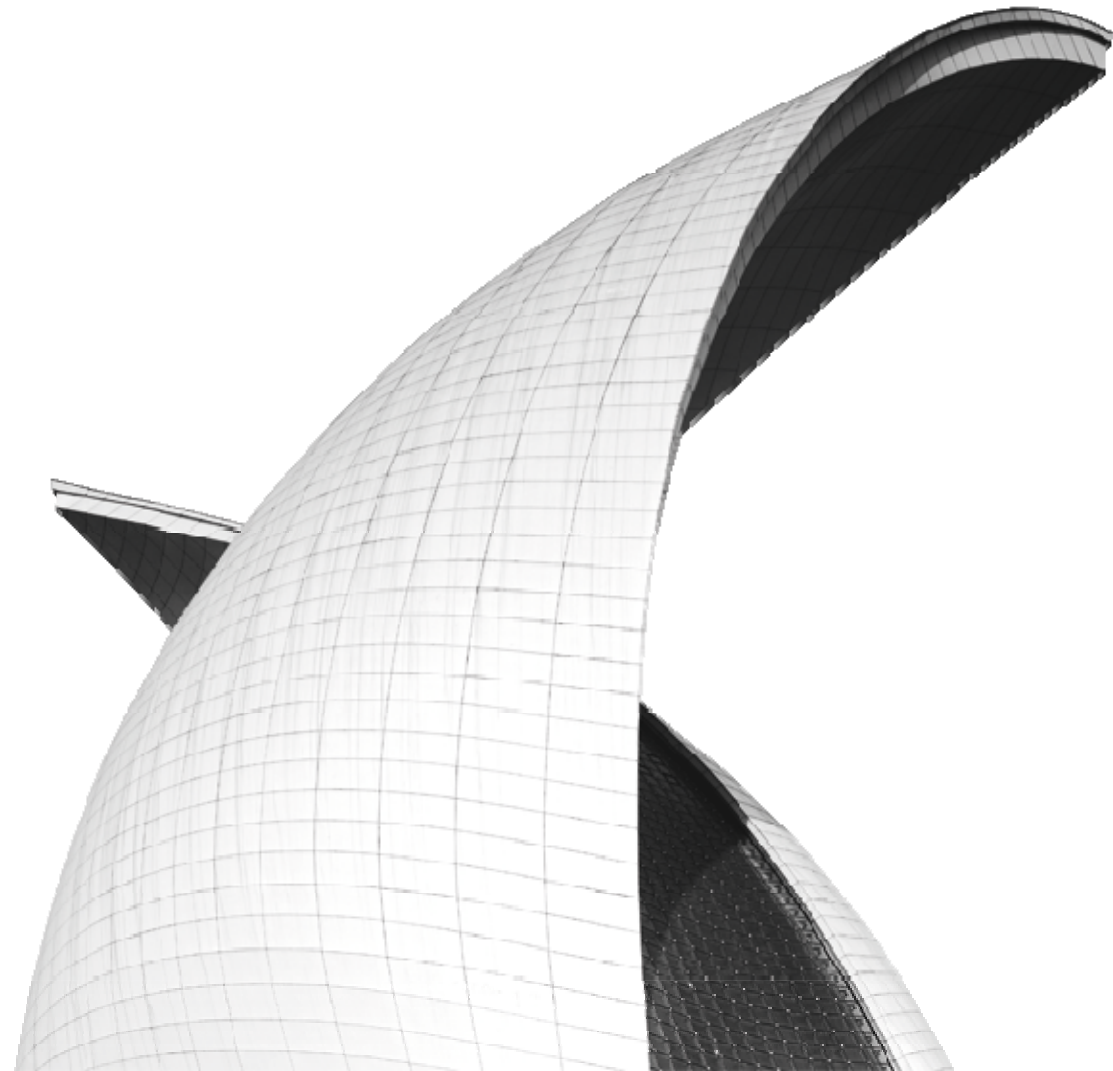




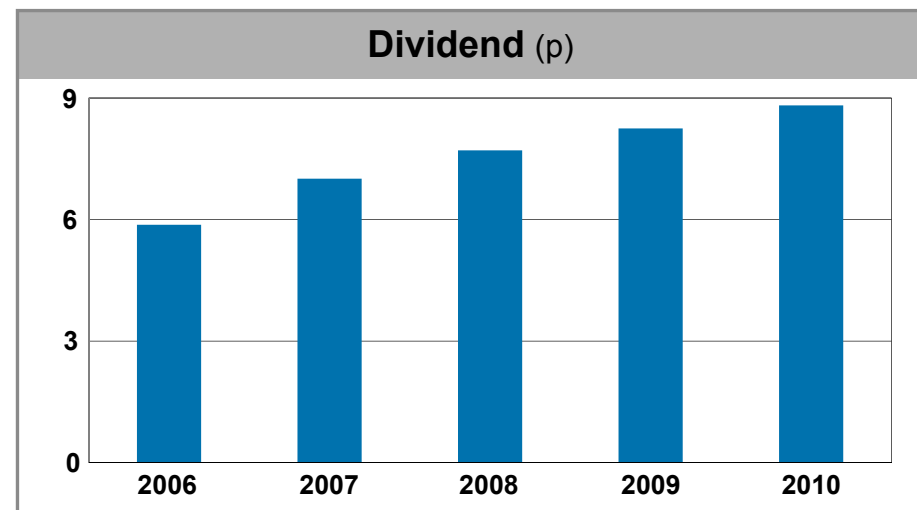
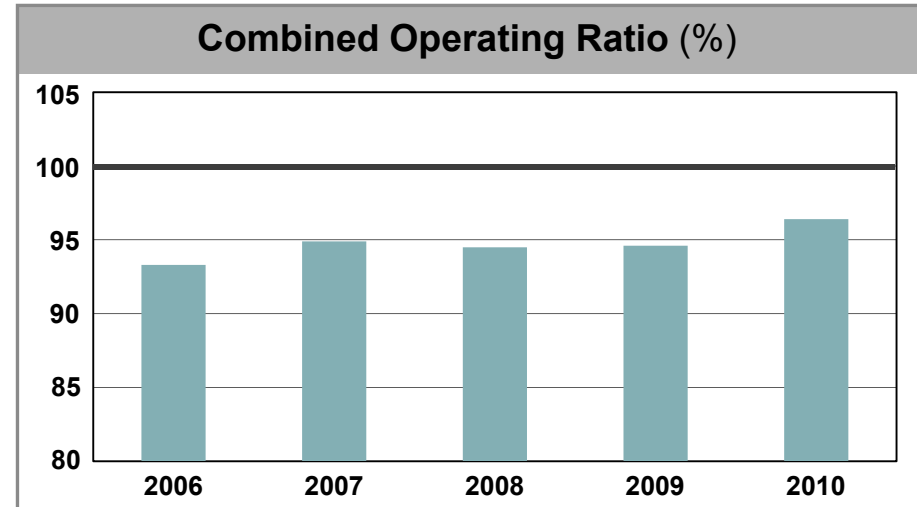
RSA UPDATE

Third Quarter 2011



A HIGH PERFORMING BUSINESS

- Pure play general insurer with strong positions in attractive markets
- Market leading capabilities and technical excellence
- Commitment to underwriting discipline
- High quality, low risk investment strategy
- Strong balance sheet and capital position
- Delivering sustainable profitable performance



A STRONG AND DIVERSIFIED PORTFOLIO

FY 2010

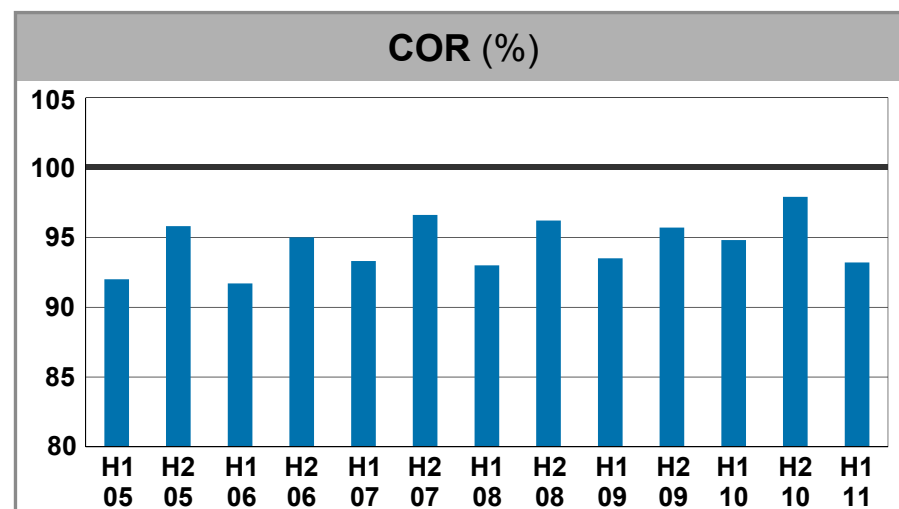
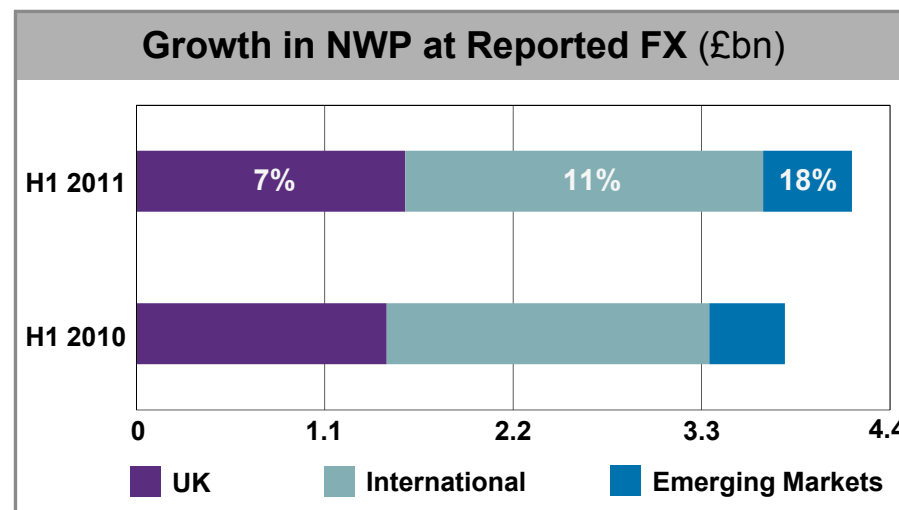
UK	Personal	PREMIUM £2.9bn
	Commercial	COR 102.2%
International	Scandinavia Denmark, Norway, Sweden & Finland	PREMIUM £3.5bn COR 90.6%
	Canada	
	Europe Ireland & Italy	
Emerging Markets	Latin America 7 countries	PREMIUM £1.1bn COR 98.7%*
	Central & Eastern Europe 6 countries	
	Asia & Middle East 7 countries	
	Associate India	

*Consolidated businesses only

- Strong, well balanced portfolio, with markets at different stages of development and the insurance cycle
- Confident outlook for 2011
 - UK to deliver targeted profitable top line growth and an improved u/w profit
 - International to deliver c10% growth and strong profitability
 - Emerging Markets to again deliver double digit growth in 2011
- Portfolio to continue to shift towards International and Emerging Markets
 - UK targeted growth strategy unchanged
 - International and Emerging Markets to represent around 70% of premiums within five years

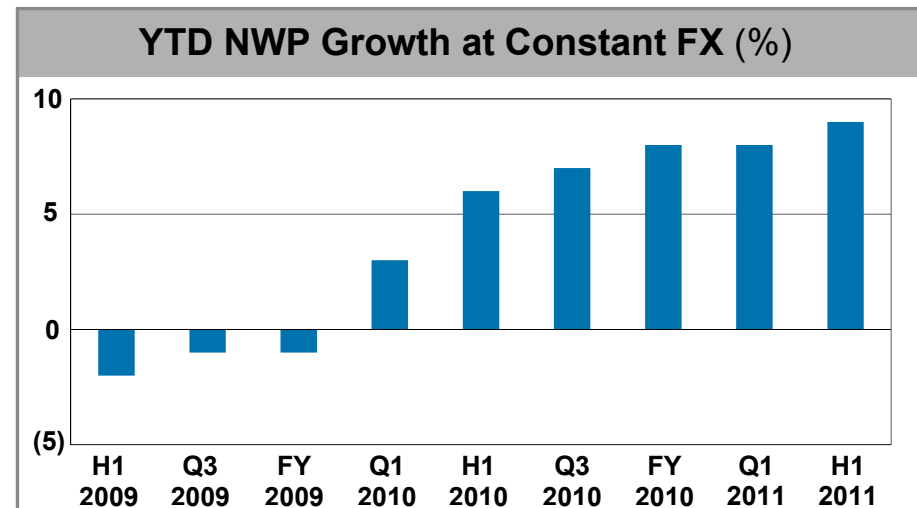
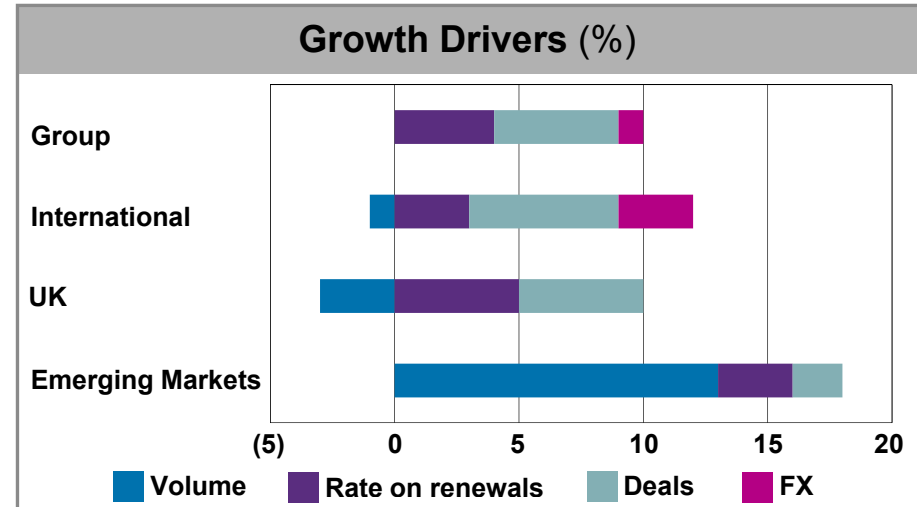
H1 2011: CONTINUED STRONG FINANCIAL PERFORMANCE

(£m)	H1 2011	H1 2010	Mvt.
Net written premiums	4,188	3,802	10%
Underwriting result	206	136	51%
Combined operating ratio	93.2%	94.8%	1.6 pts
Investment result	327	310	5%
Operating result	467	382	22%
Profit before tax	376	302	25%



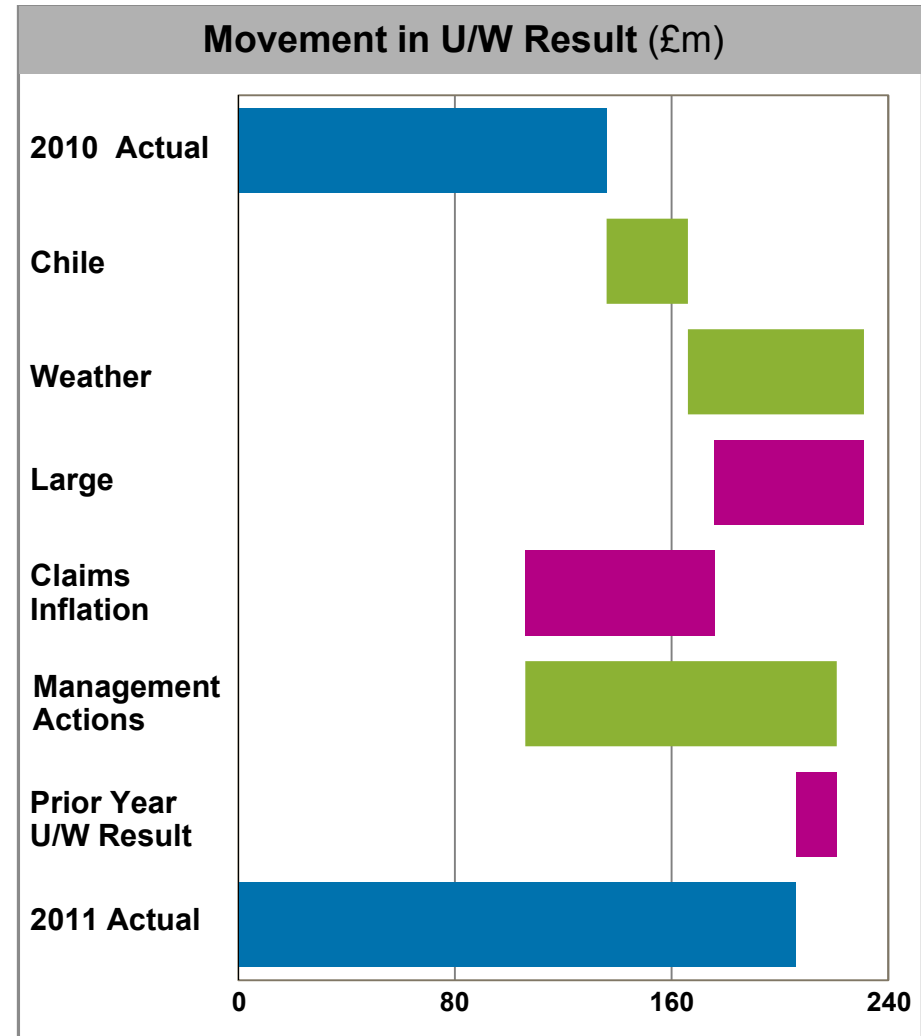
H1 2011: CONTINUED STRONG TOP LINE MOMENTUM

- Premiums up by 10% as reported across the Group or 9% at constant
 - International up 11% (8% constant)
 - UK NWP up 7%
 - Emerging Markets NWP up 18%
- Growth comprises 5% deals and 4% rate on renewals with volumes flat on 2010
- Acquisitions performing well and integrations progressing as planned
- Generating strong momentum and confident of driving the top line forward



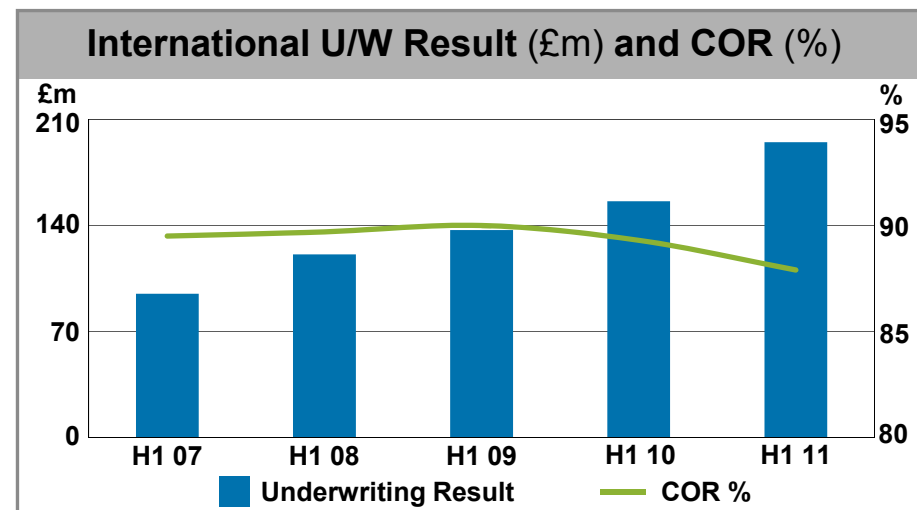
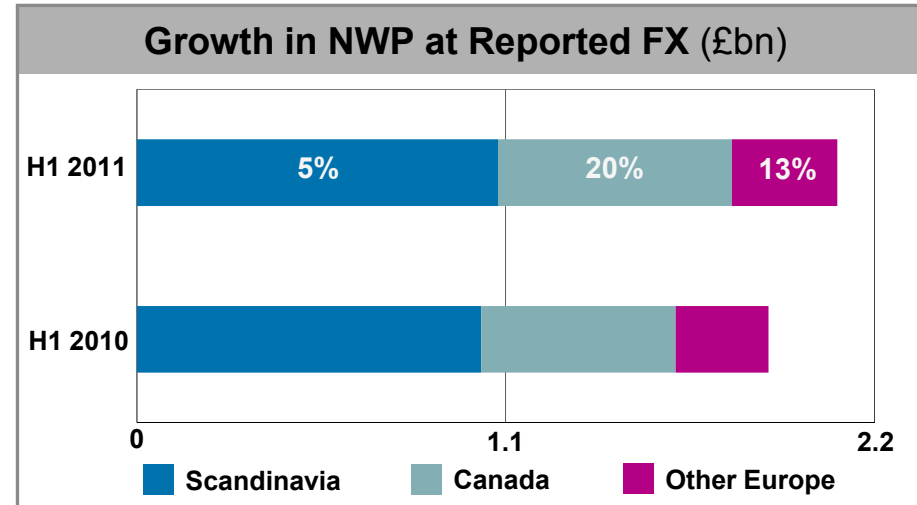
H1 2011: IMPROVED UNDERWRITING PROFITABILITY

- Underwriting result of £206m up by 51% or £70m across the Group
- £100m current and £106m prior year with positive run-off in all regions
- Movement on previous year
 - 2010 includes Chile earthquake losses of £30m
 - Weather £65m better and other large losses £55m worse than prior year
 - Management actions of £115m offset claims inflation of c4%
 - Prior year development marginally down on 2010
- Confident of continuing to deliver sustainable profitable performance



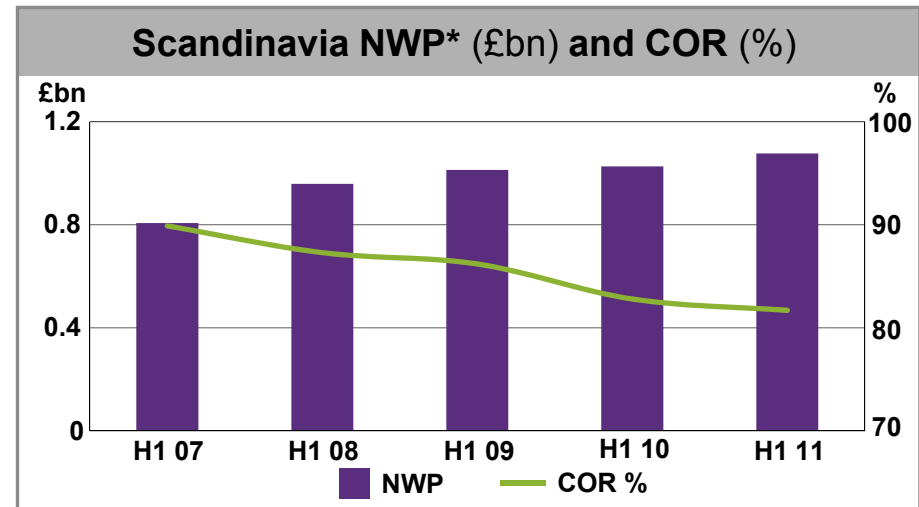
INTERNATIONAL: STRONG TOP AND BOTTOM LINE PERFORMANCE

- **Excellent first half performance with**
 - **NWP of £2.1bn up by 11%**
 - **COR of 87.9%; 1.4 point improvement**
 - **Underwriting profit of £195m**
- **Another strong performance from both Scandinavia and Canada**
- **Other Europe NWP up by 14% (constant) due to rate and 123 Money in Ireland**
- **Italian market remains tough; we continue to take action to improve profitability**

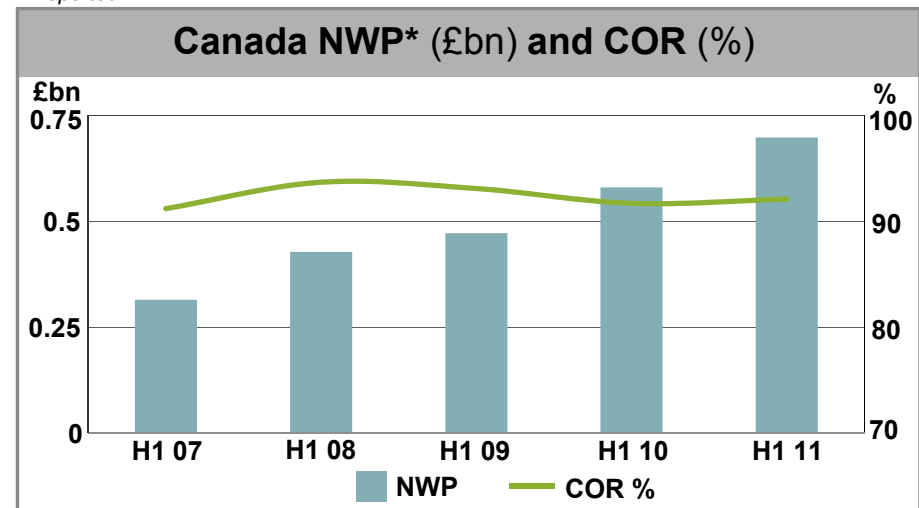


INTERNATIONAL: STRONG TOP AND BOTTOM LINE PERFORMANCE

- **Scandinavia Personal up 1% (constant) and Commercial in line with prior year**
- **Scandinavian profitability remains strong, u/w result up 13% to £144m; COR of 81.7%**
- **Canada underwriting result improved by 20% to £54m; COR of 92.1%**
- **Canada Personal NWP up by 9% with Johnson up 10%; Commercial up 53% driven by GCAN, Risk Solutions and SME**
- **Confident of delivering c10% growth across International for the full year**



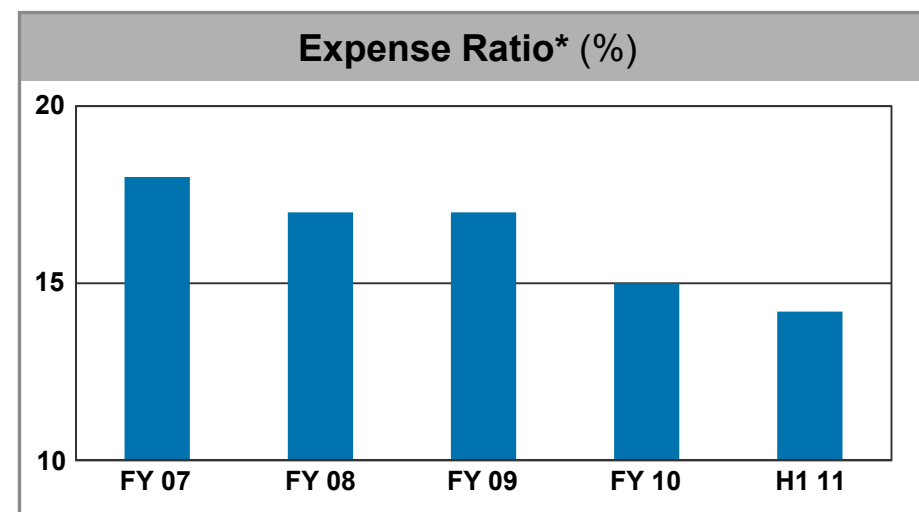
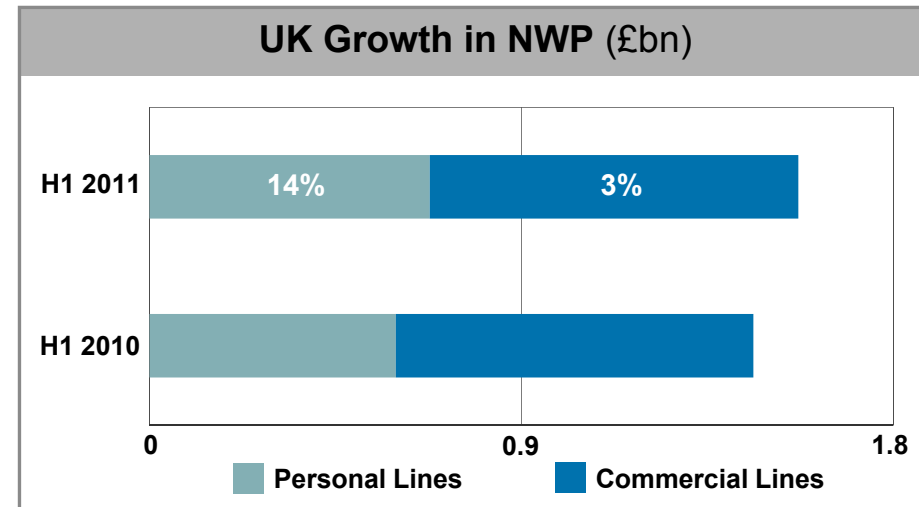
* Reported FX



* Reported FX

UK: DELIVERING TARGETED GROWTH

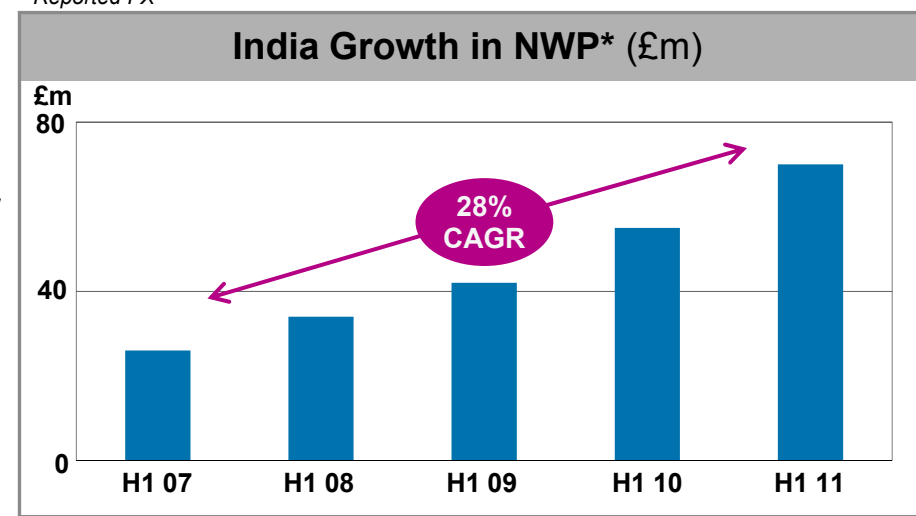
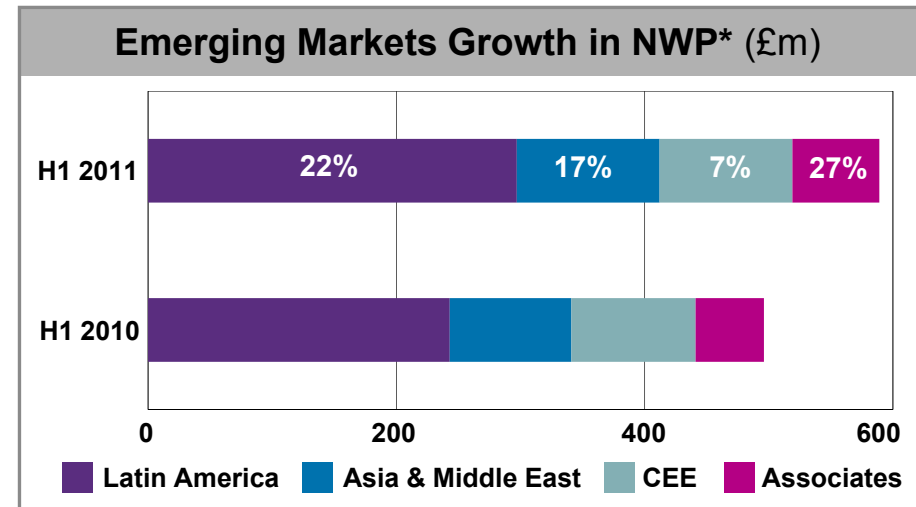
- **NWP up by 7% to £1.6bn; COR of 98.5% impacted by Q1 cat events**
- **Personal up 14% driven by Tesco Pet NWP of £66m and Household growth of 9% offset by a 3% reduction in Motor**
- **Commercial lines up 3% with Marine up 9%, Risk Solutions Europe up 17% offset by a 13% reduction in Mid-Market**
- **Continue to drive targeted growth in 2011**
- **On track to achieve full year expense ratio of c14% by the end of 2011, a year early**



* Excluding commissions

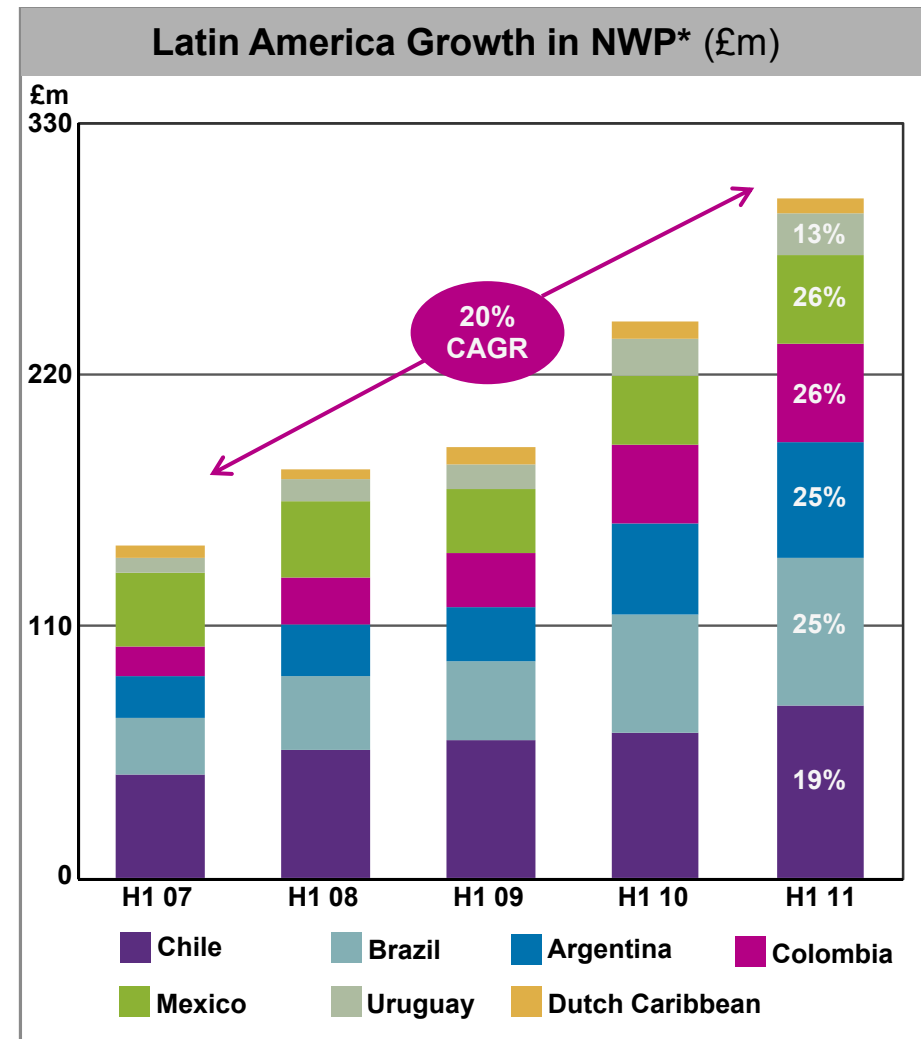
EMERGING MARKETS: CONTINUED DOUBLE DIGIT GROWTH

- NWP up by 18% to £519m and by 19% to £589m including India
- COR improved to 98.6% despite extreme weather in the Baltics, KSA and Colombia
- Asia Middle East NWP up 22% (constant) due to Al Ahlia in Oman and Specialty
- India NWP up 32% to £70m driven by Motor
- Central & Eastern Europe NWP up 7%; Baltic economies stabilised and continued growth in the Direct operations



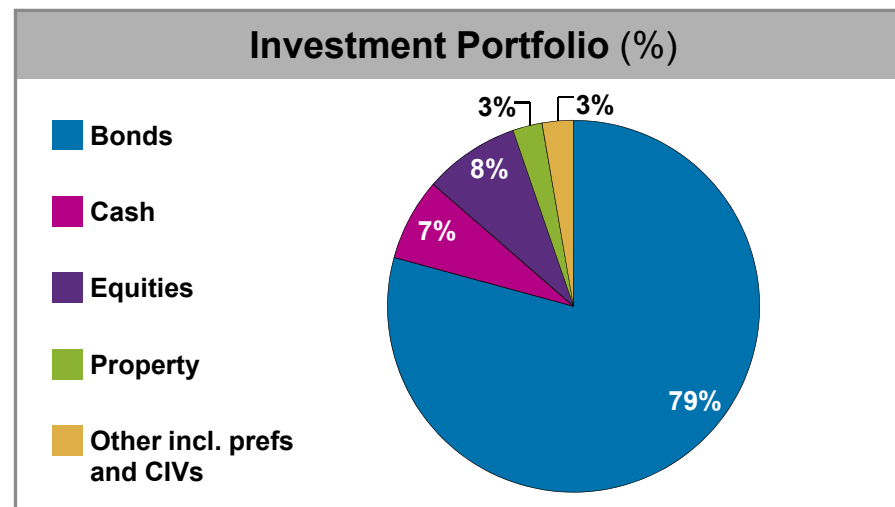
EMERGING MARKETS: DRIVING STRONG GROWTH IN LATIN AMERICA

- Strong export-led GDP growth and new car sales drive insurance market growth
- NWP growth of 22% to £297m with double digit growth in six countries
- Affinity premiums up 43% (constant) with 8 new deals signed in the first half
- Marine NWP up 26% led by Brazil, Colombia and Argentina
- Emerging Markets remains on track to double NWP to c£2.2bn by the end of 2015



H1 2011: INVESTMENT PORTFOLIO

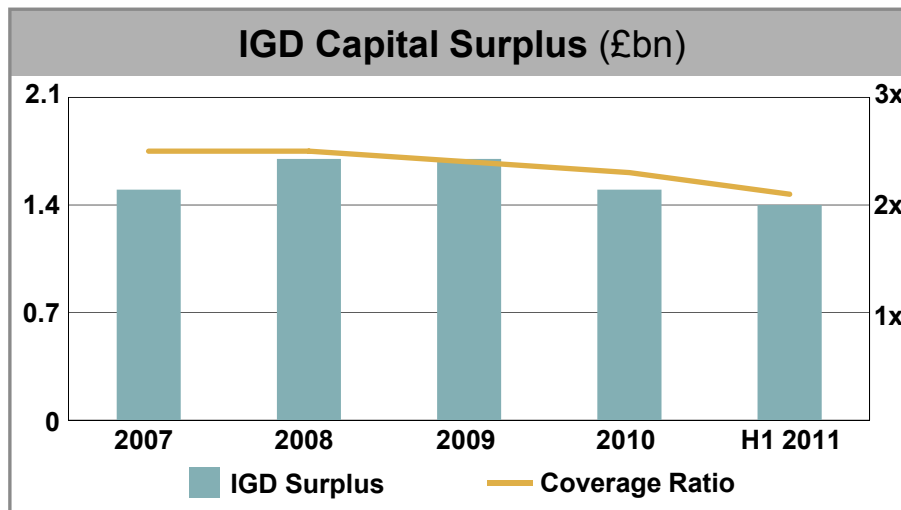
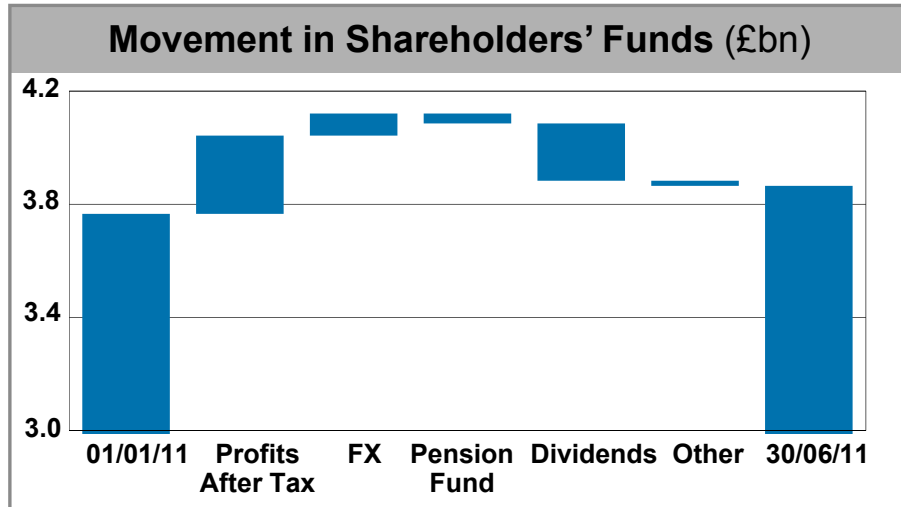
- Total investment portfolio of £14.7bn
- High quality, low risk strategy unchanged but taking action in current conditions
- Equities to be cut by c£330m during 2011
 - Sold £130m of equities in H1
- Further reduced exposure to PIIGS
 - Government bonds down from £257m last year to £160m
 - Bank debt exposure limited at £131m
- Average duration raised to 3.4 years to benefit from higher yields



Peripheral Europe Government Debt (£m)

(£m)	H1 2011	H1 2010	Mvt.
Ireland	64	150	(86)
Italy	46	40	6
Spain	44	40	4
Portugal	-	21	(21)
Greece	6	6	-
	160	257	(97)

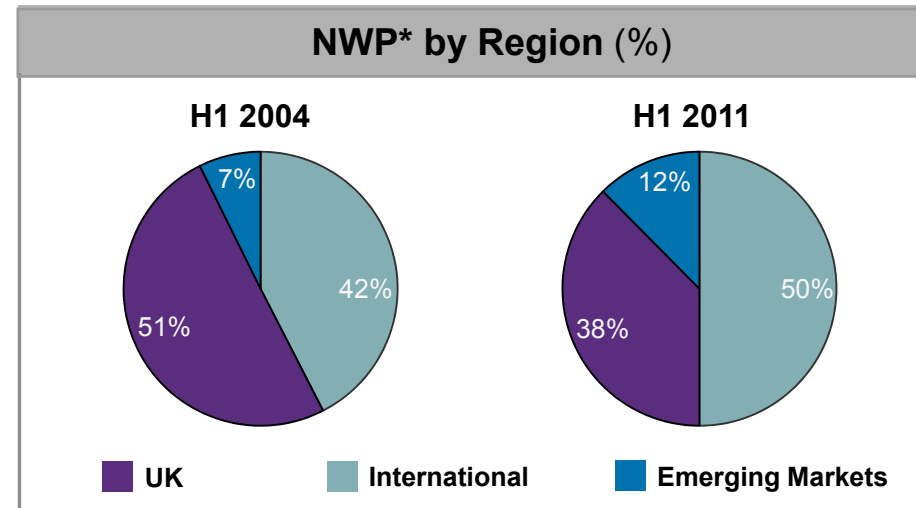
H1 2011: SHAREHOLDERS' FUNDS & CAPITAL POSITION



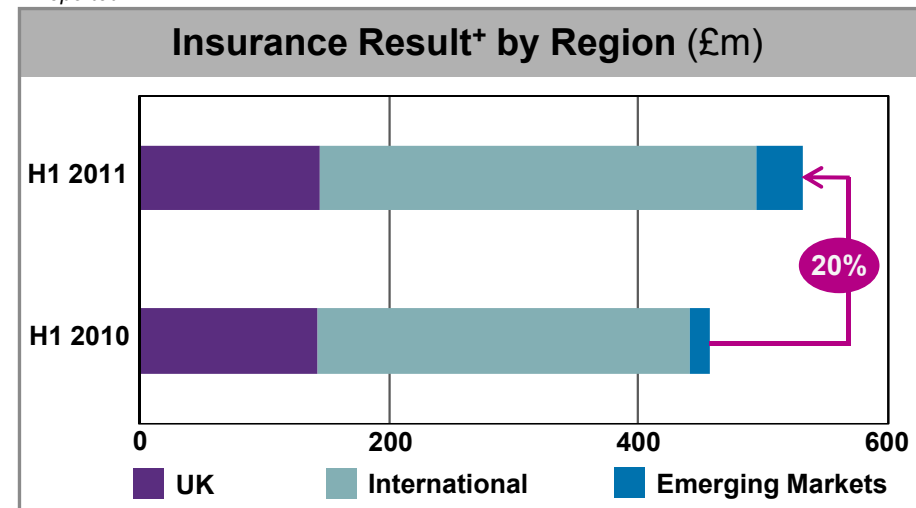
- Shareholders' funds of £3.9bn up 3%
 - Profits and FX partly offset by fair value losses and final 2010 dividend
- Maintained strong capital position
 - IGD surplus of £1.4bn with coverage remaining at 2.1x the requirement
 - Economic capital surplus £1.0bn
- Rated 'A' positive by S&P, 'A2' stable by Moody's and 'A' stable by AM Best
- Continue to make good progress on Solvency II and actively engaged with FSA

CONFIDENT OUTLOOK

- A strong first half for the Group
- Driving the top line forward in 2011 and confident of achieving
 - c10% growth in International
 - Continued double digit growth in Emerging Markets, and
 - Targeted growth in the UK
- Continue to expect 2011 COR for the Group to be better than 95%
- Remain on track to deliver c70% of NWP from International and Emerging Markets within 5 years
- Confident outlook reflected in 7% increase in interim dividend to 3.34p



* Reported FX



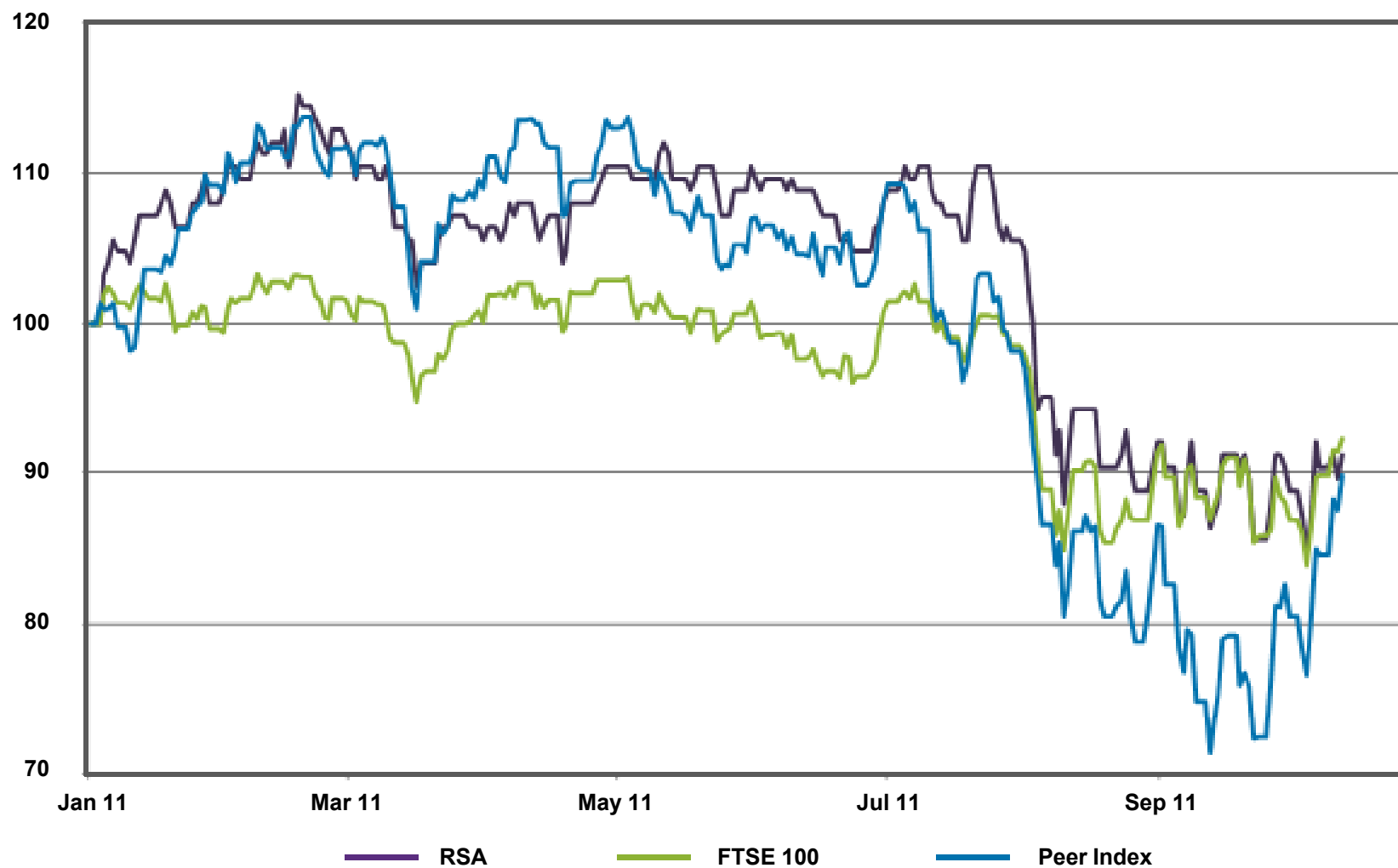
* Insurance result comprises underwriting result plus investment result

Q3 2011: UPDATE

(£m)	Q3 2011	Q3 2010	Mvt.
Scandinavia	1,439	1,342	7%
Canada	1,108	925	20%
Other Europe	445	385	16%
International	2,992	2,652	13%
UK Personal	1,036	918	13%
UK Commercial	1,282	1,257	2%
UK	2,318	2,175	7%
Latin America	468	397	18%
A&ME	169	141	20%
C&EE	163	145	12%
Emerging Markets	800	683	17%
Group Re	22	21	5%
Total Group	6,132	5,531	11%

- Building on H1 premium momentum, with all regions delivering strong growth
- Rating action and recent deals continue to drive the top line forward
- Maintained strong capital position
 - IGD surplus of £1.3bn and 2.0x coverage
 - Economic capital surplus of £0.7bn
- Shareholders' funds down 4% to £3.7bn with retained profit offset by exchange losses, the movement in the pension deficit and the interim dividend
- Continue to expect full year COR to be better than 95%

RSA SHARE PRICE PERFORMANCE*



* Indexed to a base of 100

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