

Press Release

**AIA Launches AIALINK – The First Unit Linked in Thailand
Offering life protection coverage
and creating more investment possibilities for policyholders**

Bangkok, 10 February 2009: **American International Assurance Company, Limited (AIA)**, the country's largest life insurer, today announces the launch of **AIALINK**, the first unit linked in Thailand. AIALINK is a life insurance policy which provide policyholders the life protection coverage and investment opportunity with selected mutual fund managed by 4 expert asset management companies; Aberdeen, SCB Asset management (SCBAM), Ayudhya Fund Management (AYF) and UOB Asset Management (UOBAM). The product is expected to be popular as Thais understand better on investment concept.

Mr. Thomas James White, AIA Thailand's Executive Vice President and General Manager said "The Office of Insurance Commission (OIC) has already approved AIA to sell AIALINK, an innovative product that no life insurer, bank or financial institution in Thailand have sold before. AIALINK is the combination of single premium whole life insurance policy and mutual fund, offering policyholder the life protection coverage of minimum 110% of the initial premium and long-term investment return. The investment components of premiums are allocated directly into mutual funds of the policyholder's choice. The value of policyholders 's account will vary to the net asset value (NAV) of the selected mutual fund managed by four expert asset management companies: Alberdeen, SCBAM, AYF and UOBAM. These four AMC's performance level are up to AIA's selection criteria and have outstanding fund management in equity market, money market, fixed income and foreign investment fund market.

Portfolios of AIALINK selected fund list are divided into three risk levels: conservative, moderation and growth (high risk). Policyholders can select any of the mutual funds in AIALINK's selected fund list. For example, the policyholder who is comfortable with a high risk and would like to get a high investment return, he could select to invest in equity funds or foreign investment fund. Conversely, if the policyholder is risk averse, he can invest his premium conservatively in money market or fixed income fund. Before purchasing AIALINK, AIA will have portfolio model recommendation according to the customer's risk profile questionnaire."

For the key features of AIALINK, Mr. White said "The key value is the guaranteed death benefit which is never less than the investment account value plus 10% of the initial premium or 110% of the initial premium minus the redemption value of the fund, whichever is higher. Whether the mutual fund values go up or down, this guaranteed benefit is provided by the insurance company, making Unit Linked different from other direct investments which do not offer such protection.

AIALINK also provides flexibility same as mutual fund. Policyholders are able to top-up the investment, withdraw part of the premium account value or surrender in case of money needed with no fee charge. This flexibility feature will help the policyholders manage their saving and life insurance premium to fit their changing needs. In case of partial withdrawal, the policyholders will still be protected by the company.

Another key feature of AIALINK is that ordinary people can access a variety of mutual funds through a single product administered by AIA, as well as switch between investment options. AIALINK offers policyholders three fund management services which are fund switching, automatic fund switching for getting the dollar cost averaging, and automatic fund rebalancing to keep the portfolio to have the investment proportion same as requested.

For the target group of the product, Mr. Thomas White added that "AIALINK is a simple, all-in-one solution to meet the policyholders' long-term needs for retirement planning and wealth building, AIALINK, therefore, is suitable for all group of clients who want a life protection coupled with a better investment opportunity. It is ideally suited for those who may not have time, experience or are confident to pursue investment products. AIALINK is available to customers aged one month to 60 years old with a minimum initial premium of THB 100,000."

Mr. White added "As AIALINK has many complex features that need to be clearly explained to the potential customers, OIC, has therefore, prescribed the agent's qualifications as followings:

1. Hold a life insurance agent license or life insurance broker license
2. Hold the Securities and Exchange Commission's single license
3. Complete the OIC's unit linked training courses

AIA agents also have to complete AIA's training courses, and then the agent has all the abovementioned qualifications, AIA will propose to Insurance Department's registrar to certify that they could sell unit linked."

Mr. Thomas White disclosed the target of AIALINK "By 2009, we expected to produce THB 1 billion and we will allocate most of the premium (after deduct all fee charged) directly into mutual funds of the policyholders' choices. The product is expected to be popular among Thais as it is the all-in-one solution to provide policyholders life insurance protection coverage, long-term investment opportunity and wealth building. AIALINK also provides ways for customers to invest their premiums conservatively in fixed income and if they choose to do so, they can gradually increase their allocation to equities to take advantage of gains."

AIA was granted its license by the Securities and Exchange Commission (SEC) in September 2007, having earlier filed its Unit Linked product to the OIC approval, which was granted on December 25, 2008. Unit linked has been successful in many Asian markets since the early 1990s. AIA is the first company in Thailand to launch unit linked insurance to provide Thai people the diversified and innovative products for serving their lifetime changing needs

Finding more information for those who are interested in AIALINK at ILP Hotline 0-2638-7400 or Bkk.ilb@aig.com

About AIA

AIA has been operating in Thailand for 70 years since October 1, 1938. As of July, 2008, the company has total asset of 383.06 billion Baht, insurance reserves of 286.67 billion Baht, and capital of 69.24 billion Baht, or 1,107.67% of the statutory capital requirement. There are 5 million life insurance policyholders or 7.5 million policyholders if accidental and health insurance is included. Apart from ordinary life insurance, AIA also offers accident and health insurance, group insurance, credit life insurance, worksite marketing, housing loan, and provident fund.

American International Assurance Co. Ltd., American International Assurance Company (Bermuda) Limited, American International Assurance Company (Australia) Limited and AIA Pension and Trustee Co. Ltd. (AIA Companies or AIA) represent collectively one of the largest groups of life insurance organizations in Asia, with branch offices, subsidiaries and affiliates located in jurisdictions including the People's Republic of China, Hong Kong SAR, Macau SAR, Australia, Brunei, India, Indonesia, Malaysia, New Zealand, Singapore, South Korea, Thailand and Vietnam. AIA provides an extensive range of life insurance products through a multi-channel distribution system with an extensive agency force.

Fact Sheet of AIALINK

- AIALINK is the first unit linked in Thailand
- AIALINK is the combination of single premium whole life insurance policy and mutual fund, providing policyholders the life protection coverage and investment opportunity with selected mutual fund. Most of the premium (after deduct all fee charged) will be allocated directly into mutual funds of the policyholders' choices.
- AIALINK is available for customers aged 1 month to 60 years old
- The life protection period: Whole life or up to age 99 years
- The minimum initial premium = THB 100,000
- The top-up premium = Minimum THB 1,000 at any time

- Death benefits:

The investment account value plus 10% of the initial premium and 110% of the initial premium minus the redemption value of the fund, whichever is higher

- Maturity benefits = Net asset value of the policyholder's selected mutual fund
- The outstanding features of the product:
 - Offering policyholder the life protection coverage of minimum 110% of the initial premium and long-term investment return.
 - Accessible to a variety of mutual funds through a single product administered by AIA
 - High flexibility and liquidity, policyholders are able to add top-up investment, withdraw part of the premium account value or surrender in case of money needed with no fee charge. In case of partial withdrawal, the policyholders will still be protected by the company.
 - AIALINK offers policyholders 3 fund management services which are fund switching, automatic fund switching for getting the dollar cost averaging, and automatic fund rebalancing to keep the portfolio to have the investment proportion same as requested.
- The agent's qualifications:
 - Hold a life insurance agent license or life insurance broker license
 - Hold the Securities and Exchange Commission's single license
 - Completed the OIC's unit linked training courses

AIA agents also have to complete AIA's training courses, and then the agent has all the abovementioned qualifications, AIA will propose to Insurance Department's registrar to certify that they could sell unit linked.
