

ACHIEVED PROFITS BASIS RESULTS

Summarised Consolidated Profit and Loss Account	2003 £m	2002 £m
UK and Europe Insurance Operations	359	516
M&G	83	71
Egg	(34)	(20)
UK and Europe Operations	408	567
US Operations	216	265
Prudential Asia	378	516
Other Income and Expenditure (including Asia development expenses)	(208)	(215)
Operating profit before amortisation of goodwill and exceptional items	794	1,133
Amortisation of goodwill	(98)	(98)
Short-term fluctuations in investment returns	682	(1,406)
Effect of changes in economic assumptions	(540)	(467)
Profit on sale of UK general business operations	-	355
Profit (loss) on ordinary activities before tax (including actual investment returns)	838	(483)
Tax	(355)	329
Profit (loss) for the year before minority interests	483	(154)
Minority interests	2	9
Profit (loss) for the year after minority interests	485	(145)
Dividends	(320)	(519)
Retained profit (loss) for the year	165	(664)

Basic Earnings Per Share

Based on operating profit after tax and related minority interests before amortisation of goodwill and exceptional items of £527m (£851m)	26.4p	42.8p
Adjustment for amortisation of goodwill	(4.9)p	(4.9)p
Adjustment from post-tax long-term investment returns to post-tax actual investment returns (after related minority interests)	23.3p	(48.0)p
Adjustment for post-tax effect of changes in economic assumptions	(20.5)p	(14.4)p
Adjustment for post-tax profit on sale of UK general business operations	-	17.2p
Based on profit (loss) for the year after minority interests of £485m (£(145)m)	24.3p	(7.3)p
Average number of shares	1,996m	1,988m
Dividend Per Share	16.0p	26.0p

