

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 4 2003 VERSUS QUARTER 4 2002

INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents ⁽⁵⁾		
	Q4 2003 £m	Q4 2002 £m	+/- (%)	Q4 2003 £m	Q4 2002 £m	+/- (%)	Q4 2003 £m	Q4 2002 £m	+/- (%)	Q4 2003 £m	Q4 2002 £m	+/- (%)
UK Insurance Operations :⁽⁴⁾												
<i>Direct to Customer:</i>												
Individual Pensions	1	2	(50%)	2	2	-	3	4	(25%)	2	2	-
Life	3	8	(63%)	1	1	-	4	9	(56%)	1	2	(50%)
Individual Annuities	138	214	(36%)	-	-	-	138	214	(36%)	14	21	(33%)
Sub-Total	142	224	(37%)	3	3	-	145	227	(36%)	17	25	(32%)
DWP Rebates	-	20	-	-	-	-	-	20	-	-	2	-
Total	142	244	(42%)	3	3	-	145	247	(41%)	17	27	(37%)
<i>Business to Business:</i>												
Corporate Pensions	102	26	292%	30	35	(14%)	132	61	116%	40	38	5%
Individual Annuities	56	60	(7%)	-	-	-	56	60	(7%)	6	6	-
Total	158	86	84%	30	35	(14%)	188	121	55%	46	44	5%
<i>Intermediated Distribution :</i>												
Individual Pensions	11	11	-	4	7	(43%)	15	18	(17%)	5	8	(38%)
Corporate Pensions	29	7	314%	1	2	(50%)	30	9	233%	4	3	33%
Life	345	387	(11%)	2	6	(67%)	347	392	(11%)	37	45	(18%)
Individual Annuities	233	263	(11%)	-	-	-	233	263	(11%)	23	26	(12%)
Bulk Annuities	98	424	(77%)	-	-	-	98	424	(77%)	10	42	(76%)
Sub-Total	716	1,091	(34%)	7	15	(53%)	723	1,106	(35%)	79	124	(36%)
DWP Rebates	43	45	(4%)	-	-	-	43	45	(4%)	4	5	(20%)
Total	759	1,136	(33%)	7	15	(53%)	766	1,151	(33%)	83	129	(36%)
<i>Partnerships :</i>												
Life	1	11	(91%)	-	-	-	1	11	(91%)	-	1	-
Individual Annuities	23	-	-	-	-	-	23	-	-	2	-	-
Total	24	11	118%	-	-	-	24	11	118%	2	1	100%
Total :												
Individual Pensions	12	13	(8%)	6	9	(33%)	18	22	(18%)	7	10	(30%)
Corporate Pensions	131	33	297%	31	37	(16%)	162	70	131%	44	40	10%
Life	349	405	(14%)	3	7	(57%)	352	412	(15%)	38	48	(21%)
Individual Annuities	450	537	(16%)	-	-	-	450	537	(16%)	45	54	(17%)
Bulk Annuities	98	424	(77%)	-	-	-	98	424	(77%)	10	42	(76%)
Sub-Total	1,040	1,412	(26%)	40	53	(25%)	1,080	1,465	(26%)	144	194	(26%)
DWP Rebates	43	65	(34%)	-	-	-	43	65	(34%)	4	7	(43%)
Total UK Insurance Operations	1,083	1,477	(27%)	40	53	(25%)	1,123	1,530	(27%)	148	201	(26%)
<i>European Insurance Operations :⁽⁴⁾</i>												
Insurance Products	41	8	413%	-	9	-	41	17	141%	4	10	(60%)
Total European Insurance Operations	41	8	413%	-	9	-	41	17	141%	4	10	(60%)
Total UK & European Insurance Operations	1,124	1,485	(24%)	40	62	(35%)	1,164	1,547	(25%)	152	211	(28%)
<i>US Insurance Operations :⁽⁴⁾</i>												
Fixed Annuities	222	730	(70%)	-	-	-	222	730	(70%)	22	73	(70%)
Equity-Linked Indexed Annuities	71	50	42%	-	-	-	71	50	42%	7	5	40%
Variable Annuities	466	511	(9%)	-	-	-	466	511	(9%)	47	51	(8%)
Life	-	-	-	2	4	(50%)	2	4	(50%)	2	4	(50%)
Sub-total Retail	759	1,291	(41%)	2	4	(50%)	761	1,295	(41%)	78	133	(41%)
Guaranteed Investment Contracts	(9)	(5)	(80%)	-	-	-	(9)	(5)	(80%)	(1)	(1)	-
GIC - Medium Term Note	(4)	(16)	75%	-	-	-	(4)	(16)	75%	-	(1)	-
Total US Insurance Operations	746	1,270	(41%)	2	4	(50%)	748	1,274	(41%)	77	131	(41%)
<i>Asian Insurance Operations :⁽⁴⁾</i>												
China	2	1	100%	3	2	50%	5	3	67%	3	2	50%
Hong Kong	55	51	8%	28	22	27%	83	73	14%	34	27	26%
India (@26%)	1	1	-	6	2	200%	7	3	133%	6	2	200%
Indonesia	11	3	267%	8	6	33%	19	9	111%	9	6	50%
Japan	2	1	100%	2	10	(80%)	4	11	(64%)	2	10	(80%)
Korea	14	-	-	13	3	333%	27	3	800%	14	3	367%
Malaysia	2	4	(50%)	16	22	(27%)	18	26	(31%)	16	22	(27%)
Singapore	85	85	-	17	13	31%	102	98	4%	26	22	18%
Taiwan	10	2	400%	38	45	(16%)	48	47	2%	39	45	(13%)
Other ⁽⁵⁾	2	2	-	15	15	-	17	17	-	15	16	(6%)
Total Asian Insurance Operations	184	150	23%	146	140	4%	330	290	14%	164	155	6%
Group Total	2,054	2,905	(29%)	188	206	(9%)	2,242	3,111	(28%)	393	497	(21%)

INVESTMENT OPERATIONS

	M&G ⁽⁷⁾			Asia Mutual Funds			Hong Kong MPF Products ⁽⁸⁾			Total Investment Products		
	Q4 2003 £m	Q4 2002 £m	+/- (%)	Q4 2003 £m	Q4 2002 £m	+/- (%)	Q4 2003 £m	Q4 2002 £m	+/- (%)	Q4 2003 £m	Q4 2002 £m	+/- (%)
Opening FUM	23,193	19,597	18%	6,316	3,652	73%	186	121	54%	29,696	23,370	27%
Gross inflows	772	750	3%	4,832	3,812	27%	16	17	(6%)	5,620	4,580	23%
Less redemptions	(604)	(447)	(35%)	(4,346)	(3,487)	(25%)	(3)	(2)	(50%)	(4,953)	(3,936)	(26%)
Net flows	168	304	(45%)	486	325	50%	13	15	(13%)	667	644	4%
Other movements	-	-	-	(38)	1,130	(103%)	-	-	-	(38)	1,130	(103%)
Market and currency movements	831	383	117%	(364)	(12)	(2933%)	(3)	-	-	463	371	25%
Net movement in FUM	999	687	45%	84	1,444	(94%)	10	15	(33%)	1,092	2,146	(49%)
Closing FUM	24,192	20,284	19%	6,400	5,096	26%	196	136	44%	30,788	25,517	21%

Notes to Schedules:

⁽¹⁾ Insurance and investment new business for overseas operations has been calculated using average exchange rates.

⁽²⁾ Annual Equivalents, calculated as regular new business contributions + 10% single new business contributions, are subject to roundings.

⁽³⁾ Reflecting the expanded investment business new business analysis on Schedule 2, certain investment fund mandates previously classified from UK Corporate Pensions sales are now reported as M&G institutional funds under management. 2002 UK insurance sales now reflect this change in presentation.

⁽⁴⁾ In Asia, 'Other' insurance operations include Thailand, The Philippines and Vietnam.

⁽⁵⁾ Balance includes segregated pensions fund business, private finance flows and M&G South Africa institutional business. M&G institutional funds under management restated in Q2 2003 to include funds managed on behalf of the Prudential Staff Pension Scheme previously categorised as internal funds.

⁽⁶⁾ Mandatory Provident Fund product sales in Hong Kong are included at Prudential's 36% interest of the Hong Kong MPF operation.

⁽¹¹⁾ Sales for overseas operations are converted to sterling using the year to date average exchange rate applicable at the time. The sterling results for individual quarters represent the difference between the year to date reported sterling results at successive quarters and will include foreign exchange movements from earlier periods.