Thank you and Good morning ladies and gentleman…let me also welcome you all to Jakarta and an update on Prudential's fund management business in Asia.

To echo what Barry and Sandeep said yesterday, since we last presented to you in Dec 2006 a great deal has happened, and as you have heard, we have made very strong progress

Contents

In this presentation Guy and I will provide you with

• an update on the Asian mutual fund markets,

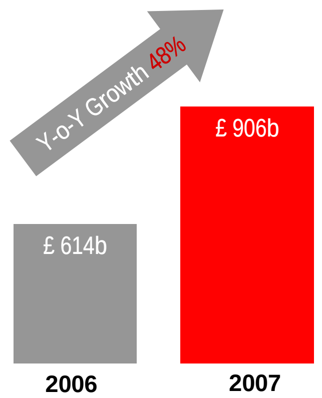
• a more detailed review of our progress since we last met

• and an outlook on the way forward for the business.

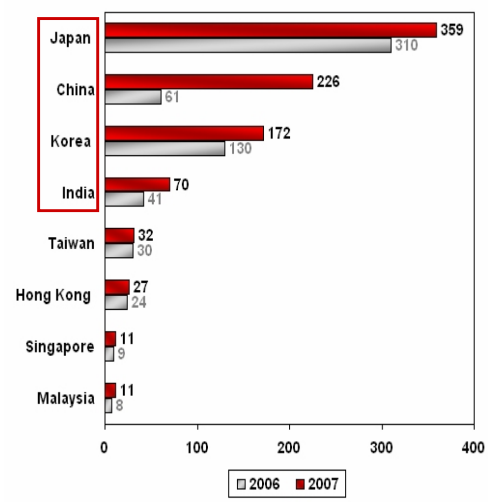
Asian mutual funds market

Continues to grow at a rapid pace

Asian market size and growth (£b)



FUM by Country (£b)

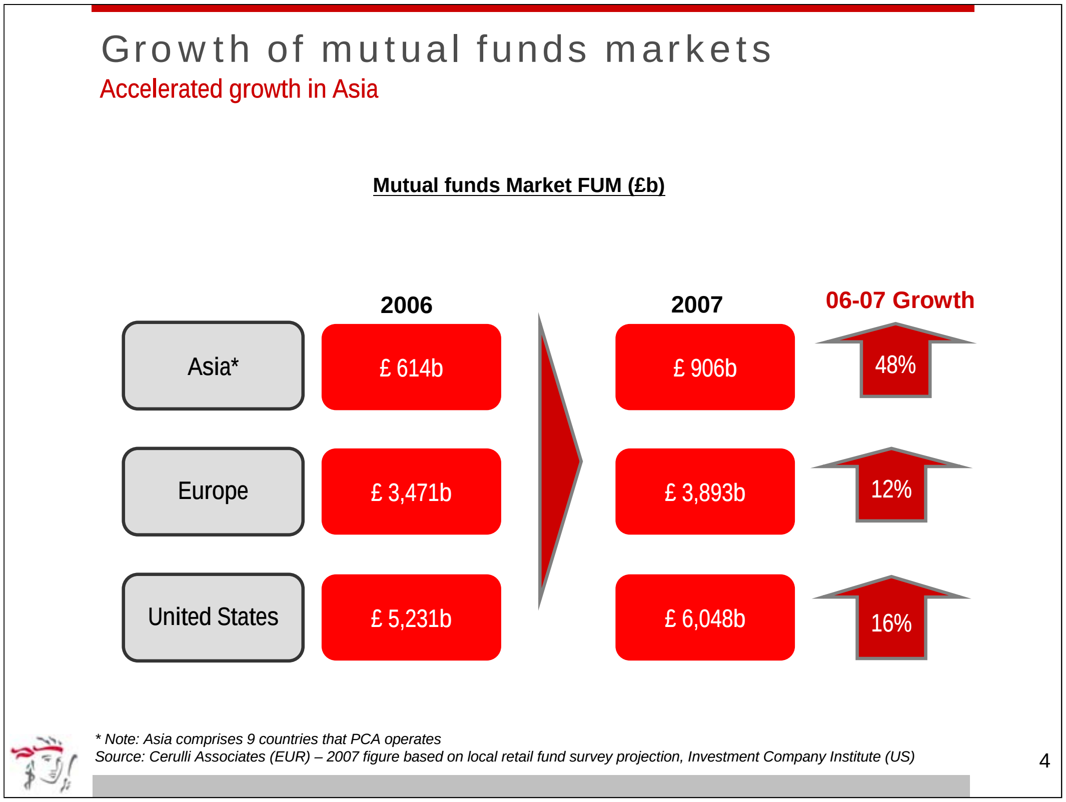


Lets start with an overview of the industry. The Asian mutual fund market has grown by 48% in 2007 to 906 billion Pounds -

• In Dec 2006 we highlighted 4 key markets as being key to our strategy in Asia– the large N Asian markets of Japan and Korea and the rapidly growing markets of India and China.

• At the end of 2007, these four markets had grown 53% year on year and accounted for just over 90% of the total industry.

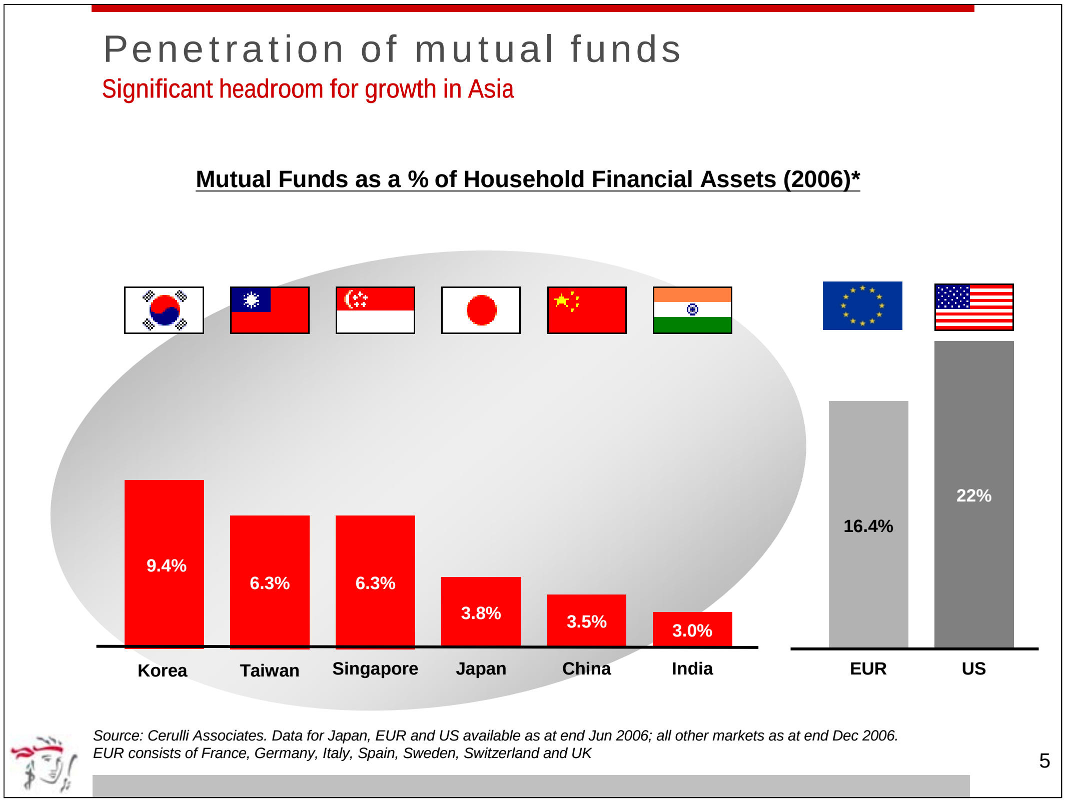
• China and India between them grew at almost 200% in 2007 and they are still expected to be the fastest growing markets in Asia over the next 5 years while Asia ex-Japan is still projected to remain the fastest growing region for mutual funds



So how does the Asian market growth and size compare ?

The Market in Asia has grown significantly faster than Europe and the US, but the size of the market is still less than 25% of the size of Europe and 15% of the size of the US

Of course part of the reason for the high growth rate is the bull run we have seen in Asia and, while we do not expect 2008 growth to be as healthy, our view is still that growth in Asia will continue to outpace the West as the Asian economies continue to develop.



Another indicator we look at is the rate of penetration of mutual funds as a share of household financials assets. You will recall we have highlighted on a number of occasions the low penetration rates of mutual funds in Asia.

The share of wallet still remains low compared to Europe and the US

We believe there is still significant opportunity for asset managers given the characteristics of the Asian markets :

1.The large Population size

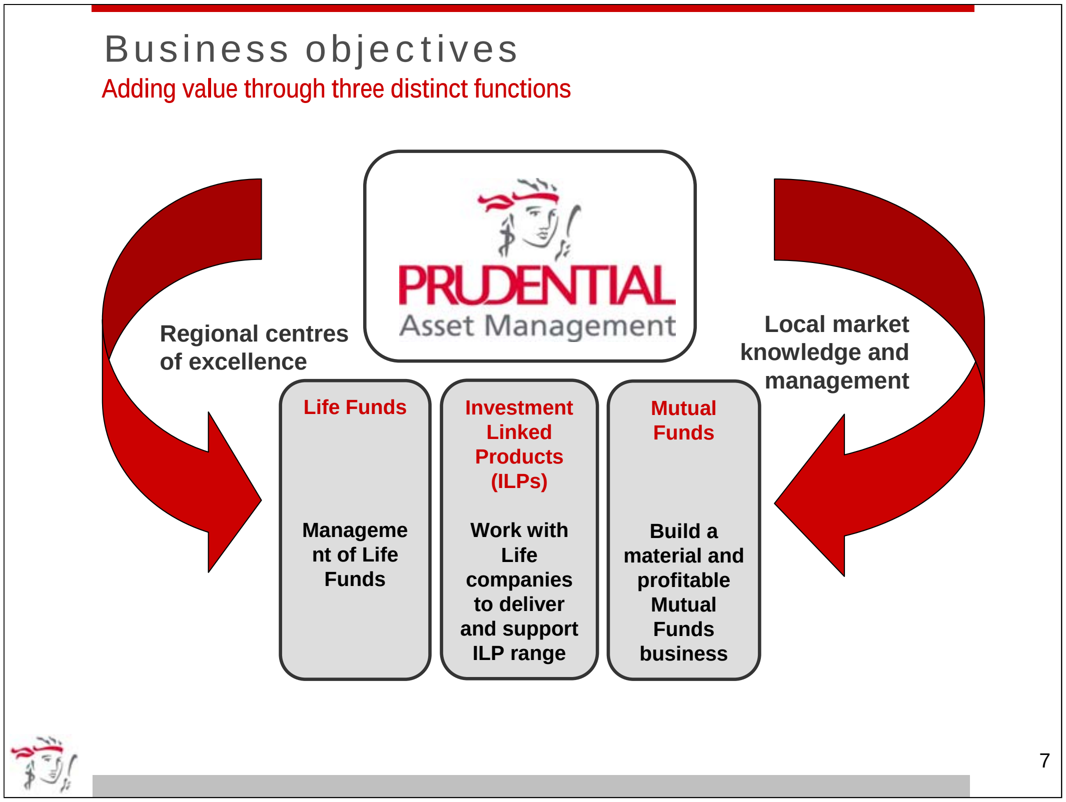
2.A High propensity to save

3.Increasing awareness of the need to fund retirement that Barry and others have already talked about

Given the size of the market in Asia compared to Europe and the US and the low penetration rates…. we believe there is still significant headroom for growth.

Business Update

Having looked briefly at the size and growth of the industry let me turn to our business in Asia and show you where we stood at the end of 2007.



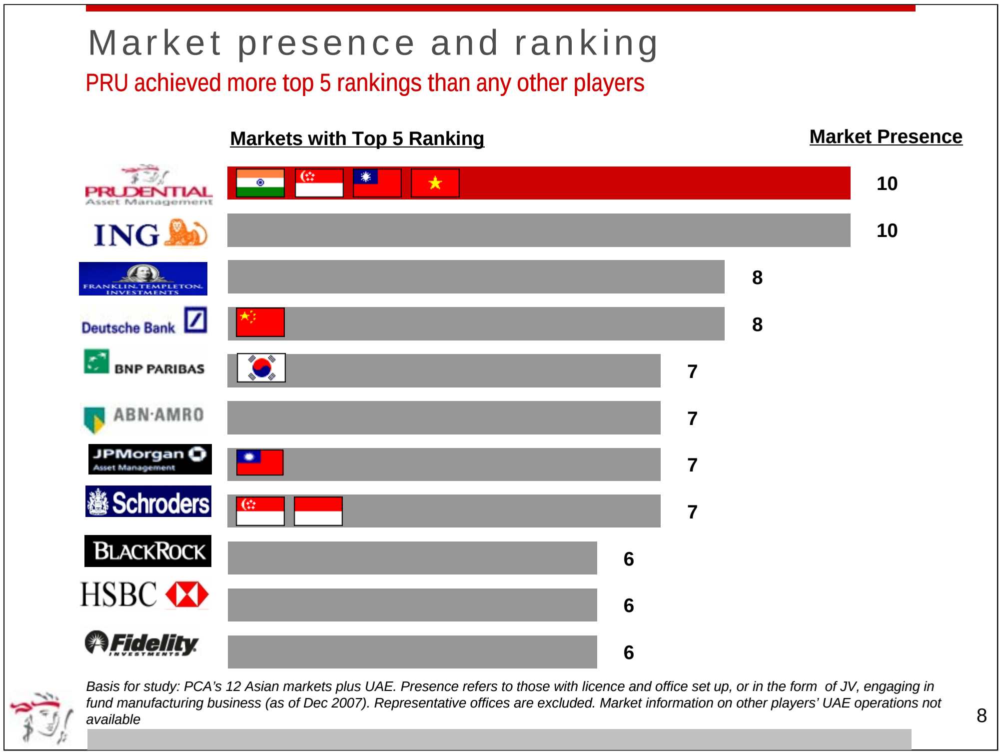
As we have discussed with you on previous occasions we have three keys areas within our business:

1.We manage Asian money for both the UK and Asian life businesses

2.We work with the life companies to deliver, support and manage their investment linked product range in Asia.

3. We have built a material and profitable mutual fund business

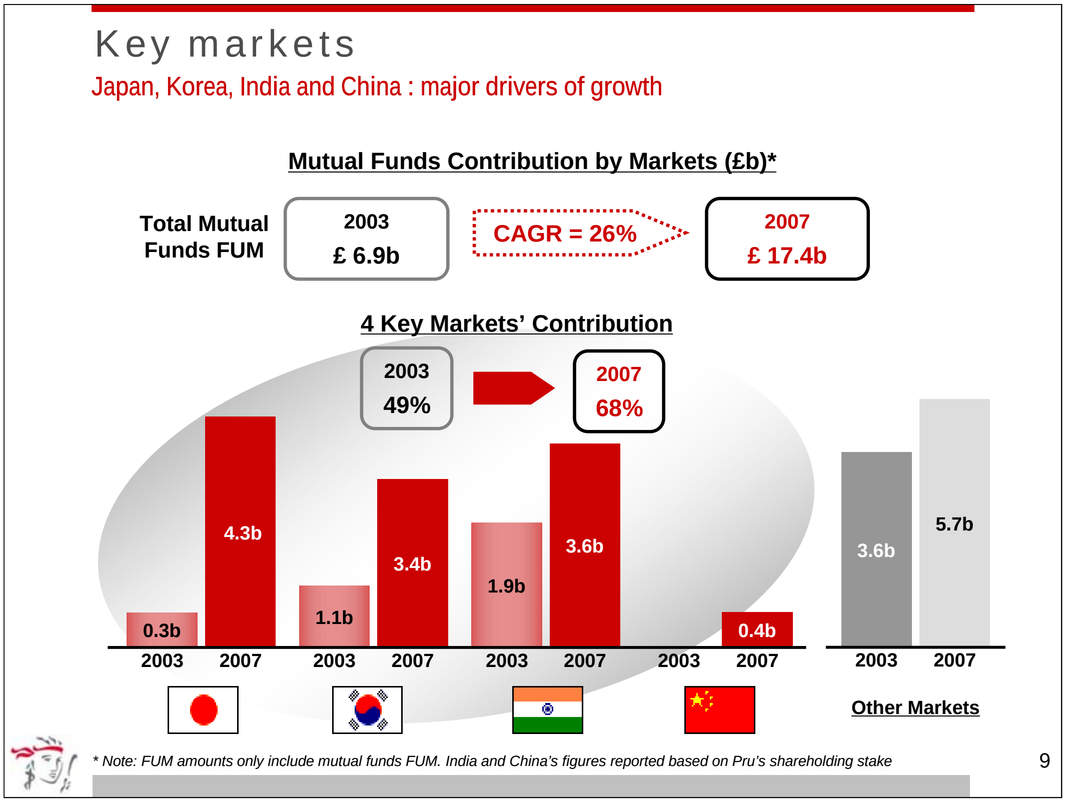
While the numbers that I will show you later relates to all three areas of our business It is the mutual fund business that I would like to focus on in the next few slides



This slide summarizes the competitive landscape for foreign companies in the asset management industry in Asia.

The numbers on the RHS show the number of markets that key foreign players have a physical presence in and the flags show the countries in which each company occupies a top 5 market position based upon funds under management

At the end of 2007 Prudential continues to have more top 5 rankings in Asia than any of our competitors and we believe we are tapping domestic markets in a way that our competitors are not and are, therefore, ideally positioned to be the dominant force in Asia

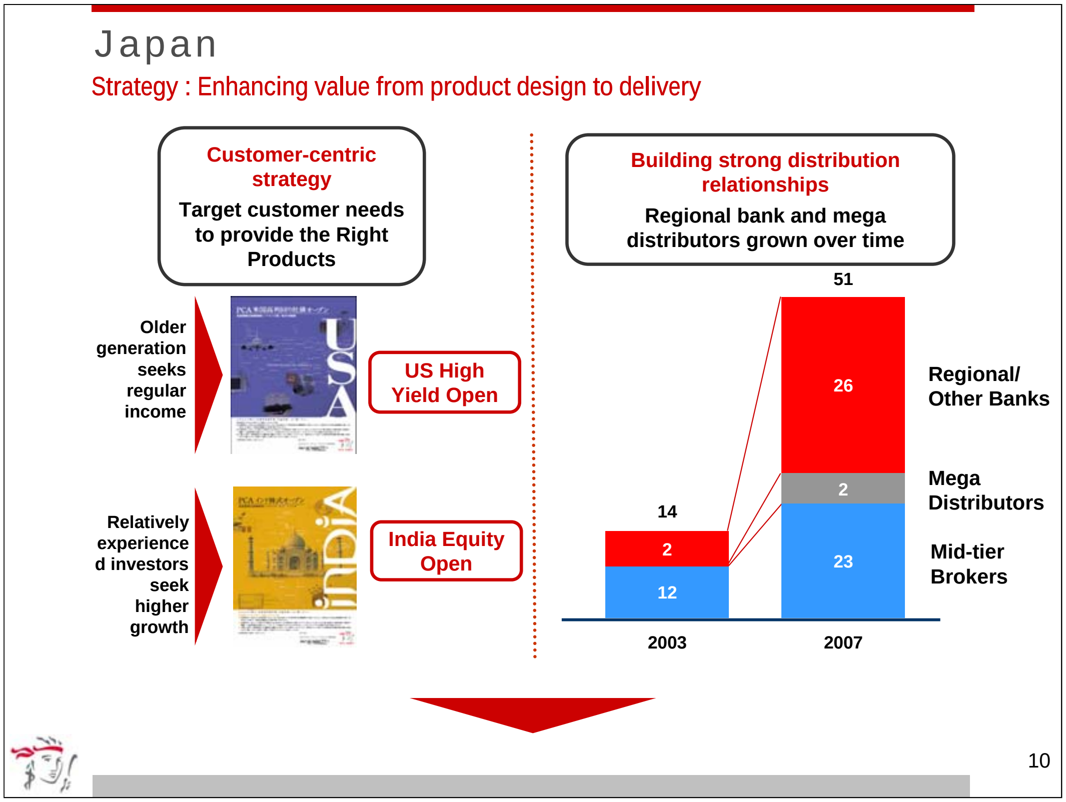


I am going to focus on the 4 key markets we have identified as being the key to our continued success in Asia over the long term.

At the end of 2003 our retail funds under management were 7 billion pounds. At the end of 2007 this had grown to over 17 billion pounds

Japan, Korea, India and China accounted for about half of this number at the end of 2003.

At the end of 2007, with funds under management growing by 145% these 4 keys markets accounted for almost 70%.

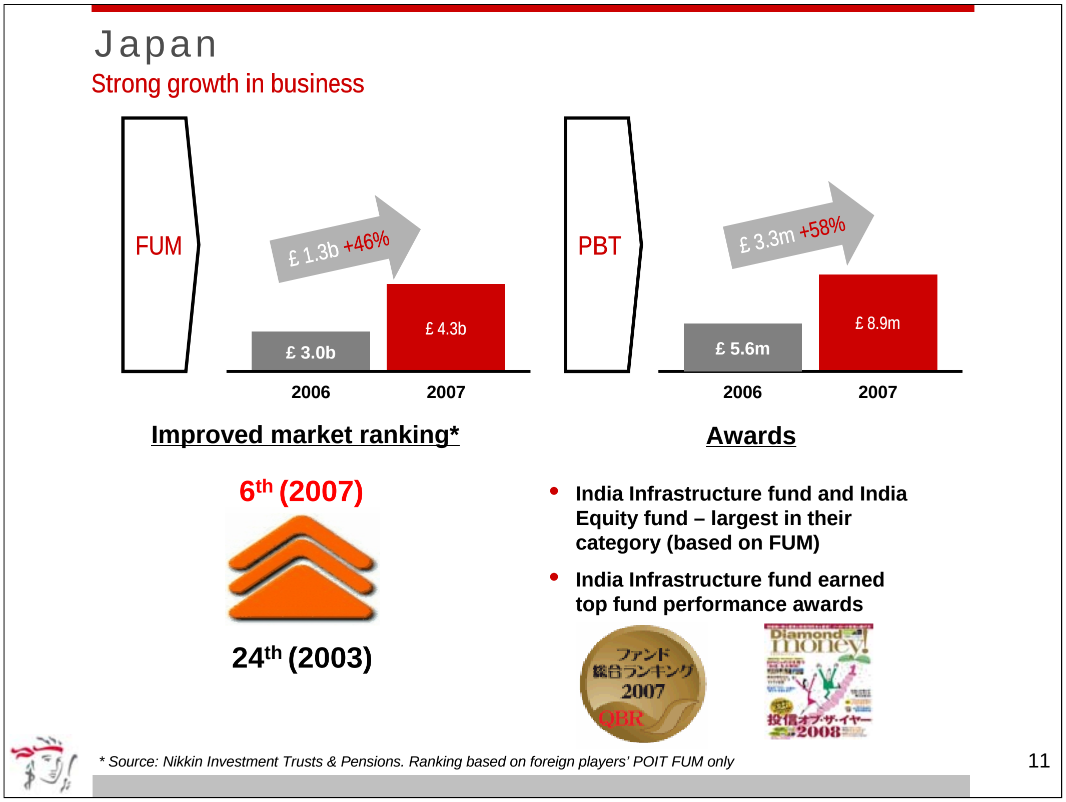


So starting with Japan

Our strategy here has been to focus on customer needs and to link product design with the building of strong distribution relationships to deliver products that customers need in a manner that they wish to purchase them

For example, we saw an opportunity for Indian equity in Japan and launched two funds which have grown to the largest in their category ahead of all competitors, domestic and foreign.

We have built strong distribution relationships with over 50 bank and broker channels – and are especially pleased to have secured distribution with 2 , locally called, mega distributors, Mitsui –Sumitomo Bank and Mitsubishi UFJ Securities

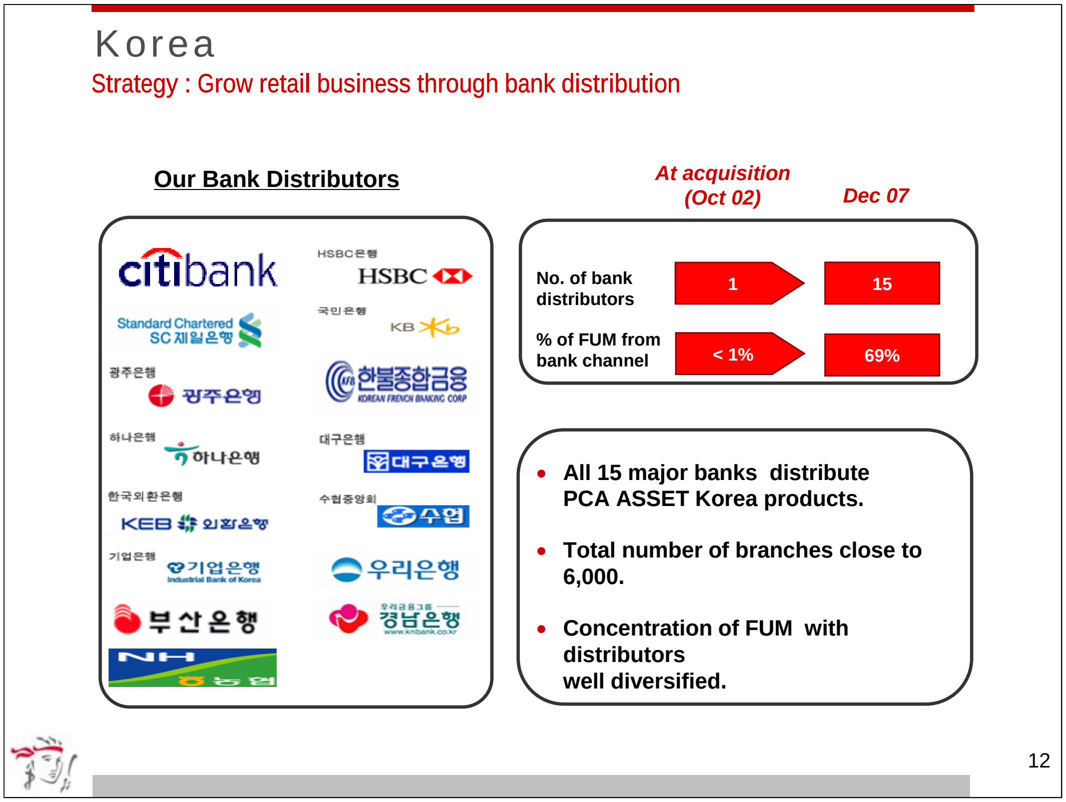


So how has this targeted strategy produced results in a country where foreign fund managers have traditionally struggled to compete with the large domestic players.

Our total FUM grew by 46% in 2007 and profits were up 58%.

Our ranking has seen significant improvement over the last few years and we were ranked 6th amongst foreign companies at the end of 2007.

We view our results in Japan in 2007 as a major achievement especially given we only entered what was already a crowded retail market in 2001



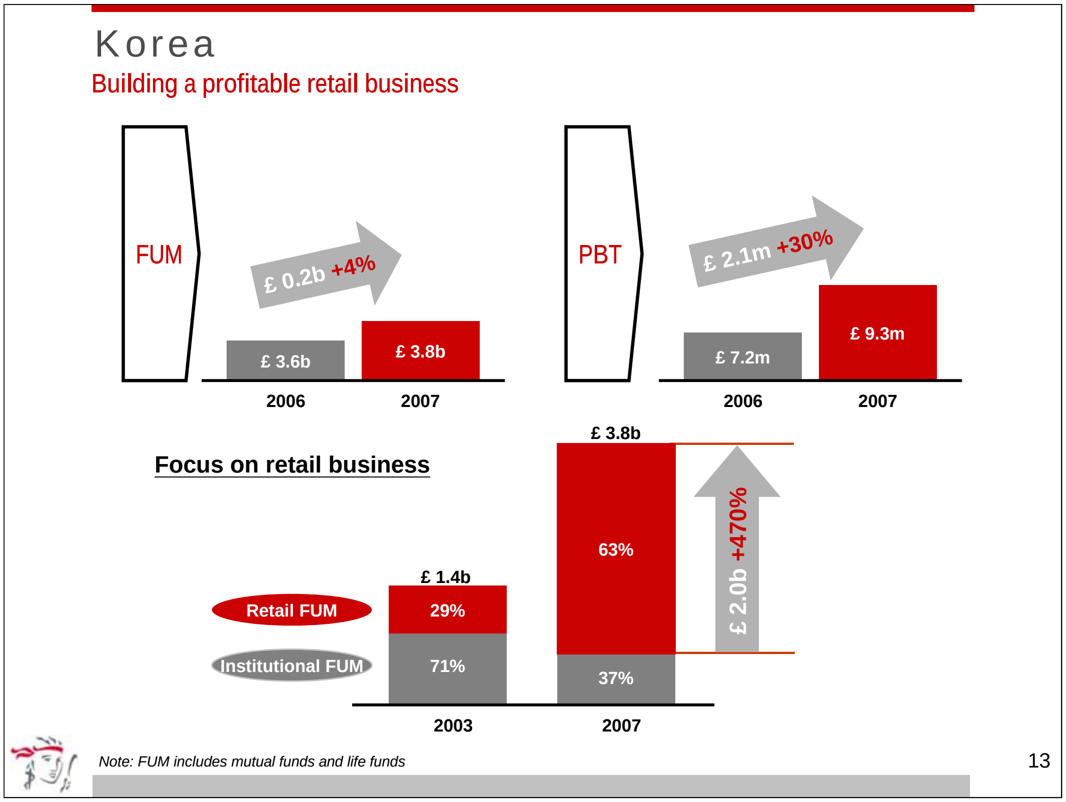
In Korea, we acquired an institutional business in 2002.

Given our regional strategy is to build a material and profitable retail oriented business we have transformed our company in Korea.

We have concentrated on more retail focused product and the right distribution platform to access the retail market

I am pleased to advise that <u>all</u> 15 major banks in Korea now distribute our funds …..and

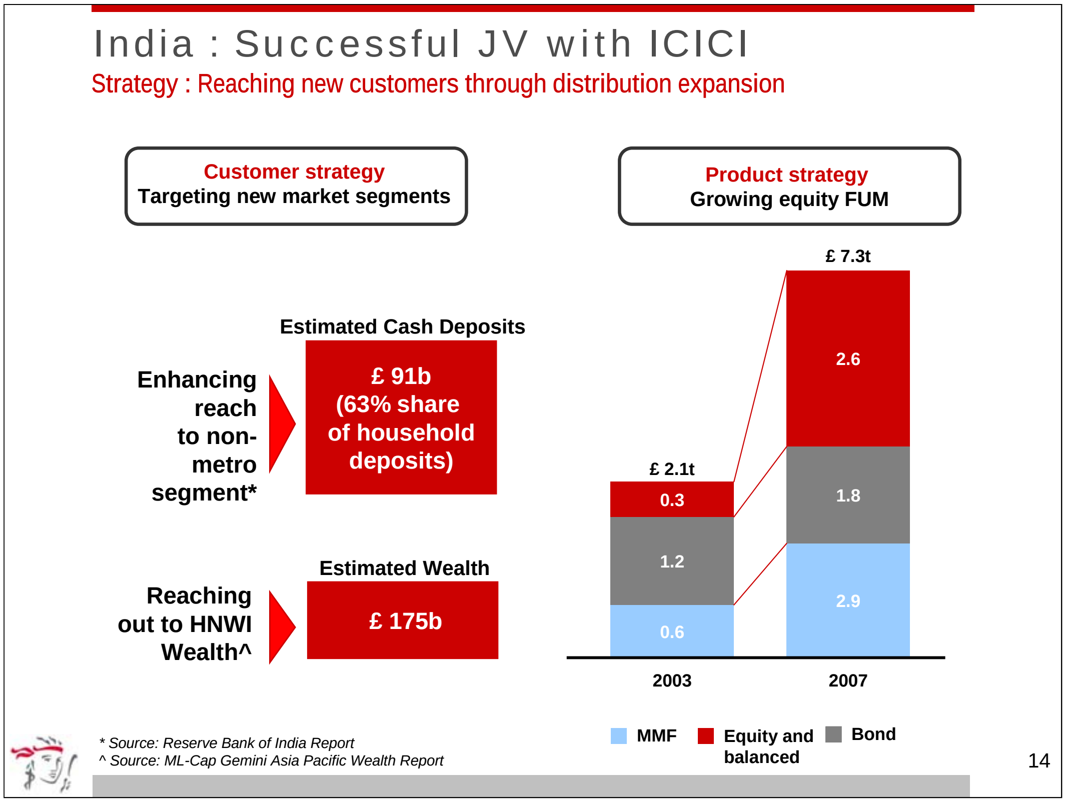
Almost 70% of our funds under management now comes through the banking channel from almost nothing at the time of this acquisition



So, again what results has this strategy produced?

Our FUM In Korea only increased by 4% in 2007. While this was less than market growth our focus has been on the more profitable retail segment and the success of this approach can be seen by a profit increase of 30% year on year.

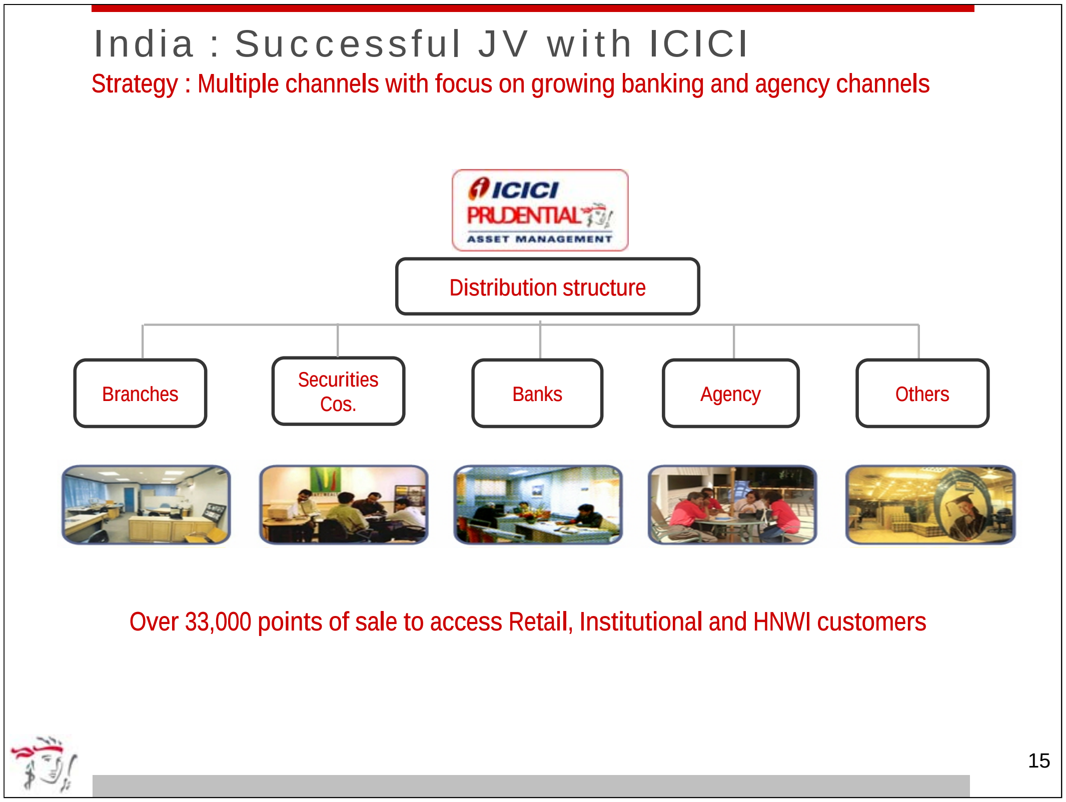
In fact since 2003 our retail funds under management have increased almost five fold and we now have a business that is predominantly retail in nature compared to what it was in 2003.



The strategy in 2007 in India was to increase retail penetration nationwide and to access the High Net Worth segment.

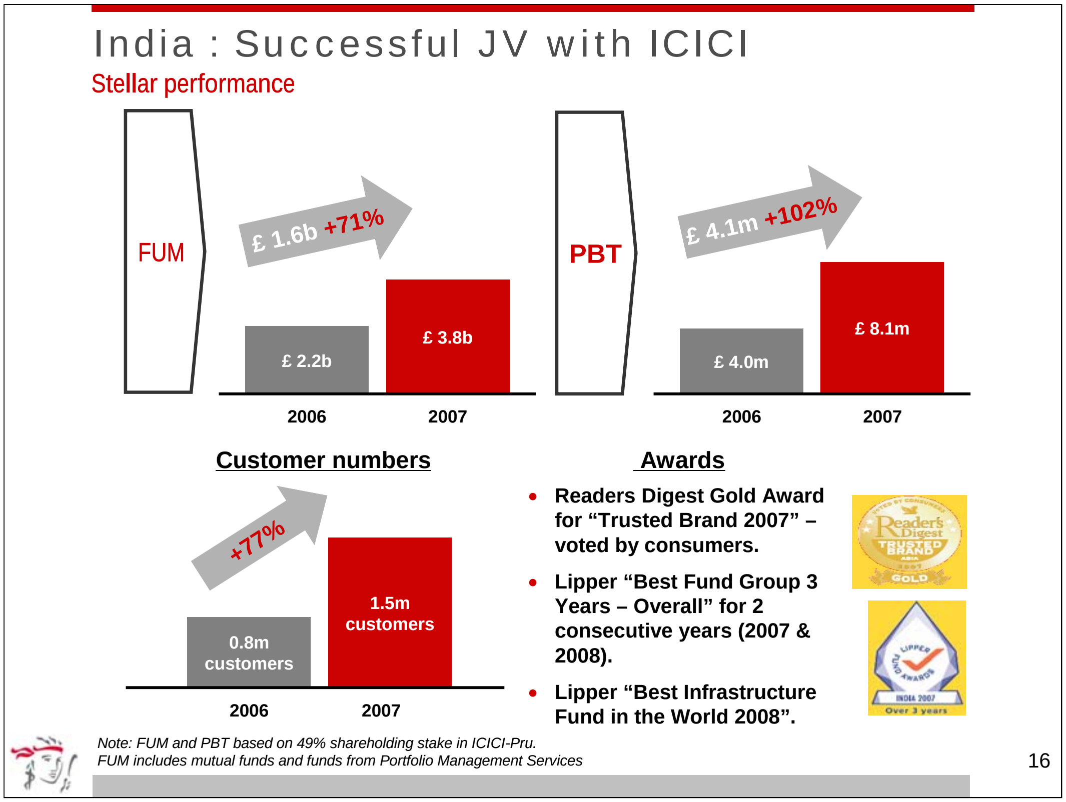
We have extended our distribution reach to non-metro areas which account for almost 2/3rds of households deposits and also to high net worth individuals whose wealth is estimated at 175 billion pounds

In terms of product, we have focused on equity to the retail market and as you can see from the RHS of the slide, we have seen a ten fold increase in equity type assets since 2003, and total funds under management have grown by 37% per annum



So how have we achieved this growth rate in FUM. It is yet again a question of meeting customer product needs and getting the distribution strategy correct

India has the most extensive and diverse distribution platform of any of our businesses in Asia with over 33,000 points of sale nationwide



You can see from these numbers that 2007 was an excellent year for India. FUM was up 70% and profits doubled to over 16m pounds, our share of which was 8 million pounds.

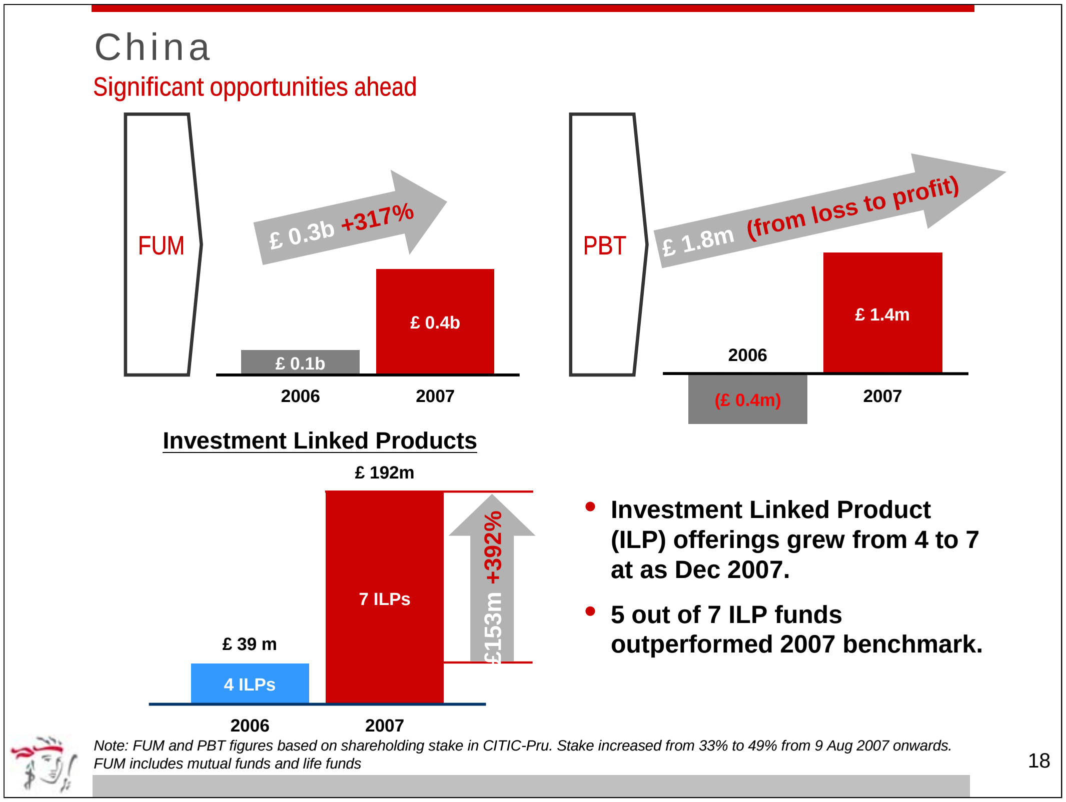
The success of our strategy to increase retail penetration nationwide is evidenced by the increase in our customer numbers to 1.5m at the end of 2007

Turning to China, the opportunities in this market are immense. China now accounts for 25% of the total Asian mutual fund market from almost nothing several years ago. But is it still early days for foreign players.

Fund houses are restricted to 2 domestic product launches a year in China and through our joint venture with CITIC we currently have two funds with a third being launched within the next month.

In addition to a domestic mutual funds business, China also offers us opportunities onshore and offshore with the QFII and QDII initiatives. We have already successfully filled our first QFII quota during 2007 by bringing 100m pounds of investment funds into China that we raised in Korea

We are seeking further quotas and also plan to apply for a licence to manage mandates for the growing government and corporate pensions industries



We have seen significant progress in our business during 2007 with FUM tripling and profitability being achieved in only the 2nd year of business there.

Another big opportunity we see in China is the growth in the Linked business of our insurance joint venture, also with CITIC. We have seen a 400% growth in the Linked business from the end of 2006 and we expect to see this continue to grow significantly.

Successes in other markets

Singapore

Top foreign player with strong FUM growth of 142% in 2007 and 12% market share.

Dragon Peacock fund is now the largest equity fund with FUM of £ 0.5b at end 2007.

Taiwan

Market ranking improved from 9th (2006) to 4th (2007) through successful fund launches.

Second largest foreign player with 6% market share.

Vietnam

3rd largest player and largest foreign company with 14% market share.

Creating material value for life business through excellent fund performance.

Middle East

UAE: Established 13 distribution agreements. Raised £ 0.4b in FUM since launch in Q4 2006.

Saudi Arabia: New JV with Bank Aljazira has been approved by Capital Market Authority on 31 March 2008.

Note: Market share and ranking as at end Dec 2007

Now let me highlight performance for our other mutual fund operations in Asia:

1.At the end of 2007 we were the largest foreign mutual fund company in Singapore and our Dragon Peacock fund was the largest equity fund in this market

2.During 2007 we secured a top five position in Taiwan with a 6% market share and are the 2nd largest foreign player in the market

3.We are number 3 in Vietnam with a 14 % market share

4.We launched a business in UAE and have raised almost 500 million pounds and we have approval to establish a new asset management company in Saudi Arabia thru a joint venture with Bank Aljazira

Successes in other markets

Hong Kong Retail

Launched in Q4 2007.

16 funds approved and
6 distribution relationships signed by end Dec 2007.

BOCI-PRU

4th largest Mandatory Provident Funds (MPF) player with over 500,000 customers and market share of 8%.

Offshore products

FUM more than doubled from £ 2.2b to £ 4.7b in 2007

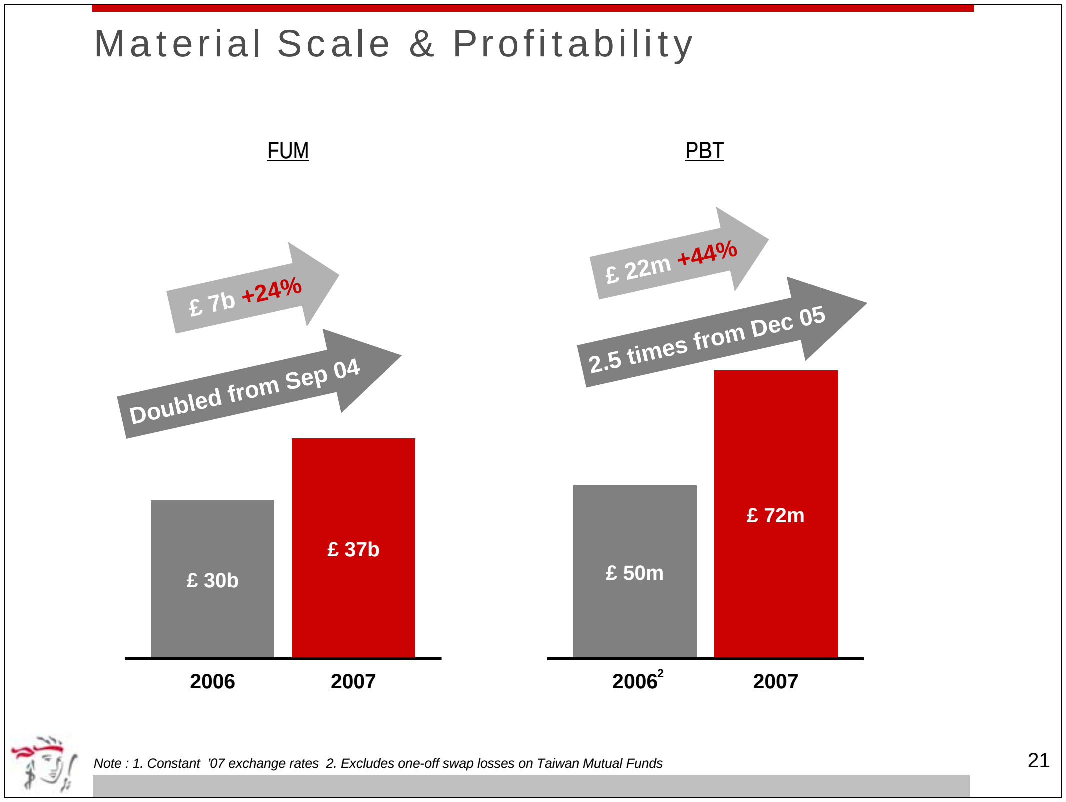
9 new funds were launched and distribution reach expanded into Japan, India, Hong Kong and Europe.

Real Estate

Gross asset value of core product, Asia Property Fund, has grown from £ 0.3b to
£ 0.9b in 2007.

Note: Market share and ranking as at end Dec 2007

1. In HK we have 2 businesses. We launched a retail business in 2007, signing 6 distribution agreements and we are the 4th largest provident fund provider in the territory thru our joint venture with Bank of China International
2. Our offshore SICAV range, domiciled in Luxembourg, has more than doubled in size in 2007 with 4.7bn pounds of FUM
3. Finally we have continued to develop our real estate joint venture with M&G in the region with our Asia Property fund growing by 200% in 2007.



I will talk in more detail on the numbers later but would like to capture 2007 on one slide for you here.

In 2007 our FUM grew by 24% from 30 to 37 bn pounds. Our profits grew by 44% from 50m to 72m pounds

Barry has talked yesterday about doubling NBP between 2005 and 2008 - I am pleased to advise that we have doubled our FUM in just over three years and more than doubled our profits in 2 years

Let me know invite Guy to talk in more detail about our investment and product capabilities. While I have talked about our distribution strategy – a fund manager naturally needs to have the right products and investment performance behind those products in order to succeed .

Guy

•Thank you Ted

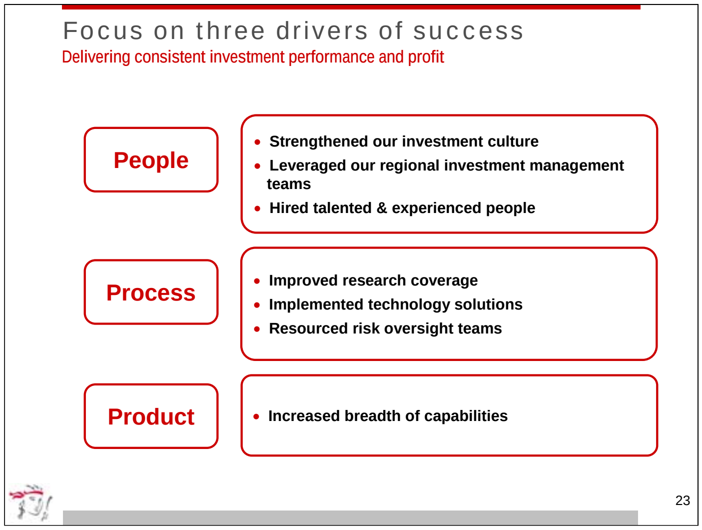
•Good morning, I am delighted to have this opportunity to **update you** on Investment Management within our Funds business.

• Since we last presented to this audience, =>

• we have **completed initiatives** which will ensure our ongoing success

• and

• **complement** our first rate distribution capabilities, highlighted by Ted.



•Ultimately, Investment management firms are measured on 2 key criteria:

•Firstly, **competitive and consistent investment performance**, and secondly, **profitability.**

•These two outcomes are the results of the three drivers of success you see here:

•**People, process** and **product**

•**Since joining** Prudential at the start of last year my attention has been directed toward:

•**<C>Building a first rate team** of people through

•strengthening our culture,

•leveraging our regional teams, and

•attracting high caliber individuals.

•**<C>Enhancing our investment processes** by

•extending research coverage,

•implementing new technologies, and

•strengthening our risk oversight

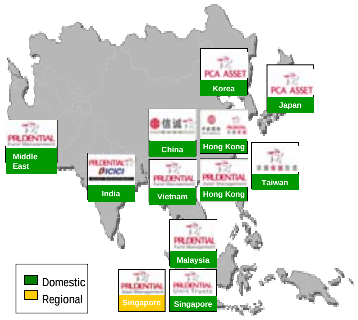
•**<C>Increasing our range of product solutions** by growing our investment capabilities.

•This morning, I will highlight our accomplishments in each of these areas, review our investment performance and discuss our challenges and opportunities for 2008 and beyond.

Investment teams across 8 offices

Built the regional hub in Singapore

People



- Regional Equities
  - 25 investment professionals
  - Pan Asian equity funds
- Regional FI & Balanced Funds
  - 17 investment professionals
  - Pan Asian Fixed Income funds / Tactical Asset Allocation (TAA) / Structured Products
- 7 Local Investment Teams:
  - 116 investment professionals
  - Domestic equity, fixed income, balanced, cash & structured funds
- BOCI Prudential Asset Management
  - 22 investment professionals
  - A leader in MPF services

Over 150 investment professionals in the region

•Firstly, people.

•Our **depth & breadth of presence** across Asia is a distinct **competitive advantage with 8 investment offices & 150 investment professionals.**

•We have built **Singapore as our regional investment hub** providing excellence in each of our main asset classes: Equities, FI, TAA and DSP.

•We now have all of our research, PM, execution, performance analysis, risk management and support functions for our regional portfolios **hubed in Singapore**

•We have also established much **closer links** with our local offices where we have formalised research sharing and collaborated on many structured product solutions.

•For example the regional equity team has a dedicated **analyst in Mumbai** providing research insights from on the ground in India.

•In **Korea the DSP** team work in tandem with the Singapore team stress testing structured solutions.

•In Malaysia we service the needs of local investors with **traditional and Shariah** compliant product. These Shariah funds are also designed for and used by our Middle East business.

Hired talented people

Average experience now 13 years

People

Name	Years of Experience	Responsibilities
Andrew Cormie	25	*Regional Equities*
Margaret Weir	24	*Regional Equities*
Ooi Boon Peng	20	*Head of Fixed Income*
Fedra Dell' Aquila	16	*Latin America Specialist*
Trevor Persaud	15	*Head of Performance & Risk Management*
Thue Isen	14	*Regional Equities*
Hugh Maxwell Davis	12	*Regional Financial Sector Specialist*
Nick Ferres	10	*Tactical Asset Allocation*
Low Guan Yi	10	*Fixed Income*
Park GY	4	*Derivatives & Structured Products*

•A testament to our strong brand is that we have **attracted talent** from around the world to Prudential in Singapore.

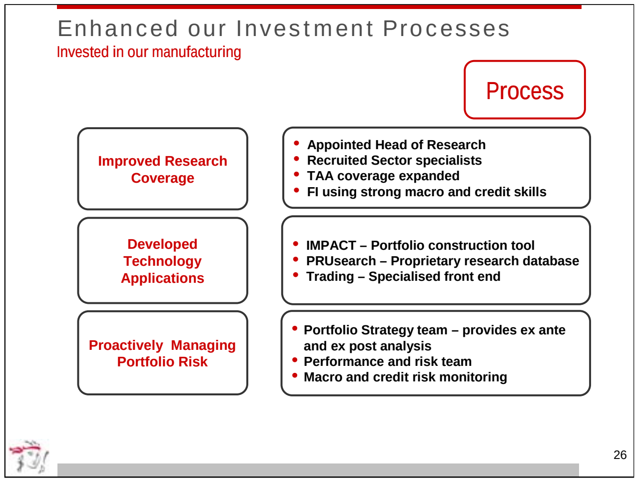
•This **talent** ensures we have the **skills and experience** to drive superior portfolio outcomes in existing product and has also allowed us to build new capabilities.

•For example: **Andrew Cormie** ran the JPMIM global 50 portfolio in London for a number of years, and is now Portfolio Manager for our **Institutional accounts** and our **Asia Dynamic fund** a very concentrated portfolio of our best 30 ideas.

•**Margaret Weir**, joined us from Aegon Asset Management in Edinburgh where she had responsibility for the Asia Pacific component of their pension and life funds. Margaret is responsible for our **Life portfolios** and our **Equity Yield** fund and is launching the **Yield Maximiser fund,** an income orientated equity fund with a derivative overlay

•**Boon Peng**, brings 20 years of experience (including 8 yrs in NY with MAS) and as CIO of FI is applying this experience to enhance our range of FI funds, for example to take advantage of the widening in corporate spreads he is creating an **Asian High Yield Fund.**

•**Fedra Dell'Aquila** joined us from Hermes in London and is leading the build out of our Global Emerging Markets business. Of particular note, Fedra is launching the Latin American leg of the capability next week.



•**Turning to process**. We have <u>invested </u>in **research**, **technology** and **risk management**.

•**<C>**To **improve our research coverage** we have appointed Hugh Maxwell Davis as head of research and introduced **sector specialist** research coverage in the Financials, Real estate and Consumer sectors. We are also filling positions in Technology, Industrials and Utilities/resources.

•**<C>**Our **technology enhancements** include a world leading **portfolio construction** tool called <u>IMPACT </u>as well as the rollout of <u>PRUsearch</u>, a proprietary **research database** which has improved productivity and the effectiveness of the research effort by integrating research insights into the portfolio construction process.

•**<C>**Through careful hiring we have built our equities **portfolio strategy team** . This team works proactively with PM's to provide ex ante (and ex post) analysis of risks in portfolios. This helps identify <u>unintended consequences</u> in portfolios which can be removed before they cause distress to the portfolio itself.

•In addition we have put more resources into our **risk management** area where the team review aggregate risks such as counterparty exposure, concentration limits, credit and liquidity.

•We have expanded our product range to meet the increasing sophistication of Investors. We have done so only where product:

•**Leverages our core skills**; Is **alpha** focused and Is **sustainable.**

•Starting with 2006 this chart shows the indicative risk & return characteristics of our key product suite at the time when we last met.

•The products covered key market segments and were centred around core solutions which we complemented with seed funding in the Dynamic Fund and the launch of the very successful Dragon Peacock Fund.

•<Click>

•Through 2007 we set about delivering a more complete range of products. We added a range of innovative solutions, including single country funds for our Emerging Asia fund such as Vietnam, as well as specialised equity funds including our unique Asian Infrastructure Fund, REITS and Shariah compliant funds.

•<Click>

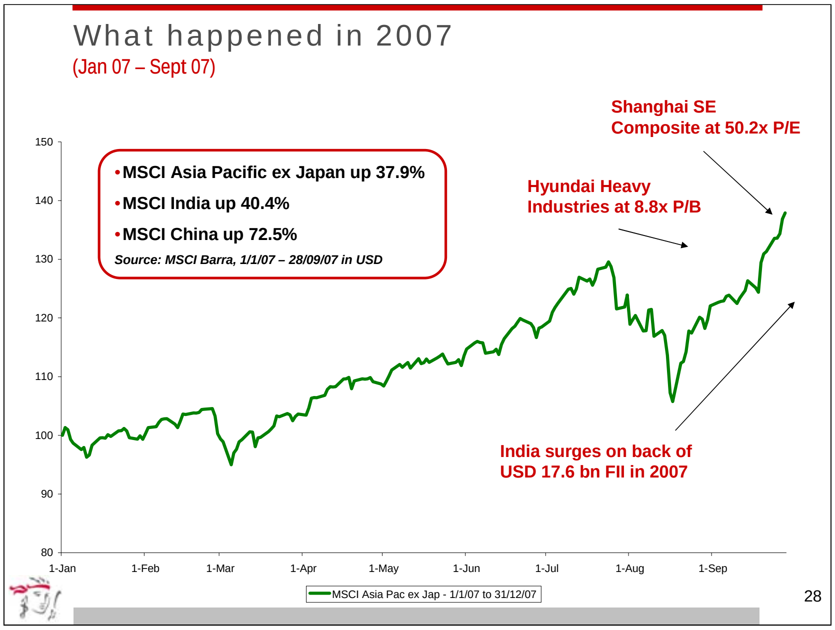
• In 2008 market conditions have caused a temporary slowing in demand for high beta Equities. We are very well placed to capitalise on the shift in consumer demand toward lower risk equities, bonds and absolute return products.

•For example the TAA Global Market Navigator and the DSP All Seasons funds are excellent absolute return solutions we developed last year and are now being launched.

•In the second half of 2008 our Yield Maximiser will give investors access to high yielding equities with the added return of yield enhancing derivatives.

•Later in the year we intend to launch EMEA, GEM and an Asian Consumer fund.

•Looking beyond 2008 we have started work on Greater China, China Dynamic and Long/Short



•Turning to markets and our investment performance.

•After a strong year in 2006, 2007 saw a continuation of the bull market in Asian equities with the MSCI AxJ index up 38%.

•China and India were particularly strong on the back of economic growth, large capital inflows, expanding domestic economies and the belief that the global cycle would last longer

•Momentum & Greed also fed markets with investors lured toward expensive IPO’s on the promise of a quick profit.

•Markets were clearly in “bubble” territory with China A share PE’s exceeding 50x while Capital Goods such as steels and shipbuilders traded on very stretched multiples at close to 10x P/B.

•Prudential is a valuation driven manager and therefore adopted a defensive stance in portfolios during the year. We recognised that valuations were dangerously high and corporate earnings and profit growth projections unsustainable. We expected markets to correct.

Investment performance

(Jan 07 – Sept 07)

Fund / Mandate	FUM in same mandate (US$m)	9 months Performance	Performance against benchmark	Ranking in peer group
IOF Asian Dynamic MSCI Asia ex Japan	*9*	***41.1%*** *40.9%*	+0.2%	2nd Quartile
PRU India Equity Open	*1,454*	***35.0%***	N/A	3rd Quartile
IOF Dragon Peacock 50% MSCI India & 50% MSCI China	*1,018*	***55.9%*** *56.5%*	-0.6%	N/A
PCA Growing Asia Equity Open * Customised benchmark* (*since inception 03/07/07)	*209*	***12.9%*** *17.5%*	-4.6%	N/A
PCA Asia Pacific Infrastructure ** MSCI Asia Pacific ex Japan ex China** (**since inception 23/05/07)	*464*	***10.4%*** *13.4%*	-3.0%	N/A
Institutional Asia Pacific Equity FT AW Asia Pac ex Japan	*9,539*	***32.4%*** *38.7%*	-6.3%	N/A
IOF Asian Equity MSCI Far East ex Japan	*1,518*	***31.6%*** *39.2%*	-7.6%	3rd Quartile
IOF Asian Equity Income	*1,086*	***19.4%***	N/A	3rd Quartile
IOF Asian Local Bond HSBC Customised Index Returns	*407*	***5.4%*** *4.7%*	+0.7%	2nd Quartile

Performance shown in base currency of fund and net of fees (unless denoted otherwise)

•**Being defensive** did have an impact on performance particularly as growth and momentum drove share markets higher.

•The funds shown here represent our **flagship portfolios** and capture over **60%** of our regional equity funds with three of them (Dynamic, Growing Asia and Infrastructure) being new capabilities I introduced to you earlier.

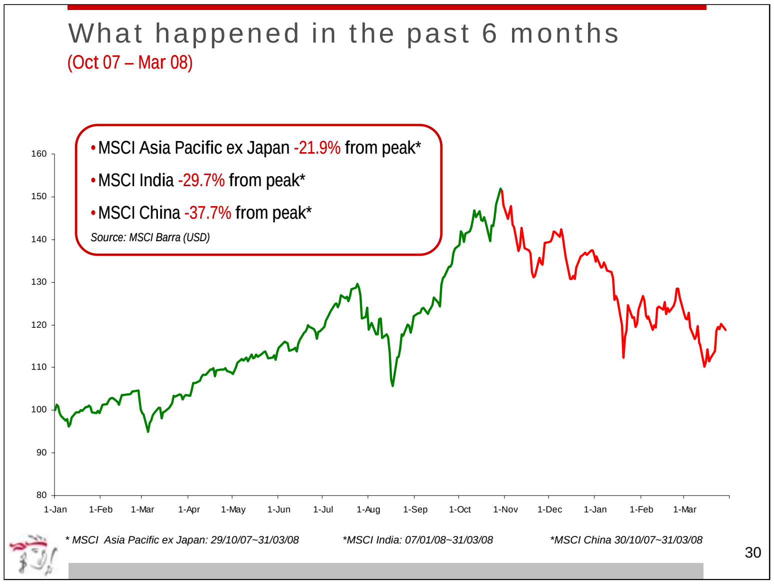
•The results were that

•Absolute return levels were very high

•Our peer group rankings, where relevant and shown in the RH column, came in around median. In other words we performed in line with the competition

•We fell behind benchmarks in those portfolios where we were strategically underweight expensive growth securities.

•Of course, this is a relatively short time period over which to measure performance so lets take a look at what happened next.



•In late October last year market sentiment began to shift **<C>** weighed down by the continued fall out from sub prime, fears of slowing global growth and expensive valuations

•Investors reassessed risk in Asia and as a result markets experienced significant declines.

•For 2 months the Indian market resisted the trend and peaked in early January with domestic factors supporting the momentum there.

•Since then however the Indian Share market has fallen 30%

•In other Asian Markets price falls have been dramatic taking many markets back to levels of early 2007.

•Since the peak, through to the end of March:

•The MSCI AxJ has fallen 22% and MSCI China has fallen 38%

•The China A share market had fallen 45% from its October peak up until last Friday.

Investment performance

(Oct 07 – Mar 08)

Fund / Mandate	FUM in same mandate (US$m)	6 months Performance	Performance against benchmark	Ranking in peer group
IOF Asian Dynamic MSCI Asia ex Japan	*8.4*	-7.7% -13.6%	+5.9%	1st Quartile
PRU India Equity Open	*1,542*	-10.6%	N/A	2nd Quartile
IOF Dragon Peacock 50% MSCI India & 50% MSCI China	*1,078*	-17.3% -17.9%	+0.6%	N/A
PCA Growing Asia Equity Open Customised benchmark	*227*	-8.8% -8.8%	+0.0%	N/A
PCA Asia Pacific Infrastructure MSCI Asia Pacific ex Japan ex China	*423*	-6.5% -18.6%	+12.1%	N/A
Institutional Asia Pacific Equity FT AW Asia Pac ex Japan	*9,191*	-10.1% -12.9%	+2.8%	N/A
IOF Asian Equity MSCI Far East ex Japan	*1,485*	-9.6% -14.1%	+4.5%	1st Quartile
IOF Asian Equity Income	*1,057*	-8.4%	N/A	1st Quartile
IOF Asian Local Bond HSBC Customised Index Returns	*424*	3.4% 4.9%	-1.5%	2nd Quartile

Performance shown in base currency of fund and net of fees (unless denoted otherwise)

•By adopting our **high quality valuation driven philosophy** our portfolios have performed exceptionally well against peers and benchmarks during the sell off.

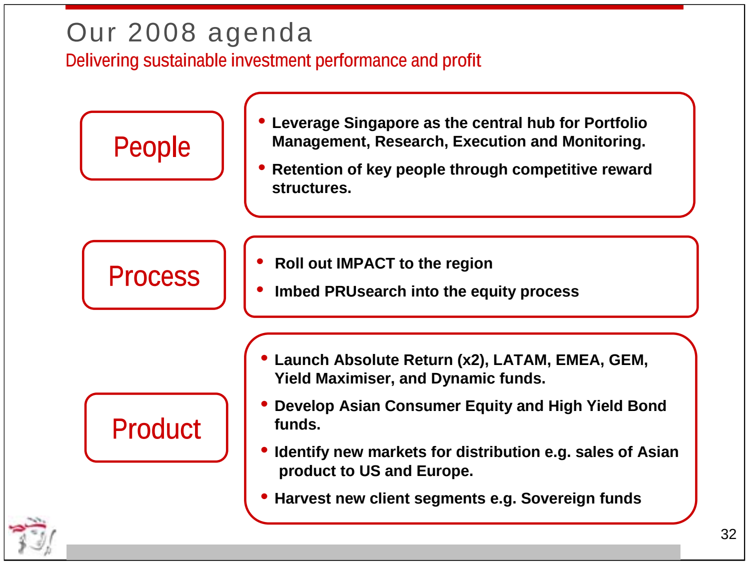
•The performance table shown here covers the past 6 months. As previously noted this is too short a time period to assess manager skill although it provides a clear picture of the loss reduction passed through to our clients.

•You will notice our flagship retail IOF Asian Equity fund is1st quartile over this period. This fund is also 1st quartile for the year to the end of March, beating its benchmark by 1.6% after fees

•Over the long term value outperforms growth in Asia and our Institutional Asia Pacific Equity portfolio has beaten the broad market index by 1.7% pa after fees over the past 5 years. To put that into monetary terms, for the Prudential Assurance with Profits Fund, our active management has added GBP395m of value over 5 years.

• Going forward Although equity prices have fallen over the past 4 months we still see some relatively expensive countries eg India and expensive sectors such as capital goods in Korea, China and India. Further share price falls are possible as analysts wind back their earnings growth expectations for the remainder of 2008.

•This environment should be conducive to our philosophy and I expect continued strong outperformance through the year.



•In terms of delivering the 2008 agenda

•We are determined to maximise our strong competitive advantage **leveraging our people, investment processes and product.**

•This year we our focusing on the attraction and retention of talented people as well as utilising the regional hub to even greater effect

•In process we have commenced the roll out of Impact to Korea and will take this tool throughout the region.

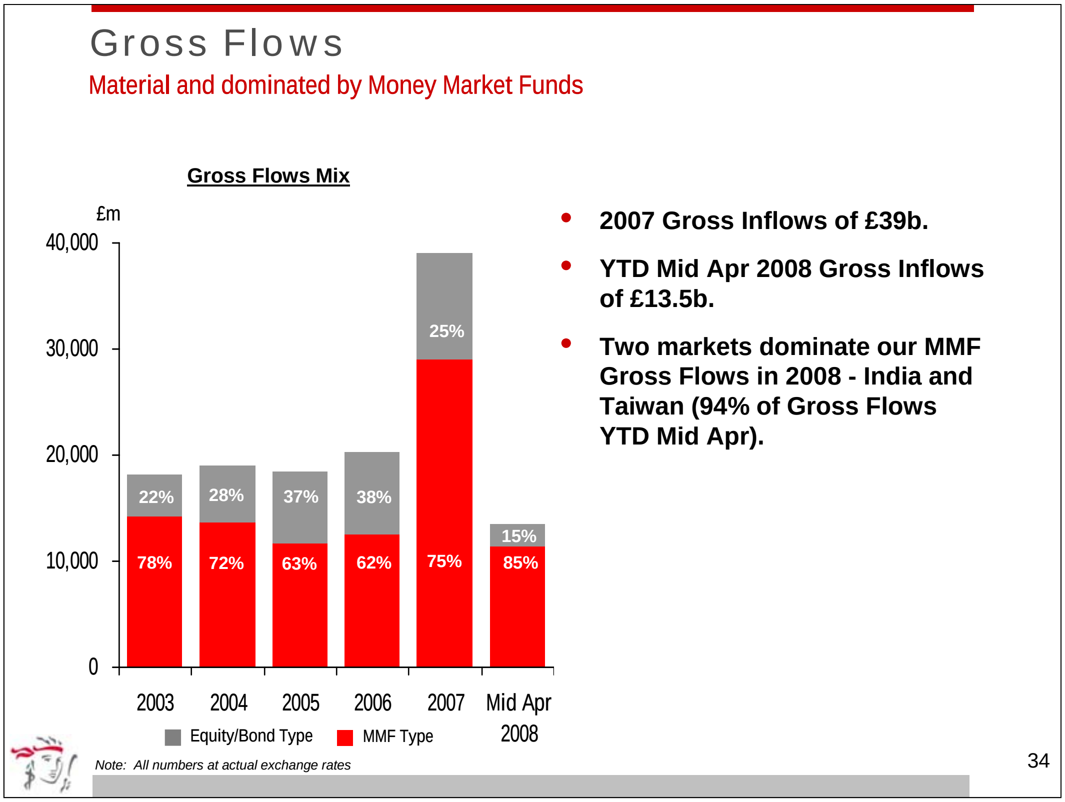
•PruSearch is now online and will also be taken to the region. Both of these initiatives strengthen our competitive position across Asia.

•As I have discussed we have a busy product schedule this year and as the Asian markets open up to the world we are very well placed to capitilise on sovereign and corporate pension opportunities as well as explore new markets for mutual fund distribution.

•I will now pass back to Ted to take us through financial performance and plans for the business.

Finance Update

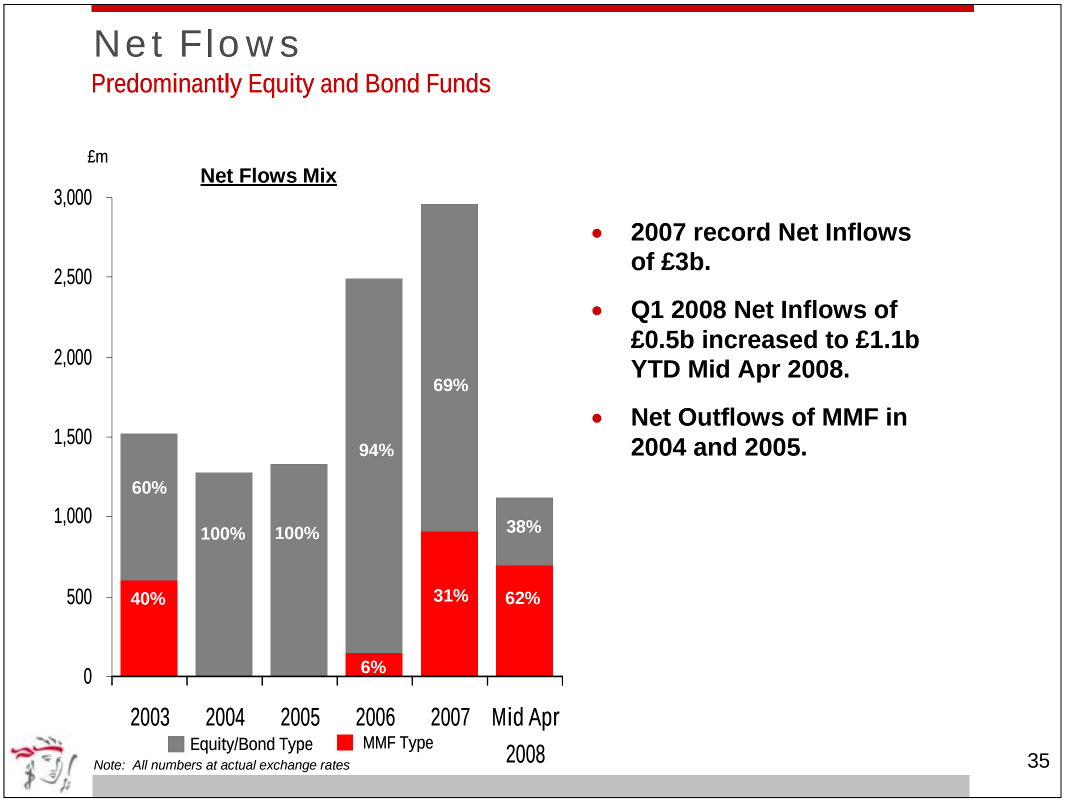
Thanks Guy – so now let me address the numbers in more detail for you



As always, let me start with gross flows. I mentioned the last time we met that our gross flows were material and dominated by money market funds, or MMF

In 2007 they became even more material at 39 billion pounds and even more dominated by MMF

YTD April gross flows are 13.5 billions pounds, 94% of which were MMF

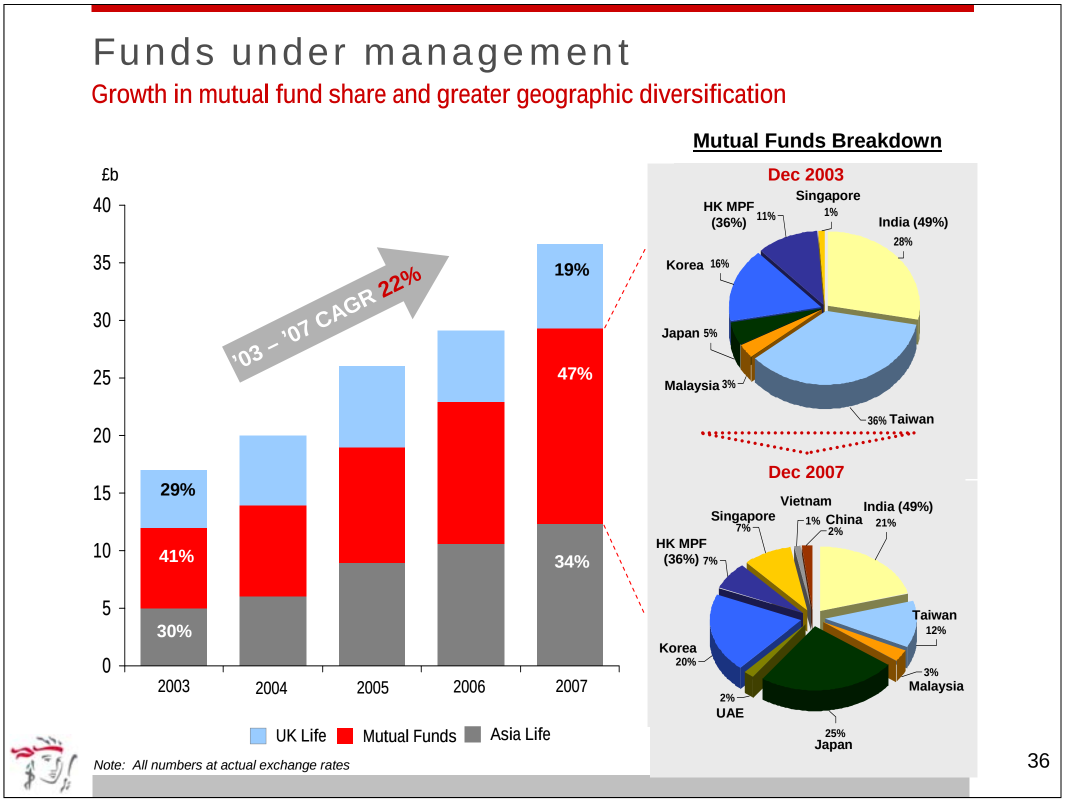


Turning to net flows. As you can see from this chart we have seen significantly increased net inflows in the last two years with 2007 becoming another record year with 3 bn pounds in net inflows

In Dec 2006 I talked about the split between MMF flows which are very short term in nature and equity and fixed income type flows which have greater persistency and higher fee margins. I am pleased to advise that in 2007, 70% of our net inflows were equity or fixed income in nature. Sandeep has already shared with you yesterday the detail of the higher fees generated on these types of assets

We have included here the mid April 2008 net flows. The Asian market is down approx 10% YTD. Despite the global impact of the problems in the credit markets I am pleased to advise that we have still recorded net inflows of 1.1bn pounds as at mid April

What we have seen though is a shift back towards MMF with just over 60% of the net inflows being MMF. This is understandable given the volatility in the equity market.



If we now look at funds under management there are three key messages from this slide:

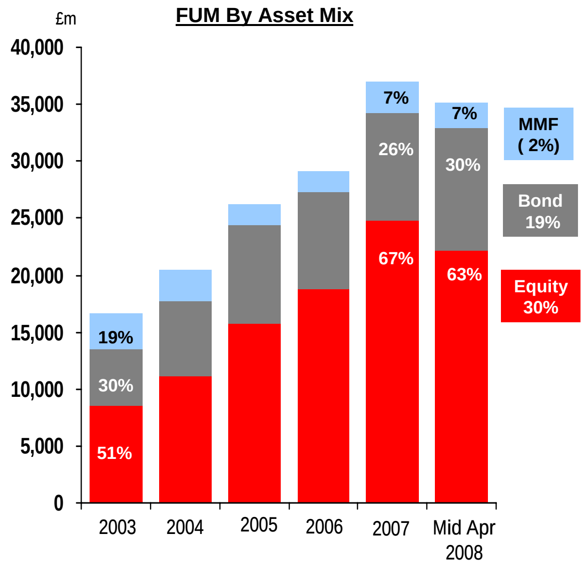
Firstly, you can see that Asia (denoted by the red and grey parts of the bar chart) accounts for >80% of our FUM at the end of 2007

Secondly, the share of the mutual funds business (in red) has continued to increase since 2003 to 47% at the end of 2007.

Thirdly, you can see from the RHS of the slide that the geographic diversification of our retail FUM has changed significantly over the last few years whereby we have a far more diversified business today.

Funds under management

Improved asset mix



- **Total FUM: £37b, up 24% from 2006.**
- **MF FUM: £17b, up 39% from 2006.**
- **FUM doubled since Sep 2004 with significant improvement in equity type assets.**
- **FUM fallen in 2008 due to equity market movement.**

Note: All numbers at actual exchange rates

Our Total Funds under management including life company assets grew by **24%** in 2007, but the mutual funds business grew by almost **40%** to GBP17bn

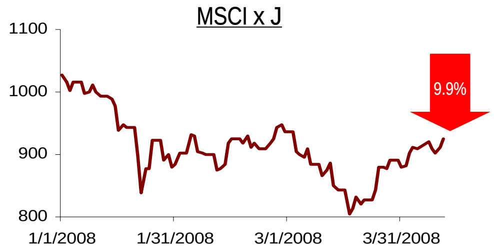
The asset mix continued to improve with 2/3 of all FUM being equity type assets – we expect this metric to be quite volatile in the near term.

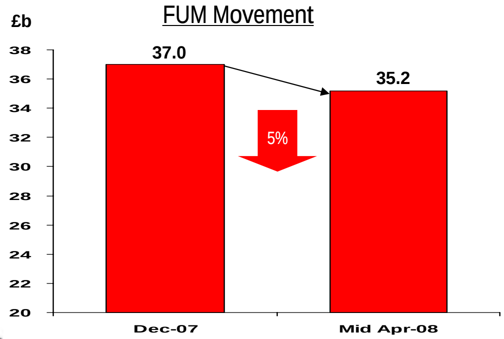
We have included detail of our funds under management as at mid April. In the current market environment is should not be surprising to see that total FUM has come down.

The good news is that our positive net inflows have partially offset the negative market movement.

Funds under management

Equity market volatility in 2008 partially impacted our FUM





Reasons for our out-performance:

- **Benefit of geographic diversification.**
- **Cushion from fixed income assets.**
- **Life company assets persistency.**
- **Product diversification.**

Note: FUM at actual exchange rates

So let me show you the impact. Against a back drop of Asian markets falling by 10% to mid April our total funds under management has decreased by only 5% YTD to 35 billion pounds

There are 4 key reasons for this:

1. Our geographic diversification has benefited us as some markets have fared better than others

2. The diversity of our asset classes provide a cushion to falling equity markets

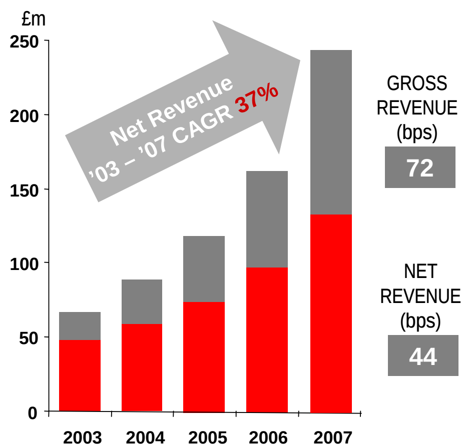
3. We are advantaged in the fact that we have a successful life company providing a sold asset base and regular premium inflows in terms of their Linked products

4. Our product diversification strategy across markets means we have the right type of products to sell for most market scenarios

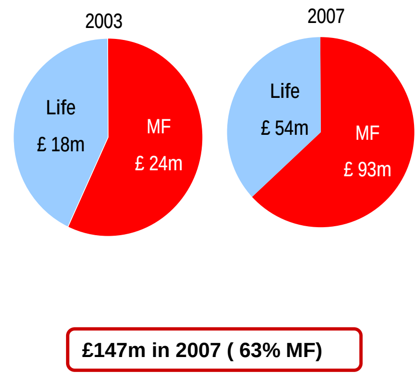
Revenue

Growing faster than FUM

Gross and Net Revenue



Net Revenue



Note : Constant average '07 exchange rates

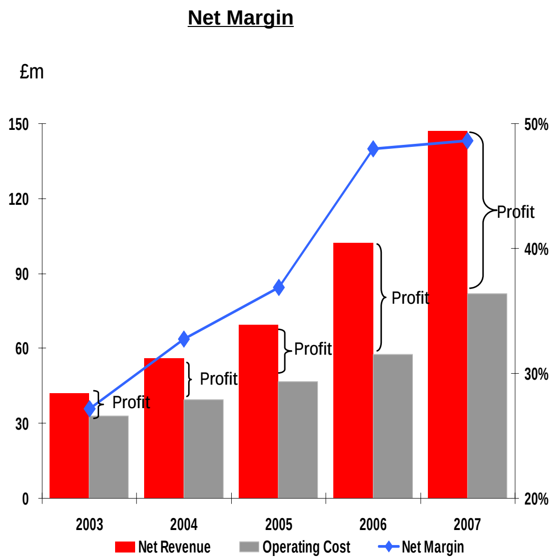
Turning now to revenue. Net revenues have continued to grow faster than FUM because of improved asset mix.

While our FUM grew by 24% in 2007, our net revenue grew by 42% to just under GBP150m

As I just mentioned, The mutual funds business accounted for 47% of our FUM at the end of 2007 but it accounted for 63% of our net revenues.

Net Margin

Continues to be driven by economies of scale



- **Scale nature of business generating profit growth as costs grow slower than revenue.**
- **Net margin increased from <30% in 2003 to 49% in 2007.**

Note : 1. Constant average '07 exchange rates 2. Excludes one-off swap losses on Taiwan Mutual Funds

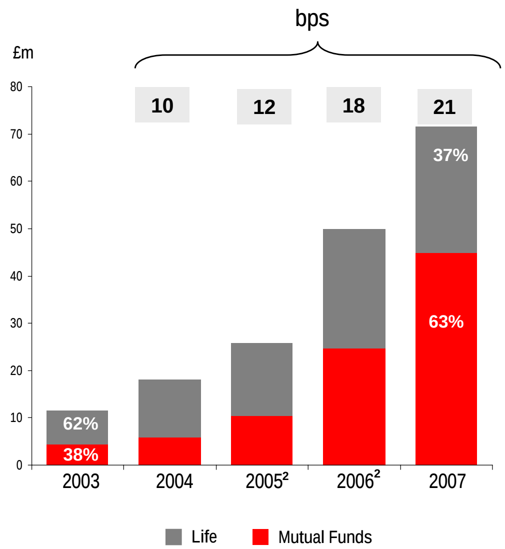
Given the scale nature of our business, we are continuing to see revenues grow faster than costs.

As you can see from the blue line in this chart our net margin has increased from less than 30% in 2003 to almost 50% by the end of 2007

Operating Profits Before Tax

Generating significant earnings growth

Operating Profit before Tax



- **PBT of £72m, up 44% from 2006.**
- **Mutual funds PBT grew by 81% from 2006.**
- **Mutual Funds business is now the major contributor to profits**

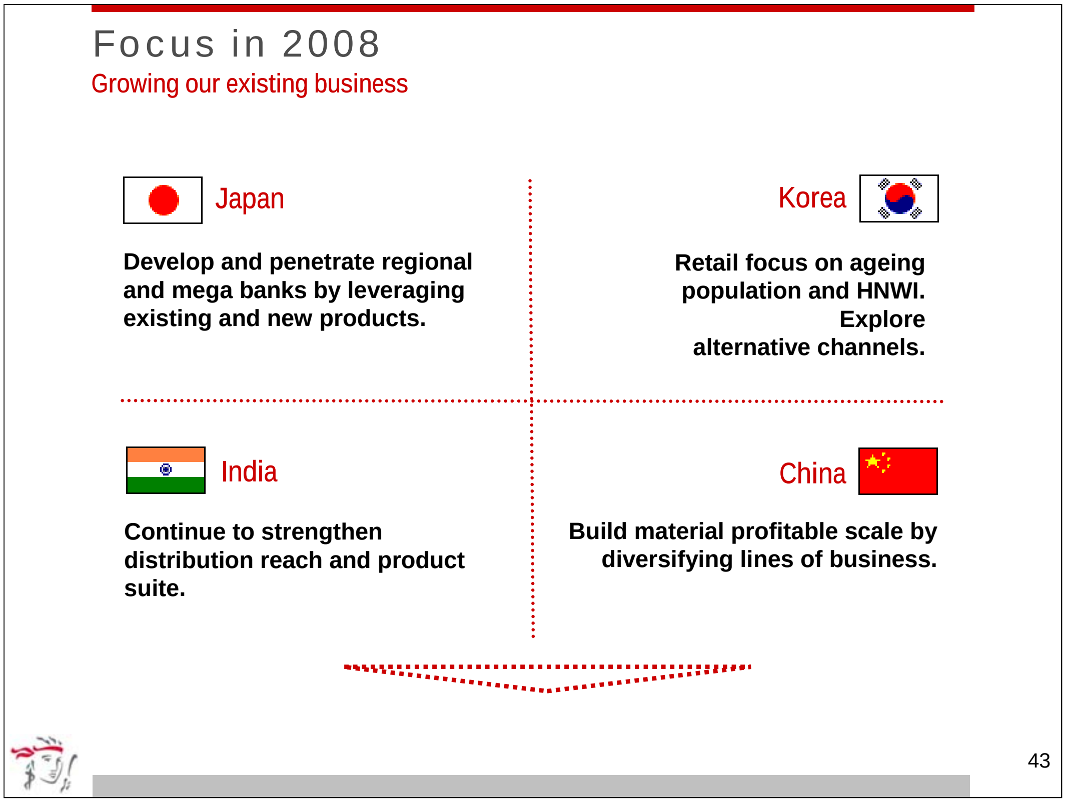
Note : 1. Constant average '07 exchange rates 2. Excludes one-off swap losses on Taiwan Mutual Funds

And this increase in net margin is driving our earnings growth.

With FUM up 24%, Net revenues up 42%. Profits were up by 44% year on year to 72 millions pounds.

The share of profit from the mutual funds business has grown from less than 40% in 2003 to over 60% in 2007

- So this is what we have achieved to date
- Now let me tall you about the plan going forward



We believe that our strategy is the correct one for Asia and we will continue to execute on it. In terms of our 4 key markets our objectives for 2008 are very clear and are summarized on this slide

Our aim is to continue to build scale and materiality through strategies tailored for each local market – whether it be the 4 key markets we have highlighted or any of our other markets

Focus in 2008

Adding new dimensions to our business

Wider Geographic Presence	**Middle East expansion**
Broader Customer Focus	**Increase focus on HNWI and Islamic customers**
New Product Ideas	**Absolute Return Funds, Sharia-compliant products**
New Channels	**Establish new business relationships with Private Banks**
Wider Distribution Reach	**Distribution of Asian products in US and Europe**
New Investment Capabilities	**Global Emerging Markets, Private Equity, Property**

Increased materiality and diversification

There are many opportunities in the Asian mutual fund market so we are adding new dimensions to our business to capitalize on these.

We are looking in 2008 to:

- Increase our geographic presence in the Middle East
- Continue focus on new customer segments
- Expand our product range into new areas
- Look at expanding our reach to customers through our distribution networks both in Asia and in other parts of the world
- As Guy mentioned, look to expand our investment management capacity by building new capability to meet the needs of our customers

Summary

- **There is significant potential for further growth in the Asian fund management market**
- **Prudential has successfully built a material and profitable fund management business in Asia**
- **We believe our performance demonstrates that the strategy to date is working and puts us in an ideal position to capitalise on the opportunities ahead**

To end therefore with a summary of our position:

The Asian market for fund management continues to grow rapidly. The market conditions are attractive and there is significant headroom for further growth in Asia

Prudential has successfully built a material and profitable fund management business in Asia that we are able to leverage and capitalise on as we move forward

We have launched a number of new initiatives to create a more diversified and value-creating business

We believe our performance demonstrates that our strategy to date works.

Going forward it puts us in an ideal position to capitalise on the opportunities ahead

Thank you