

Definitions and Glossary

“ABI”	Association of British Insurers
“Admission”	admission of the New Shares, nil paid, to (i) the Official List and (ii) trading on the London Stock Exchange’s market for listed securities becoming effective in accordance with, respectively, the Listing Rules and the Admission and Disclosure Standards
“Admission and Disclosure Standards”	the requirements contained in the publication “Admission and Disclosure Standards” dated April 2004 containing, amongst other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange’s market for listed securities
“ADRs”	American Depository Receipts of the Company
“Cazenove”	Cazenove & Co. Ltd
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST)
“Companies Act”	the Companies Act 1985 (as amended)
“CREST”	the relevant system (as defined in the Regulations) in respect of which CRESTCo is the operator (as defined in the Regulations)
“CRESTCo”	CRESTCo Limited
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by CRESTCo on 15 July 1996 and as amended since)
“CREST member”	a person who has been admitted by CRESTCo as a system-member (as defined in the Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the Regulations)
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“Directors” or “Board”	the directors of the Company, whose names are set out in section 6 of Part VII of this document
“Employee Option Schemes”	Prudential Savings-Related Share Option Scheme (“UK SRSOS”), Prudential Europe Management Services Sharesave Plan (“PEMS”), Prudential International Savings-Related Share Option Scheme (“ISSOS”), Prudential International Savings-Related Share Option Scheme for Non-Employees (“ISSOSNE”)
“EU”	the union of countries established by the Treaty on European Union dated 7 February 1992 (the Maastricht Treaty) as amended by the Treaty of Amsterdam dated 2 October 1997, the Treaty of Nice dated 26 February 2001 and as may be amended from time to time thereafter
“Exchange Act”	the United States Securities Exchange Act of 1934, as amended
“Excluded Territories”	Canada, France, New Zealand, South Africa, Spain and Switzerland
“Existing Shares”	the 2,023,294,186 Shares currently in issue at the date of this document
“FSA”	the Financial Services Authority
“Fully Paid Rights”	rights to acquire New Shares, fully paid

“Goldman Sachs”	Goldman Sachs International
“IFA”	independent financial adviser
“Ireland”	The Republic of Ireland
“Issue Price”	308 pence per New Share
“Listing Rules”	the listing rules made by the UK Listing Authority in accordance with section 74 of the Financial Services and Markets Act 2000 (as amended from time to time)
“London Stock Exchange”	London Stock Exchange PLC
“New Shares”	337,215,697 ordinary shares of 5 pence each in the capital of the Company to be issued pursuant to the Rights Issue
“Nil Paid Rights”	rights to acquire New Shares, nil paid
“Official List”	the Official List of the UK Listing Authority
“Overseas Shareholders”	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the United Kingdom
“Provisional Allotment Letter” or “PAL”	the provisional allotment letter to be issued to Qualifying non-CREST Shareholders (other than certain Overseas Shareholders)
“Prudential” or “Company”	Prudential PLC
“Prudential Group” or “Group”	Prudential and its subsidiaries
“Prudential Share Schemes”	Prudential-Jackson US. Performance Share Plan, Prudential Annual Incentive Scheme, Prudential Corporation plc Restricted Share Plan, Prudential Corporation plc Group Head Office Managers’ Share Plan, Managers Share Plan Scheme, Prudential Corporation plc Share Participation Plan, Prudential Corporation plc Executive Share Option Scheme, M&G 1992 Savings Related Share Option Scheme, M&G Profit Share Scheme, M&G Employee Share Option Scheme, Prudential Professional Reward Scheme, and Prudential On-Appointment Share Award
“Qualified Institutional Buyer” or “QIB”	means a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Shares in uncertificated form
“Qualifying non-CREST Shareholders”	Qualifying Shareholders holding Shares in certificated form
“Qualifying Shareholders”	Shareholders on the register of members of the Company at the Record Date
“Record Date”	the close of business on 15 October 2004
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) “Resilience Reserve”; an additional Prudential liability required by the FSA to cover specified adverse economic contingencies
“Rights Issue”	means the offer by way of rights to Qualifying Shareholders to subscribe for New Shares, on the terms and conditions set out in this document and, in the case of Qualifying non-CREST Shareholders only, the Provisional Allotment Letter
“Securities Act”	the United States Securities Act of 1933, as amended

“Shareholder Helpline”	the helpline set up for Prudential Shareholders which will advise Shareholders how to complete the Provisional Allotment Letter (if they are Qualifying non-CREST Shareholders) and answer questions about the Rights Issue: Freephone 0800 174350 (from inside the UK) or +44 1903 702767 (from outside the UK)
“Shareholders”	the holders of Shares
“Shares” or “Ordinary Shares”	ordinary shares of 5 pence each in the capital of the Company and includes Existing Shares and New Shares
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of the Financial Services and Markets Act 2000
“uncertificated” or “in uncertificated form”	recorded on the register of members as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST
“UBS” or “UBS Investment Bank”	UBS Limited
“Underwriters” and “Joint Sponsors”	UBS, Cazenove and Goldman Sachs
“Underwriting Agreement”	the conditional underwriting agreement relating to the Rights Issue described in section 10 of Part VII of this document
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States, its territories and possessions, any State of the United States and the District of Columbia, and all other areas subject to its jurisdiction

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