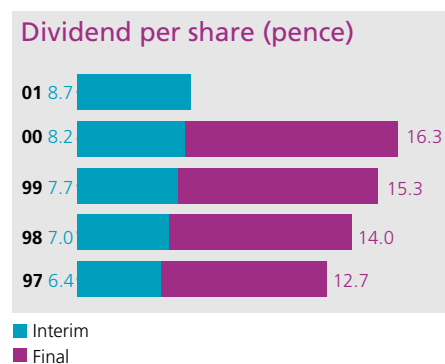




## Prudential plc Interim Report 2001

## 2001 Unaudited Interim Results



- Total Group insurance and investment sales £10 billion, up 44 per cent on first half 2000
- Record Group new business achieved profit £342 million, up 8 per cent on first half 2000
- Achieved basis operating profit £677 million (before UK re-engineering costs), up 16 per cent on first half 2000
- Total Group funds under management £168 billion, as at 30 June 2001
- Dividend increases 6.1 per cent to 8.7 pence per share

### Results Summary

	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m
New business			
Long-term insurance and investment products:			
Single premiums	9,681	6,709	13,354
Regular premiums	351	253	569
Insurance products	6,045	5,571	10,439
Investment products	3,987	1,391	3,484
Total	10,032	6,962	13,923
Annual premium equivalent <sup>4</sup>	1,319	924	1,904
<b>Achieved profits basis results<sup>1</sup></b>			
Operating profit before tax			
UK Insurance Operations:			
Long-term business	377	329	708
General business	35	35	33
	412	364	741
M&G	40	69	125
Egg	(63)	(81)	(155)
UK Operations	389	352	711
US Operations	238	208	226
Prudential Asia	134	77	213
Prudential Europe	5	9	17
Other income and expenditure (including development expenses)	(89)	(60)	(138)
	677	586	1,029
UK re-engineering costs	(24)	-	-
Total operating profit before tax <sup>2</sup>	653	586	1,029
Analysed as operating profit from:			
Long-term business			
New business	342	317	613
Business in force	401	304	544
Other operations	(90)	(35)	(128)
	653	586	1,029
Operating earnings per share <sup>2</sup>	23.4p	21.3p	38.2p
Profit on ordinary activities before tax	364	545	728
Shareholders' funds	£9.1bn	£8.9bn	£8.8bn

<b>Statutory basis results</b>	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m
Operating profit before tax <sup>2</sup>	<b>362</b>	425	840
Operating earnings per share <sup>2</sup>	<b>13.4p</b>	15.7p	31.5p
<b>Dividend per share</b>	<b>8.7p</b>	8.2p	24.5p
<b>Insurance and investment funds under management</b>	<b>£168bn</b>	£156bn	£165bn
<b>Banking deposit balances under management</b>	<b>£6.9bn</b>	£7.9bn	£7.6bn

#### Notes

- The achieved profits basis results include the results of the Group's long-term insurance operations on the achieved profits basis combined with the statutory basis results of the Group's other operations, including unit trusts, mutual funds, and other non-insurance investment management business.  
  
In the directors' opinion the achieved profits basis provides a more realistic reflection of the performance of the Group's long-term insurance operations than results under the statutory basis.
- Operating profit for insurance operations includes investment returns at the expected long-term rate of return. For the purposes of the presentation shown above, to be consistent with the alternative earnings per share, operating profit excludes amortisation of goodwill and merger break fee, net of related expenses. The directors believe that operating profit, as adjusted for these items, better reflects underlying performance. Total profit includes these items together with actual investment returns and profit on business disposals.
- Further achieved profits basis information and an abridged statutory profit and loss account are included within this announcement.
- Annual premium equivalents are calculated as the aggregate of regular new business premiums and one tenth of single new business premiums.
- The dividend will be paid on 29 November 2001 to shareholders on the register at the close of business on 21 September 2001. A scrip dividend alternative will be offered to shareholders.

# Group Chief Executive's Review

## Group Overview

In the first half of 2001, Prudential plc delivered a strong financial performance, demonstrating the Group's commitment to increasing the breadth and depth of the business worldwide.

The overall strength of the business is clearly demonstrated by our Group-wide sales in the first half, with a record inflow of new insurance and investment funds of £10 billion, up 44 per cent on the same period last year. Sales on an annual premium equivalent basis were £1,319 million, 43 per cent ahead of same period last year.

New business achieved profit was at an all-time high at £342 million, 8 per cent ahead of the same period last year. This was mainly due to strong sales growth in the UK, and across the Asia region, including first time contributions from its new operations. Fifty eight per cent of our new business achieved profit now comes from outside the UK and Europe.

Total Group achieved basis operating profit (before UK re-engineering costs of £24 million) was £677 million, up 16 per cent on the same period last year. The re-engineering costs relate to the closure of the UK direct sales force.

Group total new funds inflow in the first half of 2001 of £10.9 billion was 31 per cent above new funds inflow in the first half of 2000 of £8.3 billion.

Our banking operations, Egg and Jackson Federal Bank, have grown retail assets by £900 million in the first half of 2001. Our total funds under management at the end of June 2001 were £168 billion.

Modified statutory basis operating profit for the first six months of 2001 was £362 million, down £63 million on the prior year. This primarily reflects: the effect of the continued fall in world equity markets on our income; our investment in Japan; development expenditure for initiatives in Europe; and the cost of the closure of the UK direct sales force.

## Dividend

The Board has increased the interim dividend by 6.1 per cent to 8.7 pence per share.

## Driving the Business Forward

We will maintain our strategy of developing an international retail financial services business by broadening our geographic presence, distribution channels, and range of products. We continue with our stated ambition for sustainable growth as we seek to expand the business by organic means, through joint ventures, and by acquisition.

The new business sales and interim profits show a strong Group performance and the success of our strategy. This result has been achieved against a backdrop of an increasingly competitive environment and adverse market conditions in some areas. These results show that the business is in good shape for the future.

The proposed merger with American General was in line with our strategy, although clearly of a much larger scale. It demonstrated our focus on growth opportunities on an international platform and would have radically increased our scale and market share in the United States. Combined with our rapid expansion in Asia, the exciting potential in Europe and our strong position in the UK, it would have greatly accelerated the Group's overall scale and position. Despite the fact that we did not complete this particular merger, our ambition to grow the business in the US remains. This focus on growth is how we intend to deliver long-term value to our shareholders.

## United Kingdom

Prudential is a scale operation with some of the biggest financial services brands and customer bases in the UK. Over the last five years, our domestic business has undergone a transformation.

Five years ago we had a total of 16,500 UK employees, of which 5,000 were in the direct sales force, and we only operated under one brand. We now have a UK business model with multiple brands, enhanced delivery channels both direct and through intermediaries, and a broad product range.

In 1997 we acquired Scottish Amicable, to increase distribution via the intermediary channel. In 1999 we acquired M&G, now our UK and

European investment manager, to increase our retail unit trust presence and product diversification in this important and rapidly growing market. Just over five years ago we created Prudential Bank, aiming to capture maturity monies. In 1998 we took the concept of banking to a higher level, with the establishment of Egg. With over 1.7 million customers, Egg is now widely acknowledged as the UK's leading digital financial services provider.

With over four million new customers gained through channels added since 1996, Prudential has continued to change, innovate and evolve across the UK business, diversifying both products and distribution.

In the first half of 2001, the UK businesses recorded strong sales results in the key product areas, where we have leading market positions. UK sales (excluding M&G) were £2,816 million, 7 per cent above 2000, and on an annual premium equivalent basis £427 million, 10 per cent above the first half of 2000.

Total achieved operating profit (before UK re-engineering costs) for our UK Insurance long-term businesses was up 15 per cent to £377 million (new business achieved profit was up 14 per cent to £140 million). This is mainly due to strong sales of annuities and pensions. In particular, we have seen a good result from our bulk annuity business.

In the UK we have very strong positions in a number of product lines, specifically:

### Annuities

Prudential has a leading market position in the UK annuities market, with a 22 per cent market share. Our annuity funds under management total £13 billion, and more than doubled in the last five years.

Our customers now have greater and different expectations for retirement and this has led us to create a new breed of annuity that offers more flexibility, control and transparency. We have led the way in launching such a product, the Flexible Retirement Income Account, in April 2001.

We have a fully established bulk annuity business, with sales of £352 million in the first half of 2001, compared to £30 million in the first half of last year. We remain fully committed to this market and will actively compete as the Defined Benefit market changes and schemes continue to pursue the buy-out option, a market we estimate of about £10 billion over the next few years.

We can now write new bulk annuity business within a shareholder-financed operation, Prudential Retirement Income Ltd (PRIL). This enables shareholders' funds to participate directly in the future growth opportunities in the bulk annuity market, rather than participating indirectly through the 90:10 Prudential Assurance Company life fund. Scope still remains for the shareholder financing of other annuity businesses and we shall continue to investigate these opportunities.

#### Pensions

Our focus in the pensions market has been one of our traditional areas of strength: pension provision to large corporates and local authorities. Our concentration has been on securing schemes with access to large numbers of employees and where premium income will materialise quickly, resulting in more profitable business.

Of the 12 million people in the UK who are members of an occupational pension scheme, Prudential is the provider of Defined Contribution (DC) arrangements to companies or authorities which employ over 20 per cent of these people.

Of the 10 million people in the UK who are not in occupational pension schemes, around seven million have started individual pensions. The Prudential Group provides nearly one in four of these (23 per cent).

In the first half of 2001, we have secured new DC pension schemes which cover over 55,000 employees. We have gained a significant number of tenders as a replacement provider to Equitable Life's AVC business. In the last six months, our share of the local authority AVC market has risen from 25 per cent to 46 per cent and we now provide AVCs to 45 local

authorities, 20 of which have appointed us within the last six months, who together employ 200,000 people.

Stakeholder pensions present a further opportunity for us to grow our pensions business. There are still some five million working people in the UK today who do not have any provision over and above that provided by the State.

The strength of our brand has attracted many small and medium sized enterprises (SMEs) directly to our stakeholder products. These have all designated over the telephone or online, which clearly improves the future economic potential. To date over 9,000 small businesses have directly registered with us. These SMEs employ over 340,000 people, and we have attracted a higher proportion of those in medium sized enterprises, than those in the very small enterprise segment.

#### With Profit Bonds and Investment Products

We manage over £15 billion of funds for more than 500,000 With Profit Bond customers, and have around 25 per cent of the market by funds under management. The sales of Prudence Bond in the second quarter of 2001 improved on that of the first quarter. Recent product enhancements and initiatives to improve the attractiveness, and maintain profitability of the product, are under way.

On Investment products, our retail funds include a number of leading fixed income and equity funds. We are the second largest unit trust manager in the UK, with over £16 billion retail unit trust funds under management, giving us a market share of over 6 per cent. Within this £16 billion, our £5 billion of ISA/PEP funds under management represent over 6.5 per cent of the whole UK's non-cash ISA/PEP market.

With Egg and Cofunds, we also have stakes in two leading fund supermarkets, which between them have already captured more than £220 million of funds.

#### Restructuring

In February, we announced changes to our direct sales channels and customer service operations in order to continue to meet changing customer needs and

to ensure that we continue to operate cost-effectively as a scale player in the UK market. These changes included the closure of the direct sales force, and an expanded customer service offering through remote channels such as the telephone, the internet and the workplace.

The development of this business is not just about bringing down cost, it is about revenue generation. During the first half of the year, we have built up our service-related sales proposition. This will help us offset the decline in sales through the direct sales force. Some 59 per cent of individual pension top-up sales in the first half of 2001 were through remote channels.

The strong UK sales and interim profits achieved during the first six months of 2001 highlight that the benefit of the recent restructuring is already feeding through, ensuring a healthy business going forward. As the UK market changes we will continue to focus on key strategic areas, maintaining a structure and cost base that matches market developments in the UK.

#### M&G

M&G was acquired by Prudential in 1999. It is responsible for managing £120 billion of funds and is one of the largest retail unit trust managers in the UK.

Total sales were £499 million compared to £656 million in the first half of last year, mainly due to a special offer to former M&G shareholders which yielded £105 million in May 2000. Excluding this one-off item, gross sales were down 9 per cent due to the current adverse market sentiment for equities which was partially offset by increased fixed income sales. However net sales in the first half of the year increased to £119 million from £27 million, in the same period last year. M&G has performed creditably in a difficult market environment and its share of retail sales has increased by 15 per cent over the first six months of 2000.

Total operating profit for the first six months of the year was £40 million, down from £69 million in the same period of 2000. This fall in operating profit was due to the transfer of M&G's Life and



Pensions business to Scottish Amicable last year and the sale of our institutional equity business, and falling stock markets in 2001, and investment in new operations in both Cofunds and Europe which totalled £10 million. M&G has not recognised any performance related fee in respect of its management of the life fund at the half year, despite being 1.5 per cent above the long-term strategic benchmark for the year to date. M&G do not anticipate this fee at the half-year stage.

When we purchased M&G, we set out three key areas of focus for the business going forward: managing the smooth integration of M&G with PPM; improving fund performance; and given this platform, achieving an increase in sales.

The integration with PPM has been successfully completed and despite testing market conditions, M&G is delivering strong performance in a number of its equity and fixed interest funds, in addition to the life fund which has continued to outperform its benchmark during 2001.

M&G's strong position in fixed interest is reflected in sales of fixed interest products increasing in the first half by 15 per cent to £276 million. This demonstrates the benefit to M&G of having a diversified fund portfolio, particularly at a time when investor appetite for equities is low. Recent industry research (conducted by Tulip Financial Research) shows more high net worth individuals invested with M&G than any other fund manager. M&G has also made progress throughout its refocused wholesale division, maintaining strong performance in the life fund and continuing to win new institutional fixed income mandates at attractive fees.

M&G is also investing in related areas, such as Cofunds, the fund supermarket for intermediaries, which was launched five months ago and already has over £120 million of funds under management.

Following M&G's establishment as the Group's European asset management business, it is now seeking to maximise opportunities for sales growth in the UK, in Europe, where it plans to launch at the

beginning of 2002, and in Asia, where Prudential Corporation Asia will be selling M&G investment funds in a number of countries.

### Egg

Since Prudential launched Egg in 1998 as a division of Prudential Banking, it has grown into one of the UK's leading digital financial services brands. Today Prudential retains a 79 per cent stake in Egg, the remainder of which was floated in a public offering in June 2000.

Egg reported its half-year results on 24 July. A pre-tax loss for the period of £63 million (down from £81 million in the first half of 2000) was in line with expectations. Customer acquisition continued to grow rapidly with 370,000 net new customers joining Egg, leading to a total customer base of 1.72 million. Retail assets grew by 21 per cent to £4.5 billion and card balances now exceed £1.5 billion.

The results show that Egg is on track to achieve a break-even position for the existing UK business during the fourth quarter of 2001.

### Europe

Prudential Europe was established in 1999 and is responsible for spearheading Prudential's expansion into continental Europe. We currently have operations in France and Germany where we have established strategic alliances with strong local partners. During the first half of 2001, we continued to increase our range of products, services and distribution channels, and build on our existing partnership agreements.

In France, we opened a Paris-based branch in January, launched Prudential Europe Vie, an innovative equity-backed life insurance product that builds on the success of Prudence Bond in the UK, and signed an additional distribution agreement with Centre Français du Patrimoine, the largest multi-product broking service in France. Sales of Pru Vie are currently running at FF 10 million per week.

In Germany, we re-launched the Vorsorge critical illness product which has

innovative features. At the end of May we launched our online insurance broker service, Quinner AG, and in early July, we launched two new mutual funds which were developed jointly with DWS Investment GmbH, a subsidiary of the Deutsche Bank Group. These are funds of funds (Dachfonds), and are the first Prudential-branded products to be available on the German market.

Total sales of £36 million in the first six months of the year were up 89 per cent on the same period last year, principally due to the success of Prudential Europe Vie in France. Total achieved operating profit was down from £5 million in the first half of 2000 to a loss of £6 million in the first six months of 2001, principally due to increased development expenditure. New business achieved profit decreased by £1 million to £3 million, due to lower sales and higher acquisition costs in Germany which were partially offset by profits from sales of Pru Vie.

Prudential plans to enter Europe in other ways over the course of the next year. M&G intends to start selling mutual funds in Germany in 2001 and Egg is exploring commercial partnerships with a number of European businesses. Egg has recently joined forces with Microsoft in a European strategic alliance, the first stage of which will be to provide a fund supermarket in the UK available via MSN.

### USA – Jackson National Life

Jackson National Life (JNL) is one of the top 20 life companies in the United States, in terms of total assets. Since Prudential acquired the business it has been transformed into a market-leading provider in its chosen product lines.

In 1995 JNL was largely a life and fixed annuity provider, with these products accounting for 96 per cent of sales. Since this time the current management team has broadened both the product range and distribution capability, enabling JNL to write business in any economic environment. Reflecting this diversification, the percentage of total sales accounted for by fixed annuities and life has dropped to 34 per cent, with 66 per cent of retail sales being equity-based (i.e. variable annuities and equity

linked indexed annuities (ELIs), sold through banker brokers, agents and institutions).

In the first half of 2001, new business achieved profit decreased by 31 per cent to £93 million, largely reflecting a change in sales mix and the impact of more conservative new business profit assumptions reflecting the tougher more competitive economic climate currently being experienced in the US. However, business in force almost doubled to £134 million, largely due to a positive lapse experience variance achieved against our more conservative assumptions, following the negative experience variance of £71 million in the first half of 2000.

Sales of individual fixed annuities have increased to £814 million, up 54 per cent on half year 2000, in a volatile market. This reflects the successful execution of JNL's strategy to provide diversified products through multiple distribution brands.

Variable annuity sales have been significantly adversely affected by the continuing volatility in the US equity markets in recent months. Sales of £447 million were recorded, 57 per cent lower than the first half of 2000. This decline in sales reflects the recent turmoil in equity markets and the fierce competition from companies chasing top line growth at the expense of product profitability. The S&P 500 had its worst year in more than a quarter of a century and the NASDAQ suffered its worst ever decline, down 39 per cent.

Sales of stable value products have increased by 30 per cent to £1,205 million in the first half of 2001. These sales figures include £1,055 million of European Medium Term Notes or Global MTN-sourced funding agreements, up 40 per cent on first half of 2000.

Despite mixed results in the first six months, mainly due to tough market conditions, JNL remains a leading player in the equity linked index and fixed annuity markets, and maintains its top 10 position within the stable value market. Our top 10 net sales position in the variable annuity market in the first

quarter has been achieved in tough market conditions, and while this ranking is lower than the position held in fixed annuities and ELIs, it reflects our strategy of pricing for profitability, rather than for market share.

In the second half of 2001, JNL will continue to develop its product range, and enhance its distribution channels to further benefit from the largest financial services market in the world.

#### **Prudential Corporation Asia**

During the first half of 2001, Prudential Corporation Asia (PCA), has continued its impressive growth across the region. PCA is now very well placed to capture a significant part of the anticipated growth in Asia's high potential retail financial services market.

Six years ago Prudential's Asian presence was confined to just Singapore, Hong Kong and Malaysia. Today we have a strong regional presence, with 20 operations in 11 countries. We have in place the infrastructure, the people and the organisational depth to enable us to leverage synergies across the region, particularly powerful strengths when entering new countries and launching new products.

Total insurance sales of £642 million, in the first six months of 2001, were up 213 per cent on the first six months of 2000. Achieved basis operating profit in Asia, before regional development expenses, increased by 74 per cent to £134 million, driven by a 89 per cent increase in profit from new business, up to £106 million. The strong contribution from new business principally reflects strong sales growth across all territories (insurance sales growth of 124 per cent on an annual premium equivalent basis).

New business achieved profit margins are now 50 per cent (60 per cent at first half 2000). This reflects a planned and managed shift in the new business mix, including increased proportions from countries with lower margins (Taiwan and Japan), and a higher proportion of single premium business (ie CPF related business in Singapore, where single

premium sales are a feature of the first half of this year only). Across the region, country by country, margins for regular and single premium business have either been sustained or have improved.

As part of our expansion strategy in Asia, we acquired Orico Life in Japan, in February 2001. Japan is the second largest life insurance market in the world. Orico Life is an operationally and financially sound, modern life insurance company with excellent growth potential. The business was re-launched under the name PCA Life at the beginning of July. The Company has operations in 11 locations throughout Japan and offers a wide range of insurance options including term, savings and protection products. With the significant changes currently taking place in the Japanese life insurance market, PCA Life provides us with a very strong platform to apply our distribution management and product innovation skills to build scale rapidly.

Our purchase of Allstate's Indonesian and Philippine operations has just completed regulatory formalities. Although relatively small, these acquisitions complement our existing operations.

In line with our strategy of expanding our successful unit trust operations across the region, we have recently launched Prudential Unit Trusts in Malaysia and Singapore. These new operations are the latest additions to PCA's existing network of mutual funds businesses in India, Japan and Taiwan.

In Vietnam, PCA continues its impressive growth as the largest foreign life insurer with over 9,000 agents. In our other new life markets of China and India, we have made a very good start with rapidly growing agent numbers. We were also the first foreign company to launch unit-linked products in China in May.

Building superior quality multi-channel distribution continues to be high priority. We also continue to add complementary alternative distribution through the ongoing roll out of our successful bank distribution model. In the first half of 2001, the proportion of sales on an annual

premium equivalent basis, through bancassurance channels, increased three times over last year.

We are beginning to see a slowdown in some Asian economies, particularly export-led economies. While we will clearly watch developments, we believe that there are enormous opportunities for strong players, like Prudential, with a diversified business and a long-term commitment to the region, to continue to sustain profitable growth.

### **Achieved Basis Profit Before Tax**

Achieved basis operating profit before amortisation of goodwill was £653 million, up 11 per cent on the same period last year. Included in this result are UK re-engineering costs of £24 million associated with the closure of our direct sales force, announced in February 2001, made up of the £13 million direct cost to shareholders and £11 million shareholders' share of the £97 million cost borne by the life fund.

The result also includes development costs of £33 million relating to investment in our long-term businesses, including £22 million in Asia, comprising the rebranding and relaunch of our new operation in Japan as PCA Life, together with other investments in the region; and £11 million of investment in Europe. Looking to the second half of the year, we expect similar levels of development expenditure for Europe and M&G, and a slight increase for our businesses across Asia, particularly Japan.

Achieved basis profit on ordinary activities before tax fell £181 million to £364 million. This was mainly due to negative short-term fluctuations in investment returns of £580 million, of which £399 million relates to the UK life fund and £116 million to Jackson National Life. The fluctuations represent the variance between our expected long-term return and the actual return arising in the period, and principally reflects the fall in equity markets experienced around the world in the last six months.

Profit before tax also includes the merger break fee of £338 million received from American General Corporation, net of

related expenses comprising external advisors' fees and staff retention payments in the United States.

### **Statutory Basis Profit Before Tax**

Statutory basis operating profit before amortisation of goodwill for the first six months of 2001 was £362 million, down £63 million on the prior year. This reflects a £10 million decrease in profit from our UK Insurance Operations, reflecting the impact of lower terminal and reversionary bonuses in light of weaker equity markets in the UK, and a £29 million decrease in M&G's profits, offset by a lower loss of £63 million in Egg, compared with a loss of £81 million for the same period last year. Also contributing to the result are a £10 million fall in profit from our US Operations reflecting the impact of economic conditions on our investment book and a reduction in variable annuity fees, and a £9 million fall in profit from Asia due to higher development expenses.

Under the statutory basis, UK re-engineering costs reflect the £13 million direct cost to shareholders.

Statutory basis profit on ordinary activities before tax of £548 million includes negative short-term fluctuations in investment returns of £105 million, principally arising in Jackson National Life and on assets supporting the UK General Insurance operation, and the merger break fee mentioned above.

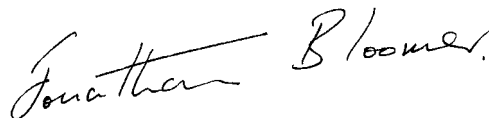
### **Shareholders' Funds**

Total achieved profits basis shareholders' funds were £9.1 billion at 30 June 2001 (31 December 2000: £8.8 billion). We maintain long-term triple A financial strength ratings from both Moody's and Standard and Poor's.

### **Summary**

The broad international spread of our business has allowed us to retain our focus on adding value at the same time as increasing sales. This, together with the active management of our capital, maintains our sound financial position.

The benefits of our strategy of diversification by product and distribution channel internationally are clear. As much as the strategy itself, it is our ability to execute it successfully across the Group which underpins these results.



Jonathan Bloomer, Group Chief Executive  
25 July 2001



## New Business Premiums by Product Distributor

	Single		Regular		Annual Premium Equivalents				
	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m
<b>UK Operations</b>									
<b>Prudential Intermediary Business</b>									
Individual pensions	130	97	196	33	21	54	46	31	74
Corporate pensions	33	55	94	8	8	15	11	14	24
Life	834	861	1,660	16	19	36	99	105	202
Annuities	601	272	652	–	–	–	60	27	65
Investment products	46	21	101	1	2	3	6	4	13
	1,644	1,306	2,703	58	50	108	222	181	378
Department of Social Security rebates	55	51	59	–	–	–	6	5	6
<b>Total</b>	<b>1,699</b>	<b>1,357</b>	<b>2,762</b>	<b>58</b>	<b>50</b>	<b>108</b>	<b>228</b>	<b>186</b>	<b>384</b>
<b>Prudential Financial Services</b>									
Individual pensions	20	19	30	20	20	34	22	22	37
Corporate pensions	248	334	751	72	45	93	97	78	168
Life	171	273	534	8	16	28	25	43	82
Annuities	327	312	602	–	–	–	33	31	60
Investment products	15	26	43	3	6	12	5	9	16
	781	964	1,960	103	87	167	182	183	363
Department of Social Security rebates	175	175	175	–	–	–	17	17	18
<b>Total</b>	<b>956</b>	<b>1,139</b>	<b>2,135</b>	<b>103</b>	<b>87</b>	<b>167</b>	<b>199</b>	<b>200</b>	<b>381</b>
<b>M&amp;G</b>									
Individual pensions	–	19	28	–	1	2	–	3	5
Life	–	–	1	–	–	–	–	–	–
Investment products	492	627	1,050	7	9	16	56	72	121
<b>Total</b>	<b>492</b>	<b>646</b>	<b>1,079</b>	<b>7</b>	<b>10</b>	<b>18</b>	<b>56</b>	<b>75</b>	<b>126</b>
<b>Total UK Operations</b>	<b>3,147</b>	<b>3,142</b>	<b>5,976</b>	<b>168</b>	<b>147</b>	<b>293</b>	<b>483</b>	<b>461</b>	<b>891</b>
<b>Jackson National Life</b>									
Fixed annuities	814	528	1,056	–	–	–	81	53	106
Equity linked index annuities	139	245	409	–	–	–	14	25	41
Variable annuities	447	1,040	1,709	–	–	–	45	104	171
Guaranteed Investment Contracts	150	168	365	–	–	–	15	17	36
GIC – European Medium Term Notes	1,055	755	1,291	–	–	–	105	75	129
Life	–	–	–	11	13	25	11	13	25
<b>Total</b>	<b>2,605</b>	<b>2,736</b>	<b>4,830</b>	<b>11</b>	<b>13</b>	<b>25</b>	<b>271</b>	<b>287</b>	<b>508</b>
<b>Prudential Asia</b>									
Insurance products	479	123	275	163	82	229	211	94	256
Investment products	3,423	700	2,259	–	–	–	342	70	226
<b>Total</b>	<b>3,902</b>	<b>823</b>	<b>2,534</b>	<b>163</b>	<b>82</b>	<b>229</b>	<b>553</b>	<b>164</b>	<b>482</b>
<b>Prudential Europe</b>									
Insurance products	27	8	14	9	11	22	12	12	23
<b>Group total</b>									
Insurance products	5,705	5,335	9,901	340	236	538	910	770	1,528
Investment products	3,976	1,374	3,453	11	17	31	409	154	376
<b>Total</b>	<b>9,681</b>	<b>6,709</b>	<b>13,354</b>	<b>351</b>	<b>253</b>	<b>569</b>	<b>1,319</b>	<b>924</b>	<b>1,904</b>

### Notes

1. Single new business premiums include increments under existing Group pension schemes and pensions vested into annuity contracts (at the annuity purchase price). Regular new business premiums are determined on an annualised basis.
2. Annual premium equivalents are calculated as the aggregate of regular new business premiums and one tenth of single new business premiums.

## Achieved Profits Basis Results

Summarised Consolidated Profit and Loss Account	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Operating profit before amortisation of goodwill and exceptional items <sup>1</sup>			
New business	342	317	613
Business in force	401	304	544
Long-term business	743	621	1,157
Prudential Asia and Europe development expenses	(33)	(11)	(35)
General business	35	35	33
M&G	40	69	125
Egg	(63)	(81)	(155)
US broker dealer and fund management	11	2	7
Other income and expenditure	(56)	(49)	(103)
	677	586	1,029
UK re-engineering costs	(24)	–	–
Operating profit before amortisation of goodwill and exceptional items	653	586	1,029
Amortisation of goodwill	(47)	(41)	(84)
Short-term fluctuations in investment returns	(580)	(223)	(440)
Merger break fee (net of related expenses)	338	–	–
Profit on business disposals	–	223	223
Profit on ordinary activities before tax	364	545	728
Tax	(133)	(142)	(239)
Profit for the period before minority interests	231	403	489
Minority interests	19	–	25
Profit for the period after minority interests	250	403	514
Dividends	(172)	(162)	(484)
Retained profit for the period	78	241	30
<b>Basic Earnings Per Share</b>	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m
Based on operating profit after tax and related minority interests before amortisation of goodwill and exceptional items of £462m (£415m and £749m)	23.4p	21.3p	38.2p
Adjustment for amortisation of goodwill	(2.4)p	(2.1)p	(4.3)p
Adjustment from post-tax longer-term investment returns to post-tax actual investment returns (after related minority interests)	(20.4)p	(8.3)p	(16.2)p
Adjustment for post-tax merger break fee (net of related expenses)	12.1p	–	–
Adjustment for profit on business disposals	–	9.8p	8.5p
Based on profit for the period after minority interests of £250m (£403m and £514m)	12.7p	20.7p	26.2p
Average number of shares	1,976m	1,948m	1,959m
<b>Dividend Per Share</b>	8.7p	8.2p	24.5p

### Note

- Operating profit for insurance operations includes investment returns at the expected long-term rate of return. For the purposes of the presentation shown above, to be consistent with the alternative earnings per share, operating profit excludes amortisation of goodwill and merger break fee, net of related expenses. The directors believe that operating profit, as adjusted for these items, better reflects underlying performance. Total profit includes these items together with actual investment returns and profit on business disposals.

# Achieved Profits Basis Results

## Operating Profit Before Amortisation of Goodwill and Exceptional Items

Results Analysis by Business Area	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m
<b>UK Operations</b>			
Insurance operations:			
New business	140	123	230
Business in force	237	206	478
Long-term business	377	329	708
General business	35	35	33
Total UK Insurance Operations	412	364	741
M&G	40	69	125
Egg	(63)	(81)	(155)
Re-engineering costs	(24)	–	–
Total	365	352	711
<b>US Operations</b>			
New business	93	134	221
Business in force	134	72	(2)
Long-term business	227	206	219
Broker dealer and fund management	11	2	7
Total	238	208	226
<b>Prudential Asia</b>			
New business	106	56	153
Business in force	28	21	60
Long-term business	134	77	213
Development expenses	(22)	(7)	(17)
Total	112	70	196
<b>Prudential Europe</b>			
New business	3	4	9
Business in force	2	5	8
Long-term business	5	9	17
Development expenses	(11)	(4)	(18)
Total	(6)	5	(1)
<b>Other income and expenditure</b>			
Investment return and other income	24	42	70
Interest payable on core structural borrowings of shareholder financed operations	(60)	(70)	(131)
Corporate expenditure	(20)	(21)	(42)
Total	(56)	(49)	(103)
<b>Total operating profit before amortisation of goodwill and exceptional items</b>	<b>653</b>	<b>586</b>	<b>1,029</b>
Analysed as profits (losses) from:			
New business	342	317	613
Business in force	401	304	544
Long-term business	743	621	1,157
Prudential Asia and Europe development expenses	(33)	(11)	(35)
Other operating results	(33)	(24)	(93)
UK re-engineering costs	(24)	–	–
Total	653	586	1,029

## Achieved Profits Basis Results *continued*

<b>Summarised Consolidated Balance Sheet</b>	2001 £m	30 June 2000 £m	31 December 2000 £m
Investments in respect of non-linked business:			
Equities	46,426	51,936	51,232
Fixed income securities	54,206	45,051	48,594
Properties	10,347	9,290	10,303
Deposits with credit institutions	4,701	5,435	3,875
Other investments (principally mortgages and loans)	4,552	4,711	4,507
<b>Total investments</b>	<b>120,232</b>	116,423	118,511
Assets held to cover linked liabilities	18,290	18,720	18,323
Banking business assets	8,690	8,941	8,603
Goodwill	1,706	1,519	1,611
Holding Company cash less shareholders' borrowings:			
Holding Company cash and short-term investments net of related borrowings	24	94	38
Accrued expenses and tax on merger break fee	(183)	–	–
Core structural borrowings of shareholder financed operations			
– Holding Company	(1,419)	(1,824)	(1,568)
– Jackson National Life	(178)	(165)	(167)
	<b>(1,756)</b>	(1,895)	(1,697)
Deferred acquisition costs	3,139	2,912	2,952
Dividend payable	(172)	(162)	(322)
Obligations of Jackson National Life under sale and repurchase and lending agreements	(3,231)	(1,676)	(2,652)
Other net (liabilities) assets	(325)	(514)	325
	<b>146,573</b>	144,268	145,654
Insurance technical provisions (net of reinsurance) and fund for future appropriations:			
UK Operations	(103,311)	(104,621)	(105,939)
US Operations	(25,409)	(23,694)	(23,585)
Prudential Asia	(4,557)	(2,945)	(3,340)
Prudential Europe	(614)	(570)	(593)
	<b>(133,891)</b>	(131,830)	(133,457)
Less: shareholders' accrued interest in the long-term business	4,718	4,902	4,813
Insurance technical provisions (net of reinsurance) and fund for future appropriations, less shareholders' accrued interest	(129,173)	(126,928)	(128,644)
Banking business liabilities	(8,172)	(8,340)	(8,040)
Minority interests	(124)	(119)	(137)
<b>Total net assets</b>	<b>9,104</b>	8,881	8,833
<b>Shareholders' Capital and Reserves</b>	2001 £m	30 June 2000 £m	31 December 2000 £m
Share capital	100	98	99
Share premium	524	309	458
Statutory basis retained profit	3,762	3,572	3,463
Shareholders' capital and reserves – statutory basis	4,386	3,979	4,020
Additional reserves on the achieved profits basis	4,718	4,902	4,813
Shareholders' capital and reserves – achieved profits basis	9,104	8,881	8,833

## Achieved Profits Basis Results

Movement in Shareholders' Capital and Reserves	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Profit for the period after minority interests	250	403	514
Exchange movements	167	180	187
Goodwill on sale of holdings in associate company	–	90	90
New share capital subscribed	26	28	184
Dividends	(172)	(162)	(484)
Net increase in shareholders' capital and reserves	271	539	491
Shareholders' capital and reserves at beginning of period	8,833	8,342	8,342
Shareholders' capital and reserves at end of period	9,104	8,881	8,833
Comprising:	Half year ended 30 June	2000 £m	Full year
	2001 £m		2000 £m
UK Operations:			
Insurance operations	4,292	4,219	4,433
M&G	345	356	336
Egg	379	462	417
	5,016	5,037	5,186
US Operations	3,002	2,800	2,756
Prudential Asia	901	682	793
Prudential Europe	90	79	82
Other operations (including central goodwill and net shareholder borrowing)	95	283	16
	9,104	8,881	8,833

### Notes on the Supplementary Achieved Profits Basis Results

- The achieved profits basis results for the 2001 and 2000 half years are unaudited. The results for 2000 full year have been derived from the achieved profits basis supplement to the Company's statutory accounts for that year. The supplement included an unqualified review report from the auditors. The results for the 2001 half year have been prepared using the same principal assumptions as were used for the 2000 full year.
- The results have been prepared in accordance with the draft 'Guidance on accounting in Group Accounts for proprietary companies' long-term insurance business' issued by the Association of British Insurers in July 1995.
- The proportion of surplus allocated to shareholders from the UK with profits business has been based on the present value of 10%. Future bonus rates have been set at levels which would fully utilise the assets of the with profits fund over the lifetime of the business in force.
- In February 2001 the Company acquired Orico Life Insurance Company of Japan. The total cost of purchase (including acquisition costs) was £139m. The fair value of the acquired net assets including business in force was £nil. Goodwill of £139m is being amortised on a straight line basis over 20 years.
- In February 2001 the Company announced the restructuring of the direct sales force and customer service channels of the UK Insurance Operations. The total expected costs of this restructuring, including amounts borne by the long-term fund of The Prudential Assurance Company Limited are £110m. After including amounts borne by the fund, but attributed to shareholders, the cost recognised on the achieved profits basis is £24m.
- In March 2001 the Company entered into a merger agreement with American General Corporation, a US investment, life insurance, and consumer finance group. On 11 May, following the termination of the merger and in accordance with the terms of the agreement, a fee of \$600m (£423m) was paid to the Company by American General. After deducting employment costs incurred as a consequence of the proposed merger for the Company's US operations, advisor costs, and other directly related expenses of £85m, an exceptional item of £338m has been accounted for within the Group's results.



## Statutory Basis Results

Summarised Consolidated Profit and Loss Account	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Operating profit before amortisation of goodwill and exceptional items	362	425	840
Amortisation of goodwill	(47)	(41)	(84)
Short-term fluctuations in investment returns	(105)	17	(48)
Merger break fee (net of related expenses)	338	–	–
Profit on business disposals	–	239	239
Profit on ordinary activities before tax (including actual investment returns)	548	640	947
Tax	(184)	(162)	(284)
Profit for the period before minority interests	364	478	663
Minority interests	19	–	25
Profit for the period after minority interests	383	478	688
Dividends	(172)	(162)	(484)
Retained profit for the period	211	316	204

Basic Earnings Per Share	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Based on operating profit after tax and related minority interests before amortisation of goodwill and exceptional items of £264m (£306m and £617m)	13.4p	15.7p	31.5p
Adjustment for amortisation of goodwill	(2.4)p	(2.1)p	(4.3)p
Adjustment from post-tax longer-term investment returns to post-tax actual investment returns (after related minority interests)	(3.7)p	0.3p	(1.4)p
Adjustment for post-tax merger break fee (net of related expenses)	12.1p	–	–
Adjustment for profit on business disposals	–	10.6p	9.3p
Based on profit for the period after minority interests of £383m (£478m and £688m)	19.4p	24.5p	35.1p
Average number of shares	1,976m	1,948m	1,959m

Diluted Earnings Per Share	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Based on profit for the period after minority interests of £383m (£478m and £688m)	19.3p	24.4p	35.0p
Average number of shares	1,982m	1,958m	1,968m

Dividend Per Share	8.7p	8.2p	24.5p
--------------------	------	------	-------

Movement in Shareholders' Capital and Reserves	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Profit for the period after minority interests	383	478	688
Exchange movements	129	121	118
Goodwill on sale of holding in associate company	–	90	90
New share capital subscribed	26	28	184
Dividends	(172)	(162)	(484)
Net increase in shareholders' capital and reserves	366	555	596
Shareholders' capital and reserves at beginning of period	4,020	3,424	3,424
Shareholders' capital and reserves at end of period	4,386	3,979	4,020

## Statutory Basis Results

### Operating Profit Before Amortisation of Goodwill and Exceptional Items

Results Analysis by Business Area	Half year ended 30 June 2001 £m	2000 £m	Full year 2000 £m
<b>UK Operations</b>			
Prudential Insurance Services:			
Long-term business	160	151	313
General business	35	35	33
	<b>195</b>	186	346
Prudential Intermediary Business	42	51	127
Prudential Financial Services	6	16	28
UK Insurance Operations	243	253	501
M&G	40	69	125
Egg	(63)	(81)	(155)
Re-engineering costs	(13)	–	–
Total	<b>207</b>	241	471
<b>US Operations</b>			
Jackson National Life	209	228	459
Broker dealer and fund management	11	2	7
Total	<b>220</b>	230	466
<b>Prudential Asia</b>			
Long-term business and investment products	22	16	39
Development expenses	(22)	(7)	(17)
Total	<b>0</b>	9	22
<b>Prudential Europe</b>			
Long-term business	2	4	8
Development expenses	(11)	(4)	(18)
Total	<b>(9)</b>	0	(10)
<b>Other income and expenditure</b>			
Investment return and other income	24	36	64
Interest payable on core structural borrowings of shareholder financed operations	(60)	(70)	(131)
Corporate expenditure	(20)	(21)	(42)
Total	<b>(56)</b>	(55)	(109)
<b>Operating profit before amortisation of goodwill and exceptional items</b>	<b>362</b>	425	840

## Funds Flow

Holding Company Funds Statement	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Statutory basis operating profit after tax and related minority interests			
before amortisation of goodwill and exceptional items	264	306	617
Merger break fee (net of accrued related expenses and tax)	240	–	–
New share capital subscribed on listing of shares on			
New York Stock Exchange (net of expenses)	–	–	139
Other new share capital subscribed	26	28	45
Capital repatriated from businesses	–	20	123
Proceeds from business disposals	–	173	173
	530	527	1,097
New investment in businesses	(210)	(60)	(263)
Reinvested in businesses to finance growth	(96)	(161)	(292)
Timing differences and other items	(77)	(170)	121
	147	136	663
Dividends	(172)	(162)	(484)
Holding Company net funds movement	(25)	(26)	179

Movement in Net Borrowings <sup>1</sup>	Half year ended 30 June		Full year
	2001 £m	2000 £m	2000 £m
Holding Company cash less shareholders' borrowings at beginning of period	(1,697)	(1,837)	(1,837)
Holding Company net funds movement (as above)	(25)	(26)	179
Exchange translation losses	(34)	(32)	(39)
	(1,756)	(1,895)	(1,697)
Represented by:			
Holding Company cash and short-term investments	535	94	38
Core structural borrowings of shareholder financed operations			
– Holding Company	(1,419)	(1,824)	(1,568)
– Jackson National Life	(178)	(165)	(167)
Other borrowings	(511)	–	–
	(1,573)	(1,895)	(1,697)
Accrued expenses and tax on merger break fee	(183)	–	–
	(1,756)	(1,895)	(1,697)

### Note

1. To indicate the underlying commercial position, shareholders' borrowings, as shown above, have been augmented to include accrued expenses and tax payable on the merger break fee that were liabilities at 30 June 2001.

## Gross Premiums Written by Product Provider

Half Year Ended 30 June	Long-term business		Investment products		General business		Total	
	2001 £m	2000 £m	2001 £m	2000 £m	2001 £m	2000 £m	2001 £m	2000 £m
UK Insurance Operations	3,907	3,794	–	–	197	165	4,104	3,959
M&G	–	138	582	730	–	–	582	868
Total UK Operations	3,907	3,932	582	730	197	165	4,686	4,827
Jackson National Life	2,806	2,897	–	–	–	–	2,806	2,897
Prudential Asia	1,034	483	3,423	700	–	–	4,457	1,183
Prudential Europe	97	79	–	–	–	–	97	79
Group total	7,844	7,391	4,005	1,430	197	165	12,046	8,986

### Note

1. The geographical analysis of premiums is based on the territory of the operating unit assuming the risk. Premiums by territory are not materially different.

## General Business Operating Profit

Half Year Ended 30 June	Gross premiums written		Underwriting result <sup>1</sup>		Investment return		Operating profit based on longer-term investment returns	
	2001 £m	2000 £m	2001 £m	2000 £m	2001 £m	2000 £m	2001 £m	2000 £m
UK Insurance Operations								
Home	153	139	19	19	13	12	32	31
Motor	44	26	(1)	0	4	4	3	4
Total	197	165	18	19	17	16	35	35

### Note

1. Underwriting results shown above are determined after transfers of £4m (2000 £4m) to the claims equalisation provision.

## Banking Business Liabilities

	30 June 2001 £m	2000 £m	31 December 2000 £m
Egg	7,385	8,141	7,386
US Operations	787	199	654
Total	8,172	8,340	8,040
Comprising:			
Banking deposit balances	6,891	7,891	7,611
Accruals, deferred income and other liabilities	1,281	449	429
	8,172	8,340	8,040

## Asia Mutual Funds Under Management

	India £m	Taiwan £m	Other £m	Total £m
Funds at 1 January 2001	695	934	20	1,649
Net Flows	170	272	1	443
Market movement	43	54	(2)	95
Funds at 30 June 2001	908	1,260	19	2,187

### Notes on the Unaudited Statutory Basis Results

- The results for the 2001 and 2000 half years are unaudited. The results for the 2001 half year have been prepared using the same accounting policies as were used in the 2000 statutory accounts. The results for the 2000 full year have been derived from those accounts. The auditors have reported on the 2000 statutory accounts and the accounts have been delivered to the Registrar of Companies. The auditors' report was unqualified and did not contain a statement under section 237 (2) or (3) of the Companies Act 1985.
- The long-term business profit of the UK Insurance Operations has been calculated assuming that the shareholder proportion of surplus allocated to shareholders from the with profits business of The Prudential Assurance Company Limited remains at 10%. Provision has been made for possible reductions in bonus rates arising from the fund valuation at 31 December 2001.
- In February 2001 the Company announced the restructuring of the direct sales force and customer service channels of the UK Insurance Operations. The total expected costs of this restructuring, including amounts borne by the long-term fund of The Prudential Assurance Company Limited, are £110m. On the statutory basis of reporting £13m of the £110m is recognised as the cost to shareholders, reflecting the amounts borne by shareholder financed operations.
- The statutory tax charge for the half year ended 30 June 2001 of £184m (half year 2000 £162m) comprises £124m (£93m) UK tax and £60m (£69m) overseas tax.

# Independent Review Report by KPMG Audit Plc to Prudential plc

## Introduction

We have been instructed by the Company to review the financial information set out on page 8 and pages 13 to 16 prepared on a modified statutory basis and the financial information set out on pages 9 to 12 prepared on an achieved profits basis, and we have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

## Directors' Responsibilities

The Interim Report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The Listing Rules of the Financial Services Authority require that the accounting policies and

presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where they are to be changed in the next annual accounts, in which case any changes, and the reasons for them, are to be disclosed.

## Review Work Performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4: Review of interim financial information issued by the Auditing Practices Board. A review consists principally of making enquiries of Group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise

disclosed. A review is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

## Review Conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2001.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants  
London  
25 July 2001

## Financial Calendar

### Ex-dividend date for 2001 interim dividend

19 September 2001

### Payment of 2001 interim dividend

29 November 2001

### Announcement of 2001 full year results

26 February 2002

### Annual general meeting

9 May 2002

### Payment of 2001 final dividend

29 May 2002

## Sharedealing Facilities

Stockbrokers Cazenove & Co offer a postal sharedealing service to Prudential plc shareholders at competitive commission rates. For details telephone 020 7588 2828 or write to 12 Tokenhouse Yard London EC2R 7AN.



## How to Contact Us

### Prudential plc

Laurence Pountney Hill  
London EC4R 0HH  
Tel: 020 7220 7588  
www.prudential.co.uk/plc

Sir Roger Hurn –  
Chairman

Jonathan Bloomer –  
Group Chief Executive

Philip Broadley –  
Group Finance Director

Keith Bedell-Pearce –  
Executive Director

Geraldine Davies –  
Director of Corporate Relations

Jane Kibbey –  
Group Human Resources Director

Peter Maynard –  
Group Legal Services Director &  
Company Secretary

### Egg plc

1 Waterhouse Square  
142 Holborn Bars  
London EC1N 2ST  
Tel: 020 7526 2698  
Fax: 020 7526 2665  
www.egg.com

Paul Gratton –  
Chief Executive

### Scottish Amicable

Craigforth  
PO Box 25  
Stirling  
Scotland FK9 4UE  
Tel: 01786 448844  
Fax: 01786 451356  
www.scottishamicable.co.uk

Kim Lerche-Thomsen –  
Chief Executive

### M&G

Laurence Pountney Hill  
London EC4R 0HH  
Tel: 020 7220 7655  
www.mandg.co.uk

Michael McIntock –  
Chief Executive

### Prudential Europe

Laurence Pountney Hill  
London EC4R 0HH  
Tel: 020 7220 7588  
Fax: 020 7548 3526

Mark Wood –  
Chief Executive

### Jackson National Life

1 Corporate Way  
Lansing  
Michigan 48951  
United States  
Tel: 00 1 517 381 5500  
www.jnl.com

Clark Manning –  
Chief Executive Officer

### Prudential Corporation Asia

Suites 2910-14  
Two Pacific Place  
88 Queensway  
Hong Kong  
Tel: 00 852 2918 6300  
Fax: 00 852 2525 7522  
www.prudentialasia.com

Mark Tucker –  
Chief Executive

### Prudential Assurance UK

250 Euston Road  
London NW1 2PQ  
Tel: 020 7334 9000  
Fax: 020 7334 6334  
www.pru.co.uk

Mark Wood –  
Chief Executive

### Analyst Enquiries

Tel: 020 7548 3537  
Fax: 020 7548 3699  
E-mail:  
investor.relations@prudential.co.uk

Rebecca Burrows –  
Director of Investor Relations

### Media Enquiries

Tel: 020 7548 3721

### Shareholder Enquiries

Lloyds TSB Registrars  
The Causeway  
Worthing  
West Sussex BN99 6DA  
Tel: 0870 600 0190  
Fax: 0870 600 3980  
Textel: 0870 600 3950

Prudential public limited company. Incorporated and registered in England and Wales.  
Registered office: Laurence Pountney Hill London EC4R 0HH. Registered number 1397169.

Designed, produced and typeset by CGI. Printed in the United Kingdom by Litho-Tech Colour Printers Limited.

**Prudential plc**  
**Laurence Pountney Hill**  
**London**  
**EC4R 0HH**  
**Telephone 020 7220 7588**  
**[www.prudential.co.uk/plc](http://www.prudential.co.uk/plc)**