

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 4 2003 VERSUS QUARTER 3 2003

INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents ⁽³⁾		
	Q4 2003 £m	Q3 2003 £m	+/- (%)	Q4 2003 £m	Q3 2003 £m	+/- (%)	Q4 2003 £m	Q3 2003 £m	+/- (%)	Q4 2003 £m	Q3 2003 £m	+/- (%)
UK Insurance Operations : ⁽⁴⁾												
Direct to Customer:												
Individual Pensions	1	1	-	2	2	-	3	3	-	2	2	-
Life	3	3	-	1	-	-	4	3	33%	1	-	-
Individual Annuities	138	152	(9%)	-	-	-	138	152	(9%)	14	15	(7%)
Total	142	156	(9%)	3	2	50%	145	158	(8%)	17	17	-
Business to Business:												
Corporate Pensions	102	138	(26%)	30	28	7%	132	166	(20%)	40	41	(2%)
Individual Annuities	56	63	(11%)	-	-	-	56	63	(11%)	6	7	(14%)
Total	158	200	(21%)	30	28	7%	188	228	(18%)	46	48	(4%)
Intermediated Distribution :												
Individual Pensions	11	9	22%	4	6	(33%)	15	15	-	5	7	(29%)
Corporate Pensions	29	15	93%	1	2	(50%)	30	17	76%	4	4	-
Life	345	280	23%	2	3	(33%)	347	283	23%	37	31	19%
Individual Annuities	233	206	13%	-	-	-	233	206	13%	23	21	10%
Bulk Annuities	98	32	206%	-	-	-	98	32	206%	10	3	233%
Sub-Total	716	542	32%	7	11	(36%)	723	553	31%	79	65	22%
DWP Rebates	43	-	-	-	-	-	43	-	-	4	-	-
Total	759	542	40%	7	11	(36%)	766	553	39%	83	65	28%
Partnerships :												
Life	1	10	(90%)	-	-	-	1	10	(90%)	-	1	-
Individual Annuities	23	24	(4%)	-	-	-	23	24	(4%)	2	2	-
Total	24	34	(29%)	-	-	-	24	34	(29%)	2	3	(33%)
Total :												
Individual Pensions	12	10	20%	6	8	(25%)	18	18	-	7	9	(22%)
Corporate Pensions	131	153	(14%)	31	30	3%	162	183	(11%)	44	45	(2%)
Life	349	293	19%	3	3	-	352	296	19%	38	32	19%
Individual Annuities	450	445	1%	-	-	-	450	445	1%	45	45	-
Bulk Annuities	98	32	206%	-	-	-	98	32	206%	10	3	233%
Sub-Total	1,040	933	11%	40	41	(2%)	1,080	974	11%	144	134	7%
DWP Rebates	43	-	-	-	-	-	43	-	-	4	-	-
Total UK Insurance Operations	1,083	933	16%	40	41	(2%)	1,123	974	15%	148	134	10%
European Insurance Operations : ⁽⁵⁾												
Insurance Products	41	17	141%	-	-	-	41	17	141%	4	2	100%
Total European Insurance Operations	41	17	141%	-	-	-	41	17	141%	4	2	100%
Total UK & European Insurance Operations	1,124	950	18%	40	41	(2%)	1,164	991	17%	152	136	12%
US Insurance Operations : ⁽⁶⁾												
Fixed Annuities	222	200	11%	-	-	-	222	200	11%	22	20	10%
Equity-Linked Indexed Annuities	71	72	(1%)	-	-	-	71	72	(1%)	7	7	-
Variable Annuities	466	561	(17%)	-	-	-	466	561	(17%)	47	56	(16%)
Life	-	-	-	2	3	(33%)	2	3	(33%)	2	3	(33%)
Sub-Total Retail	759	833	(9%)	2	3	(33%)	761	836	(9%)	78	86	(9%)
Guaranteed Investment Contracts	(9)	6	(250%)	-	-	-	(9)	6	(250%)	(1)	1	(200%)
GIC - Medium Term Note	(4)	28	(114%)	-	-	-	(4)	28	(114%)	-	3	-
Total US Insurance Operations	746	867	(14%)	2	3	(33%)	748	870	(14%)	77	90	(14%)
Asian Insurance Operations : ⁽⁷⁾												
China	2	1	100%	3	3	-	5	4	25%	3	3	-
Hong Kong	55	58	(5%)	28	21	33%	83	79	5%	34	27	26%
India (@26%)	1	1	-	6	4	50%	7	5	40%	6	4	50%
Indonesia	11	9	22%	8	10	(20%)	19	19	-	9	11	(18%)
Japan	2	2	-	2	13	(85%)	4	15	(73%)	2	13	(85%)
Korea	14	4	250%	13	6	117%	27	10	170%	14	6	133%
Malaysia	2	3	(33%)	16	19	(16%)	18	22	(18%)	16	20	(20%)
Singapore	85	45	89%	17	14	21%	102	59	73%	26	18	44%
Taiwan	10	9	11%	38	30	27%	48	39	23%	39	31	26%
Other ⁽⁸⁾	2	3	(33%)	15	14	7%	17	17	-	15	15	-
Total Asian Insurance Operations	184	134	37%	146	134	9%	330	268	23%	164	148	11%
Group Total	2,054	1,951	5%	188	178	6%	2,242	2,129	5%	393	373	5%

INVESTMENT OPERATIONS

	M&G ⁽⁷⁾			Asia Mutual Funds			Hong Kong MPF Products ⁽⁸⁾			Total Investment Products		
	Q4 2003 £m	Q3 2003 £m	+/- (%)	Q4 2003 £m	Q3 2003 £m	+/- (%)	Q4 2003 £m	Q3 2003 £m	+/- (%)	Q4 2003 £m	Q3 2003 £m	+/- (%)
Opening FUM	23,193	22,331	4%	6,316	5,721	10%	186	165	13%	29,696	28,217	5%
Gross inflows	772	1,008	(23%)	4,832	4,929	(2%)	16	17	(6%)	5,620	5,954	(6%)
Less redemptions	(604)	(657)	8%	(4,346)	(4,547)	4%	(3)	(4)	25%	(4,953)	(5,208)	5%
Net flows	168	351	(52%)	486	382	27%	13	13	-	667	746	(11%)
Other movements	-	-	-	(38)	(25)	(52%)	-	-	-	(38)	(25)	(52%)
Market and currency movements	831	511	63%	(364)	238	(253%)	(3)	8	(138%)	463	757	(39%)
Net movement in FUM	999	862	16%	84	595	(86%)	10	21	(52%)	1,092	1,478	(26%)
Closing FUM	24,192	23,193	4%	6,400	6,316	1%	196	186	5%	30,788	29,695	4%

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.

⁽⁴⁾ 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.

⁽⁵⁾ In Asia, 'Other' insurance operations include Thailand, The Philippines and Vietnam.

⁽⁷⁾ 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.

⁽⁸⁾ 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.