

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 4 2002 VERSUS QUARTER 4 2001

## INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents <sup>(4)</sup>		
	Q4 2002	Q4 2001	+/- (%)	Q4 2002	Q4 2001	+/- (%)	Q4 2002	Q4 2001	+/- (%)	Q4 2002	Q4 2001	+/- (%)
	£m	£m		£m	£m		£m	£m		£m	£m	
<b>UK Insurance Operations :</b>												
<i>Direct Distribution</i> <sup>(2)</sup> :												
Individual Pensions	2	3	(33%)	2	2	0%	4	5	(20%)	2	2	0%
Corporate Pensions	174	92	89%	35	26	35%	209	118	77%	52	35	49%
Life	8	31	(74%)	1	1	0%	9	32	(72%)	2	4	(50%)
Individual Annuities	274	180	52%	-	-	-	274	180	52%	28	18	56%
<b>Sub-Total</b>	<b>458</b>	<b>306</b>	<b>50%</b>	<b>38</b>	<b>29</b>	<b>31%</b>	<b>496</b>	<b>335</b>	<b>48%</b>	<b>84</b>	<b>60</b>	<b>40%</b>
DSS Rebates	20	10	100%	-	-	-	20	10	100%	2	1	100%
<b>Total</b>	<b>478</b>	<b>316</b>	<b>51%</b>	<b>38</b>	<b>29</b>	<b>31%</b>	<b>516</b>	<b>345</b>	<b>50%</b>	<b>86</b>	<b>61</b>	<b>41%</b>
<i>Intermediated Distribution</i> <sup>(2)</sup> :												
Individual Pensions	11	50	(78%)	7	16	(56%)	18	66	(73%)	8	21	(62%)
Corporate Pensions	7	32	(78%)	2	3	(33%)	9	35	(74%)	3	6	(50%)
Life	397	833	(52%)	6	5	20%	403	838	(52%)	46	89	(48%)
Individual Annuities	263	188	40%	-	-	-	263	188	40%	26	19	37%
Bulk Annuities	424	100	324%	-	-	-	424	100	324%	42	10	320%
<b>Sub-Total</b>	<b>1,102</b>	<b>1,203</b>	<b>(8%)</b>	<b>15</b>	<b>24</b>	<b>(38%)</b>	<b>1,117</b>	<b>1,227</b>	<b>(9%)</b>	<b>125</b>	<b>144</b>	<b>(13%)</b>
DSS Rebates	45	9	400%	-	-	-	45	9	400%	4	1	300%
<b>Total</b>	<b>1,147</b>	<b>1,212</b>	<b>(5%)</b>	<b>15</b>	<b>24</b>	<b>(38%)</b>	<b>1,162</b>	<b>1,236</b>	<b>(6%)</b>	<b>129</b>	<b>145</b>	<b>(11%)</b>
<i>Total</i> <sup>(2)</sup> :												
Individual Pensions	13	53	(75%)	9	18	(50%)	22	71	(69%)	10	23	(57%)
Corporate Pensions	181	124	46%	37	29	28%	218	153	42%	55	41	34%
Life	405	864	(53%)	7	6	17%	412	870	(53%)	48	93	(48%)
Individual Annuities	537	368	46%	-	-	-	537	368	46%	54	37	46%
Bulk Annuities	424	100	324%	-	-	-	424	100	324%	42	10	320%
<b>Sub-Total</b>	<b>1,560</b>	<b>1,509</b>	<b>3%</b>	<b>53</b>	<b>53</b>	<b>0%</b>	<b>1,613</b>	<b>1,562</b>	<b>3%</b>	<b>209</b>	<b>204</b>	<b>2%</b>
DSS Rebates	65	19	242%	-	-	-	65	19	242%	7	2	250%
<b>Total</b>	<b>1,625</b>	<b>1,528</b>	<b>6%</b>	<b>53</b>	<b>53</b>	<b>0%</b>	<b>1,678</b>	<b>1,581</b>	<b>6%</b>	<b>216</b>	<b>206</b>	<b>5%</b>
Closed distribution channel <sup>(3)</sup>	-	1	-	-	1	-	-	2	-	-	1	-
<b>Total UK Insurance Operations</b>	<b>1,625</b>	<b>1,529</b>	<b>6%</b>	<b>53</b>	<b>54</b>	<b>(2%)</b>	<b>1,678</b>	<b>1,583</b>	<b>6%</b>	<b>216</b>	<b>207</b>	<b>4%</b>
<i>European Insurance Operations:</i>												
Insurance Products	8	18	(56%)	9	6	50%	17	24	(29%)	10	8	25%
<b>Total European Insurance Operations</b>	<b>8</b>	<b>18</b>	<b>(56%)</b>	<b>9</b>	<b>6</b>	<b>50%</b>	<b>17</b>	<b>24</b>	<b>(29%)</b>	<b>10</b>	<b>8</b>	<b>25%</b>
<b>Total UK &amp; European Insurance Operations</b>	<b>1,633</b>	<b>1,547</b>	<b>6%</b>	<b>62</b>	<b>60</b>	<b>3%</b>	<b>1,695</b>	<b>1,607</b>	<b>5%</b>	<b>225</b>	<b>215</b>	<b>5%</b>
<i>US Insurance Operations:</i> <sup>(14)</sup>												
Fixed Annuities	730	524	39%	-	-	-	730	524	39%	73	52	40%
Equity Linked Indexed Annuities	50	74	(32%)	-	-	-	50	74	(32%)	5	7	(29%)
Variable Annuities	511	155	230%	-	-	-	511	155	230%	51	16	219%
<b>Sub-total Annuities</b>	<b>1,291</b>	<b>753</b>	<b>71%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,291</b>	<b>753</b>	<b>71%</b>	<b>129</b>	<b>75</b>	<b>72%</b>
Guaranteed Investment Contracts	(5)	-	-	-	-	-	(5)	-	-	(1)	-	-
GIC - Medium Term Note	(16)	64	-	-	-	-	(16)	64	-	(1)	6	-
Life	-	-	-	4	6	(33%)	4	6	(33%)	4	6	(33%)
<b>Total US Insurance Operations</b>	<b>1,270</b>	<b>817</b>	<b>55%</b>	<b>4</b>	<b>6</b>	<b>(33%)</b>	<b>1,274</b>	<b>823</b>	<b>55%</b>	<b>131</b>	<b>87</b>	<b>51%</b>
<i>Asian Insurance Operations:</i>												
Singapore <sup>(5)</sup>	85	56	52%	13	11	18%	98	67	46%	22	17	29%
Hong Kong	51	22	132%	22	23	(4%)	73	45	62%	27	25	8%
Malaysia	4	4	0%	22	16	38%	26	20	30%	22	16	38%
Taiwan	2	2	0%	45	19	137%	47	21	124%	45	20	125%
Japan <sup>(10)</sup>	1	1	0%	10	7	43%	11	8	38%	10	7	43%
Other <sup>(11)</sup>	7	9	(22%)	28	16	75%	35	25	40%	29	17	71%
<b>Total Asian Insurance Premiums</b>	<b>150</b>	<b>94</b>	<b>60%</b>	<b>140</b>	<b>92</b>	<b>52%</b>	<b>290</b>	<b>186</b>	<b>56%</b>	<b>155</b>	<b>101</b>	<b>53%</b>
<b>Group Total</b>	<b>3,053</b>	<b>2,458</b>	<b>24%</b>	<b>206</b>	<b>158</b>	<b>30%</b>	<b>3,259</b>	<b>2,616</b>	<b>25%</b>	<b>511</b>	<b>403</b>	<b>27%</b>

## INVESTMENT OPERATIONS

	M&G & UK Operations			Asia Mutual Funds <sup>(13)</sup>			Hong Kong MPF Products <sup>(7)</sup>			Total Investment Products		
	Q4 2002	Q4 2001	+/- (%)	Q4 2002	Q4 2001	+/- (%)	Q4 2002	Q4 2001	+/- (%)	Q4 2002	Q4 2001	+/- (%)
	£m	£m		£m	£m		£m	£m		£m	£m	
<b>Opening FUM</b>	<b>8,369</b>	<b>9,698</b>	<b>(14%)</b>	<b>3,652</b>	<b>2,466</b>	<b>48%</b>	<b>121</b>	<b>67</b>	<b>81%</b>	<b>12,142</b>	<b>12,231</b>	<b>(1%)</b>
Gross inflows	266	234	14%	3,812	3,463	10%	17	20	(15%)	4,095	3,717	10%
Less redemptions	(248)	(132)	(88%)	(3,487)	(2,964)	(18%)	(2)	(2)	0%	(3,737)	(3,098)	(21%)
Net flows	18	102	(82%)	325	499	(35%)	15	18	(17%)	358	619	(42%)
Other movements	-	(195)	-	1,130	-	-	-	-	-	1,130	(195)	-
Market and currency movements	202	723	(72%)	(12)	241	(105%)	-	5	-	190	969	(80%)
Net movement in FUM	220	630	(65%)	1,444	740	95%	15	23	(35%)	1,679	1,393	21%
<b>Closing FUM</b>	<b>8,589</b>	<b>10,328</b>	<b>(17%)</b>	<b>5,096</b>	<b>3,206</b>	<b>59%</b>	<b>136</b>	<b>90</b>	<b>51%</b>	<b>13,821</b>	<b>13,624</b>	<b>1%</b>

## Notes to Schedules:

(2) Excluding sales through closed distribution channel.

(3) Closed distribution channel relates to the Direct Sales Force.

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

(5) The Central Provident Fund in Singapore was further liberalised in 2001 resulting in exceptional sales volume in the first half of 2001.

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

(10) Insurance sales for Japan are included from 13 February 2001, the date of acquisition of Orico Life Insurance Company Limited.

(11) In Asia, 'Other' Insurance Products include Thailand, Indonesia, The Philippines, Vietnam, India (26% interest), China and Korea.

(13) Funds under management arising from the Korean fund management acquisition in Q4 are included in Other movements.

(14) 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.