

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008

TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK			US ^(a)			Asia ^(a)			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 ⁽²⁾	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 ⁽³⁾		
	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	+/- (%)
UK Insurance Operations												
Product Summary												
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%
Total Individual Annuities	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%
Total Retail Retirement	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%)
Total Mature Life and Pensions	236	224	5%	30	34	(12%)	266	258	3%	54	56	(4%)
Total Retail	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	-
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	189	182	4%
Channel Summary												
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%
Sub-Total	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%)
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	189	182	4%
US Insurance Operations^(1a)												
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%
Sub-Total Retail	1,193	1,279	(7%)	5	4	25%	1,198	1,283	(7%)	124	132	(6%)
Guaranteed Investment Contracts	405	130	212%	-	-	-	405	130	212%	41	13	215%
GIC - Medium Term Note	-	331	-	-	-	-	-	331	-	-	33	-
Total US Insurance Operations	1,598	1,740	(8%)	5	4	25%	1,603	1,744	(8%)	165	178	(7%)
Asian Insurance Operations^(1a)												
China ⁽¹⁰⁾	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 ⁽⁸⁾	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 ⁽⁴⁾	4	9	(56%)	15	10	50%	19	19	0%	15	11	36%
Total Asian Insurance Operations	523	355	47%	323	252	28%	846	607	39%	375	288	30%
Group Total	3,471	3,376	3%	382	310	23%	3,853	3,686	5%	729	648	13%

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 1 2008

TOTAL INSURANCE AND INVESTMENT NEW BUSINESS

	UK			US ^(1b)			Asia ^(1b)			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		
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 ⁽²⁾	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 ⁽³⁾		
	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		
UK Insurance Operations												
Product Summary												
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%
Total Individual Annuities	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%
Total Retail Retirement	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%)
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Total Retail	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	-
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	189	182	4%
Channel Summary												
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%
Sub-Total	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%)
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	189	182	4%
US Insurance Operations ^(1b)												
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%
Sub-Total Retail	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	-
Total US Insurance Operations	1,598	1,762	(9%)	5	4	25%	1,603	1,766	(9%)	165	180	(8%)
Asian Insurance Operations ^(1b)												
China ⁽¹⁰⁾	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 ⁽⁶⁾	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 ⁽⁴⁾	4	7	(43%)	15	9	67%	19	16	19%	15	10	50%
Total Asian Insurance Operations	523	341	53%	323	243	33%	846	584	45%	375	277	35%
Group Total	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 FUM	Closing FUM	Variance
	£m	£m	£m	£m	£m	%
M&G						
Retail	1,860	(1,835)	25	22,320	20,606	(8%)
Institutional ⁽⁵⁾	1,480	(947)	533	28,901	29,533	2%
Total M&G	3,340	(2,782)	558	51,221	50,139	(2%)
Asia ⁽⁹⁾						
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 ⁽¹¹⁾	352	(286)	66	2,609	2,344	(10%)
Total Asian Equity/Bond/Other	1,840	(1,371)	469	14,015	12,163	(13%)
MMF						
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%
Total Asian MMF	9,567	(9,430)	137	2,784	2,880	3%
Total Asia Retail Mutual Funds	11,407	(10,801)	606	16,799	15,043	(10%)
Third Party Institutional Mandates	4	(73)	(69)	1,152	959	(17%)
Total Asian Investment Operations	11,411	(10,874)	537	17,951	16,002	(11%)
US						
Retail	17	(9)	8	55	59	7%
Total US	17	(9)	8	55	59	7%
Total Investment Products	14,768	(13,665)	1,103	69,227	66,200	(4%)
2007						
M&G						
Retail	1,944	(1,371)	573			
Institutional ⁽⁵⁾	1,339	(545)	794			
Total M&G	3,283	(1,916)	1,367			
Asia ⁽⁹⁾						
India	534	(258)	276			
Taiwan	327	(289)	38			
Korea	676	(549)	127			
Japan	502	(264)	238			
Other Mutual Fund Operations ⁽¹¹⁾	217	(286)	(69)			
Total Asian Equity/Bond/Other	2,256	(1,646)	610			
MMF						
India	4,286	(4,241)	45			
Taiwan	364	(337)	27			
Korea	615	(678)	(63)			
Other Mutual Fund Operations	99	(57)	42			
Total Asian MMF	5,364	(5,313)	51			
Total Asia Retail Mutual Funds	7,620	(6,959)	661			
Third Party Institutional Mandates	5	(19)	(14)			
Total Asian Investment Operations	7,625	(6,978)	647			
US						
Retail	4	-	4			
Total US	4	-	4			
Total Investment Products	10,912	(8,894)	2,018			
2008 Movement Relative to 2007						
M&G						
Retail	(4%)	(34%)	(96%)			
Institutional ⁽⁵⁾	11%	(74%)	(33%)			
Total M&G	2%	(45%)	(59%)			
Asia ⁽⁹⁾						
India	(28%)	9%	(45%)			
Taiwan	10%	7%	145%			
Korea	(48%)	39%	(87%)			
Japan	(23%)	7%	(41%)			
Other Mutual Fund Operations ⁽¹¹⁾	62%	0%	196%			
Total Asian Equity/Bond/Other	(18%)	17%	(23%)			
MMF						
India	87%	(93%)	(456%)			
Taiwan	170%	(109%)	937%			
Korea	(25%)	32%	97%			
Other Mutual Fund Operations	14%	(65%)	(55%)			
Total Asian MMF	78%	(77%)	169%			
Total Asian Retail Mutual Funds	50%	(55%)	(8%)			
Third Party Institutional Mandates	(20%)	(284%)	(393%)			
Total Asian Investment Operations	50%	(56%)	(17%)			
US						
Retail	325%	-	100%			
Total US	325%	-	100%			
Total Investment Products	35%	(54%)	(45%)			

US ⁽⁷⁾	2008 Q1	2007 Q1	+/- (%)
	YTD	YTD	
Curian Capital	£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
2008								
M&G								
Retail	22,320	1,860	(1,835)	25	-	(1,739)	(1,714)	20,666
Institutional ⁽⁵⁾	28,901	1,480	(947)	533	24	75	632	29,533
Total M&G	51,221	3,340	(2,782)	558	24	(1,664)	(1,082)	50,139
Asia ⁽⁹⁾								
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 ⁽¹¹⁾	2,537	352	(286)	66	(8)	(251)	(193)	2,344
Total Asia Equity/Bond/Other	13,497	1,840	(1,371)	469	(106)	(1,697)	(1,334)	12,163
MMF								
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
Total Asian MMF	2,780	9,567	(9,430)	137	(95)	58	100	2,880
Total Asia Retail Mutual Funds	16,277	11,407	(10,801)	606	(201)	(1,639)	(1,234)	15,043
Third Party Institutional Mandates	1,116	4	(73)	(69)	-	(88)	(157)	959
Total Asian Investment Operations	17,393	11,411	(10,874)	537	(201)	(1,727)	(1,391)	16,002
US								
Retail	55	17	(9)	8	1	(5)	4	59
Total US	55	17	(9)	8	1	(5)	4	59
Total Investment Products	68,669	14,768	(13,665)	1,103	(176)	(3,396)	(2,469)	66,200
2007								
M&G								
Retail	19,176	1,944	(1,371)	573	-	355	928	20,104
Institutional ⁽⁵⁾	25,770	1,339	(645)	794	(81)	(482)	251	26,021
Total M&G	44,946	3,283	(1,916)	1,367	(81)	(107)	1,179	46,125
Asia ⁽⁹⁾								
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 ⁽¹¹⁾	1,468	206	(269)	(63)	(7)	60	(10)	1,458
Total Asia Equity/Bond/Other	9,495	2,156	(1,586)	570	35	24	629	10,124
MMF								
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
Total Asian MMF	1,918	4,994	(4,951)	43	(103)	21	(39)	1,879
Total Asia Retail Mutual Funds	11,413	7,150	(6,537)	613	(66)	45	590	12,003
Third Party Institutional Mandates	840	5	(18)	(13)	-	8	(5)	835
Total Asian Investment Operations	12,253	7,155	(6,555)	600	(66)	53	585	12,838
US								
Retail	-	4	-	4	-	1	5	5
Total US	-	4	-	4	-	1	5	5
Total Investment Products	57,199	10,442	(8,471)	1,971	(149)	(53)	1,769	58,968
2008 Movement Relative to 2007								
M&G								
Retail	16%	(4%)	(34%)	(96%)	-	(590%)	(285%)	2%
Institutional ⁽⁵⁾	12%	11%	(74%)	(33%)	130%	116%	152%	13%
Total M&G	14%	2%	(45%)	(59%)	130%	(1,455%)	(192%)	9%
Asia ⁽⁹⁾								
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 ⁽¹¹⁾	73%	71%	(6%)	205%	(14%)	(518%)	(1,830%)	61%
Total Asia Equity/Bond/Other	42%	(15%)	14%	(18%)	(403%)	(7,171%)	(312%)	20%
MMF								
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%
Total Asian MMF	45%	92%	(90%)	219%	8%	176%	356%	53%
Total Asian Retail Mutual Funds	43%	60%	(65%)	(1%)	(196%)	(3,742%)	(309%)	25%
Third Party Institutional Mandates	33%	(20%)	(306%)	(431%)	-	(1,200%)	(3,040%)	15%
Total Asian Investment Operations	42%	59%	(66%)	(11%)	(196%)	(3,358%)	(338%)	25%
US								
Retail	-	325%	-	100%	-	(600%)	(20%)	1,080%
Total US	-	325%	-	100%	-	(600%)	(20%)	1,080%
Total Investment Products	20%	41%	(61%)	(44%)	(18%)	(6,308%)	(240%)	12%
US								
Curian Capital						2008 Q1 YTD £m	2007 Q1 YTD £m	+/- (%)
External Funds Under Administration						1,697	1,369	24%

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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	+/(%)
UK Insurance Operations												
Product Summary												
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%
Total Individual Annuities	635	693	(8%)	-	-	-	635	693	(8%)	64	69	(7%)
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%
Total Retail Retirement	1,110	1,200	(8%)	24	29	(17%)	1,134	1,229	(8%)	135	149	(9%)
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%
Total Mature Life and Pensions	236	91	159%	30	34	(12%)	266	125	113%	54	43	26%
Total Retail	1,346	1,291	4%	54	63	(14%)	1,400	1,354	3%	189	192	(2%)
Wholesale Annuities	1	1,754	(100%)	-	-	-	1	1,754	(100%)	-	175	-
Credit Life	3	4	(25%)	-	-	-	3	4	(25%)	-	-	-
Total UK Insurance Operations	1,350	3,049	(56%)	54	63	(14%)	1,404	3,112	(55%)	189	368	(49%)
Channel Summary												
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%)
Sub-Total	1,247	3,035	(59%)	54	63	(14%)	1,301	3,098	(58%)	179	367	(51%)
DWP Rebates	103	14	636%	-	-	-	103	14	636%	10	1	900%
Total UK Insurance Operations	1,350	3,049	(56%)	54	63	(14%)	1,404	3,112	(55%)	189	368	(49%)
US Insurance Operations ^{(1b)(8)}												
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%)
Sub-Total Retail	1,193	1,395	(14%)	5	6	(17%)	1,198	1,401	(14%)	124	146	(15%)
Guaranteed Investment Contracts	405	148	174%	-	-	-	405	148	174%	41	15	173%
GIC - Medium Term Note	-	(4)	-	-	-	-	-	(4)	-	-	-	-
Total US Insurance Operations	1,598	1,539	4%	5	6	(17%)	1,603	1,545	4%	165	160	3%
Asian Insurance Operations ^{(1b)(8)}												
China ⁽¹⁰⁾	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 ⁽⁶⁾	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 ⁽¹¹⁾	4	15	(73%)	15	22	(32%)	19	37	(48%)	15	24	(38%)
Total Asian Insurance Operations	523	591	(12%)	323	308	5%	846	899	(6%)	375	367	2%
Group Total	3,471	5,179	(33%)	382	377	1%	3,853	5,556	(31%)	729	895	(19%)

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
M&G ⁽⁹⁾	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%)
Asia Retail Mutual Funds	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%)
Asia Third Party	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%)
US Retail Mutual Funds	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%
Total Investment Products	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 ^(1a)			Asia ^(1a)			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 Inflows ⁽²⁾	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	+/- (%)
UK Insurance Operations												
Product Summary												
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%
Total Individual Annuities	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%
Total Retail Retirement	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%)
Total Mature Life and Pensions	236	224	5%	30	34	(12%)	266	258	3%	340	349	(3%)
Total Retail	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%)
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	1,577	1,490	6%
Channel Summary												
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%)
Sub-Total	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%)
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	1,577	1,490	6%
US Insurance Operations ^(1a)												
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%
Sub-Total Retail	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	-
Total US Insurance Operations	1,598	1,740	(8%)	5	4	25%	1,603	1,744	(8%)	1,638	1,774	(8%)
Asian Insurance Operations ^(1a)												
China ⁽¹⁰⁾	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 ⁽⁶⁾	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 ⁽⁵⁾	4	9	(56%)	15	10	50%	19	19	0%	48	39	23%
Total Asian Insurance Operations	523	355	47%	323	252	28%	846	607	39%	2,029	1,507	35%
Group Total	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 ^(1b)			Asia ^(1b)			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 ⁽²⁾	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	+/- (%)
UK Insurance Operations												
Product Summary												
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%
Total Individual Annuities	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%
Total Retail Retirement	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%)
Total Mature Life and Pensions	236	224	5%	30	34	(12%)	266	258	3%	340	349	(3%)
Total Retail	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%)
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	1,577	1,490	6%
Channel Summary												
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%)
Sub-Total	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%)
Total UK Insurance Operations	1,350	1,281	5%	54	54	0%	1,404	1,335	5%	1,577	1,490	6%
US Insurance Operations^(1b)												
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%
Sub-Total Retail	1,193	1,295	(8%)	5	4	25%	1,198	1,299	(8%)	1,233	1,329	(7%)
Guaranteed Investment Contracts	405	132	207%	-	-	-	405	132	207%	405	132	207%
GIC - Medium Term Note	-	335	-	-	-	-	-	335	-	-	335	-
Total US Insurance Operations	1,598	1,762	(9%)	5	4	25%	1,603	1,766	(9%)	1,638	1,796	(9%)
Asian Insurance Operations^(1b)												
China ⁽¹⁰⁾	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 ⁽⁶⁾	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 ⁽⁴⁾	4	7	(43%)	15	9	67%	19	16	19%	48	36	33%
Total Asian Insurance Operations	523	341	53%	323	243	33%	846	584	45%	2,029	1,458	39%
Group Total	3,471	3,384	3%	382	301	27%	3,853	3,685	5%	5,244	4,744	11%

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	+/- (%)
UK Insurance Operations												
Product Summary												
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%)
Total Individual Annuities	635	693	(8%)	-	-	-	635	693	(8%)	635	693	(8%)
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%
Total Retail Retirement	1,110	1,200	(8%)	24	29	(17%)	1,134	1,229	(8%)	1,233	1,406	(12%)
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%
Total Mature Life and Pensions	236	91	159%	30	34	(12%)	266	125	113%	340	219	55%
Total Retail	1,346	1,291	4%	54	63	(14%)	1,400	1,354	3%	1,573	1,625	(3%)
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%)
Total UK Insurance Operations	1,350	3,049	(56%)	54	63	(14%)	1,404	3,112	(55%)	1,577	3,383	(53%)
Channel Summary												
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%)
Sub-Total	1,247	3,035	(59%)	54	63	(14%)	1,301	3,098	(58%)	1,475	3,368	(56%)
DWP Rebates	103	14	636%	-	-	-	103	14	636%	103	14	636%
Total UK Insurance Operations	1,350	3,049	(56%)	54	63	(14%)	1,404	3,112	(55%)	1,577	3,383	(53%)
US Insurance Operations ^{(1b)(8)}												
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%)
Sub-Total Retail	1,193	1,395	(14%)	5	6	(17%)	1,198	1,401	(14%)	1,233	1,447	(15%)
Guaranteed Investment Contracts	405	148	174%	-	-	-	405	148	174%	405	148	174%
GIC - Medium Term Note	-	(4)	-	-	-	-	-	(4)	-	-	(4)	-
Total US Insurance Operations	1,598	1,539	4%	5	6	(17%)	1,603	1,545	4%	1,638	1,591	3%
Asian Insurance Operations ^{(1b)(8)}												
China ⁽¹⁰⁾	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 ⁽⁶⁾	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 ⁽⁴⁾	4	15	(73%)	15	22	(32%)	19	37	(49%)	48	78	(38%)
Total Asian Insurance Operations	523	591	(12%)	323	308	5%	846	899	(6%)	2,029	1,992	2%
Group Total	3,471	5,179	(33%)	382	377	1%	3,853	5,556	(31%)	5,244	6,966	(25%)

INVESTMENT OPERATIONS

		Opening	Gross Inflows	Redemptions	Net Inflows	Other	Market &	Net	Closing
		FUM							
		£m	£m	£m	£m	£m	£m	£m	£m
M&G ⁽⁵⁾	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%)
Asia Retail Mutual Funds	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%)
Asia Third Party	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%)
US Retail Mutual Funds	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%
Total Investment Products	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

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

^(1b) 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).

⁽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.

⁽⁷⁾ Balance sheet figures have been calculated at the closing exchange rate. The 2007 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⁾ £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.

⁽¹⁰⁾ 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.

⁽¹¹⁾ 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.