

## PRUDENTIAL PLC - NEW BUSINESS - QUARTER 3 2003 VERSUS QUARTER 3 2002

## INSURANCE OPERATIONS

	Single			Regular			Total			Annual Equivalents <sup>(8)</sup>		
	Q3 2003 £m	Q3 2002 £m	+/- (%)	Q3 2003 £m	Q3 2002 £m	+/- (%)	Q3 2003 £m	Q3 2002 £m	+/- (%)	Q3 2003 £m	Q3 2002 £m	+/- (%)
<b>UK Insurance Operations :<sup>(4)</sup></b>												
<i>Direct Distribution :</i>												
Individual Pensions	1	3	(67%)	2	2	-	3	5	(40%)	2	2	-
Corporate Pensions	138	31	345%	27	25	8%	165	56	195%	41	28	46%
Life	3	14	(79%)	-	1	-	3	15	(80%)	-	2	-
Individual Annuities	215	230	(7%)	-	-	-	215	230	(7%)	22	23	(4%)
<b>Sub-Total</b>	<b>357</b>	<b>278</b>	<b>28%</b>	<b>29</b>	<b>28</b>	<b>4%</b>	<b>386</b>	<b>306</b>	<b>26%</b>	<b>65</b>	<b>56</b>	<b>16%</b>
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>357</b>	<b>278</b>	<b>28%</b>	<b>29</b>	<b>28</b>	<b>4%</b>	<b>386</b>	<b>306</b>	<b>26%</b>	<b>65</b>	<b>56</b>	<b>16%</b>
<i>Intermediated Distribution :</i>												
Individual Pensions	9	17	(47%)	6	9	(33%)	15	26	(42%)	7	10	(30%)
Corporate Pensions	15	18	(17%)	2	3	(33%)	17	21	(19%)	4	5	(20%)
Life	280	443	(37%)	3	4	(25%)	283	447	(37%)	31	48	(35%)
Individual Annuities	206	285	(28%)	-	-	-	206	285	(28%)	21	29	(28%)
Bulk Annuities	32	123	(74%)	-	-	-	32	123	(74%)	3	13	(77%)
<b>Sub-Total</b>	<b>542</b>	<b>886</b>	<b>(39%)</b>	<b>11</b>	<b>16</b>	<b>(31%)</b>	<b>553</b>	<b>902</b>	<b>(39%)</b>	<b>65</b>	<b>105</b>	<b>(38%)</b>
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>542</b>	<b>886</b>	<b>(39%)</b>	<b>11</b>	<b>16</b>	<b>(31%)</b>	<b>553</b>	<b>902</b>	<b>(39%)</b>	<b>65</b>	<b>105</b>	<b>(38%)</b>
<i>Partnerships :</i>												
Life	12	-	-	-	-	-	12	-	-	1	-	-
Individual Annuities	24	-	-	-	-	-	24	-	-	2	-	-
<b>Total</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>
<b>Total :</b>												
Individual Pensions	10	20	(50%)	8	11	(27%)	18	31	(42%)	9	13	(31%)
Corporate Pensions	153	49	212%	29	28	4%	182	77	136%	45	33	36%
Life	295	457	(35%)	3	5	(40%)	298	462	(35%)	32	50	(36%)
Individual Annuities	445	515	(14%)	-	-	-	445	515	(14%)	45	52	(13%)
Bulk Annuities	32	123	(74%)	-	-	-	32	123	(74%)	3	13	(77%)
<b>Sub-Total</b>	<b>935</b>	<b>1,164</b>	<b>(20%)</b>	<b>40</b>	<b>44</b>	<b>(9%)</b>	<b>975</b>	<b>1,208</b>	<b>(19%)</b>	<b>134</b>	<b>160</b>	<b>(16%)</b>
DWP Rebates	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total UK Insurance Operations</b>	<b>935</b>	<b>1,164</b>	<b>(20%)</b>	<b>40</b>	<b>44</b>	<b>(9%)</b>	<b>975</b>	<b>1,208</b>	<b>(19%)</b>	<b>134</b>	<b>160</b>	<b>(16%)</b>
<i>European Insurance Operations :<sup>(1)</sup></i>												
Insurance Products	17	7	143%	-	6	-	17	13	31%	2	6	(67%)
<b>Total European Insurance Operations</b>	<b>17</b>	<b>7</b>	<b>143%</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>17</b>	<b>13</b>	<b>31%</b>	<b>2</b>	<b>6</b>	<b>(67%)</b>
<b>Total UK &amp; European Insurance Operations</b>	<b>952</b>	<b>1,171</b>	<b>(19%)</b>	<b>40</b>	<b>50</b>	<b>(20%)</b>	<b>992</b>	<b>1,221</b>	<b>(19%)</b>	<b>136</b>	<b>166</b>	<b>(18%)</b>
<i>US Insurance Operations :<sup>(1)</sup></i>												
Fixed Annuities	200	925	(78%)	-	-	-	200	925	(78%)	20	93	(78%)
Equity-Linked Indexed Annuities	72	75	(4%)	-	-	-	72	75	(4%)	7	7	-
Variable Annuities	561	368	52%	-	-	-	561	368	52%	56	36	56%
Life	-	-	-	3	6	(50%)	3	6	(50%)	3	6	(50%)
<b>Sub-total Retail</b>	<b>833</b>	<b>1,368</b>	<b>(39%)</b>	<b>3</b>	<b>6</b>	<b>(50%)</b>	<b>836</b>	<b>1,374</b>	<b>(39%)</b>	<b>86</b>	<b>142</b>	<b>(39%)</b>
Guaranteed Investment Contracts	6	15	(60%)	-	-	-	6	15	(60%)	1	2	(50%)
GIC - Medium Term Note	28	225	(88%)	-	-	-	28	225	(88%)	3	22	(86%)
<b>Total US Insurance Operations</b>	<b>867</b>	<b>1,608</b>	<b>(46%)</b>	<b>3</b>	<b>6</b>	<b>(50%)</b>	<b>870</b>	<b>1,614</b>	<b>(46%)</b>	<b>90</b>	<b>166</b>	<b>(46%)</b>
<i>Asian Insurance Operations :<sup>(1)</sup></i>												
Singapore	45	56	(20%)	14	12	17%	59	68	(13%)	18	17	6%
Hong Kong	58	45	29%	21	19	11%	79	64	23%	27	24	13%
Malaysia	3	4	(25%)	19	13	46%	22	17	29%	20	13	54%
Taiwan	9	4	125%	30	50	(40%)	39	54	(28%)	31	50	(38%)
Japan	2	2	-	13	11	18%	15	13	15%	13	11	18%
Other <sup>(5)</sup>	17	7	143%	37	24	54%	54	31	74%	39	26	50%
<b>Total Asian Insurance Operations</b>	<b>134</b>	<b>118</b>	<b>14%</b>	<b>134</b>	<b>129</b>	<b>4%</b>	<b>268</b>	<b>247</b>	<b>9%</b>	<b>148</b>	<b>141</b>	<b>5%</b>
<b>Group Total</b>	<b>1,953</b>	<b>2,897</b>	<b>(33%)</b>	<b>177</b>	<b>185</b>	<b>(4%)</b>	<b>2,130</b>	<b>3,082</b>	<b>(31%)</b>	<b>373</b>	<b>473</b>	<b>(21%)</b>

## INVESTMENT OPERATIONS

	M&G <sup>(7)</sup>			Asia Mutual Funds			Hong Kong MPF Products <sup>(8)</sup>			Total Investment Products		
	Q3 2003 £m	Q3 2002 £m	+/- (%)	Q3 2003 £m	Q3 2002 £m	+/- (%)	Q3 2003 £m	Q3 2002 £m	+/- (%)	Q3 2003 £m	Q3 2002 £m	+/- (%)
<b>Opening FUM</b>	<b>22,331</b>	<b>20,685</b>	<b>8%</b>	<b>5,721</b>	<b>3,781</b>	<b>51%</b>	<b>165</b>	<b>117</b>	<b>41%</b>	<b>28,217</b>	<b>24,583</b>	<b>15%</b>
Gross inflows	1,008	540	87%	4,929	3,144	57%	17	18	(6%)	5,954	3,702	61%
Less redemptions	(657)	(381)	(72%)	(4,547)	(3,086)	(47%)	(4)	(3)	(33%)	(5,208)	(3,470)	(50%)
Net flows	351	159	121%	382	58	559%	13	15	(13%)	746	232	222%
Other movements	-	-	-	(25)	(1)	(2400%)	-	-	-	(25)	(1)	(2400%)
Market and currency movements	511	(1,247)	141%	238	(186)	228%	8	(11)	173%	757	(1,443)	152%
Net movement in FUM	862	(1,088)	179%	595	(129)	561%	21	4	425%	1,478	(1,212)	222%
<b>Closing FUM</b>	<b>23,193</b>	<b>19,597</b>	<b>18%</b>	<b>6,316</b>	<b>3,652</b>	<b>73%</b>	<b>186</b>	<b>121</b>	<b>54%</b>	<b>29,695</b>	<b>23,370</b>	<b>27%</b>

## Notes to Schedules:

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

<sup>(2)</sup> Annual Equivalents, calculated as regular new business contributions + 10% single new business contributions, are subject to roundings.

<sup>(4)</sup> 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.

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

<sup>(7)</sup> 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.

<sup>(8)</sup> Mandatory Provident Fund product sales in Hong Kong are included at Prudential's 36% interest of the Hong Kong MPF operation.

<sup>(11)</sup> 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.