



PRUDENTIAL

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COMPARATIVE EUROPEAN EMBEDDED VALUE BASIS RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2005

Prudential plc publishes today its European Embedded Value (EEV) basis results for the six months to 30 June 2005.

Prudential has previously published EEV basis full year results for 2004 and 2005. Today's announcement completes the disclosure of the comparative EEV basis results to be included with the interim 2006 results to be published on 28 July 2006.

A summary of the EEV basis results are shown below:

	Half year 2005 £m	As previously published	
		Full year 2005 £m	Full year 2004 £m
New business profits	416	867	741
New business margin			
- As a percentage of annual premium equivalent of insurance sales	37%	41%	40%
- As a percentage of present value of new business premiums	4.5%	5.2%	5.0%
Long-term business operating profit before tax	815	1,743	1,328
Total operating profit before tax	799	1,712	1,274
Total shareholders' funds	9,114	10,301	8,614

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Enquiries

Media

Jon Bunn
William Baldwin-Charles
Joanne Doyle

020 7548 3559
020 7548 3719
020 7548 3708

Investors / analysts

James Matthews
Valerie Pariente

020 7548 3561
020 7548 3511

News release

Group Communications
Prudential plc

Laurence Pountney Hill London EC4R 0HH Tel 020 7220 7588 Fax 020 7548 3725

Incorporated and registered in England and Wales. Registered office as above. Registered number 1397169. Prudential plc is a holding company, subsidiaries of which are authorised and regulated by the Financial Services Authority.

Notes to Editors:

European Embedded Value basis of reporting.

The EEV basis results have been prepared in accordance with the EEV principles issued in May 2004 by the CFO Forum.

The CFO Forum is a high-level discussion group formed and attended by the Chief Financial Officers of major European listed, and some non-listed, insurance companies. Its aim is to discuss issues relating to proposed new accounting regulations for their businesses and how they can create greater transparency for investors. The Forum was created in 2002. For more information go to www.cfoforum.nl.

Annual Premium Equivalents

Annual Premium Equivalents are calculated as the aggregate of regular new business amounts and one-tenth of single new business amounts for insurance products.

*Prudential plc, a company incorporated and with its principal place of business in the United Kingdom, and its affiliated companies constitute one of the world's leading financial services groups. It provides insurance and financial services directly and through its subsidiaries and affiliates throughout the world. It has been in existence for over 150 years and has £234 billion in assets under management, (as at 31 December 2005). Prudential plc is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America.

Forward-Looking Statements

This statement may contain certain "forward-looking statements" with respect to certain of Prudential's plans and its current goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements containing the words "believes", "intends", "expects", "plans", "seeks" and "anticipates", and words of similar meaning, are forward-looking. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Prudential's control including among other things, UK domestic and global economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, and the performance of financial markets generally; the policies and actions of regulatory authorities, the impact of competition, inflation, and deflation; experience in particular with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; and the impact of changes in capital, solvency or accounting standards, and tax and other legislation and regulations in the jurisdictions in which Prudential and its affiliates operate. This may for example result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. As a result, Prudential's actual future financial condition, performance and results may differ materially from the plans, goals, and expectations set forth in Prudential's forward-looking statements. Prudential undertakes no obligation to update the forward-looking statements contained in this statement or any other forward-looking statements it may make.