

PRUDENTIAL PLC - NEW BUSINESS - QUARTER 3 2003 VERSUS QUARTER 2 2003

INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents ⁽³⁾		
	Q3 2003	Q2 2003	+/- (%)	Q3 2003	Q2 2003	+/- (%)	Q3 2003	Q2 2003	+/- (%)	Q3 2003	Q2 2003	+/- (%)
	£m	£m		£m	£m		£m	£m		£m	£m	
UK Insurance Operations : ⁽⁴⁾												
Direct Distribution :												
Individual Pensions	1	3	(67%)	2	3	(33%)	3	6	(50%)	2	4	(50%)
Corporate Pensions	138	52	165%	27	46	(41%)	165	98	68%	41	51	(20%)
Life	3	3	-	-	1	-	3	4	(25%)	-	2	-
Individual Annuities	215	201	7%	-	-	-	215	201	7%	22	20	10%
Sub-Total	357	259	38%	29	50	(42%)	386	309	25%	65	76	(14%)
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Total	357	259	38%	29	50	(42%)	386	309	25%	65	76	(14%)
Intermediated Distribution :												
Individual Pensions	9	16	(44%)	6	7	(14%)	15	23	(35%)	7	8	(13%)
Corporate Pensions	15	11	36%	2	1	100%	17	12	42%	4	2	100%
Life	280	207	35%	3	9	(67%)	283	216	31%	31	30	3%
Individual Annuities	206	151	36%	-	-	-	206	151	36%	21	15	40%
Bulk Annuities	32	86	(63%)	-	-	-	32	86	(63%)	3	9	(67%)
Sub-Total	542	471	15%	11	17	(35%)	553	488	13%	65	64	2%
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Total	542	471	15%	11	17	(35%)	553	488	13%	65	64	2%
Partnerships :												
Life	12	9	33%	-	-	-	12	9	33%	1	1	-
Individual Annuities	24	4	500%	-	-	-	24	4	500%	2	1	100%
Total	36	13	177%	-	-	-	36	13	177%	3	2	50%
Total :												
Individual Pensions	10	19	(47%)	8	10	(20%)	18	29	(38%)	9	12	(25%)
Corporate Pensions	153	63	143%	29	47	(38%)	182	110	65%	45	53	(15%)
Life	295	219	35%	3	10	(70%)	298	229	30%	32	32	-
Individual Annuities	445	356	25%	-	-	-	445	356	25%	45	36	25%
Bulk Annuities	32	86	(63%)	-	-	-	32	86	(63%)	3	9	(67%)
Sub-Total	935	743	26%	40	67	(40%)	975	810	20%	134	141	(5%)
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Total UK Insurance Operations	935	743	26%	40	67	(40%)	975	810	20%	134	141	(5%)
European Insurance Operations : ⁽¹⁾												
Insurance Products	17	17	-	-	-	-	17	17	-	2	2	-
Total European Insurance Operations	17	17	-	-	-	-	17	17	-	2	2	-
Total UK & European Insurance Operations	952	760	25%	40	67	(40%)	992	827	20%	136	143	(5%)
US Insurance Operations : ⁽¹¹⁾												
Fixed Annuities	200	421	(52%)	-	-	-	200	421	(52%)	20	42	(52%)
Equity-Linked Indexed Annuities	72	68	6%	-	-	-	72	68	6%	7	7	0%
Variable Annuities	561	468	20%	-	-	-	561	468	20%	56	47	19%
Life	-	-	-	3	5	(40%)	3	5	(40%)	3	5	(40%)
Sub-total Retail	833	957	(13%)	3	5	(40%)	836	962	(13%)	86	101	(15%)
Guaranteed Investment Contracts	6	186	(97%)	-	-	-	6	186	(97%)	1	19	(95%)
GIC - Medium Term Note	28	279	(90%)	-	-	-	28	279	(90%)	3	28	(89%)
Total US Insurance Operations	867	1,422	(39%)	3	5	(40%)	870	1,427	(39%)	90	147	(39%)
Asian Insurance Operations : ⁽¹⁾												
Singapore	45	22	105%	14	14	-	59	36	64%	18	16	13%
Hong Kong	58	42	38%	21	20	5%	79	62	27%	27	25	8%
Malaysia	3	3	-	19	11	73%	22	14	57%	20	12	67%
Taiwan	9	8	13%	30	17	76%	39	25	56%	31	18	72%
Japan	2	2	-	13	8	63%	15	10	50%	13	8	63%
Other ⁽⁵⁾	17	10	70%	37	31	19%	54	41	32%	39	32	22%
Total Asian Insurance Operations	134	87	54%	134	101	33%	268	188	43%	148	110	35%
Group Total	1,953	2,269	(14%)	177	173	2%	2,130	2,442	(13%)	373	400	(7%)

INVESTMENT OPERATIONS

	M&G ⁽⁷⁾			Asia Mutual Funds			Hong Kong MPF Products ⁽⁸⁾			Total Investment Products		
	Q3 2003	Q2 2003	+/- (%)	Q3 2003	Q2 2003	+/- (%)	Q3 2003	Q2 2003	+/- (%)	Q3 2003	Q2 2003	+/- (%)
	£m	£m		£m	£m		£m	£m		£m	£m	
Opening FUM	22,331	20,677	8%	5,721	5,022	14%	165	151	9%	28,217	25,850	9%
Gross inflows	1,008	832	21%	4,929	4,552	8%	17	21	(19%)	5,954	5,406	10%
Less redemptions	(657)	(627)	(5%)	(4,547)	(3,854)	(18%)	(4)	(8)	50%	(5,208)	(4,489)	(16%)
Net flows	351	205	71%	382	699	(45%)	13	12	8%	746	917	(19%)
Other movements	-	(18)	-	(25)	(16)	(56%)	-	-	-	(25)	(34)	26%
Market and currency movements	511	1,466	(65%)	238	17	1300%	8	2	300%	757	1,485	(49%)
Net movement in FUM	862	1,653	(48%)	595	698	(15%)	21	15	40%	1,478	2,367	(38%)
Closing FUM	23,193	22,331	4%	6,316	5,721	10%	186	165	13%	29,695	28,217	5%

Notes to Schedules:

⁽¹⁾ Insurance and investment new business for overseas operations has been calculated using average exchange rates.

⁽³⁾ Annual Equivalents, calculated as regular new business contributions + 10% single new business contributions, are subject to roundings.

⁽⁴⁾ Reflecting the expanded investment business new business analysis on Schedule 2, 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.

⁽⁵⁾ In Asia, 'Other' insurance operations include Thailand, Indonesia, The Philippines, Vietnam, India (26% interest), China and Korea.

⁽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.

⁽¹¹⁾ Sales for overseas operations are converted to sterling 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.