



Prudential
Seizing
the
Opportunity

Financial Overview

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Prudential Corporation Asia
November 2004



Prudential Asia financial performance

Strong, diverse and sustainable

- **Diversity of geography, product and distribution for breadth of growth opportunities and lower volatility**
- **Consistent delivery across all metrics; material shareholder value already created**
- **Rapidly growing regional scale; increasingly generating surplus capital to remit to Group**
- **Solid platform for sustained profitable growth**



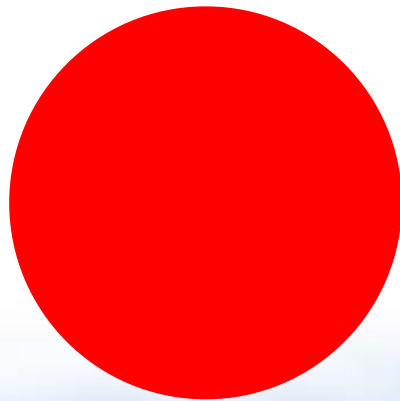
Consistent track record of delivery

	2000 (£m)	2001 (£m)	2002 (£m)	2003 (£m)	CAGR 00-03	H12004 (£m)
APE	207	349	437	506	35%	248
NBAP	125	204	258	263	28%	135
NBAP margin	60%	58%	59%	52%		54%
Mutual Funds : AUM	1,370	2,724	4,752	6,462	55%	7,092
Operating achieved profit* (before tax and MI)	175	342	447	346	26%	175
Operating MSB* (before tax and MI)	23	36	74	81	52%	67

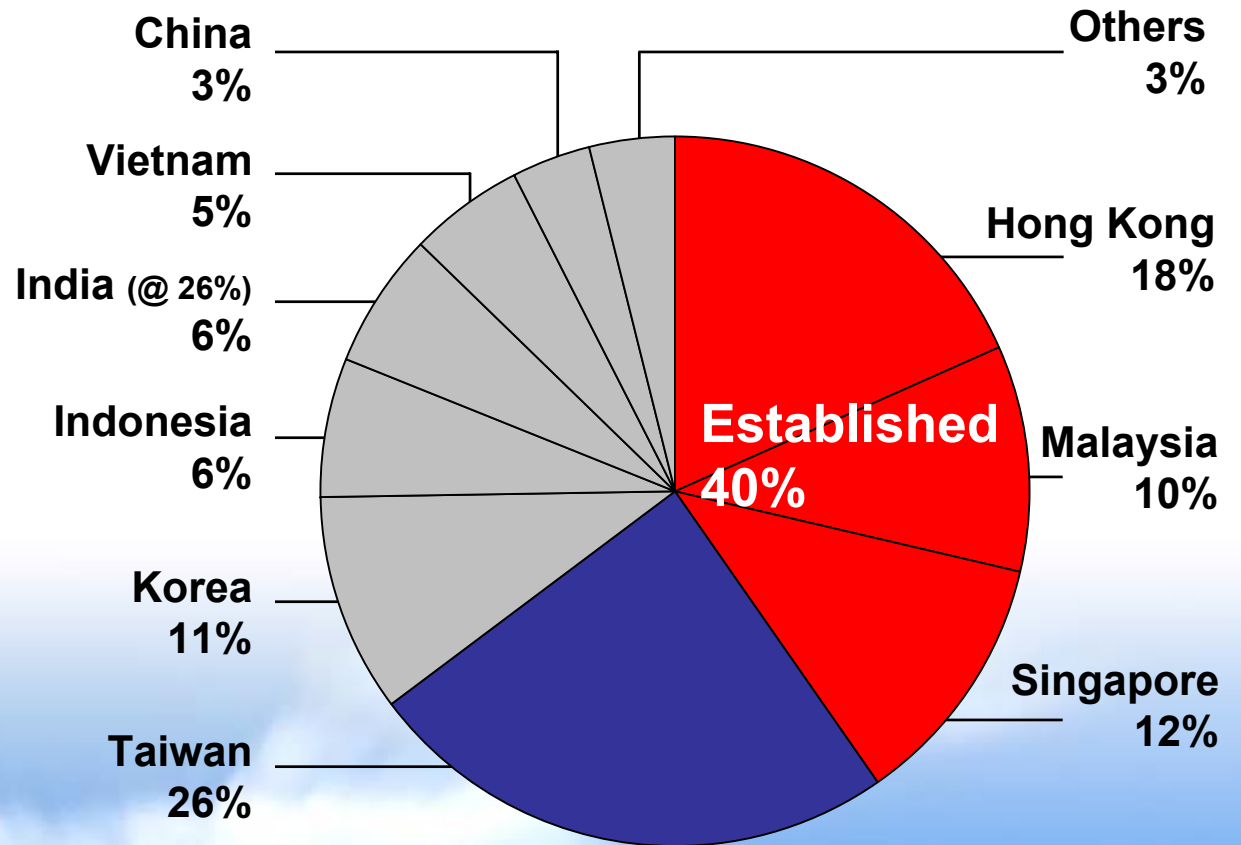
Successful diversification : Geography

APE : 1994
£ 70 million

APE : Q3 2004
£ 394 million



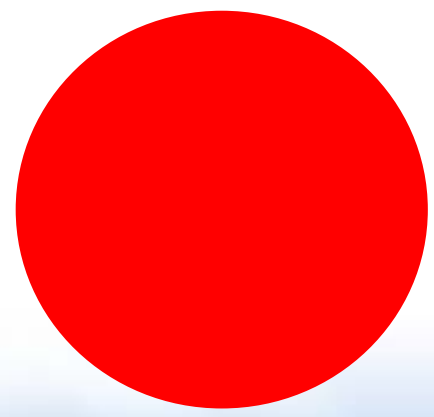
Established
100%





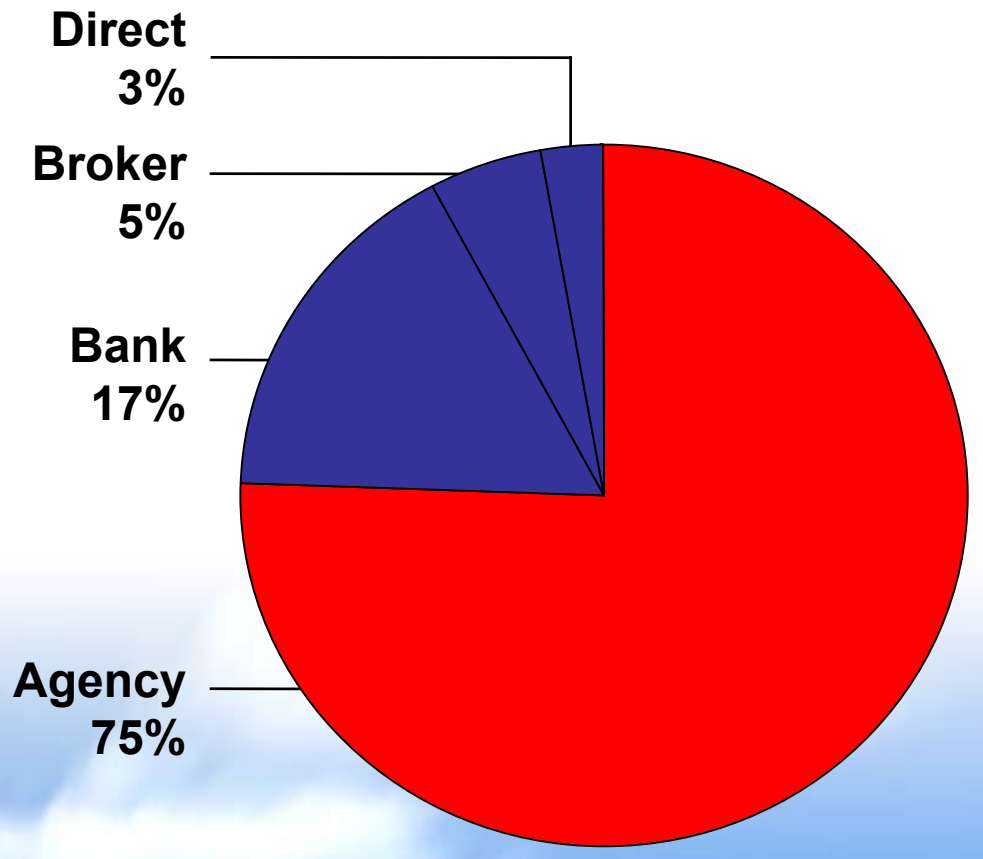
Successful diversification : Distribution

APE : 1994
£ 70 million



Agency
100%

APE : Q3 2004
£ 394 million



Agency
75%

Direct
3%

Broker
5%

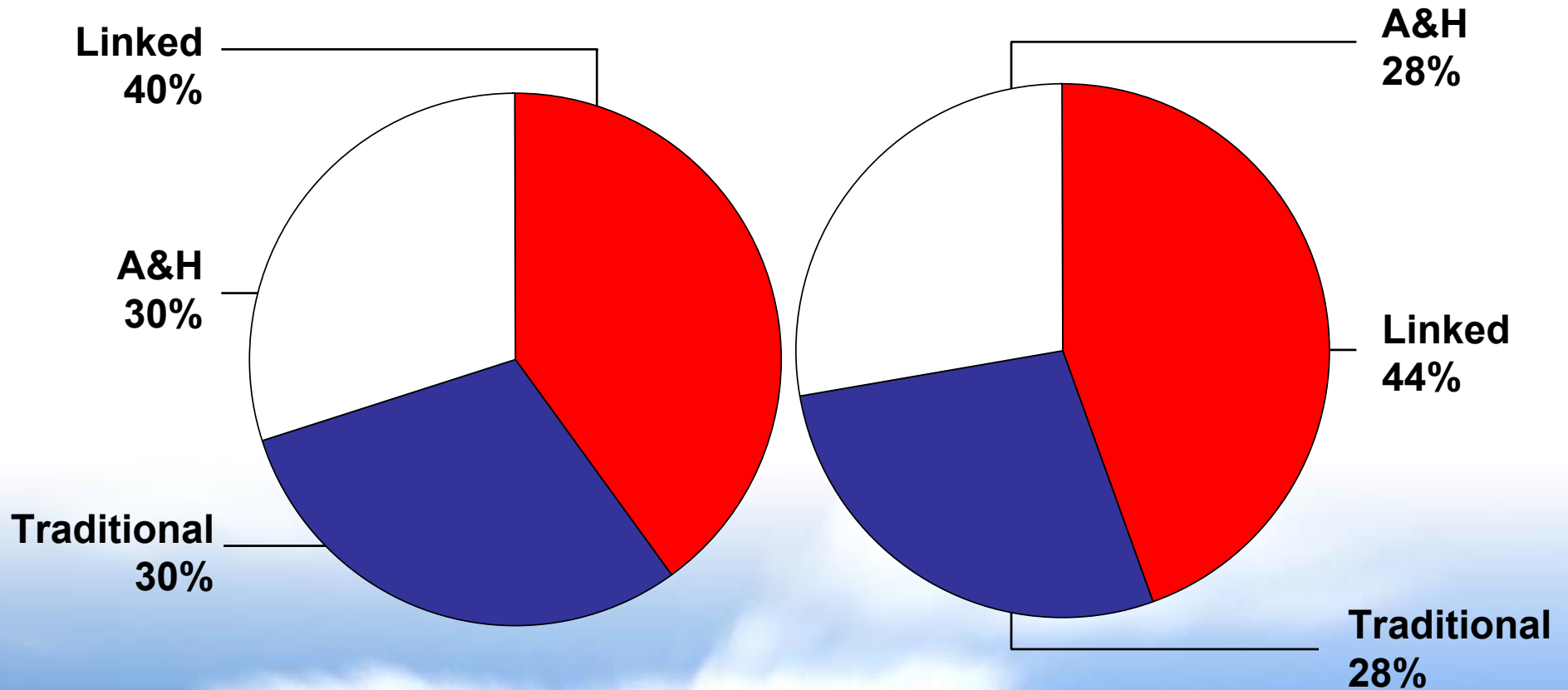
Bank
17%



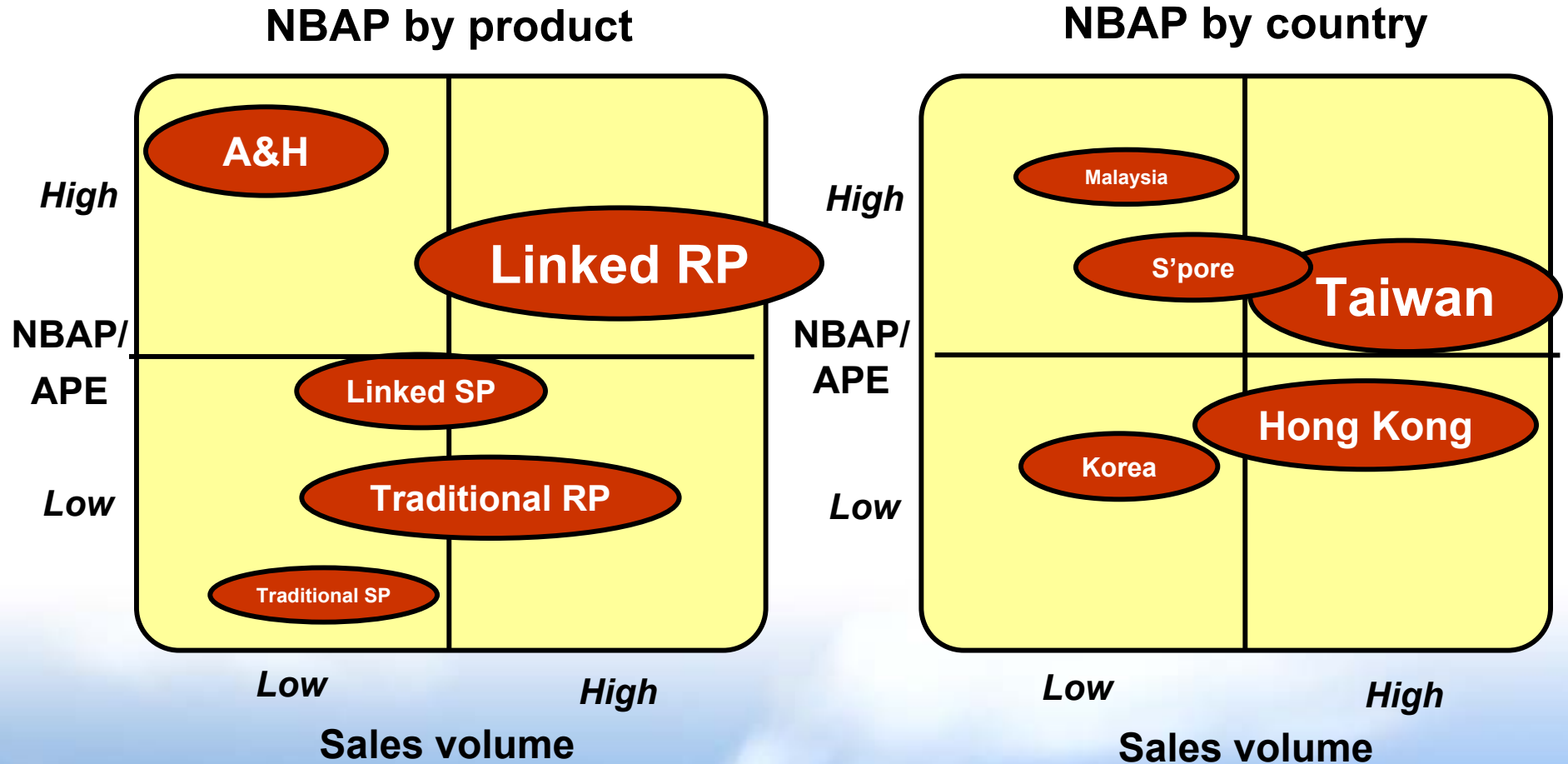
Maintaining a diversified product mix

NBAP : 2000
£ 125 million

NBAP : H12004
£ 135 million



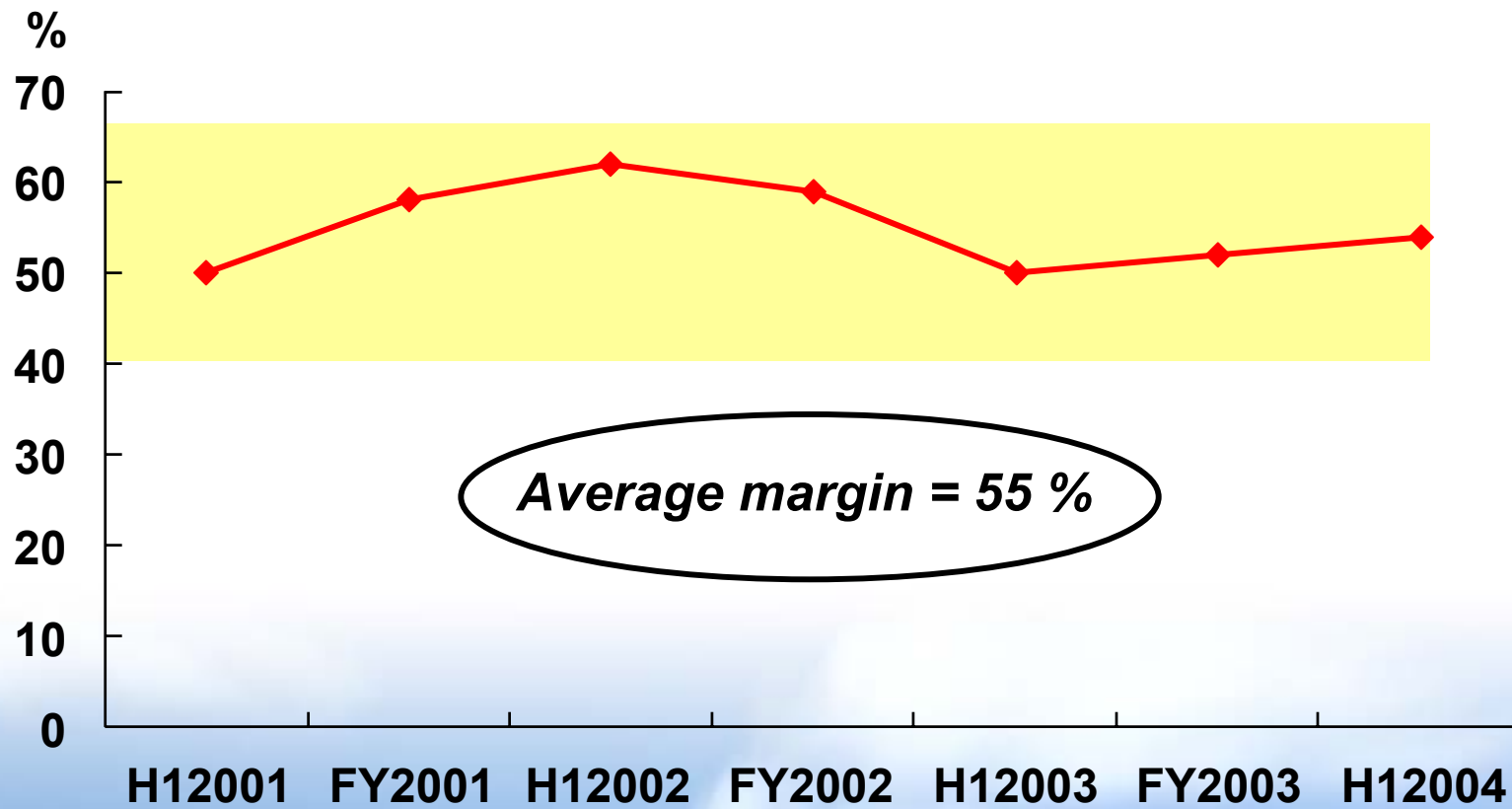
Managing product and geography mix





Maintaining good margins

NBAP margin on APE

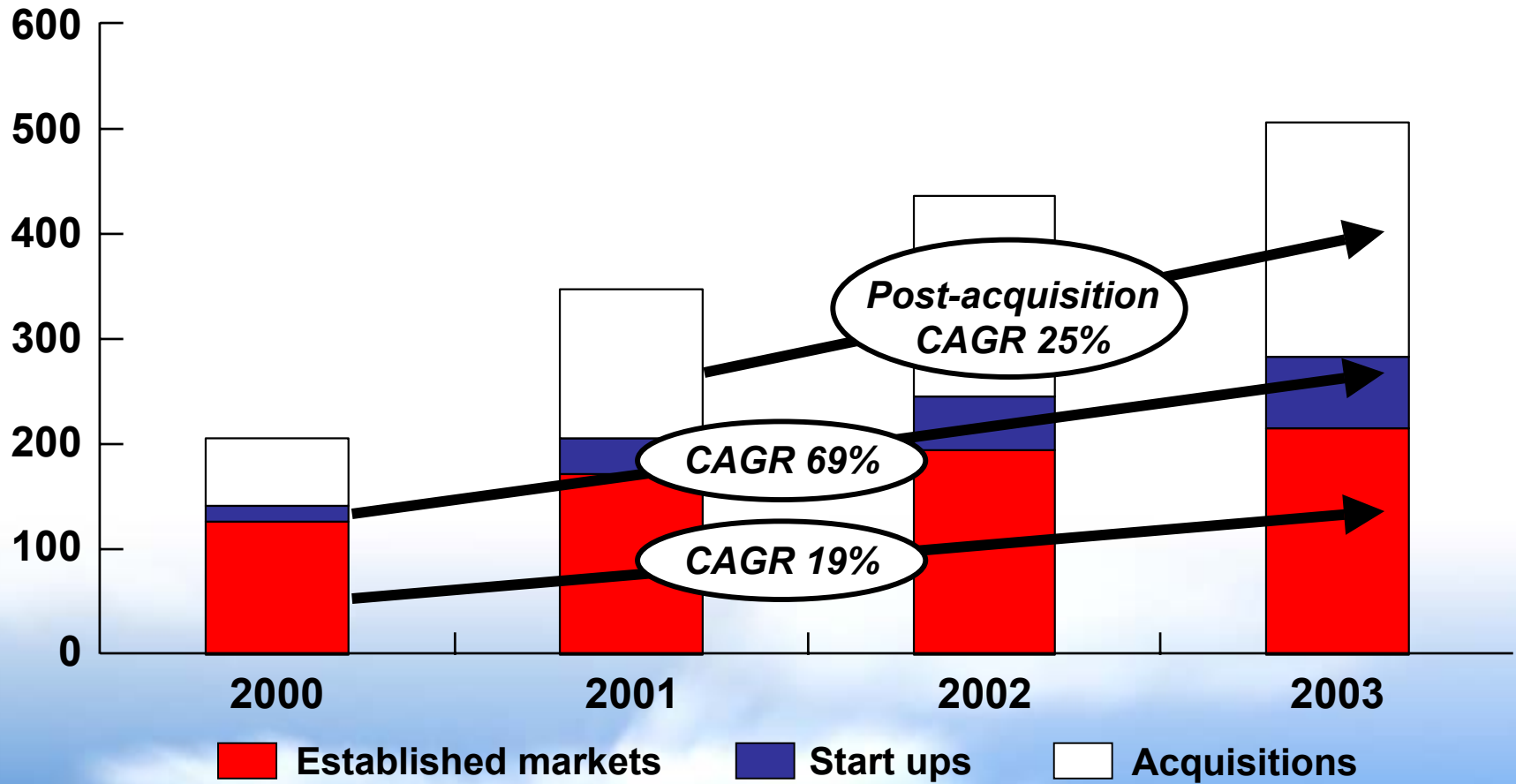




Driving organic growth : Life business

APE

£ million

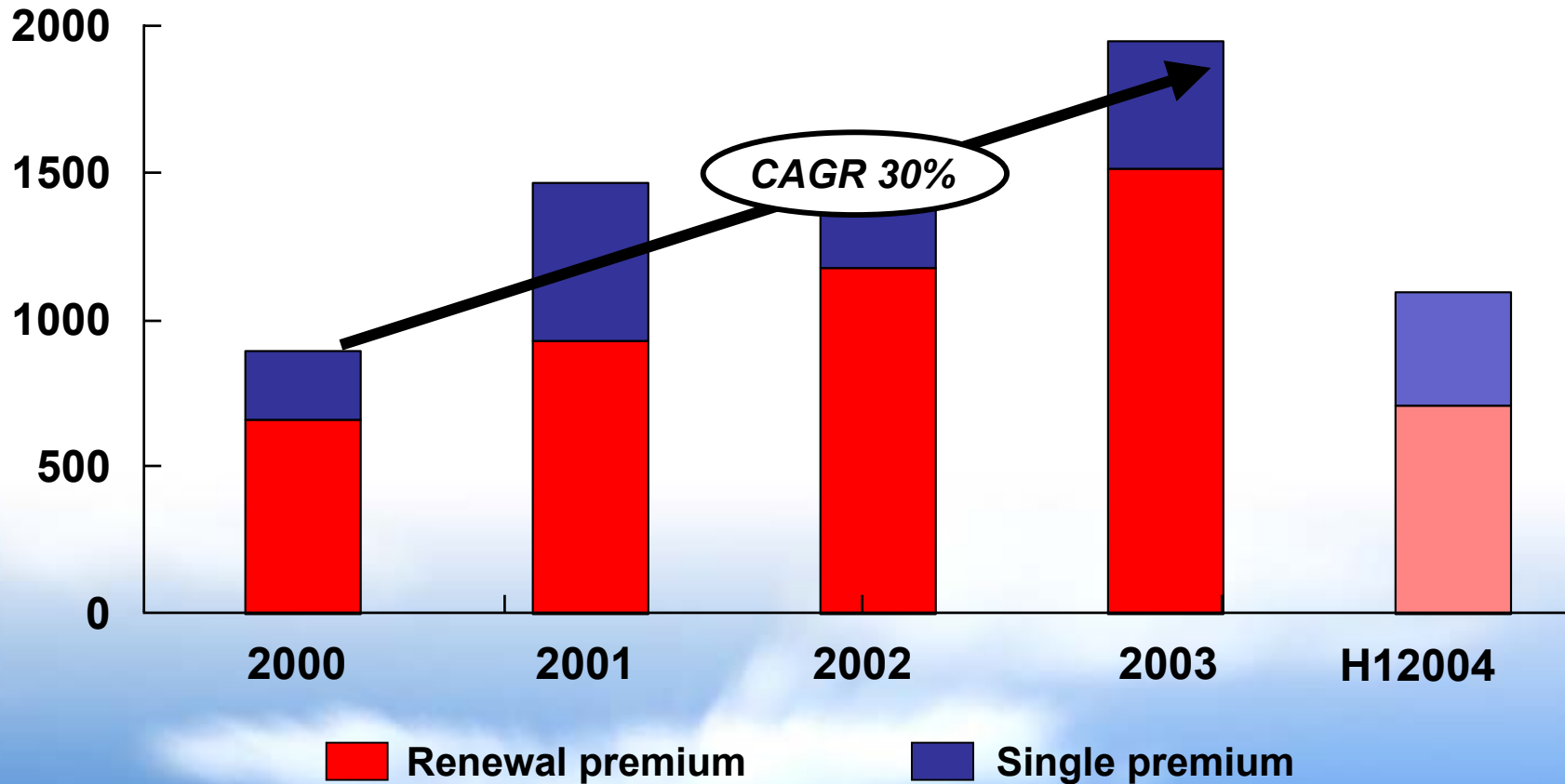




Building scale : Increasing inward cash flows

Revenue premiums

£ million

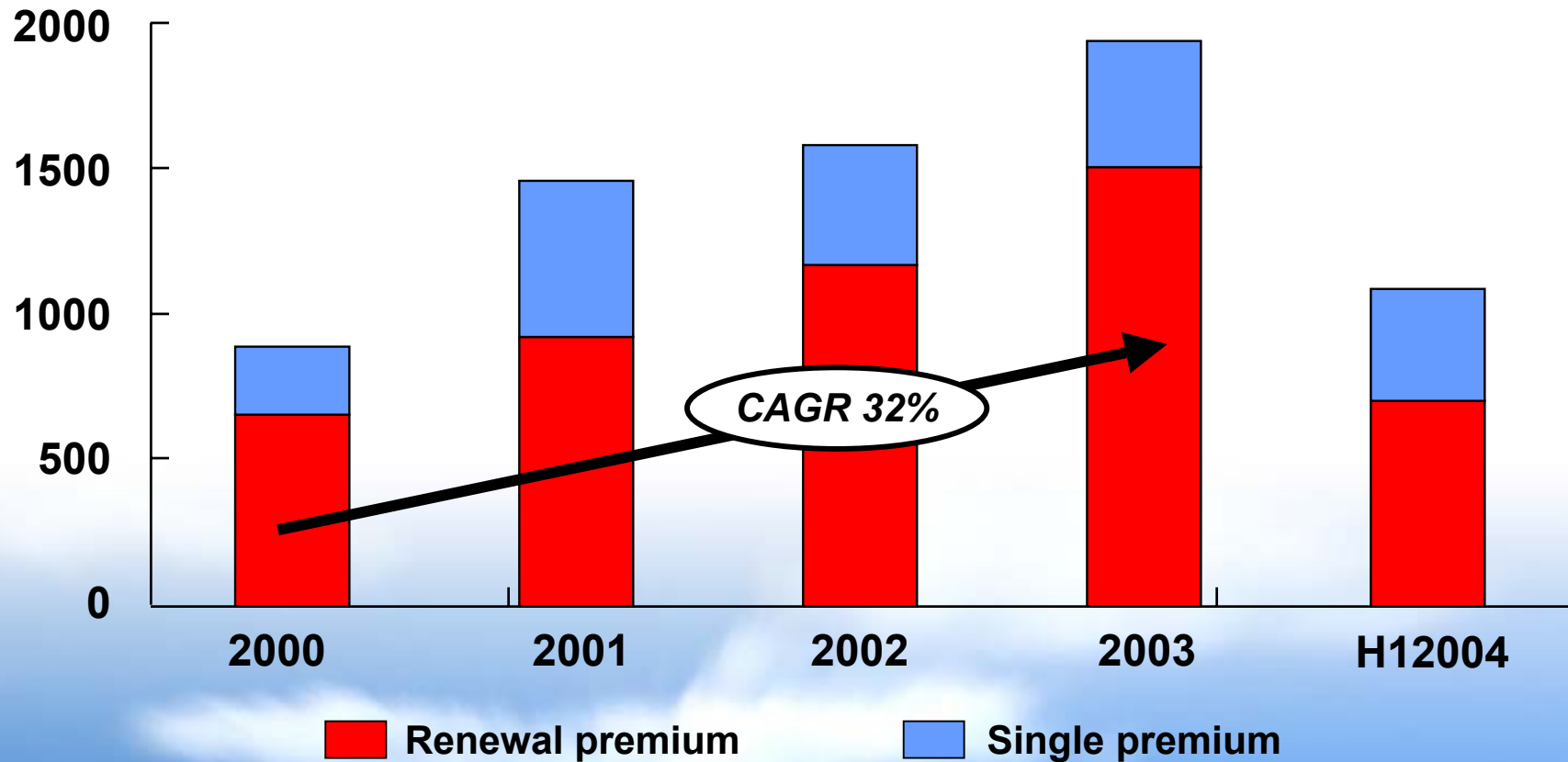




Significance of regular premium business

Renewal premiums give stability to cashflows

£ million



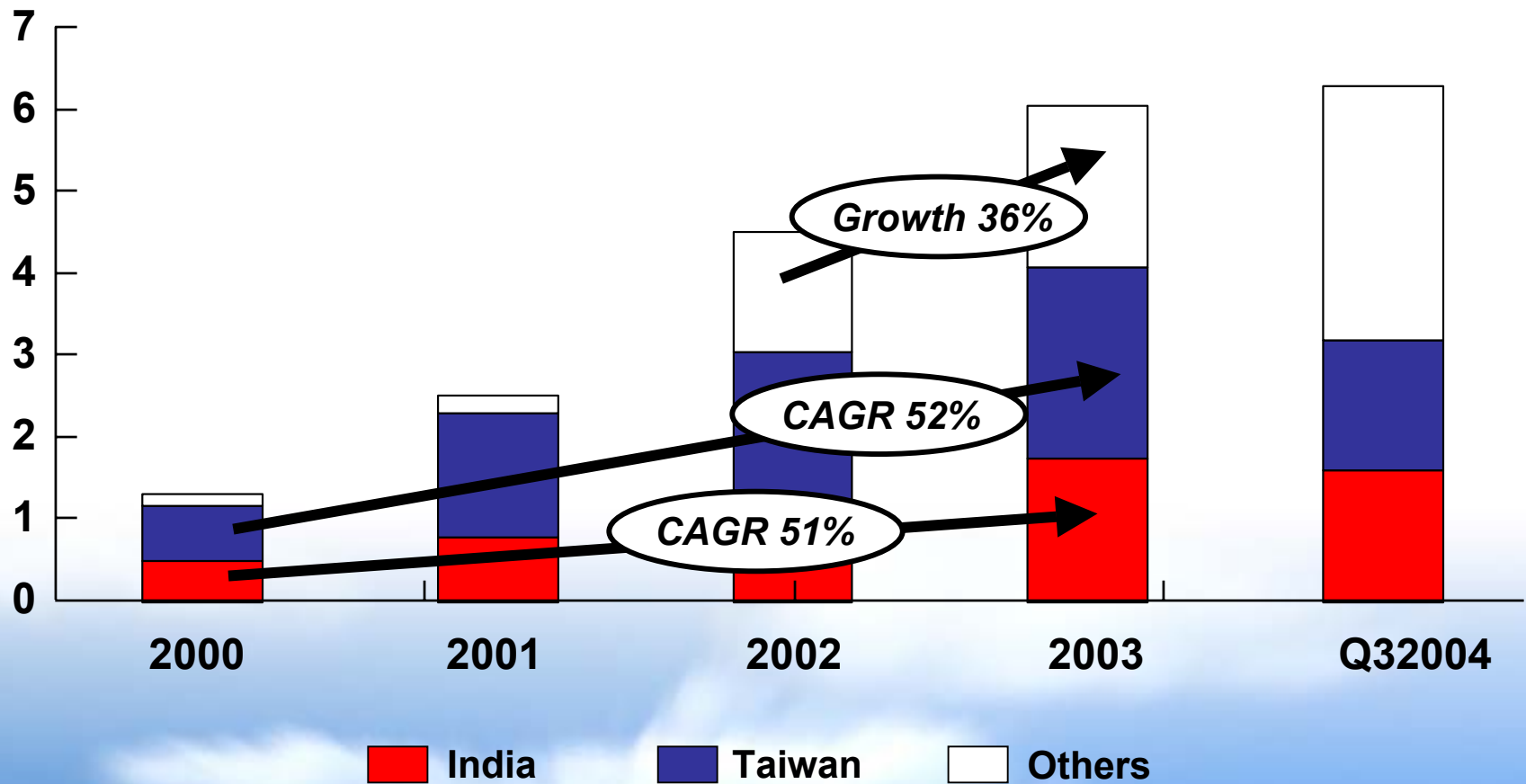
CAGR 32%



Driving organic growth : Mutual funds

Funds under management

£ billion

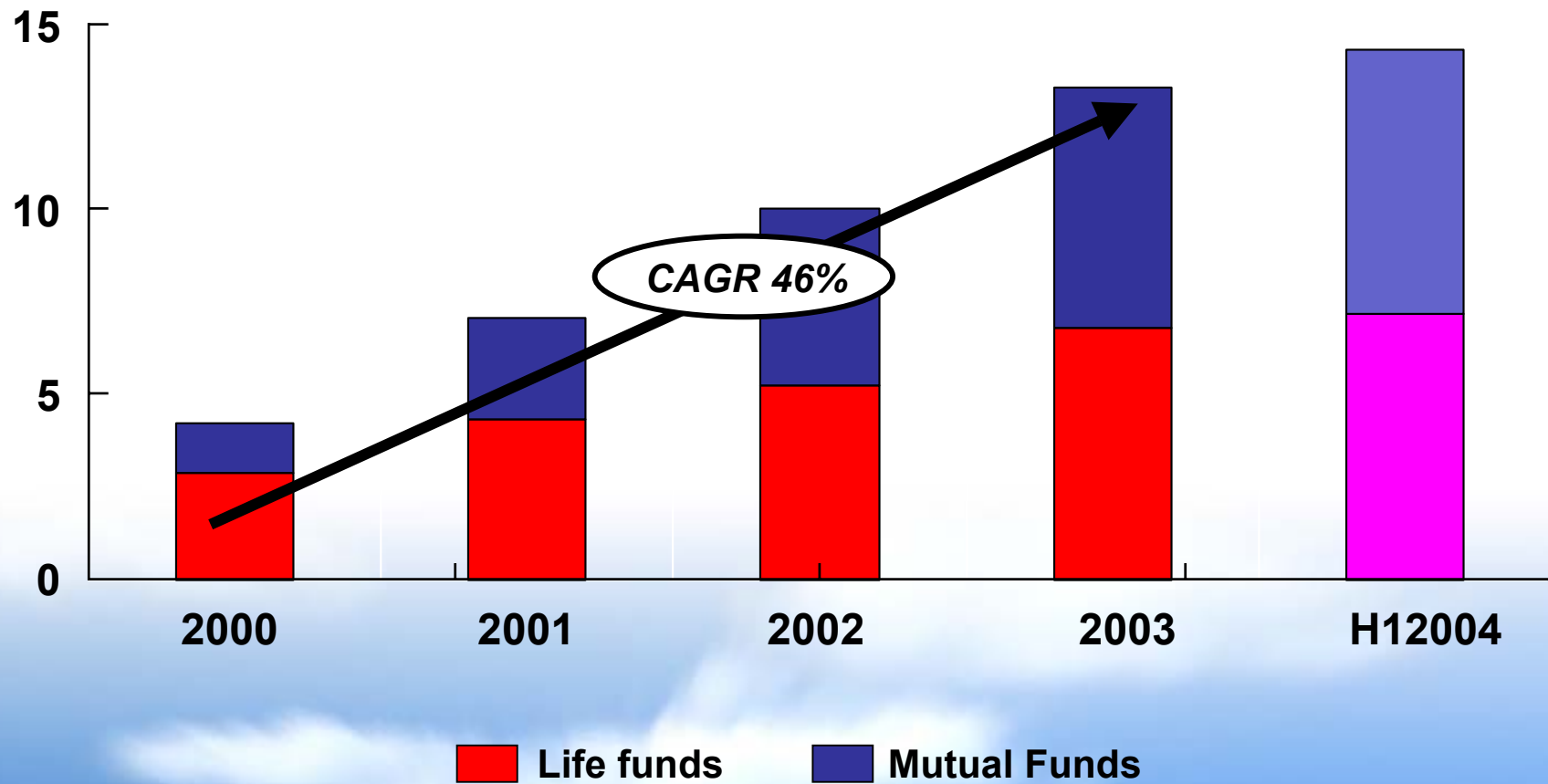




Building scale : Material funds under management

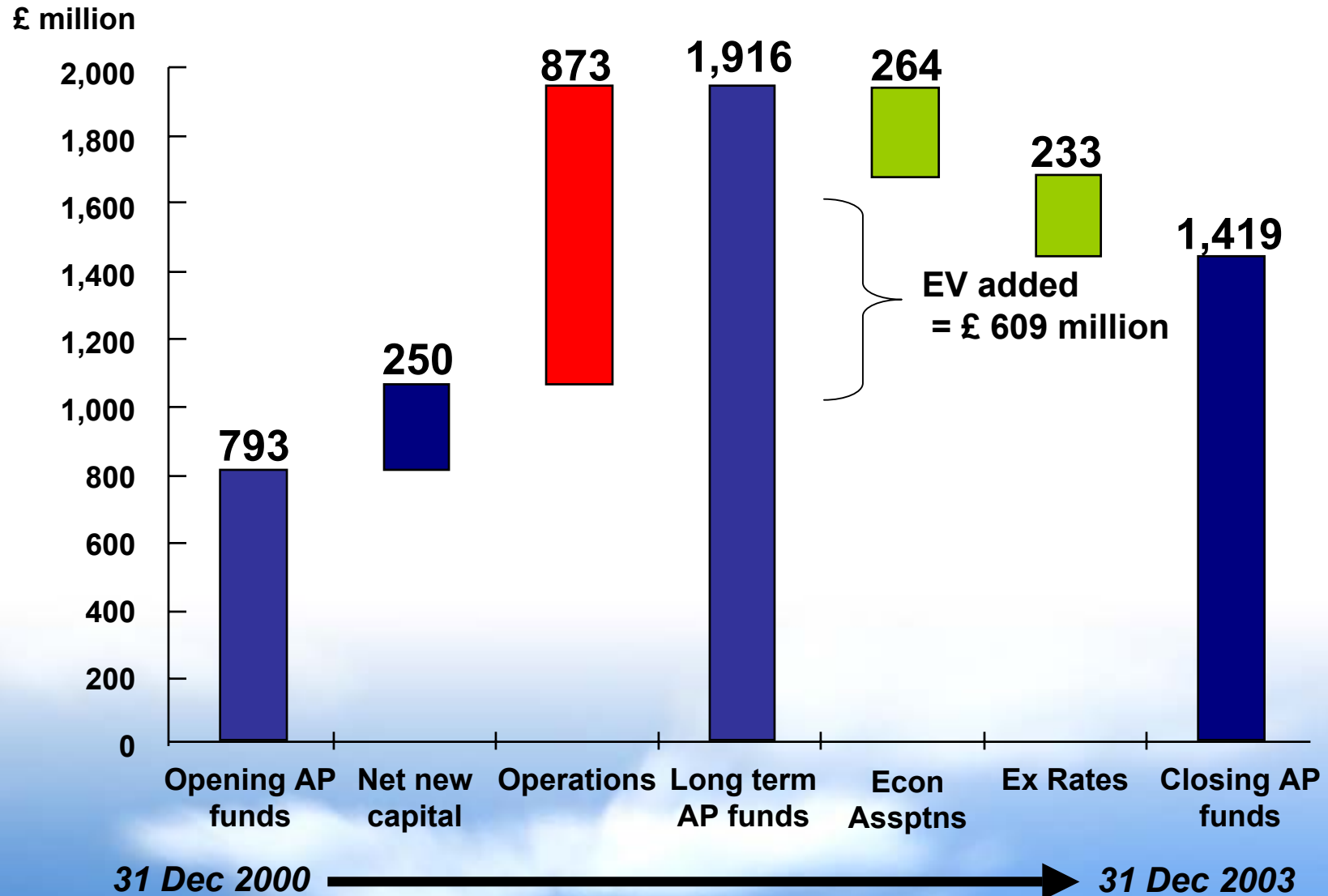
Funds under management (sourced in Asia)

£ billion





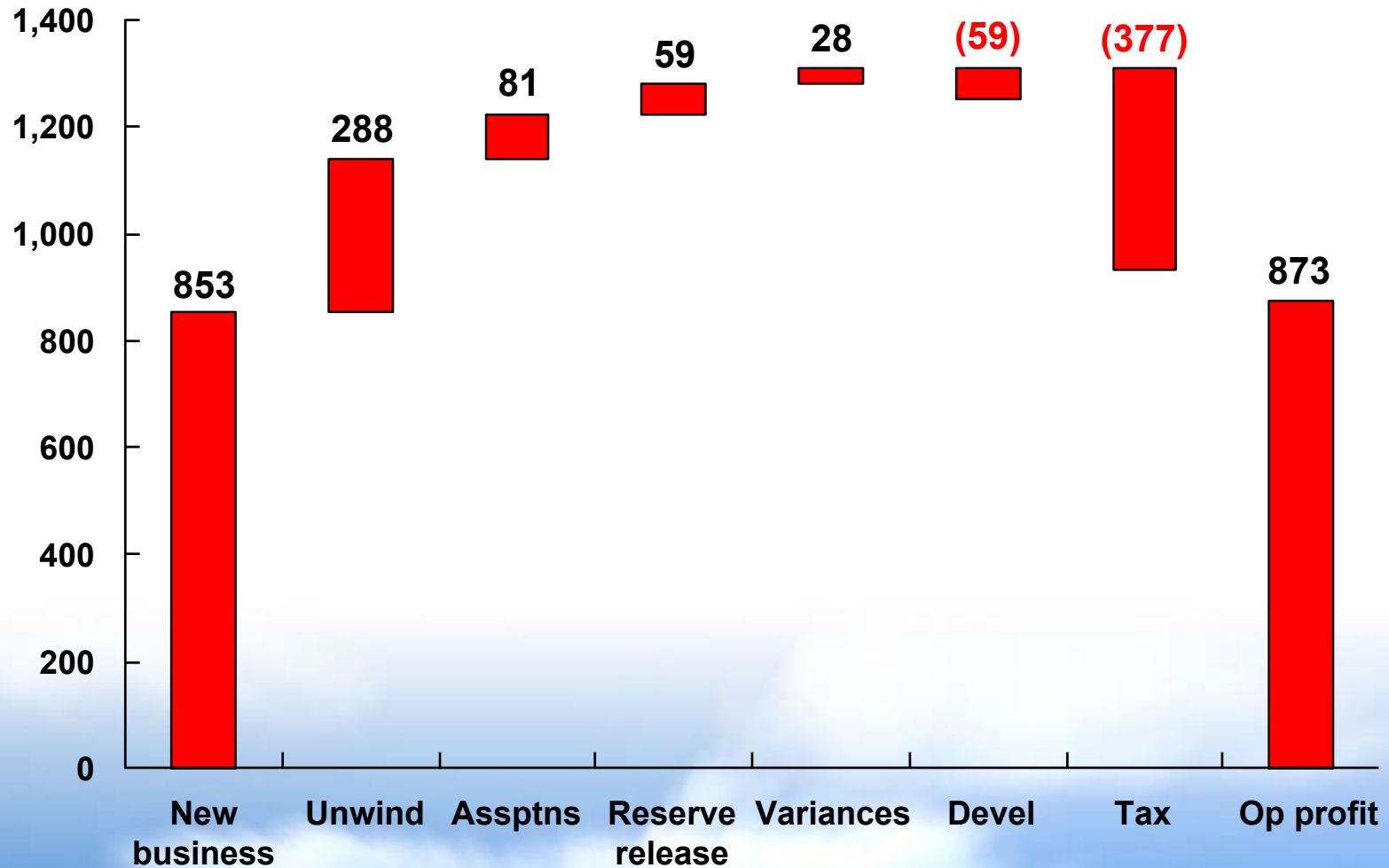
Embedded value created : 2001 - 2003





New business is main driver of operating achieved profits

£ million

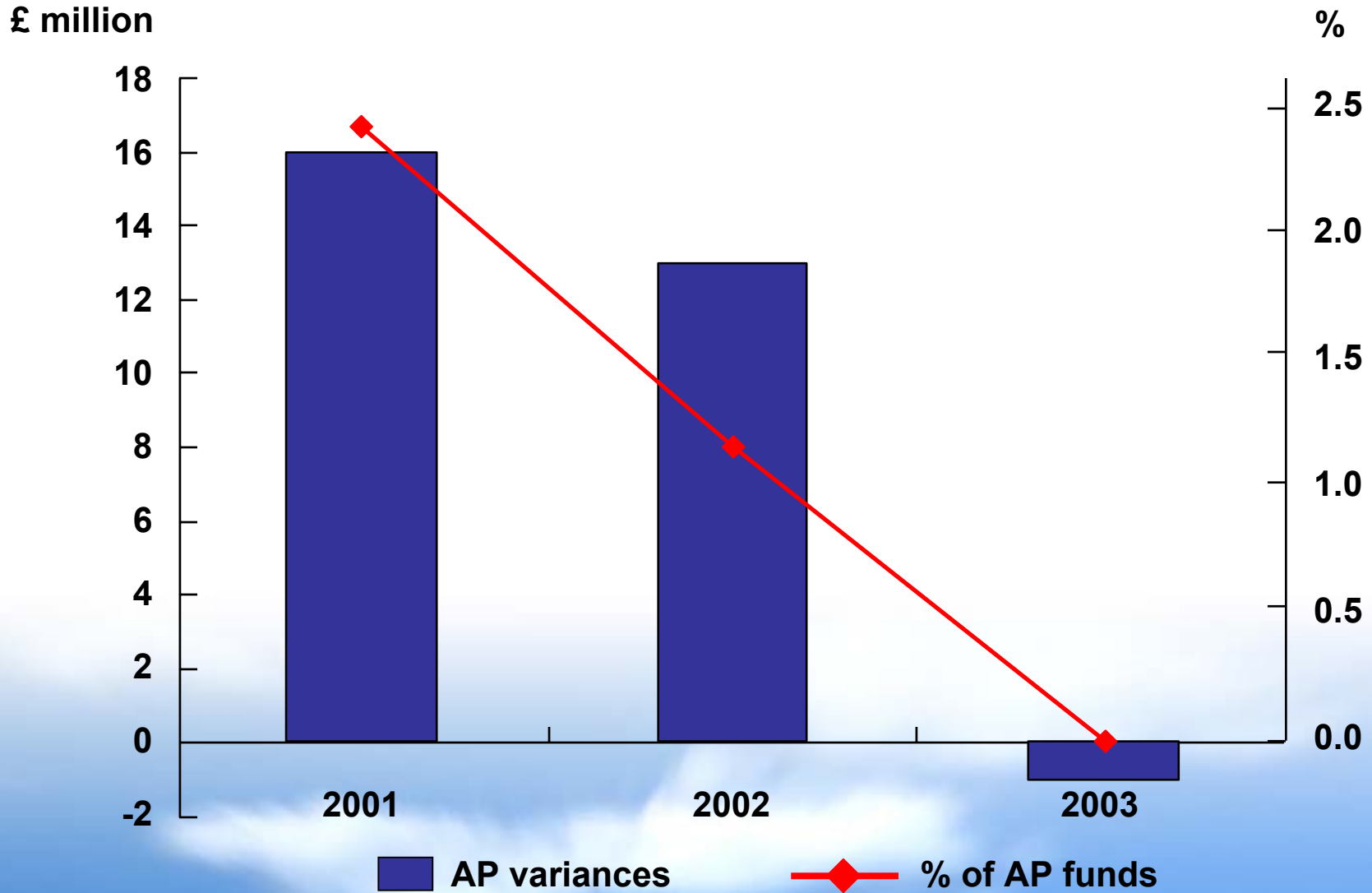


← 1 Jan 2001 to 31 December 2003 →



Small AP experience variances

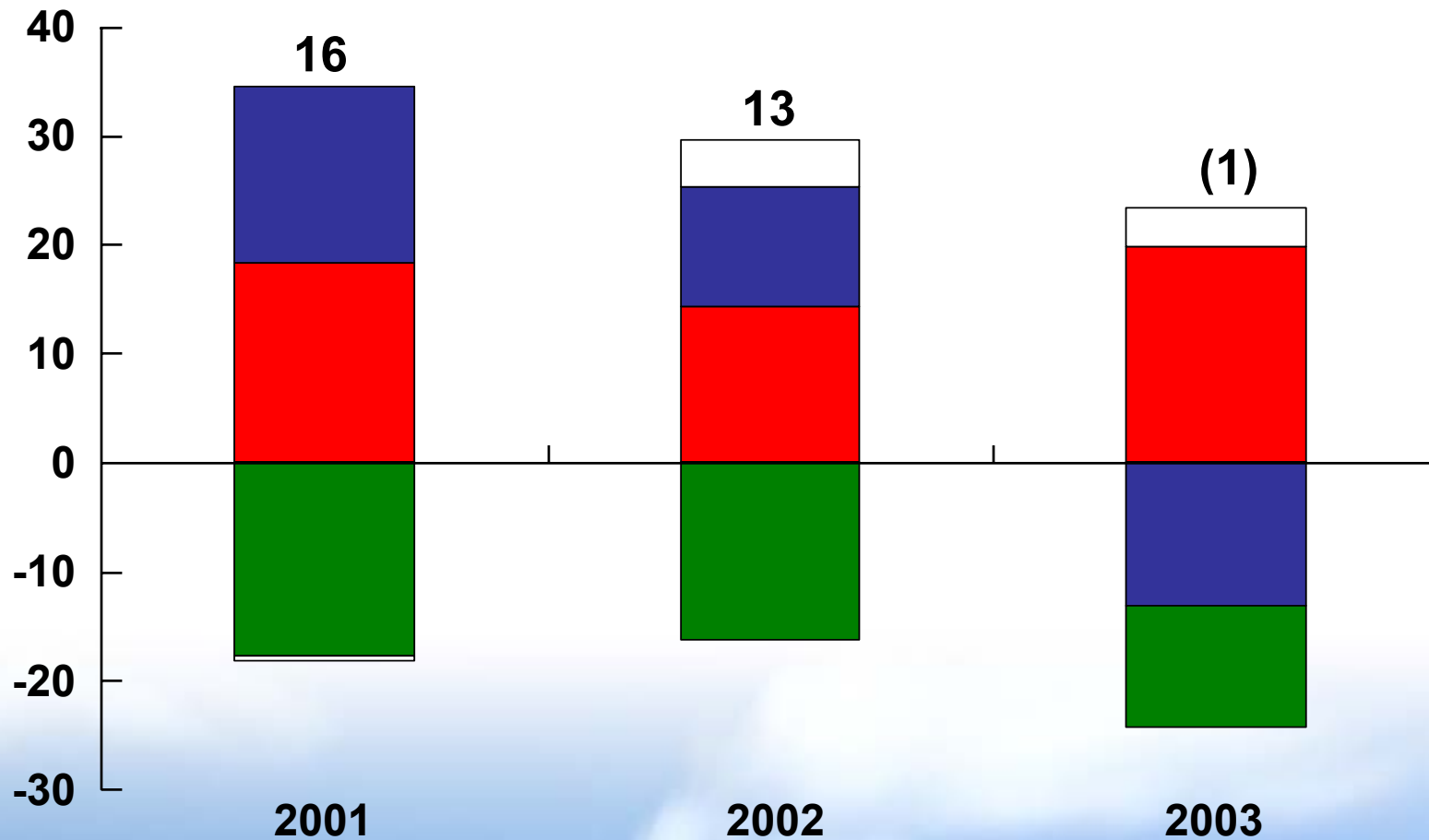
AP variances as % of opening AP shareholder funds





AP experience variances in detail

£ million



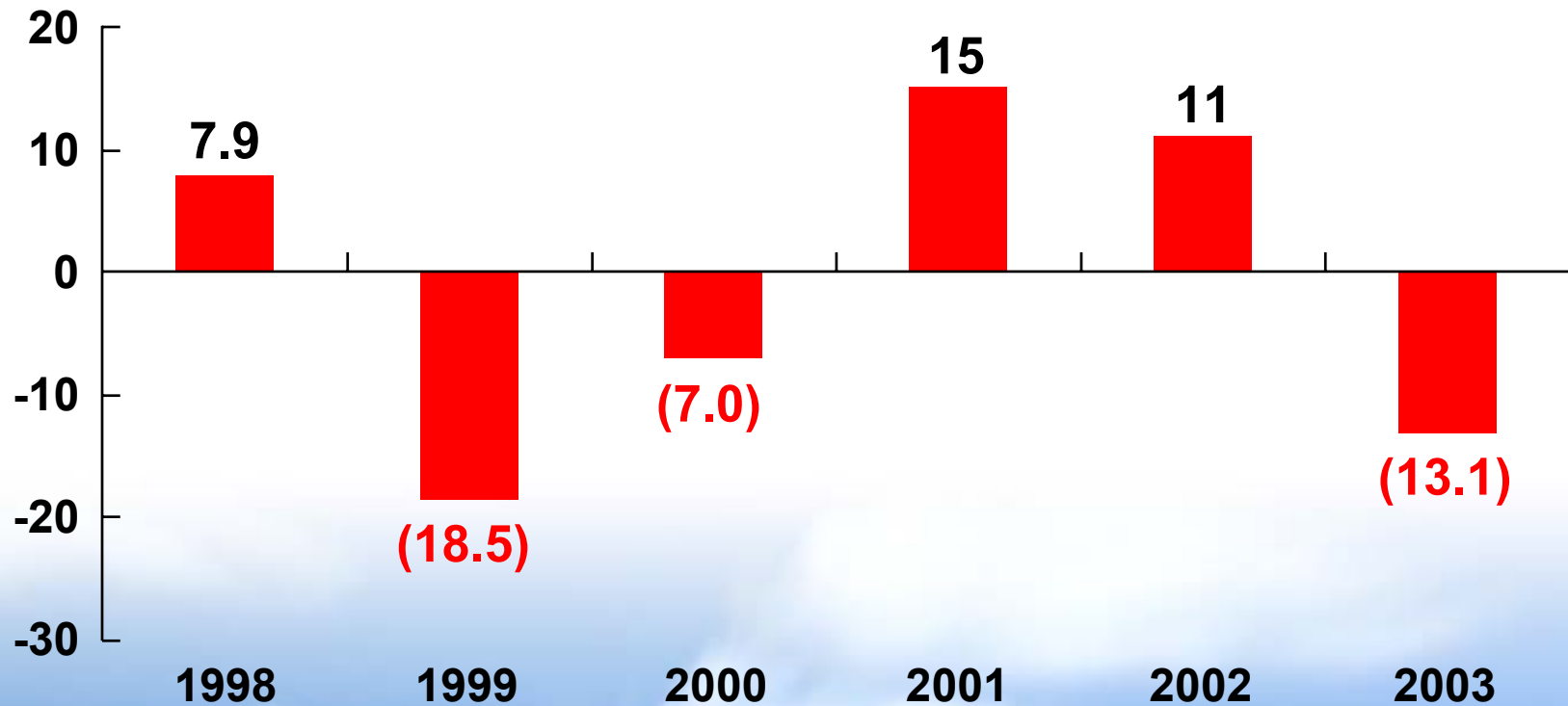
Claims Persistency Expenses Others



Persistency variance trend

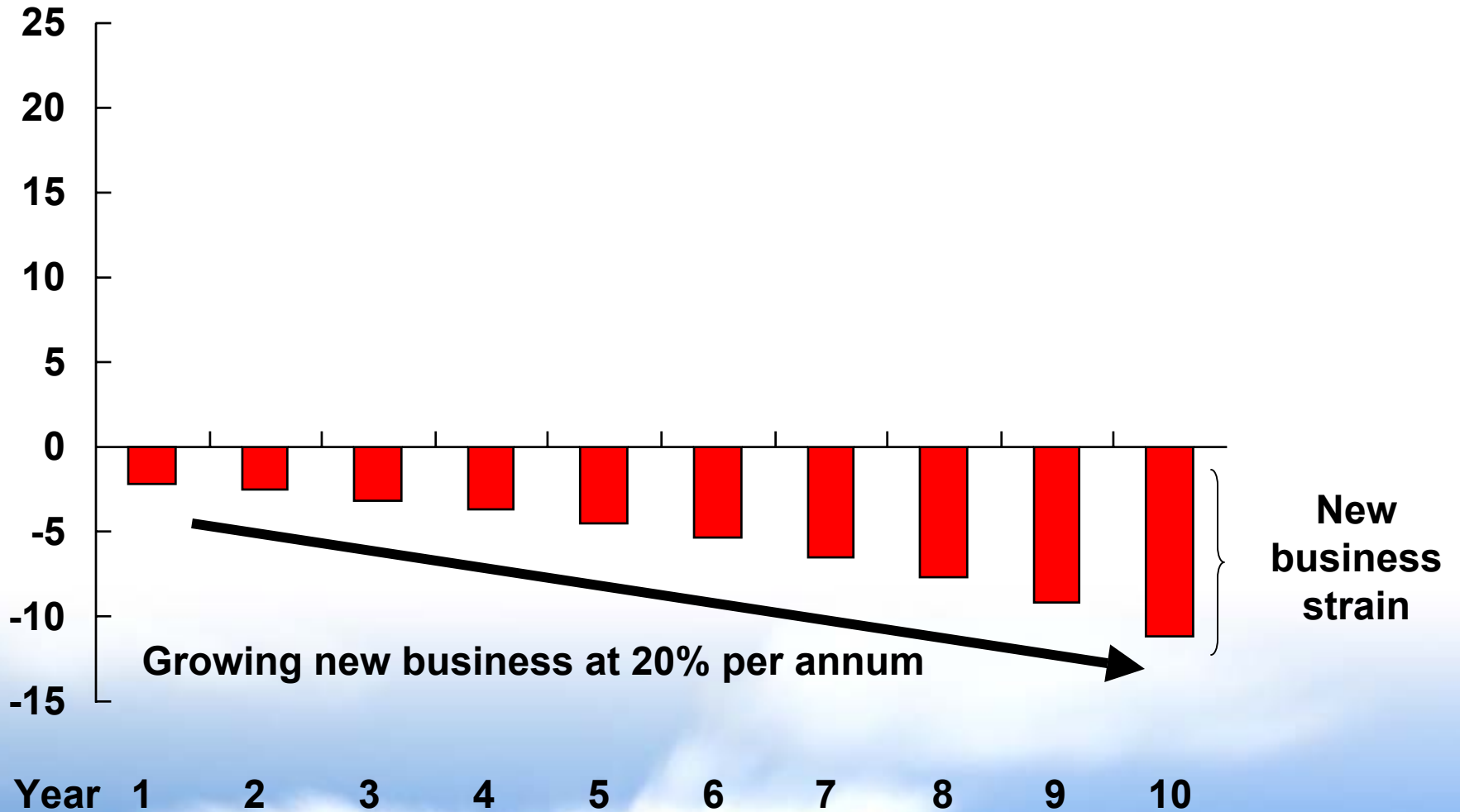
Average persistency variance over the last 6 years less than £1 million

£ million



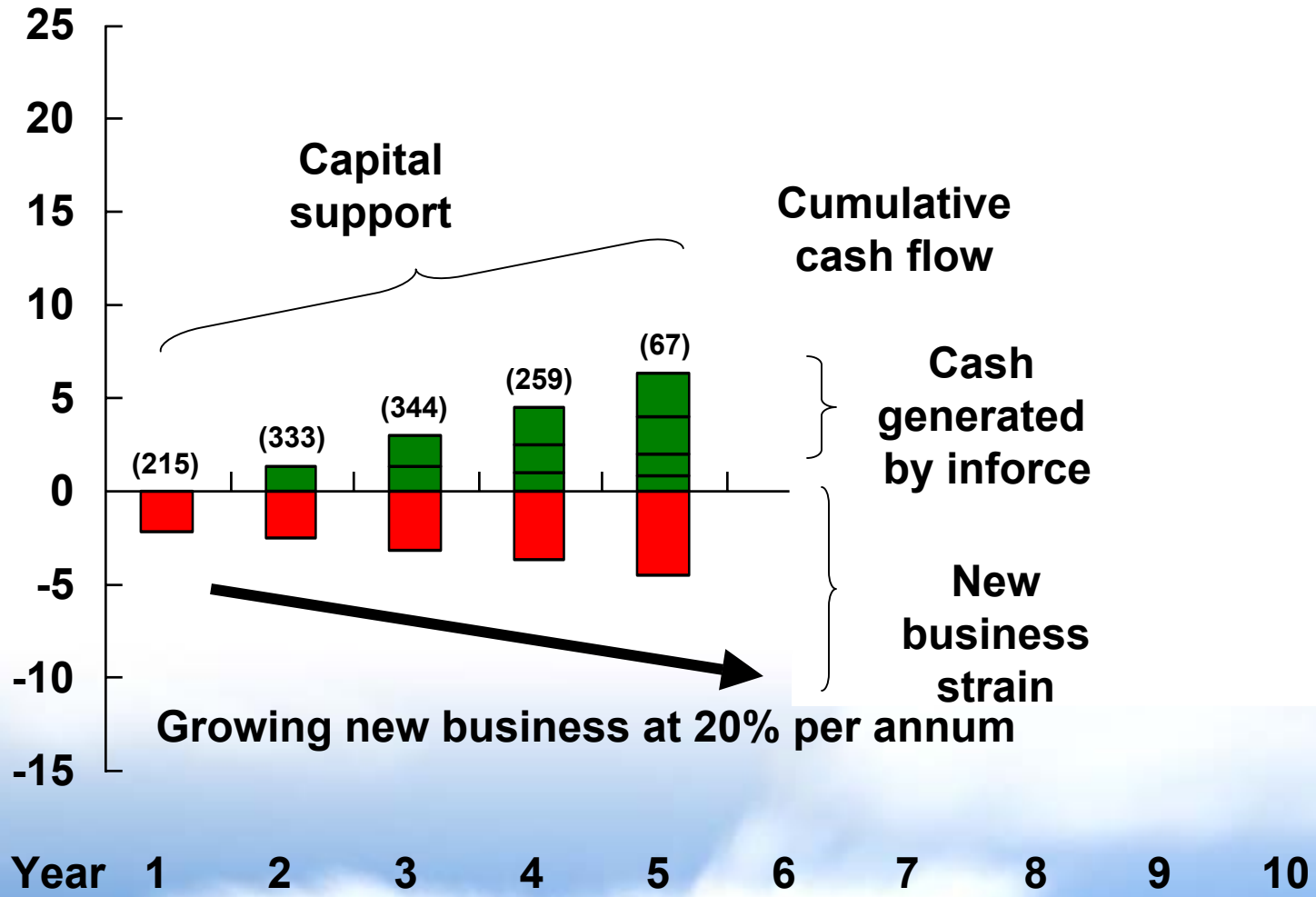


New business strain grows with sales



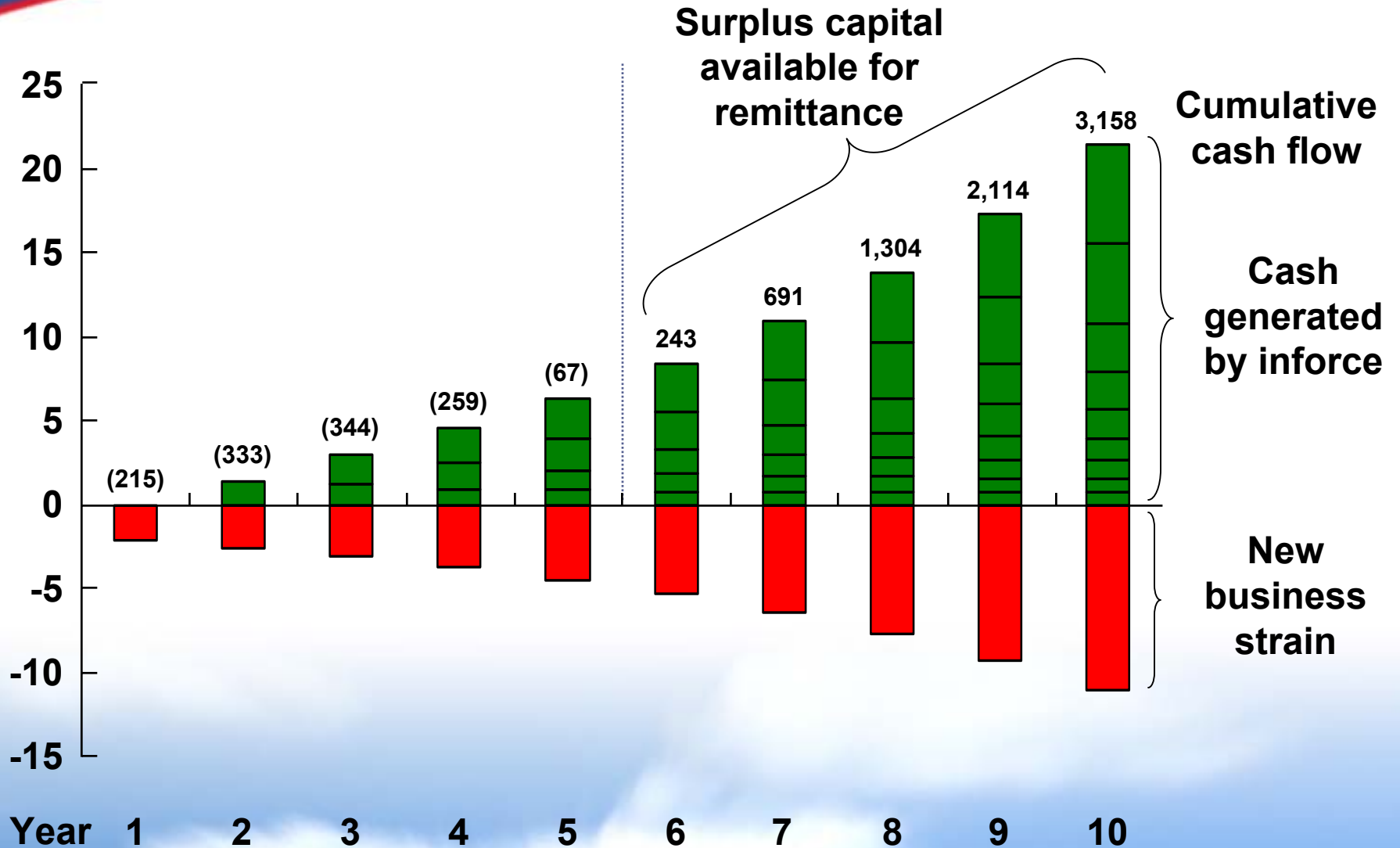


In the early days in-force throws off insufficient cash to fund growth; external funding required



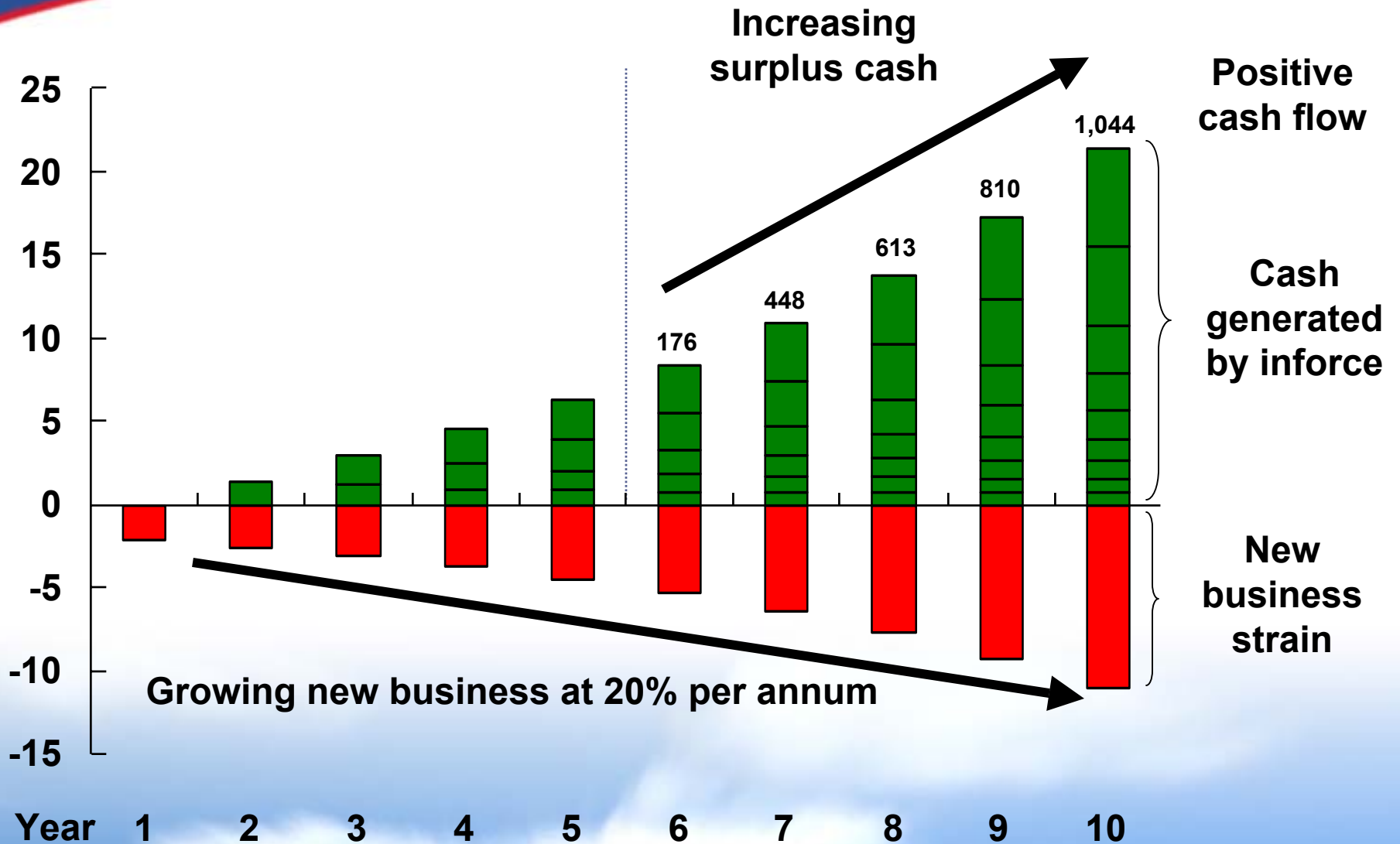


In time inforce throws off sufficient cash to fund internal growth *and remit capital*

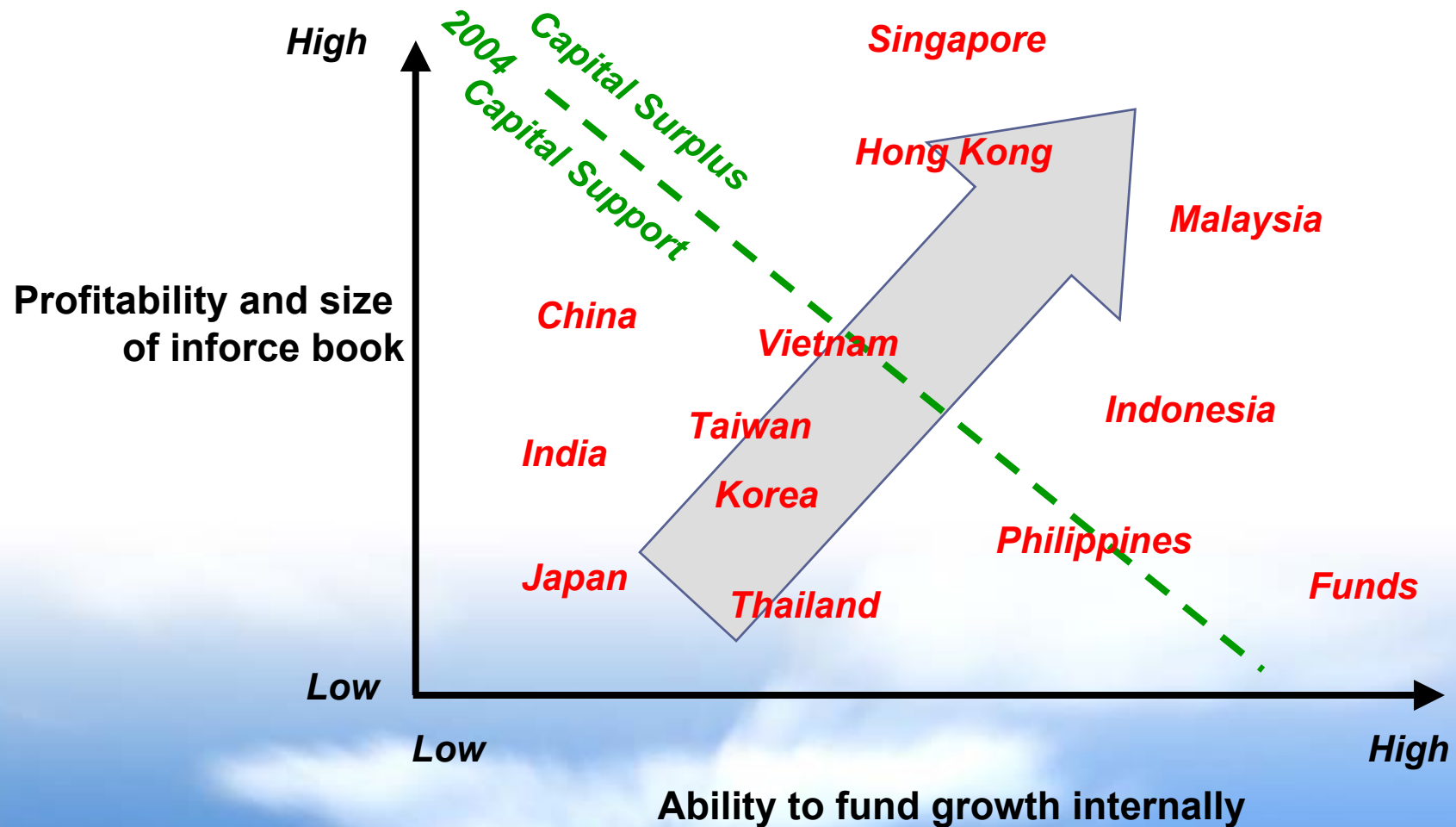




Growing in-force book funds growth internally and produces accelerating cash surplus

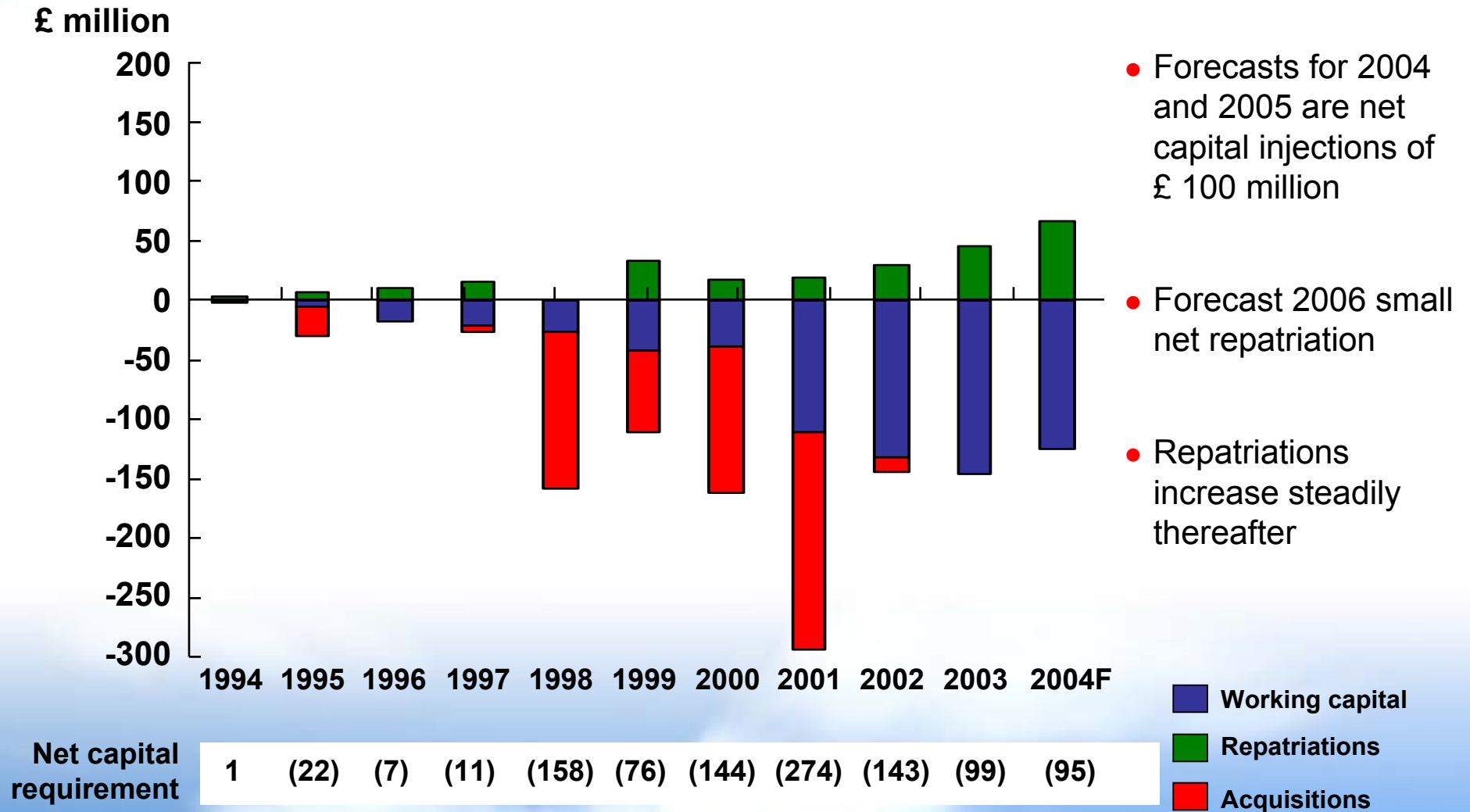


Consequences of increasing scale





Net capital repatriations from 2006





Summary

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問與答

Câu Hỏi và
Trả Lời

질문 & 답변

คำถาม
& คำตอบ

Q & A

Tanong
at sagot

Tanya
& Jawab

質問および回答

問與答

प्रश्न और जवाब



Prudential Seizing the Opportunity



PRUDENTIAL
英國保誠集團

機會

Peluang
機會

oportunidad