



**PRUDENTIAL**

**NEWS RELEASE**

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**Embargo:** 07:00am Thursday 17 April 2008

**PRUDENTIAL PLC FIRST QUARTER 2008 INTERIM MANAGEMENT STATEMENT**

**TOTAL GROUP INSURANCE SALES UP 13%**

All figures in the table below are for the three months to 31 March 2008, with comparisons to 2007 at constant exchange rates.

	<b>APE</b>	<b>Growth</b>
<b>Total Group Insurance</b>	£729 million	13%
<b>Total Group Retail Insurance</b>	£688 million	14%
<b>Asia</b>	£375 million	30%
<b>US</b>	£165 million	(7%)
<b>UK Retail</b>	£189 million	4%
<b>UK Total</b>	£189 million	4%
<b>Asia Asset Management</b>	Net inflows of £0.5 billion down 17%	
<b>M&amp;G</b>	Net inflows of £0.6 billion down 59%	

**Mark Tucker, Group Chief Executive said:**

“The Group has made a very positive start to the year with overall Group new business up 13 per cent. This continues our strong momentum despite an environment characterised by high levels of uncertainty and volatility. This performance confirms the resilience that we derive from our geographic spread across three regions, and particularly the role of Asia as our leading source of new business.

“Asia’s excellent new business growth momentum continues apace. In the US, although difficult market conditions are affecting sales of certain types of retirement products, we remain confident that we shall continue to out-perform the market over the longer-term. UK growth of four per cent is particularly pleasing as we have maintained our value driven focus on writing only the business that meets our profitability criteria.

“Our asset management businesses in the UK and Asia achieved £1.1 billion net inflows in extremely tough conditions, with Prudential’s financial strength and track record of investment performance enabling us to be a beneficiary of the flight to quality that accompanies economic uncertainty.

“The current economic environment is challenging but I am confident that our geographic diversity, advantaged distribution, product expertise and management capability position us well for future growth. Our prospects for 2008 remain positive.”

## Asia insurance operations

Prudential's Asian life operations delivered new business APE of £375 million representing growth of 30 per cent over the first quarter 2007 continuing the strong growth trend seen in 2007. PVNBP basis sales for first quarter 2008 of £2.0 billion are 35 per cent higher than in the same period last year.

Despite the recent global investment market turmoil, demand for linked products has remained strong with the proportion of sales of linked products increasing slightly from 67 per cent of APE for the first quarter of 2007 to 69 per cent of APE in the first quarter of 2008. The main drivers of growth by country during the quarter compared to the first quarter last year were India, with our share of sales at £89 million an increase of 41 per cent, Indonesia at £40 million up a very strong 90 per cent, Hong Kong at £54 million up 50 per cent, Japan at £22 million up 100 per cent and Singapore at £38 million up 41 per cent.

Product innovation remains key and we have continued to develop our retirement, Takaful and health propositions to deepen our relationship with distributors and customers. Our ability to find creative solutions for our customers and to innovate allows us to grow profitably. New business from health products was 79 per cent ahead of the same quarter last year.

These strong performances came from a wide range of drivers that continue to demonstrate the success of Prudential's regional model. In **India** the growth reflects the investment in new branches and agency during 2007. **Indonesia's** agency momentum has continued through the first quarter and this operation now has 51,500 agents, a growth of 71 per cent over the first quarter of 2007, making it Prudential's second largest agency force in the region behind India. Also, the launch of Takaful products continues to be a success with 20 per cent of Indonesia APE now coming from these products. **Hong Kong** had a very strong first quarter with the successful launch of the new PRUlink Wealth Builder, the operation's first regular premium back-end loaded index linked product, supported by marketing activity for retirement planning. In **Japan** the exceptional growth has been driven largely by Term Life products where the tax benefits have now been reduced; this operation is now focusing on Variable Annuity products. We anticipate a slow down in new business volumes relative to the term life product. **Singapore** has also benefited from a one-off boost in single premium sales relating to changes in the Central Provident Fund investment limits effective from 1 April 2008.

Having led Prudential's Asian growth in 2007, **Taiwan** delivered new business APE of £35 million, down eight per cent. Single premium sales were particularly affected by adverse market sentiment towards investment products with a reduction of 43 per cent compared to the first quarter of last year.

In **Malaysia** the Takaful business continues to grow strongly, up 70 per cent on last year and representing 28 per cent of the total APE, up from 14 per cent last year. Total new business was down six per cent reflecting challenging market conditions. **Korea** delivered new business APE of £59 million, up 11 per cent, in a market that remains highly competitive.

On a comparable basis to 2007, APE sales in **China** were up by 50 per cent. In recently released market data for 2007, domestic players on average grew by 33 per cent and foreign/joint ventures by 21 per cent.

**Vietnam, Thailand and Philippines** have continued the strong growth seen in 2007 with collective first quarter APE sales of £15 million, up 36 per cent on last year. Unit linked products were launched in Vietnam in January and they represented five per cent of the country's sales in the first quarter.

Prudential has an excellent track record of building a profitable business in Asia and its focus continues to be on profitable and sustainable long-term growth. The business continues to expect to deliver doubling 2005 EEV NBP a year early by 2008.

## US insurance operations

Jackson, Prudential's US insurance business, delivered APE sales of £165 million in the first quarter of 2008, representing a seven per cent decline from the same period in 2007. This was primarily driven by lower variable annuity sales. APE retail sales in the first quarter of 2008 were £124 million, down six per cent over the same period in 2007. On a PVNBP basis, new business sales were £1.6 billion.

Total APE sales of £165 million and total retail APE sales of £124 million both represent the second-highest level of sales during the first quarter in the Company's history. This achievement demonstrates the resilience of Jackson's business model despite volatile equity markets and a deteriorating macroeconomic environment experienced in the first three months of 2008.

**Variable annuity** APE sales of £90 million in the first quarter of 2008 were 13 per cent down on the same period in 2007. During the first three months of 2008, the S&P 500 index reduced by 10 per cent as the significant volatility experienced by US equity markets during the second half of 2007 continued into 2008. Price competition in the variable annuity market has remained intense.

In the first quarter of 2008, Jackson maintained its track record for product innovation by enhancing its variable annuity offering, launching two new guaranteed minimum withdrawal benefits (GMWB) and two new portfolio investment options subadvised by PPM America, Inc. As announced in the fourth quarter of 2007, Jackson is expanding its wholesaling force by adding nearly 70 internal wholesalers and seven sales desk directors by 2009. The initiative is designed to increase Jackson's presence among independent advisers and strengthen relationships with the Company's top producers.

**Fixed annuity** APE sales of £19 million were 46 per cent up on the same period of 2007 reflecting a higher customer propensity towards fixed-rate products in a period of declining equity markets.

**Fixed index annuity** sales continue to be affected by difficult market conditions. Jackson's APE sales of £10 million in the first three months of 2008 were nine per cent down on the same period of 2007.

**Institutional** APE sales of £41 million in the first quarter of 2008 were down 11 per cent on the same period of 2007. Jackson continues to participate in this market on an opportunistic basis when margins are attractive.

**Curian Capital**, a specialised asset management company that provides innovative fee-based separately managed accounts, continues to build its position in the US retail asset management market with total assets under management at the end of March 2008 of £1.7 billion, stable from the end of December 2007 at CER. Curian generated deposits of £157 million in the first quarter of 2008, up six per cent on the same period of 2007.

Following the additional disclosure provided with the 2007 Results Announcement, Jackson's overall credit exposure remains tightly controlled. The exposure is well within Group risk parameters and Jackson continues to manage it proactively. For securities classified as available-for-sale under IAS39, at 31 March there was an increase in the net unrealised loss position to £459 million from £136 million at 31 December 2007. This increase reflects exceptional market conditions.

Jackson remains confident of the quality of its overall portfolio of £19 billion of debt securities. 90 per cent of its gross unrealised loss is on investment grade securities. Of the £257 million of gross unrealised losses on securities with a fair value of less than 80 per cent of book value, only £28 million is on securities rated as non-investment grade. In addition, there were no credit defaults in the direct investment portfolio in the quarter and downgrades were minimal. As stated with our 2007 results announcement, Jackson holds its debt securities with the intent and ability to hold them for the longer-term. Further details are provided in Schedule 7.

Overall, we remain confident that Jackson's strengths – its efficient operating platform, the quality of its distribution, its ability to innovate and the quality of its management – will allow it to continue to outperform the market over the longer-term.

### **UK insurance operations**

Prudential UK delivered total APE sales of £189 million in the first quarter of 2008, a four per cent increase on the same quarter last year. This sales growth was driven principally by strong performances in with-profits and offshore bonds as well as equity release completions. Sales on a PVNBP basis were up six per cent at £1.6 billion.

**Individual annuity** sales in the first quarter of APE £64 million were three per cent lower than the first quarter of 2007. Internal vestings of APE £32 million were in line with the first quarter of 2007 and contributed 50 per cent of total annuity sales. Sales through partnerships fell slightly from last year's first quarter performance. **With-profits annuity** sales continued to grow strongly, with sales of APE £12 million up 13 per cent on the first quarter of 2007. As consumers focus increasingly on the need for inflation protection in retirement, this is a growing market and one in which Prudential is the market leader.

Prudential's **lifetime mortgage** sales continued their upward trend with mortgage drawdowns of £51 million making this the highest quarter to date, up 50 per cent on the first quarter last year. Performance in the first

quarter was underpinned by continued strong sales through intermediaries up 43 per cent to £33 million, complemented by sales through Prudential's face-to-face specialist consultants increasing by 61 per cent over the same period.

**Corporate pension** sales of £61 million were in line with the same period last year, principally due to continued growth in member uptake and increments on existing schemes. Prudential now administers corporate pensions on behalf of approximately 640,000 members.

Prudential's **retail with-profits** business performed very strongly across a range of products with total sales of £86 million up 17 per cent. Sales of **with-profits bonds** continued the strong growth seen in 2007, with first quarter APE sales of £18 million up 112 per cent on the first quarter of 2007. Sales of PruFund (Prudential's unitised and smoothed investment plan with an optional guarantee) were particularly strong at £11 million APE, with cumulative single premiums since launch in 2005 now exceeding £400 million. With consumers in the UK seeking to protect themselves from market down-turns, Prudential has seen a significant increase in with-profits sales as more investors choose its with-profits products to protect themselves during volatile and uncertain conditions as well as during market growth.

Sales of **offshore products** (sold within the UK and Europe) were up 36 per cent on 2007 at £19 million APE. There was a particularly strong performance in the UK market where sales increased by 124 per cent. This reflected increased demand for Prudential's open architecture portfolio bond product, with an increasing number of advisers recognising the flexibility, choice and potential tax effectiveness this sort of product can offer to their higher net worth clients. To build on this opportunity further, Prudential International launched a new enhanced offering in March - the Portfolio Account, a single premium offshore portfolio bond.

In the **wholesale** bulk and insurer back-book market Prudential wrote a minimal amount of business in the first quarter of 2008, reflecting Prudential's stance that it will only write annuity business at rates that are sufficient to meet its return on capital requirements based on its view of future longevity improvements. There continues to be a significant pipeline of potential wholesale deals but competition remains intense with a number of market participants competing for business.

**PruHealth** sales are not included in the total APE sales numbers. During the first quarter of 2008, PruHealth continued to grow strongly with gross written premiums of £20 million up 25 per cent on the same quarter of 2007. This business now covers over 150,000 lives.

These first quarter results reflect the UK strategy as we maintain our value-driven focus on writing only the business that meets our profitability criteria.

## **Asset Management**

### **M&G**

M&G is an investment-led business with a demonstrable focus on performance delivery which aims to offer attractive products in a variety of macro-economic environments. Despite the significant deterioration in market conditions since the first quarter last year, M&G delivered increased gross fund inflows during the first three months of 2008 and ended the quarter in a positive position, with net inflows of £0.6 billion. This reflects M&G's excellent investment performance and the strength of its diversified business across different asset classes and across retail and wholesale markets, both in the UK and internationally.

M&G's total gross fund inflows for the first three months of this year were £3.3 billion, an increase of two per cent on the first quarter last year. Net fund inflows of £558 million, while down 59 per cent on the same period of 2007, are a strongly net positive result in market conditions which are dramatically different from the comparable period last year. During the first three months of this year, the FTSE All Share fell 11 per cent. In spite of the market volatility seen over the last quarter, M&G's total funds under management fell just five per cent to £159.8 billion, demonstrating the diverse spread of M&G's business.

Gross fund inflows into M&G's **retail** business were £1.9 billion, a fall of four per cent compared with the first quarter of last year. Net fund inflows were £25 million for the quarter. Retail fund performance has continued to be strong, despite the deterioration in markets, with 24 per cent of retail funds in the top decile over three years and 39 per cent of funds delivering top quartile performance. This continued excellent fund performance places M&G in a strong position to gain market share.

M&G's **institutional** businesses saw gross fund inflows increase 11 per cent during the quarter to £1.5 billion. Net inflows decreased by 33 per cent to £533 million. In its higher margin businesses, M&G's



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.

	Actual Exchange Rates			Constant Exchange Rates		
	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)
	YTD	YTD		YTD	YTD	
	£m	£m		£m	£m	
UK	189	182	4%	189	182	4%
US	165	180	(8%)	165	178	(7%)
Asia	375	277	35%	375	288	30%
<b>Total</b>	<b>729</b>	<b>639</b>	<b>14%</b>	<b>729</b>	<b>648</b>	<b>13%</b>
<b>Gross Inflows</b>						
	Actual Exchange Rates			Constant Exchange Rates		
	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)
	YTD	YTD		YTD	YTD	
	£m	£m		£m	£m	
M&G	3,340	3,283	2%	3,340	3,283	2%
US	17	4	325%	17	4	325%
Asia	11,411	7,155	59%	11,411	7,625	50%
<b>Total</b>	<b>14,768</b>	<b>10,442</b>	<b>41%</b>	<b>14,768</b>	<b>10,912</b>	<b>35%</b>
<b>Total Insurance and Investment New Business</b>						
	Actual Exchange Rates			Constant Exchange Rates		
	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)
	YTD	YTD		YTD	YTD	
	£m	£m		£m	£m	
Insurance	3,853	3,685	5%	3,853	3,686	5%
Investment	14,768	10,442	41%	14,768	10,912	35%
<b>Total</b>	<b>18,621</b>	<b>14,127</b>	<b>32%</b>	<b>18,621</b>	<b>14,598</b>	<b>28%</b>

## 8. Financial Calendar:

Annual General Meeting	15 May 2008
Interim Results 2008	31 July 2008
Third Quarter 2008 Interim Management Statement	21 October 2008

## 9. About Prudential plc

\*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 160 years and has £267 billion in assets under management (as at 31 December 2007). 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 - QUARTER 1 2008

## TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK			US <sup>(a)</sup>			Asia <sup>(a)</sup>			Total		
	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
Total Insurance Products	1,404	1,335	5%	1,603	1,744	(8%)	846	607	39%	3,853	3,686	5%
Total Investment Products Gross Inflow <sup>(2)</sup>	3,340	3,283	2%	17	4	325%	11,411	7,625	50%	14,768	10,912	35%
	4,744	4,618	3%	1,620	1,748	(7%)	12,257	8,232	49%	18,621	14,598	28%

## INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents <sup>(3)</sup>		
	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
<b>UK Insurance Operations</b>												
<b>Product Summary</b>												
Internal Vesting annuities	322	325	(1%)	-	-	-	322	325	(1%)	32	33	(3%)
Direct and Partnership Annuities	176	205	(14%)	-	-	-	176	205	(14%)	18	21	(14%)
Intermediated Annuities	137	132	4%	-	-	-	137	132	4%	14	13	8%
<b>Total Individual Annuities</b>	<b>635</b>	<b>662</b>	<b>(4%)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>635</b>	<b>662</b>	<b>(4%)</b>	<b>64</b>	<b>66</b>	<b>(3%)</b>
Equity Release	51	34	50%	-	-	-	51	34	50%	5	3	67%
Individual Pensions	14	9	56%	-	-	-	14	9	56%	1	1	0%
Corporate Pensions	46	85	(46%)	22	18	22%	68	103	(34%)	27	27	0%
Unit Linked Bonds	38	71	(46%)	-	-	-	38	71	(46%)	4	7	(43%)
With-Profit Bonds	147	56	163%	-	-	-	147	56	163%	15	6	150%
Protection	-	-	-	1	1	0%	1	1	0%	1	1	0%
Offshore Products	179	127	41%	1	1	0%	180	128	41%	19	14	36%
<b>Total Retail Retirement</b>	<b>1,110</b>	<b>1,044</b>	<b>6%</b>	<b>24</b>	<b>20</b>	<b>20%</b>	<b>1,134</b>	<b>1,064</b>	<b>7%</b>	<b>135</b>	<b>124</b>	<b>9%</b>
Corporate Pensions	93	46	102%	25	28	(11%)	118	74	59%	34	33	3%
Other Products	40	49	(18%)	5	6	(17%)	45	55	(18%)	9	11	(18%)
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	10	13	(23%)
<b>Total Mature Life and Pensions</b>	<b>236</b>	<b>224</b>	<b>5%</b>	<b>30</b>	<b>34</b>	<b>(12%)</b>	<b>266</b>	<b>258</b>	<b>3%</b>	<b>54</b>	<b>56</b>	<b>(4%)</b>
<b>Total Retail</b>	<b>1,346</b>	<b>1,268</b>	<b>6%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,400</b>	<b>1,322</b>	<b>6%</b>	<b>189</b>	<b>181</b>	<b>4%</b>
Wholesale Annuities	1	3	(67%)	-	-	-	1	3	(67%)	-	-	-
Credit Life	3	10	(70%)	-	-	-	3	10	(70%)	-	1	-
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>1,281</b>	<b>5%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,404</b>	<b>1,335</b>	<b>5%</b>	<b>189</b>	<b>182</b>	<b>4%</b>
<b>Channel Summary</b>												
Direct and Partnership	534	590	(9%)	49	47	4%	583	637	(8%)	102	106	(4%)
Intermediated	708	549	29%	5	7	(29%)	713	556	28%	76	62	23%
Wholesale	5	13	(62%)	-	-	-	5	13	(62%)	1	1	0%
<b>Sub-Total</b>	<b>1,247</b>	<b>1,152</b>	<b>8%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,301</b>	<b>1,206</b>	<b>8%</b>	<b>179</b>	<b>169</b>	<b>6%</b>
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	10	13	(23%)
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>1,281</b>	<b>5%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,404</b>	<b>1,335</b>	<b>5%</b>	<b>189</b>	<b>182</b>	<b>4%</b>
<b>US Insurance Operations<sup>(1a)</sup></b>												
Fixed Annuities	193	133	45%	-	-	-	193	133	45%	19	13	46%
Fixed Index Annuities	98	107	(8%)	-	-	-	98	107	(8%)	10	11	(9%)
Variable Annuities	900	1,037	(13%)	-	-	-	900	1,037	(13%)	90	104	(13%)
Life	2	2	0%	5	4	25%	7	6	17%	5	4	25%
<b>Sub-Total Retail</b>	<b>1,193</b>	<b>1,279</b>	<b>(7%)</b>	<b>5</b>	<b>4</b>	<b>25%</b>	<b>1,198</b>	<b>1,283</b>	<b>(7%)</b>	<b>124</b>	<b>132</b>	<b>(6%)</b>
Guaranteed Investment Contracts	405	130	212%	-	-	-	405	130	212%	41	13	215%
GIC - Medium Term Note	-	331	-	-	-	-	-	331	-	-	33	-
<b>Total US Insurance Operations</b>	<b>1,598</b>	<b>1,740</b>	<b>(8%)</b>	<b>5</b>	<b>4</b>	<b>25%</b>	<b>1,603</b>	<b>1,744</b>	<b>(8%)</b>	<b>165</b>	<b>178</b>	<b>(7%)</b>
<b>Asian Insurance Operations<sup>(1a)</sup></b>												
China <sup>(10)</sup>	19	7	171%	7	11	(36%)	26	18	44%	9	12	(25%)
Hong Kong	152	101	50%	39	26	50%	191	127	50%	54	36	50%
India <sup>(8)</sup>	7	13	(46%)	88	62	42%	95	75	27%	89	63	41%
Indonesia	44	16	175%	36	19	89%	80	35	129%	40	21	90%
Japan	38	34	12%	18	8	125%	56	42	33%	22	11	100%
Korea	26	26	0%	56	50	12%	82	76	8%	59	53	11%
Malaysia	7	2	250%	14	16	(13%)	21	18	17%	15	16	(6%)
Singapore	205	110	86%	17	16	6%	222	126	76%	38	27	41%
Taiwan	21	37	(43%)	33	34	(3%)	54	71	(24%)	35	38	(8%)
Other <sup>(4)</sup>	4	9	(56%)	15	10	50%	19	19	0%	15	11	36%
<b>Total Asian Insurance Operations</b>	<b>523</b>	<b>355</b>	<b>47%</b>	<b>323</b>	<b>252</b>	<b>28%</b>	<b>846</b>	<b>607</b>	<b>39%</b>	<b>375</b>	<b>288</b>	<b>30%</b>
<b>Group Total</b>	<b>3,471</b>	<b>3,376</b>	<b>3%</b>	<b>382</b>	<b>310</b>	<b>23%</b>	<b>3,853</b>	<b>3,686</b>	<b>5%</b>	<b>729</b>	<b>648</b>	<b>13%</b>

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008

## TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK			US <sup>(1b)</sup>			Asia <sup>(1b)</sup>			Total		
	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)
	YTD £m	YTD £m		YTD £m	YTD £m		YTD £m	YTD £m		YTD £m		
<b>Total Insurance Products</b>	1,404	1,335	5%	1,603	1,766	(9%)	846	584	45%	3,853	3,685	5%
<b>Total Investment Products Gross Inflows <sup>(2)</sup></b>	3,340	3,283	2%	17	4	325%	11,411	7,155	59%	14,768	10,442	41%
	4,744	4,618	3%	1,620	1,770	(8%)	12,257	7,739	58%	18,621	14,127	32%

## INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents <sup>(3)</sup>		
	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)	2008 Q1	2007 Q1	+/- (%)
	YTD £m	YTD £m		YTD £m	YTD £m		YTD £m	YTD £m		YTD £m		
<b>UK Insurance Operations</b>												
<b>Product Summary</b>												
Internal Vesting annuities	322	325	(1%)	-	-	-	322	325	(1%)	32	33	(3%)
Direct and Partnership Annuities	176	205	(14%)	-	-	-	176	205	(14%)	18	21	(14%)
Intermediated Annuities	137	132	4%	-	-	-	137	132	4%	14	13	8%
<b>Total Individual Annuities</b>	635	662	(4%)	-	-	-	635	662	(4%)	64	66	(3%)
Equity Release	51	34	50%	-	-	-	51	34	50%	5	3	67%
Individual Pensions	14	9	56%	-	-	-	14	9	56%	1	1	0%
Corporate Pensions	46	85	(46%)	22	18	22%	68	103	(34%)	27	27	0%
Unit Linked Bonds	38	71	(46%)	-	-	-	38	71	(46%)	4	7	(43%)
With-Profit Bonds	147	56	163%	-	-	-	147	56	163%	15	6	150%
Protection	-	-	-	1	1	0%	1	1	0%	1	1	0%
Offshore Products	179	127	41%	1	1	0%	180	128	41%	19	14	36%
<b>Total Retail Retirement</b>	1,110	1,044	6%	24	20	20%	1,134	1,064	7%	135	124	9%
Corporate Pensions	93	46	102%	25	28	(11%)	118	74	59%	34	33	3%
Other Products	40	49	(18%)	5	6	(17%)	45	55	(18%)	9	11	(18%)
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	10	13	(23%)
<b>Total Mature Life and Pensions</b>	236	224	5%	30	34	(12%)	266	258	3%	54	56	(4%)
<b>Total Retail</b>	1,346	1,268	6%	54	54	0%	1,400	1,322	6%	189	181	4%
Wholesale Annuities	1	3	(67%)	-	-	-	1	3	(67%)	-	-	-
Credit Life	3	10	(70%)	-	-	-	3	10	(70%)	-	1	-
<b>Total UK Insurance Operations</b>	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	189	182	4%
<b>Channel Summary</b>												
Direct and Partnership	534	590	(9%)	49	47	4%	583	637	(8%)	102	106	(4%)
Intermediated	708	549	29%	5	7	(29%)	713	556	28%	76	62	23%
Wholesale	5	13	(62%)	-	-	-	5	13	(62%)	1	1	0%
<b>Sub-Total</b>	1,247	1,152	8%	54	54	0%	1,301	1,206	8%	179	169	6%
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	10	13	(23%)
<b>Total UK Insurance Operations</b>	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	189	182	4%
<b>US Insurance Operations <sup>(1b)</sup></b>												
Fixed Annuities	193	134	44%	-	-	-	193	134	44%	19	13	46%
Fixed Index Annuities	98	109	(10%)	-	-	-	98	109	(10%)	10	11	(9%)
Variable Annuities	900	1,050	(14%)	-	-	-	900	1,050	(14%)	90	105	(14%)
Life	2	2	0%	5	4	25%	7	6	17%	5	4	25%
<b>Sub-Total Retail</b>	1,193	1,295	(8%)	5	4	25%	1,198	1,299	(8%)	124	134	(7%)
Guaranteed Investment Contracts	405	132	207%	-	-	-	405	132	207%	41	13	215%
GIC - Medium Term Note	-	335	-	-	-	-	-	335	-	-	34	-
<b>Total US Insurance Operations</b>	1,598	1,762	(9%)	5	4	25%	1,603	1,766	(9%)	165	180	(8%)
<b>Asian Insurance Operations <sup>(1b)</sup></b>												
China <sup>(10)</sup>	19	6	217%	7	11	(36%)	26	17	53%	9	12	(25%)
Hong Kong	152	102	49%	39	26	50%	191	128	49%	54	36	50%
India <sup>(6)</sup>	7	12	(42%)	88	56	57%	95	68	40%	89	57	56%
Indonesia	44	16	175%	36	20	80%	60	36	122%	40	22	82%
Japan	38	30	27%	18	7	157%	56	37	51%	22	10	120%
Korea	26	27	(4%)	56	52	8%	82	79	4%	59	55	7%
Malaysia	7	2	250%	14	14	0%	21	16	31%	15	14	7%
Singapore	205	103	99%	17	15	13%	222	118	88%	38	25	52%
Taiwan	21	36	(42%)	33	33	0%	54	69	(22%)	35	37	(5%)
Other <sup>(4)</sup>	4	7	(43%)	15	9	67%	19	16	19%	15	10	50%
<b>Total Asian Insurance Operations</b>	523	341	53%	323	243	33%	846	584	45%	375	277	35%
<b>Group Total</b>	3,471	3,384	3%	382	301	27%	3,853	3,685	5%	729	639	14%



## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008

## INVESTMENT OPERATIONS

2008	Gross Inflows	Redemptions	Net Inflows	Opening	Closing	Variance
	£m	£m	£m	FUM £m	FUM £m	%
<b>M&amp;G</b>						
Retail	1,860	(1,835)	25	22,320	20,606	(8%)
Institutional <sup>(5)</sup>	1,480	(947)	533	28,901	29,533	2%
<b>Total M&amp;G</b>	3,340	(2,782)	558	51,221	50,139	(2%)
<b>Asia <sup>(9)</sup></b>						
India	387	(235)	152	2,190	2,079	(5%)
Taiwan	361	(268)	93	1,579	1,469	(7%)
Korea	353	(336)	17	2,789	2,416	(13%)
Japan	387	(246)	141	4,848	3,855	(20%)
Other Mutual Fund Operations <sup>(11)</sup>	352	(286)	66	2,609	2,344	(10%)
<b>Total Asian Equity/Bond/Other</b>	1,840	(1,371)	469	14,015	12,163	(13%)
<b>MMF</b>						
India	8,009	(8,169)	(160)	1,394	1,172	(16%)
Taiwan	983	(703)	280	676	969	43%
Korea	462	(464)	(2)	455	459	1%
Other Mutual Fund Operations	113	(94)	19	259	280	8%
<b>Total Asian MMF</b>	9,567	(9,430)	137	2,784	2,880	3%
<b>Total Asia Retail Mutual Funds</b>	11,407	(10,801)	606	16,799	15,043	(10%)
<b>Third Party Institutional Mandates</b>	4	(73)	(69)	1,152	959	(17%)
<b>Total Asian Investment Operations</b>	11,411	(10,874)	537	17,951	16,002	(11%)
<b>US</b>						
Retail	17	(9)	8	55	59	7%
<b>Total US</b>	17	(9)	8	55	59	7%
<b>Total Investment Products</b>	14,768	(13,665)	1,103	69,227	66,200	(4%)
<b>2007</b>						
<b>M&amp;G</b>						
Retail	1,944	(1,371)	573			
Institutional <sup>(5)</sup>	1,339	(545)	794			
<b>Total M&amp;G</b>	3,283	(1,916)	1,367			
<b>Asia <sup>(9)</sup></b>						
India	534	(258)	276			
Taiwan	327	(289)	38			
Korea	676	(549)	127			
Japan	502	(264)	238			
Other Mutual Fund Operations <sup>(11)</sup>	217	(286)	(69)			
<b>Total Asian Equity/Bond/Other</b>	2,256	(1,646)	610			
<b>MMF</b>						
India	4,286	(4,241)	45			
Taiwan	364	(337)	27			
Korea	615	(678)	(63)			
Other Mutual Fund Operations	99	(57)	42			
<b>Total Asian MMF</b>	5,364	(5,313)	51			
<b>Total Asia Retail Mutual Funds</b>	7,620	(6,959)	661			
<b>Third Party Institutional Mandates</b>	5	(19)	(14)			
<b>Total Asian Investment Operations</b>	7,625	(6,978)	647			
<b>US</b>						
Retail	4	-	4			
<b>Total US</b>	4	-	4			
<b>Total Investment Products</b>	10,912	(8,894)	2,018			
<b>2008 Movement Relative to 2007</b>						
<b>M&amp;G</b>						
Retail	(4%)	(34%)	(96%)			
Institutional <sup>(5)</sup>	11%	(74%)	(33%)			
<b>Total M&amp;G</b>	2%	(45%)	(59%)			
<b>Asia <sup>(9)</sup></b>						
India	(28%)	9%	(45%)			
Taiwan	10%	7%	145%			
Korea	(48%)	39%	(87%)			
Japan	(23%)	7%	(41%)			
Other Mutual Fund Operations <sup>(11)</sup>	62%	0%	196%			
<b>Total Asian Equity/Bond/Other</b>	(18%)	17%	(23%)			
<b>MMF</b>						
India	87%	(93%)	(456%)			
Taiwan	170%	(109%)	937%			
Korea	(25%)	32%	97%			
Other Mutual Fund Operations	14%	(65%)	(55%)			
<b>Total Asian MMF</b>	78%	(77%)	169%			
<b>Total Asian Retail Mutual Funds</b>	50%	(55%)	(8%)			
<b>Third Party Institutional Mandates</b>	(20%)	(284%)	(393%)			
<b>Total Asian Investment Operations</b>	50%	(56%)	(17%)			
<b>US</b>						
Retail	325%	-	100%			
<b>Total US</b>	325%	-	100%			
<b>Total Investment Products</b>	35%	(54%)	(45%)			

US <sup>(7)</sup>	2008 Q1	2007 Q1	+/- (%)
	YTD	YTD	
<b>Curian Capital</b>	£m	£m	
External Funds Under Administration	1,697	1,351	26%

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008

## INVESTMENT OPERATIONS

	Opening FUM £m	Gross Inflows £m	Redemptions £m	Net Inflows £m	Other Movements £m	Market & Currency Movements £m	Net Movement In FUM £m	Closing FUM £m
<b>2008</b>								
<b>M&amp;G</b>								
Retail	22,320	1,860	(1,835)	25	-	(1,739)	(1,714)	20,666
Institutional <sup>(5)</sup>	28,901	1,480	(947)	533	24	75	632	29,533
<b>Total M&amp;G</b>	<b>51,221</b>	<b>3,340</b>	<b>(2,782)</b>	<b>558</b>	<b>24</b>	<b>(1,664)</b>	<b>(1,082)</b>	<b>50,139</b>
<b>Asia <sup>(9)</sup></b>								
India	2,225	387	(235)	152	48	(346)	(146)	2,079
Taiwan	1,476	361	(268)	93	-	(100)	(7)	1,469
Korea	2,946	353	(336)	17	(146)	(401)	(530)	2,416
Japan	4,313	387	(246)	141	-	(599)	(458)	3,855
Other Mutual Fund Operations <sup>(11)</sup>	2,537	352	(286)	66	(8)	(251)	(193)	2,344
<b>Total Asia Equity/Bond/Other</b>	<b>13,497</b>	<b>1,840</b>	<b>(1,371)</b>	<b>469</b>	<b>(106)</b>	<b>(1,697)</b>	<b>(1,334)</b>	<b>12,163</b>
<b>MMF</b>								
India	1,416	8,009	(8,169)	(160)	(95)	11	(244)	1,172
Taiwan	632	983	(703)	280	-	57	337	969
Korea	480	462	(464)	(2)	-	(19)	(21)	459
Other Mutual Fund Operations	252	113	(94)	19	-	9	28	280
<b>Total Asian MMF</b>	<b>2,780</b>	<b>9,567</b>	<b>(9,430)</b>	<b>137</b>	<b>(95)</b>	<b>58</b>	<b>100</b>	<b>2,880</b>
<b>Total Asia Retail Mutual Funds</b>	<b>16,277</b>	<b>11,407</b>	<b>(10,801)</b>	<b>606</b>	<b>(201)</b>	<b>(1,639)</b>	<b>(1,234)</b>	<b>15,043</b>
Third Party Institutional Mandates	1,116	4	(73)	(69)	-	(88)	(157)	959
<b>Total Asian Investment Operations</b>	<b>17,393</b>	<b>11,411</b>	<b>(10,874)</b>	<b>537</b>	<b>(201)</b>	<b>(1,727)</b>	<b>(1,391)</b>	<b>16,002</b>
<b>US</b>								
Retail	55	17	(9)	8	1	(5)	4	59
<b>Total US</b>	<b>55</b>	<b>17</b>	<b>(9)</b>	<b>8</b>	<b>1</b>	<b>(5)</b>	<b>4</b>	<b>59</b>
<b>Total Investment Products</b>	<b>68,669</b>	<b>14,768</b>	<b>(13,665)</b>	<b>1,103</b>	<b>(176)</b>	<b>(3,396)</b>	<b>(2,469)</b>	<b>66,200</b>
<b>2007</b>								
<b>M&amp;G</b>								
Retail	19,176	1,944	(1,371)	573	-	355	928	20,104
Institutional <sup>(5)</sup>	25,770	1,339	(645)	794	(81)	(482)	251	26,021
<b>Total M&amp;G</b>	<b>44,946</b>	<b>3,283</b>	<b>(1,916)</b>	<b>1,367</b>	<b>(81)</b>	<b>(107)</b>	<b>1,179</b>	<b>46,125</b>
<b>Asia <sup>(9)</sup></b>								
India	1,290	488	(236)	252	83	(10)	325	1,615
Taiwan	969	317	(280)	37	-	23	60	1,029
Korea	2,952	697	(566)	131	(41)	(9)	81	3,033
Japan	2,816	448	(235)	213	-	(40)	173	2,989
Other Mutual Fund Operations <sup>(11)</sup>	1,468	206	(269)	(63)	(7)	60	(10)	1,458
<b>Total Asia Equity/Bond/Other</b>	<b>9,495</b>	<b>2,156</b>	<b>(1,586)</b>	<b>570</b>	<b>35</b>	<b>24</b>	<b>629</b>	<b>10,124</b>
<b>MMF</b>								
India	709	3,914	(3,872)	42	(102)	28	(32)	677
Taiwan	467	353	(327)	26	-	(7)	19	486
Korea	609	634	(699)	(65)	(1)	(1)	(67)	542
Other Mutual Fund Operations	133	93	(53)	40	-	1	41	174
<b>Total Asian MMF</b>	<b>1,918</b>	<b>4,994</b>	<b>(4,951)</b>	<b>43</b>	<b>(103)</b>	<b>21</b>	<b>(39)</b>	<b>1,879</b>
<b>Total Asia Retail Mutual Funds</b>	<b>11,413</b>	<b>7,150</b>	<b>(6,537)</b>	<b>613</b>	<b>(66)</b>	<b>45</b>	<b>590</b>	<b>12,003</b>
Third Party Institutional Mandates	840	5	(18)	(13)	-	8	(5)	835
<b>Total Asian Investment Operations</b>	<b>12,253</b>	<b>7,155</b>	<b>(6,555)</b>	<b>600</b>	<b>(66)</b>	<b>53</b>	<b>585</b>	<b>12,838</b>
<b>US</b>								
Retail	-	4	-	4	-	1	5	5
<b>Total US</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>1</b>	<b>5</b>	<b>5</b>
<b>Total Investment Products</b>	<b>57,199</b>	<b>10,442</b>	<b>(8,471)</b>	<b>1,971</b>	<b>(149)</b>	<b>(53)</b>	<b>1,769</b>	<b>58,968</b>
<b>2008 Movement Relative to 2007</b>								
<b>M&amp;G</b>								
Retail	16%	(4%)	(34%)	(96%)	-	(590%)	(285%)	2%
Institutional <sup>(5)</sup>	12%	11%	(74%)	(33%)	130%	116%	152%	13%
<b>Total M&amp;G</b>	<b>14%</b>	<b>2%</b>	<b>(45%)</b>	<b>(59%)</b>	<b>130%</b>	<b>(1,455%)</b>	<b>(192%)</b>	<b>9%</b>
<b>Asia <sup>(9)</sup></b>								
India	72%	(21%)	0%	(40%)	(42%)	(3,360%)	(145%)	29%
Taiwan	52%	14%	4%	151%	-	(535%)	(112%)	43%
Korea	(0%)	(49%)	41%	(87%)	(256%)	(4,356%)	(754%)	(20%)
Japan	53%	(14%)	(5%)	(34%)	-	(1,398%)	(365%)	29%
Other Mutual Fund Operations <sup>(11)</sup>	73%	71%	(6%)	205%	(14%)	(518%)	(1,830%)	61%
<b>Total Asia Equity/Bond/Other</b>	<b>42%</b>	<b>(15%)</b>	<b>14%</b>	<b>(18%)</b>	<b>(403%)</b>	<b>(7,171%)</b>	<b>(312%)</b>	<b>20%</b>
<b>MMF</b>								
India	100%	105%	(111%)	(481%)	7%	(61%)	(663%)	73%
Taiwan	35%	178%	(115%)	977%	-	914%	1,674%	99%
Korea	(21%)	(27%)	34%	97%	-	(1,800%)	69%	(15%)
Other Mutual Fund Operations	89%	22%	(77%)	(53%)	-	800%	(32%)	61%
<b>Total Asian MMF</b>	<b>45%</b>	<b>92%</b>	<b>(90%)</b>	<b>219%</b>	<b>8%</b>	<b>176%</b>	<b>356%</b>	<b>53%</b>
<b>Total Asian Retail Mutual Funds</b>	<b>43%</b>	<b>60%</b>	<b>(65%)</b>	<b>(1%)</b>	<b>(196%)</b>	<b>(3,742%)</b>	<b>(309%)</b>	<b>25%</b>
Third Party Institutional Mandates	33%	(20%)	(306%)	(431%)	-	(1,200%)	(3,040%)	15%
<b>Total Asian Investment Operations</b>	<b>42%</b>	<b>59%</b>	<b>(66%)</b>	<b>(11%)</b>	<b>(196%)</b>	<b>(3,358%)</b>	<b>(338%)</b>	<b>25%</b>
<b>US</b>								
Retail	-	325%	-	100%	-	(600%)	(20%)	1,080%
<b>Total US</b>	<b>-</b>	<b>325%</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>(600%)</b>	<b>(20%)</b>	<b>1,080%</b>
<b>Total Investment Products</b>	<b>20%</b>	<b>41%</b>	<b>(61%)</b>	<b>(44%)</b>	<b>(18%)</b>	<b>(6,308%)</b>	<b>(240%)</b>	<b>12%</b>
<b>US</b>								
Curian Capital						2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
External Funds Under Administration						1,697	1,369	24%

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008 VERSUS QUARTER 4 2007

## INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents		
	Q1 2008 £m	Q 4 2007 £m	+/(%)	Q1 2008 £m	Q 4 2007 £m	+/(%)	Q1 2008 £m	Q 4 2007 £m	+/(%)	Q1 2008 £m	Q 4 2007 £m	+/(%)
<b>UK Insurance Operations</b>												
<b>Product Summary</b>												
Internal Vesting annuities	322	369	(13%)	-	-	-	322	369	(13%)	32	37	(14%)
Direct and Partnership Annuities	176	184	(4%)	-	-	-	176	184	(4%)	18	18	0%
Intermediated Annuities	137	140	(2%)	-	-	-	137	140	(2%)	14	14	0%
<b>Total Individual Annuities</b>	<b>635</b>	<b>693</b>	<b>(8%)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>635</b>	<b>693</b>	<b>(8%)</b>	<b>64</b>	<b>69</b>	<b>(7%)</b>
Equity Release	51	48	6%	-	-	-	51	48	6%	5	5	0%
Individual Pensions	14	11	27%	-	-	-	14	11	27%	1	1	0%
Corporate Pensions	46	162	(72%)	22	26	(15%)	68	188	(64%)	27	42	(36%)
Unit Linked Bonds	38	43	(12%)	-	-	-	38	43	(12%)	4	4	0%
With-Profit Bonds	147	114	29%	-	-	-	147	114	29%	15	11	36%
Protection	-	-	-	1	2	(50%)	1	2	(50%)	1	2	(50%)
Offshore Products	179	129	39%	1	1	0%	180	130	38%	19	14	36%
<b>Total Retail Retirement</b>	<b>1,110</b>	<b>1,200</b>	<b>(8%)</b>	<b>24</b>	<b>29</b>	<b>(17%)</b>	<b>1,134</b>	<b>1,229</b>	<b>(8%)</b>	<b>135</b>	<b>149</b>	<b>(9%)</b>
Corporate Pensions	93	30	210%	25	29	(14%)	118	59	100%	34	32	6%
Other Products	40	47	(15%)	5	5	0%	45	52	(13%)	9	10	(10%)
DWP Rebates	103	14	636%	-	-	-	103	14	636%	10	1	900%
<b>Total Mature Life and Pensions</b>	<b>236</b>	<b>91</b>	<b>159%</b>	<b>30</b>	<b>34</b>	<b>(12%)</b>	<b>266</b>	<b>125</b>	<b>113%</b>	<b>54</b>	<b>43</b>	<b>26%</b>
<b>Total Retail</b>	<b>1,346</b>	<b>1,291</b>	<b>4%</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,400</b>	<b>1,354</b>	<b>3%</b>	<b>189</b>	<b>192</b>	<b>(2%)</b>
Wholesale Annuities	1	1,754	(100%)	-	-	-	1	1,754	(100%)	-	175	-
Credit Life	3	4	(25%)	-	-	-	3	4	(25%)	-	-	-
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>3,049</b>	<b>(56%)</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,404</b>	<b>3,112</b>	<b>(55%)</b>	<b>189</b>	<b>368</b>	<b>(49%)</b>
<b>Channel Summary</b>												
Direct and Partnership	534	648	(18%)	49	58	(16%)	583	706	(17%)	102	123	(17%)
Intermediated	708	627	13%	5	5	0%	713	632	13%	76	68	12%
Wholesale	5	1,760	(100%)	-	-	-	5	1,760	(100%)	1	176	(99%)
<b>Sub-Total</b>	<b>1,247</b>	<b>3,035</b>	<b>(59%)</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,301</b>	<b>3,098</b>	<b>(58%)</b>	<b>179</b>	<b>367</b>	<b>(51%)</b>
DWP Rebates	103	14	636%	-	-	-	103	14	636%	10	1	900%
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>3,049</b>	<b>(56%)</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,404</b>	<b>3,112</b>	<b>(55%)</b>	<b>189</b>	<b>368</b>	<b>(49%)</b>
<b>US Insurance Operations <sup>(1b)(8)</sup></b>												
Fixed Annuities	193	152	27%	-	-	-	193	152	27%	19	15	27%
Fixed Index Annuities	98	104	(6%)	-	-	-	98	104	(6%)	10	10	0%
Variable Annuities	900	1,137	(21%)	-	-	-	900	1,137	(21%)	90	114	(21%)
Life	2	2	0%	5	6	(17%)	7	8	(13%)	5	6	(17%)
<b>Sub-Total Retail</b>	<b>1,193</b>	<b>1,395</b>	<b>(14%)</b>	<b>5</b>	<b>6</b>	<b>(17%)</b>	<b>1,198</b>	<b>1,401</b>	<b>(14%)</b>	<b>124</b>	<b>146</b>	<b>(15%)</b>
Guaranteed Investment Contracts	405	148	174%	-	-	-	405	148	174%	41	15	173%
GIC - Medium Term Note	-	(4)	-	-	-	-	-	(4)	-	-	-	-
<b>Total US Insurance Operations</b>	<b>1,598</b>	<b>1,539</b>	<b>4%</b>	<b>5</b>	<b>6</b>	<b>(17%)</b>	<b>1,603</b>	<b>1,545</b>	<b>4%</b>	<b>165</b>	<b>160</b>	<b>3%</b>
<b>Asian Insurance Operations <sup>(1b)(8)</sup></b>												
China <sup>(10)</sup>	19	17	12%	7	7	0%	26	24	8%	9	9	0%
Hong Kong	152	178	(15%)	39	35	11%	191	213	(10%)	54	53	2%
India <sup>(6)</sup>	7	6	17%	88	53	66%	95	59	61%	89	54	65%
Indonesia	44	53	(17%)	36	38	(5%)	80	91	(12%)	40	43	(7%)
Japan	38	40	(5%)	18	6	200%	56	46	22%	22	10	120%
Korea	26	60	(57%)	56	61	(8%)	82	121	(32%)	59	67	(12%)
Malaysia	7	21	(67%)	14	29	(52%)	21	50	(58%)	15	31	(52%)
Singapore	205	168	22%	17	21	(19%)	222	189	17%	38	38	0%
Taiwan	21	33	(36%)	33	36	(8%)	54	69	(22%)	35	39	(10%)
Other <sup>(11)</sup>	4	15	(73%)	15	22	(32%)	19	37	(48%)	15	24	(38%)
<b>Total Asian Insurance Operations</b>	<b>523</b>	<b>591</b>	<b>(12%)</b>	<b>323</b>	<b>308</b>	<b>5%</b>	<b>846</b>	<b>899</b>	<b>(6%)</b>	<b>375</b>	<b>367</b>	<b>2%</b>
<b>Group Total</b>	<b>3,471</b>	<b>5,179</b>	<b>(33%)</b>	<b>382</b>	<b>377</b>	<b>1%</b>	<b>3,853</b>	<b>5,556</b>	<b>(31%)</b>	<b>729</b>	<b>895</b>	<b>(19%)</b>

## INVESTMENT OPERATIONS

		Opening	Gross Inflows	Redemptions	Net Inflows	Other	Market & Currency	Net	Closing
		FUM							
		£m	£m	£m	£m	£m	£m	£m	£m
<b>M&amp;G <sup>(9)</sup></b>	Q1 2008	51,221	3,340	(2,782)	558	24	(1,664)	(1,082)	50,139
	Q4 2007	49,907	3,933	(2,568)	1,365	(123)	72	1,314	51,221
	+/(%)	3%	(15%)	(8%)	(59%)	120%	(2,411%)	(182%)	(2%)
<b>Asia Retail Mutual Funds</b>	Q1 2008	16,277	11,407	(10,801)	606	(201)	(1,639)	(1,234)	15,043
	Q4 2007	15,120	10,842	(10,346)	496	(125)	786	1,157	16,277
	+/(%)	8%	5%	(4%)	22%	(61%)	(309%)	(207%)	(8%)
<b>Asia Third Party</b>	Q1 2008	1,116	4	(73)	(69)	-	(88)	(157)	959
	Q4 2007	980	167	(76)	91	-	45	136	1,116
	+/(%)	14%	(98%)	4%	(176%)	-	(296%)	(215%)	(14%)
<b>US Retail Mutual Funds</b>	Q1 2008	55	17	(9)	8	1	(5)	4	59
	Q4 2007	32	27	(2)	25	-	(2)	23	55
	+/(%)	72%	(37%)	(350%)	(68%)	-	(150%)	(83%)	7%
<b>Total Investment Products</b>	Q1 2008	68,669	14,768	(13,665)	1,103	(176)	(3,396)	(2,469)	66,200
Q4 2007	66,039	14,969	(12,992)	1,977	(248)	901	2,630	68,669	
+/(%)	4%	(1%)	(5%)	(44%)	29%	(477%)	(194%)	(4%)	

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008

## TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK			US <sup>(1a)</sup>			Asia <sup>(1a)</sup>			Total		
	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
<b>Total Insurance Products</b>	1,404	1,335	5%	1,603	1,744	(8%)	846	607	39%	3,853	3,686	5%
<b>Total Investment Products Gross Inflows<sup>(2)</sup></b>	3,340	3,283	2%	17	4	325%	11,411	7,625	50%	14,768	10,912	35%
	4,744	4,618	3%	1,620	1,748	(7%)	12,257	8,232	49%	18,621	14,598	28%

## INSURANCE OPERATIONS

	Single			Regular			Total			PVNBP		
	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
<b>UK Insurance Operations</b>												
<b>Product Summary</b>												
Internal Vesting annuities	322	325	(1%)	-	-	-	322	325	(1%)	322	325	(1%)
Direct and Partnership Annuities	176	205	(14%)	-	-	-	176	205	(14%)	176	205	(14%)
Intermediated Annuities	137	132	4%	-	-	-	137	132	4%	137	132	4%
<b>Total Individual Annuities</b>	635	662	(4%)	-	-	-	635	662	(4%)	635	662	(4%)
Equity Release	51	34	50%	-	-	-	51	34	50%	51	34	50%
Individual Pensions	14	9	56%	-	-	-	14	9	56%	15	9	67%
Corporate Pensions	46	85	(46%)	22	18	22%	68	103	(34%)	155	158	(2%)
Unit Linked Bonds	38	71	(46%)	-	-	-	38	71	(46%)	38	71	(46%)
With-Profit Bonds	147	56	163%	-	-	-	147	56	163%	147	56	163%
Protection	-	-	-	1	1	0%	1	1	0%	7	7	0%
Offshore Products	179	127	41%	1	1	0%	180	128	41%	185	131	41%
<b>Total Retail Retirement</b>	1,110	1,044	6%	24	20	20%	1,134	1,064	7%	1,233	1,128	9%
Corporate Pensions	93	46	102%	25	28	(11%)	118	74	59%	180	149	21%
Other Products	40	49	(18%)	5	6	(17%)	45	55	(18%)	57	71	(20%)
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	103	129	(20%)
<b>Total Mature Life and Pensions</b>	236	224	5%	30	34	(12%)	266	258	3%	340	349	(3%)
<b>Total Retail</b>	1,346	1,268	6%	54	54	0%	1,400	1,322	6%	1,573	1,477	6%
Wholesale Annuities	1	3	(67%)	-	-	-	1	3	(67%)	1	3	(67%)
Credit Life	3	10	(70%)	-	-	-	3	10	(70%)	3	10	(70%)
<b>Total UK Insurance Operations</b>	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	1,577	1,490	6%
<b>Channel Summary</b>												
Direct and Partnership	534	590	(9%)	49	47	4%	583	637	(8%)	740	773	(4%)
Intermediated	708	549	29%	5	7	(29%)	713	556	28%	730	575	27%
Wholesale	5	13	(62%)	-	-	-	5	13	(62%)	5	13	(62%)
<b>Sub-Total</b>	1,247	1,152	8%	54	54	0%	1,301	1,206	8%	1,475	1,361	8%
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	103	129	(20%)
<b>Total UK Insurance Operations</b>	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	1,577	1,490	6%
<b>US Insurance Operations<sup>(1a)</sup></b>												
Fixed Annuities	193	133	45%	-	-	-	193	133	45%	193	133	45%
Fixed Index Annuities	98	107	(8%)	-	-	-	98	107	(8%)	98	107	(8%)
Variable Annuities	900	1,037	(13%)	-	-	-	900	1,037	(13%)	900	1,037	(13%)
Life	2	2	0%	5	4	25%	7	6	17%	42	36	17%
<b>Sub-Total Retail</b>	1,193	1,279	(7%)	5	4	25%	1,198	1,283	(7%)	1,233	1,313	(6%)
Guaranteed Investment Contracts	405	130	212%	-	-	-	405	130	212%	405	130	212%
GIC - Medium Term Note	-	331	-	-	-	-	-	331	-	-	331	-
<b>Total US Insurance Operations</b>	1,598	1,740	(8%)	5	4	25%	1,603	1,744	(8%)	1,638	1,774	(8%)
<b>Asian Insurance Operations<sup>(1a)</sup></b>												
China <sup>(10)</sup>	19	7	171%	7	11	(36%)	26	18	44%	64	61	5%
Hong Kong	152	101	50%	39	26	50%	191	127	50%	379	245	55%
India <sup>(6)</sup>	7	13	(46%)	88	62	42%	95	75	27%	355	258	38%
Indonesia	44	16	175%	36	19	89%	80	35	129%	187	79	137%
Japan	38	34	12%	18	8	125%	56	42	33%	123	67	84%
Korea	26	26	0%	56	50	12%	82	76	8%	291	270	8%
Malaysia	7	2	250%	14	16	(13%)	21	18	17%	87	89	(2%)
Singapore	205	110	86%	17	16	6%	222	126	76%	326	208	57%
Taiwan	21	37	(43%)	33	34	(3%)	54	71	(24%)	169	191	(12%)
Other <sup>(6)</sup>	4	9	(56%)	15	10	50%	19	19	0%	48	39	23%
<b>Total Asian Insurance Operations</b>	523	355	47%	323	252	28%	846	607	39%	2,029	1,507	35%
<b>Group Total</b>	3,471	3,376	3%	382	310	23%	3,853	3,686	5%	5,244	4,771	10%

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008

## TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK			US <sup>(1b)</sup>			Asia <sup>(1b)</sup>			Total		
	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
Total Insurance Products	1,404	1,335	5%	1,603	1,766	(9%)	846	584	45%	3,853	3,685	5%
Total Investment Products Gross Inflows <sup>(2)</sup>	3,340	3,283	2%	17	4	325%	11,411	7,155	59%	14,768	10,442	41%
	4,744	4,618	3%	1,620	1,770	(8%)	12,257	7,739	58%	18,621	14,127	32%

## INSURANCE OPERATIONS

	Single			Regular			Total			PVNBP		
	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)	2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
<b>UK Insurance Operations</b>												
<b>Product Summary</b>												
Internal Vesting annuities	322	325	(1%)	-	-	-	322	325	(1%)	322	325	(1%)
Direct and Partnership Annuities	176	205	(14%)	-	-	-	176	205	(14%)	176	205	(14%)
Intermediated Annuities	137	132	4%	-	-	-	137	132	4%	137	132	4%
<b>Total Individual Annuities</b>	<b>635</b>	<b>662</b>	<b>(4%)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>635</b>	<b>662</b>	<b>(4%)</b>	<b>635</b>	<b>662</b>	<b>(4%)</b>
Equity Release	51	34	50%	-	-	-	51	34	50%	51	34	50%
Individual Pensions	14	9	56%	-	-	-	14	9	56%	15	9	67%
Corporate Pensions	46	85	(46%)	22	18	22%	68	103	(34%)	155	158	(2%)
Unit Linked Bonds	38	71	(46%)	-	-	-	38	71	(46%)	38	71	(46%)
With-Profit Bonds	147	56	163%	-	-	-	147	56	163%	147	56	163%
Protection	-	-	-	1	1	0%	1	1	0%	7	7	0%
Offshore Products	179	127	41%	1	1	0%	180	128	41%	185	131	41%
<b>Total Retail Retirement</b>	<b>1,110</b>	<b>1,044</b>	<b>6%</b>	<b>24</b>	<b>20</b>	<b>20%</b>	<b>1,134</b>	<b>1,064</b>	<b>7%</b>	<b>1,233</b>	<b>1,128</b>	<b>9%</b>
Corporate Pensions	93	46	102%	25	28	(11%)	118	74	59%	180	149	21%
Other Products	40	49	(18%)	5	6	(17%)	45	55	(18%)	57	71	(20%)
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	103	129	(20%)
<b>Total Mature Life and Pensions</b>	<b>236</b>	<b>224</b>	<b>5%</b>	<b>30</b>	<b>34</b>	<b>(12%)</b>	<b>266</b>	<b>258</b>	<b>3%</b>	<b>340</b>	<b>349</b>	<b>(3%)</b>
<b>Total Retail</b>	<b>1,346</b>	<b>1,268</b>	<b>6%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,400</b>	<b>1,322</b>	<b>6%</b>	<b>1,573</b>	<b>1,477</b>	<b>6%</b>
Wholesale Annuities	1	3	(67%)	-	-	-	1	3	(67%)	1	3	(67%)
Credit Life	3	10	(70%)	-	-	-	3	10	(70%)	3	10	(70%)
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>1,281</b>	<b>5%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,404</b>	<b>1,335</b>	<b>5%</b>	<b>1,577</b>	<b>1,490</b>	<b>6%</b>
<b>Channel Summary</b>												
Direct and Partnership	534	590	(9%)	49	47	4%	583	637	(8%)	740	773	(4%)
Intermediated	708	549	29%	5	7	(29%)	713	556	28%	730	575	27%
Wholesale	5	13	(62%)	-	-	-	5	13	(62%)	5	13	(62%)
<b>Sub-Total</b>	<b>1,247</b>	<b>1,152</b>	<b>8%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,301</b>	<b>1,206</b>	<b>8%</b>	<b>1,475</b>	<b>1,361</b>	<b>8%</b>
DWP Rebates	103	129	(20%)	-	-	-	103	129	(20%)	103	129	(20%)
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>1,281</b>	<b>5%</b>	<b>54</b>	<b>54</b>	<b>0%</b>	<b>1,404</b>	<b>1,335</b>	<b>5%</b>	<b>1,577</b>	<b>1,490</b>	<b>6%</b>
<b>US Insurance Operations<sup>(1b)</sup></b>												
Fixed Annuities	193	134	44%	-	-	-	193	134	44%	193	134	44%
Fixed Index Annuities	98	109	(10%)	-	-	-	98	109	(10%)	98	109	(10%)
Variable Annuities	900	1,050	(14%)	-	-	-	900	1,050	(14%)	900	1,050	(14%)
Life	2	2	0%	5	4	25%	7	6	17%	42	36	17%
<b>Sub-Total Retail</b>	<b>1,193</b>	<b>1,295</b>	<b>(8%)</b>	<b>5</b>	<b>4</b>	<b>25%</b>	<b>1,198</b>	<b>1,299</b>	<b>(8%)</b>	<b>1,233</b>	<b>1,329</b>	<b>(7%)</b>
Guaranteed Investment Contracts	405	132	207%	-	-	-	405	132	207%	405	132	207%
GIC - Medium Term Note	-	335	-	-	-	-	-	335	-	-	335	-
<b>Total US Insurance Operations</b>	<b>1,598</b>	<b>1,762</b>	<b>(9%)</b>	<b>5</b>	<b>4</b>	<b>25%</b>	<b>1,603</b>	<b>1,766</b>	<b>(9%)</b>	<b>1,638</b>	<b>1,796</b>	<b>(9%)</b>
<b>Asian Insurance Operations<sup>(1b)</sup></b>												
China <sup>(10)</sup>	19	6	217%	7	11	(36%)	26	17	53%	64	57	12%
Hong Kong	152	102	49%	39	26	50%	191	128	49%	379	247	53%
India <sup>(6)</sup>	7	12	(42%)	88	56	57%	95	68	40%	355	235	51%
Indonesia	44	16	175%	36	20	80%	80	36	122%	187	81	131%
Japan	38	30	27%	18	7	157%	56	37	51%	123	60	105%
Korea	26	27	(4%)	56	52	8%	82	79	4%	291	279	4%
Malaysia	7	2	250%	14	14	0%	21	16	31%	87	83	5%
Singapore	205	103	99%	17	15	13%	222	118	88%	326	194	68%
Taiwan	21	36	(42%)	33	33	0%	54	69	(22%)	169	186	(9%)
Other <sup>(4)</sup>	4	7	(43%)	15	9	67%	19	16	19%	48	36	33%
<b>Total Asian Insurance Operations</b>	<b>523</b>	<b>341</b>	<b>53%</b>	<b>323</b>	<b>243</b>	<b>33%</b>	<b>846</b>	<b>584</b>	<b>45%</b>	<b>2,029</b>	<b>1,458</b>	<b>39%</b>
<b>Group Total</b>	<b>3,471</b>	<b>3,384</b>	<b>3%</b>	<b>382</b>	<b>301</b>	<b>27%</b>	<b>3,853</b>	<b>3,685</b>	<b>5%</b>	<b>5,244</b>	<b>4,744</b>	<b>11%</b>

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008 VERSUS QUARTER 4 2007

## INSURANCE OPERATIONS

	Single			Regular			Total			PVNBP		
	Q1 2008 £m	Q 4 2007 £m	+/(%)	Q1 2008 £m	Q 4 2007 £m	+/(%)	Q1 2008 £m	Q 4 2007 £m	+/(%)	Q1 2008 £m	Q 4 2007 £m	+/(%)
<b>UK Insurance Operations</b>												
<b>Product Summary</b>												
Internal Vesting annuities	322	369	(13%)	-	-	-	322	369	(13%)	322	369	(13%)
Direct and Partnership Annuities	176	184	(4%)	-	-	-	176	184	(4%)	176	184	(4%)
Intermediated Annuities	137	140	(2%)	-	-	-	137	140	(2%)	137	140	(2%)
<b>Total Individual Annuities</b>	<b>635</b>	<b>693</b>	<b>(8%)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>635</b>	<b>693</b>	<b>(8%)</b>	<b>635</b>	<b>693</b>	<b>(8%)</b>
Equity Release	51	48	6%	-	-	-	51	48	6%	51	48	6%
Individual Pensions	14	11	27%	-	-	-	14	11	27%	15	13	15%
Corporate Pensions	46	162	(72%)	22	26	(15%)	68	188	(64%)	155	354	(56%)
Unit Linked Bonds	38	43	(12%)	-	-	-	38	43	(12%)	38	43	(12%)
With-Profit Bonds	147	114	29%	-	-	-	147	114	29%	147	114	29%
Protection	-	-	-	1	2	(50%)	1	2	(50%)	7	6	17%
Offshore Products	179	129	39%	1	1	0%	180	130	38%	185	135	37%
<b>Total Retail Retirement</b>	<b>1,110</b>	<b>1,200</b>	<b>(8%)</b>	<b>24</b>	<b>29</b>	<b>(17%)</b>	<b>1,134</b>	<b>1,229</b>	<b>(8%)</b>	<b>1,233</b>	<b>1,406</b>	<b>(12%)</b>
Corporate Pensions	93	30	210%	25	29	(14%)	118	59	100%	180	135	33%
Other Products	40	47	(15%)	5	5	0%	45	52	(13%)	57	70	(19%)
DWP Rebates	103	14	636%	-	-	-	103	14	636%	103	14	636%
<b>Total Mature Life and Pensions</b>	<b>236</b>	<b>91</b>	<b>159%</b>	<b>30</b>	<b>34</b>	<b>(12%)</b>	<b>266</b>	<b>125</b>	<b>113%</b>	<b>340</b>	<b>219</b>	<b>55%</b>
<b>Total Retail</b>	<b>1,346</b>	<b>1,291</b>	<b>4%</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,400</b>	<b>1,354</b>	<b>3%</b>	<b>1,573</b>	<b>1,625</b>	<b>(3%)</b>
Wholesale Annuities	1	1,754	(100%)	-	-	-	1	1,754	(100%)	1	1,754	(100%)
Credit Life	3	4	(25%)	-	-	-	3	4	(25%)	3	4	(25%)
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>3,049</b>	<b>(56%)</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,404</b>	<b>3,112</b>	<b>(55%)</b>	<b>1,577</b>	<b>3,383</b>	<b>(53%)</b>
<b>Channel Summary</b>												
Direct and Partnership	534	648	(18%)	49	58	(16%)	583	706	(17%)	740	957	(23%)
Intermediated	708	627	13%	5	5	0%	713	632	13%	730	651	12%
Wholesale	5	1,760	(100%)	-	-	-	5	1,760	(100%)	5	1,760	(100%)
<b>Sub-Total</b>	<b>1,247</b>	<b>3,035</b>	<b>(59%)</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,301</b>	<b>3,098</b>	<b>(58%)</b>	<b>1,475</b>	<b>3,368</b>	<b>(56%)</b>
DWP Rebates	103	14	636%	-	-	-	103	14	636%	103	14	636%
<b>Total UK Insurance Operations</b>	<b>1,350</b>	<b>3,049</b>	<b>(56%)</b>	<b>54</b>	<b>63</b>	<b>(14%)</b>	<b>1,404</b>	<b>3,112</b>	<b>(55%)</b>	<b>1,577</b>	<b>3,383</b>	<b>(53%)</b>
<b>US Insurance Operations <sup>(1b)(8)</sup></b>												
Fixed Annuities	193	152	27%	-	-	-	193	152	27%	193	152	27%
Fixed Index Annuities	98	104	(6%)	-	-	-	98	104	(6%)	98	104	(6%)
Variable Annuities	900	1,137	(21%)	-	-	-	900	1,137	(21%)	900	1,137	(21%)
Life	2	2	0%	5	6	(17%)	7	8	(13%)	42	54	(22%)
<b>Sub-Total Retail</b>	<b>1,193</b>	<b>1,395</b>	<b>(14%)</b>	<b>5</b>	<b>6</b>	<b>(17%)</b>	<b>1,198</b>	<b>1,401</b>	<b>(14%)</b>	<b>1,233</b>	<b>1,447</b>	<b>(15%)</b>
Guaranteed Investment Contracts	405	148	174%	-	-	-	405	148	174%	405	148	174%
GIC - Medium Term Note	-	(4)	-	-	-	-	-	(4)	-	-	(4)	-
<b>Total US Insurance Operations</b>	<b>1,598</b>	<b>1,539</b>	<b>4%</b>	<b>5</b>	<b>6</b>	<b>(17%)</b>	<b>1,603</b>	<b>1,545</b>	<b>4%</b>	<b>1,638</b>	<b>1,591</b>	<b>3%</b>
<b>Asian Insurance Operations <sup>(1b)(8)</sup></b>												
China <sup>(10)</sup>	19	17	12%	7	7	0%	26	24	8%	64	66	(3%)
Hong Kong	152	178	(15%)	39	35	11%	191	213	(10%)	379	424	(11%)
India <sup>(6)</sup>	7	6	17%	88	53	66%	95	59	61%	355	219	62%
Indonesia	44	53	(17%)	36	38	(5%)	80	91	(12%)	187	192	(3%)
Japan	38	40	(5%)	18	6	200%	56	46	22%	123	66	86%
Korea	26	60	(57%)	56	61	(8%)	82	121	(32%)	291	284	2%
Malaysia	7	21	(67%)	14	29	(52%)	21	50	(58%)	87	186	(53%)
Singapore	205	168	22%	17	21	(19%)	222	189	17%	326	326	0%
Taiwan	21	33	(36%)	33	36	(8%)	54	69	(22%)	169	151	12%
Other <sup>(4)</sup>	4	15	(73%)	15	22	(32%)	19	37	(49%)	48	78	(38%)
<b>Total Asian Insurance Operations</b>	<b>523</b>	<b>591</b>	<b>(12%)</b>	<b>323</b>	<b>308</b>	<b>5%</b>	<b>846</b>	<b>899</b>	<b>(6%)</b>	<b>2,029</b>	<b>1,992</b>	<b>2%</b>
<b>Group Total</b>	<b>3,471</b>	<b>5,179</b>	<b>(33%)</b>	<b>382</b>	<b>377</b>	<b>1%</b>	<b>3,853</b>	<b>5,556</b>	<b>(31%)</b>	<b>5,244</b>	<b>6,966</b>	<b>(25%)</b>

## INVESTMENT OPERATIONS

		Opening FUM £m	Gross Inflows £m	Redemptions £m	Net Inflows £m	Other Movements £m	Market & Currency Movements £m	Net Movement in FUM £m	Closing FUM £m
<b>M&amp;G <sup>(5)</sup></b>	Q1 2008	51,221	3,340	(2,782)	558	24	(1,664)	(1,082)	50,139
	Q4 2007	49,907	3,933	(2,568)	1,365	(123)	72	1,314	51,221
	+/(%)	3%	(15%)	(8%)	(59%)	120%	(2,411%)	(182%)	(2%)
<b>Asia Retail Mutual Funds</b>	Q1 2008	16,277	11,407	(10,801)	606	(201)	(1,639)	(1,234)	15,043
	Q4 2007	15,120	10,842	(10,346)	496	(125)	786	1,157	16,277
	+/(%)	8%	5%	(4%)	22%	(61%)	(309%)	(207%)	(8%)
<b>Asia Third Party</b>	Q1 2008	1,116	4	(73)	(69)	-	(88)	(157)	959
	Q4 2007	980	167	(76)	91	-	45	136	1,116
	+/(%)	14%	(98%)	4%	(176%)	-	(296%)	(215%)	(14%)
<b>US Retail Mutual Funds</b>	Q1 2008	55	17	(9)	8	1	(5)	4	59
	Q4 2007	32	27	(2)	25	-	(2)	23	55
	+/(%)	72%	(37%)	(350%)	(68%)	-	(150%)	(83%)	7%
<b>Total Investment Products</b>	Q1 2008	68,669	14,768	(13,665)	1,103	(176)	(3,396)	(2,469)	66,200
	Q4 2007	66,039	14,969	(12,992)	1,977	(248)	901	2,630	68,669
	+/(%)	4%	(1%)	(5%)	(44%)	29%	(477%)	(194%)	(4%)

## 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 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 rebate business is classified as single recurrent business. Internal vesting business is classified as new business where the contracts include an open market option.

Investment products referred to in the tables for funds under management are unit trusts, mutual funds and similar types of retail fund management arrangements. These are unrelated to insurance products that are classified as investment contracts 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.

From 12 August 2007 the shareholding in CITIC-Prudential funds operation in China has increased from 33% to 49%.

### **Notes to Schedules 1A - 6**

<sup>(1a)</sup> Insurance and investment new business for overseas operations has been calculated using constant exchange rates. The applicable rate for Jackson is 1.98.

<sup>(1b)</sup> Insurance and investment new business for overseas operations has been calculated using actual exchange rates. The applicable rate for Jackson is 1.98 (2007:1.95).

<sup>(2)</sup> Represents cash received from sale of investment products.

<sup>(3)</sup> 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.

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

<sup>(5)</sup> 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.

<sup>(6)</sup> New business in India is included at Prudential's 26 per cent interest in the India life operation.

<sup>(7)</sup> Balance sheet figures have been calculated at the closing exchange rate. The 2007 balance is shown on a constant exchange rate.

<sup>(8)</sup> 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.

<sup>(9)</sup> £346m of FUM reported under Prudential Asian funds operations relate to M&G's products distributed through those Asian operations and this amount is also included in M&G's FUM.

<sup>(10)</sup> The premiums for China are recorded at 50 per cent for Q1 2008 and Q4 2007 and 100 per cent for Q1 2007, as per management changes made at the end of Q3 2007 in line with the original agreement with CITIC.

<sup>(11)</sup> Mandatory Provident Fund (MPF) product sales in Hong Kong are included at Prudential's 36 per cent interest in Hong Kong MPF operation.

**Jackson's securities classified as available-for-sale under IAS 39\***

Jackson's portfolio of debt securities is managed proactively: 21 credit analysts closely and regularly monitor and report on the credit quality of its holdings. Jackson continues to review its investments on a case-by-case basis to determine whether any decline in fair value represents an other-than-temporary impairment. At 31 March for all securities for which there was a temporary impairment recorded, management has the ability and intent to hold for the longer-term.

In the first quarter of 2008, Jackson recorded £24 million of other-than-temporary impairment losses of which £11 million related to Alt-A holdings. This is more than the normalised risk margin charge (RMR) to operating profits based on longer-term investment returns of £12 million.

For Jackson's securities classified as available-for-sale under IAS 39, at 31 March there was a net unrealised loss position of £459 million. This amount comprised £335 million of gross unrealised gains and £794 million of gross unrealised losses on individual securities. Included within the gross unrealised losses is £257 million for securities which are valued at less than 80 per cent of book value. For securities valued at less than 80 per cent of book value, 89 per cent are investment grade. 97 per cent of the securities valued at less than 80 per cent of book value have been at this level for less than 6 months.

**Notes****1) Movements in the values at quarter 1 2008:**

	31 March 2008	Change reflected directly in shareholders' equity	31 December 2007
	£m	£m	£m
Assets fair valued at below book value			
Book value	11,345		10,730
Unrealised loss	(794)	(355)	(439)
Fair value (as included in balance sheet)	10,551		10,291
Assets fair valued at or above book value			
Book value	7,882		8,041
Unrealised gain	335	32	303
Fair value (as included in the balance sheet)	8,217		8,344
Total			
Book value	19,227		18,771
Net unrealised (loss) gain	(459)	(323)	(136)
Fair value (as included in balance sheet)	18,768		18,635

**2) Debt securities in an unrealised loss position**

The following table shows the fair value of the securities in a gross unrealised loss position for various percentages of book value:

	Fair value	Unrealised loss	Fair value	Unrealised loss
	31 March 2008	31 March 2008	31 December 2007	31 December 2007
	£m	£m	£m	£m
Between 90% and 100%	8,232	(278)	9,370	(274)
Between 80% and 90%	1,601	(259)	784	(122)
Below 80%	718	(257)	137	(43)
	10,551	(794)	10,291	(439)

**3) Subprime and Alt-A exposures**

As at 31 March, Jackson held £219 million in subprime exposure and £0.6 billion in Alt-A exposure. This subprime exposure, which is primarily fixed rate with first lien collateral, is all investment grade and 96 per cent AAA rated. The Alt-A exposure is 79 per cent AAA rated. With an average FICO score of 610-620 Jackson's subprime collateral could be categorised as "near prime" with a score close to a prime score of 660.

\* The majority of Jackson's debt securities are classified as available-for-sale under IAS 39. Under this classification, unless other than temporarily impaired or sold, changes in value on these securities are recorded as a movement directly in shareholders' equity rather than in the income statement.