

Total insurance and investment products new business

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	Single			Regular			Annual premium and contribution equivalents (APE)			Present value of new business premiums (PVNBP)		
	2010 £m Half year	2009 £m Half year	2009 £m Full year	2010 £m Half year	2009 £m Half year	2009 £m Full year	2010 £m Half year	2009 £m Half year	2009 £m Full year	2010 £m Half year	2009 £m Half year	2009 £m Full year
Group insurance operations												
Asia – excl												
Japan ^{note iii}	430	327	785	670	492	1,131	713	524	1,209	3,316	2,551	5,982
US	5,493	3,798	8,885	11	12	24	560	392	912	5,569	3,889	9,048
UK	2,438	2,451	4,768	138	131	246	382	376	723	3,081	3,062	5,902
Group total – excl Japan	8,361	6,576	14,438	819	635	1,401	1,655	1,292	2,844	11,966	9,502	20,932
Japan	8	38	57	6	25	46	7	29	52	34	155	263
Group total	8,369	6,614	14,495	825	660	1,447	1,662	1,321	2,896	12,000	9,657	21,195
Asian insurance operations												
Hong Kong	31	31	94	127	92	232	130	95	241	746	582	1,414
Indonesia	39	13	41	125	82	186	129	83	190	464	282	671
Malaysia	20	33	63	75	49	140	77	52	146	406	295	814
Philippines	23	3	14	8	4	10	10	4	11	42	14	39
Singapore	147	115	297	60	40	98	75	52	128	573	409	1,033
Thailand	8	5	14	12	8	14	13	8	16	45	25	54
Vietnam	–	–	1	18	15	35	18	15	35	65	55	128
SE Asia inc.												
Hong Kong	268	200	524	425	290	715	452	310	767	2,341	1,662	4,153
China	60	43	72	21	17	38	27	21	45	161	125	253
India	32	32	47	116	73	163	119	76	168	329	272	581
Korea	24	20	38	43	64	118	45	66	122	226	314	568
Taiwan	46	32	104	65	48	97	70	51	107	259	178	427
Total Asian operations – excl Japan	430	327	785	670	492	1,131	713	524	1,209	3,316	2,551	5,982
US insurance operations												
Fixed annuities	416	701	1,053	–	–	–	42	69	105	416	701	1,053
Fixed index annuities	600	575	1,433	–	–	–	60	58	143	600	575	1,433
Life	5	5	10	11	12	24	11	13	25	81	96	173
Variable annuities	4,472	2,517	6,389	–	–	–	447	252	639	4,472	2,517	6,389
Total US insurance operations	5,493	3,798	8,885	11	12	24	560	392	912	5,569	3,889	9,048
UK insurance operations												
Direct and partnership annuities	362	273	590	–	–	–	36	27	59	362	273	590
Intermediated annuities	119	140	242	–	–	–	12	14	24	119	140	242
Internal vesting annuities	637	726	1,357	–	–	–	64	73	136	637	726	1,357
Total individual annuities	1,118	1,139	2,189	–	–	–	112	114	219	1,118	1,139	2,189
Corporate pensions	159	115	192	106	103	191	122	114	210	613	571	1,007
Onshore bonds	688	758	1,444	–	–	–	69	76	145	689	759	1,444
Other products	462	419	881	32	28	55	78	70	143	650	573	1,200
Wholesale	11	20	62	–	–	–	1	2	6	11	20	62
Total UK insurance operations	2,438	2,451	4,768	138	131	246	382	376	723	3,081	3,062	5,902
Group Total – excl Japan	8,361	6,576	14,438	819	635	1,401	1,655	1,292	2,844	11,966	9,502	20,932

Investment products – funds under management^{notes ii,v}

	2010 £m				
	1 Jan 2010	Market gross inflows	Redemptions	Market exchange translation and other movements	30 Jun 2010
Asian operations	19,474	37,983	(38,281)	1,169	20,345
US operations	–	–	–	–	–
UK operations	70,306	13,372	(8,698)	690	75,670
Group total	89,780	51,355	(46,979)	1,859	96,015

	2009 £m				
	1 Jan 2009	Market gross inflows	Redemptions	Market exchange translation and other movements	30 Jun 2009
Asian operations	15,232	32,084	(30,628)	(311)	16,377
US operations	50	6	(18)	–	38
UK operations	46,997	12,631	(4,006)	299	55,921
Group total	62,279	44,721	(34,652)	(12)	72,336

Notes

i The tables shown above are provided as an indicative volume measure of transactions undertaken in the reporting period that have the potential to generate profits for shareholders. The amounts shown are not, and not intended to be, reflective of premium income recorded in the IFRS income statement.

Annual Premiums Equivalents (APEs) are calculated as the aggregate of regular new business amounts and one-tenth of single new business amounts and are subject to roundings. New business premiums for regular premium products are shown on an annualised basis. Department of Work and Pensions (DWP) rebate business is classified as single recurrent business. Internal vesting business is classified as new business where the contracts include an open market option.

The format of the tables shown above is consistent with the distinction between insurance and investment products as applied for previous financial reporting periods. With the exception of some US institutional business, products categorised as 'insurance' refer to those classified as contracts of long-term insurance business for regulatory reporting purposes, i.e. falling within one of the classes of insurance specified in Part II of Schedule 1 to the Regulated Activities Order under FSA regulations.

The details shown above for insurance products include contributions for contracts that are classified under IFRS 4 'Insurance Contracts' as not containing significant insurance risk. These products are described as investment contracts or other financial instruments under IFRS. Contracts included in this category are primarily certain unit-linked and similar contracts written in UK insurance operations and Guaranteed Investment Contracts and similar funding agreements written in US operations.

ii Investment products referred to in the table for funds under management above are unit trust, mutual funds and similar types of retail fund management arrangements. These are unrelated to insurance products that are classified as 'investment contracts' under IFRS 4, as described in the preceding paragraph, although similar IFRS recognition and measurement principles apply to the acquisition costs and fees attaching to this type of business.

iii The tables above include new business for the Taiwan bank distribution operation. New business of the Taiwan Agency business, which was sold in June 2009, is excluded from the tables.

iv New business sales for the Group's Japanese insurance subsidiary, which ceased selling new business with effect from 15 February 2010, have been presented separately from the remainder of the Group.

v New business and market gross inflows and redemptions have been translated at an average exchange rate for the year applicable. Funds under management at points in time are translated at the exchange rate applicable at those dates.