
Operating profit (£m)	78	90	74	(18)%
Operating Capital Generation (£m)	81	57	56	(2)%
Average reserves (£bn)	12	15	12	(20)%
Annualised ROCE*	52.7%	52.6%	45.5%	(7.1)ppt

USA	HY10	HY11	HY12	% change
Operating profit (£m)	86	109	113	4%
Operating Capital Generation (£m)	92	50	(98)	-
Average reserves (£bn)	29	32	34	6%
Annualised ROCE (including goodwill)	3.6%	3.0%	3.8%	0.8ppt
Annualised ROCE based on regulatory capital	4.6%	4.3%	7.9%	3.6ppt

** Gross of minority interest where applicable*

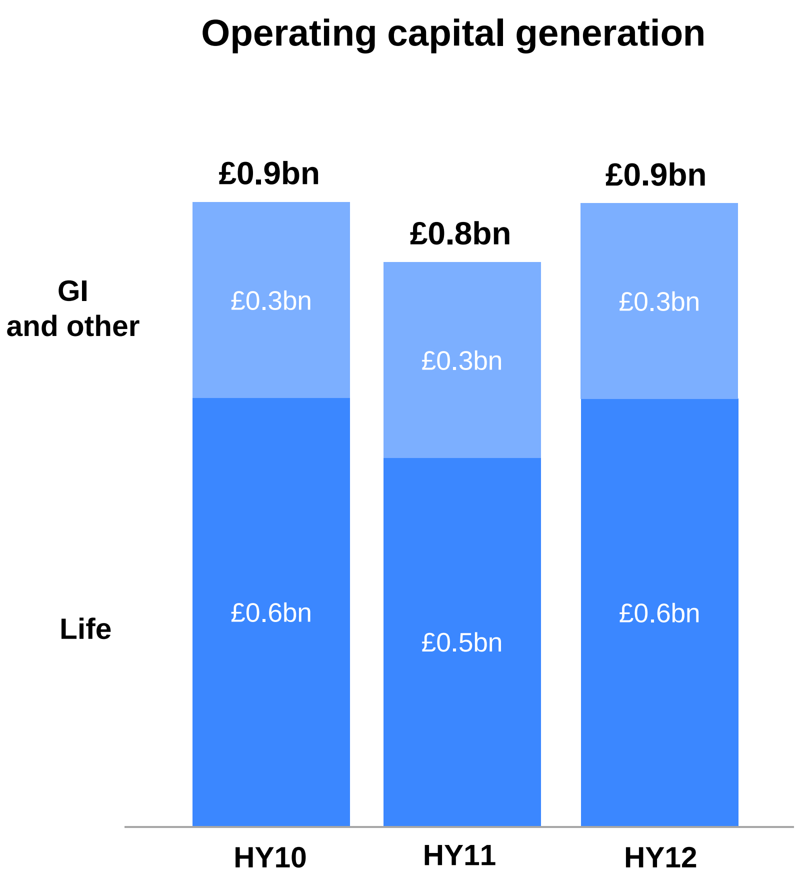
GI & Health: higher profits in the UK and Canada offset by the RAC disposal and weather



COR	97.0%	96.3%	95.5%

All numbers exclude Delta Lloyd

Group operating capital generation ahead of HY11



Operating capital generation

	HY11	HY12	HY12	
£bn	Net	Net	Generated	Invested
Life	0.5	0.6	1.0	(0.4)
General Insurance	0.3	0.3	0.3	-
Total	0.8	0.9	1.3	(0.4)
		HY11	1.3	(0.5)

Capital efficiency[1]

	HY10	HY11	HY12
Capital / sales	4.5%	4.0%	3.9%

Liquidity at Group Centre

£bn	FY11	HY12[2]
Central liquidity	1.5	1.7

1. *Capital efficiency = life allocation/PVNBP net of tax and minorities.*
2. *Pro-forma for the further sale of shares in Delta Lloyd on 6 July*

We will end up being

Focused

Financially strong

Performing

Q & A