

PRUDENTIAL PLC - NEW BUSINESS - FULL YEAR 2003

INVESTMENT OPERATIONS

	Opening FUM	Gross inflows	Redemptions	Net inflows	Other movements	Market & currency movements	Net movement in FUM	Closing FUM
2003								
M&G ⁽⁴⁾								
M&G branded retail investment products	7,588	1,068	(883)	185	(14)	1,060	1,231	8,819
Prudential branded UK retail investment products ⁽⁶⁾	1,137	143	(144)	(1)	-	189	188	1,325
M&G institutional ⁽⁷⁾	11,559	2,586	(1,417)	1,169	-	1,320	2,489	14,048
Total M&G	20,284	3,797	(2,444)	1,353	(14)	2,569	3,908	24,192
Asia								
India	1,372	7,534	(6,906)	628	(67)	116	677	2,049
Taiwan	2,425	7,488	(7,114)	374	-	(133)	241	2,666
Korea	993	2,339	(2,329)	10	(25)	(45)	(60)	933
Other Mutual Fund Operations	306	724	(267)	457	-	(11)	446	752
Total Asian Mutual Fund Operations	5,096	18,085	(16,616)	1,469	(92)	(73)	1,304	6,400
Hong Kong MPF Products ⁽⁸⁾	136	72	(19)	53	-	7	60	196
Total Asian Investment Operations	5,232	18,157	(16,635)	1,522	(92)	(66)	1,364	6,596
Total Investment Products	25,516	21,954	(19,079)	2,875	(106)	2,503	5,272	30,788
2002								
M&G								
M&G branded retail investment products ⁽⁹⁾	8,890	1,144	(768)	376	(108)	(1,570)	(1,302)	7,588
Prudential branded UK retail investment products ⁽⁶⁾	1,546	142	(176)	(34)	-	(375)	(409)	1,137
M&G institutional ⁽⁷⁾	9,873	2,445	(842)	1,603	-	83	1,686	11,559
Total M&G	20,309	3,731	(1,786)	1,945	(108)	(1,862)	(25)	20,284
Asia								
India	1,072	3,843	(3,554)	289	(22)	33	300	1,372
Taiwan	2,076	9,208	(8,590)	618	-	(269)	349	2,425
Korea	-	270	(391)	(121)	1,134	(20)	993	993
Other Mutual Fund Operations	58	265	(12)	253	(2)	(3)	248	306
Total Asian Mutual Fund Operations	3,206	13,586	(12,547)	1,039	1,110	(259)	1,890	5,096
Hong Kong MPF Products ⁽⁸⁾	90	75	(11)	64	-	(18)	46	136
Total Asian Investment Operations	3,296	13,661	(12,558)	1,103	1,110	(277)	1,936	5,232
Total Investment Products	23,605	17,392	(14,344)	3,048	1,002	(2,139)	1,911	25,516
2003 movement relative to 2002								
M&G								
M&G branded retail investment products	(15%)	(7%)	(15%)	(51%)	87%	168%	195%	16%
Prudential branded UK retail investment products ⁽⁶⁾	(26%)	1%	18%	97%	-	150%	146%	17%
M&G institutional ⁽⁷⁾	17%	6%	(68%)	(27%)	-	1490%	48%	22%
Total M&G	-	2%	(37%)	(30%)	87%	238%	15732%	19%
Asia								
India	28%	96%	(94%)	117%	(205%)	252%	126%	49%
Taiwan	17%	(19%)	17%	(39%)	-	51%	(31%)	10%
Korea	-	766%	(496%)	108%	(102%)	(125%)	(106%)	(6%)
Other Mutual Fund Operations	428%	173%	(2125%)	81%	-	(267%)	80%	146%
Total Asian Mutual Fund Operations	59%	33%	(32%)	41%	(108%)	72%	(31%)	26%
Hong Kong MPF Products ⁽⁸⁾	51%	(4%)	(73%)	(17%)	-	139%	30%	44%
Total Asian Investment Operations	59%	33%	(32%)	38%	(108%)	76%	(30%)	26%
Total Investment Products	8%	26%	(33%)	(6%)	(111%)	217%	176%	21%

US ⁽¹⁰⁾

	FY 2003 £m	FY 2002 £m	+/- (%)
US Banking Products			
Total Deposit Liabilities	623	650	(4%)
Retail Assets	659	699	(6%)
Curian Capital			
External Funds under Management	148	-	-

Notes to Schedules :

⁽⁴⁾ Reflecting the expanded investment business new business analysis above, certain investment fund mandates previously classified from UK Corporate Pensions sales are now reported as M&G institutional funds under management. 2002 UK insurance sales now reflect this change in presentation.

⁽⁶⁾ Scottish Amicable and Prudential branded Investment Products.

⁽⁷⁾ Balance includes segregated pensions fund business, private finance flows and M&G South Africa institutional business. M&G institutional funds under management restated in Q2 2003 to include funds managed on behalf of the Prudential Staff Pension Scheme previously categorised as internal funds.

⁽⁸⁾ Mandatory Provident Fund product sales in Hong Kong are included at Prudential's 36% interest of the Hong Kong MPF operation.

⁽⁹⁾ Balance restated to include M&G South Africa retail investment operations.

⁽¹⁰⁾ Balance sheet figures have been calculated at closing exchange rates.