ASX Announcement

18 February 2010

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AMP Limited (ASX/NZX: AMP)
(also for release to AMP Group Finance Services Limited (ASX: AQNHA & NZX: AQN010))

Part Two: Investor Presentation

AMP Limited
Level 24, 33 Alfred Street
Sydney NSW 2000 Australia
ABN 49 079 354 519

2009 full year results

Craig Dunn
Chief Executive Officer

Paul Leaming
Chief Financial Officer

18 February 2010

Executive summary

- Robust financial results reflect resilient business model and decisive response to market conditions
  - Underlying profit of A$772m, down 5% on FY 08 (A$810m), with earnings momentum improving in 2H 09
  - Controllable costs down 5% on FY 08 to A$837m
  - Resilient net cashflows (A$2.2b in CWM for 2nd consecutive year)
  - Capital resources exceeding minimum regulatory requirements (MRR) by A$1.2b at 31 December 2009
- Substantial progress made in change program to reshape business to meet changing regulatory and consumer needs
- Encouraging results from continued investment in growth opportunities

Outline

- Group overview
- Business line review
- Financial overview
- Outlook and strategy
- Summary

Key performance measures

- Underlying return on equity 31.6%, down from 38.9% in FY 08, following November 08 capital raising to strengthen balance sheet
- Underlying profit A$772m, down 5% on FY 08 (2H 09 up 10% on 1H 09)
- Growth measures:
  - Net cashflows in AMP Financial Services up 17% to A$1.7b; AMP Capital Investors external net cashflows of -A$1.1b, down from -A$804m in FY 08
  - Value of risk new business[1] down 11% to A$102m, impacted by higher bond yields (11% growth in risk VNB in Australia offset by deterioration in NZ)
- 67% of AUM met or exceeded benchmark over 12 months to 31 Dec 2009; 72% over five years to 31 Dec 2009

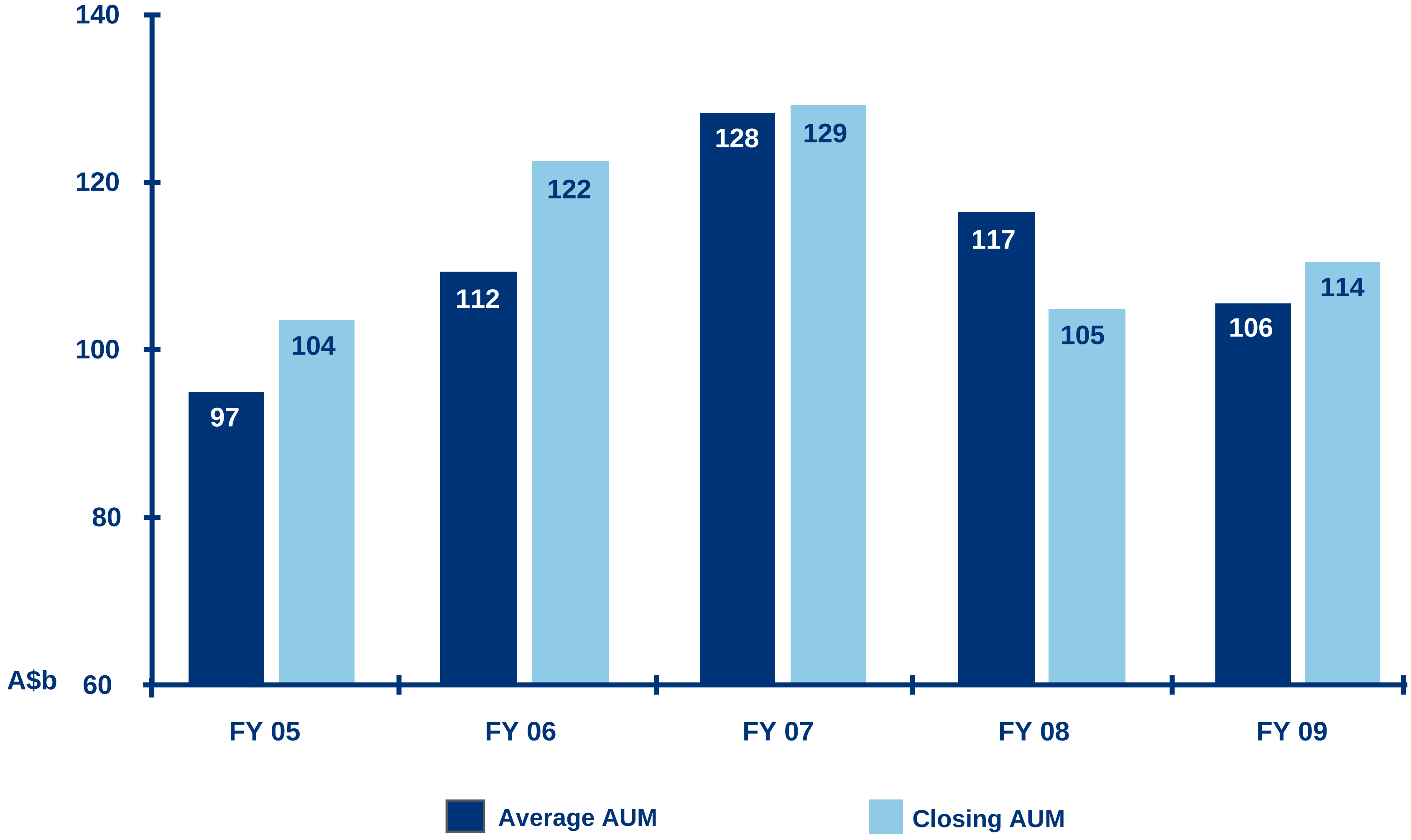
1. Combined value of new business measure for Australian Contemporary Wealth Protection and New Zealand risk insurance.

Overview – 2009 profit summary

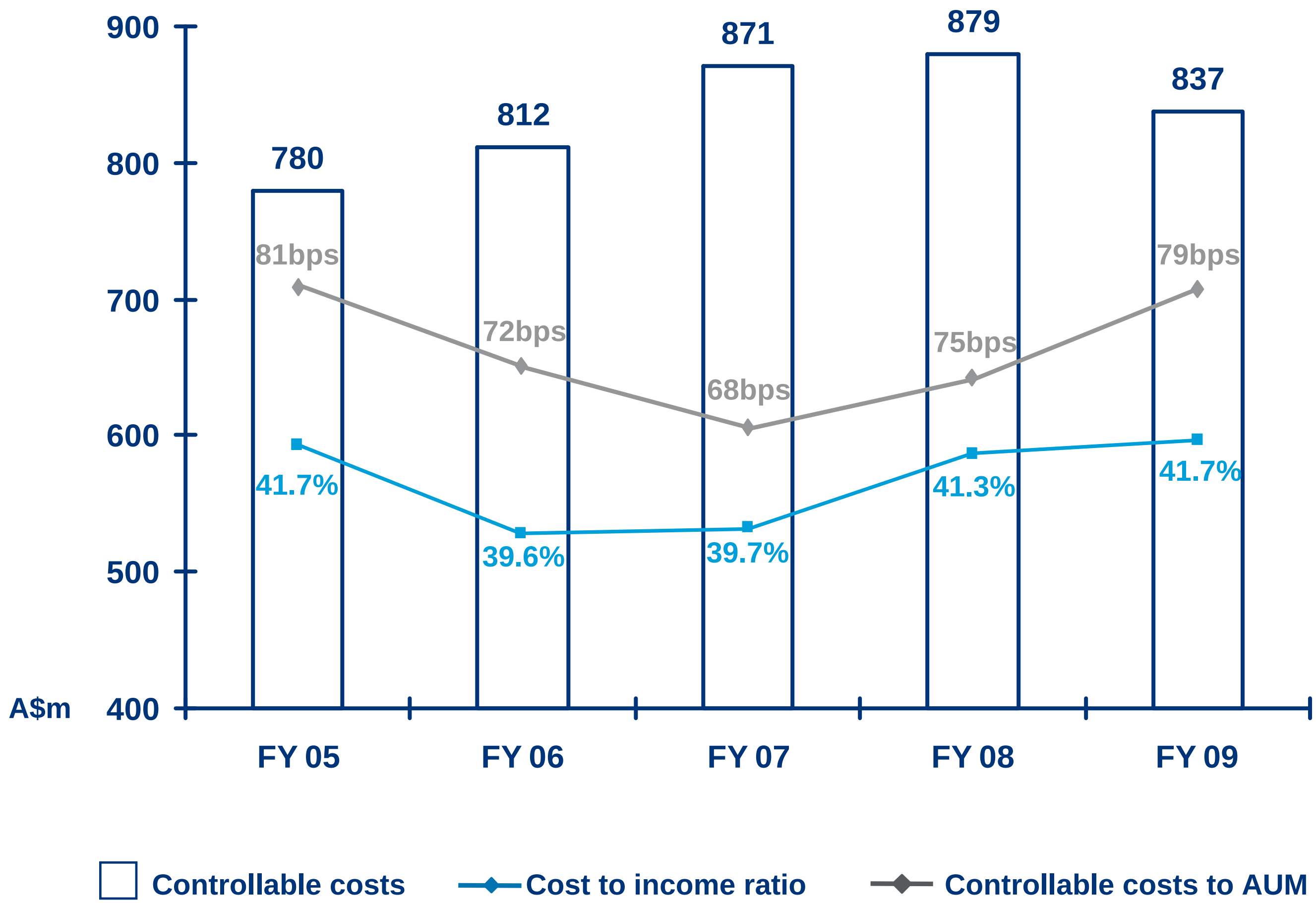
A$m	FY 09	FY 08	FY/FY % change
AFS Contemporary Wealth Management	278	266	+5%
AFS Contemporary Wealth Protection[1]	164	154	+7% (+13%)
AFS Mature[1]	151	161	-6% (-11%)
AFS New Zealand	54	56	-4%
AMP Capital Investors	91	136	-33%
BU operating earnings	**738**	**773**	**-5%**
Group office costs	(37)	(36)	+3%
Total operating earnings	**701**	**737**	**-5%**
Underlying investment income	126	140	-10%
Interest expense on corporate debt	(71)	(82)	-13%
AMP Limited tax loss recognition	16	15	+7%
Underlying profit	**772**	**810**	**-5%**
Market adjustment – investment income	(13)	(266)	-
Other items[2]	10	73	-
Seed pool valuation adjustments[3]	(30)	(42)	-
Profit after income tax before timing differences	**739**	**575**	**+29%**
Market adjustment – annuity fair value[4]	20	(117)	-
Market adjustment – risk products[4,5]	(14)	6	-
Loan hedge revaluations[4]	(5)	(41)	-
Accounting mismatches[4]	(1)	157	-
Net profit attributable to shareholders of AMP Limited	**739**	**580**	**+27%**

1. On like-for-like basis, CWP's operating earnings were up 13% and Mature's down 11% on FY 08, because lifetime annuities were reclassified from CWP to Mature in FY 09.
2. Includes release of prior year tax provisions offset by one-off and non-recurring costs. Refer p40 of FY 09 Investor Report.
3. Represents abnormal writedown of seed pool assets – Singapore industrial property and Australian retirement village business. Refer p30 of FY 09 Investor Report.
4. Relates to accounting gains / losses that do not reflect the underlying profitability of the Group and should reverse over time. Refer p41 of FY 09 Investor Report.
5. Previously included within market adjustment – investment income.

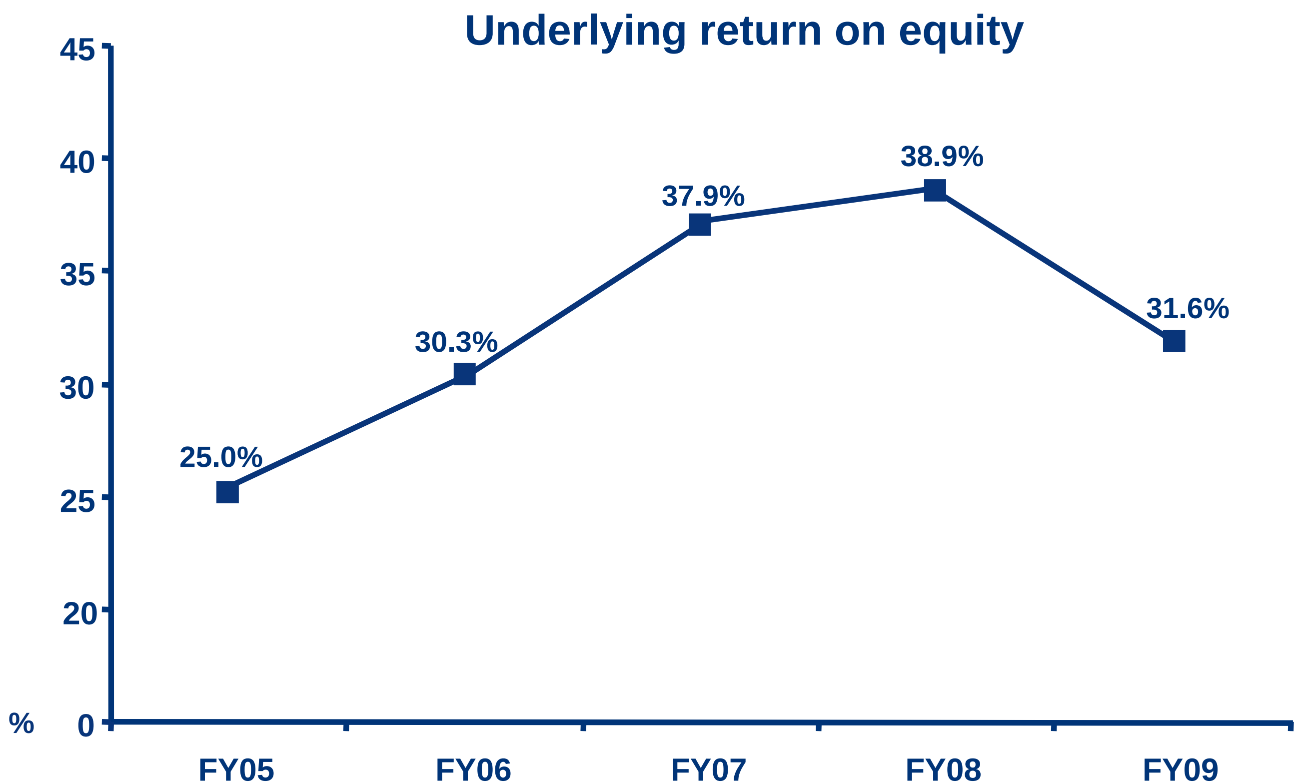
Overview – assets under management



Overview – group cost performance



Overview – shareholder returns



- Underlying RoE remains high at 31.6%, despite capital raising to strengthen balance sheet
- Final dividend payment of 16cps represents a payout ratio of 80%, up from 77% at 1H 09
- Total FY 09 dividend of 30cps

Overview – AXA update

- AXA remains attractive to us as an option to accelerate parts of our growth strategy, and will enhance industry competition
- Regulatory and other hurdles mean still a long way to go before any transaction is approved by AXA AP minority shareholders
- ACCC Statement of Issues highlights critical scrutiny of further consolidation in wealth management industry and identifies potential differences in outcomes of the two proposals
- Next step: respond to ACCC issues
- Maintaining disciplined approach to M&A and will continue to consider our position

Business line review

AMP Financial Services – FY 09 highlights

- Good result in tough environment, with operating earnings up 2% to A$647m
- CWM operating earnings of A$278m up 5% on FY 08, with strong cost control and resilient cashflows continuing to offset market downturn
  - AMP Bank operating earnings up to A$35m from A$21m in FY 08
- CWP earnings up 7% to A$164m (13% on like-for-like basis*), with strong new business growth
- Operating earnings for New Zealand down 4% to A$54m as difficult local risk insurance market conditions offset continued KiwiSaver growth
- 34.0% cost ratio reflects ongoing tight cost control, while investing for growth

* Lifetime annuities were reclassified from CWP to Mature in FY 09; cashflows and AUM comparatives have been restated, but not earnings.

AFS overview – FY 09 cashflows

- Resilient business model and strong mandated superannuation position continue to attract solid net cashflows

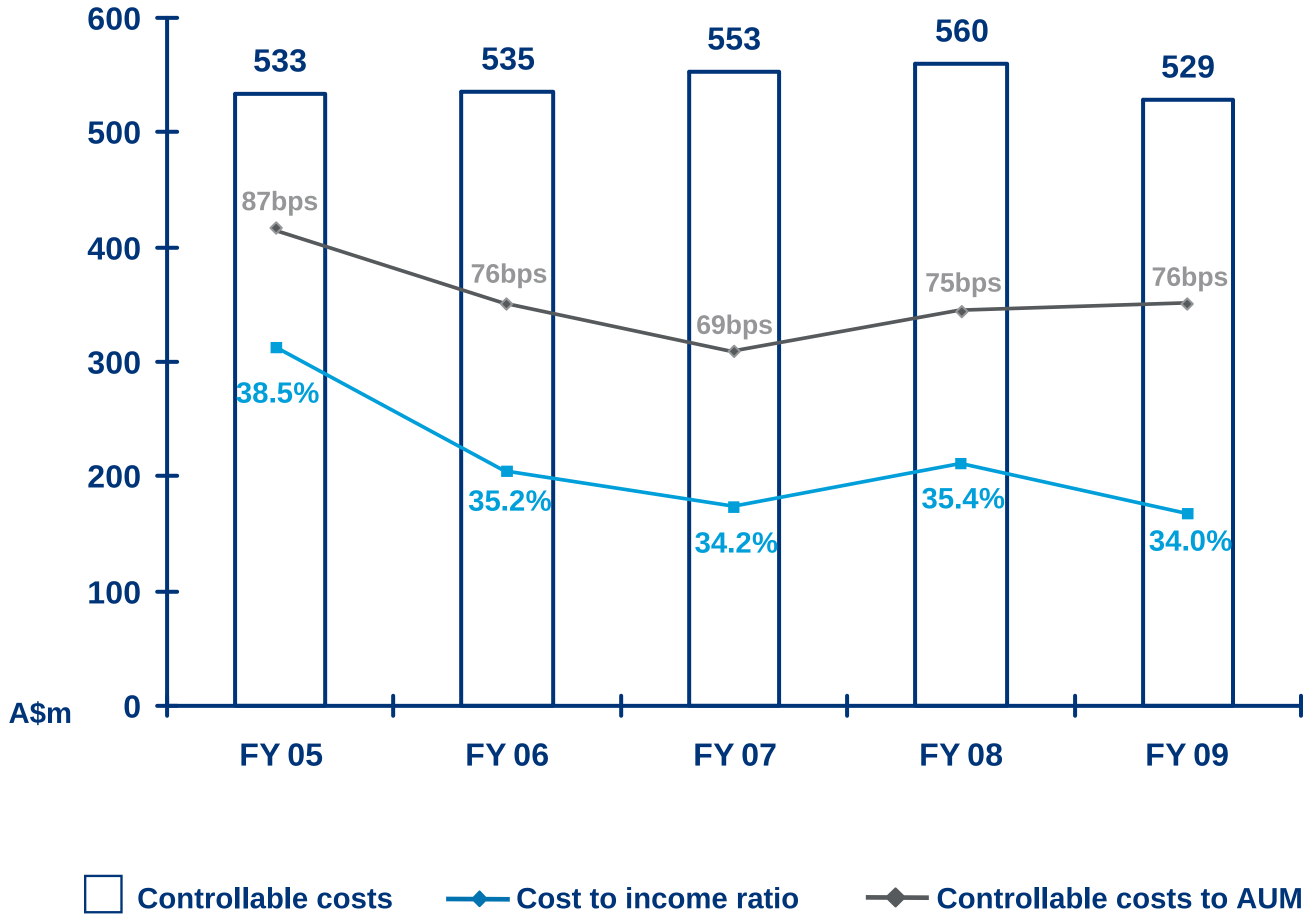
- Total net cashflows of A$1,661m, up 17% on FY 08
  - Retail superannuation and pensions/annuities net cashflows down 33% to A$834m
  - Corporate superannuation net cashflows (ex-mandate wins) up A$258m to A$812m, driven by regular employer contributions and lower outflows
  - A$274m in new Corporate Super mandate wins in FY 09, down from A$507m in FY 08
  - A$150m turnaround in retail investment cashflows, reflecting success of new SMA offer, Personalised Portfolio
  - Net cashflows boosted by Hillross's acquisition of Rabo Financial Advisers (A$231m)
  - Mature net outflows A$1,201m, down A$75m on FY 08
  - NZ net cashflows almost doubled to A$235m in FY 09

AFS overview – FY 09 cashflows

- Aligned planner channel cashflows reflected ongoing lower discretionary inflows and effect of delayed retirement activity
  - AMP Financial Planning net cashflows of A$748m in FY 09 compared to A$863m in FY 08
  - Hillross net cashflows of A$318m compared to A$56m in FY 08, largely reflecting addition of new practices, including Rabo Financial Advisers, and greater flows from new products
- Persistency[1] remains strong: 90.1% in FY 09 from 90.3% in FY 08
- Overall outflows improved, down 17% on FY 08
- Solid net cashflows in Q4 09 of A$694m (Q4 08 A$252m)

1. Persistency ratio relates to external outflows only. It does not include internal flows between AMP products.

AFS – cost performance



AFS Australian contemporary wealth management

Contemporary wealth management (CWM)			
	FY 09	FY 08	Change
Operating earnings	A$278m	A$266m	+ 5%
Controllable costs	A$340m	A$354m	- 4%
Cost to income ratio	44.9%	46.5%	- 1.6 percentage points
Net cashflows[1]	A$2,189m	A$2,180m	+ A$9m
Operating earnings to AUM[2]	53bps	48bps	+ 5 basis points
Persistency	90.0%	90.3%	- 0.3 percentage point
Average AUM (including capital)[1,3]	A$45.7b	A$51.0b	- 11%
Return on equity	42.9%	46.5%	- 3.6 percentage points

1. Fixed term annuities were reclassified to Mature in FY 09; cashflows and AUM comparatives have been restated.
2. Operating earnings to AUM exclude AMP Bank earnings; refer to p22 of FY 09 Investor Report for more detail on CWM EV and VNB.
3. Closing AUM (pre capital) was A$51.1b, up 21% on FY 08.

AFS Australian contemporary wealth protection

Contemporary wealth protection (CWP)			
	FY 09	FY 08	Change
Profit margins	A$144m	A$135m	+ 7%
Experience profits	A$20m	A$19m	+ 5%
Operating earnings[1]	A$164m	A$154m	+ 7%
Operating earnings / API[2]	22.5%	23.9%	- 1.4 percentage points
Controllable costs	A$75m	A$78m	- 4%
Individual risk API	A$607m	A$547m	+ 11%
Individual risk lapse rate	11.1%	10.8%	+ 0.3 percentage point
RoEV pre transfers @ 3% discount margin	12.4%	22.9%	- 10.5 percentage points
VNB @ 3% discount margin	A$100m	A$90m	+ 11%
Return on equity	30.1%	31.5%	- 1.4 percentage points

1. On like-for-like basis, CWP's operating earnings were up 13% on FY 08. FY 09 operating earnings do not include earnings on lifetime annuities (A$9m in FY 08) as this product was closed during the year and is now reported as part of Mature.
2. Based on average annual premium in-force.

AFS Australian mature

	Mature		
	FY 09	FY 08	Change
Operating earnings[1]	**A$151m**	A$161m	**- 6%**
Controllable costs	**A$60m**	A$64m	**- 6%**
Controllable costs/AUM[2]	**32bps**	37bps	**- 5 basis points**
Net cashflows[3]	**(A$1,201m)**	(A$1,276m)	**+ 6%**
Persistency	**89.5%**	89.7%	**- 0.2 percentage point**
AUM (pre-capital)[2,3]	**A$18.1b**	A$18.8b	**- 4%**
RoEV pre transfers @ 3% discount margin	**17.1%**	(19.6%)	**+ 36.7 percentage points**
VNB @ 3% discount margin	**A$21m**	A$21m	**Steady**
Average capital[4]	**A$390m**	A$107m	**+ A$283m**
Return on equity[4]	**43.4%**	158.2%	**- 114.8 percentage points**

1. On like-for-like basis, operating earnings were down 11% on FY 08. Fixed term annuities and lifetime annuities previously disclosed under CWM and CWP respectively have been reclassified to Mature after being closed to new business in 1H 09. This transfer added A$8m in operating earnings.
2. Based on monthly average AUM including capital.
3. Net cashflows and AUM (pre-capital) comparatives have been restated following annuities transfer.
4. Capital allocated to Mature increased by A$96m following annuities transfer. Additional shareholder capital was also allocated to Mature in FY 09 for capital guaranteed products.

AFS New Zealand

New Zealand			
	FY 09	FY 08	Change
Profit margins	**A$65m**	A$50m	**+ 30%**
Experience profits / losses	**(A$11m)**	A$6m	**- A$17m**
Operating earnings	**A$54m**	A$56m	**- 4%**
Controllable costs	**A$54m**	A$64m	**- 16%**
Cost to income ratio	**37.9%**	41.4%	**- 3.5 percentage points**
Individual risk API	**A$117m**	A$112m	**+ 5%**
Lapse rates	**11.6%**	8.2%	**+ 3.4 percentage points**
Net cashflows	**A$235m**	A$126m	**+ 87%**
AUM (pre capital)	**A$4.7b**	A$4.5b	**+ 4%**
RoEV pre transfers @ 3% discount margin[1]	**(10.1%)**	16.5%	**- 26.6 percentage points**
VNB @ 3% discount margin[2]	**A$16m**	A$26m	**- 39%**
Return on equity	**20.0%**	27.2%	**- 7.2 percentage points**

1. In NZ dollar terms, RoEV is -7.0%.
2. In NZ dollar terms, VNB has decreased by 35% on FY 08.

AMP Capital Investors – FY 09 highlights

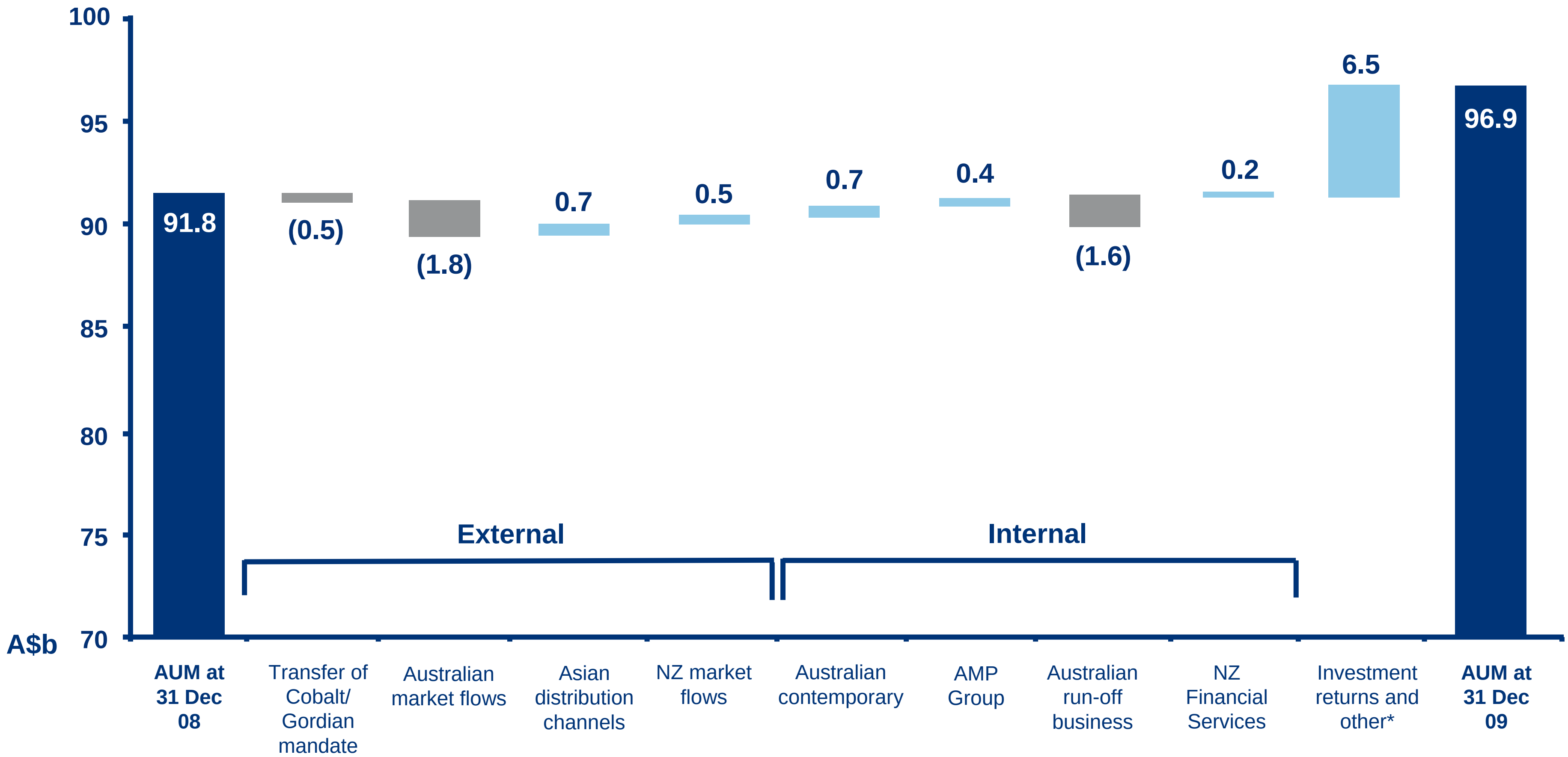
- Improving investment performance, with 67% of AUM meeting or exceeding benchmark in 12 months to 31 December 2009; 72% over the five years to 31 December 2009
- Operating earnings of A$91m (A$136m in FY 08) reflected lower performance and transaction fees
  - Performance fees of A$32m down 52% on FY 08
  - Lower transaction fees of A$6m from A$20m in FY 08 reflected less activity and reduced investor appetite for alternate assets
  - Total management fees fell 12% to A$341m
- AUM up 6% to A$96.9b from A$91.8b in FY 08
- Disciplined cost management drove cost reduction of 5% to A$255m while investment in growth initiatives, particularly in Asia, was maintained

AMPCI overview – FY 09 key financial results

AMP Capital Investors (AMPCI)			
	FY 09	FY 08	Change
Operating earnings	A$91m	A$136m	- 33%
Management fees – AUM based	A$284m	A$314m	- 10%
Management fees – non-AUM based[1]	A$57m	A$73m	- 22%
Total performance & transaction fees	A$38m	A$86m	- A$48m
Controllable costs	A$255m	A$268m	- 5%
Cost to income ratio	65.2%	56.3%	+ 8.9 percentage points
External net cashflows	(A$1.1b)	(A$804m)	- A$273m
Return on equity	60.8%	59.9%	+ 0.9 percentage points

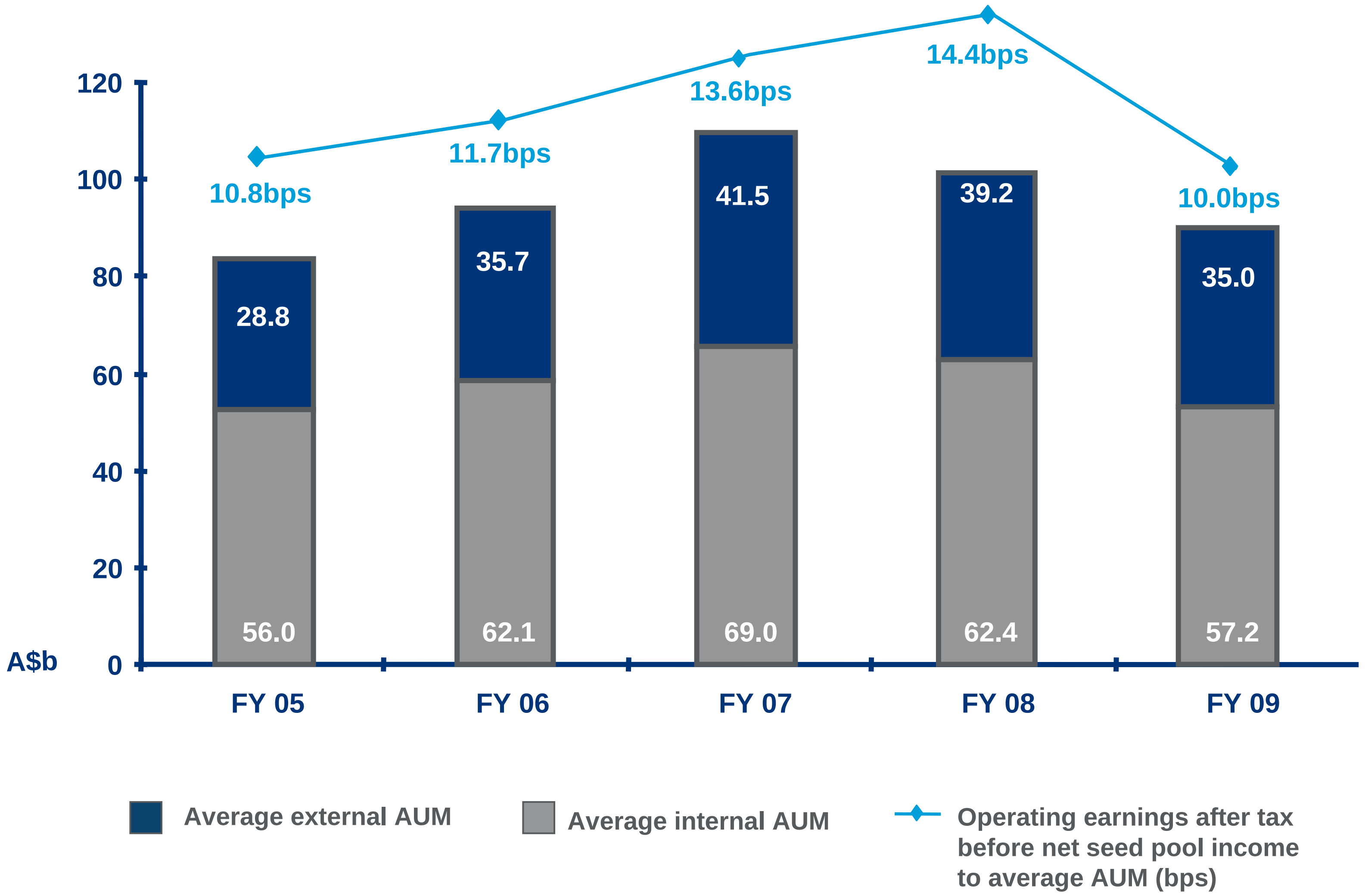
1. Includes fees from property asset management, bond lending, property development and property leasing.

AMPCI – drivers of cashflows



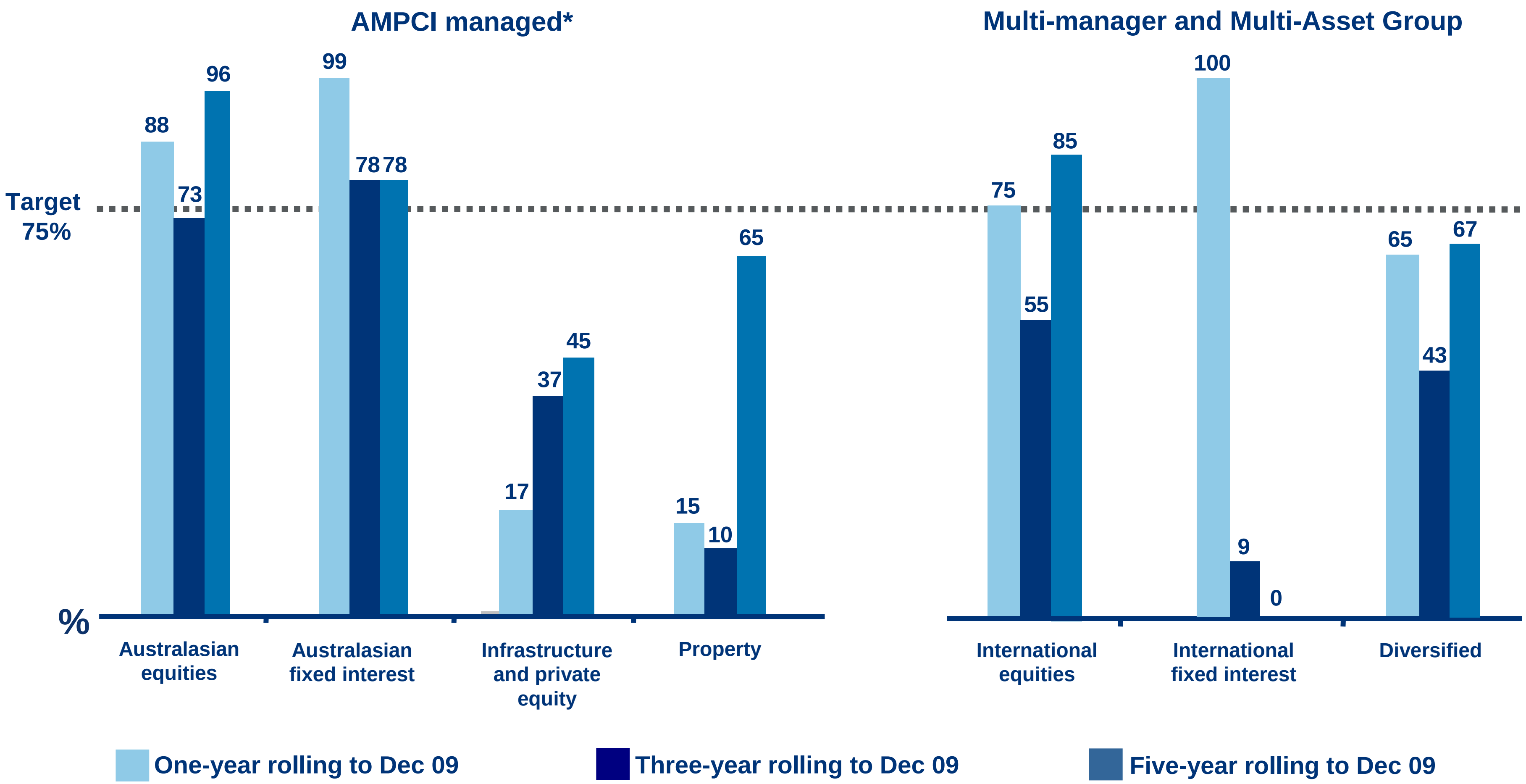
* Other includes distributions, taxes and foreign exchange movements.

AMPCI – volumes and profit margins



AMPCI – performance against benchmarks

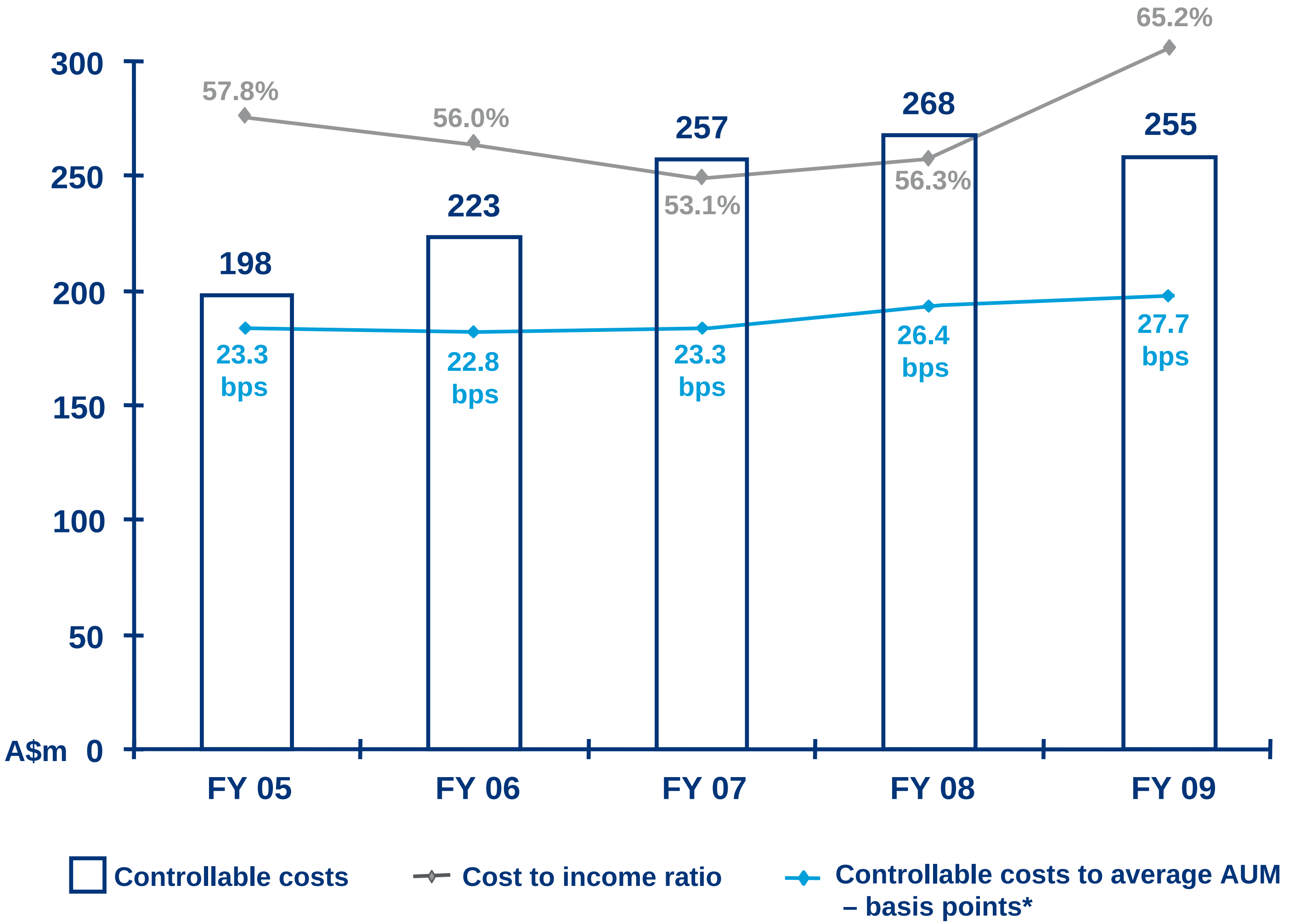
72% of AUM met or exceeded benchmark over five years
48% over three years
67% over one year



% Indicates assets under management meeting or exceeding benchmarks over rolling one-, three- and five-year periods to Dec 09.

* Excludes Future Directions Funds.

AMPCI – cost performance



* Based on average monthly AUM.

Financial overview

Paul Leaming

Chief Financial Officer

Financial overview – key points on P&L

A$m	FY 09	2H 09	1H 09	FY 08
Underlying profit	**772**	**405**	**367**	**810**
Market adjustment – investment income	(13)	13	(26)	(266)
Other items	10	(43)	53	73
Seed pool valuation adjustments[1]	(30)	5	(35)	(42)
Profit after income tax before timing differences	**739**	**380**	**359**	**575**
Market adjustment – annuity fair value[2]	20	29	(9)	(117)
Market adjustment – risk products[2,3]	(14)	2	(16)	6
Loan hedge revaluations[2]	(5)	(1)	(4)	(41)
Accounting mismatches[2]	(1)	(33)	32	157
Net profit attributable to shareholders of AMP	**739**	**377**	**362**	**580**

- Investment income market adjustment reflects improved markets in 2H 09
- Other items include one-off costs such as restructure and redundancy costs
- Seed pool valuations reflect small write-back in 2H 09

1. Represents abnormal writedown of seed pool assets – Singapore industrial property and Australian retirement village business. Refer p30 of FY 09 Investor Report.
2. Relates to accounting gains / losses that do not reflect the underlying profitability of the group and should reverse over time. Refer p41 of FY 09 Investor Report.
3. Previously included within market adjustment – investment income.

Financial overview – capital management strategy

- AMP remains strongly capitalised, with A$1.2b in surplus capital above MRR at 31 December 2009
- Capital management strategy aims to deliver:
  - strong balance sheet, with focus on capital preservation and capturing upside of market recovery
  - business flexibility for growth
  - optimised capital mix, subject to market conditions
  - surplus to protect the business against extreme market volatility
- Dynamically managed the equity exposure in SF1 to participate in the upside of market recovery while maintaining downside protection in the event of further market falls
- Continued disciplined approach to balance sheet and capital management as market recovery continues; some volatility still expected

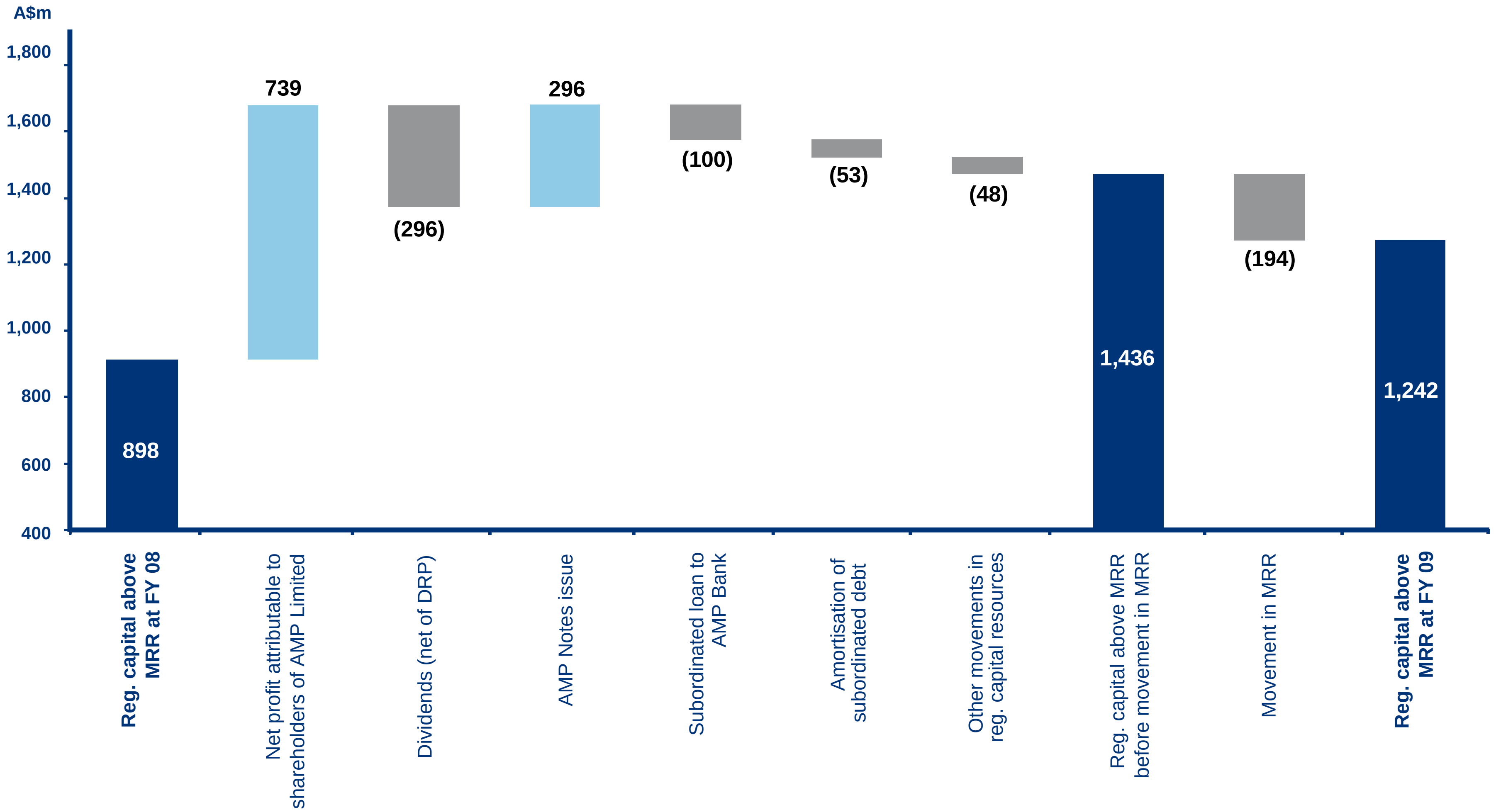
Financial overview – tactical equity protection for SF1

	Dec 08	Jun 09	Dec 09
Level of cover	$ 1.0 bn	$ 1.7 bn	$ 1.4 bn
Principal cover instrument	Short futures	Short futures + call spreads	Equity collars
Maturity of cover	n/a	Sept 09 / Dec 09	Mar 10 / Jun 10
Effective equity exposure from benchmark provided by protection strategy*	- 6%	- 7%	- 3%

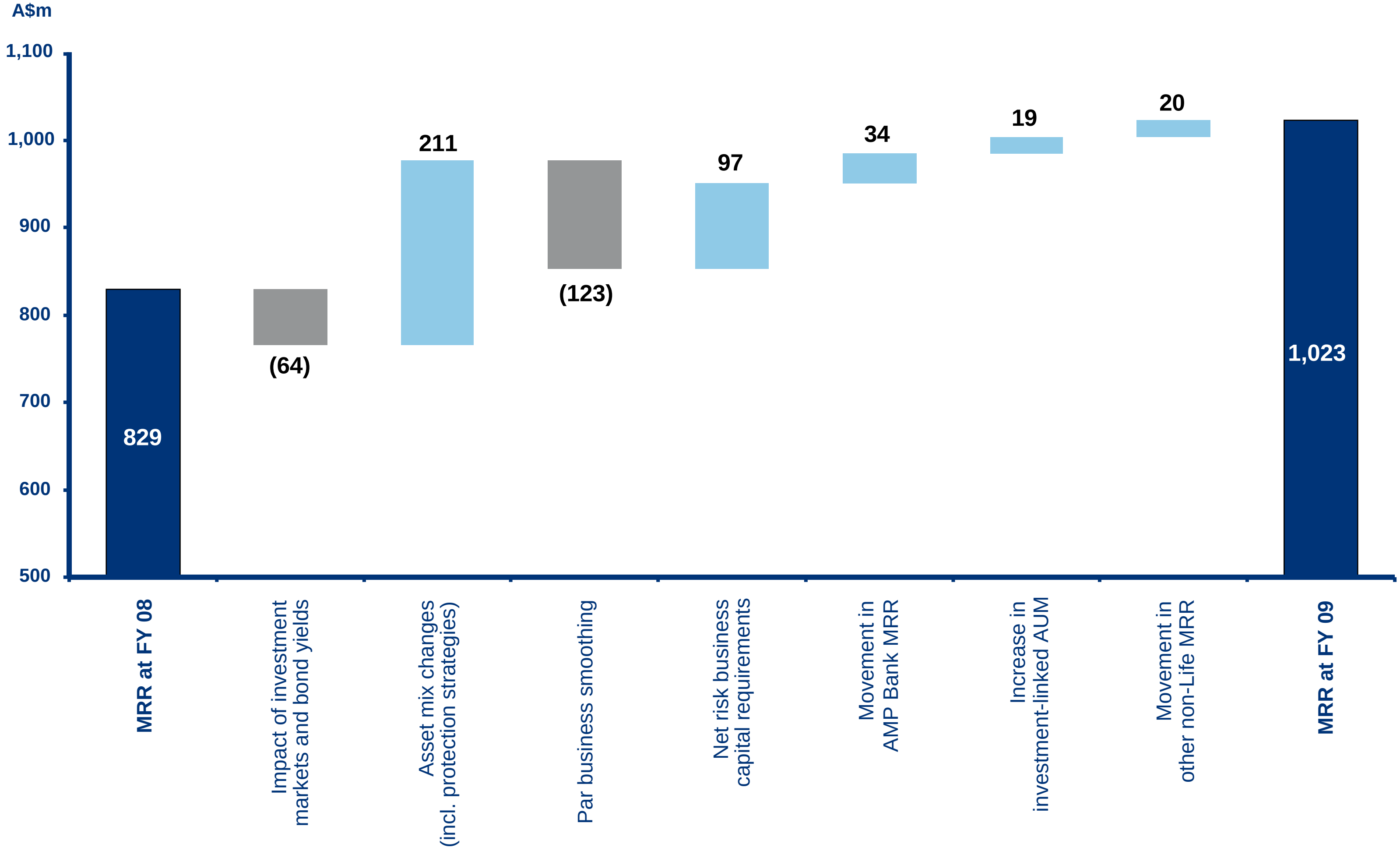
- Position continues to be monitored weekly
- Cover instruments offer differing levels of protection – i.e. short futures more effective than spreads and collars, but don't offer market upside
- Retain ability to act decisively if market deteriorates quickly
- Current position:
  - March collars rolled to September at close to original March pricing
  - SF1 remains slightly below long term benchmark exposure

* Excludes impact of ongoing long-term derivative protection strategy.

Financial overview – regulatory capital movements FY 09



Financial overview – movements in MRR



Financial overview – capital sensitivity

- **These sensitivities are a point-in-time view of the impact of movements in equity markets, bond yields and property values on the 31 December 2009 capital position**
- **AMP's dynamic capital management framework includes market-related trigger points at which management will take action to reduce the impact of market movements on its capital position**
- **These sensitivities do not make any allowance for these management actions**

31 Dec 2009 capital sensitivities – regulatory capital resources above MRR A$m	**AMP Life Statutory Funds**	**AMP Group[1]**
Actual 31 Dec 2009 (ASX 200 @ 4,871, Australian bond yields @ 5.7%)	1,125	1,242
Equity sensitivity – ASX 200 @ 5,500	220	230
Equity sensitivity – ASX 200 @ 5,000	50	50
Equity sensitivity – ASX 200 @ 4,500	(140)	(150)
Equity sensitivity – ASX 200 @ 4,000	(310)	(330)
Australian bond yield sensitivity - @ 6.5%	20	40
- @ 6.0%	0	10
- @ 5.5%	(20)	(30)
- @ 5.0%	(110)	(130)
Property sensitivity - 10% increase in unlisted property values	140	150
- 10% decrease in unlisted property values	(160)	(170)

1. AMP Group sensitivities are AMP Life Statutory Funds sensitivities plus the movement in group shareholder capital outside of the life funds, including the effect on capital from AMP's defined benefit fund and investment gains/losses on shareholder funds outside the AMP Life Statutory Funds.

Financial overview – dividend

- Final dividend of 16cps, franked to 50%, brings total 2009 dividend to 30cps
- Represents a final dividend payout ratio of 80% of underlying profit
- Dividend decision driven by:
  - current cash earnings
  - target payout policy of 75% to 85% of underlying profit
  - preservation of capital and balance sheet strength
- DRP discount will be maintained at 2.5%; DRP will not be underwritten and new shares will be issued to satisfy program
- Franking capacity likely to be enhanced as markets stabilise and taxable profits increase

Financial overview – corporate debt

A$m	31 Dec 2009 Repayment (years)						31 Dec 2008 Repayment (years)					
	0-1	1-2	2-5	5-10	10+	Total	0-1	1-2	2-5	5-10	10+	Total
Gross corporate debt[1]	362	350	694	-	83	1,489	443	230	748	-	83	1,504
Loans to AMP Bank	(200)	-	(100)	-	-	(300)	-	-	-	-	-	-
Net corporate debt[1]	**162**	**350**	**594**	**-**	**83**	**1,189**	**443**	**230**	**748**	**-**	**83**	**1,504**

- Gearing remains low at 13% on an S&P basis, while underlying interest cover is high at 11.9 times
- AMP has access to significant liquidity through a Group cash portfolio of more than A$600m and undrawn bank liquidity facilities of A$700m
- A$362m of 0-1 year debt comprises:
  - A$230m senior debt maturing in November 2010
  - A$132m of commercial paper with maturities ranging up to 3 months

1. Corporate debt is borrowings used to fund shareholder activities of the AMP Group including the impact of any cross-currency swaps entered into to convert the debt into A$, but excluding limited recourse debt in investment entities controlled by AMP Capital Investors and debt used to fund AMP Bank activities. Refer to p39 in FY 09 Investor Report for full corporate debt overview.

Financial overview – summary

- Dynamic management of capital resources has strengthened AMP’s capital position and captured upside through turbulent market conditions
- Management retains significant capacity to act quickly to preserve capital against further market downturn and capture further upside as market recovery continues
- Bias remains to hold more capital rather than less as early recovery solidifies
- Intent to optimise capital mix, as market conditions permit
- Balance sheet strength key to maintaining investment in growth initiatives in changing market environment

Outlook & strategy

Craig Dunn

Chief Executive Officer

Outlook

Short term:

- Economic outlook improving but markets still subject to volatility
- Subdued retail investor sentiment may take some time to recover fully
- Ongoing regulatory change creating challenges and opportunities

Medium to long term:

- Robust growth outlook for core wealth management markets
- Growth driven by:
  - Ageing demographics
  - Bi-partisan support for mandatory superannuation regime in Australia
  - KiwiSaver and PIE initiatives in New Zealand
  - Economic, social and political developments in selected Asian markets, opening up new sources of funds and assets

Short term outlook – cost outcomes

- Continuing to manage costs tightly across the company, to drive cost-efficient growth
  - AFS 2010 costs expected to be 4-5% higher in 2010, reflecting continued investment in growth initiatives including Horizons planner academy and practice, AMP Bank and improving presence in high net worth segment
  - AMPCI 2010 costs will continue to be managed closely, dependent on market conditions and opportunities, and variables such as staff remuneration and technology spend

Focused growth strategy underpins flexibility and responsiveness

- AMP's five growth platforms are key to future success
    1. Growing planner capacity and broadening distribution
    2. Expanding to Asia through AMP Capital Investors
    3. Growing customers in high-value segments
    4. Reshaping AMP Capital Investors into a high value-add investment manager
    5. Investing in key growth enablers
- Investment in growth platforms has continued over past two years, despite market conditions
- Ongoing investment program has enabled fast, flexible responses to changing regulatory and consumer environment

Focused growth strategy gaining traction

- In past 12 months, AMP has:
  - added 48 more planners and 26 more practices in total in Australia
  - completed largest-ever rollout of new planner software to AMPFP and Hillross planners to drive productivity improvements
  - launched highly rated, award-winning new products and funds which have attracted over A$350m in initial new flows
  - gained traction on Asian expansion
    - sourced new regional talent and partnerships
    - acquired bolt-on businesses and funds
    - attracted over A$715m in cashflows from Japanese retail investors
    - moved to new operational platform to better facilitate international funds management
  - moved quickly to reshape business to succeed in no-commission world for new superannuation and investments business
    - completed planner fee-for-service capability diagnostic; planner training scheduled to be completed by 30 June
    - core product renovation in superannuation well underway, with low-cost super offer now cheaper than 8 out of 10 of the largest industry funds
    - on track to deliver explicitly-priced superannuation, pension and investment suite of products from 1 July

Role of M&A and alliances in AMP's growth strategy

- Current environment is providing attractive inorganic opportunities
- Several bolt-on acquisitions completed and alliances formed in 2009:
    - Acquired Rabo Financial Advisers – A$231m in additional AUM
    - Acquired remaining interest in Gemini Advisors Securities Investments Company Limited (Japan)
    - Acquired 50% stake in manager of Singapore REIT – >S$600m in real estate assets in Singapore
    - Formed AMP Capital Brookfield, a A$6b global listed real estate and infrastructure joint venture with Brookfield Investment Management Inc.
- Signed MOU with world's largest listed life insurer, China Life Insurance Group, to focus on pensions and asset management
- Acquisitions satisfied criteria to be strategic, economic and within risk appetite, as will all future acquisitions
- Active and disciplined approach to M&A prospects and alliances where they can drive growth and strengthen business positioning

Reshaping the business

1. Growing planner capacity and broadening distribution

- Added 48 more planners in total in Australia – driven by Horizons and acquisition of Rabo Financial Advisers
- Improved planner efficiency through rollout of new financial planning software to all AMPFP and Hillross practices – 30% efficiencies expected in medium term
- Horizons training model delivered new planners 50% more productive than new planners who joined from other sources
- Extended paraplanning services to 275 practices, increasing planners' ability to spend "face time" with customers
- Advice 2010 program preparing planners for new regulatory world – 70% of AMPFP and 75% of Hillross planners can now charge on fee-for-service basis for new superannuation and investments business
- Retained leadership of Australian and NZ corporate superannuation markets
- Launched AMP Private Wealth Management, new distribution channel targeting specific segments of HNW market
- Grew direct presence: FL Super Easy and AMP First now available over the phone or online, as well as through planners, with more product to be offered directly in 2010
- Grew third-party presence through relationships with Aussie Home Loans (distributing Loan Cover) and independent financial advisors (risk product sales through IFAs increased 28% in 2009)
- Broadened distribution in Australian retail and private client markets with two new funds launched to those markets: AMP Capital Asian Equity Growth Fund and AMP Capital Corporate Bond Fund

Reshaping the business

2. Expanding to Asia through AMP Capital Investors

- Growing FUM sourced from Asia; currently 6%
- Appointed Hong Kong-based head of international business to drive expansion in region; also appointed managing director, South East Asia and Middle East and managing director, Japan
- Attracted A$715m in net cashflows from Japanese retail investors through Australian bond and global REIT products
- Acquired Gemini Advisors Securities Investments Company in Japan; acquisition will help drive expanded distribution
- Products now distributed in Japan, Singapore, Malaysia and South Korea
- Building pan-Asian and country-specific investment capability, e.g. pan-Asian equities capability and country-specific infrastructure and property capabilities
- Acquired 50% stake in manager of Singapore Exchange-listed MacarthurCook Industrial REIT (now called AIMS AMP Capital Industrial REIT)
- Became first foreign financial institution to sign MOU for strategic cooperation with world's largest listed life insurer, China Life; agreement outlines potential for partnerships in pensions and asset management

Reshaping the business

3. Growing customers in high-value segments

- Launched new products and services targeting new market segments
  - Flexible Lifetime – Super Easy, award-winning, simple, low-cost super product for 25-50 year olds with no built-in commissions
  - Flexible Lifetime – Super Easy Employer for small to medium businesses
  - AMP First – new, high-interest, low-fee deposit account which has attracted new demographics (both younger and retirees)
  - AMP Ascend for self-managed super fund investors
  - AMP Personalised Portfolio, separately managed account offer for HNW investors
  - Definitive Wrap, alternative wrap product for Hillross customers using a Macquarie platform; contributed A$111m to AFS net cashflows in FY 09
  - AMP Private Wealth Management – new employed-planner offering in pilot
  - AMP Capital Asian Equity Growth and AMP Capital Corporate Bond Funds
- Products, funds and services independently recognised as high quality
  - Flexible Lifetime – Super Easy named 2010 Best New Product by Super Ratings
  - Loan Cover named Innovative Product of the Year in 2009 Australian Banking and Finance Awards
  - AMPCI awarded 2009 Best Global Listed Property Fund by AFR Smart Investor
  - AMP Bank named Broker Bank of the Year 2009 by Mortgage Professional Australia magazine
  - AMP Bank's eASYCash Management account awarded Cash Management of the Year by the AFR Smart Investor
  - AMP Capital Corporate Bond Fund rated 4 stars
  - AMPCI New Zealand named Morningstar Fund Manager of the Year, the Fixed Interest Fund Manager of the Year and Multi Sector Fund Manager of the Year

Reshaping the business

4. Reshaping AMP Capital investors into a high value-add investment manager

- Extended partnership with Brookfield Investment Management to form A$6b joint venture giving investors access to global listed real estate and infrastructure opportunities; AMP Capital Brookfield is a top 10 manager of listed real estate and infrastructure securities globally
- Secured new A$500m mandate to invest in direct property through AMPCI's Property Portfolio Service; increased allocations from existing property mandates
- Continued shopping centre redevelopment program; DA approval received for redevelopment of Sydney's Macquarie Centre and third stage of Brisbane's Mt Ommaney centre completed
- Raised US$95m for first close of Asian Giants Infrastructure Fund and €50m for the Strategic Infrastructure Trust of Europe
- Completed transition to new strategic platform; two new credit mandates totalling more than A$500m secured in FY 09 – and new systems noted as key differentiator by investment consultants

Reshaping the business for success

- Successful execution of growth strategy will enable AMP to deliver
  - quality, flexible, transparently-priced wealth management products that respond to the needs of fast-growing consumer segments in Australia and New Zealand
  - a highly professional and productive planner force that enjoys above-market growth rates
  - ongoing industry cost leadership
  - the ability for customers to pay for products and services, and interact with AMP, in a manner that best meets their needs
  - products distributed through a broad range of channels, including workplace, third party and direct, as well as aligned planners
  - more of AMPCI’s net cashflows sourced internationally
  - increased penetration of Australia’s retail investment market
  - flexibility to take advantage of suitable inorganic growth opportunities as they arise
  - the most contemporary, relevant and powerful brand in the industry.

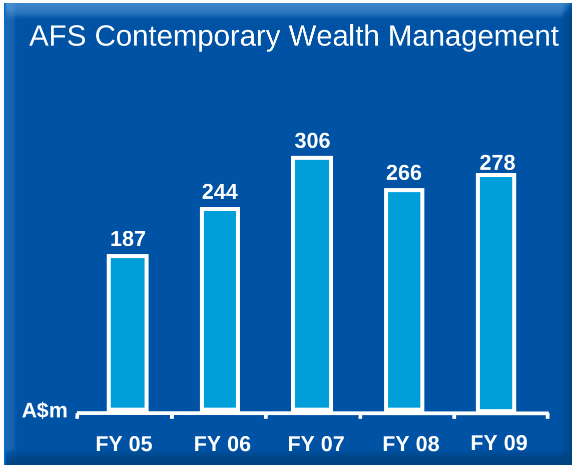
Summary

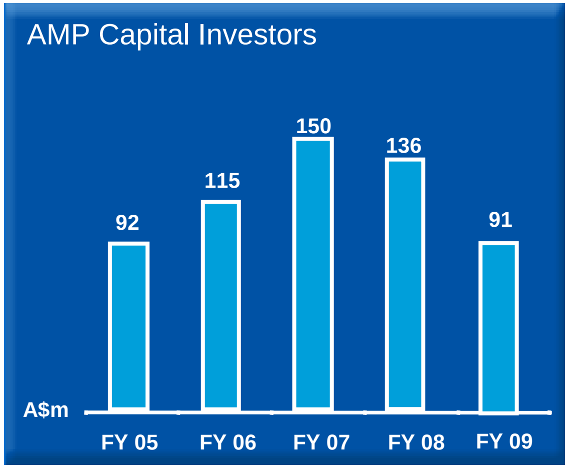
- Entering 2010 in stronger and better position owing to early, decisive calls on balance sheet, costs and business evolution
- Change program successfully reshaping business to meet demands of an evolving market
- Realising early success in growth initiatives while maintaining tight cost discipline
- Business well positioned to capitalise on industry growth potential and market recovery

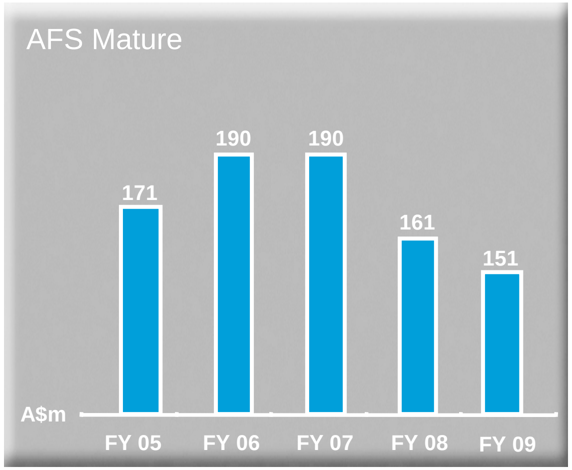
Appendices

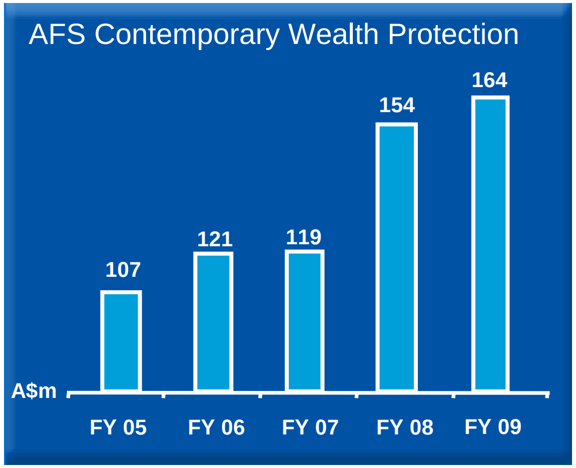
Further information

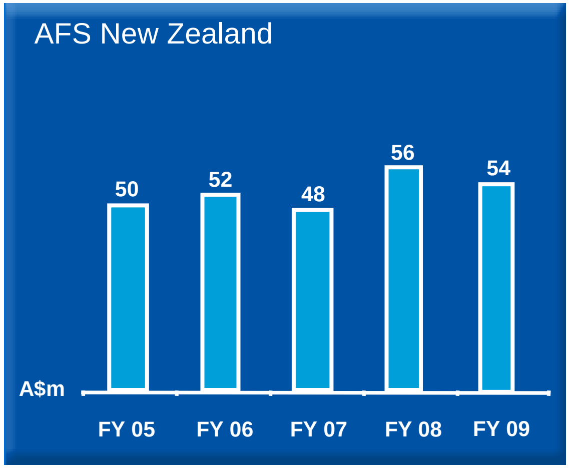
AMP’s operating earnings by business line







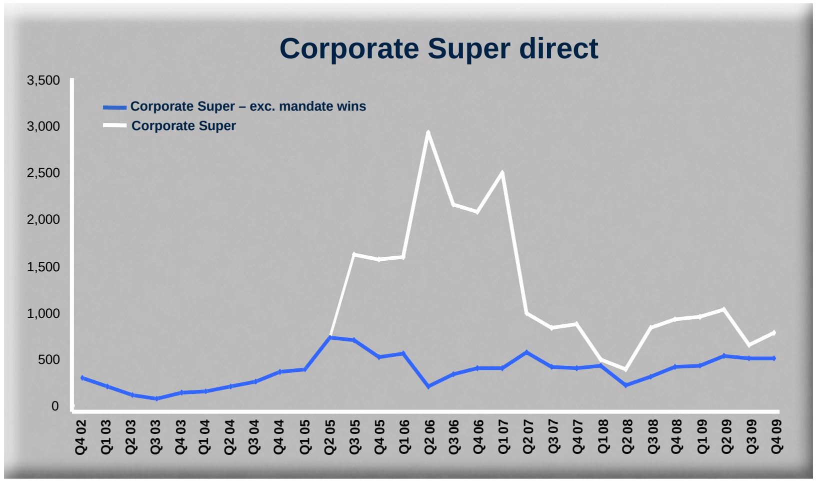


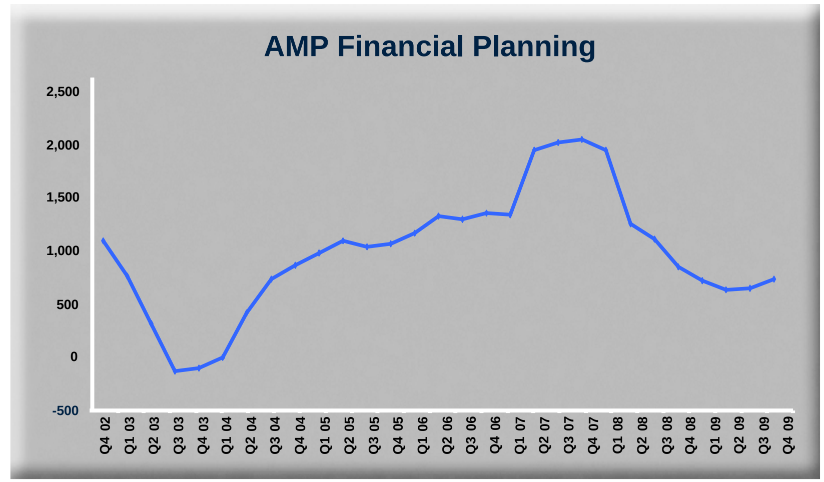


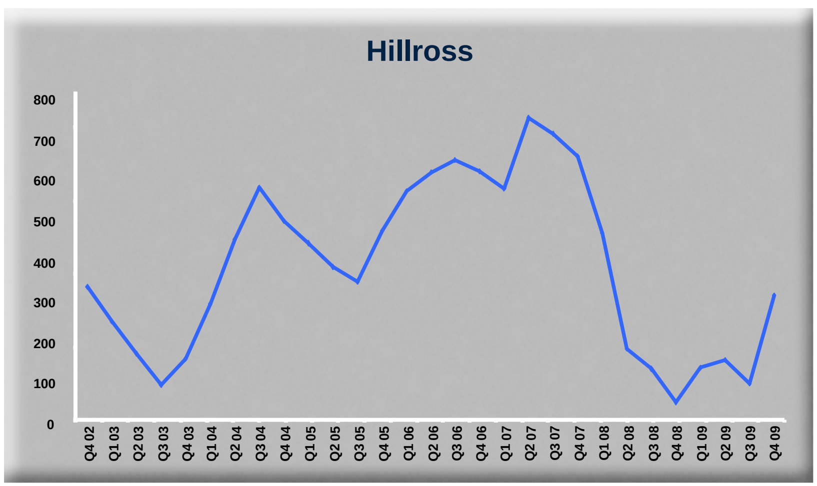
Open business   Closed business

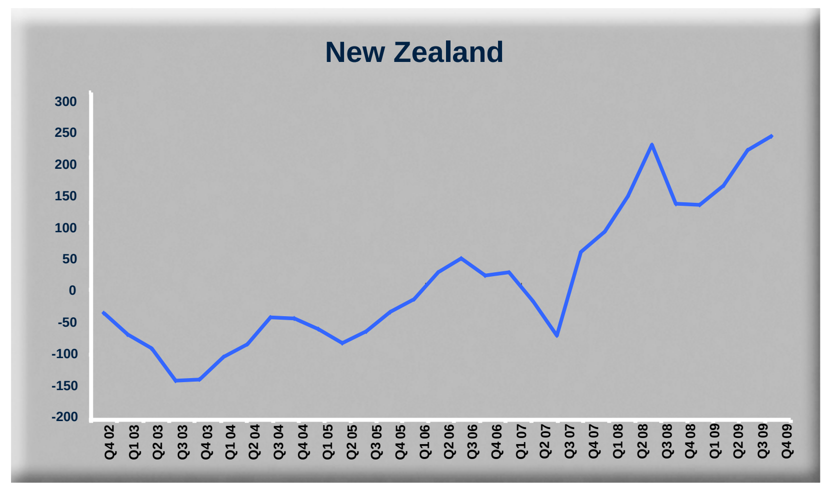
AFS net cashflows by major channel on rolling 12-month basis

(A$m)





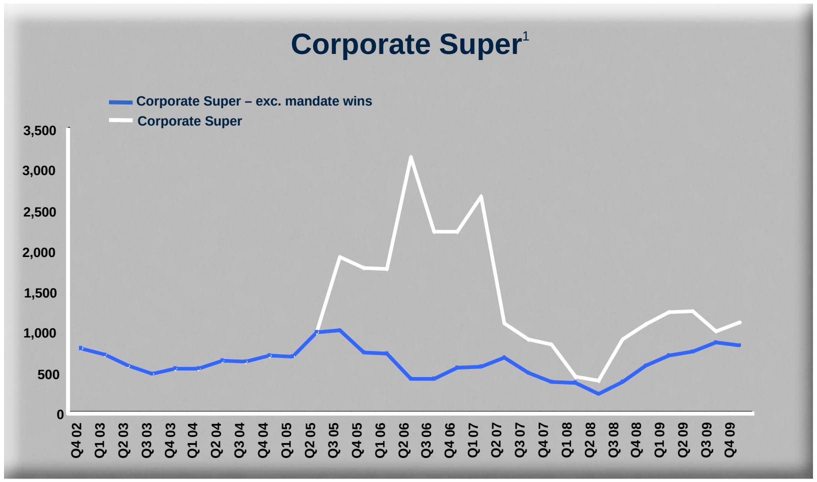


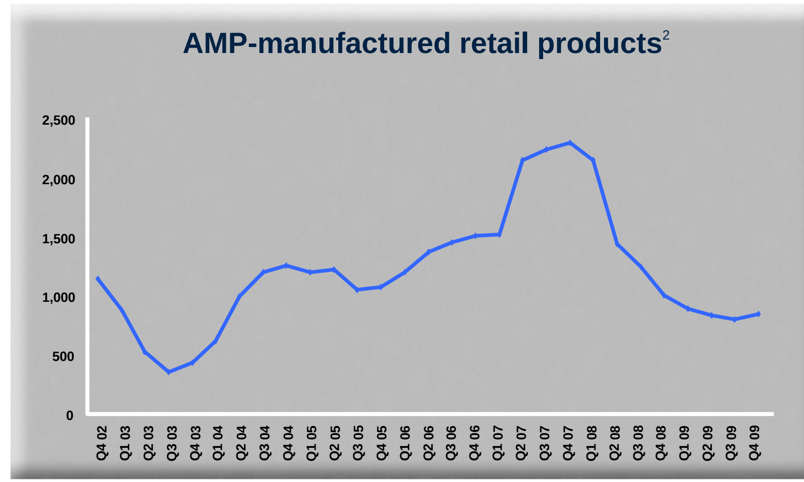


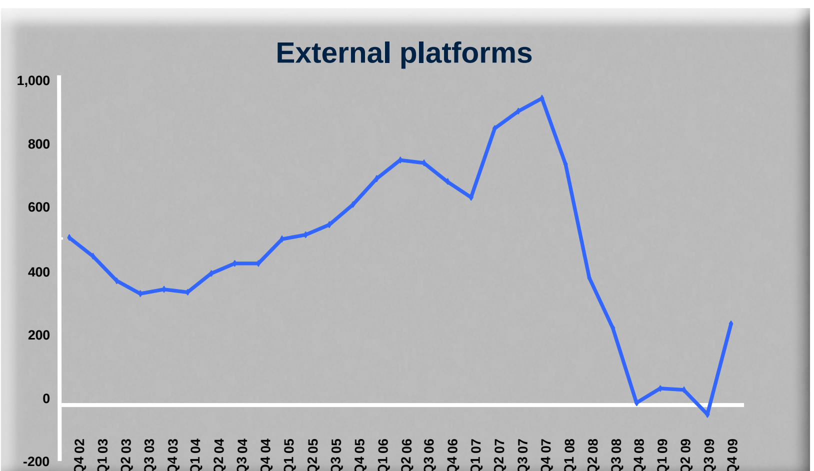
Excludes cashflows from Centrally Managed Clients, third-party distributors and other.

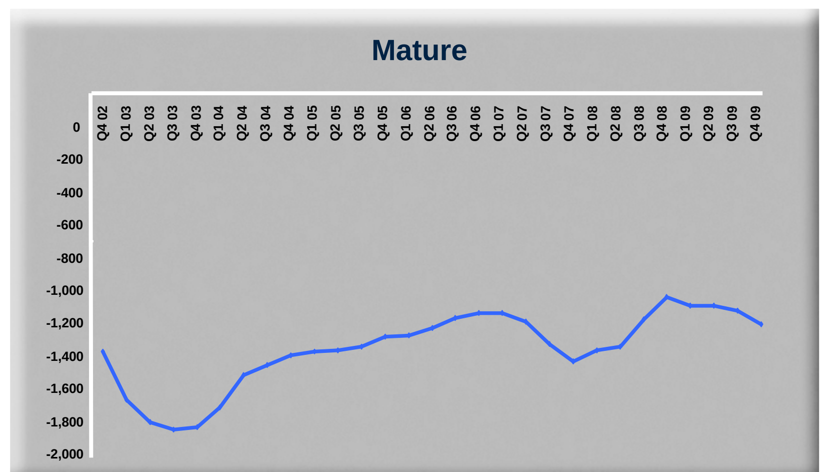
AFS net cashflows by wealth management product line on rolling 12-month basis

(A$m)









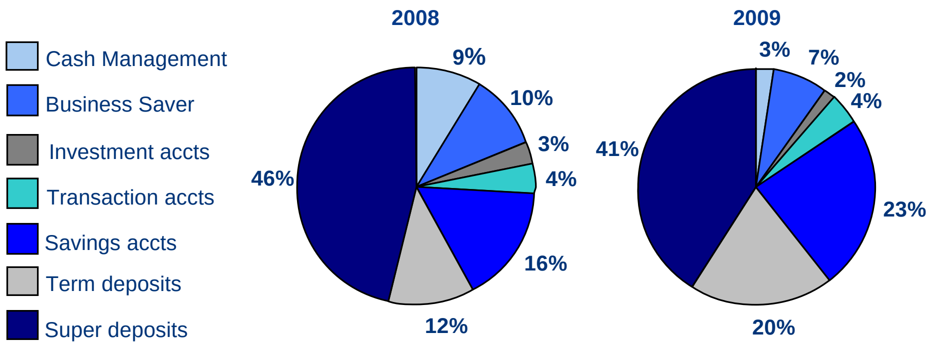
1. Includes Corporate Super sales through direct sales force and through planners.
2. Australia only, excludes New Zealand.

AMP Bank – business and funding model

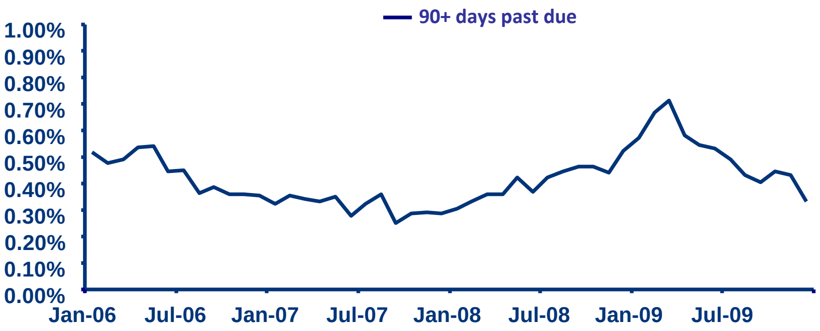
- Direct Australian bank offering residential mortgages, deposits and white-labeled credit cards
- Direct and third-party distribution, including AMPFP and mortgage brokers
- Operating earnings of A$35m in FY09 (A$21m at FY 08)
- Capital adequacy ratio of 11.3% at 31 December 09
- A$9.8b mortgage book (57% mortgage insured); 1% market share of residential lending
- Less than 3% of mortgages are classified as low doc and are 100% mortgage-insured
- Weighted average LVR for the total mortgage portfolio is 63%
- Loans with LVR >80% at origination are mortgage-insured
- 90+ day arrears at 0.30% FY 09 (0.57% at FY 08)
- Historical bad debt experience totals A$3.9m over past 5 years
- Doubtful debt provision of A$0.6m; specific provision of A$1.3m as at December 09
- Strong investor demand for Progress 2010-1 Trust RMBS in January saw transaction upsized to A$1.0 billion attracting a diversified investor base at good pricing
- A$7.1b in on balance sheet funding:
  - 34% retail deposits, 23% superannuation deposits and 43% wholesale deposits
- A$3.6b in off-balance sheet funding at December 09 (increased to A$4.2b at January 10)
- Net interest margin 1.40% (FY08 1.31%)
- Cost to income ratio 47% (FY08 63%)
- NTA $258m at 31 December 2009 (31/12/08 $224m); tier one $248m ($211m)

AMP Bank – business profile

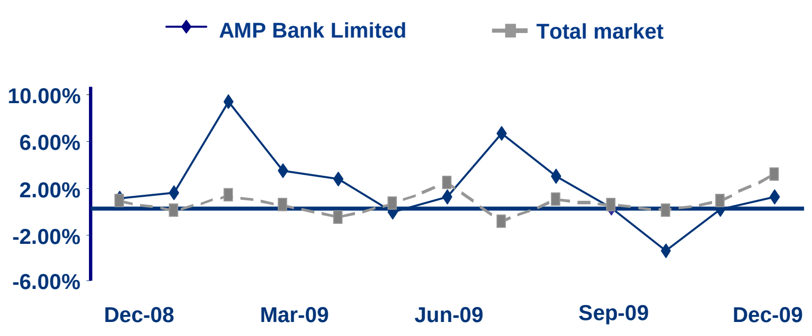
Deposit mix (excluding wholesale)



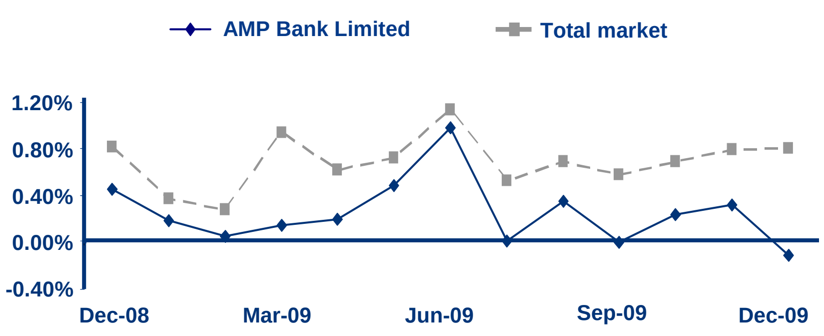
Credit quality improving



Deposit growth relative to market



Mortgage growth relative to market



Non-listed asset valuations

Asset type	Portfolio size	Valuation approach in current market	Outcome
Property	AMP Life A$6.9b SF1 A$1.9b	▪ In stable markets, valuation cycle yearly, with major properties valued every 6 months ▪ Given prevailing volatile conditions, most assets valued quarterly in 2009 ▪ Independent external valuers use a range of market data to arrive at fair value, including comparable sales analysis, discounted cashflow analysis and capitalisation of income approach	▪ High quality core property portfolio ▪ Gross values of the Australian assets have fallen over the past twelve months by around 9.6% due to softening in capitalisation rates, discount rates and rental growth forecasts ▪ Similar trend was experienced in the NZ portfolio ▪ Australian office fund occupancy rate at 98.2%; average lease life approx 6.1 years; arrears remain below 2% of income billed
Infrastructure	AMP Life A$0.8b SF1 A$0.55b	▪ Independent valuations undertaken every six months ▪ Valuations primarily based on discounted cashflow models, with a consideration of any relevant market transactions ▪ Two factors influenced infrastructure valuations in the period: ➢ more favourable business conditions than forecast in earlier budgets ➢ increased availability of debt financing	▪ Valuations have generally improved in 6 months to December, mainly due to softer-than-expected fallout from the global financial crisis ▪ Availability of bank debt has increased and bank margins eased accordingly

Non-listed asset valuations

Asset type	Portfolio size	Valuation approach in current market	Outcome
Private equity	AMP Life A$0.48b SF1 A$0.21b	▪ Valuations prepared every six months ▪ Interest in largest asset valued by independent expert on discounted cashflow ▪ Private equity valued using a multiple of sustainable earnings ▪ AMPCI-managed direct private equity investments valued internally, subject to peer review and ratified by Private Equity Investment Committee ▪ Externally managed private equity investments are valued on net asset valuation as supplied by the manager and reviewed by Private Equity Investment Committee	▪ AMPCI managed private equity valuations, in the past 12 months, have declined by 14% on average, reflecting falling comparable listed company earnings multiples and continued pressure on earnings
Debt	AMP Life A$0.5b SF1 A$0.5b	▪ Direct investments held at fair value	▪ No material changes in values as credit margins have stabilised

Shareholder funds portfolio – how invested

	Dec 2009	Dec 2008
Cash	56%	57%
Fixed Interest	25%	21%
Equities	8%	11%
Property	11%	11%

Key changes in FY 09

- In view of the equity market exposure in the business (e.g. through fees on AUM), AMP continued to reduce its direct exposure to equities in the shareholders' fund, which had commenced in late 2008.
- Shareholders will continue to be exposed to equities through shareholders' funds within AMP Life SF1 that are invested in the same asset mix as policyholder funds.

Franking

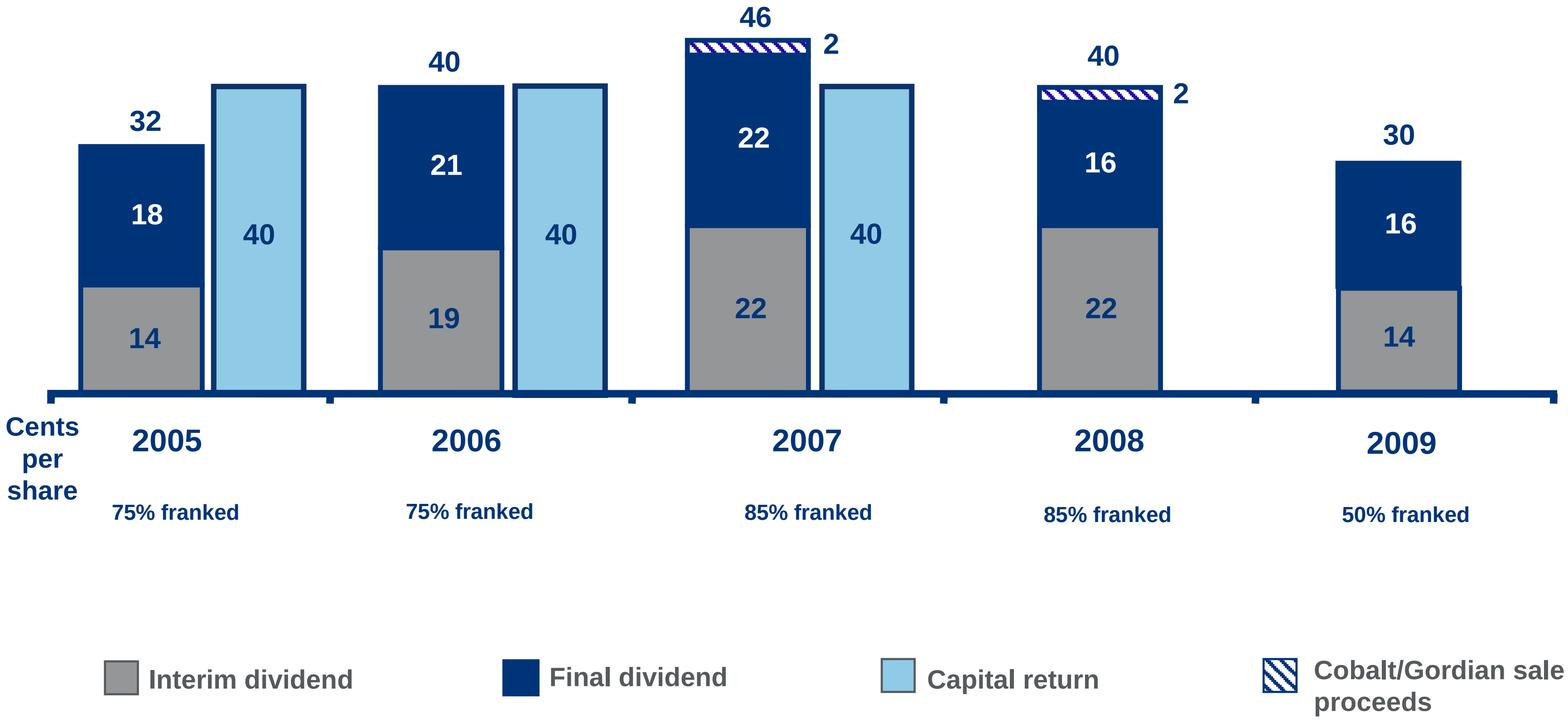
- Taxable profit and franking capacity has been affected by market conditions and temporary differences to accounting profit

	Underlying profit Drives dividend declaration	Net profit after tax (NPAT)	Taxable profit[1] Generates franking capacity
FY 08	A$810m	A$580m	A$338m
FY 09	A$772m	A$739m	A$285m

- As markets recover, taxable profits likely to increase, allowing an increased franking rate

1. The difference between taxable profit and net profit after tax (or accounting profit) is created by timing differences and non-taxable adjustments. Timing differences exist as taxable profit is based on gains and losses made when assets are sold, while accounting profit is based on mark to market valuations each period. Non taxable adjustments to NPAT are made as a result of provision releases, R&D allowances and other government concessions, and in relation to foreign income. These adjustments impact accounting profit but are not taxable.

Dividends and capital returns



Change in AFS Wealth Protection VNB

- Australia and New Zealand
- At a discount rate of 3% above the bond yield