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24 March 2006

WITHDRAWAL OF PROPOSED MERGER OF AVIVA AND PRUDENTIAL

On 16 March 2006, Aviva provided the Board of Prudential with a written merger proposal, the terms of which were set out in an announcement on 20 March 2006. Aviva believes that the merger, on these terms, would have created significant value for both sets of shareholders. Aviva made clear that its proposal was dependent on the co-operation of Prudential. As this co-operation has not been forthcoming, Aviva has decided to withdraw its proposal.

In coming to its decision, the Board of Aviva determined that it was not in the best interests of its shareholders to make any material adjustment to its proposed terms.

For the purposes of Rule 2.8 of the City Code on Takeovers and Mergers, Aviva reserves the right to make or participate in an offer within the next six months in the event that the Board of Prudential agrees to recommend such an offer or a third party announces a firm intention to make an offer for Prudential.

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