



PRUDENTIAL

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PRUDENTIAL PLC FULL YEAR 2006 NEW BUSINESS RESULTS

All figures compared to 2005 at constant exchange rates unless stated

New business for the full year 2006:

	APE	Growth	PVNB	Growth
Total Group Insurance	£2,470 million	16%	£18,947 million	12%
Prudential UK retail	£689 million	14%	£5,594 million	15%
Total UK	£900 million	1%	£7,712 million	0%
Jackson	£613 million	21%	£6,103 million	20%
Prudential Corporation Asia	£956 million	30%	£5,132 million	26%
Asia Fund Management	Record net fund inflows of £2.5 billion, up 91%			
M&G	Record net fund inflows of £6.1 billion, up 58%			

Mark Tucker, Group Chief Executive said:

"I am delighted by our full year new business figures: the Group's insurance new business has increased by 16 per cent year on year, on an APE basis, and our asset management businesses saw net inflows increase by 66% to £8.6 billion.

"We have seen a 25 per cent increase in the Group's insurance new business, on an APE basis, for the fourth quarter of 2006 compared to the same quarter in 2005 and an encouraging 21 per cent rise in new business for the fourth quarter of 2006 over the third. Overall the Group is in robust health.

"A 14 per cent increase in UK retail insurance operations APE sales was driven primarily by the growth in individual annuities and corporate pensions. In wholesale, we have chosen not to write business at unattractive pricing and therefore sales are down year on year.

"We have continued to reassess in depth the prospects for all sectors of the UK life and pensions market and are confident that there are profitable organic opportunities in the retirement savings and income market. We shall provide an update with further details by 15th March.

"Jackson, Prudential's US insurance business, achieved record new business of £613 million APE in 2006, representing a 21 per cent increase on 2005, driven by strong growth in sales of variable annuities, up 48 per cent on last year.

News release

Group Communications

Prudential plc

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Incorporated and registered in England and Wales. Registered office as above. Registered number 1397169.

Prudential plc is a holding company, subsidiaries of which are authorised and regulated by the Financial Services Authority.

"Prudential's Asian life operations delivered new business APE of £956million, up 30 per cent in 2006 including a 25 per cent rise over the third quarter and reflecting the momentum of the business seen throughout the year. We have seen strong growth in a number of country markets including India up 95 per cent, China up 56 per cent and Korea up 54 per cent.

"Asset management continues to perform exceptionally well with M&G achieving record net fund inflows of £6.1 billion, an increase of 58 per cent, reflecting M&G's leading position in retail fund management, institutional fixed income, pooled life and pension funds, property and private finance.

"In Asia, PCA Fund Management also achieved record net inflows of £2.5 billion, almost double the 2005 figure. This reflects the product strength and increasing geographic diversification of our Asian fund management business.

"Trading conditions at Egg, our UK banking business, have seen further deterioration since we updated the market in October as a result of worsening credit experience and lower levels of lending than anticipated. Separately today, Prudential has announced that it has entered into a binding agreement to sell Egg to Citigroup for a consideration of £575 million subject to adjustment to reflect any change in net asset value between 31 December 2006 and completion.

"Going forward, the Group expects to maintain both its momentum in sales volume and its focus on value."

Commentary on Full Year 2006 New Business Results

UK Insurance and Banking operations

Prudential's UK insurance operations delivered total APE sales for the year of £900 million, 1 per cent higher than those achieved in 2005. Sales on a PVNBP basis are in line with 2005 at £7,712 million.

The UK retail insurance operations performed well with APE sales up 14 per cent on 2005 to £689 million driven primarily by the growth in corporate pensions and individual annuity sales. In the wholesale business, Prudential has chosen not to write business at unattractive pricing and therefore sales are down year-on-year.

Individual annuity sales grew by 22 per cent to £271 million as the annuity market experienced increased activity in the second half of 2006 following the removal of uncertainty around A-Day pension changes. In total 110,000 new annuity policies were written. Sales volume has been driven by the continued strength of internal vestings (APE £135 million) together with the cumulative benefit of partnership deals signed in previous years. With-profit annuities sales from all distribution channels more than doubled to £37 million compared with 2005.

In relation to externally sourced annuity business, Prudential signed further partnership agreements in 2006 including the Royal London transaction that came into effect in September. In addition, Prudential signed an exclusive 5-year agreement with Threadneedle as their supplier of annuities for their Stakeholder scheme as well as any future defined contribution schemes that Threadneedle acquires. This is a new area for Prudential that builds on its experience in providing annuities to customers of life insurance companies. With the future growth in DC schemes within the UK Prudential expects more agreements of this type.

Sales of with-profit bonds increased by 44 per cent during 2006. Much of this reflects Prudential's financial strength and continuing outstanding life fund investment returns that have been well received by both customers and advisers. PruFund, Prudential's unitised and smoothed investment plan, secured a new distribution agreement in the fourth quarter with National Australia Bank Group.

Corporate pension APE sales increased by 23 per cent to £224 million with the capture of a number of new scheme wins during 2006, including Debenhams and Royal & SunAlliance with 4,100 and 4,500 members respectively. This is due in part to the continuing shift from defined-benefit to defined-contribution schemes and also due to the impact of A-day and the growth in Prudential's new Fund Delivery Service. This contributed £25 million of APE sales in its first year of operation.

Prudential has continued to pursue its focus on value, not volume, in the unit linked bond market. A large percentage of this market is financially unattractive with high up-front commission costs and poor forward-looking persistency due to high churn. For this reason we have been targeting higher value intermediaries.

Prudential has recruited a team of 20 face-to-face specialist consultants to sell its Lifetime Mortgage product, the Property Value Release Plan, and are looking to grow this team further in 2007. APE sales in 2006 were £9 million and resulted in Prudential achieving an 8 per cent share of the lifetime mortgage market.

PruHealth continues to develop well, with full-year Gross Written Premiums up 300 per cent at £36 million (£9 million in 2005). It now has around 100,000 individuals covered.

As previously announced, we believe it would be beneficial if there was greater clarity as to the status of the Inherited Estate and we continue to keep the situation under review. A reattribution will only be undertaken if there are clear benefits for both policyholders and shareholders and we will provide an update as to whether we intend to proceed in due course.

Jackson

Jackson, Prudential's US insurance business, achieved record APE sales of £613 million in 2006, representing a 21 per cent increase on 2005, driven by strong growth in sales of variable annuities. On a PVNBP basis, new business sales were £6.1 billion. Retail APE sales in 2006 of £524 million were up 27 per cent. APE sales in the fourth quarter of 2006 were £147 million, up 43 per cent CER compared to the fourth quarter of 2005.

Jackson delivered record variable annuity sales in 2006 of £3.8 billion, up 48 per cent on last year. This reflects its distinct competitive advantages of an innovative product offering, an efficient and flexible technology platform, a relationship-driven distribution model and award-winning service.

Jackson's sales result was achieved in a market that grew 18 per cent year-on-year through the first three quarters of 2006. Jackson increased its variable annuity market share to 4.5 per cent as at the end of the third quarter of 2006, up from 3.6 per cent at the same point in 2005, and maintained its ranking of 12th in total variable annuity sales. In the independent broker dealer distribution channel, Jackson's variable annuity sales during the first nine months of 2006 increased 52 per cent over the same period in 2005, while industry sales grew 27 per cent. This took Jackson's ranking in the channel from 5th at the end of September 2005 to 2nd at the end of September 2006 and increased its market share from 8.8 per cent to 10.6 per cent.

Innovation in product design and speed to market continue to be key drivers of Jackson's competitiveness as 81 per cent of retail sales during 2006 were related to products and product features launched since the beginning of 2005. In January, Jackson added a 5 per cent annual benefit increase option to its popular lifetime guaranteed minimum withdrawal benefits (GMWBs). In May, Jackson added five new GMWB options that offer contract holders a guaranteed return of premium and lifetime income. Additionally, Jackson expanded its variable annuity fund offering during the year. In February, the company launched two new fixed index annuity (FIA) contracts, which expanded the number of FIA products Jackson offers to five.

Entry spreads for fixed annuities continued to be challenging during 2006, which limited the attractiveness of the market to Jackson. APE sales of £69 million were down 12 per cent on the same period of 2005.

Fixed index annuity sales continued to be impacted by the uncertain regulatory environment in the US. APE sales of £55 million were 10 per cent down on 2005. Jackson's market share through the end of the third quarter of 2006 was 3.8 per cent, unchanged from the same period in the prior year.

Curian Capital, a specialised asset management company that provides innovative separately managed accounts, is building its position in the US retail asset management market with total assets under management at the end of 2006 of \$2.4 billion compared with \$1.7 billion at the end of 2005.

Institutional APE sales of £90 million were down 8 per cent from 2005. Jackson participates in this market on an opportunistic basis.

Jackson's focus is to expand its share of the US annuity and retail asset management markets. This will be achieved through continued expansion of existing product offerings, additional growth in new and existing distribution channels and opportunistic acquisition activity.

Jackson's product development strategy includes further enhancement of its variable annuity offerings and the introduction of new guarantees, including a guaranteed minimum accumulation benefit (GMAB). Jackson has launched a simplified retirement annuity that will serve as a low cost option for financial advisors who are currently not participating in the variable annuity market. Additionally, Jackson has rolled out its first set of

retail mutual funds for distribution by existing wholesalers. Jackson's new mutual funds will be marketed as an additional option for financial advisors currently selling variable annuity products.

Jackson will continue to build its relationship-based distribution advantage in the advice-based channels, including a particular focus on increasing annuity sales in the bank and regional broker-dealer channels. Jackson will also explore additional distribution opportunities, including further expansion into the wirehouse channel, as evidenced by the company's recent distribution agreement with UBS.

Jackson continues to deliver growth in the attractive US market and has further enhanced its competitive advantages in the variable annuity market, offering the product and service solutions that both customers and advisors desire. With a continued focus on product innovation, a proven relationship-based distribution model, award-winning service and excellence in execution, Jackson is well positioned to take advantage of the changing demographics and resulting opportunities in the US market.

Prudential Corporation Asia

Prudential's Asian life operations delivered new business APE of £956 million representing growth of 30 per cent in 2006 and reflecting the sustained momentum of the business seen throughout the year. The fourth quarter of 2006, with APE of £282 million, showed an increase of 29 per cent relative to the same quarter in 2005 and 25 per cent relative to the third quarter of 2006. On the PVNBP basis sales for 2006 of £5.1 billion are 26 per cent higher than in 2005.

Prudential's focus continues to be on sustainable and profitable growth and the new business results reflect the continuing success of this strategy. The proportion of unit linked business for the year is 65 per cent, in line with the 63 per cent reported for last year and demonstrates the sustained appeal of these products to consumers across the region. The proportion of new business from traditional agency distribution is 70 per cent compared to 74 per cent last year, as our bank and broker distribution continues to strengthen.

Prudential's joint venture with ICICI in India is a market leading operation and has rapidly achieved material scale since launch in 2000. APE for 2006 increased by 95 per cent over the same period last year with Prudential's 26 per cent being £107 million. This was driven by a significant increase in agent numbers as the operation continues to open up new branches across India, and higher average premiums per policy, as well as growth from the bancassurance channel.

Prudential's Korean life business with APE of £218 million, which is a growth of 54 per cent from 2005, continues to benefit from the expansion of the tied financial adviser channel in 2006 partially offset by slower growth in the broker channel where some brokers have been restructuring. Bancassurance growth continues to be constrained by regulatory individual company production caps and Prudential continues to explore opportunities to work with more banks. Since acquisition this operation has outperformed the industry and is well on track to become a major player.

In Taiwan, Prudential's focus continues to be on value rather than volume. Whilst full year APE at £148 million is 6 per cent lower than last year, the proportion of higher margin unit linked remains high relative to the industry at 58 per cent.

Prudential's life business in Indonesia continues to go from strength to strength with APE sales of £74 million, 54 per cent up on last year driven by increased agent numbers. This business has a high proportion of unit linked sales and is the well established market leader in this product.

Although growth in Prudential's Singapore life business slowed in the third quarter as equity market volatility impacted single premium linked business, it had a strong fourth quarter and full year APE of £108 million is up a healthy 23 per cent on 2005. Prudential's Hong Kong life business, at £139 million for 2006, is up 26 per cent over 2005 driven due to a successful retirement orientated savings product launch and strong results from Standard Chartered Bank. In Malaysia sales across the industry remain depressed following regulatory changes last year; however in the fourth quarter sales growth recovered and Prudential's new business was up 15 per cent compared to the same quarter in 2005. Full year APE in Malaysia for Prudential was £72 million, up 6 per cent on 2005. The Takaful joint venture with Bank Simpanan Nasional (BSN) commenced sales in November.

In China, CITIC Prudential APE for 2006 of £39 million is an increase of 56 per cent compared to 2005, reflecting an increasing contribution from the new cities as well as the continued growth from the longer established operations such as Guangzhou and Beijing.

The Vietnamese market continues to be challenging and Prudential's APE year to date has declined by 14 per cent, however the long term potential of this market remains excellent.

Prudential's other smaller operations of Japan, Thailand and Philippines grew at 133 per cent, 83 per cent and 14 per cent respectively year to date.

Prudential has an excellent track record of building a profitable business in Asia and its focus continues to be on long term, profitable and sustainable growth.

Asset Management

M&G

Outstanding fund performance led to record fund inflows into M&G's retail and institutional businesses during 2006. Gross fund inflows were £13.5 billion, an increase of 70 per cent on the previous year. Net fund inflows were their highest ever, increasing by 58 per cent to £6.1 billion, reflecting M&G's leading position in retail fund management, institutional fixed income, pooled life and pension funds, property and private finance. External funds under management grew significantly, up 24 per cent to £45 billion, and at this level represents over a quarter of M&G's total funds under management.

Fund inflows into M&G's retail business continued to perform very strongly. Whilst gross fund inflows increased by 75 per cent to £6.7 billion, net fund inflows more than doubled to £3.1 billion. Fund performance across M&G's range of equity, bond and property funds was excellent, which was recognised by M&G being named Best Equity Group (Large) and Best Non UK Equity Group (Large) at the Lipper Citywire All Stars Awards 2006. Demand remained strong for M&G's high alpha equity and competitive fixed income and property offerings and M&G continued to innovate during the year with the launch of two new funds, the M&G Optimal Income Fund and M&G European Property Fund. Retail sales were strong in the UK and South Africa, and across the European markets of Germany, Austria, Switzerland, Luxembourg, Italy and Spain, where M&G is maximising the opportunity created by the continued opening up of these markets to foreign players.

M&G's institutional business also saw substantial growth with gross fund inflows increasing by 66 per cent to £6.8 billion and net inflows rising 19 per cent to £3 billion. M&G's scale and market reputation in fixed income continued to position it very favourably in both traditional areas of the market, such as segregated funds, and more alternative areas such as structured credit. Fund inflows into segregated funds was strong on the back of good fund performance which saw 86 per cent of funds above benchmark over one year and 90 per cent over three years. M&G consolidated its market leading position in structured credit with the launch of seven new Collateralised Debt Obligations (CDOs) during the year and was named CDO manager of the year by IFR magazine. Significant fund inflows were generated into M&G's Episode global macro fund, with the fund reaching \$1.5 billion assets under management within 17 months of launch.

Asian Fund Management Business

The Asian Fund Management Business continues to deliver record net inflows in the fourth quarter in 2006. Net inflows of £0.9 billion, were up 155 per cent for the same period in 2005, reflecting the strengths of the Asian Fund Management's geographic and product diversification.

Full year record net inflows of £2.5 billion were up 91% from 2005. Of the annual net inflows of £2.5 billion, £2.3 billion or 94 per cent have been from non-MMF products. Equity and non-MMF assets grew by £2.0 billion in 2006.

Total third party funds under management were £12.3 billion, an increase of 21 per cent compared to the fourth quarter in 2005. India and Korea were the main contributors to this growth with funds under management increasing by 36 per cent, and 27 per cent respectively. India growth was largely driven by strong equity and money market inflows. Korea growth was attributable to positive market sentiment, expanded distribution channels and good fund performance which led to a high level of equity and structured product inflows.

During the fourth quarter, Prudential Vietnam Fund Management Company launched a Cayman structured closed ended fund targeted at sophisticated investors and distributed for the first time actively to high net worth individuals through private banking channels. This fund raised close to £160 million and is listed on the Irish Stock Exchange. Prudential Vietnam Fund Management Company has now become the largest domestic mutual fund company in Vietnam in terms of funds under management. CITIC Prudential Fund Management launched its second fund in the fourth quarter and raised £220 million. Launched only last October, CITIC Prudential Fund Management has already raised over £420 million from its two fund launches in 2006. Prudential Asset Management (HK) Limited has been awarded a US\$200 million quota by China's State Administration for Foreign Exchange under the Qualified Foreign Institutional Investor ("QFII") scheme. Introduced in May 2002, the QFII scheme allows qualified foreign institutional investors direct participation in China's domestic "A" share equity and fixed income markets. PCA Securities Investment Trust in Taiwan launched the Asia Pacific REITs Fund in the fourth quarter and achieved its FUM cap of £157 million.

Prudential remains confident that its fund management businesses in Asia are in an ideal position to achieve strong and profitable growth as it has put in place a distinctive and advantaged platform.

ENDS

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Notes to Editor:

1. Annual premium equivalent (APE) sales comprise regular premium sales plus one-tenth of single premium insurance sales and are subject to rounding.
2. Present Value of New Business Premiums (PVNBP) are calculated as equalling single premiums plus the present value of expected new business premiums of regular premium business, allowing for lapses and other assumptions made in determining the EEV new business contribution.
3. UK Retail sales include all products except bulk annuities and credit life sales.
4. There will be a conference call today for wire services at 11.30am (BST) hosted by Mark Tucker, Group Chief Executive, and Philip Broadley, Group Finance Director. Dial in telephone number: +44 (0)20 8609 0205. Passcode: 155439#
5. There will be a conference call for investors and analysts at 12.00am (BST) hosted by Mark Tucker, Group Chief Executive, and Philip Broadley, Group Finance Director. From the UK please call +44 (0)20 8609 0205 and from the US 1866 793 4279. Pin number 487687#. A recording of this call will be available for replay for one week by dialling: +44 (0)20 8609 0289 from the UK or 1 866 676 5865 from the US. The conference reference number is 160468.
6. High resolution photographs are available to the media free of charge at www.newscast.co.uk (+44 (0) 207 608 1000).

7. Sales for overseas operations have been reported using average exchange rates as shown in the attached schedules. Commentary is given on the results on a constant exchange rate basis. The two bases are compared in the table below.

	Annual Premium Equivalent Sales					
	Actual Exchange Rates			Constant Exchange Rates		
	2006	2005	+/- (%)	2006	2005	+/- (%)
	£m	£m		£m	£m	
UK	900	891	1%	900	891	1%
US	613	515	19%	613	508	21%
Asia	956	731	31%	956	734	30%
Total	<u>2,470</u>	<u>2,137</u>	<u>16%</u>	<u>2,470</u>	<u>2,134</u>	<u>16%</u>

	Gross Inflows					
	Actual Exchange Rates			Constant Exchange Rates		
	2006	2005	+/- (%)	2006	2005	+/- (%)
	£m	£m		£m	£m	
M&G	13,486	7,916	70%	13,486	7,916	70%
Asia	20,408	18,457	11%	20,408	18,049	13%
Total	<u>33,894</u>	<u>26,373</u>	<u>29%</u>	<u>33,894</u>	<u>25,965</u>	<u>31%</u>

	Total Insurance and Investment New Business					
	Actual Exchange Rates			Constant Exchange Rates		
	2006	2005	+/- (%)	2006	2005	+/- (%)
	£m	£m		£m	£m	
Insurance	15,094	13,700	10%	15,094	13,641	11%
Investment	33,894	26,373	29%	33,894	25,965	31%
Total	<u>48,988</u>	<u>40,073</u>	<u>22%</u>	<u>48,988</u>	<u>39,606</u>	<u>24%</u>

8. For Jackson, market share data is provided for the first nine months of 2006, being the latest available. Variable annuity data is sourced from VARDS, fixed annuity data is sourced from LIMRA and fixed index annuities data is sourced from LIMRA and The Advantage Group.
9. Total number of Prudential plc shares in issue as at 31st December 2006 was 2,444,312,425. This number will be reported monthly to the stock exchange going forward.

10. Financial Calendar 2006 - 2007:

Full year 2006 Results	15 th March 2007
Q1 New Business Figures	19 th April 2007
AGM	17 th May 2007
Interim Results	1 st August 2007
Q3 New Business Figures	18 th October 2007

*Prudential plc, a company incorporated and with its principal place of business in the United Kingdom, and its affiliated companies constitute one of the world's leading financial services groups. It provides insurance and financial services directly and through its subsidiaries and affiliates throughout the world. It has been in existence for over 150 years and has £237.5 billion in assets under management, (as at 30 June 2006) Prudential plc is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America.

Forward-Looking Statements

This statement may contain certain “forward-looking statements” with respect to certain of Prudential's plans and its current goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements containing the words “believes”, “intends”, “expects”, “plans”, “seeks” and “anticipates”, and words of similar meaning, are forward-looking. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Prudential's control including among other things, UK domestic and global economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, and the performance of financial markets generally; the policies and actions of regulatory authorities, the impact of competition, inflation, and deflation; experience in particular with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; and the impact of changes in capital, solvency or accounting standards, and tax and other legislation and regulations in the jurisdictions in which Prudential and its affiliates operate. This may for example result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. As a result, Prudential's actual future financial condition, performance and results may differ materially from the plans, goals, and expectations set forth in Prudential's forward-looking statements. Prudential undertakes no obligation to update the forward-looking statements contained in this statement or any other forward-looking statements it may make.

PRUDENTIAL PLC - NEW BUSINESS - FULL YEAR 2006

TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK & Europe			US ^(1a)			Asia ^(1a)			Total		
	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%
Total Insurance Products	7,192	7,192	0%	5,981	4,958	21%	1,921	1,491	29%	15,094	13,641	11%
Total Investment Products - Gross Inflows ⁽²⁾	13,486	7,916	70%	-	-	-	20,408	18,049	13%	33,894	25,965	31%
Group Total	20,678	15,108	37%	5,981	4,958	21%	22,329	19,540	14%	48,988	39,606	24%

INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents ⁽³⁾		
	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%
UK Insurance Operations												
Direct to Customer												
Individual Pensions	14	12	17%	7	8	(13%)	21	20	5%	8	9	(11%)
Life - With Profit Bond	23	15	53%	1	1	0%	24	16	50%	3	3	0%
Life - Other	23	2	1,050%	1	2	(50%)	24	4	500%	3	2	50%
Individual Annuities	816	720	13%	-	-	-	816	720	13%	82	72	14%
Sub-Total	876	749	17%	9	11	(18%)	885	760	16%	97	86	13%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	16	24	(33%)
Total	1,037	993	4%	9	11	(18%)	1,046	1,004	4%	113	110	3%
Business to Business												
Corporate Pensions	536	242	121%	162	146	11%	698	388	80%	216	170	27%
Individual Annuities	264	212	25%	-	-	-	264	212	25%	26	21	24%
Bulk Annuities	85	511	(83%)	-	-	-	85	511	(83%)	9	51	(82%)
Total	885	965	(8%)	162	146	11%	1,047	1,111	(6%)	251	243	3%
Intermediated Distribution												
Individual Pensions	87	65	34%	18	18	0%	105	83	27%	27	25	8%
Corporate Pensions	43	43	0%	4	7	(43%)	47	50	(6%)	8	11	(27%)
Life - With Profit Bond	202	159	27%	-	-	-	202	159	27%	20	16	25%
Life - Other Bond	693	947	(27%)	-	-	-	693	947	(27%)	69	95	(27%)
Life - Other	66	6	1,000%	5	6	(17%)	71	12	492%	12	7	71%
Individual Annuities	919	995	(8%)	-	-	-	919	995	(8%)	92	100	(8%)
Total	2,010	2,215	(9%)	27	31	(13%)	2,037	2,246	(9%)	228	253	(10%)
Partnerships												
Individual Pensions	1	-	-	-	-	-	1	-	-	-	-	-
Life - With Profit Bond	24	-	-	-	-	-	24	-	-	2	-	-
Life - Other Bond	117	-	-	-	-	-	117	-	-	12	-	-
Life - Other	698	814	(14%)	3	3	0%	701	817	(14%)	73	84	(13%)
Individual Annuities	714	295	142%	-	-	-	714	295	142%	71	30	137%
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	560	-	-	-	-	-	560	-	-	56	-	-
Bulk Annuities	786	1,519	(48%)	-	-	-	786	1,519	(48%)	79	152	(48%)
Total	2,900	2,628	10%	3	3	0%	2,903	2,631	10%	293	266	10%
Total:												
Individual Pensions	102	77	32%	25	26	(4%)	127	103	23%	35	34	3%
Corporate Pensions	579	285	103%	166	153	8%	745	438	70%	224	182	23%
Life - With Profit Bond	249	174	43%	1	1	0%	250	175	43%	26	18	44%
Life - Other Bond	810	947	(14%)	-	-	-	810	947	(14%)	81	95	(15%)
Life - Other	787	822	(4%)	9	11	(18%)	796	833	(4%)	88	93	(5%)
Individual Annuities	2,713	2,222	22%	-	-	-	2,713	2,222	22%	271	222	22%
Bulk Annuities	1,431	2,030	(30%)	-	-	-	1,431	2,030	(30%)	143	203	(30%)
Sub-Total	6,671	6,557	2%	201	191	5%	6,872	6,748	2%	868	847	2%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	16	24	(33%)
Total UK Insurance Operations	6,832	6,801	0%	201	191	5%	7,033	6,992	1%	884	871	1%
European Insurance Operations ^(1a)												
Insurance Products	159	200	(21%)	-	-	-	159	200	(21%)	16	20	(20%)
Total European Insurance Operations	159	200	(21%)	-	-	-	159	200	(21%)	16	20	(20%)
Total UK & Europe Insurance Operations	6,991	7,001	(0%)	201	191	5%	7,192	7,192	0%	900	891	1%
US Insurance Operations ^(1a)												
Fixed Annuities	688	777	(11%)	-	-	-	688	777	(11%)	69	78	(12%)
Fixed Index Annuities	554	608	(9%)	-	-	-	554	608	(9%)	55	61	(10%)
Variable Annuities	3,819	2,572	48%	-	-	-	3,819	2,572	48%	382	257	49%
Life	8	11	(27%)	17	14	21%	25	25	0%	18	15	20%
Sub-Total Retail	5,069	3,968	28%	17	14	21%	5,086	3,982	28%	524	411	27%
Guaranteed Investment Contracts	458	350	31%	-	-	-	458	350	31%	46	35	31%
GIC - Medium Term Note	437	626	(30%)	-	-	-	437	626	(30%)	44	63	(30%)
Total US Insurance Operations	5,964	4,944	21%	17	14	21%	5,981	4,958	21%	613	508	21%
Asian Insurance Operations ^(1a)												
China	27	17	59%	36	23	57%	63	40	58%	39	25	56%
Hong Kong	355	285	25%	103	81	27%	458	366	25%	139	110	26%
India ⁽⁶⁾	20	4	400%	105	55	91%	125	59	112%	107	55	95%
Indonesia	31	44	(30%)	71	44	61%	102	88	16%	74	48	54%
Japan	68	28	143%	7	3	133%	75	31	142%	14	6	133%
Korea	103	31	232%	208	139	50%	311	170	83%	218	142	54%
Malaysia	4	9	(56%)	72	67	7%	76	76	0%	72	68	6%
Singapore	357	293	22%	72	59	22%	429	352	22%	108	88	23%
Taiwan	92	121	(24%)	139	145	(4%)	231	266	(13%)	148	157	(6%)
Other ⁽⁴⁾	15	9	67%	36	34	6%	51	43	19%	38	35	9%
Total Asian Insurance Operations	1,072	841	27%	849	650	31%	1,921	1,491	29%	956	734	30%
Group Total	14,027	12,786	10%	1,067	855	25%	15,094	13,641	11%	2,470	2,134	16%

PRUDENTIAL PLC - NEW BUSINESS - FULL YEAR 2006

TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK & Europe			US ^(1b)			Asia ^(1b)			Total		
	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%
Total Insurance Products	7,192	7,193	(0%)	5,981	5,023	19%	1,921	1,484	29%	15,094	13,700	10%
Total Investment Products - Gross Inflows ⁽²⁾	13,486	7,916	70%	-	-	-	20,408	18,457	11%	33,894	26,373	29%
Group Total	20,678	15,109	37%	5,981	5,023	19%	22,329	19,941	12%	48,988	40,073	22%

INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents ⁽³⁾		
	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%
UK Insurance Operations												
Direct to Customer												
Individual Pensions	14	12	17%	7	8	(13%)	21	20	5%	8	9	(11%)
Life - With Profit Bond	23	15	53%	1	1	0%	24	16	50%	3	3	0%
Life - Other	23	2	1,050%	1	2	(50%)	24	4	500%	3	2	50%
Individual Annuities	816	720	13%	-	-	-	816	720	13%	82	72	14%
Sub-Total	876	749	17%	9	11	(18%)	885	760	16%	97	86	13%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	16	24	(33%)
Total	1,037	993	4%	9	11	(18%)	1,046	1,004	4%	113	110	3%
Business to Business												
Corporate Pensions	536	242	121%	162	146	11%	698	388	80%	216	170	27%
Individual Annuities	264	212	25%	-	-	-	264	212	25%	26	21	24%
Bulk Annuities	85	511	(83%)	-	-	-	85	511	(83%)	9	51	(82%)
Total	885	965	(8%)	162	146	11%	1,047	1,111	(6%)	251	243	3%
Intermediated Distribution												
Individual Pensions	87	65	34%	18	18	0%	105	83	27%	27	25	8%
Corporate Pensions	43	43	0%	4	7	(43%)	47	50	(6%)	8	11	(27%)
Life - With Profit Bond	202	159	27%	-	-	-	202	159	27%	20	16	25%
Life - Other Bond	693	947	(27%)	-	-	-	693	947	(27%)	69	95	(27%)
Life - Other	66	6	1,000%	5	6	(17%)	71	12	492%	12	7	71%
Individual Annuities	919	995	(8%)	-	-	-	919	995	(8%)	92	100	(8%)
Total	2,010	2,215	(9%)	27	31	(13%)	2,037	2,246	(9%)	228	253	(10%)
Partnerships												
Individual Pensions	1	-	-	-	-	-	1	-	-	-	-	-
Life - With Profit Bond	24	-	-	-	-	-	24	-	-	2	-	-
Life - Other Bond	117	-	-	-	-	-	117	-	-	12	-	-
Life - Other	698	814	(14%)	3	3	0%	701	817	(14%)	73	84	(13%)
Individual Annuities	714	295	142%	-	-	-	714	295	142%	71	30	137%
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	560	-	-	-	-	-	560	-	-	56	-	-
Bulk Annuities	786	1,519	(48%)	-	-	-	786	1,519	(48%)	79	152	(48%)
Total	2,900	2,628	10%	3	3	0%	2,903	2,631	10%	293	266	10%
Total:												
Individual Pensions	102	77	32%	25	26	(4%)	127	103	23%	35	34	3%
Corporate Pensions	579	285	103%	166	153	8%	745	438	70%	224	182	23%
Life - With Profit Bond	249	174	43%	1	1	0%	250	175	43%	26	18	44%
Life - Other Bond	810	947	(14%)	-	-	-	810	947	(14%)	81	95	(15%)
Life - Other	787	822	(4%)	9	11	(18%)	796	833	(4%)	88	93	(5%)
Individual Annuities	2,713	2,222	22%	-	-	-	2,713	2,222	22%	271	222	22%
Bulk Annuities	1,431	2,030	(30%)	-	-	-	1,431	2,030	(30%)	143	203	(30%)
Sub-Total	6,671	6,557	2%	201	191	5%	6,872	6,748	2%	868	847	2%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	16	24	(33%)
Total UK Insurance Operations	6,832	6,801	0%	201	191	5%	7,033	6,992	1%	884	871	1%
European Insurance Operations ^(1b)												
Insurance Products	159	201	(21%)	-	-	-	159	201	(21%)	16	20	(20%)
Total European Insurance Operations	159	201	(21%)	-	-	-	159	201	(21%)	16	20	(20%)
Total UK & Europe Insurance Operations												
	6,991	7,002	(0%)	201	191	5%	7,192	7,193	(0%)	900	891	1%
US Insurance Operations ^(1b)												
Fixed Annuities	688	788	(13%)	-	-	-	688	788	(13%)	69	79	(13%)
Fixed Index Annuities	554	616	(10%)	-	-	-	554	616	(10%)	55	62	(11%)
Variable Annuities	3,819	2,605	47%	-	-	-	3,819	2,605	47%	382	261	46%
Life	8	11	(27%)	17	14	21%	25	25	0%	18	15	20%
Sub-Total Retail	5,069	4,020	26%	17	14	21%	5,086	4,034	26%	524	416	26%
Guaranteed Investment Contracts	458	355	29%	-	-	-	458	355	29%	46	36	28%
GIC - Medium Term Note	437	634	(31%)	-	-	-	437	634	(31%)	44	63	(30%)
Total US Insurance Operations	5,964	5,009	19%	17	14	21%	5,981	5,023	19%	613	515	19%
Asian Insurance Operations ^(1b)												
China	27	17	59%	36	23	57%	63	40	58%	39	25	56%
Hong Kong	355	289	23%	103	83	24%	458	372	23%	139	112	24%
India ⁽⁶⁾	20	4	400%	105	57	84%	125	61	105%	107	57	88%
Indonesia	31	42	(26%)	71	42	69%	102	84	21%	74	46	61%
Japan	68	30	127%	7	4	75%	75	34	121%	14	7	100%
Korea	103	29	256%	208	132	58%	311	161	93%	218	135	61%
Malaysia	4	9	(56%)	72	66	9%	76	75	1%	72	67	7%
Singapore	357	284	26%	72	58	24%	429	342	25%	108	86	26%
Taiwan	92	124	(26%)	139	149	(7%)	231	273	(15%)	148	161	(8%)
Other ⁽⁴⁾	15	9	67%	36	33	9%	51	42	21%	38	34	12%
Total Asian Insurance Operations	1,072	837	28%	849	647	31%	1,921	1,484	29%	956	731	31%
Group Total												
	14,027	12,848	9%	1,067	852	25%	15,094	13,700	10%	2,470	2,137	16%

PRUDENTIAL PLC - NEW BUSINESS - FULL YEAR 2006

INVESTMENT OPERATIONS

	Opening	Gross Inflows	Redemptions	Net Inflows	Other	Market & Currency	Net	Closing
	FUM							
	£m	£m	£m	£m	£m	£m	£m	£m
2006								
M&G								
Retail	14,627	6,722	(3,619)	3,103	-	1,446	4,549	19,176
Institutional ⁽⁵⁾	21,568	6,764	(3,766)	2,998	140	1,064	4,202	25,770
Total M&G	36,195	13,486	(7,385)	6,101	140	2,510	8,751	44,946
Asia ⁽¹⁰⁾								
India ⁽⁹⁾	1,005	982	(680)	302	45	(62)	285	1,290
Taiwan	632	1,185	(866)	319	-	18	337	969
Korea	2,269	2,981	(2,065)	916	(297)	64	683	2,952
Japan	2,695	1,393	(1,026)	367	-	(246)	121	2,816
Other Mutual Fund Operations	1,037	1,005	(619)	386	(1)	46	431	1,468
Total Asian Equity/Bond/Other	7,638	7,546	(5,256)	2,290	(253)	(180)	1,857	9,495
MMF								
India ⁽⁹⁾	461	8,961	(8,762)	199	(75)	124	248	709
Taiwan	667	1,378	(1,516)	(138)	-	(62)	(200)	467
Korea	534	2,221	(2,122)	99	(17)	(7)	75	609
Other Mutual Fund Operations	143	182	(179)	3	-	(13)	(10)	133
Total Asian MMF	1,805	12,742	(12,579)	163	(92)	42	113	1,918
Total Asia Retail Mutual Funds	9,443	20,288	(17,835)	2,453	(345)	(138)	1,970	11,413
Third Party Institutional Mandates	691	120	(41)	79	-	70	149	840
Total Asian Investment Operations	10,134	20,408	(17,876)	2,532	(345)	(68)	2,119	12,253
Total Investment Products	46,329	33,894	(25,261)	8,633	(205)	2,442	10,870	57,199
2005								
M&G								
Retail	11,613	3,842	(2,497)	1,345	-	1,669	3,014	14,627
Institutional ⁽⁵⁾	17,092	4,074	(1,557)	2,517	(229)	2,188	4,476	21,568
Total M&G	28,705	7,916	(4,054)	3,862	(229)	3,857	7,490	36,195
Asia ⁽¹⁰⁾								
India ⁽⁹⁾	1,231	1,931	(1,770)	161	(669)	282	(226)	1,005
Taiwan	485	555	(563)	(8)	-	155	147	632
Korea	1,089	2,151	(1,363)	788	(15)	407	1,180	2,269
Japan	1,638	1,487	(582)	905	-	152	1,057	2,695
Other Mutual Fund Operations	646	673	(378)	295	-	96	391	1,037
Total Asian Equity/Bond/Other	5,089	6,797	(4,656)	2,141	(684)	1,092	2,549	7,638
MMF								
India ⁽⁹⁾	913	8,251	(8,264)	(13)	(524)	85	(452)	461
Taiwan	1,312	1,823	(2,561)	(738)	-	93	(645)	667
Korea	338	1,378	(1,240)	138	(6)	64	196	534
Other Mutual Fund Operations	181	206	(255)	(49)	-	11	(38)	143
Total Asian MMF	2,744	11,658	(12,320)	(662)	(530)	253	(939)	1,805
Total Asia Retail Mutual Funds	7,833	18,455	(16,976)	1,479	(1,214)	1,345	1,610	9,443
Third Party Institutional Mandates	705	2	(153)	(151)	-	137	(14)	691
Total Asian Investment Operations	8,538	18,457	(17,129)	1,328	(1,214)	1,482	1,596	10,134
Total Investment Products	37,243	26,373	(21,183)	5,190	(1,443)	5,339	9,086	46,329
2006 Relative to 2005								
M&G								
Retail	26%	75%	(45%)	131%	-	(13%)	51%	31%
Institutional ⁽⁵⁾	26%	66%	(142%)	19%	161%	(51%)	(6%)	19%
Total M&G	26%	70%	(82%)	58%	161%	(35%)	17%	24%
Asia ⁽¹⁰⁾								
India ⁽⁹⁾	(18%)	(49%)	62%	88%	107%	(122%)	226%	28%
Taiwan	30%	114%	(54%)	4,088%	-	(88%)	129%	53%
Korea	108%	39%	(52%)	16%	(1,880%)	(84%)	(42%)	30%
Japan	65%	(6%)	(76%)	(59%)	-	(262%)	(89%)	4%
Other Mutual Fund Operations	61%	49%	(64%)	31%	-	(52%)	10%	42%
Total Asian Equity/Bond/Other	50%	11%	(13%)	7%	63%	(116%)	(27%)	24%
Asia								
India ⁽⁹⁾	(50%)	9%	(6%)	1,631%	86%	46%	155%	54%
Taiwan	(49%)	(24%)	41%	81%	-	(167%)	69%	(30%)
Korea	58%	61%	(71%)	(28%)	(183%)	(111%)	(62%)	14%
Other Mutual Fund Operations	(21%)	(12%)	30%	106%	-	(218%)	74%	(7%)
Total Asian MMF	(34%)	9%	(2%)	125%	83%	(83%)	112%	6%
Total Asian Retail Mutual Funds	21%	10%	(5%)	66%	72%	(110%)	22%	21%
Third Party Institutional Mandates	(2%)	5,900%	73%	152%	-	(49%)	1,164%	22%
Total Asian Investment Operations	19%	11%	(4%)	91%	72%	(105%)	33%	21%
Total Investment Products	24%	29%	(19%)	66%	86%	(54%)	20%	23%
US ⁽⁷⁾								
Curian Capital								
External Funds Under Administration						2006 Q4 YTD £m	2005 Q4 YTD £m	+/- (%)
						1,242	853	46%

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 4 2006 VERSUS QUARTER 4 2005

INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents ⁽³⁾		
	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)
UK Insurance Operations												
Direct to Customer												
Individual Pensions	4	2	100%	2	2	0%	6	4	50%	2	2	0%
Life - With Profit Bond	7	4	75%	-	-	-	7	4	75%	1	-	-
Life - Other	10	2	400%	-	-	-	10	2	400%	1	-	-
Individual Annuities	205	178	15%	-	-	-	205	178	15%	21	18	17%
Sub-Total	226	186	22%	2	2	0%	228	188	21%	25	21	19%
DWP Rebates	-	10	-	-	-	-	-	10	-	-	1	-
Total	226	196	15%	2	2	0%	228	198	15%	25	22	14%
Business to Business												
Corporate Pensions	326	81	302%	45	54	(17%)	371	135	175%	78	62	26%
Individual Annuities	91	61	49%	-	-	-	91	61	49%	9	6	50%
Bulk Annuities	40	98	(59%)	-	-	-	40	98	(59%)	4	10	(60%)
Total	457	240	90%	45	54	(17%)	502	294	71%	91	78	17%
Intermediated Distribution												
Individual Pensions	20	15	33%	4	4	0%	24	19	26%	6	6	0%
Corporate Pensions	12	11	9%	1	1	0%	13	12	8%	2	2	0%
Life - With Profit Bond	60	40	50%	-	-	-	60	40	50%	6	4	50%
Life - Other Bond	125	265	(53%)	-	-	-	125	265	(53%)	13	27	(52%)
Life - Other	29	2	1,350%	-	2	-	29	4	625%	3	2	50%
Individual Annuities	368	209	76%	-	-	-	368	209	76%	37	21	76%
Total	614	542	13%	5	7	(29%)	619	549	13%	66	61	8%
Partnerships												
Individual Pensions	(1)	-	-	-	-	-	(1)	-	-	-	-	-
Life - With Profit Bond	13	-	-	-	-	-	13	-	-	1	-	-
Life - Other Bond	16	-	-	-	-	-	16	-	-	2	-	-
Life - Other	201	185	9%	1	1	0%	202	186	9%	21	20	5%
Individual Annuities	171	149	15%	-	-	-	171	149	15%	17	15	13%
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	(32)	-	-	-	-	-	(32)	-	-	(3)	-	-
Bulk Annuities	123	-	-	-	-	-	123	-	-	12	-	-
Total	491	334	47%	1	1	0%	492	335	47%	50	34	47%
Total:												
Individual Pensions	23	17	35%	6	6	0%	29	23	26%	8	8	0%
Corporate Pensions	338	92	267%	46	55	(16%)	384	147	161%	80	64	25%
Life - With Profit Bond	80	44	82%	-	-	-	80	44	82%	8	4	100%
Life - Other Bond	141	265	(47%)	-	-	-	141	265	(47%)	14	27	(48%)
Life - Other	240	189	27%	1	3	(67%)	241	192	26%	25	22	14%
Individual Annuities	835	597	40%	-	-	-	835	597	40%	84	60	40%
Bulk Annuities	131	98	34%	-	-	-	131	98	34%	13	10	30%
1,788	1,302	37%	53	64	(17%)	1,841	1,366	35%	232	194	20%	
DWP Rebates	-	10	-	-	-	-	-	10	-	-	1	-
1,788	1,312	36%	53	64	(17%)	1,841	1,376	34%	232	195	19%	
European Insurance Operations												
Insurance Products	44	47	(6%)	-	-	-	44	47	(6%)	4	5	(20%)
Total European Insurance Operations	44	47	(6%)	-	-	-	44	47	(6%)	4	5	(20%)
Total UK and Europe Insurance Operations												
1,832	1,359	35%	53	64	(17%)	1,885	1,423	32%	236	200	18%	
US Insurance Operations⁽⁶⁾												
Fixed Annuities	171	149	15%	-	-	-	171	149	15%	17	15	13%
Fixed Index Annuities	118	155	(24%)	-	-	-	118	155	(24%)	12	16	(25%)
Variable Annuities	1,010	735	37%	-	-	-	1,010	735	37%	101	74	36%
Life	2	3	(33%)	4	4	0%	6	7	(14%)	4	4	0%
Sub-Total Retail	1,301	1,042	25%	4	4	0%	1,305	1,046	25%	134	108	24%
Guaranteed Investment Contracts	133	49	171%	-	-	-	133	49	171%	13	5	160%
GIC - Medium Term Note	(6)	9	(167%)	-	-	-	(6)	9	(167%)	(1)	1	(200%)
Total US Insurance Operations	1,428	1,100	30%	4	4	0%	1,432	1,104	30%	147	114	29%
Asian Insurance Operations⁽⁶⁾												
China	5	8	(38%)	15	8	88%	20	16	25%	16	9	78%
Hong Kong	131	88	49%	35	28	25%	166	116	43%	48	37	30%
India ⁽⁶⁾	6	1	500%	28	16	75%	34	17	100%	29	16	81%
Indonesia	14	6	133%	22	13	69%	36	19	89%	23	14	64%
Japan	27	11	145%	3	-	-	30	11	173%	6	1	500%
Korea	27	18	50%	53	41	29%	80	59	36%	56	43	30%
Malaysia	1	1	0%	23	20	15%	24	21	14%	23	20	15%
Singapore	87	90	(3%)	25	19	32%	112	109	3%	34	28	21%
Taiwan	34	29	17%	33	40	(18%)	67	69	(3%)	36	43	(16%)
Other ⁽⁴⁾	6	2	200%	11	9	22%	17	11	55%	12	9	33%
Total Asian Insurance Operations	338	254	33%	248	194	28%	586	448	31%	282	219	29%
Group Total												
3,598	2,713	33%	305	262	16%	3,903	2,975	31%	665	533	25%	

INVESTMENT OPERATIONS

	M&G			Asia Retail Mutual Funds			Asia Third Party			Total Investment Products		
	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)
Opening FUM	42,258	33,760	25%	10,396	8,605	21%	758	669	13%	53,412	43,034	24%
Gross Inflows	3,505	2,316	51%	5,673	4,075	39%	40	2	1,900%	9,218	6,393	44%
Less Redemptions	(2,514)	(1,189)	(111%)	(4,734)	(3,690)	(28%)	(4)	(3)	(33%)	(7,252)	(4,882)	(49%)
Net Flows	991	1,127	(12%)	939	385	144%	36	(1)	3,700%	1,966	1,511	30%
Other Movements	(6)	(74)	92%	(34)	(6)	(467%)	-	-	-	(40)	(80)	50%
Market And Currency Movements	1,703	1,382	23%	112	459	(76%)	46	23	100%	1,861	1,864	(0%)
Net Movements in FUM	2,688	2,435	10%	1,017	838	21%	82	22	273%	3,787	3,295	15%
Closing FUM	44,946	36,195	24%	11,413	9,443	21%	840	691	22%	57,199	46,329	23%

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 4 2006 VERSUS QUARTER 3 2006

INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents ⁽³⁾		
	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)
UK Insurance Operations												
Direct to Customer												
Individual Pensions	4	2	100%	2	1	100%	6	3	100%	2	1	100%
Life - With Profit Bond	7	6	17%	-	-	-	7	6	17%	1	1	0%
Life - Other	10	4	150%	-	-	-	10	4	150%	1	-	-
Individual Annuities	205	199	3%	-	-	-	205	199	3%	21	20	5%
Sub-Total	226	211	7%	2	1	100%	228	212	8%	25	22	14%
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Total	226	211	7%	2	1	100%	228	212	8%	25	22	14%
Business to Business												
Corporate Pensions	326	32	919%	45	43	5%	371	75	395%	78	46	70%
Individual Annuities	91	71	28%	-	-	-	91	71	28%	9	7	29%
Bulk Annuities	40	22	82%	-	-	-	40	22	82%	4	2	100%
Total	457	125	266%	45	43	5%	502	168	199%	91	56	63%
Intermediated Distribution												
Individual Pensions	20	11	82%	4	5	(20%)	24	16	50%	6	6	0%
Corporate Pensions	12	9	33%	1	1	0%	13	10	30%	2	2	0%
Life - With Profit Bond	60	50	20%	-	-	-	60	50	20%	6	5	20%
Life - Other Bond	125	128	(2%)	-	-	-	125	128	(2%)	13	13	0%
Life - Other	29	19	53%	-	1	-	29	20	45%	3	3	0%
Individual Annuities	368	192	92%	-	-	-	368	192	92%	37	19	95%
Total	614	409	50%	5	7	(29%)	619	416	49%	66	48	38%
Partnerships												
Individual Pensions	(1)	-	-	-	-	-	(1)	-	-	-	-	-
Life - With Profit Bond	13	5	160%	-	-	-	13	5	160%	1	1	0%
Life - Other Bond	16	25	(36%)	-	-	-	16	25	(36%)	2	3	(33%)
Life - Other	201	180	12%	1	1	0%	202	181	12%	21	19	11%
Individual Annuities	171	280	(39%)	-	-	-	171	280	(39%)	17	28	(39%)
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	(32)	-	-	-	-	-	(32)	-	-	(3)	-	-
Bulk Annuities	123	-	-	-	-	-	123	-	-	12	-	-
Total	491	490	0%	1	1	0%	492	491	0%	50	50	0%
Total:												
Individual Pensions	23	13	77%	6	6	0%	29	19	53%	8	7	14%
Corporate Pensions	338	41	724%	46	44	5%	384	85	352%	80	48	67%
Life - With Profit Bond	80	61	31%	-	-	-	80	61	31%	8	6	33%
Life - Other Bond	141	153	(8%)	-	-	-	141	153	(8%)	14	15	(7%)
Life - Other	240	203	18%	1	2	(50%)	241	205	18%	25	22	14%
Individual Annuities	835	742	13%	-	-	-	835	742	13%	84	74	14%
Bulk Annuities	131	22	495%	-	-	-	131	22	495%	13	2	550%
Sub-Total	1,788	1,235	45%	53	52	2%	1,841	1,287	43%	232	176	32%
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Total UK Insurance Operations	1,788	1,235	45%	53	52	2%	1,841	1,287	43%	232	176	32%
European Insurance Operations												
Insurance Products	44	33	33%	-	-	-	44	33	33%	4	3	33%
Total European Insurance Operations	44	33	33%	-	-	-	44	33	33%	4	3	33%
Total UK and Europe Insurance Operations	1,832	1,268	44%	53	52	2%	1,885	1,320	43%	236	179	32%
US Insurance Operations⁽⁸⁾												
Fixed Annuities	171	204	(16%)	-	-	-	171	204	(16%)	17	20	(15%)
Fixed Index Annuities	118	144	(18%)	-	-	-	118	144	(18%)	12	14	(14%)
Variable Annuities	1,010	922	10%	-	-	-	1,010	922	10%	101	92	10%
Life	2	2	0%	4	4	0%	6	6	0%	4	4	0%
Sub-Total Retail	1,301	1,272	2%	4	4	0%	1,305	1,276	2%	134	131	2%
Guaranteed Investment Contracts	133	15	787%	-	-	-	133	15	787%	13	2	550%
GIC - Medium Term Note	(6)	105	(106%)	-	-	-	(6)	105	(106%)	(1)	11	(109%)
Total US Insurance Operations	1,428	1,392	3%	4	4	0%	1,432	1,396	3%	147	143	3%
Asian Insurance Operations⁽⁸⁾												
China	5	5	0%	15	8	88%	20	13	54%	16	9	78%
Hong Kong	131	85	54%	35	26	35%	166	111	50%	48	35	37%
India ⁽⁶⁾	6	3	100%	28	22	27%	34	25	36%	29	22	32%
Indonesia	14	6	133%	22	18	22%	36	24	50%	23	19	21%
Japan	27	19	42%	3	2	50%	30	21	43%	6	4	50%
Korea	27	18	50%	53	52	2%	80	70	14%	56	54	4%
Malaysia	1	1	0%	23	18	28%	24	19	26%	23	18	28%
Singapore	87	65	34%	25	18	39%	112	83	35%	34	25	36%
Taiwan	34	11	209%	33	32	3%	67	43	56%	36	33	9%
Other ⁽⁴⁾	6	3	100%	11	8	38%	17	11	55%	12	8	50%
Total Asian Insurance Operations	338	216	56%	248	204	22%	586	420	40%	282	226	25%
Group Total	3,598	2,876	25%	305	260	17%	3,903	3,136	24%	665	548	21%

INVESTMENT OPERATIONS

	M&G			Asian Retail Mutual Funds			Asia Third Party			Total Investment Products		
	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)
Opening FUM	42,258	40,135	5%	10,396	10,262	1%	758	673	13%	53,412	51,070	5%
Gross Inflows	3,505	3,186	10%	5,673	4,596	23%	40	72	(44%)	9,218	7,854	17%
Less Redemptions	(2,514)	(1,671)	(50%)	(4,734)	(4,790)	1%	(4)	(29)	86%	(7,252)	(6,490)	(12%)
Net Flows	991	1,515	(35%)	939	(194)	584%	36	43	(16%)	1,966	1,364	44%
Other Movements	(6)	104	(106%)	(34)	(41)	17%	-	-	-	(40)	63	(163%)
Market And Currency Movements	1,703	504	238%	112	369	(70%)	46	42	10%	1,861	915	103%
Net Movements in FUM	2,688	2,123	27%	1,017	134	659%	82	85	(4%)	3,787	2,342	62%
Closing FUM	44,946	42,258	6%	11,413	10,396	10%	840	758	11%	57,199	53,412	7%

PRUDENTIAL PLC - NEW BUSINESS - FULL YEAR 2006

TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK & Europe			US ^(1a)			Asia ^(1a)			Total		
	FY 2006 £m	FY 2005 £m	+/- (%)	FY 2006 £m	FY 2005 £m	+/- (%)	FY 2006 £m	FY 2005 £m	+/- (%)	FY 2006 £m	FY 2005 £m	+/- (%)
Total Insurance Products	7,192	7,192	0%	5,981	4,958	21%	1,921	1,491	29%	15,094	13,641	11%
Total Investment Products - Gross Inflows ⁽²⁾	13,486	7,916	70%	-	-	-	20,408	18,049	13%	33,894	25,965	31%
Group Total	20,678	15,108	37%	5,981	4,958	21%	22,329	19,540	14%	48,988	39,606	24%

INSURANCE OPERATIONS

	Single			Regular			Total			PVNBP ⁽³⁾		
	FY 2006 £m	FY 2005 £m	+/- (%)	FY 2006 £m	FY 2005 £m	+/- (%)	FY 2006 £m	FY 2005 £m	+/- (%)	FY 2006 £m	FY 2005 £m	+/- (%)
UK Insurance Operations ⁽¹¹⁾												
Direct to Customer												
Individual Pensions	14	12	17%	7	8	(13%)	21	20	5%	42	43	(2%)
Life - With Profit Bond	23	15	53%	1	1	0%	24	16	50%	29	17	71%
Life - Other	23	2	1,050%	1	2	(50%)	24	4	500%	28	10	180%
Individual Annuities	816	720	13%	-	-	-	816	720	13%	816	720	13%
Sub-Total	876	749	17%	9	11	(18%)	885	760	16%	915	790	16%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	161	244	(34%)
Total	1,037	993	4%	9	11	(18%)	1,046	1,004	4%	1,076	1,034	4%
Business to Business												
Corporate Pensions	536	242	121%	162	146	11%	698	388	80%	1,071	772	39%
Individual Annuities	264	212	25%	-	-	-	264	212	25%	264	212	25%
Bulk Annuities	85	511	(83%)	-	-	-	85	511	(83%)	85	511	(83%)
Total	885	965	(8%)	162	146	11%	1,047	1,111	(6%)	1,420	1,495	(5%)
Intermediated Distribution												
Individual Pensions	87	65	34%	18	18	0%	105	83	27%	166	128	30%
Corporate Pensions	43	43	0%	4	7	(43%)	47	50	(6%)	62	67	(7%)
Life - With Profit Bond	202	159	27%	-	-	-	202	159	27%	202	159	27%
Life - Other Bond	693	947	(27%)	-	-	-	693	947	(27%)	693	947	(27%)
Life - Other	66	6	1,000%	5	6	(17%)	71	12	492%	100	43	133%
Individual Annuities	919	995	(8%)	-	-	-	919	995	(8%)	919	995	(8%)
Total	2,010	2,215	(9%)	27	31	(13%)	2,037	2,246	(9%)	2,142	2,339	(8%)
Partnerships												
Individual Pensions	1	-	-	-	-	-	1	-	-	1	-	-
Life - With Profit Bond	24	-	-	-	-	-	24	-	-	24	-	-
Life - Other Bond	117	-	-	-	-	-	117	-	-	117	-	-
Life - Other	698	814	(14%)	3	3	0%	701	817	(14%)	713	835	(15%)
Individual Annuities	714	295	142%	-	-	-	714	295	142%	714	295	142%
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	560	-	-	-	-	-	560	-	-	560	-	-
Bulk Annuities	786	1,519	(48%)	-	-	-	786	1,519	(48%)	786	1,519	(48%)
Total	2,900	2,628	10%	3	3	0%	2,903	2,631	10%	2,915	2,649	10%
Total:												
Individual Pensions	102	77	32%	25	26	(4%)	127	103	23%	209	171	22%
Corporate Pensions	579	285	103%	166	153	8%	745	438	70%	1,133	839	35%
Life - With Profit Bond	249	174	43%	1	1	0%	250	175	43%	255	176	45%
Life - Other Bond	810	947	(14%)	-	-	-	810	947	(14%)	810	947	(14%)
Life - Other	787	822	(4%)	9	11	(18%)	796	833	(4%)	841	888	(5%)
Individual Annuities	2,713	2,222	22%	-	-	-	2,713	2,222	22%	2,713	2,222	22%
Bulk Annuities	1,431	2,030	(30%)	-	-	-	1,431	2,030	(30%)	1,431	2,030	(30%)
Sub-Total	6,671	6,557	2%	201	191	5%	6,872	6,748	2%	7,392	7,273	2%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	161	244	(34%)
Total UK Insurance Operations	6,832	6,801	0%	201	191	5%	7,033	6,992	1%	7,553	7,517	0%
European Insurance Operations ^(1a)												
Insurance Products	159	200	(21%)	-	-	-	159	200	(21%)	159	200	(21%)
Total European Insurance Operations	159	200	(21%)	-	-	-	159	200	(21%)	159	200	(21%)
Total UK & Europe Insurance Operations	6,991	7,001	(0%)	201	191	5%	7,192	7,192	0%	7,712	7,717	(0%)
US Insurance Operations ^(1a)												
Fixed Annuities	688	777	(11%)	-	-	-	688	777	(11%)	688	777	(11%)
Fixed Index Annuities	554	608	(9%)	-	-	-	554	608	(9%)	554	608	(9%)
Variable Annuities	3,819	2,572	48%	-	-	-	3,819	2,572	48%	3,819	2,572	48%
Life	8	11	(27%)	17	14	21%	25	25	0%	147	134	10%
Sub-Total Retail	5,069	3,968	28%	17	14	21%	5,086	3,982	28%	5,208	4,091	27%
Guaranteed Investment Contracts	458	350	31%	-	-	-	458	350	31%	458	350	31%
GIC - Medium Term Note	437	626	(30%)	-	-	-	437	626	(30%)	437	627	(30%)
Total US Insurance Operations	5,964	4,944	21%	17	14	21%	5,981	4,958	21%	6,103	5,068	20%
Asian Insurance Operations ^(1a)												
China	27	17	59%	36	23	57%	63	40	58%	198	146	36%
Hong Kong	355	285	25%	103	81	27%	458	366	25%	933	732	27%
India ⁽⁶⁾	20	4	400%	105	55	91%	125	59	112%	411	207	99%
Indonesia	31	44	(30%)	71	44	61%	102	88	16%	269	195	38%
Japan	68	28	143%	7	3	133%	75	31	142%	97	47	106%
Korea	103	31	232%	208	139	50%	311	170	83%	1,130	613	84%
Malaysia	4	9	(56%)	72	67	7%	76	76	0%	418	391	7%
Singapore	357	293	22%	72	59	22%	429	352	22%	803	728	10%
Taiwan	92	121	(24%)	139	145	(4%)	231	266	(13%)	743	889	(16%)
Other ⁽⁴⁾	15	9	67%	36	34	6%	51	43	19%	130	127	2%
Total Asian Insurance Operations	1,072	841	27%	849	650	31%	1,921	1,491	29%	5,132	4,075	26%
Group Total	14,027	12,786	10%	1,067	855	25%	15,094	13,641	11%	18,947	16,860	12%

PRUDENTIAL PLC - NEW BUSINESS - FULL YEAR 2006

TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK & Europe			US ^(1b)			Asia ^(1b)			Total		
	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%
Total Insurance Products	7,192	7,193	(0%)	5,981	5,023	19%	1,921	1,484	29%	15,094	13,700	10%
Total Investment Products - Gross Inflows ⁽²⁾	13,486	7,916	70%	-	-	-	20,408	18,457	11%	33,894	26,373	29%
Group Total	20,678	15,109	37%	5,981	5,023	19%	22,329	19,941	12%	48,988	40,073	22%

INSURANCE OPERATIONS

	Single			Regular			Total			PVNBP ⁽³⁾		
	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%	FY 2006 £m	FY 2005 £m	+/-(-)%
UK Insurance Operations ⁽¹¹⁾												
Direct to Customer												
Individual Pensions	14	12	17%	7	8	(13%)	21	20	5%	42	43	(2%)
Life - With Profit Bond	23	15	53%	1	1	0%	24	16	50%	29	17	71%
Life - Other	23	2	1,050%	1	2	(50%)	24	4	500%	28	10	180%
Individual Annuities	816	720	13%	-	-	-	816	720	13%	816	720	13%
Sub-Total	876	749	17%	9	11	(18%)	885	760	16%	915	790	16%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	161	244	(34%)
Total	1,037	993	4%	9	11	(18%)	1,046	1,004	4%	1,076	1,034	4%
Business to Business												
Corporate Pensions	536	242	121%	162	146	11%	698	388	80%	1,071	772	39%
Individual Annuities	264	212	25%	-	-	-	264	212	25%	264	212	25%
Bulk Annuities	85	511	(83%)	-	-	-	85	511	(83%)	85	511	(83%)
Total	885	965	(8%)	162	146	11%	1,047	1,111	(6%)	1,420	1,495	(5%)
Intermediated Distribution												
Individual Pensions	87	65	34%	18	18	0%	105	83	27%	166	128	30%
Corporate Pensions	43	43	0%	4	7	(43%)	47	50	(6%)	62	67	(7%)
Life - With Profit Bond	202	159	27%	-	-	-	202	159	27%	202	159	27%
Life - Other Bond	693	947	(27%)	-	-	-	693	947	(27%)	693	947	(27%)
Life - Other	66	6	1,000%	5	6	(17%)	71	12	492%	100	43	133%
Individual Annuities	919	995	(8%)	-	-	-	919	995	(8%)	919	995	(8%)
Total	2,010	2,215	(9%)	27	31	(13%)	2,037	2,246	(9%)	2,142	2,339	(8%)
Partnerships												
Individual Pensions	1	-	-	-	-	-	1	-	-	1	-	-
Life - With Profit Bond	24	-	-	-	-	-	24	-	-	24	-	-
Life - Other Bond	117	-	-	-	-	-	117	-	-	117	-	-
Life - Other	698	814	(14%)	3	3	0%	701	817	(14%)	713	835	(15%)
Individual Annuities	714	295	142%	-	-	-	714	295	142%	714	295	142%
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	560	-	-	-	-	-	560	-	-	560	-	-
Bulk Annuities	786	1,519	(48%)	-	-	-	786	1,519	(48%)	786	1,519	(48%)
Total	2,900	2,628	10%	3	3	0%	2,903	2,631	10%	2,915	2,649	10%
Total:												
Individual Pensions	102	77	32%	25	26	(4%)	127	103	23%	209	171	22%
Corporate Pensions	579	285	103%	166	153	8%	745	438	70%	1,133	839	35%
Life - With Profit Bond	249	174	43%	1	1	0%	250	175	43%	255	176	45%
Life - Other Bond	810	947	(14%)	-	-	-	810	947	(14%)	810	947	(14%)
Life - Other	787	822	(4%)	9	11	(18%)	796	833	(4%)	841	888	(5%)
Individual Annuities	2,713	2,222	22%	-	-	-	2,713	2,222	22%	2,713	2,222	22%
Bulk Annuities	1,431	2,030	(30%)	-	-	-	1,431	2,030	(30%)	1,431	2,030	(30%)
Sub-Total	6,671	6,557	2%	201	191	5%	6,872	6,748	2%	7,392	7,273	2%
DWP Rebates	161	244	(34%)	-	-	-	161	244	(34%)	161	244	(34%)
Total UK Insurance Operations	6,832	6,801	0%	201	191	5%	7,033	6,992	1%	7,553	7,517	0%
European Insurance Operations												
Insurance Products	159	201	(21%)	-	-	-	159	201	(21%)	159	201	(21%)
Total European Insurance Operations	159	201	(21%)	-	-	-	159	201	(21%)	159	201	(21%)
Total UK & Europe Insurance Operations	6,991	7,002	(0%)	201	191	5%	7,192	7,193	(0%)	7,712	7,718	(0%)
US Insurance Operations ^(1b)												
Fixed Annuities	688	788	(13%)	-	-	-	688	788	(13%)	688	788	(13%)
Fixed Index Annuities	554	616	(10%)	-	-	-	554	616	(10%)	554	616	(10%)
Variable Annuities	3,819	2,605	47%	-	-	-	3,819	2,605	47%	3,819	2,605	47%
Life	8	11	(27%)	17	14	21%	25	25	0%	147	136	8%
Sub-Total Retail	5,069	4,020	26%	17	14	21%	5,086	4,034	26%	5,208	4,145	26%
Guaranteed Investment Contracts	458	355	29%	-	-	-	458	355	29%	458	355	29%
GIC - Medium Term Note	437	634	(31%)	-	-	-	437	634	(31%)	437	635	(31%)
Total US Insurance Operations	5,964	5,009	19%	17	14	21%	5,981	5,023	19%	6,103	5,135	19%
Asian Insurance Operations ^(1b)												
China	27	17	59%	36	23	57%	63	40	58%	198	144	38%
Hong Kong	355	289	23%	103	83	24%	458	372	23%	933	741	26%
India ^(b)	20	4	400%	105	57	84%	125	61	105%	411	215	91%
Indonesia	31	42	(26%)	71	42	69%	102	84	21%	269	186	45%
Japan	68	30	127%	7	4	75%	75	34	121%	97	50	94%
Korea	103	29	255%	208	132	58%	311	161	93%	1,130	578	96%
Malaysia	4	9	(56%)	72	66	9%	76	75	1%	418	383	9%
Singapore	357	284	26%	72	58	24%	429	342	25%	803	704	14%
Taiwan	92	124	(26%)	139	149	(7%)	231	273	(15%)	743	912	(19%)
Other ⁽⁴⁾	15	9	67%	36	33	9%	51	42	21%	130	126	3%
Total Asian Insurance Operations	1,072	837	28%	849	647	31%	1,921	1,484	29%	5,132	4,039	27%
Group Total	14,027	12,848	9%	1,067	852	25%	15,094	13,700	10%	18,947	16,892	12%

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 4 2006 VERSUS QUARTER 4 2005

INSURANCE OPERATIONS

	Single			Regular			Total			PVNB ⁽³⁾		
	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)
UK Insurance Operations												
Direct to Customer												
Individual Pensions	4	2	100%	2	2	0%	6	4	50%	10	10	0%
Life - With Profit Bond	7	4	75%	-	-	-	7	4	75%	9	5	80%
Life - Other	10	2	400%	-	-	-	10	2	400%	11	6	83%
Individual Annuities	205	178	15%	-	-	-	205	178	15%	205	177	16%
Sub-Total	226	186	22%	2	2	0%	228	188	21%	235	198	19%
DWP Rebates	-	10	-	-	-	-	-	10	-	-	10	-
Total	226	196	15%	2	2	0%	228	198	15%	235	208	13%
Business to Business												
Corporate Pensions	326	81	302%	45	54	(17%)	371	135	175%	410	236	74%
Individual Annuities	91	61	49%	-	-	-	91	61	49%	91	61	49%
Bulk Annuities	40	98	(59%)	-	-	-	40	98	(59%)	40	98	(59%)
Total	457	240	90%	45	54	(17%)	502	294	71%	541	395	37%
Intermediated Distribution												
Individual Pensions	20	15	33%	4	4	0%	24	19	26%	43	27	59%
Corporate Pensions	12	11	9%	1	1	0%	13	12	8%	17	15	13%
Life - With Profit Bond	60	40	50%	-	-	-	60	40	50%	60	40	50%
Life - Other Bond	125	265	(53%)	-	-	-	125	265	(53%)	125	265	(53%)
Life - Other	29	2	1,350%	-	2	-	29	4	625%	39	13	200%
Individual Annuities	368	209	76%	-	-	-	368	209	76%	368	210	75%
Total	614	542	13%	5	7	(29%)	619	549	13%	652	570	14%
Partnerships												
Individual Pensions	(1)	-	-	-	-	-	(1)	-	-	(1)	-	-
Life - With Profit Bond	13	-	-	-	-	-	13	-	-	13	-	-
Life - Other Bond	16	-	-	-	-	-	16	-	-	16	-	-
Life - Other	201	185	9%	1	1	0%	202	186	9%	207	194	7%
Individual Annuities	171	149	15%	-	-	-	171	149	15%	171	149	15%
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	(32)	-	-	-	-	-	(32)	-	-	(32)	-	-
Bulk Annuities	123	-	-	-	-	-	123	-	-	123	-	-
Total	491	334	47%	1	1	0%	492	335	47%	497	343	45%
Total:												
Individual Pensions	23	17	35%	6	6	0%	29	23	26%	52	37	41%
Corporate Pensions	338	92	267%	46	55	(16%)	384	147	161%	427	251	70%
Life - With Profit Bond	80	44	82%	-	-	-	80	44	82%	82	45	82%
Life - Other Bond	141	265	(47%)	-	-	-	141	265	(47%)	141	265	(47%)
Life - Other	240	189	27%	1	3	(67%)	241	192	26%	257	213	21%
Individual Annuities	835	597	40%	-	-	-	835	597	40%	835	597	40%
Bulk Annuities	131	98	34%	-	-	-	131	98	34%	131	98	34%
1,788	1,302	37%	53	64	(17%)	1,841	1,366	35%	1,925	1,506	28%	
DWP Rebates	-	10	-	-	-	-	-	10	-	-	10	-
Total UK Insurance Operations	1,788	1,312	36%	53	64	(17%)	1,841	1,376	34%	1,925	1,516	27%
European Insurance Operations												
Insurance Products	44	47	(6%)	-	-	-	44	47	(6%)	44	47	(6%)
Total European Insurance Operations	44	47	(6%)	-	-	-	44	47	(6%)	44	47	(6%)
Total UK and Europe Insurance Operations												
1,832	1,359	35%	53	64	(17%)	1,885	1,423	32%	1,969	1,563	26%	
US Insurance Operations⁽⁶⁾												
Fixed Annuities	171	149	15%	-	-	-	171	149	15%	171	149	15%
Fixed Index Annuities	118	155	(24%)	-	-	-	118	155	(24%)	118	155	(24%)
Variable Annuities	1,010	735	37%	-	-	-	1,010	735	37%	1,010	735	37%
Life	2	3	(33%)	4	4	0%	6	7	(14%)	43	37	16%
Sub-Total Retail	1,301	1,042	25%	4	4	0%	1,305	1,046	25%	1,342	1,076	25%
Guaranteed Investment Contracts	133	49	171%	-	-	-	133	49	171%	133	49	171%
GIC - Medium Term Note	(6)	9	(167%)	-	-	-	(6)	9	(167%)	(6)	9	(167%)
Total US Insurance Operations	1,428	1,100	30%	4	4	0%	1,432	1,104	30%	1,469	1,134	30%
Asian Insurance Operations⁽⁶⁾												
China	5	8	(38%)	15	8	88%	20	16	25%	60	49	22%
Hong Kong	131	88	49%	35	28	25%	166	116	43%	324	257	26%
India ⁽⁶⁾	6	1	500%	28	16	75%	34	17	100%	148	59	151%
Indonesia	14	6	133%	22	13	69%	36	19	89%	87	41	112%
Japan	27	11	145%	3	-	-	30	11	173%	42	13	223%
Korea	27	18	50%	53	41	29%	80	59	36%	400	173	131%
Malaysia	1	1	0%	23	20	15%	24	21	14%	136	123	11%
Singapore	87	90	(3%)	25	19	32%	112	109	3%	237	235	1%
Taiwan	34	29	17%	33	40	(18%)	67	69	(3%)	143	245	(42%)
Other ⁽⁴⁾	6	2	200%	11	9	22%	17	11	55%	31	32	(3%)
Total Asian Insurance Operations	338	254	33%	248	194	28%	586	448	31%	1,608	1,227	31%
Group Total												
3,598	2,713	33%	305	262	16%	3,903	2,975	31%	5,046	3,924	29%	

INVESTMENT OPERATIONS

	M&G			Asia Retail Mutual Funds			Asia Third Party			Total Investment Products		
	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)	Q4 2006 £m	Q4 2005 £m	+/- (%)
Opening FUM	42,258	33,760	25%	10,396	8,605	21%	758	669	13%	53,412	43,034	24%
Gross Inflows	3,505	2,316	51%	5,673	4,075	39%	40	2	1,900%	9,218	6,393	44%
Less Redemptions	(2,514)	(1,189)	(111%)	(4,734)	(3,690)	(28%)	(4)	(3)	(33%)	(7,252)	(4,882)	(49%)
Net Flows	991	1,127	(12%)	939	385	144%	36	(1)	3,700%	1,966	1,511	30%
Other Movements	(6)	(74)	92%	(34)	(6)	(467%)	-	-	-	(40)	(80)	50%
Market And Currency Movements	1,703	1,382	23%	112	459	(76%)	46	23	100%	1,861	1,864	(0%)
Net Movements in FUM	2,688	2,435	10%	1,017	838	21%	82	22	273%	3,787	3,295	15%
Closing FUM	44,946	36,195	24%	11,413	9,443	21%	840	691	22%	57,199	46,329	23%

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 4 2006 VERSUS QUARTER 3 2006

INSURANCE OPERATIONS

	Single			Regular			Total			PVNBP ⁽³⁾		
	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)
UK Insurance Operations												
Direct to Customer												
Individual Pensions	4	2	100%	2	1	100%	6	3	100%	10	8	25%
Life - With Profit Bond	7	6	17%	-	-	-	7	6	17%	9	9	0%
Life - Other	10	4	150%	-	-	-	10	4	150%	11	8	38%
Individual Annuities	205	199	3%	-	-	-	205	199	3%	205	199	3%
Sub-Total	226	211	7%	2	1	100%	228	212	8%	235	224	5%
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Total	226	211	7%	2	1	100%	228	212	8%	235	224	5%
Business to Business												
Corporate Pensions	326	32	919%	45	43	5%	371	75	395%	410	209	96%
Individual Annuities	91	71	28%	-	-	-	91	71	28%	91	71	28%
Bulk Annuities	40	22	82%	-	-	-	40	22	82%	40	22	82%
Total	457	125	266%	45	43	5%	502	168	199%	541	302	79%
Intermediated Distribution												
Individual Pensions	20	11	82%	4	5	(20%)	24	16	50%	43	45	(4%)
Corporate Pensions	12	9	33%	1	1	0%	13	10	30%	17	23	(26%)
Life - With Profit Bond	60	50	20%	-	-	-	60	50	20%	60	50	20%
Life - Other Bond	125	128	(2%)	-	-	-	125	128	(2%)	125	128	(2%)
Life - Other	29	19	53%	-	1	-	29	20	45%	39	27	44%
Individual Annuities	368	192	92%	-	-	-	368	192	92%	368	192	92%
Total	614	409	50%	5	7	(29%)	619	416	49%	652	465	40%
Partnerships												
Individual Pensions	(1)	-	-	-	-	-	(1)	-	-	(1)	1	(200%)
Life - With Profit Bond	13	5	160%	-	-	-	13	5	160%	13	5	160%
Life - Other Bond	16	25	(36%)	-	-	-	16	25	(36%)	16	25	(36%)
Life - Other	201	180	12%	1	1	0%	202	181	12%	207	189	10%
Individual Annuities	171	280	(39%)	-	-	-	171	280	(39%)	171	280	(39%)
Bulk Annuities - Reinsurance from Scot Am Insurance Fund	(32)	-	-	-	-	-	(32)	-	-	(32)	-	-
Bulk Annuities	123	-	-	-	-	-	123	-	-	123	-	-
Total	491	490	0%	1	1	0%	492	491	0%	497	500	(1%)
Total:												
Individual Pensions	23	13	77%	6	6	0%	29	19	53%	52	54	(4%)
Corporate Pensions	338	41	724%	46	44	5%	384	85	352%	427	232	84%
Life - With Profit Bond	80	61	31%	-	-	-	80	61	31%	82	64	28%
Life - Other Bond	141	153	(8%)	-	-	-	141	153	(8%)	141	153	(8%)
Life - Other	240	203	18%	1	2	(50%)	241	205	18%	257	224	15%
Individual Annuities	835	742	13%	-	-	-	835	742	13%	835	742	13%
Bulk Annuities	131	22	495%	-	-	-	131	22	495%	131	22	495%
Total	1,788	1,235	45%	53	52	2%	1,841	1,287	43%	1,925	1,491	29%
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Total UK Insurance Operations	1,788	1,235	45%	53	52	2%	1,841	1,287	43%	1,925	1,491	29%
European Insurance Operations												
Insurance Products	44	33	33%	-	-	-	44	33	33%	44	33	33%
Total European Insurance Operations	44	33	33%	-	-	-	44	33	33%	44	33	33%
Total UK and Europe Insurance Operations	1,832	1,268	44%	53	52	2%	1,885	1,320	43%	1,969	1,524	29%
US Insurance Operations ⁽⁸⁾												
Fixed Annuities	171	204	(16%)	-	-	-	171	204	(16%)	171	204	(16%)
Fixed Index Annuities	118	144	(18%)	-	-	-	118	144	(18%)	118	144	(18%)
Variable Annuities	1,010	922	10%	-	-	-	1,010	922	10%	1,010	922	10%
Life	2	2	0%	4	4	0%	6	6	0%	43	35	23%
Sub-Total Retail	1,301	1,272	2%	4	4	0%	1,305	1,276	2%	1,342	1,305	3%
Guaranteed Investment Contracts	133	15	787%	-	-	-	133	15	787%	133	15	787%
GIC - Medium Term Note	(6)	105	(106%)	-	-	-	(6)	105	(106%)	(6)	105	(106%)
Total US Insurance Operations	1,428	1,392	3%	4	4	0%	1,432	1,396	3%	1,469	1,425	3%
Asian Insurance Operations ⁽⁸⁾												
China	5	5	0%	15	8	88%	20	13	54%	60	50	20%
Hong Kong	131	85	54%	35	26	35%	166	111	50%	324	248	31%
India ⁽⁶⁾	6	3	100%	28	22	27%	34	25	36%	148	86	72%
Indonesia	14	6	133%	22	18	22%	36	24	50%	87	66	32%
Japan	27	19	42%	3	2	50%	30	21	43%	42	26	62%
Korea	27	18	50%	53	52	2%	80	70	14%	400	238	68%
Malaysia	1	1	0%	23	18	28%	24	19	26%	136	97	40%
Singapore	87	65	34%	25	18	39%	112	83	35%	237	176	35%
Taiwan	34	11	209%	33	32	3%	67	43	56%	143	180	(21%)
Other ⁽⁴⁾	6	3	100%	11	8	38%	17	11	55%	31	32	(3%)
Total Asian Insurance Operations	338	216	56%	248	204	22%	586	420	40%	1,608	1,199	34%
Group Total	3,598	2,876	25%	305	260	17%	3,903	3,136	24%	5,046	4,148	22%

INVESTMENT OPERATIONS

	M&G			Asia Retail Mutual Funds			Asia Third Party			Total Investment Products		
	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)	Q4 2006 £m	Q 3 2006 £m	+/- (%)
Opening FUM	42,258	40,135	5%	10,396	10,262	1%	758	673	13%	53,412	51,070	5%
Gross Inflows	3,505	3,186	10%	5,673	4,596	23%	40	72	(44%)	9,218	7,854	17%
Less Redemptions	(2,514)	(1,671)	(50%)	(4,734)	(4,790)	1%	(4)	(29)	86%	(7,252)	(6,490)	(12%)
Net Flows	991	1,515	(35%)	939	(194)	584%	36	43	(16%)	1,966	1,364	44%
Other Movements	(6)	104	(106%)	(34)	(41)	17%	-	-	-	(40)	63	(163%)
Market And Currency Movements	1,703	504	238%	112	369	(70%)	46	42	10%	1,861	915	103%
Net Movements in FUM	2,688	2,123	27%	1,017	134	659%	82	85	(4%)	3,787	2,342	62%
Closing FUM	44,946	42,258	6%	11,413	10,396	10%	840	758	11%	57,199	53,412	7%

PRUDENTIAL PLC - NEW BUSINESS SCHEDULES

BASIS OF PREPARATION

The new business schedules are provided as an indicative volume measure of transactions undertaken in the reporting period that have the potential to generate profits for shareholders. The amounts shown are not, and not intended to be, reflective of premium income recorded in the IFRS income statement.

The schedules include a bulk annuity transaction with the Scottish Amicable Insurance Fund (SAIF). The transaction reflects the arrangement entered into in June 2006 for the reinsurance of non-profit immediate pension annuity liabilities of SAIF to Prudential Retirement Income Limited (PRIL), a shareholder owned subsidiary of the Group. SAIF is a closed ring-fenced sub-fund of the PAC long-term fund established by a Court approved Scheme of Arrangement in October 1997, which is solely for the benefit of SAIF policyholders. Shareholders have no interest in the profits of this fund, although they are entitled to investment management fees on this business. The inclusion of the transaction between SAIF and PRIL as new business reflects the transfer from SAIF policyholders to Prudential shareholders' funds of longevity risk, the requirement to set aside supporting capital, and entitlement to surpluses arising on this block of business arising from the reinsurance arrangement. Adjustments of £3m have been made to the SAIF reinsurance premium previously reported at £59m at Q2 2006, due to a revaluation of the assets.

The format of the schedules is consistent with the distinction between insurance and investment products as applied for previous financial reporting periods. Products categorised as "insurance" refer to those classified as contracts of long-term insurance business for regulatory reporting purposes, i.e. falling within one of the classes of insurance specified in part II of Schedule 1 to the Regulated Activities Order under FSA regulations.

The details shown for insurance products include contributions for contracts that are classified under IFRS 4 "Insurance Contracts" as not containing significant insurance risk. These products are described as investment contracts or other financial instruments under IFRS. Contracts included in this category are primarily certain unit-linked and similar contracts written in UK Insurance Operations, and Guaranteed Investment Contracts and similar funding agreements written in US operations.

New business premiums for regular premium products are shown on an annualised basis. Department of Work and Pensions pension business is classified as single recurrent business. Internal vesting business is classified as new business where the contracts include an open market option.

UK and Asian investment products referred to in the tables for funds under management above are unit trusts, mutual funds and similar types of retail fund management arrangements. These are unrelated to insurance products that are classified as investment contract under IFRS 4, as described in the preceding paragraph, although similar IFRS recognition and measurement principles apply to the acquisition costs and fees attaching to this type of business.

New Department of Work and Pensions (DWP) rebate business for SAIF is excluded from the new business schedules. This is because, as noted above, SAIF is solely for the benefit of SAIF policyholders.

Notes to Schedules 1A - 8

^(1a) Insurance and investment new business for overseas operations has been calculated using constant exchange rates. The applicable rate for Jackson is 1.84.

^(1b) Insurance and investment new business for overseas operations has been calculated using average exchange rates. The applicable rate for Jackson is 1.84 (2005: 1.82).

⁽²⁾ Represents cash received from sale of investment products.

⁽³⁾ Annual Equivalents, calculated as regular new business contributions plus 10 per cent single new business contributions, are subject to roundings. PVNBPs are calculated as equalling single premiums plus the present value of expected premiums of new regular premium business. In determining the present value, allowance is made for lapses and other assumptions applied in determining the EEV new business profit.

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

⁽⁵⁾ Balance includes segregated and pooled pension funds, private finance assets and other institutional clients. Other movements reflect the net flows arising from the cash component of a tactical asset allocation fund managed by PPM South Africa.

⁽⁶⁾ New business in India is included at Prudential's 26 per cent interest in the India life operation. Mandatory Provident Fund (MPF) product sales in Hong Kong are included at Prudential's 36 per cent interest in Hong Kong MPF operation.

⁽⁷⁾ Balance sheet figures have been calculated at the closing exchange rate. The 2005 balance is shown on a constant exchange rate.

⁽⁸⁾ Sales are converted 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.

⁽⁹⁾ In August 2005, Prudential's joint venture partner in the Prudential ICICI Asset Management Company purchased an additional 6 per cent share ownership reducing Prudential's stake to 49 per cent. As a result, Prudential no longer consolidates the company as a subsidiary.

⁽¹⁰⁾ £289m of FUM reported under Prudential Asian funds operations relates to M&G's products distributed through those Asian operations and this amount is also included in M&G's FUM.

⁽¹¹⁾ The 2005 UK PVNBP result has been adjusted by £125m from £7,593m to £7,718m due to a change in methodology for certain classes of business