



## Company Overview

## Activities

Prudential plc is an international financial services company which aims to help people around the world enhance and protect their financial well-being. We operate and have strong positions in Asia, Europe and the USA - three of the largest and most attractive markets in the world. Our strategy is to build sustainable, profitable businesses in each of these markets, and thereby maximise returns to our shareholders over time.

## Share Data

Market cap (£m)	10,114
Ticker (LSE)	PRU LN
Shares in issue	2524m
Beta volatility	1.97
Ticker (ADR)	PUK US
ADR in issue (at 31 Dec 05)	3.6m

## Performance

	Company	FTSE 100
1 day	%	(3.1%) (2.5%)
1 w	%	(1.4%) (0.4%)
1 m	%	(12.9%) (5.4%)
3 m	%	8.6% 2.6%
6 m	%	(3.8%) (4.5%)
1 yr	%	(24.4%) (22.7%)

## Dividends

12 Month yield	%	4.7
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52 wk high	GBP	617.00	5648.10
52 wk low	GBP	195.40	3460.70
52 wk high	%	65.0%	75.0%
52 wk low	%	205.1%	122.4%

## Key P&amp;L Data

	2008	2007
Revenue:		
Insurance operations	£m (10,798)	31,555
Banking	£m -	-
Asset management	£m 664	1,397
Unallocated corporate	£m 157	186
Intra-group revenue eliminated on consolidation	£m (230)	(268)
<b>Total revenue</b>	<b>£m (10,267)</b>	<b>32,870</b>

## Profit before tax:

	2008	2007
Insurance operations	£m (1,818)	1,022
Banking	£m -	-
Asset management	£m 140	344
Unallocated corporate	£m (396)	(308)
<b>Total profit before tax</b>	<b>£m (2,074)</b>	<b>1,058</b>

## Key Balance Sheet Data

	2008	2007
Intangible assets attributable to shareholders	£m 6,690	4,177
Intangible assets attributable to PAC with-profits fund	£m 6,990	4,388
Other non-investment and non-cash assets	£m 9,163	5,963
Investment of long term business, banking and other operations	£m 193,434	204,050
Cash and cash equivalents	£m 5,955	4,951
Held for sale assets	£m -	30
<b>Total assets</b>	<b>£m 222,232</b>	<b>223,558</b>

## Banking customer accounts

	2008	2007
Total policyholders liabilities and unallocated surplus of with-profits funds	£m 182,391	190,317
Other liabilities	£m 28,038	22,901
Minority interests	£m 55	102
<b>Shareholder's equity</b>	<b>£m 5,058</b>	<b>6,062</b>

## Group Summary (As per IFRS)

	2008	2007	2006	2005	2004
<b>Results for the year</b>					
Gross premiums earned	£m 18,993	18,399	16,157	15,225	16,408
Outward reinsurance premiums	£m (204)	(171)	(171)	(197)	(256)
Earned premiums, net of reinsurance	£m 18,789	18,188	15,986	15,028	16,152
Investment income	£m (30,202)	12,225	17,128	24,013	15,750
Other income	£m 1,146	2,457	1,917	2,084	2,002
<b>Total revenue, net of reinsurance</b>	<b>£m (10,267)</b>	<b>32,870</b>	<b>35,031</b>	<b>41,125</b>	<b>33,904</b>

	2008	2007	2006	2005	2004
Benefits and claims and movement in unallocated surplus of with-profits funds	£m 10,824	(26,785)	(28,421)	(33,100)	(26,593)
Acquisition costs and other operating expenditure	£m (2,459)	(4,859)	(4,212)	(5,552)	(5,563)
Finance costs: interest on core structural borrowings of shareholder-financed operations	£m (172)	(168)	(177)	(208)	(187)
Goodwill impairment charge	£m -	-	-	(120)	-
<b>Total charges</b>	<b>£m 8,193</b>	<b>(31,812)</b>	<b>(32,810)</b>	<b>(38,980)</b>	<b>(32,343)</b>

	2008	2007	2006	2005	2004
<b>Profit before tax</b>	<b>£m (2,074)</b>	<b>1,058</b>	<b>2,221</b>	<b>2,145</b>	<b>1,561</b>
Tax attributable to policyholders' returns	£m 1,624	5	(849)	(711)	(711)
Profit before tax attributable to shareholders	£m (450)	1,063	1,372	998	850

	2008	2007	2006	2005	2004
Tax expense	£m 1,683	(349)	1,241	(1,388)	(981)
Less: tax attributable to policyholders' returns	£m 1,624	5	849	1,147	711
Tax attributable to shareholders' profits	£m 59	(354)	(392)	(241)	(240)

	2008	2007	2006	2005	2004
<b>Profit from continuing operations after tax</b>	<b>£m (391)</b>	<b>709</b>	<b>980</b>	<b>757</b>	<b>610</b>
Discontinued operations (net of tax)	£m -	241	-105	3	(84)
<b>Profit for the year</b>	<b>£m (391)</b>	<b>950</b>	<b>875</b>	<b>760</b>	<b>516</b>

	2008	2007	2006	2005	2004
Attributable to:					
Equity holders of the Company	£m (396)	947	874	748	517
Minority interests	£m 5	3	1	12	(1)
<b>Profit for the year</b>	<b>£m (391)</b>	<b>950</b>	<b>875</b>	<b>760</b>	<b>516</b>

	2008	2007	2006	2005	2004
<b>Basic earnings per share:</b>					
Based on profit from continuing operations attributable to the equity holders of the Company	GBP (16.00)	28.80	40.50	31.50	27.50

	2008	2007	2006	2005	2004
Based on profit (loss) from discontinued operations attributable to the equity holders of the Company	GBP 0.00	9.90	(4.30)	0.10	(3.10)
<b>Diluted earnings per share:</b>					
Based on profit from continuing operations attributable to the equity holders of the Company	GBP (16.00)	28.80	40.50	31.50	27.50

	2008	2007	2006	2005	2004
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Based on profit from continuing operations attributable to the equity holders of the Company	GBP (16.00)	38.60	36.20	31.60	24.40

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