

PRUDENTIAL PLC

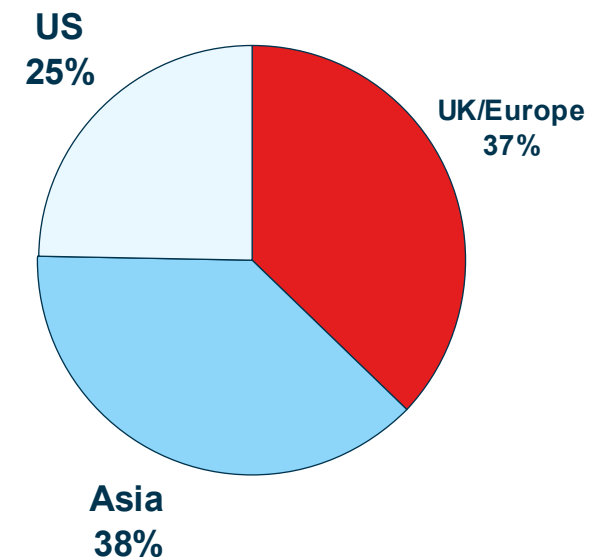
2001 PRELIMINARY RESULTS

This presentation may contain certain "forward-looking statements" with respect to certain of Prudential's plans and its current goals and expectations relating to its future financial condition, performance and results. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Prudential's control including among other things, UK domestic and global economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which Prudential and its affiliates operate. As a result, Prudential's actual future financial condition, performance and results may differ materially from the plans, goals, and expectations set forth in Prudential's forward-looking statements.

A STRONG RESULT ACROSS THE GROUP



- Total sales of £21.5bn: growth of 54%
- Achieved operating profit increased by 15% to £1,186m
- Dividend increased to 25.4p
- Geographically diversified business:



TOTAL NEW BUSINESS IN-FLOWS



NEW FUNDS OF £22.5BN IN 2001

	2001	2000
Insurance Products	Sales of £11.4bn	Sales of £10.4bn
Investment Products	Sales of £10bn	Sales of £3.5bn
Banking Products	Retail assets increase £1.1bn	Retail assets of £4.4bn
Funds under Management	£163bn	£165bn

ACHIEVED BASIS



- Total operating profit up 15%, to £1,186m
- New business profit up 10%, to £673m
- In-force profit up 24%, to £673m
- Group margin 38% (2000: 40%)
- Achieved basis shareholder funds of £8.2bn (2000: £8.8bn)

ACHIEVED BASIS



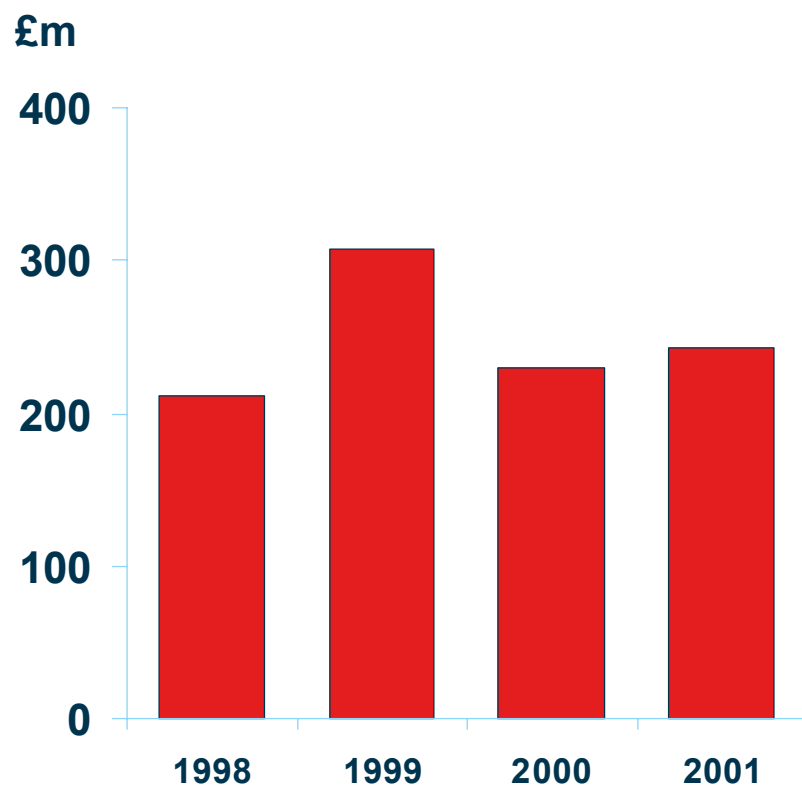
EFFECT OF ACTIVE BASIS ON PRIOR YEAR

	2000 as reported £m	2000 on active assumptions £m
UK		
■ NBAP	230	208
■ In-force	478	410
■ AP shareholder funds - long term business	4,227	3,929
US		
■ NBAP	221	243
■ In-force	(2)	(12)
■ AP shareholder funds - long term business	2,756	2,855

ACHIEVED BASIS



UK OPERATIONS NEW BUSINESS ACHIEVED PROFIT UP 6% ON PRIOR YEAR



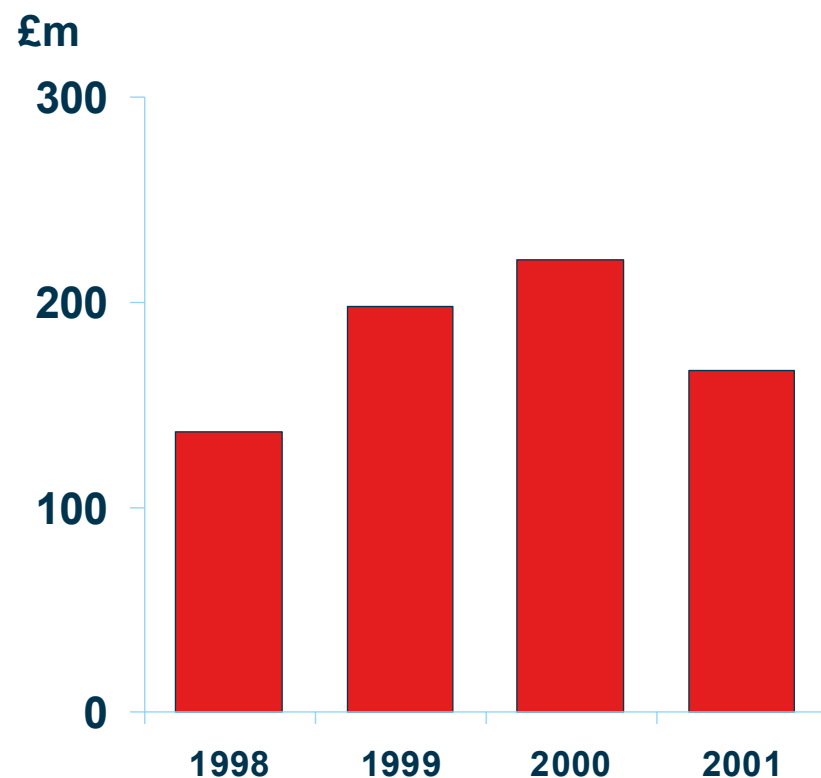
	2001 £m	2000 £m
NBAP	243	230
APE*	817	730
MARGIN	30%	31%

*excluding investment products and DSS rebates written in SAIF

ACHIEVED BASIS



JACKSON NATIONAL LIFE NEW BUSINESS ACHIEVED PROFIT DOWN 24% ON PRIOR YEAR

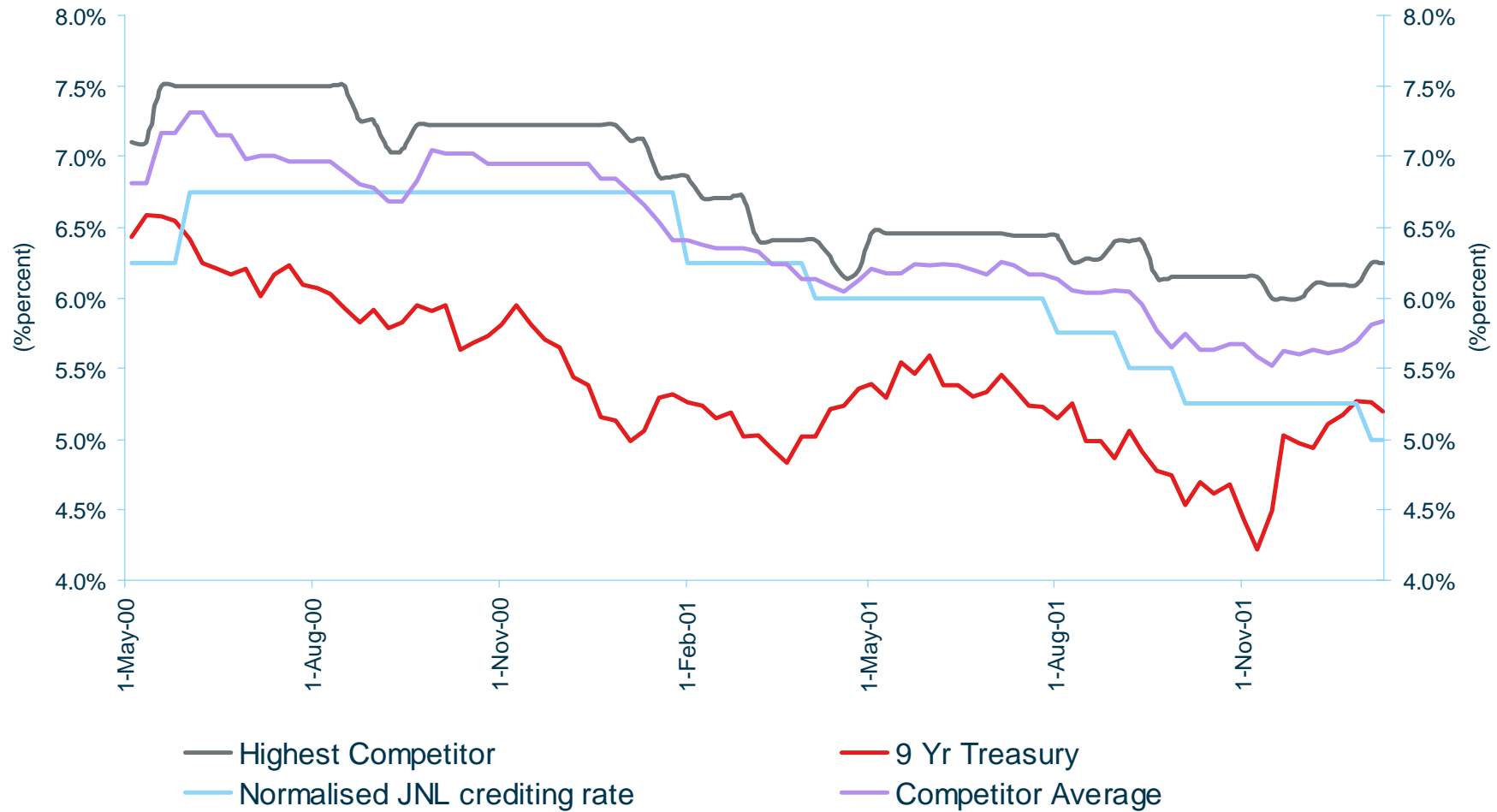


	2001 £m	2000 £m
NBAP	167	221
APE	483	508
MARGIN	35%	44%

ACHIEVED BASIS



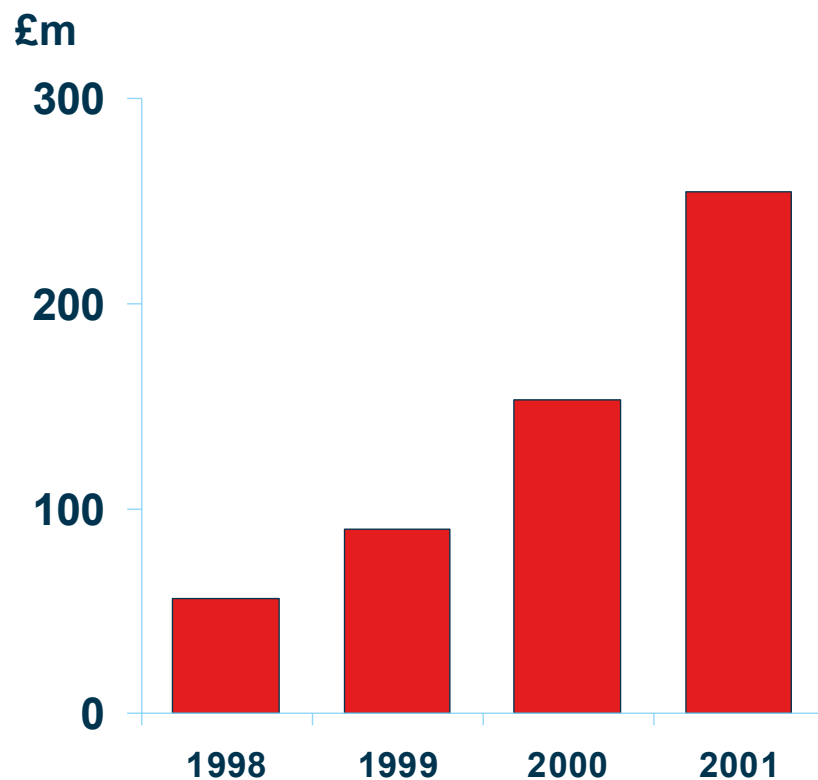
JACKSON NATIONAL LIFE CREDITING RATES



ACHIEVED BASIS



ASIA NEW BUSINESS ACHIEVED PROFIT UP 67% ON PRIOR YEAR



	2001 £m	2000 £m
NBAP	255	153
APE*	434	257
MARGIN	59%	60%

*Insurance sales only

ACHIEVED BASIS

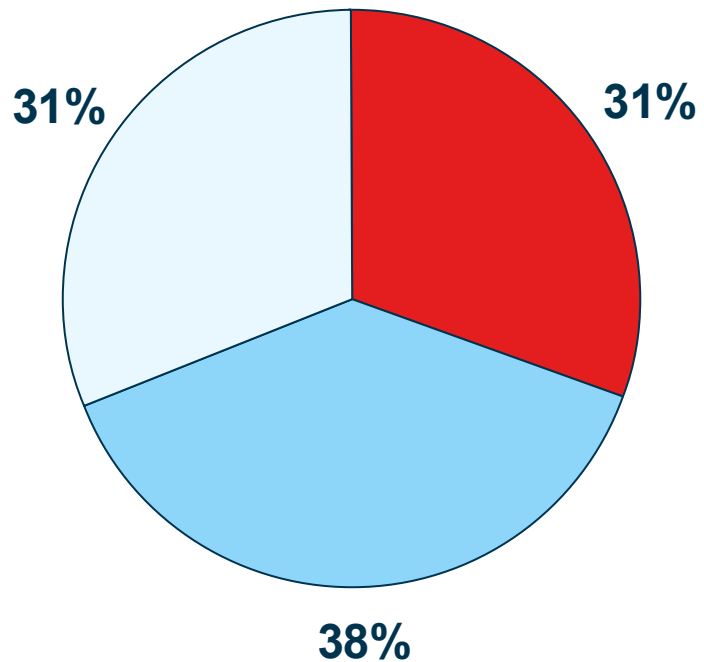


ASIA PROFIT PROGRESSION

	1998 (£m)	1999 (£m)	2000 (£m)	2001 (£m)	CAGR
New business achieved profit	56	90	153	255	66%
Margin	74%	73%	60%	59%	
Net mutual fund sales	39	311	309	1,395	230%
Operating achieved profit before development expenses	83	125	213	415	71%
MSB profit from established operations	29	31	40	56	25%

PRUDENTIAL ASIA NEW BUSINESS ACHIEVED PROFIT PRODUCTS MIX

Total - £255m



- Linked is now the largest NBAP contributor
- Life funds account for only 18% of total NBAP

■ Non linked ■ Linked □ Accident & Health



ACHIEVED BASIS



IN-FORCE RESULT

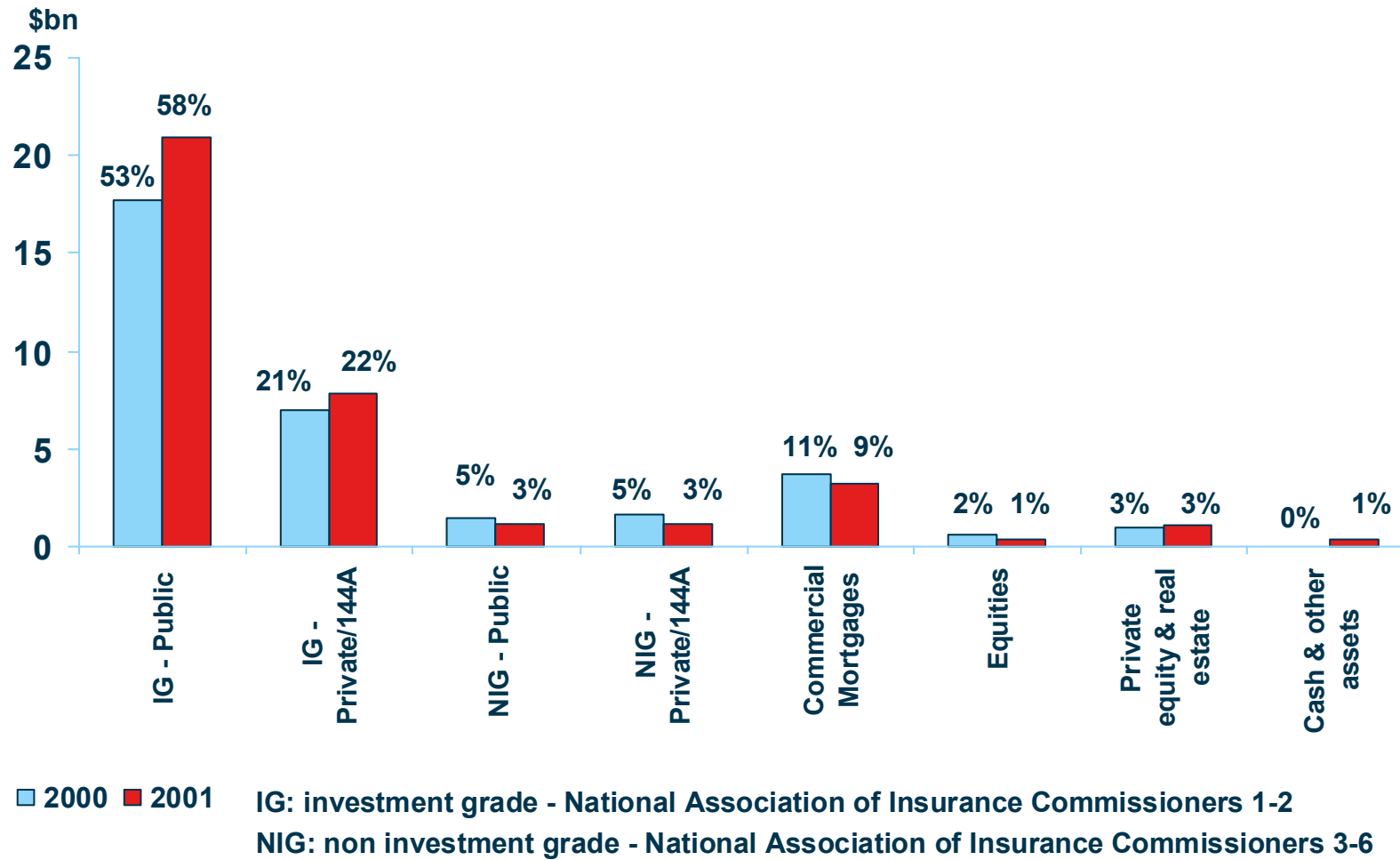
	UK & Europe £m	US £m	Asia £m	Total £m
Unwind of discount*	393	244	78	715
Jackson spread	0	(12)	0	(12)
Jackson persistency	0	(7)	0	(7)
Change in assumptions	(1)	(13)	66	52
Longer term investment loss	0	(74)	0	(74)
Other items and experience variances	(15)	(2)	16	(1)
Total in-force - long term business	377	136	160	673
AP shareholders' funds (£bn)	3.7	2.7	1.1	7.5
Other operations (£bn)				0.6
Total AP shareholders' funds (£bn)				8.2

*Includes return on JNL surplus assets (over target surplus)

ACHIEVED BASIS



JACKSON NATIONAL LIFE INVESTED ASSETS MIX



Notes: Statutory financial data, excludes leverage.

ACHIEVED PROFITS BASIS RESULTS

	2001 £m	2000 £m	
Operating profit (based on longer-term investment returns)			
■ New business	673	613	
■ Business in force	673	544	
Total long-term business	1346	1157	16%
Development costs for long-term business	(48)	(21)	
General business	79	33	
M&G	75	125	
Egg	(88)	(155)	
Broker dealer/PPMA	16	7	
Other income and expenditure	(130)	(117)	
Underlying total operating profit	1250	1029	21%
Exceptional charge	(64)	0	
Operating profit before amortisation of goodwill	1186	1029	15%

ACHIEVED BASIS



9% INCREASE IN ACHIEVED EPS

	2001 £m	2000 £m
Operating profit before amortisation of goodwill	1186	1029
Net break fee from American General	338	0
Profit on business disposals	0	223
Amortisation of goodwill	(95)	(84)
Short term fluctuations in investment return	(1402)	(440)
Loss arising from changes of economic assumptions	(482)	0
Profit before tax	(455)	728
Effective rate of tax on operating profit	31%	28%
Operating earnings per share (p)		
■ Achieved profits basis	41.9p	38.4p
■ Statutory basis	23.3p	30.2p
■ Total dividend per share	25.4p	24.5p

MSB OPERATING PROFIT

	2001 £m	2000 £m
UK - long term insurance	435	468
UK - general insurance	79	33
M&G	75	125
Egg	(88)	(155)
UK operations	501	471
US operations	298	466
Asian operations (pre development costs)	44	39
European operations (pre development costs)	5	8
Other	(130)	(123)
Underlying profit	718	861
Exceptional charge	(48)	0
Development costs for long term business	(48)	(21)
Operating profit	622	840

MODIFIED STATUTORY BASIS



	2001 £m	2000 £m
Operating profit before amortisation of goodwill	622	840
Net break fee from American General	338	0
Profit on business disposals	0	239
Amortisation of goodwill	(95)	(84)
Adjustment to actual investment gains	(480)	(48)
Profit before tax	385	947
Tax charge	(21)	(314)
Effective rate of tax on total profit	5%	33%

GROUP FUNDS FLOW



INVESTING TO GROW THE BUSINESS

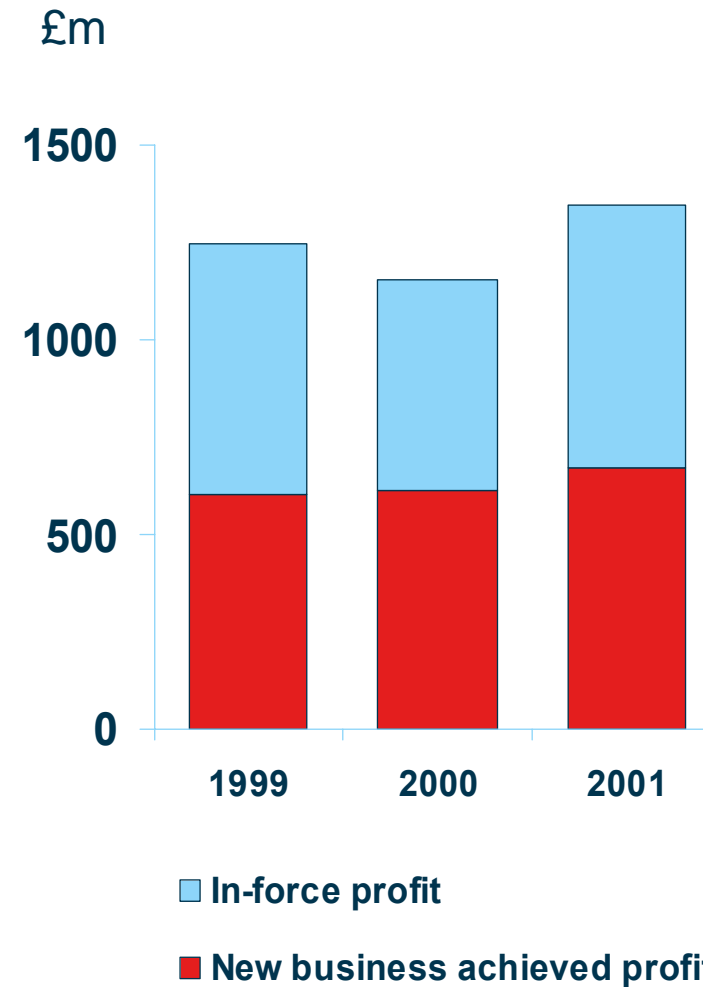
	2001 £m	2000 £m
Group operating PAT & minority interests	460	591
American General Corporation merger break fee*	332	0
Capital repatriated from businesses	80	123
Proceeds from disposals	0	173
New share capital subscribed	42	45
Listing of shares on NYSE	0	139
	914	1071
Acquisition of new businesses	(160)	(109)
Reinvestment in existing businesses	(539)	(446)
Timing differences and other items	(132)	147
	83	663
Dividends declared	(504)	(484)
Holding company net funds movement	(421)	179
Proceeds of 2001 initiatives due in 2002	c. 450	

*net of expenses and applicable taxes

FINANCIAL HIGHLIGHTS



- Total operating profit up 15%, to £1,186m
- New business profit up 10%, to £673m
- In-force profit up 24%, to £673m
- Group margin 38% (2000: 40%)
- Achieved basis shareholder funds of £8.2bn (2000: £8.8bn)



THE GROUP'S PERFORMANCE AMBITION

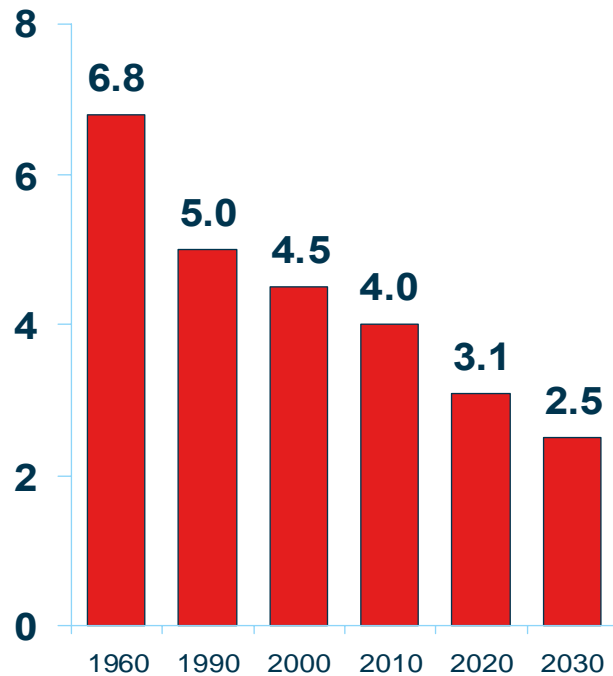


- Goal is to double intrinsic value of the Group over the next 4 years
- Intrinsic value is the present value of future cash flows from each business unit
- Reporting measures will be:
 - NBAP and EV for the long-term businesses
 - MSB profits for non-insurance operations
- To achieve this goal we must:
 - approximately double NBAP over 4 years
 - approximately double fair value of non-insurance operations
- Key is performance delivery, then sustainability beyond this 4 year period
- Current strategies get us a long way towards the goal

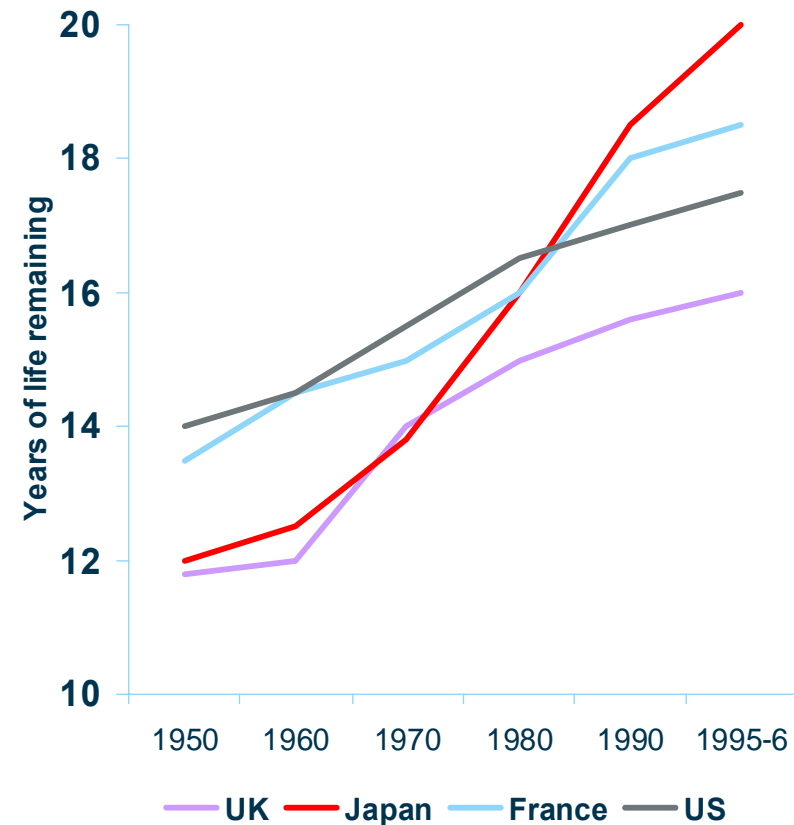
A GROWTH INDUSTRY



Ratio of working-age adults (aged 15-64) to the elderly (aged 65 & over) in the developed world



Life expectancy at age 65



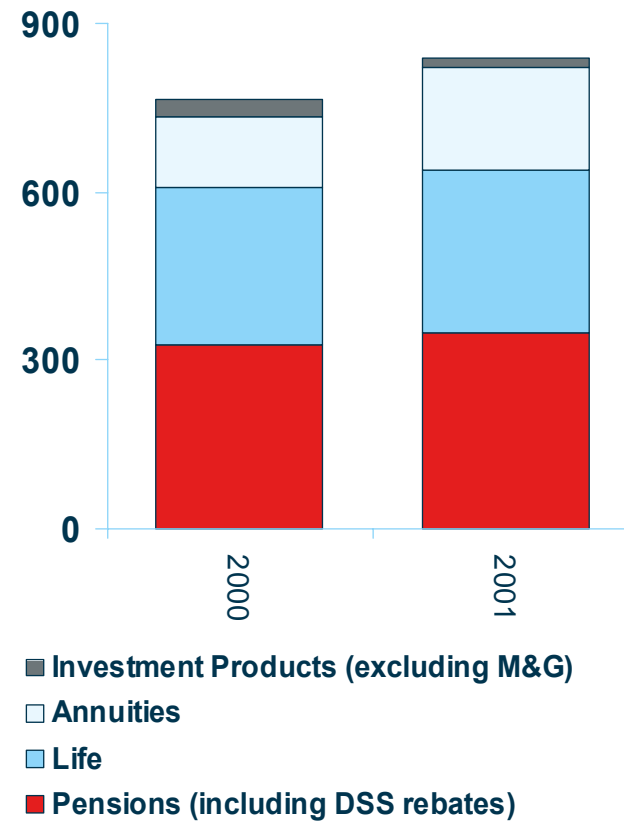
- Closure of Direct Sales Force
- Disposal of general insurance business
- Move to single UK brand for long term business
- Refocused product range
- Multi-channel distribution
- £175m reduction in annual costs

UK INSURANCE OPERATIONS: A FUTURE BUILT ON OUR STRENGTHS



- Financial strength
- Customer base
- Brand
- Innovation
- Product range

UKIO New Business APE Sales £m



UK INSURANCE OPERATIONS: MULTI-CHANNEL DISTRIBUTION



Direct to consumer

Business to business

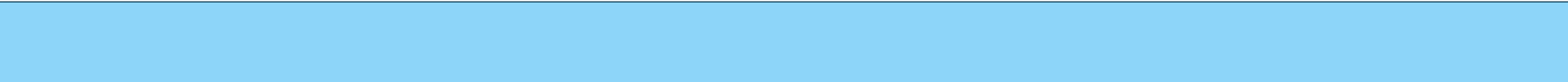
Affinities

Intermediaries

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Flexibility to respond to the changing landscape



- Building on our strengths in the UK
- Continuing to develop partnerships
- New distribution agreements
- Leveraging Prudential's product expertise
- Strategic review underway to explore potential

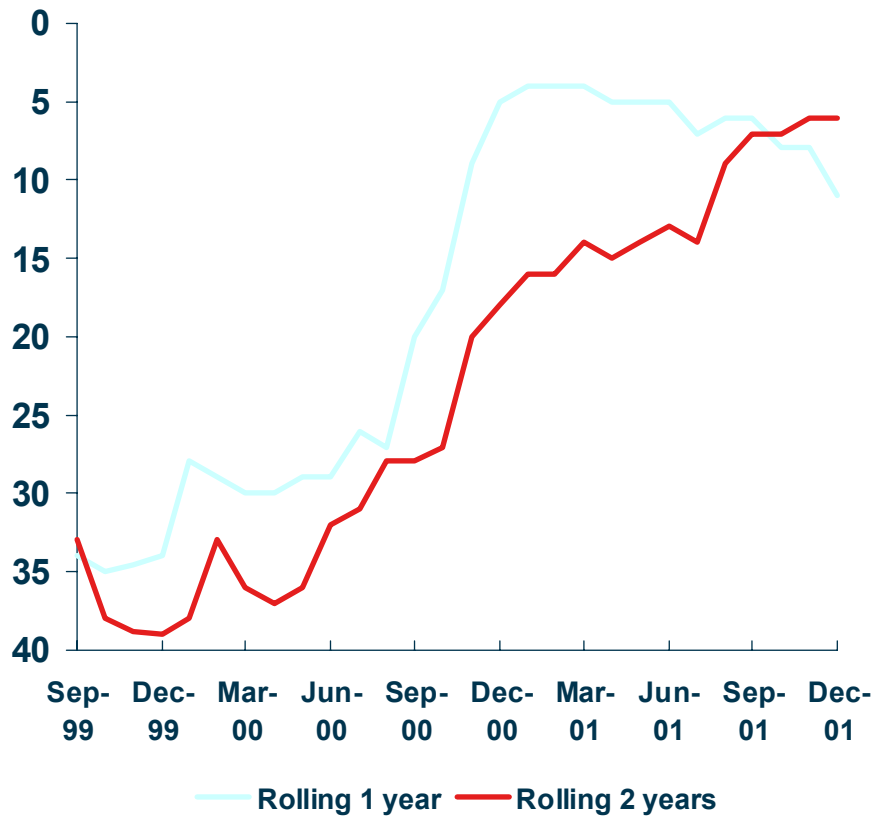
- Commitment to growing value
- Focus on leading positions: fixed income; retail; life fund management; pooled pension funds
- Strong links with other Prudential businesses
- International ambition: presence established in Germany
- Cofunds: leading position in IFA market
- Effective administration at low cost

FUND MANAGEMENT GROWTH



IMPRESSIVE PERFORMANCE: A BASE ON WHICH TO BUILD

M&G's position out of top 40 fund managers



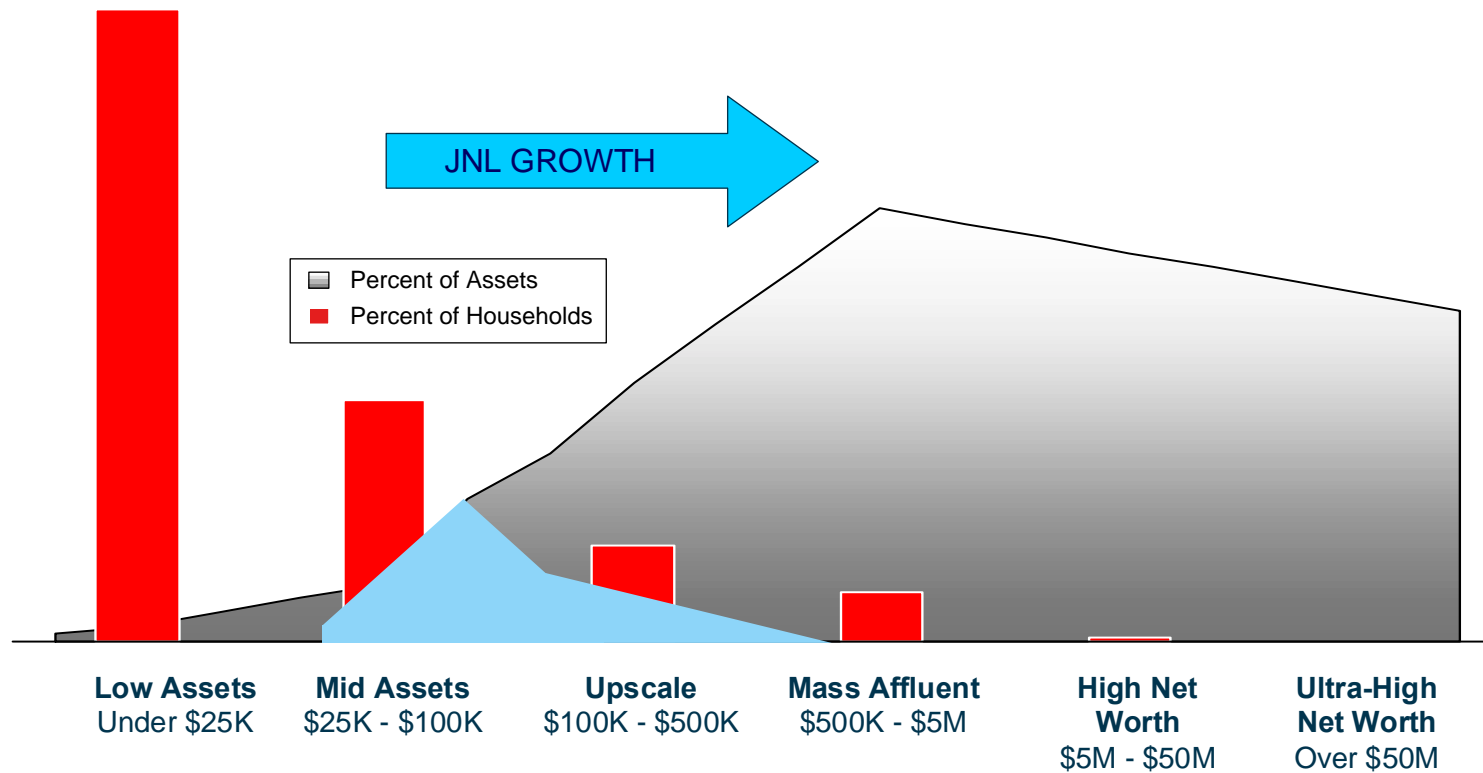
- Strong short-term performance maintained
- Encouraging improvement in longer-term record
- 3 year position now 15th (36th at 31.12.99)
- Life fund relative performance remains very strong
- Flagship pooled fund performance turned around

- UK business now profitable
- Delivered a record year of customer growth (600,000 newly-acquired)
- Revenue per customer growing strongly
- Costs under control and economies of scale emerging
- First step in Europe with exciting opportunity in France
- Positioned for growth

JNL'S CURRENT POSITION



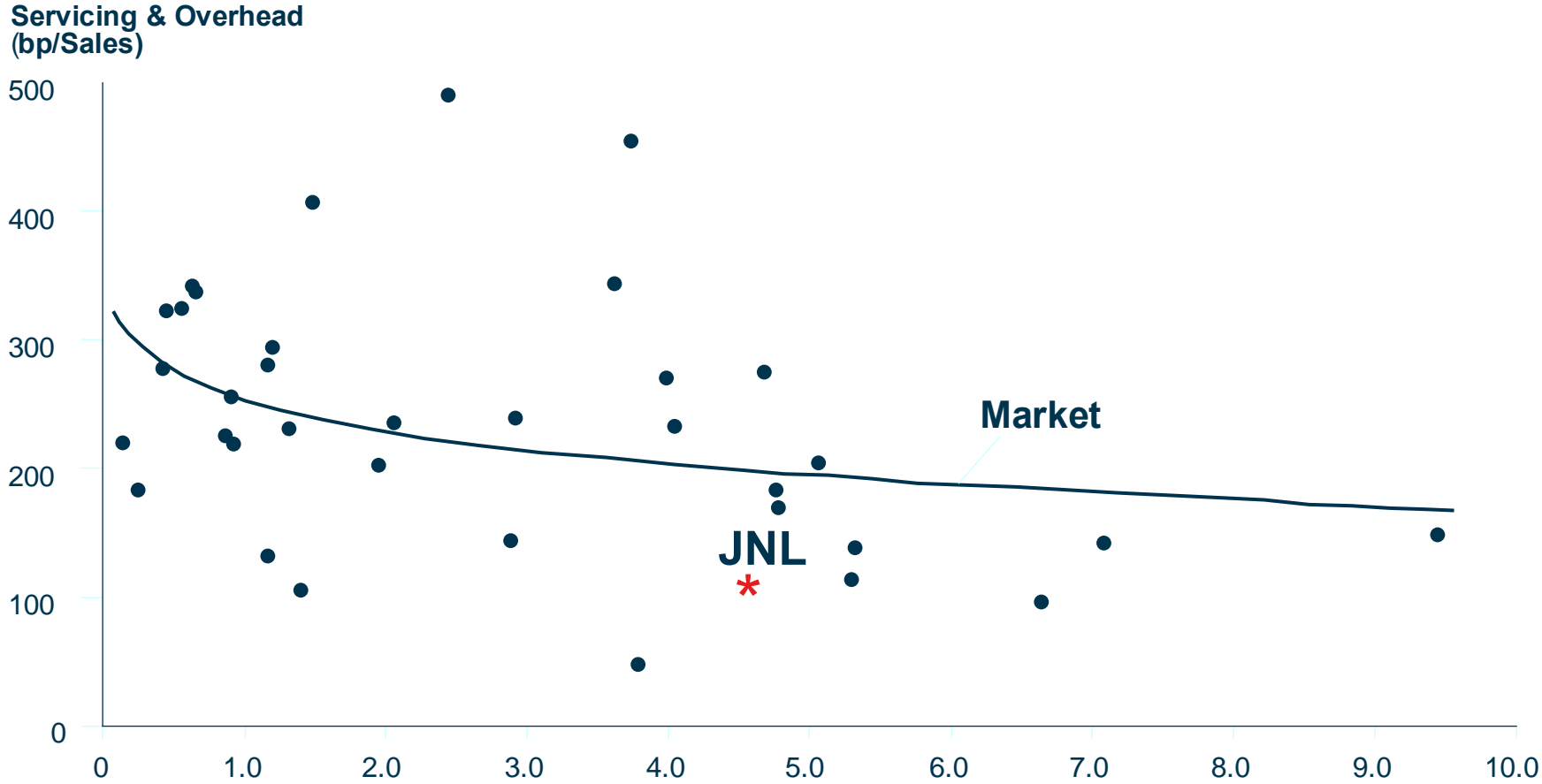
AMERICAN INVESTORS PERCENTAGE OF HOUSEHOLDS' INVESTABLE ASSETS



PROFITABILITY IS NOT A FUNCTION OF ABSOLUTE SIZE



COST LEADERSHIP



Source: Townsend & Schupp. Companies >\$100M Fixed annuity sales, >\$1bn Variable annuity sales LIMRA 2000

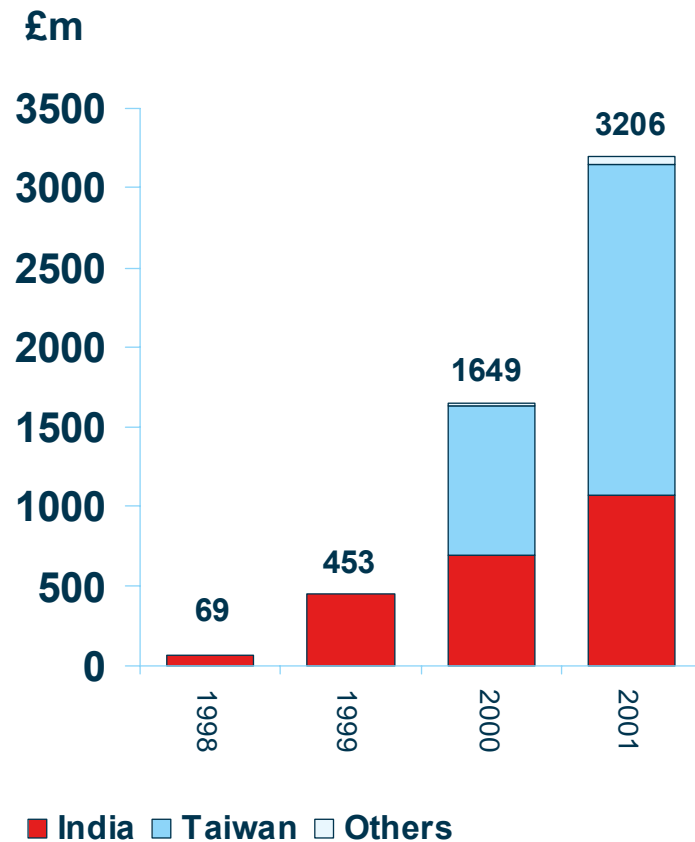
- Expand further into mass affluent segment
- Begin marketing initiative aimed at Regional Broker Dealers
- Enter Registered Investment Adviser market
- Product development
- Participate in consolidating US market

ASIA



- Geographic expansion completed
 - acquisition of sound life companies in Japan and Korea
- Gaining market share:
 - Hong Kong, Malaysia, Taiwan; India and Taiwan mutual funds
- Distribution:
 - agent numbers have more than doubled to nearly 60,000
 - bank distribution in place in 9 countries
- Leveraging regional product strengths:
 - unit-linked successfully launched in China and Taiwan
 - further roll-out of innovative and lifestyle-themed products (PRU lady, Pruparent)

Assets under management

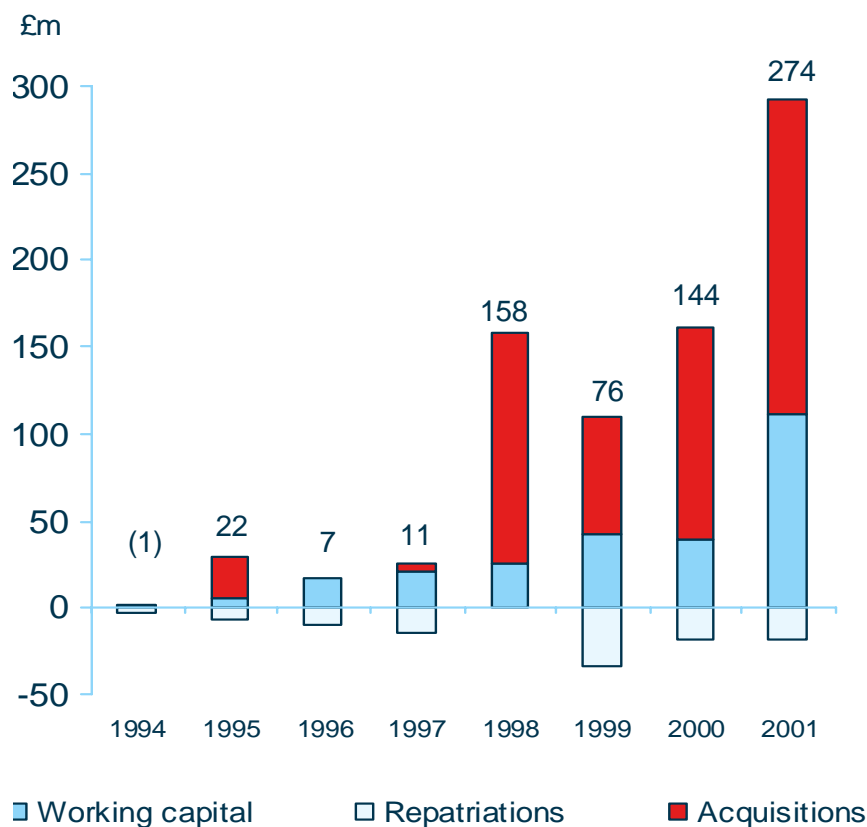


- Asian mutual fund market is only c£500 billion today
- We now operate in 5 markets, with plans to enter China and Korea
- Assets under management have grown at CAGR of 254% since 1998
- No 1 private sector player in India and no 4 in Taiwan at 31 Dec 2001

CAPITAL FLOWS IN ASIA: UPDATE



Net capital flows



- Japan and Korea acquisitions
- Increased investment in Indonesia and Taiwan

Summary (1994 to 2001)

	£m
Acquisitions	533
Working capital	264
Repatriations	(106)
Net capital	691

- International retail financial services business
- Breadth of product and geographies
- AAA financial strength
- Focus on value, with a clearly-stated target
- Strategy for growth in place

PRUDENTIAL PLC

2001 PRELIMINARY RESULTS