

PRUDENTIAL PLC

2003 PRELIMINARY RESULTS

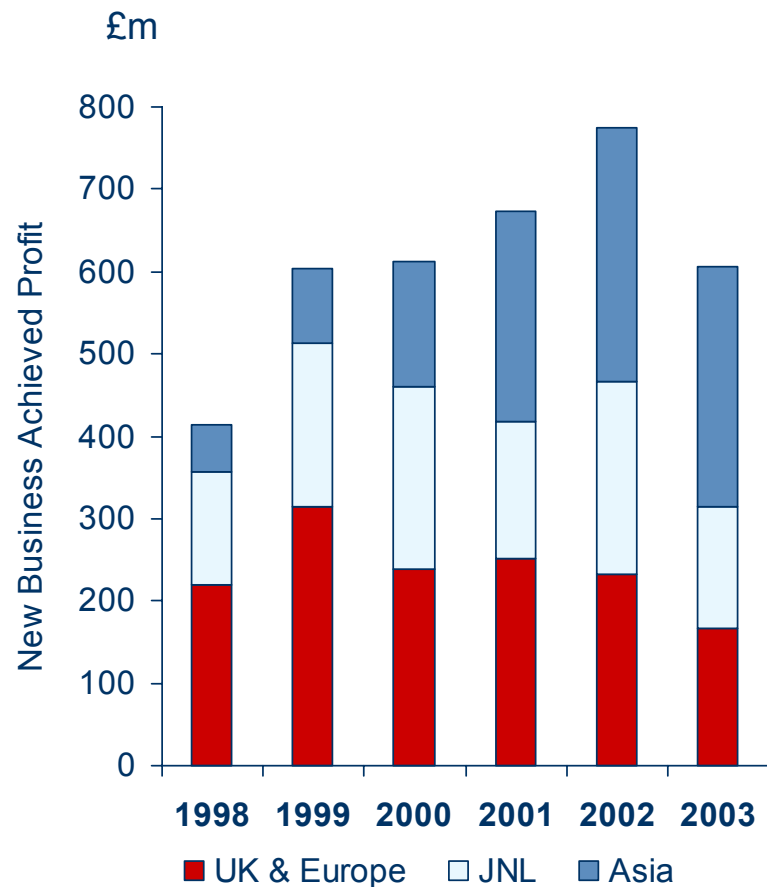
This statement may contain certain “forward-looking statements” with respect to certain of Prudential's plans and its current goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements containing the words “believes”, “intends”, “expects”, “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.

A PLATFORM FOR GROWTH

- Underlying fundamentals of the business are strong
- Clear benefits from international diversification
- Financial strength is key competitive advantage
- Positioned to deliver profitable growth

SOLID PROFIT PERFORMANCE

Value Added by New Business

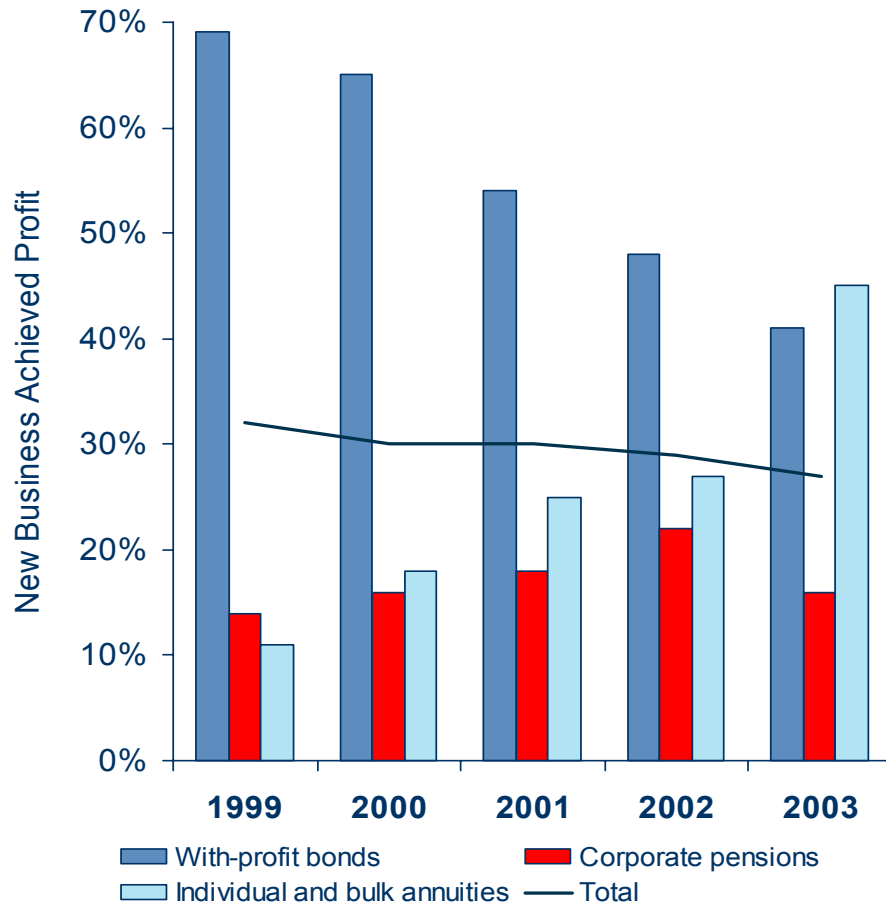


New Business Margins

	1999	2000	2001	2002	2003
UK and Europe	32%	32%	30%	30%	27%
US	46%	44%	35%	39%	35%
Asia	73%	60%	59%	60%	52%
Group	39%	40%	38%	41%	38%

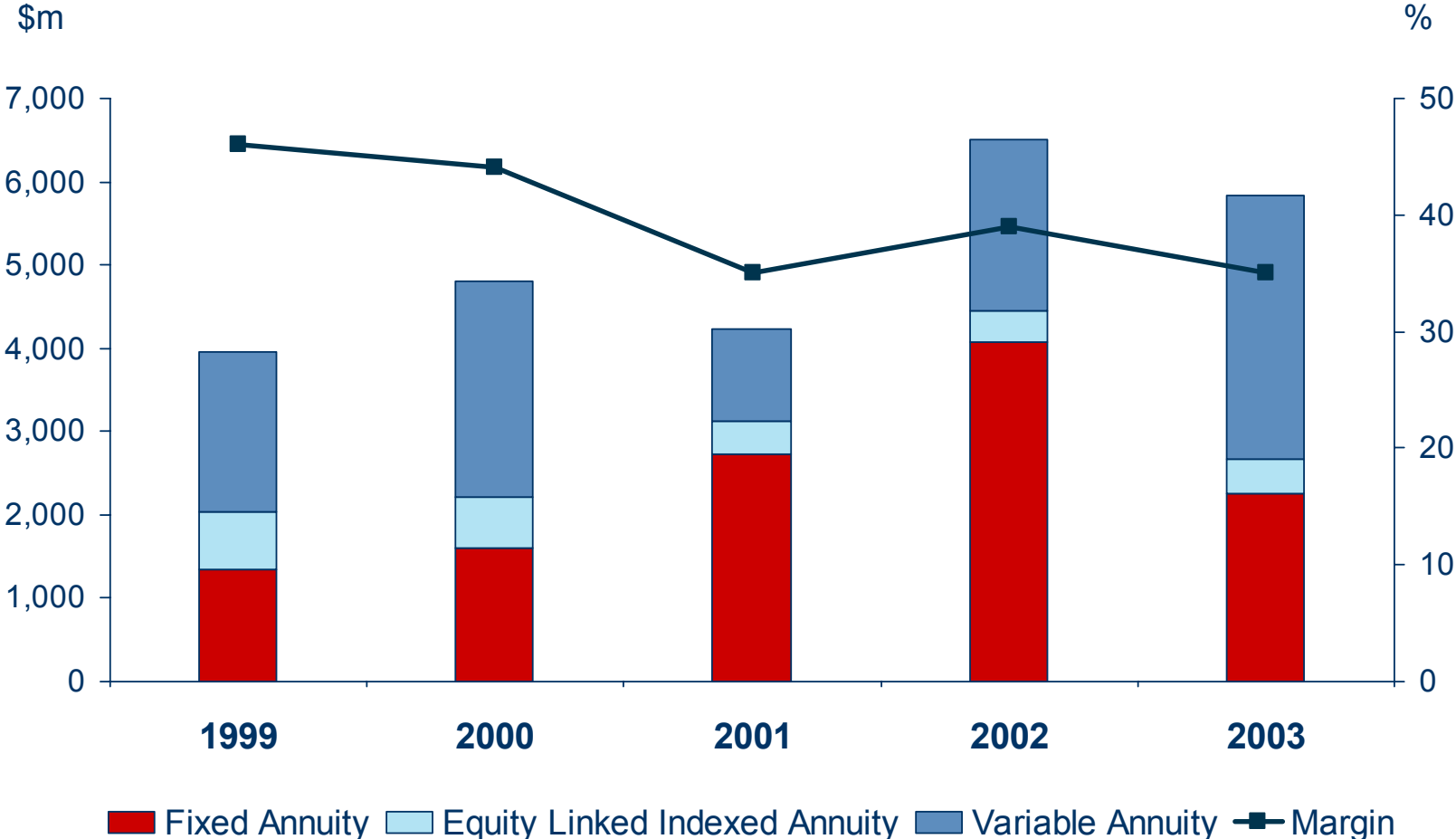
Insurance sales only

MARGIN BY PRODUCT



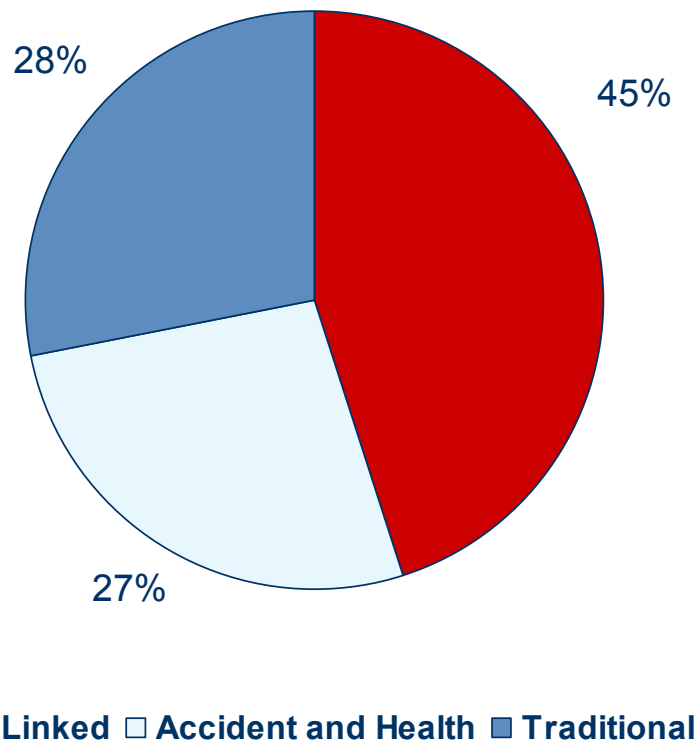
- With-profit margin adversely impacted by lower investment returns
- Rising annuity margins through increased use of shareholder capital

RETAIL SALES AND MARGINS



2003 NBAP BY PRODUCT TYPE AND MARGIN

2003 NBAP Total £291m

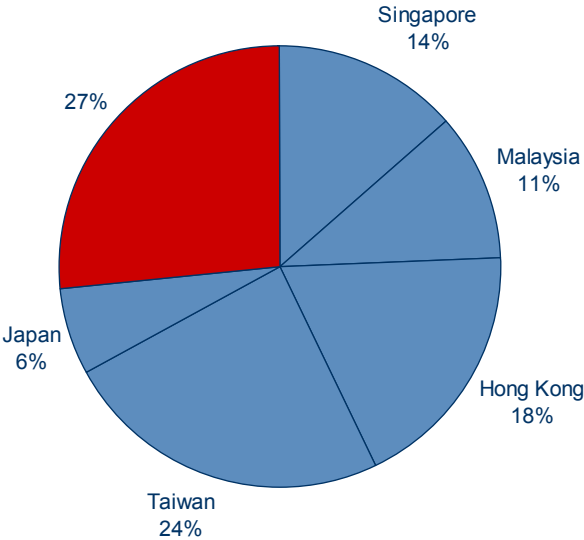


2003 NBAP Margin

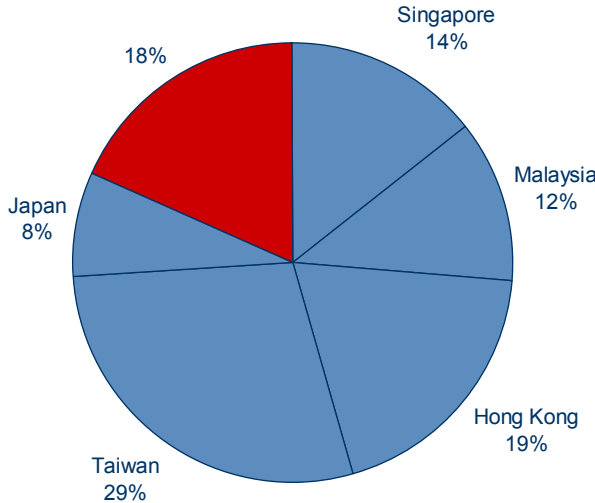
- Impact of introduction of RBC in Taiwan
- Refocus of Japanese business resulting in higher unit costs in the short term
- 1% adverse impact of change in country mix
- Adoption of revised economic assumptions

GROWTH OF NEWER OPERATIONS

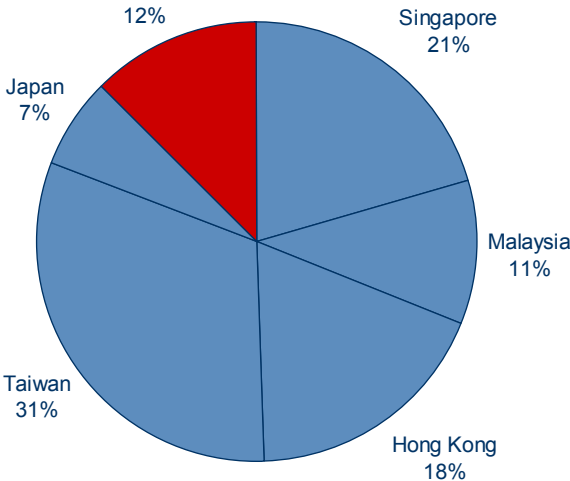
2003 APE SALES BY COUNTRY
TOTAL £555m



2002 APE SALES BY COUNTRY
TOTAL £513m



2001 APE SALES BY COUNTRY
TOTAL £434m



 China, India, Indonesia, Korea, Philippines, Thailand and Vietnam

TOTAL OPERATING PROFIT OF £956 MILLION

	UK and Europe £m	US £m	Asia £m	Total £m
NBAP	166	148	291	605
Unwind of discount*	343	178	115	636
Change in assumptions	(67)	(21)	(27)	(115)
Persistency variance	(35)	10	(14)	(39)
US spread variance	-	(17)	-	(17)
Average realised investment losses **	-	(66)	-	(66)
Other items	(48)	(13)	13	(48)
Total in-force, long-term business	193	71	87	351
Total operating profit, long-term businesses ⁽¹⁾	359	219	378	956

All results on average exchange rates for the year

*Includes return on JNL surplus assets (over target surplus)

⁽¹⁾ Before development expenses

** Average realised investment losses in excess of RMR charge

ACHIEVED PROFITS BASIS RESULTS

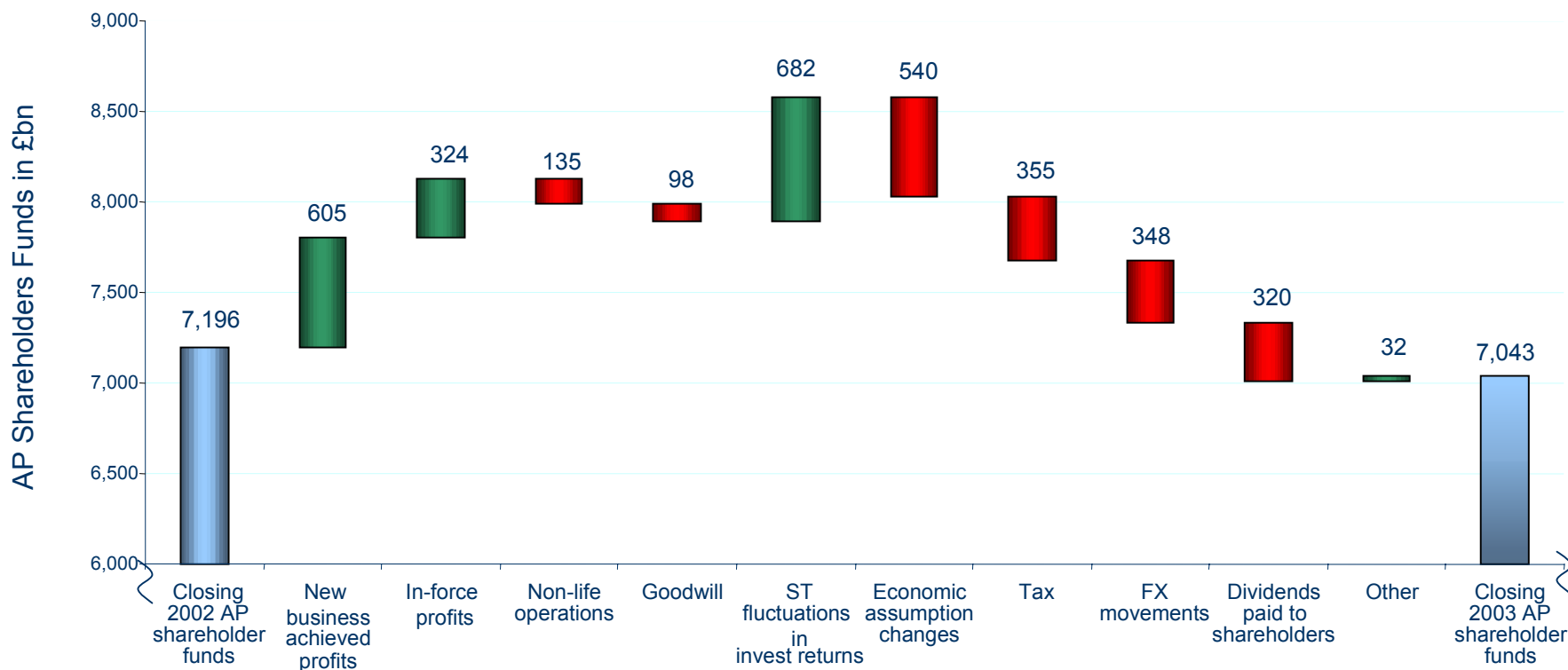
	2003 £m	2002 £m
Total long-term business	956	1,283
Asia development expenses	(27)	(26)
M&G	83	71
Egg	(34)	(20)
Broker dealer, fund management and Curian	(3)	14
Other income and expenditure	(181)	(189)
Underlying total operating profit	794	1,133



	2003 £m	2002 £m
Operating profit before amortisation of goodwill	794	1,133
Amortisation of goodwill	(98)	(98)
Short-term fluctuations in investment return		
UK and Europe	531	(1,021)
US	132	(440)
Asia	1	66
Other	18	11
	682	(1,406)
Effect of change in economic assumptions		
UK and Europe	(122)	(233)
US	(263)	(76)
Asia	(155)	(158)
	(540)	(467)
Profit on sale of UK general insurance operations	-	355
Profit / (loss) before tax	838	(483)
Operating earnings per share	26.4p	42.8p

2003 ACHIEVED PROFIT SHAREHOLDERS' FUNDS

Analysis of Movement in AP Shareholders' Funds : 2002-2003



* Net of development costs

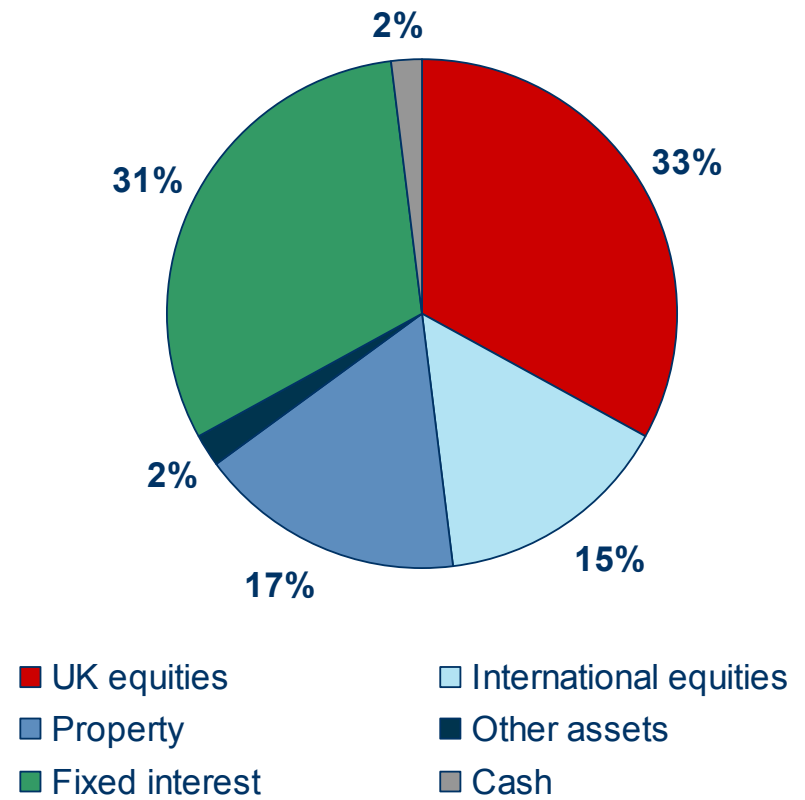


MSB OPERATING PROFIT

	2003 £m	2002 £m
UK and Europe insurance operations	256	372
M&G	83	71
Egg	(34)	(20)
UK and Europe operations	305	423
US operations	162	153
Asian operations	98	88
Development expenses	(27)	(26)
Other income and expenditure	(181)	(189)
Operating profit from continuing operations	357	449
Effective rate of taxation on operating profit	30%	27%

- Inherited estate of over £6 billion
- Form 9 ratio increased to 10.5% at 31 December 2003*
- Fund performance in 2003 was 16.5%
 - 5 year CAGR 4.9%
 - 10 year CAGR 8.6%
- Financial strength rated AA+**
- Low levels of guarantees
 - total of £35m GAOs in PAC
 - 40% of liabilities have MVRs
 - payouts relative to asset shares are within targets

Asset Mix of PAC With-Profit Fund at 31.12.2003
Total Long-Term Fund FUM of £79.9bn



* On a conservative basis - no implicit items or future profits

** AA+ S&P, Aa1 by Moody's

HOLDING COMPANY CASHFLOW

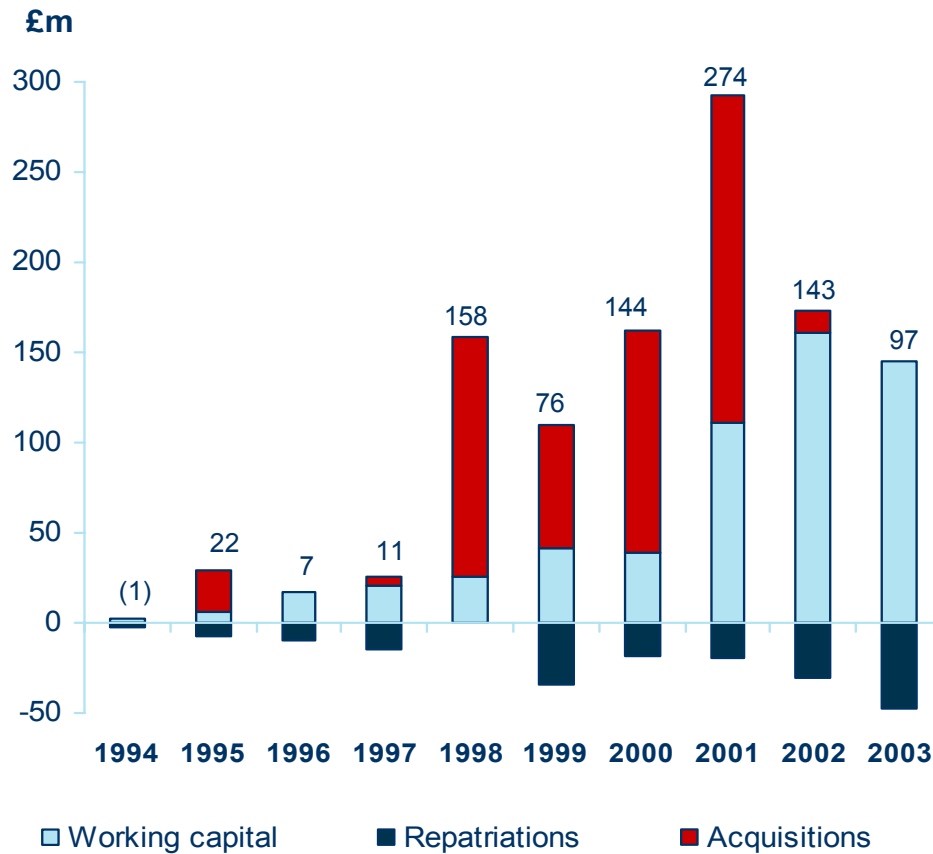


PRUDENTIAL

	2003 £m	2002 £m
UK life fund transfer*	286	324
Cash remitted by business units	300	212
Total cash remitted to group	586	536
Interest	(127)	(124)
Dividends	(447)	(509)
Cash remittances after interest and dividends	12	(97)
Tax received	77	59
Equity (scrip dividends and share options)	30	40
Corporate activities	58	157
Proceeds from sale of UK General Insurance operations	-	386
Cashflow before investment in businesses	177	545
Capital invested in business units		
Asia	(145)	(158)
JNL	0	(321)
Other business units	(28)	(196)
Increase/(decrease) in cash	4	(130)

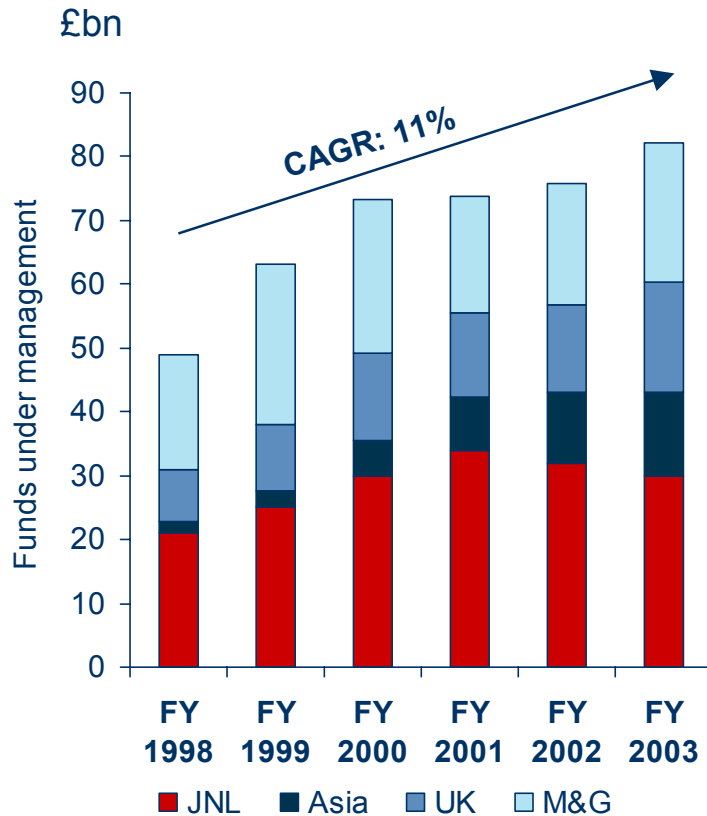
*in respect of prior year bonus declarations

NET CAPITAL FLOWS



- Net capital invested from 1994 to 2003: £931m
- More mature businesses increasingly repatriating capital
- Gross investment maintained in 2004 and 2005
- Cash positive in 2006 on current plans

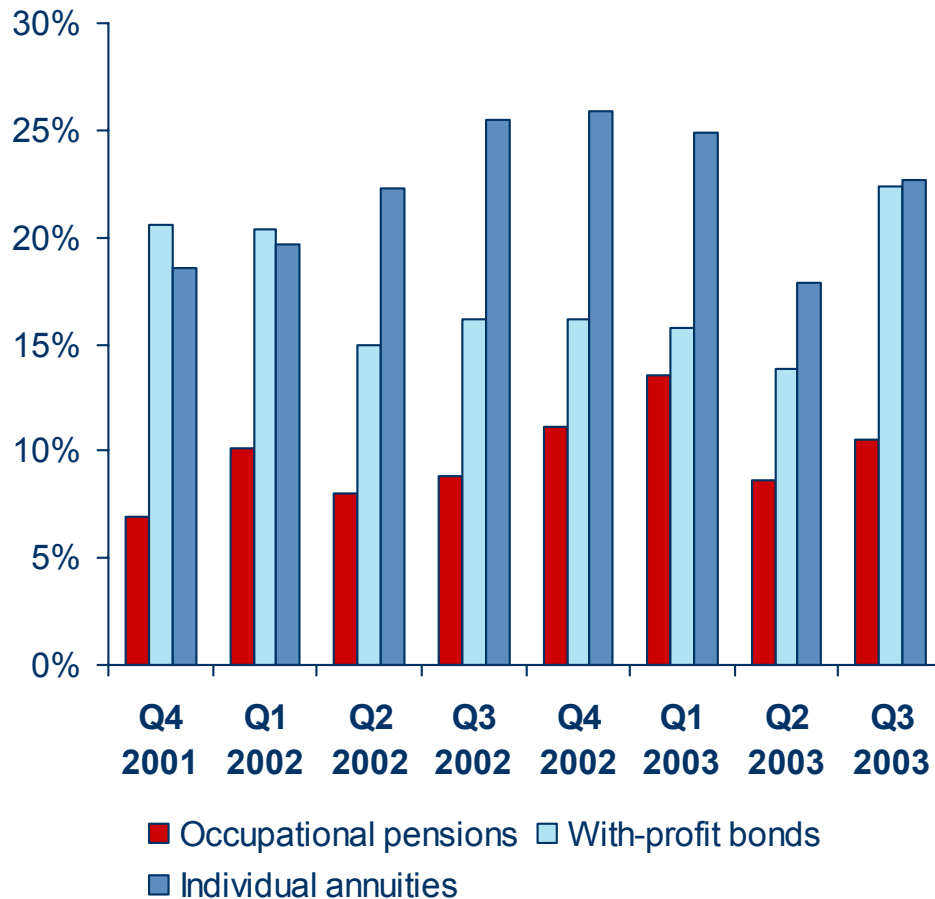
STEADY GROWTH IN FUNDS UNDER MANAGEMENT



Excludes PAC 90:10 funds

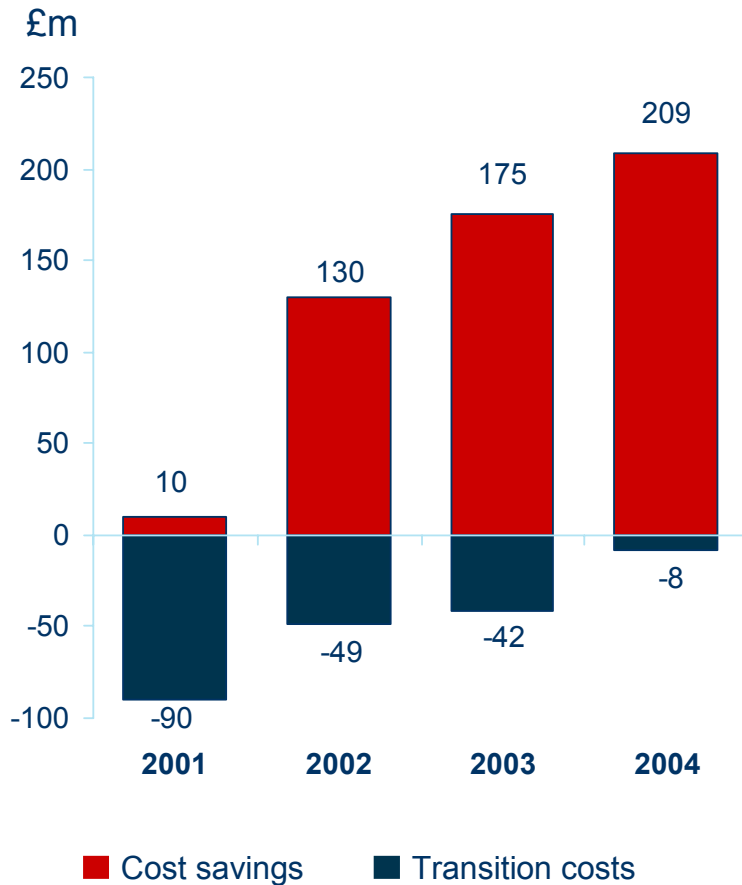
- Assets have grown from £49bn in 1998 to £82bn at 31 December 2003
- UK shareholder-backed assets have doubled since 1998
- M&G growing institutional and retail funds under management
- US assets have continued to grow on a constant currency basis
- Profits increasing in Asia as businesses mature

MARKET SHARES IN KEY PRODUCT SEGMENTS



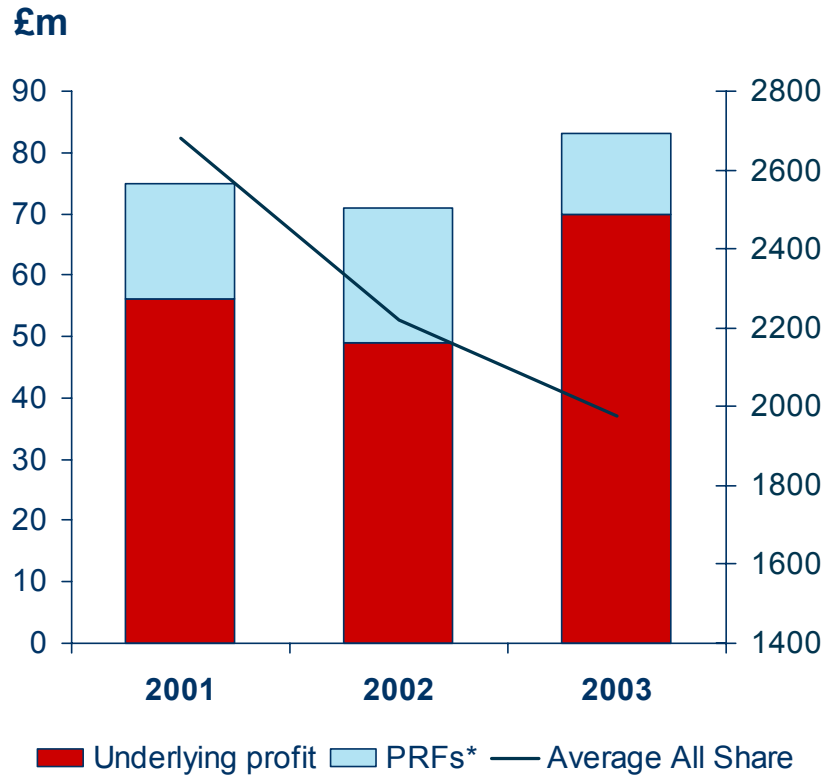
- Products developed since 2000 represent 37% of 2003 sales*
- 16% market share of the defined contribution occupational pension scheme sales
- 42% market share of IFA with-profit bonds
- 22% market share of individual annuities

COST SAVINGS ACHIEVED



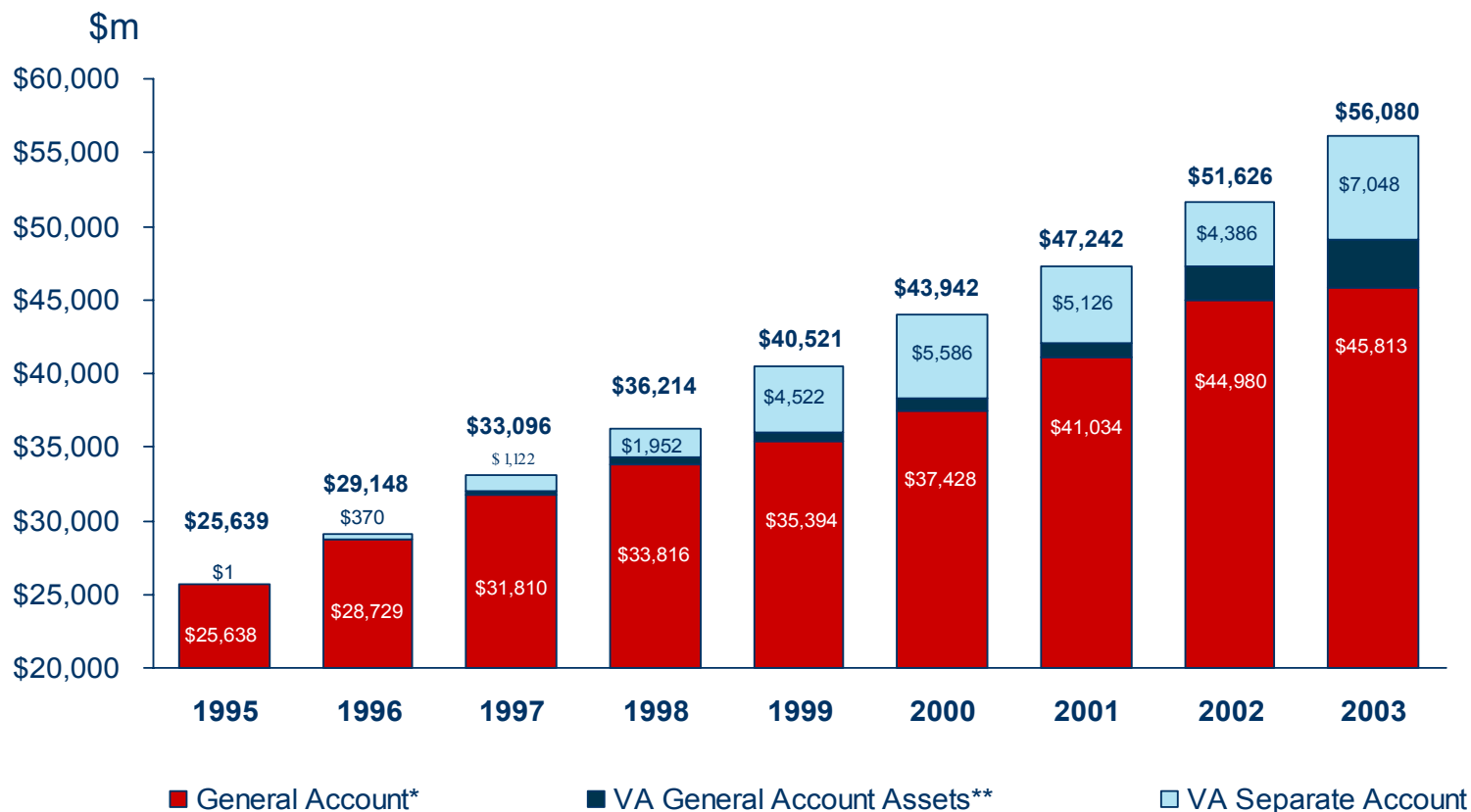
- £200m of savings realised
- Annualised value of £201m
- 800 employed in Mumbai office
- Ongoing focus on costs remains

UNDERLYING PROFIT UP 43%



- Continued profit progression despite falling equity markets
- Increasing contribution from new business lines
- Another good year for performance related fees

STRONG GROWTH IN US GAAP ASSETS



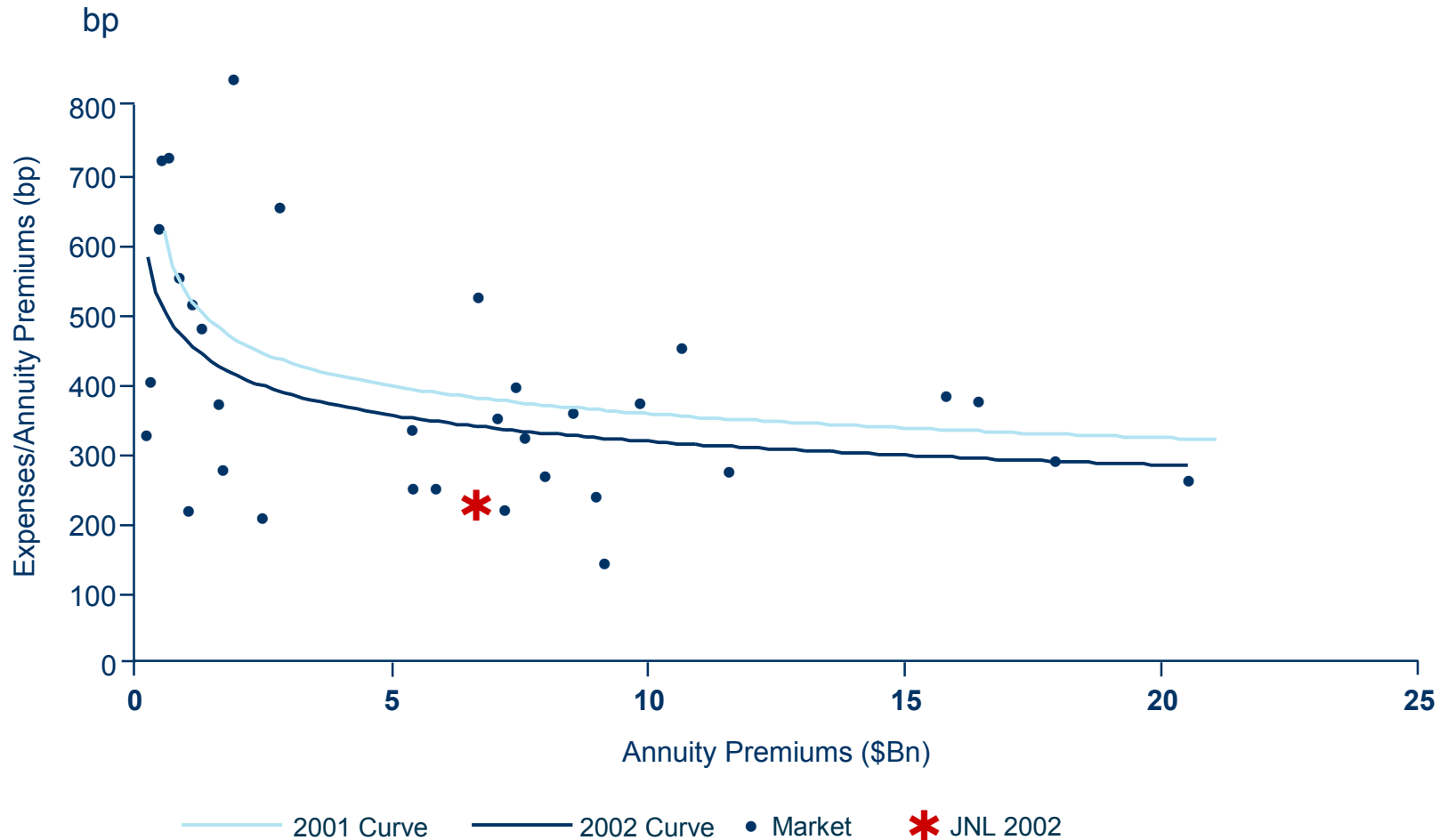
* Excludes FAS-115, FAS-133, reverse repurchase obligations, and securities lending deposits

** VA General Account Assets breakdown (\$m) - 1995 = 0, 1996 = \$49, 1997 = \$164, 1998 = \$446, 1999 = \$605, 2000 = \$928, 2001 = \$1082, 2002 = \$2260, 2003 = \$3219.

JACKSON NATIONAL LIFE: GROWTH FROM AN ADVANTAGED POSITION



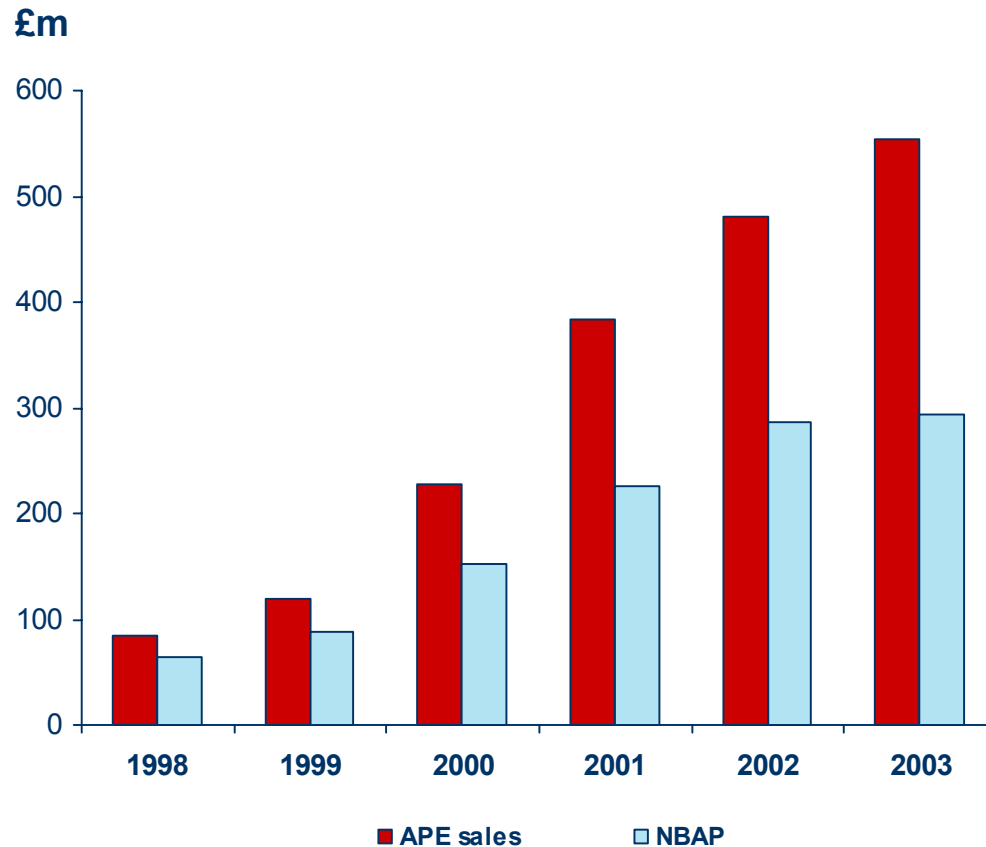
LOW-COST STRUCTURE OFFERS COMPETITIVE ADVANTAGE



PRUDENTIAL CORPORATION ASIA: A WELL-ESTABLISHED BUSINESS MODEL



STRONG GROWTH IN SALES AND IN PROFIT



- Strategy has delivered excellent results
- 30% CAGR in AP shareholders' funds since 1998
- Now present in all 12 target markets
- Product and distribution models well-established
- Cash positive in 2006

DIVERSIFIED REGIONAL PRESENCE



ASIA: POTENTIAL TO BE ONE OF WORLD'S LARGEST RFS MARKETS



INDIA

- Joint venture with ICICI
 - restricted to 26% ownership
- Full product range
- Multi-channel distribution
 - 12 bank distribution agreements
- Acknowledged as market leading operation
 - 'the leading private sector Indian life insurance company on all counts' *
 - Insurance Award for "impressive growth and innovation" **

India Life Insurance Market Shares April 2002 - March 2003

	Private Share	Total Share
LIC	-	92.2%
ICICI - Prudential	38.1%	3.0%
Birla Sun Life	13.5%	1.1%
HDFC Standard Life	13.5%	1.1%
Max New York Life	8.0%	0.6%
SBI Life	7.6%	0.6%
Tata AIG	6.2%	0.5%
Allianz Bajaj	5.6%	0.4%
OM Kotak	3.2%	0.2%
ING Vysya	1.8%	0.1%
AVIVA Life	1.3%	0.1%
MetLife	0.6%	0.1%
AMP Sanmar	0.5%	0.0%
	100.0%	100.0%

ASIA: POTENTIAL TO BE ONE OF WORLD'S LARGEST RFS MARKETS



CHINA

- Only British life insurer operational in two cities with 50:50 joint venture partner CITIC
 - 4th place market share in Guangzhou
 - strong start in Beijing
- Market undergoing further change
 - IPOs of domestic insurers
 - opening up of new cities and provinces
- Main challenge is limited amount of experienced human resource
 - PCA leverages Chinese speakers from existing operations
 - already a well-known name

信诚 人寿保险

父亲节 节日快乐!

父亲是儿子 追赶和超越的 领路人

是女儿 判断何为 真爱自己男人的标尺

愿全天下的父亲:

信诚 人寿保险

我的责任

A PLATFORM FOR GROWTH

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- Clear benefits from international diversification
- Financial strength is key competitive advantage
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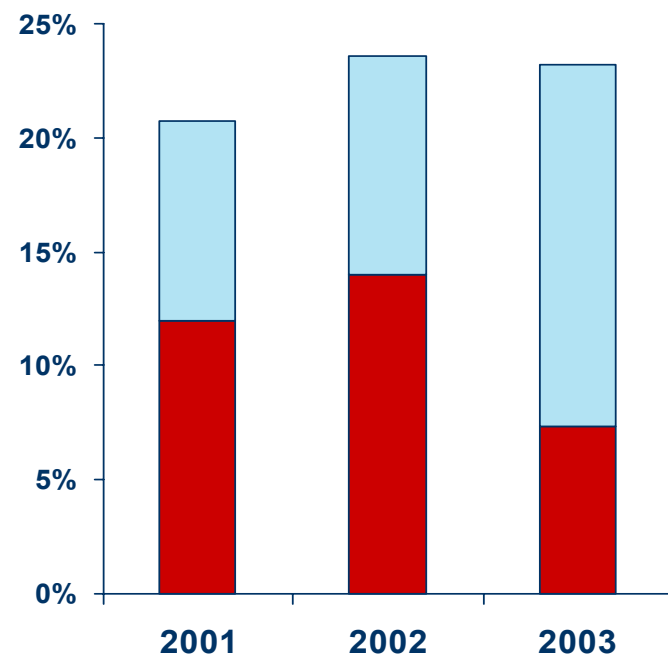
PRUDENTIAL PLC

2003 PRELIMINARY RESULTS

Appendix

- AP shareholders funds of £7.0bn
- MSB shareholders funds of £3.3bn
- Senior debt gearing of 7.3%
- Core debt rated AA- by S&P

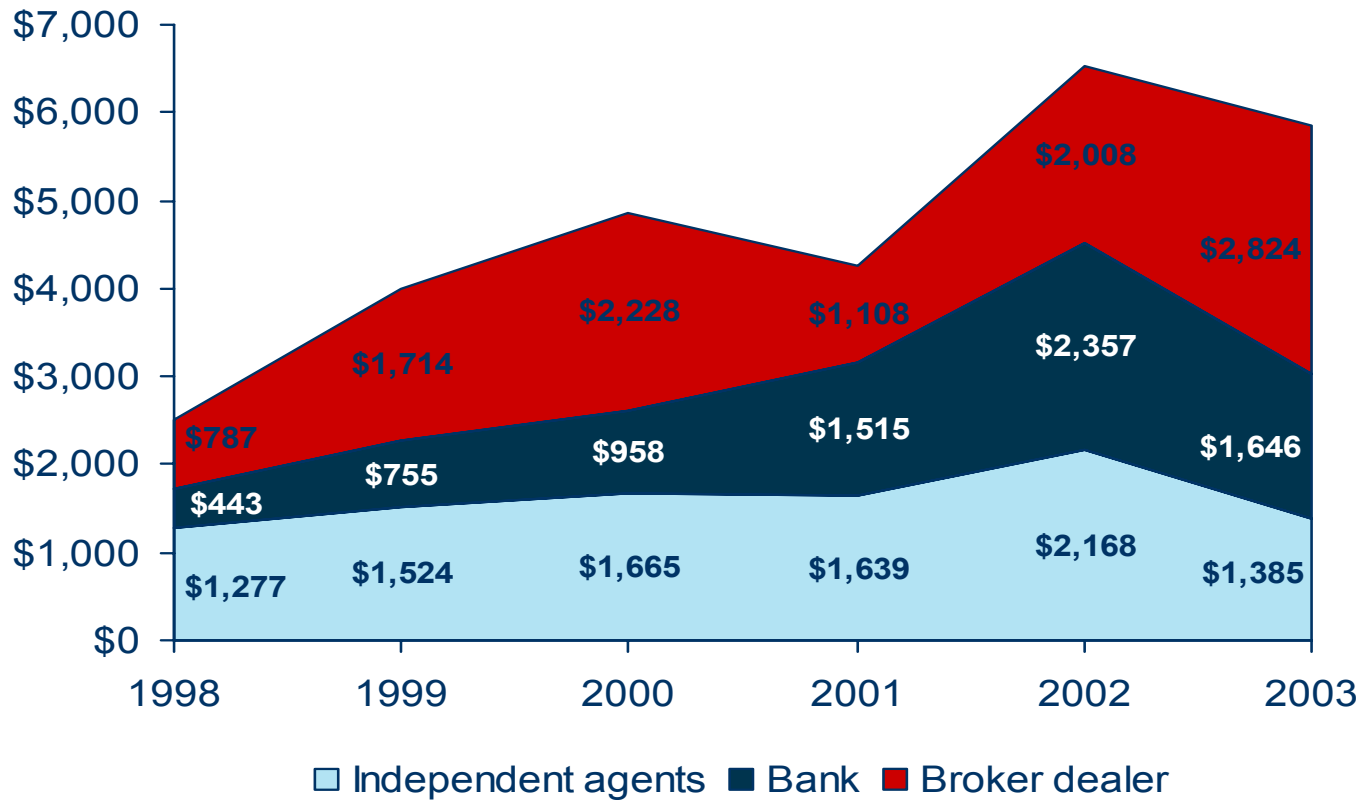
Group Gearing



■ Gearing = $\frac{\text{Senior debt}^*}{\text{senior debt}^* + \text{hybrid} + \text{APSHF}}$

■ Gearing = $\frac{\text{Senior debt}^* + \text{hybrid}}{\text{senior debt}^* + \text{hybrid} + \text{APSHF}}$

RETAIL SALES BY CHANNEL



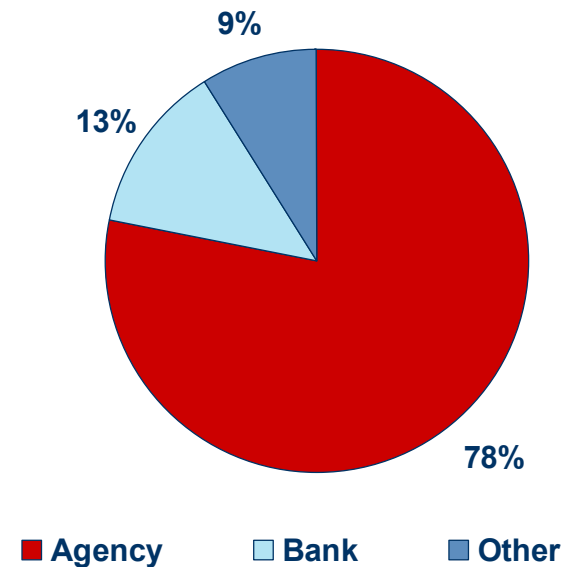
Note: sales exclude renewal life premium and institutional products contracts

CONTINUING DEVELOPMENT OF BANCASSURANCE

- 28 partner banks in 11 countries
- Particular success in India



2003 NBAPE by Distribution



ASIA PROFIT PROGRESSION

	1999 (£m)	2000 (£m)	2001 (£m)	2002 (£m)	2003 (£m)	CAGR
New business achieved profit	90	153	255	307	291	34%
Margin	73%	60%	59%	60%	52%	
Retail FUM⁽¹⁾	453	1,649	3,296	5,232	6,596	95%
Operating achieved profit before development expenses	125	213	415	516	378	32%
MSB profit from long established operations⁽²⁾	31	40	56	79	91	31%

(1) Includes mutual funds under management and Hong Kong Mandatory Provident Fund

(2) Includes Singapore, Hong Kong, Malaysia and Taiwan

STRONG GROWTH IN UNDERLYING PROFIT

	2003 £m	2002 £m	2001 £m
Equity Revenue	99	112	129
Fixed Revenue	94	83	77
Property Revenue	41	38	37
Private Equity Revenue	21	21	23
Transactional Revenue	31	18	11
	286	272	277
Staff Costs	(148)	(128)	(131)
Other Costs	(79)	(100)	(114)
Outsourcing Project	(7)	(13)	-
Investment Income	17	18	24
Underlying profits before PRF*	70	49	56