

# **The Prudential Assurance Company Limited**

**Annual FSA Insurance Returns for the year ended**

**31 December 2008**

**Appendices 9.1, 9.2, 9.3, 9.5 & 9.6**

**The Prudential Assurance Company Limited is registered in England and Wales.**

**Registered Office at Laurance Pountney Hill, London EC4R OHH. Registered number 15454**

**Authorised and regulated by the Financial Services Authority.**

# The Prudential Assurance Company Limited

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**Covering Sheet to Form 1**

**Form 1**

Name of insurer      **The Prudential Assurance Company Limited**

Global business

Financial year ended    **31 December 2008**

**Nick Prettejohn**  
**Chief Executive**

.....

**David Belsham**  
**Director**

.....

**Andrew Crossley**  
**Director**

.....

**Date**                      **26th March 2009**

**Statement of solvency - general insurance business**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

Adjusted solo solvency calculation

R1	Company registration number	GL/UK/CM	day month year			Units
			31	12	2008	
	15454	GL				£000
			As at end of this financial year			As at end of the previous year
			1			2

**Capital resources**

Capital resources arising outside the long-term insurance fund	11	1473339	2306822
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12	1398339	2256822
Capital resources available to cover general insurance business capital resources requirement (11-12)	13	75000	50000

**Guarantee fund**

Guarantee fund requirement	21	12544	11109
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	62456	38891

**Minimum capital requirement (MCR)**

General insurance capital requirement	31	18296	18296
Base capital resources requirement	33	2518	2231
Individual minimum capital requirement	34	18296	18296
Capital requirements of regulated related undertakings	35	6446	5010
Minimum capital requirement (34+35)	36	24742	23307
Excess (deficiency) of available capital resources to cover 50% of MCR	37	62629	38347
Excess (deficiency) of available capital resources to cover 75% of MCR	38	56444	32520

**Capital resources requirement (CRR)**

Capital resources requirement	41	24742	23307
Excess (deficiency) of available capital resources to cover general insurance business CRR (13-41)	42	50258	26693

**Contingent liabilities**

Quantifiable contingent liabilities in respect of other than long-term insurance business as shown in a supplementary note to Form 15	51		
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**Statement of solvency - long-term insurance business**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

Adjusted solo solvency calculation

	Company registration number	GL/UK/CM	day month year			Units
	R2	15454	GL	31	12	2008
			As at end of this financial year			As at end of the previous year
			1			2

**Capital resources**

Capital resources arising within the long-term insurance fund	11	8595722	28765129
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12	1398339	2256822
Capital resources available to cover long-term insurance business capital resources requirement (11+12)	13	9994061	31021951

**Guarantee fund**

Guarantee fund requirement	21	2158286	2182650
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	7835775	28839301

**Minimum capital requirement (MCR)**

Long-term insurance capital requirement	31	3021112	2954004
Resilience capital requirement	32		
Base capital resources requirement	33	2518	2231
Individual minimum capital requirement	34	3021112	2954004
Capital requirements of regulated related undertakings	35	1154049	1201868
Minimum capital requirement (34+35)	36	4175161	4155872
Excess (deficiency) of available capital resources to cover 50% of MCR	37	7906481	28944015
Excess (deficiency) of available capital resources to cover 75% of MCR	38	6862690	27905047

**Enhanced capital requirement**

With-profits insurance capital component	39	1062163	16369437
Enhanced capital requirement	40	5237324	20525308

**Capital resources requirement (CRR)**

Capital resources requirement (greater of 36 and 40)	41	5237324	20525308
Excess (deficiency) of available capital resources to cover long-term insurance business CRR (13-41)	42	4756737	10496643

**Contingent liabilities**

Quantifiable contingent liabilities in respect of long-term insurance business as shown in a supplementary note to Form 14	51	101014	32712
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**Components of capital resources**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

R3	Company registration number	GL/UK/CM	day month year			Units
	15454	GL	31	12	2008	£000
		General insurance business	Long-term insurance business	Total as at the end of this financial year	Total as at the end of the previous year	
		1	2	3	4	

**Core tier one capital**

Permanent share capital	11	242617		242617	242617
Profit and loss account and other reserves	12	999501	1908233	2907734	2962753
Share premium account	13				
Positive valuation differences	14	33454	815564	849018	15184604
Fund for future appropriations	15		8691141	8691141	14409592
Core tier one capital in related undertakings	16	(276282)	(36481)	(312763)	(188419)
Core tier one capital (sum of 11 to 16)	19	999290	11378458	12377748	32611147

**Tier one waivers**

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21				
Implicit Items	22				
Tier one waivers in related undertakings	23				25320
Total tier one waivers as restricted (21+22+23)	24				25320

**Other tier one capital**

Perpetual non-cumulative preference shares as restricted	25	86900		86900	86900
Perpetual non-cumulative preference shares in related undertakings	26				
Innovative tier one capital as restricted	27				
Innovative tier one capital in related undertakings	28				

<b>Total tier one capital before deductions (19+24+25+26+27+28)</b>	<b>31</b>	1086190	11378458	12464648	32723367
Investments in own shares	32				
Intangible assets	33		261212	261212	123398
Amounts deducted from technical provisions for discounting	34				
Other negative valuation differences	35				
Deductions in related undertakings	36	785360	753625	1538985	984487
Deductions from tier one (32 to 36)	37	785360	1014837	1800197	1107885
<b>Total tier one capital after deductions (31-37)</b>	<b>39</b>	300830	10363620	10664450	31615482

## Components of capital resources

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

	Company registration number	GL/ UK/ CM	day month year			Units	
	<b>R3</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year	
		<b>1</b>	<b>2</b>	<b>3</b>		<b>4</b>	

## Tier two capital

Implicit items, (tier two waivers and amounts excluded from line 22)	<b>41</b>				
Perpetual non-cumulative preference shares excluded from line 25	<b>42</b>				
Innovative tier one capital excluded from line 27	<b>43</b>				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	<b>44</b>				
Perpetual cumulative preference shares	<b>45</b>				
Perpetual subordinated debt and securities	<b>46</b>				
Upper tier two capital in related undertakings	<b>47</b>				
<b>Upper tier two capital (44 to 47)</b>	<b>49</b>				

Fixed term preference shares	<b>51</b>	1000		1000	1000
Other tier two instruments	<b>52</b>				
Lower tier two capital in related undertakings	<b>53</b>				
<b>Lower tier two capital (51+52+53)</b>	<b>59</b>	1000		1000	1000

<b>Total tier two capital before restrictions (49+59)</b>	<b>61</b>	1000		1000	1000
Excess tier two capital	<b>62</b>				
Further excess lower tier two capital	<b>63</b>				
<b>Total tier two capital after restrictions, before deductions (61-62-63)</b>	<b>69</b>	1000		1000	1000



**Components of capital resources**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

R3	Company registration number	GL/UK/CM	day month year			Units
	15454	GL	31	12	2008	£000
		General insurance business	Long-term insurance business	Total as at the end of this financial year	Total as at the end of the previous year	
		1	2	3	4	

**Total capital resources**

Positive adjustments for regulated non-insurance related undertakings	71				
<b>Total capital resources before deductions (39+69+71)</b>	<b>72</b>	301830	10363620	10665450	31616482
Inadmissible assets other than intangibles and own shares	73	107078	369560	476638	494460
Assets in excess of market risk and counterparty limits	74	119752		119752	50071
Deductions for related ancillary services undertakings	75				
Deductions for regulated non-insurance related undertakings	76				
Deductions of ineligible surplus capital	77				
<b>Total capital resources after deductions (72-73-74-75-76-77)</b>	<b>79</b>	75000	9994061	10069061	31071951

**Available capital resources for GENPRU/INSRU tests**

Available capital resources for guarantee fund requirement	81	75000	9994061	10069061	31071951
Available capital resources for 50% MCR requirement	82	75000	9994061	10069061	31071951
Available capital resources for 75% MCR requirement	83	75000	9994061	10069061	31071951

**Financial engineering adjustments**

Implicit items	91				
Financial reinsurance - ceded	92				
Financial reinsurance - accepted	93				
Outstanding contingent loans	94		100734	100734	32432
Any other charges on future profits	95				
Sum of financial engineering adjustments (91+92-93+94+95)	<b>96</b>		100734	100734	32432

**Calculation of general insurance capital requirement - premiums amount and brought forward amount**

 Name of insurer **The Prudential Assurance Company Limited**

Global business

 Financial year ended **31 December 2008**

General insurance business

		Company registration number	GL/UK/CM	day	month	year	Units
R11	15454	GL	31	12	2008	£000	
			This financial year 1			Previous year 2	
Gross premiums written		11	28021			23375	
Premiums taxes and levies (included in line 11)		12					
Premiums written net of taxes and levies (11-12)		13	28021			23375	
Premiums for classes 11, 12 or 13 (included in line 13)		14	4310			3657	
Premiums for "actuarial health insurance" (included in line 13)		15					
<b>Sub-total A (13 + 1/2 14 - 2/3 15)</b>		16	30177			25204	
Gross premiums earned		21	26581			22425	
Premium taxes and levies (included in line 21)		22					
Premiums earned net of taxes and levies (21-22)		23	26581			22425	
Premiums for classes 11, 12 or 13 (included in line 23)		24	4153			3612	
Premiums for "actuarial health insurance" (included in line 23)		25					
<b>Sub-total H (23 + 1/2 24 - 2/3 25)</b>		26	28657			24231	
<b>Sub-total I (higher of sub-total A and sub-total H)</b>		30	30177			25204	
<b>Adjusted sub-total I if financial year is not a 12 month period to produce an annual figure</b>		31					
Division of gross adjusted premiums amount sub-total I (or adjusted sub-total I if appropriate)	x 0.18	32	5432			4537	
	Excess (if any) over 53.1M EURO x 0.02	33					
<b>Sub-total J (32-33)</b>		34	5432			4537	
Claims paid in period of 3 financial years		41	61108			88310	
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis	42	1008			3150	
	For insurance business accounted for on an accident year basis	43	113960			101602	
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis	44	1066			44800	
	For insurance business accounted for on an accident year basis	45	112829			128198	
<b>Sub-total C (41+42+43-44-45)</b>		46	62181			20065	
Amounts recoverable from reinsurers in respect of claims included in Sub-total C		47	2177			(11958)	
<b>Sub-total D (46-47)</b>		48	60004			32023	
<b>Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)</b>		49	0.96			1.00	
<b>Premiums amount (Sub-total J x reinsurance ratio)</b>		50	5242			4537	
Provision for claims outstanding (before discounting and net of reinsurance)		51	95038			79145	
Provision for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero		52					
<b>Brought forward amount (See instruction 4)</b>		53	18296			18296	
Greater of lines 50 and 53		54	18296			18296	

**Calculation of general insurance capital requirement - premiums amount and brought forward amount**

 Name of insurer **The Prudential Assurance Company Limited**

Global business

 Financial year ended **31 December 2008**

Long term insurance business

		Company registration number	GL/UK/CM	day month year			Units	
		R11	15454	GL	31	12	2008	£000
				This financial year 1			Previous year 2	
Gross premiums written				11	131492			134541
Premiums taxes and levies (included in line 11)				12				
Premiums written net of taxes and levies (11-12)				13	131492			134541
Premiums for classes 11, 12 or 13 (included in line 13)				14				
Premiums for "actuarial health insurance" (included in line 13)				15	119432			78028
<b>Sub-total A (13 + 1/2 14 - 2/3 15)</b>				16	51871			82522
Gross premiums earned				21	170099			130796
Premium taxes and levies (included in line 21)				22				
Premiums earned net of taxes and levies (21-22)				23	170099			130796
Premiums for classes 11, 12 or 13 (included in line 23)				24				
Premiums for "actuarial health insurance" (included in line 23)				25	119432			78028
<b>Sub-total H (23 + 1/2 24 - 2/3 25)</b>				26	90478			78777
<b>Sub-total I (higher of sub-total A and sub-total H)</b>				30	90478			82522
<b>Adjusted sub-total I if financial year is not a 12 month period to produce an annual figure</b>				31				
Division of gross adjusted premiums amount sub-total I (or adjusted sub-total I if appropriate)	x 0.18			32	16286			14854
	Excess (if any) over 53.1M EURO x 0.02			33	974			910
<b>Sub-total J (32-33)</b>				34	15312			13944
Claims paid in period of 3 financial years				41	222340			182555
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis			42	43017			35821
	For insurance business accounted for on an accident year basis			43	7726			6142
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis			44	23337			28816
	For insurance business accounted for on an accident year basis			45	8556			4802
<b>Sub-total C (41+42+43-44-45)</b>				46	241190			190900
Amounts recoverable from reinsurers in respect of claims included in Sub-total C				47	62376			33967
<b>Sub-total D (46-47)</b>				48	178814			156933
<b>Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)</b>				49	0.74			0.82
<b>Premiums amount (Sub-total J x reinsurance ratio)</b>				50	11352			11463
Provision for claims outstanding (before discounting and net of reinsurance)				51	14277			51339
Provision for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero				52				
<b>Brought forward amount (See instruction 4)</b>				53	21115			75929
Greater of lines 50 and 53				54	21115			75929

**Calculation of general insurance capital requirement - claims amount and result**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

General insurance business

		Company registration number	GL/ UK/ CM	day month year			Units	
		R12	15454	GL	31	12	2008	£000
				This financial year 1			Previous year 2	
Reference period (No. of months) See INSPRU 1.1.63R			11	36			36	
Claims paid in reference period			21	61108			88310	
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis		22	1008			3150	
	For insurance business accounted for on an accident year basis		23	113960			101602	
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis		24	1066			44800	
	For insurance business accounted for on an accident year basis		25	112829			128198	
Claims incurred in reference period (21+22+23-24-25)			26	62181			20065	
Claims incurred for classes 11, 12 or 13 (included in 26)			27	38645			15024	
Claims incurred for "actuarial health insurance" (included in 26)			28					
<b>Sub-total E (26 +1/2 27 - 2/3 28)</b>			29	81503			27577	
<b>Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)</b>			31	27168			9192	
Division of sub-total F (gross adjusted claims amount)	x 0.26		32	7064			2390	
	Excess (if any) over 37.2M EURO x 0.03		33					
<b>Sub-total G (32-33)</b>			39	7064			2390	
<b>Claims amount Sub-total G x reinsurance ratio (11.49)</b>			41	6816			2390	
Higher of premiums amount and brought forward amount (11.54)			42	18296			18296	
<b>General insurance capital requirement (higher of lines 41 and 42)</b>			43	18296			18296	

**Calculation of general insurance capital requirement - claims amount and result**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

Long term insurance business

		Company registration number	GL/ UK/ CM	day month year			Units	
		R12	15454	GL	31	12	2008	£000
				This financial year 1			Previous year 2	
Reference period (No. of months) See INSPRU 1.1.63R		11		36			36	
Claims paid in reference period		21		222340			182555	
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis	22		43017			35821	
	For insurance business accounted for on an accident year basis	23		7726			6142	
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis	24		23337			28816	
	For insurance business accounted for on an accident year basis	25		8556			4802	
Claims incurred in reference period (21+22+23-24-25)		26		241190			190900	
Claims incurred for classes 11, 12 or 13 (included in 26)		27						
Claims incurred for "actuarial health insurance" (included in 26)		28		92488			65002	
<b>Sub-total E (26 +1/2 27 - 2/3 28)</b>		29		179531			147565	
<b>Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)</b>		31		59844			49188	
Division of sub-total F (gross adjusted claims amount)	x 0.26	32		15559			12789	
	Excess (if any) over 37.2M EURO x 0.03	33		917			697	
<b>Sub-total G (32-33)</b>		39		14642			12092	
<b>Claims amount Sub-total G x reinsurance ratio (11.49)</b>		41		10856			9940	
Higher of premiums amount and brought forward amount (11.54)		42		21115			75929	
<b>General insurance capital requirement (higher of lines 41 and 42)</b>		43		21115			75929	

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total other than long term insurance business assets**

R13	Company registration number	GL/UK/CM	day month year			Units	Category of assets
	15454	GL	31	12	2008	£000	1
						As at end of this financial year	As at end of the previous year
						1	2
Land and buildings			11				

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	21	42069	274254
	Debts and loans	22		
Other insurance dependants	Shares	23		
	Debts and loans	24		
Non-insurance dependants	Shares	25	10636	37714
	Debts and loans	26		
Other group undertakings	Shares	27	13570	7439
	Debts and loans	28		
Participating interests	Shares	29		
	Debts and loans	30		

**Other financial investments**

Equity shares	41			
Other shares and other variable yield participations	42			
Holdings in collective investment schemes	43		83737	
Rights under derivative contracts	44			
Fixed interest securities	Approved	45	64475	66281
	Other	46		
Variable interest securities	Approved	47		
	Other	48		
Participation in investment pools	49			
Loans secured by mortgages	50	494704		
Loans to public or local authorities and nationalised industries or undertakings	51			
Loans secured by policies of insurance issued by the company	52			
Other loans	53			
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	28089	45584
	More than one month withdrawal	55	7402	6536
Other financial investments	56			
Deposits with ceding undertakings	57			
Assets held to match linked liabilities	Index linked	58		
	Property linked	59		

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>1</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>	2114	1689
Claims outstanding	<b>61</b>	21901	25640
Provision for unexpired risks	<b>62</b>		
Other	<b>63</b>		

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	
	Intermediaries	<b>72</b>	6601 4534
Salvage and subrogation recoveries		<b>73</b>	
Reinsurance	Accepted	<b>74</b>	
	Ceded	<b>75</b>	160 136
Dependants	due in 12 months or less	<b>76</b>	
	due in more than 12 months	<b>77</b>	
Other	due in 12 months or less	<b>78</b>	596474 955061
	due in more than 12 months	<b>79</b>	15576

**Other assets**

Tangible assets	<b>80</b>	1	4
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	349295	328987
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>	1042	37
Deferred acquisition costs (general business only)	<b>85</b>	6209	4196
Other prepayments and accrued income	<b>86</b>		1391

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	1644741	1858797
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>1</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	<b>91</b>	1644741	1858797
Admissible assets in excess of market and counterparty limits	<b>92</b>	119752	50071
Inadmissible assets directly held	<b>93</b>	4656	1065
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	611402	621229
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>	1914	1555
Inadmissible assets of regulated related undertakings	<b>96</b>	102422	12003
Book value of related ancillary services undertakings	<b>97</b>	9995	4554
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>	931552	485119
Deferred acquisition costs excluded from line 89	<b>99</b>		
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>		
Other asset adjustments (may be negative)	<b>101</b>	(25420)	(19620)
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	<b>102</b>	3401015	3014773
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>		



**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total long term insurance business assets**

R13	Company registration number	GL/UK/CM	day month year			Units	Category of assets
	15454	GL	31	12	2008	£000	10
						<b>As at end of this financial year</b>	<b>As at end of the previous year</b>
						<b>1</b>	<b>2</b>
Land and buildings			<b>11</b>			6516834	9586841

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>	199181	601679
	Debts and loans	<b>22</b>		
Other insurance dependants	Shares	<b>23</b>	56586	33104
	Debts and loans	<b>24</b>		
Non-insurance dependants	Shares	<b>25</b>	1832331	2198374
	Debts and loans	<b>26</b>	716221	810039
Other group undertakings	Shares	<b>27</b>	2690	
	Debts and loans	<b>28</b>		
Participating interests	Shares	<b>29</b>		
	Debts and loans	<b>30</b>		

**Other financial investments**

Equity shares	<b>41</b>	27158963	45833556	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	6134983	5456345	
Rights under derivative contracts	<b>44</b>	726757	336934	
Fixed interest securities	Approved	<b>45</b>	4894419	4310249
	Other	<b>46</b>	20916545	19477643
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	2600897	2549401
Participation in investment pools	<b>49</b>	1453642	1073872	
Loans secured by mortgages	<b>50</b>	1490	2367	
Loans to public or local authorities and nationalised industries or undertakings	<b>51</b>			
Loans secured by policies of insurance issued by the company	<b>52</b>	89556	78062	
Other loans	<b>53</b>	815212	763149	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	5054856	4076240
	More than one month withdrawal	<b>55</b>	3857	5059
Other financial investments	<b>56</b>			
Deposits with ceding undertakings	<b>57</b>	2036625		
Assets held to match linked liabilities	Index linked	<b>58</b>	355237	7162
	Property linked	<b>59</b>	6200852	7903805

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>10</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>	
Claims outstanding	<b>61</b>	
Provision for unexpired risks	<b>62</b>	
Other	<b>63</b>	

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	49112	63461
	Intermediaries	<b>72</b>	2852	971
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>	7647	4282
	Ceded	<b>75</b>	16127	7443
Dependants	due in 12 months or less	<b>76</b>		30071
	due in more than 12 months	<b>77</b>		
Other	due in 12 months or less	<b>78</b>	539336	1533533
	due in more than 12 months	<b>79</b>	292691	103191

**Other assets**

Tangible assets	<b>80</b>	7007	6431
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	346599	239711
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>	757230	596900
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	25576	23181

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	89811910	107713054
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>10</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	<b>91</b>	89811910	107713054
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>	366906	434225
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	549093	585649
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>	99696	12585
Book value of related ancillary services undertakings	<b>97</b>		
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>	1168609	646270
Deferred acquisition costs excluded from line 89	<b>99</b>	164169	157980
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	14630319	15312266
Other asset adjustments (may be negative)	<b>101</b>	186258	13753
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	<b>102</b>	106976960	124875782
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>	5731	31275

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Scottish Amicable Insurance Fund**

R13	Company registration number	GL/UK/CM	day month year			Units	Category of assets
	15454	GL	31	12	2008	£000	11
						<b>As at end of this financial year</b>	<b>As at end of the previous year</b>
						<b>1</b>	<b>2</b>
Land and buildings			<b>11</b>			830730	1182210

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>		
	Debts and loans	<b>22</b>		
Other insurance dependants	Shares	<b>23</b>		
	Debts and loans	<b>24</b>		
Non-insurance dependants	Shares	<b>25</b>	237201	201623
	Debts and loans	<b>26</b>	85574	108785
Other group undertakings	Shares	<b>27</b>		
	Debts and loans	<b>28</b>		
Participating interests	Shares	<b>29</b>		
	Debts and loans	<b>30</b>		

**Other financial investments**

Equity shares	<b>41</b>	3522510	6640530	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	227759	322724	
Rights under derivative contracts	<b>44</b>	196210	69701	
Fixed interest securities	Approved	<b>45</b>	598589	710336
	Other	<b>46</b>	3275879	3421223
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	396533	489280
Participation in investment pools	<b>49</b>	243399	172484	
Loans secured by mortgages	<b>50</b>	71	71	
Loans to public or local authorities and nationalised industries or undertakings	<b>51</b>			
Loans secured by policies of insurance issued by the company	<b>52</b>	10877	12352	
Other loans	<b>53</b>	145448	194068	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	595767	383595
	More than one month withdrawal	<b>55</b>		
Other financial investments	<b>56</b>			
Deposits with ceding undertakings	<b>57</b>			
Assets held to match linked liabilities	Index linked	<b>58</b>		
	Property linked	<b>59</b>		

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Scottish Amicable Insurance Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>11</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>		
Claims outstanding	<b>61</b>		
Provision for unexpired risks	<b>62</b>		
Other	<b>63</b>		

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	1791	2761
	Intermediaries	<b>72</b>		
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>		
	Ceded	<b>75</b>		
Dependants	due in 12 months or less	<b>76</b>		
	due in more than 12 months	<b>77</b>		
Other	due in 12 months or less	<b>78</b>	92236	212382
	due in more than 12 months	<b>79</b>	26339	4400

**Other assets**

Tangible assets	<b>80</b>		
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	172255	19863
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>	101572	96756
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	4534	4692

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	10765274	14249836
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Scottish Amicable Insurance Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>11</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	<b>91</b>	10765274	14249836
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>		
Capital resources requirement deduction of regulated related undertakings	<b>94</b>		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>		
Book value of related ancillary services undertakings	<b>97</b>		
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>	55114	4285
Deferred acquisition costs excluded from line 89	<b>99</b>	2671	3963
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	467479	524530
Other asset adjustments (may be negative)	<b>101</b>	29123	3873
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	<b>102</b>	11319661	14786486
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>		

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **With-Profits Sub-Fund**

R13	Company registration number	GL/UK/CM	day month year			Units	Category of assets
	15454	GL	31	12	2008	£000	12
						<b>As at end of this financial year</b>	<b>As at end of the previous year</b>
						<b>1</b>	<b>2</b>
Land and buildings			<b>11</b>			5460140	8135686

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>	199181	601679
	Debts and loans	<b>22</b>		
Other insurance dependants	Shares	<b>23</b>		
	Debts and loans	<b>24</b>		
Non-insurance dependants	Shares	<b>25</b>	1595125	1996746
	Debts and loans	<b>26</b>	630647	701254
Other group undertakings	Shares	<b>27</b>		
	Debts and loans	<b>28</b>		
Participating interests	Shares	<b>29</b>		
	Debts and loans	<b>30</b>		

**Other financial investments**

Equity shares	<b>41</b>	22435727	38327992	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	5211586	4557160	
Rights under derivative contracts	<b>44</b>	505918	247802	
Fixed interest securities	Approved	<b>45</b>	3428587	1965150
	Other	<b>46</b>	15605348	14546012
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	2137665	1994177
Participation in investment pools	<b>49</b>	1210243	901388	
Loans secured by mortgages	<b>50</b>	1419	2296	
Loans to public or local authorities and nationalised industries or undertakings	<b>51</b>			
Loans secured by policies of insurance issued by the company	<b>52</b>	78599	65630	
Other loans	<b>53</b>	669632	569081	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	3987156	2900806
	More than one month withdrawal	<b>55</b>		1606
Other financial investments	<b>56</b>			
Deposits with ceding undertakings	<b>57</b>			
Assets held to match linked liabilities	Index linked	<b>58</b>	5001	5532
	Property linked	<b>59</b>		

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **With-Profits Sub-Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>12</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>	
Claims outstanding	<b>61</b>	
Provision for unexpired risks	<b>62</b>	
Other	<b>63</b>	

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	36866	50952
	Intermediaries	<b>72</b>	2423	971
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>		
	Ceded	<b>75</b>	14263	5166
Dependants	due in 12 months or less	<b>76</b>		30071
	due in more than 12 months	<b>77</b>		
Other	due in 12 months or less	<b>78</b>	369043	1248023
	due in more than 12 months	<b>79</b>	197430	25255

**Other assets**

Tangible assets	<b>80</b>	7007	6431
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>		61452
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>	604218	467464
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	6277	5251

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	64399501	79421032
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **With-Profits Sub-Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>12</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	<b>91</b>	64399501	79421032
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>	208175	310719
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	500789	535196
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>	95655	1050
Book value of related ancillary services undertakings	<b>97</b>		
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>	1076954	594601
Deferred acquisition costs excluded from line 89	<b>99</b>	10828	15477
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	11424607	11463108
Other asset adjustments (may be negative)	<b>101</b>	156934	10624
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	<b>102</b>	77873444	92351807
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>	170	25369

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Defined Charge Participating Sub-Fund**

R13	Company registration number	GL/UK/CM	day month year			Units	Category of assets
	15454	GL	31	12	2008	£000	13
						<b>As at end of this financial year</b>	<b>As at end of the previous year</b>
						<b>1</b>	<b>2</b>
Land and buildings			<b>11</b>			225964	268945

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>		
	Debts and loans	<b>22</b>		
Other insurance dependants	Shares	<b>23</b>		
	Debts and loans	<b>24</b>		
Non-insurance dependants	Shares	<b>25</b>		
	Debts and loans	<b>26</b>		
Other group undertakings	Shares	<b>27</b>		
	Debts and loans	<b>28</b>		
Participating interests	Shares	<b>29</b>		
	Debts and loans	<b>30</b>		

**Other financial investments**

Equity shares	<b>41</b>	1198172	865035
Other shares and other variable yield participations	<b>42</b>		
Holdings in collective investment schemes	<b>43</b>	685142	568720
Rights under derivative contracts	<b>44</b>	15969	5339
Fixed interest securities	Approved	<b>45</b>	1005376
	Other	<b>46</b>	573290
Variable interest securities	Approved	<b>47</b>	
	Other	<b>48</b>	2115 295
Participation in investment pools	<b>49</b>		
Loans secured by mortgages	<b>50</b>		
Loans to public or local authorities and nationalised industries or undertakings	<b>51</b>		
Loans secured by policies of insurance issued by the company	<b>52</b>		
Other loans	<b>53</b>	132	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	128759
	More than one month withdrawal	<b>55</b>	3452
Other financial investments	<b>56</b>		
Deposits with ceding undertakings	<b>57</b>		
Assets held to match linked liabilities	Index linked	<b>58</b>	
	Property linked	<b>59</b>	

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Defined Charge Participating Sub-Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>13</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>		
Claims outstanding	<b>61</b>		
Provision for unexpired risks	<b>62</b>		
Other	<b>63</b>		

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	527	126
	Intermediaries	<b>72</b>	429	
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>		
	Ceded	<b>75</b>		
Dependants	due in 12 months or less	<b>76</b>		
	due in more than 12 months	<b>77</b>		
Other	due in 12 months or less	<b>78</b>	7550	3807
	due in more than 12 months	<b>79</b>		

**Other assets**

Tangible assets	<b>80</b>		
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	2290	140313
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>	1729	1314
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>		

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	2933349	3564770
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Defined Charge Participating Sub-Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>13</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	<b>91</b>	2933349	3564770
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>		
Capital resources requirement deduction of regulated related undertakings	<b>94</b>		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>		
Book value of related ancillary services undertakings	<b>97</b>		
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>	62	
Deferred acquisition costs excluded from line 89	<b>99</b>		
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>		
Other asset adjustments (may be negative)	<b>101</b>	201	(744)
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	<b>102</b>	2933612	3564026
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>		

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Non-Profit Sub-Fund**

R13	Company registration number	GL/UK/CM	day month year			Units	Category of assets
	15454	GL	31	12	2008	£000	14
						<b>As at end of this financial year</b>	<b>As at end of the previous year</b>
						<b>1</b>	<b>2</b>
Land and buildings			<b>11</b>				

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>		
	Debts and loans	<b>22</b>		
Other insurance dependants	Shares	<b>23</b>	56586	33104
	Debts and loans	<b>24</b>		
Non-insurance dependants	Shares	<b>25</b>	5	5
	Debts and loans	<b>26</b>		
Other group undertakings	Shares	<b>27</b>	2690	
	Debts and loans	<b>28</b>		
Participating interests	Shares	<b>29</b>		
	Debts and loans	<b>30</b>		

**Other financial investments**

Equity shares	<b>41</b>	2554		
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	10495	7741	
Rights under derivative contracts	<b>44</b>	8660	14092	
Fixed interest securities	Approved	<b>45</b>	867243	629386
	Other	<b>46</b>	1416956	937119
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	64584	65649
Participation in investment pools	<b>49</b>			
Loans secured by mortgages	<b>50</b>			
Loans to public or local authorities and nationalised industries or undertakings	<b>51</b>			
Loans secured by policies of insurance issued by the company	<b>52</b>	79	79	
Other loans	<b>53</b>			
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	300824	663080
	More than one month withdrawal	<b>55</b>		
Other financial investments	<b>56</b>			
Deposits with ceding undertakings	<b>57</b>	2036625		
Assets held to match linked liabilities	Index linked	<b>58</b>	350236	1630
	Property linked	<b>59</b>	6200852	7903805

**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Non-Profit Sub-Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>14</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>		
Claims outstanding	<b>61</b>		
Provision for unexpired risks	<b>62</b>		
Other	<b>63</b>		

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	9928	9622
	Intermediaries	<b>72</b>		
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>	7647	4282
	Ceded	<b>75</b>	1864	2277
Dependants	due in 12 months or less	<b>76</b>		
	due in more than 12 months	<b>77</b>		
Other	due in 12 months or less	<b>78</b>	70507	69322
	due in more than 12 months	<b>79</b>	68922	73536

**Other assets**

Tangible assets	<b>80</b>		
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	172054	18083
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>	49710	31367
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	14765	13238

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	11713786	10477416
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Non-Profit Sub-Fund**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>14</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	<b>91</b>	11713786	10477416
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>	158731	123506
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	48304	50453
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>	4041	11535
Book value of related ancillary services undertakings	<b>97</b>		
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>	36479	47384
Deferred acquisition costs excluded from line 89	<b>99</b>	150670	138541
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	2738232	3324628
Other asset adjustments (may be negative)	<b>101</b>		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	<b>102</b>	14850243	14173463
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>	5561	5906

**Long term insurance business liabilities and margins**

Name of insurer **The Prudential Assurance Company Limited**  
 Global business  
 Financial year ended **31 December 2008**  
 Total business/Sub fund **10 Summary**  
 Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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Mathematical reserves, after distribution of surplus	<b>11</b>	76532967	75126177	
Cash bonuses which had not been paid to policyholders prior to end of the financial year	<b>12</b>	1506	1198	
Balance of surplus/(valuation deficit)	<b>13</b>	32549	39406	
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	76567022	75166781	
Claims outstanding	Gross	<b>15</b>	342434	338707
	Reinsurers' share	<b>16</b>	3645	3147
	Net (15-16)	<b>17</b>	338789	335560
Provisions	Taxation	<b>21</b>	199967	1675039
	Other risks and charges	<b>22</b>	219085	192308
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	66407	49909
	Reinsurance accepted	<b>32</b>	4361	2559
	Reinsurance ceded	<b>33</b>	26028	50359
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>	61267	62618	
Creditors	Taxation	<b>37</b>	14627	291973
	Other	<b>38</b>	4190044	1603353
Accruals and deferred income	<b>39</b>	110234	142522	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	5230808	4406199	
Excess of the value of net admissible assets	<b>51</b>	8014080	28140074	
Total liabilities and margins	<b>59</b>	89811910	107713054	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	174333	192158
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	<b>62</b>	6200852	7903805

Total liabilities (11+12+49)	<b>71</b>	81765281	79533574
Increase to liabilities - DAC related	<b>72</b>	32888	72419
Reinsurers' share of technical provisions	<b>73</b>	14630319	15312268
Other adjustments to liabilities (may be negative)	<b>74</b>	1347431	15123960
Capital and reserves and fund for future appropriations	<b>75</b>	9201042	14833562
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose its external financial reporting (71 to 75)	<b>76</b>	106976961	124875783



**Long term insurance business liabilities and margins**

Name of insurer **The Prudential Assurance Company Limited**  
Global business  
Financial year ended **31 December 2008**  
Total business/Sub fund **21 Scottish Amicable Insurance Fund**  
Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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Mathematical reserves, after distribution of surplus	<b>11</b>	9277559	10117249	
Cash bonuses which had not been paid to policyholders prior to end of the financial year	<b>12</b>			
Balance of surplus/(valuation deficit)	<b>13</b>			
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	9277559	10117249	
Claims outstanding	Gross	<b>15</b>	79137	85237
	Reinsurers' share	<b>16</b>	210	845
	Net (15-16)	<b>17</b>	78927	84392
Provisions	Taxation	<b>21</b>	20543	209183
	Other risks and charges	<b>22</b>		
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	930	710
	Reinsurance accepted	<b>32</b>		
	Reinsurance ceded	<b>33</b>		6159
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>			
Creditors	Taxation	<b>37</b>	2810	44730
	Other	<b>38</b>	764048	359790
Accruals and deferred income	<b>39</b>	16636	17071	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	883894	722035	
Excess of the value of net admissible assets	<b>51</b>	603821	3410551	
Total liabilities and margins	<b>59</b>	10765274	14249835	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	104300	104300
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	<b>62</b>		

Total liabilities (11+12+49)	<b>71</b>	10161453	10839284
Increase to liabilities - DAC related	<b>72</b>		793
Reinsurers' share of technical provisions	<b>73</b>	467479	524532
Other adjustments to liabilities (may be negative)	<b>74</b>	690729	3421877
Capital and reserves and fund for future appropriations	<b>75</b>		
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose its external financial reporting (71 to 75)	<b>76</b>	11319661	14786486

**Long term insurance business liabilities and margins**

Name of insurer **The Prudential Assurance Company Limited**  
Global business  
Financial year ended **31 December 2008**  
Total business/Sub fund **22 With-Profits Sub-Fund**  
Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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Mathematical reserves, after distribution of surplus	<b>11</b>	52895823	51480754	
Cash bonuses which had not been paid to policyholders prior to end of the financial year	<b>12</b>	1506	1198	
Balance of surplus/(valuation deficit)	<b>13</b>			
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	52897329	51481952	
Claims outstanding	Gross	<b>15</b>	171716	217371
	Reinsurers' share	<b>16</b>	840	482
	Net (15-16)	<b>17</b>	170876	216889
Provisions	Taxation	<b>21</b>	319464	1504732
	Other risks and charges	<b>22</b>	214000	192300
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	42901	41278
	Reinsurance accepted	<b>32</b>		
	Reinsurance ceded	<b>33</b>	9763	27814
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>	61267	61453	
Creditors	Taxation	<b>37</b>	9418	219349
	Other	<b>38</b>	3170656	1076994
Accruals and deferred income	<b>39</b>	93570	125427	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	4091914	3466234	
Excess of the value of net admissible assets	<b>51</b>	7410259	24472845	
Total liabilities and margins	<b>59</b>	64399501	79421032	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	54855	71702
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	<b>62</b>		

Total liabilities (11+12+49)	<b>71</b>	56989242	54948187
Increase to liabilities - DAC related	<b>72</b>	1944	4082
Reinsurers' share of technical provisions	<b>73</b>	11424607	11463107
Other adjustments to liabilities (may be negative)	<b>74</b>	873940	11640432
Capital and reserves and fund for future appropriations	<b>75</b>	8583710	14296000
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose its external financial reporting (71 to 75)	<b>76</b>	77873443	92351807

**Long term insurance business liabilities and margins**

Name of insurer **The Prudential Assurance Company Limited**  
Global business  
Financial year ended **31 December 2008**  
Total business/Sub fund **23 Defined Charge Participating Sub-Fund**  
Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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Mathematical reserves, after distribution of surplus	<b>11</b>	2928489	3354173	
Cash bonuses which had not been paid to policyholders prior to end of the financial year	<b>12</b>			
Balance of surplus/(valuation deficit)	<b>13</b>			
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	2928489	3354173	
Claims outstanding	Gross	<b>15</b>	579	248
	Reinsurers' share	<b>16</b>		
	Net (15-16)	<b>17</b>	579	248
Provisions	Taxation	<b>21</b>		
	Other risks and charges	<b>22</b>		8
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>		
	Reinsurance accepted	<b>32</b>		
	Reinsurance ceded	<b>33</b>		
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>			
Creditors	Taxation	<b>37</b>		
	Other	<b>38</b>	4280	678
Accruals and deferred income	<b>39</b>			
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	4860	934	
Excess of the value of net admissible assets	<b>51</b>		209663	
Total liabilities and margins	<b>59</b>	2933349	3564770	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>		
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	<b>62</b>		

Total liabilities (11+12+49)	<b>71</b>	2933349	3355107
Increase to liabilities - DAC related	<b>72</b>		
Reinsurers' share of technical provisions	<b>73</b>		
Other adjustments to liabilities (may be negative)	<b>74</b>	(1574)	209571
Capital and reserves and fund for future appropriations	<b>75</b>	1837	(652)
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose its external financial reporting (71 to 75)	<b>76</b>	2933612	3564026

**Long term insurance business liabilities and margins**

Name of insurer **The Prudential Assurance Company Limited**  
Global business  
Financial year ended **31 December 2008**  
Total business/Sub fund **31 Non-Profit Sub-Fund**  
Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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Mathematical reserves, after distribution of surplus	<b>11</b>	11431096	10174001	
Cash bonuses which had not been paid to policyholders prior to end of the financial year	<b>12</b>			
Balance of surplus/(valuation deficit)	<b>13</b>	32549	39406	
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	11463645	10213407	
Claims outstanding	Gross	<b>15</b>	91002	35850
	Reinsurers' share	<b>16</b>	2596	1820
	Net (15-16)	<b>17</b>	88406	34030
Provisions	Taxation	<b>21</b>	(140039)	(38875)
	Other risks and charges	<b>22</b>	5085	
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	22577	7921
	Reinsurance accepted	<b>32</b>	4361	2559
	Reinsurance ceded	<b>33</b>	16265	16386
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>		1165	
Creditors	Taxation	<b>37</b>	2399	27893
	Other	<b>38</b>	251060	165891
Accruals and deferred income	<b>39</b>	28	24	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	250141	216995	
Excess of the value of net admissible assets	<b>51</b>		47014	
Total liabilities and margins	<b>59</b>	11713786	10477416	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	15178	16156
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	<b>62</b>	6200852	7903805

Total liabilities (11+12+49)	<b>71</b>	11681236	10390996
Increase to liabilities - DAC related	<b>72</b>	30944	67544
Reinsurers' share of technical provisions	<b>73</b>	2738232	3324629
Other adjustments to liabilities (may be negative)	<b>74</b>	(215664)	(147920)
Capital and reserves and fund for future appropriations	<b>75</b>	615495	538214
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose its external financial reporting (71 to 75)	<b>76</b>	14850244	14173463

**Liabilities (other than long term insurance business)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

Company registration number	GL/UK/CM	day	month	year	Units	
<b>R15</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>
					<b>As at end of this financial year 1</b>	<b>As at end of the previous year 2</b>

**Technical provisions (gross amount)**

Provisions for unearned premiums	<b>11</b>	18011	11591
Claims outstanding	<b>12</b>	116939	104785
Provision for unexpired risks	<b>13</b>		
Equalisation provisions	Credit business	<b>14</b>	
	Other than credit business	<b>15</b>	487
Other technical provisions	<b>16</b>		
Total gross technical provisions (11 to 16)	<b>19</b>	135661	116863

**Provisions and creditors**

Provisions	Taxation	<b>21</b>	
	Other risks and charges	<b>22</b>	27740
Deposits received from reinsurers	<b>31</b>		
Creditors	Direct insurance business	<b>41</b>	1911
	Reinsurance accepted	<b>42</b>	
	Reinsurance ceded	<b>43</b>	765
Debenture loans	Secured	<b>44</b>	
	Unsecured	<b>45</b>	
Amounts owed to credit institutions	<b>46</b>		
Creditors	Taxation	<b>47</b>	9535
	Foreseeable dividend	<b>48</b>	
	Other	<b>49</b>	25926
Accruals and deferred income	<b>51</b>	954	
Total (19 to 51)	<b>59</b>	782804	173206
Provision for "reasonably foreseeable adverse variations"	<b>61</b>		
Cumulative preference share capital	<b>62</b>	1000	1000
Subordinated loan capital	<b>63</b>		
Total (59 to 63)	<b>69</b>	783804	174206

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	<b>71</b>		
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Amounts deducted from technical provisions for discounting	<b>82</b>		
Other adjustments (may be negative)	<b>83</b>	(110148)	(27740)
Capital and reserves	<b>84</b>	2727359	2868308
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)	<b>85</b>	3401015	3014774

**Profit and loss account (non-technical account)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

		Company registration number	GL/UK/CM	day	month	year	Units
		R16	GL	31	12	2008	£000
				This financial year		Previous year	
				1		2	
Transfer (to)/from the general insurance business technical account	From Form 20		11			(13045)	(10071)
	Equalisation provisions		12			(37)	9
Transfer from the long term insurance business revenue account			13			265282	289426
Investment income	Income		14			117067	72685
	Value re-adjustments on investments		15				178954
	Gains on the realisation of investments		16			46767	
Investment charges	Investment management charges, including interest		17			295	302
	Value re-adjustments on investments		18			23365	
	Loss on the realisation of investments		19				911
Allocated investment return transferred to the general insurance business technical account			20				
Other income and charges (particulars to be specified by way of supplementary note)			21			2016	(108240)
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)			29			394389	421549
Tax on profit or loss on ordinary activities			31			37149	10822
Profit or loss on ordinary activities after tax (29-31)			39			357240	410727
Extraordinary profit or loss (particulars to be specified by way of supplementary note)			41				
Tax on extraordinary profit or loss			42				
Other taxes not shown under the preceding items			43				
Profit or loss for the financial year (39+41-(42+43))			49			357240	410727
Dividends (paid or foreseeable)			51			482029	288030
Profit or loss retained for the financial year (49-51)			59			(124790)	122697

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total other than long term insurance business assets**

		Company registration number	GL/ UK/ CM	day month year			Units	Category of assets	
		<b>R17</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>1</b>
<b>Derivative contracts</b>		Value as at the end of this financial year				Notional amount as at the end of this financial year			
		Assets		Liabilities		Bought / Long		Sold / Short	
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>
Futures and contracts for differences	Fixed-interest securities	<b>11</b>							
	Interest rates	<b>12</b>							
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>							
	Credit single name	<b>15</b>							
	Equity index	<b>16</b>							
	Equity stock	<b>17</b>							
	Land	<b>18</b>							
	Currencies	<b>19</b>							
	Mortality	<b>20</b>							
	Other	<b>21</b>							
In the money options	Swaptions	<b>31</b>							
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>							
	Equity index puts	<b>34</b>							
	Equity stock puts	<b>35</b>							
	Other	<b>36</b>							
Out of the money options	Swaptions	<b>41</b>							
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>							
	Equity index puts	<b>44</b>							
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>							
Total (11 to 46)		<b>51</b>							
Adjustment for variation margin		<b>52</b>							
Total (51 + 52)		<b>53</b>							

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE.  
Please see instructions 11 and 12 to this Form for the meaning of these figures.

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Total long term insurance business assets**

		Company registration number	GL/ UK/ CM	day month year			Units	Category of assets	
		R17	15454	GL	31	12	2008	£000	10
<b>Derivative contracts</b>		Value as at the end of this financial year			Notional amount as at the end of this financial year				
		Assets		Liabilities		Bought / Long		Sold / Short	
				<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Futures and contracts for differences	Fixed-interest securities	<b>11</b>	36432	162469	1400235	3996641			
	Interest rates	<b>12</b>	270350	72903	3005930	2935930			
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>		11434	77053				
	Credit single name	<b>15</b>	719	6926	40897	13911			
	Equity index	<b>16</b>	36103	3610	1907424	50363			
	Equity stock	<b>17</b>							
	Land	<b>18</b>	115726	16431	50000	350000			
	Currencies	<b>19</b>	264669	2365980	13873002	15914929			
	Mortality	<b>20</b>							
	Other	<b>21</b>		34791	89300	114092			
In the money options	Swaptions	<b>31</b>							
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>	3322	1236	12866	9094			
	Equity index puts	<b>34</b>							
	Equity stock puts	<b>35</b>							
	Other	<b>36</b>							
Out of the money options	Swaptions	<b>41</b>	67305						
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>	711	905	5726	26924			
	Equity index puts	<b>44</b>							
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>							
Total (11 to 46)		<b>51</b>	795336	2676686	20462433	23411884			
Adjustment for variation margin		<b>52</b>	(68579)	(186293)					
Total (51 + 52)		<b>53</b>	726757	2490393					

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE.  
Please see instructions 11 and 12 to this Form for the meaning of these figures.



**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Scottish Amicable Insurance Fund**

		Company registration number	GL/ UK/ CM	day month year			Units	Category of assets	
		R17	15454	GL	31	12	2008	£000	11
<b>Derivative contracts</b>		Value as at the end of this financial year			Notional amount as at the end of this financial year				
		Assets		Liabilities		Bought / Long		Sold / Short	
				<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Futures and contracts for differences	Fixed-interest securities	<b>11</b>	6501	24945	248094	625589			
	Interest rates	<b>12</b>	56391	17147	620379	620379			
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>		1865	12568				
	Credit single name	<b>15</b>		1125	6677				
	Equity index	<b>16</b>	10186	507	584723	12487			
	Equity stock	<b>17</b>							
	Land	<b>18</b>	16370			50000			
	Currencies	<b>19</b>	53217	362539	2567780	2877102			
	Mortality	<b>20</b>							
	Other	<b>21</b>		5636	12702	18338			
In the money options	Swaptions	<b>31</b>							
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>	382	151	1479	1110			
	Equity index puts	<b>34</b>							
	Equity stock puts	<b>35</b>							
	Other	<b>36</b>							
Out of the money options	Swaptions	<b>41</b>	67305						
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>	82	104	422	3216			
	Equity index puts	<b>44</b>							
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>							
Total (11 to 46)		<b>51</b>	210434	414019	4054824	4208221			
Adjustment for variation margin		<b>52</b>	(14224)	(29123)					
Total (51 + 52)		<b>53</b>	196210	384896					

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE.  
Please see instructions 11 and 12 to this Form for the meaning of these figures.

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **With-Profits Sub-Fund**

		Company registration number	GL/ UK/ CM	day month year			Units	Category of assets	
		R17	15454	GL	31	12	2008	£000	12
<b>Derivative contracts</b>		Value as at the end of this financial year				Notional amount as at the end of this financial year			
		Assets		Liabilities		Bought / Long		Sold / Short	
				<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Futures and contracts for differences	Fixed-interest securities	<b>11</b>	29701	137360	1139558	3365270			
	Interest rates	<b>12</b>	205299	55756	2309251	2309251			
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>		9569	64485				
	Credit single name	<b>15</b>	719	5801	34220	13911			
	Equity index	<b>16</b>	24809	3102	1145879	31928			
	Equity stock	<b>17</b>							
	Land	<b>18</b>	99356	16431	50000	300000			
	Currencies	<b>19</b>	196788	1995002	11093651	12876090			
	Mortality	<b>20</b>							
	Other	<b>21</b>		29155	76598	95754			
In the money options	Swaptions	<b>31</b>							
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>	2940	1085	11387	7984			
	Equity index puts	<b>34</b>							
	Equity stock puts	<b>35</b>							
	Other	<b>36</b>							
Out of the money options	Swaptions	<b>41</b>							
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>	629	801	5304	23708			
	Equity index puts	<b>44</b>							
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>							
Total (11 to 46)		<b>51</b>	560241	2254062	15930333	19023897			
Adjustment for variation margin		<b>52</b>	(54323)	(156934)					
Total (51 + 52)		<b>53</b>	505918	2097128					

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE.  
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**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Defined Charge Participating Sub-Fund**

		Company registration number	GL/ UK/ CM	day month year			Units	Category of assets	
		R17	15454	GL	31	12	2008	£000	13
<b>Derivative contracts</b>		Value as at the end of this financial year				Notional amount as at the end of this financial year			
		Assets <b>1</b>		Liabilities <b>2</b>		Bought / Long <b>3</b>		Sold / Short <b>4</b>	
Futures and contracts for differences	Fixed-interest securities	<b>11</b>	230	164	12583	5782			
	Interest rates	<b>12</b>							
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>							
	Credit single name	<b>15</b>							
	Equity index	<b>16</b>	1108	1	176822	5947			
	Equity stock	<b>17</b>							
	Land	<b>18</b>							
	Currencies	<b>19</b>	14664	1054	172911	157555			
	Mortality	<b>20</b>							
	Other	<b>21</b>							
In the money options	Swaptions	<b>31</b>							
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>							
	Equity index puts	<b>34</b>							
	Equity stock puts	<b>35</b>							
	Other	<b>36</b>							
Out of the money options	Swaptions	<b>41</b>							
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>							
	Equity index puts	<b>44</b>							
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>							
Total (11 to 46)		<b>51</b>	16001	1220	362316	169285			
Adjustment for variation margin		<b>52</b>	(32)	(236)					
Total (51 + 52)		<b>53</b>	15969	984					

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE.  
Please see instructions 11 and 12 to this Form for the meaning of these figures.

**Analysis of derivative contracts**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Category of assets **Non-Profit Sub-Fund**

		Company registration number	GL/ UK/ CM	day month year			Units	Category of assets	
		R17	15454	GL	31	12	2008	£000	14
<b>Derivative contracts</b>		Value as at the end of this financial year			Notional amount as at the end of this financial year				
		Assets		Liabilities		Bought / Long		Sold / Short	
				<b>1</b>	<b>2</b>	<b>3</b>		<b>4</b>	
Futures and contracts for differences	Fixed-interest securities	<b>11</b>							
	Interest rates	<b>12</b>	8660				76300	6300	
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>							
	Credit single name	<b>15</b>							
	Equity index	<b>16</b>							
	Equity stock	<b>17</b>							
	Land	<b>18</b>							
	Currencies	<b>19</b>				7385		38660	4182
	Mortality	<b>20</b>							
	Other	<b>21</b>							
In the money options	Swaptions	<b>31</b>							
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>							
	Equity index puts	<b>34</b>							
	Equity stock puts	<b>35</b>							
	Other	<b>36</b>							
Out of the money options	Swaptions	<b>41</b>							
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>							
	Equity index puts	<b>44</b>							
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>							
Total (11 to 46)		<b>51</b>	8660			7385	114960	10482	
Adjustment for variation margin		<b>52</b>							
Total (51 + 52)		<b>53</b>	8660			7385			

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE.  
Please see instructions 11 and 12 to this Form for the meaning of these figures.

**With-profits insurance capital component for the fund**

Name of insurer **The Prudential Assurance Company Limited**

With-profits fund **Summary**

Financial year ended **31 December 2008**

Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Regulatory excess capital**

Regulatory value of assets	Long-term admissible assets of the fund	<b>11</b>	78098124	97235637
	Implicit items allocated to the fund	<b>12</b>		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	<b>13</b>	1402290	1283919
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	<b>14</b>	183682	176889
	Long-term admissible assets of the fund covering the RCR of the fund's non-profit insurance contracts	<b>15</b>		
	Total (11+12-(13+14+15))	<b>19</b>	76512152	95774828
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	63699581	63668258
	Regulatory current liabilities of the fund	<b>22</b>	4982174	4190401
	Total (21+22)	<b>29</b>	68681755	67858659
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	2537602	2536216
Resilience capital requirement in respect of the fund's with-profits insurance contracts		<b>32</b>		
Sum of regulatory value of liabilities, LTICR and RCR (29+31+32)		<b>39</b>	71219357	70394876
Regulatory excess capital (19-39)		<b>49</b>	5292795	25379953

**Realistic excess capital**

Realistic excess capital	<b>51</b>	3331464	6746697
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**Excess assets allocated to with-profits insurance business**

Excess (deficiency) of assets allocated to with-profits insurance business in fund (49-51)	<b>61</b>	1961331	18633256
Face amount of capital instruments attributed to the fund and included in capital resources (unstressed)	<b>62</b>		
Realistic amount of capital instruments attributed to the fund and included in capital resources (stressed)	<b>63</b>		
Present value of future shareholder transfers arising from distribution of surplus	<b>64</b>	1016307	2263819
Present value of other future internal transfers not already taken into account	<b>65</b>		
With-profits insurance capital component for fund (if 62 exceeds 63, greater of 61+62-63-64-65 and zero, else greater of 61-64-65 and zero)	<b>66</b>	1062163	16369437

**With-profits insurance capital component for the fund**

Name of insurer **The Prudential Assurance Company Limited**  
 With-profits fund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Regulatory excess capital**

Regulatory value of assets	Long-term admissible assets of the fund	<b>11</b>	10765274	14249835
	Implicit items allocated to the fund	<b>12</b>		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	<b>13</b>	273569	263597
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	<b>14</b>	51282	52778
	Long-term admissible assets of the fund covering the RCR of the fund's non-profit insurance contracts	<b>15</b>		
	Total (11+12-(13+14+15))	<b>19</b>	10440423	13933460
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	9003990	9853652
	Regulatory current liabilities of the fund	<b>22</b>	883894	722035
	Total (21+22)	<b>29</b>	9887884	10575687
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	311499	344099
Resilience capital requirement in respect of the fund's with-profits insurance contracts		<b>32</b>		
Sum of regulatory value of liabilities, LTICR and RCR (29+31+32)		<b>39</b>	10199383	10919787
Regulatory excess capital (19-39)		<b>49</b>	241040	3013673

**Realistic excess capital**

Realistic excess capital	<b>51</b>	(287396)	
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**Excess assets allocated to with-profits insurance business**

Excess (deficiency) of assets allocated to with-profits insurance business in fund (49-51)	<b>61</b>	528436	3013673
Face amount of capital instruments attributed to the fund and included in capital resources (unstressed)	<b>62</b>		
Realistic amount of capital instruments attributed to the fund and included in capital resources (stressed)	<b>63</b>		
Present value of future shareholder transfers arising from distribution of surplus	<b>64</b>		
Present value of other future internal transfers not already taken into account	<b>65</b>		
With-profits insurance capital component for fund (if 62 exceeds 63, greater of 61+62-63-64-65 and zero, else greater of 61-64-65 and zero)	<b>66</b>	528436	3013673

**With-profits insurance capital component for the fund**

Name of insurer **The Prudential Assurance Company Limited**

With-profits fund **22 With-Profits Sub-Fund**

Financial year ended **31 December 2008**

Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Regulatory excess capital**

Regulatory value of assets	Long-term admissible assets of the fund	<b>11</b>	64399501	79421032
	Implicit items allocated to the fund	<b>12</b>		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	<b>13</b>	1128721	1020322
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	<b>14</b>	132400	124112
	Long-term admissible assets of the fund covering the RCR of the fund's non-profit insurance contracts	<b>15</b>		
	Total (11+12-(13+14+15))	<b>19</b>	63138380	78276598
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	51767102	50460432
	Regulatory current liabilities of the fund	<b>22</b>	4093420	3467432
	Total (21+22)	<b>29</b>	55860522	53927864
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	2108963	2057950
Resilience capital requirement in respect of the fund's with-profits insurance contracts		<b>32</b>		
Sum of regulatory value of liabilities, LTICR and RCR (29+31+32)		<b>39</b>	57969485	55985814
Regulatory excess capital (19-39)		<b>49</b>	5168895	22290784

**Realistic excess capital**

Realistic excess capital	<b>51</b>	3618860	6746697
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**Excess assets allocated to with-profits insurance business**

Excess (deficiency) of assets allocated to with-profits insurance business in fund (49-51)	<b>61</b>	1550035	15544087
Face amount of capital instruments attributed to the fund and included in capital resources (unstressed)	<b>62</b>		
Realistic amount of capital instruments attributed to the fund and included in capital resources (stressed)	<b>63</b>		
Present value of future shareholder transfers arising from distribution of surplus	<b>64</b>	1016307	2263819
Present value of other future internal transfers not already taken into account	<b>65</b>		
With-profits insurance capital component for fund (if 62 exceeds 63, greater of 61+62-63-64-65 and zero, else greater of 61-64-65 and zero)	<b>66</b>	533727	13280268

**With-profits insurance capital component for the fund**

Name of insurer **The Prudential Assurance Company Limited**  
 With-profits fund **23 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Regulatory excess capital**

Regulatory value of assets	Long-term admissible assets of the fund	<b>11</b>	2933349	3564770
	Implicit items allocated to the fund	<b>12</b>		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	<b>13</b>		
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	<b>14</b>		
	Long-term admissible assets of the fund covering the RCR of the fund's non-profit insurance contracts	<b>15</b>		
	Total (11+12-(13+14+15))	<b>19</b>	2933349	3564770
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	2928489	3354174
	Regulatory current liabilities of the fund	<b>22</b>	4860	934
	Total (21+22)	<b>29</b>	2933349	3355108
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	117140	134167
Resilience capital requirement in respect of the fund's with-profits insurance contracts		<b>32</b>		
Sum of regulatory value of liabilities, LTICR and RCR (29+31+32)		<b>39</b>	3050489	3489275
Regulatory excess capital (19-39)		<b>49</b>	(117140)	75495

**Realistic excess capital**

Realistic excess capital	<b>51</b>		
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**Excess assets allocated to with-profits insurance business**

Excess (deficiency) of assets allocated to with-profits insurance business in fund (49-51)	<b>61</b>	(117140)	75495
Face amount of capital instruments attributed to the fund and included in capital resources (unstressed)	<b>62</b>		
Realistic amount of capital instruments attributed to the fund and included in capital resources (stressed)	<b>63</b>		
Present value of future shareholder transfers arising from distribution of surplus	<b>64</b>		
Present value of other future internal transfers not already taken into account	<b>65</b>		
With-profits insurance capital component for fund (if 62 exceeds 63, greater of 61+62-63-64-65 and zero, else greater of 61-64-65 and zero)	<b>66</b>		75495



**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **Summary**Financial year ended **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic value of assets available to the fund**

Regulatory value of assets	<b>11</b>	76512152	95774828
Implicit items allocated to the fund	<b>12</b>		
Value of shares in subsidiaries held in fund (regulatory)	<b>13</b>	199181	601679
Excess admissible assets	<b>21</b>		
Present value of future profits (or losses) on non-profit insurance contracts written in the fund	<b>22</b>	727338	742676
Value of derivatives and quasi-derivatives not already reflected in lines 11 to 22	<b>23</b>		
Value of shares in subsidiaries held in fund (realistic)	<b>24</b>	1287901	953679
Prepayments made from the fund	<b>25</b>		
Realistic value of assets of fund (11+21+22+23+24+25-(12+13))	<b>26</b>	78328210	96869505
Support arrangement assets	<b>27</b>		
Assets available to the fund (26+27)	<b>29</b>	78328210	96869505

**Realistic value of liabilities of fund**

With-profits benefit reserve	<b>31</b>	62537028	79355274	
Future policy related liabilities	Past miscellaneous surplus attributed to with-profits benefits reserve	<b>32</b>		
	Past miscellaneous deficit attributed to with-profits benefits reserve	<b>33</b>		
	Planned enhancements to with-profits benefits reserve	<b>34</b>	848085	1247323
	Planned deductions for the costs of guarantees, options and smoothing from with-profits benefits reserve	<b>35</b>	1384212	1777469
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	<b>36</b>	216541	236549
	Future costs of contractual guarantees (other than financial options)	<b>41</b>	4219093	1984825
	Future costs of non-contractual commitments	<b>42</b>		
	Future costs of financial options	<b>43</b>	398189	563825
	Future costs of smoothing (possibly negative)	<b>44</b>	498383	1138161
	Financing costs	<b>45</b>		
	Any other liabilities related to regulatory duty to treat customers fairly	<b>46</b>		
	Other long-term insurance liabilities	<b>47</b>	1123558	1802881
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	<b>49</b>	5486554	4722998
Realistic current liabilities of the fund	<b>51</b>	4941951	4072784	
Realistic value of liabilities of fund (31+49+51)	<b>59</b>	72965533	88151055	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **Summary**Financial year ended **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic excess capital and additional capital available**

Value of relevant assets before applying the most adverse scenario other than the present value of future profits arising from business outside with-profits funds	<b>62</b>	74996745	90122807
Amount of present value of future profits (or losses) on long-term insurance contracts written outside the fund included in the value of relevant assets before applying most adverse scenario	<b>63</b>		
Value of relevant assets before applying the most adverse scenario (62+63)	<b>64</b>	74996745	90122807
Risk capital margin for fund (62-59)	<b>65</b>	2031212	1971752
Realistic excess capital for fund (26-(59+65))	<b>66</b>	3331464	6746697
Realistic excess available capital for fund (29-(59+65))	<b>67</b>	3331464	6746697
Working capital for fund (29-59)	<b>68</b>	5362677	8718449
Working capital ratio for fund (68/29)	<b>69</b>	6.85	9.00

**Other assets potentially available if required to cover the fund's risk capital margin**

Additional amount potentially available for inclusion in line 62	<b>81</b>		
Additional amount potentially available for inclusion in line 63	<b>82</b>		

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **21 Scottish Amicable Insurance Fund**Financial year ender **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic value of assets available to the fund**

Regulatory value of assets	<b>11</b>	10440423	13933460
Implicit items allocated to the fund	<b>12</b>		
Value of shares in subsidiaries held in fund (regulatory)	<b>13</b>		
Excess admissible assets	<b>21</b>		
Present value of future profits (or losses) on non-profit insurance contracts written in the fund	<b>22</b>	199092	318020
Value of derivatives and quasi-derivatives not already reflected in lines 11 to 22	<b>23</b>		
Value of shares in subsidiaries held in fund (realistic)	<b>24</b>		
Prepayments made from the fund	<b>25</b>		
Realistic value of assets of fund (11+21+22+23+24+25-(12+13))	<b>26</b>	10639516	14251480
Support arrangement assets	<b>27</b>		
Assets available to the fund (26+27)	<b>29</b>	10639516	14251480

**Realistic value of liabilities of fund**

With-profits benefit reserve	<b>31</b>	8761034	11939174	
Future policy related liabilities	Past miscellaneous surplus attributed to with-profits benefits reserve	<b>32</b>		
	Past miscellaneous deficit attributed to with-profits benefits reserve	<b>33</b>		
	Planned enhancements to with-profits benefits reserve	<b>34</b>	296389	891535
	Planned deductions for the costs of guarantees, options and smoothing from with-profits benefits reserve	<b>35</b>	204439	286811
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	<b>36</b>		
	Future costs of contractual guarantees (other than financial options)	<b>41</b>	347070	107160
	Future costs of non-contractual commitments	<b>42</b>		
	Future costs of financial options	<b>43</b>	356200	518725
	Future costs of smoothing (possibly negative)	<b>44</b>	35602	183468
	Financing costs	<b>45</b>		
	Any other liabilities related to regulatory duty to treat customers fairly	<b>46</b>		
	Other long-term insurance liabilities	<b>47</b>	165995	189338
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	<b>49</b>	996817	1603414
Realistic current liabilities of the fund	<b>51</b>	881665	708892	
Realistic value of liabilities of fund (31+49+51)	<b>59</b>	10639516	14251480	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **21 Scottish Amicable Insurance Fund**Financial year ended **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic excess capital and additional capital available**

Value of relevant assets before applying the most adverse scenario other than the present value of future profits arising from business outside with-profits funds	<b>62</b>	10926912	14251480
Amount of present value of future profits (or losses) on long-term insurance contracts written outside the fund included in the value of relevant assets before applying most adverse scenario	<b>63</b>		
Value of relevant assets before applying the most adverse scenario (62+63)	<b>64</b>	10926912	14251480
Risk capital margin for fund (62-59)	<b>65</b>	287396	
Realistic excess capital for fund (26-(59+65))	<b>66</b>	(287396)	
Realistic excess available capital for fund (29-(59+65))	<b>67</b>	(287396)	
Working capital for fund (29-59)	<b>68</b>		
Working capital ratio for fund (68/29)	<b>69</b>		

**Other assets potentially available if required to cover the fund's risk capital margin**

Additional amount potentially available for inclusion in line 62	<b>81</b>		
Additional amount potentially available for inclusion in line 63	<b>82</b>		

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **22 With-Profits Sub-Fund**Financial year ender **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic value of assets available to the fund**

Regulatory value of assets	<b>11</b>	63138380	78276598
Implicit items allocated to the fund	<b>12</b>		
Value of shares in subsidiaries held in fund (regulatory)	<b>13</b>	199181	601679
Excess admissible assets	<b>21</b>		
Present value of future profits (or losses) on non-profit insurance contracts written in the fund	<b>22</b>	528245	424656
Value of derivatives and quasi-derivatives not already reflected in lines 11 to 22	<b>23</b>		
Value of shares in subsidiaries held in fund (realistic)	<b>24</b>	1287901	953679
Prepayments made from the fund	<b>25</b>		
Realistic value of assets of fund (11+21+22+23+24+25-(12+13))	<b>26</b>	64755345	79053254
Support arrangement assets	<b>27</b>		
Assets available to the fund (26+27)	<b>29</b>	64755345	79053254

**Realistic value of liabilities of fund**

With-profits benefit reserve	<b>31</b>	50847505	63852263	
Future policy related liabilities	Past miscellaneous surplus attributed to with-profits benefits reserve	<b>32</b>		
	Past miscellaneous deficit attributed to with-profits benefits reserve	<b>33</b>		
	Planned enhancements to with-profits benefits reserve	<b>34</b>	551696	355789
	Planned deductions for the costs of guarantees, options and smoothing from with-profits benefits reserve	<b>35</b>	1102450	1395153
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	<b>36</b>	216541	236549
	Future costs of contractual guarantees (other than financial options)	<b>41</b>	3872023	1877665
	Future costs of non-contractual commitments	<b>42</b>		
	Future costs of financial options	<b>43</b>	41989	45100
	Future costs of smoothing (possibly negative)	<b>44</b>	462780	954694
	Financing costs	<b>45</b>		
	Any other liabilities related to regulatory duty to treat customers fairly	<b>46</b>		
	Other long-term insurance liabilities	<b>47</b>	880240	1518038
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	<b>49</b>	4489737	3119583
Realistic current liabilities of the fund	<b>51</b>	4055427	3362958	
Realistic value of liabilities of fund (31+49+51)	<b>59</b>	59392669	70334805	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **22 With-Profits Sub-Fund**Financial year ended **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic excess capital and additional capital available**

Value of relevant assets before applying the most adverse scenario other than the present value of future profits arising from business outside with-profits funds	<b>62</b>	61136485	72306557
Amount of present value of future profits (or losses) on long-term insurance contracts written outside the fund included in the value of relevant assets before applying most adverse scenario	<b>63</b>		
Value of relevant assets before applying the most adverse scenario (62+63)	<b>64</b>	61136485	72306557
Risk capital margin for fund (62-59)	<b>65</b>	1743816	1971752
Realistic excess capital for fund (26-(59+65))	<b>66</b>	3618860	6746697
Realistic excess available capital for fund (29-(59+65))	<b>67</b>	3618860	6746697
Working capital for fund (29-59)	<b>68</b>	5362677	8718449
Working capital ratio for fund (68/29)	<b>69</b>	8.28	11.03

**Other assets potentially available if required to cover the fund's risk capital margin**

Additional amount potentially available for inclusion in line 62	<b>81</b>		
Additional amount potentially available for inclusion in line 63	<b>82</b>		

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **23 Defined Charge Participating Sub-Fund**Financial year ender **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic value of assets available to the fund**

Regulatory value of assets	11	2933349	3564770
Implicit items allocated to the fund	12		
Value of shares in subsidiaries held in fund (regulatory)	13		
Excess admissible assets	21		
Present value of future profits (or losses) on non-profit insurance contracts written in the fund	22		
Value of derivatives and quasi-derivatives not already reflected in lines 11 to 22	23		
Value of shares in subsidiaries held in fund (realistic)	24		
Prepayments made from the fund	25		
Realistic value of assets of fund (11+21+22+23+24+25-(12+13))	26	2933349	3564770
Support arrangement assets	27		
Assets available to the fund (26+27)	29	2933349	3564770

**Realistic value of liabilities of fund**

With-profits benefit reserve	31	2928489	3563836	
Future policy related liabilities	Past miscellaneous surplus attributed to with-profits benefits reserve	32		
	Past miscellaneous deficit attributed to with-profits benefits reserve	33		
	Planned enhancements to with-profits benefits reserve	34		
	Planned deductions for the costs of guarantees, options and smoothing from with-profits benefits reserve	35	77323	95505
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	36		
	Future costs of contractual guarantees (other than financial options)	41		
	Future costs of non-contractual commitments	42		
	Future costs of financial options	43		
	Future costs of smoothing (possibly negative)	44		
	Financing costs	45		
	Any other liabilities related to regulatory duty to treat customers fairly	46		
	Other long-term insurance liabilities	47	77323	95505
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	49		
Realistic current liabilities of the fund	51	4860	934	
Realistic value of liabilities of fund (31+49+51)	59	2933349	3564770	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **23 Defined Charge Participating Sub-Fund**Financial year ended **31 December 2008**Units **£000**

As at end of this financial year 1	As at end of the previous year 2
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**Realistic excess capital and additional capital available**

Value of relevant assets before applying the most adverse scenario other than the present value of future profits arising from business outside with-profits funds	<b>62</b>	2933349	3564770
Amount of present value of future profits (or losses) on long-term insurance contracts written outside the fund included in the value of relevant assets before applying most adverse scenario	<b>63</b>		
Value of relevant assets before applying the most adverse scenario (62+63)	<b>64</b>	2933349	3564770
Risk capital margin for fund (62-59)	<b>65</b>		
Realistic excess capital for fund (26-(59+65))	<b>66</b>		
Realistic excess available capital for fund (29-(59+65))	<b>67</b>		
Working capital for fund (29-59)	<b>68</b>		
Working capital ratio for fund (68/29)	<b>69</b>		

**Other assets potentially available if required to cover the fund's risk capital margin**

Additional amount potentially available for inclusion in line 62	<b>81</b>		
Additional amount potentially available for inclusion in line 63	<b>82</b>		



## General insurance business : Summary of business carried on

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

Category number	FSA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
		R20A	15454	GL	31	12	2008
		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year		
		1	Reported	Incurring but not reported			4
			2	3			
1	Total business	1	28021	34534	76201		13915
2	Total primary (direct) and facultative business	2	28021	34534	76201		13915
3	Total treaty reinsurance accepted business	3					

110	Total primary (direct) and facultative accident and health (category numbers 111 to 114)	4	18048	931	603		9057
120	Total primary (direct) and facultative personal lines motor business (category numbers 121 to 123)	5	1759	15161	1297		912
160	Primary (direct) and facultative household and domestic all risks	6	2217	2781	3025		1105
180	Total primary (direct) and facultative personal lines financial loss (category numbers 181 to 187)	7	356	1	20		83
220	Total primary (direct) and facultative commercial motor business (category numbers 221 to 223)	8	54	17	5		28
260	Total primary (direct) and facultative commercial lines property (category numbers 261 to 263)	9	868	1704	50		434
270	Total primary (direct) and facultative commercial lines liability business (category numbers 271 to 274)	10	4333	13910	70160		2103
280	Total primary (direct) and facultative commercial lines financial loss (category numbers 281 to 284)	11	149	21	26		77
330	Total primary (direct) and facultative aviation (category numbers 331 to 333)	12					
340	Total primary (direct) and facultative marine (category numbers 341 to 347)	13			1008		
350	Total primary (direct) and facultative goods in transit	14	238	8	7		116
400	Miscellaneous primary (direct) and facultative business	15					
500	Total non-proportional treaty reinsurance business accepted (category numbers 510 to 590)	16					
600	Total proportional treaty reinsurance business accepted (category numbers 610 to 690)	17					
700	Miscellaneous treaty reinsurance accepted business	18					
	Total (lines 4 to 18)	20	28021	34534	76201		13915

## General insurance business : Summary of business carried on

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

Category number	FSA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
		R20A	15454	GL	31	12	2008
		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year			Provision for gross unearned premium at the end of this financial year	
			Reported	Incurred but not reported			
		1	2	3		4	

## Primary (direct) and facultative personal lines business

111	Medical insurance	21	11213	396	402	5657
112	HealthCare cash plans	22	61	1	1	35
113	Travel	23	1428	139	43	745
114	Personal accident or sickness	24	5345	395	157	2620
121	Private motor - comprehensive	25	1491	10995	1234	773
122	Private motor - non-comprehensive	26	267	4166	63	139
123	Motor cycle	27				
160	Household and domestic all risks (equals line 6)	28	2217	2781	3025	1105
181	Assistance	29				
182	Creditor	30				
183	Extended warranty	31				
184	Legal expenses	32				
185	Mortgage indemnity	33				
186	Pet insurance	34				
187	Other personal financial loss	35	356	1	20	83

## Primary (direct) and facultative commercial lines business

221	Fleets	41				
222	Commercial vehicles (non-fleet)	42	54	17	5	28
223	Motor other	43				
261	Commercial property	44	753	175	48	375
262	Consequential loss	45	77	1529	2	40
263	Contractors or engineering all risks	46	38			19
271	Employers liability	47	3523	11685	69290	1690
272	Professional indemnity	48	23	976	6	12
273	Public and products liability	49	787	1250	865	401
274	Mixed commercial package	50				
281	Fidelity and contract guarantee	51	149	21	26	77
282	Credit	52				
283	Suretyship	53				
284	Commercial contingency	54				

## Primary (direct) and facultative aviation

331	Aviation liability	61				
332	Aviation hull	62				
333	Space and satellite	63				

## General insurance business : Summary of business carried on

Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

R20A	Company registration number	GL/UK/CM	day month year			units
			31	12	2008	
	15454	GL				£000
Category number	FSA return general insurance business reporting category	Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year	
		1	Reported	Incurred but not reported	4	
			2	3		

## Primary (direct) and facultative marine and transport

341	Marine liability	64				
342	Marine hull	65			1008	
343	Energy (on and off-shore)	66				
344	Protection and indemnity	67				
345	Freight demurrage and defence	68				
346	War risks	69				
347	Yacht	70				
350	Total primary (direct) and facultative goods in transit (equals line 14)	71	238	8	7	116

## Primary (direct) and facultative miscellaneous

400	Miscellaneous primary (direct) and facultative business (equals line 15)	72				
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## Non-proportional treaty

510	Non-proportional accident and health	81				
520	Non-proportional motor	82				
530	Non-proportional aviation	83				
540	Non-proportional marine	84				
550	Non-proportional transport	85				
560	Non-proportional property	86				
570	Non-proportional liability (non-motor)	87				
580	Non-proportional financial lines	88				
590	Non-proportional aggregate cover	89				

## Proportional treaty

610	Proportional accident and health	91				
620	Proportional motor	92				
630	Proportional aviation	93				
640	Proportional marine	94				
650	Proportional transport	95				
660	Proportional property	96				
670	Proportional liability (non-motor)	97				
680	Proportional financial lines	98				
690	Proportional aggregate cover	99				

## Treaty Reinsurance Miscellaneous

700	Miscellaneous treaty reinsurance accepted business (equals line 18)	101				
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	<b>Total (lines 21 to 101)</b>	111	28021	34534	76201	13915
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**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>001</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	<b>11</b>				22995		18295	
	Claims incurred (22.17.4)	<b>12</b>				11062		8238	
	Claims management costs (22.18.4)	<b>13</b>				388		256	
	Adjustment for discounting (22.52.4)	<b>14</b>							
	Increase in provision for unexpired risks (22.19.4)	<b>15</b>						(36)	
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>16</b>						55	
	Net operating expenses (22.42.4)	<b>17</b>					9585	8138	
	Balance of year's underwriting (11-12-13+14-15+16-17)	<b>19</b>					1960	1755	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	<b>21</b>							
	Claims incurred (22.13.4)	<b>22</b>				15462		9760	
	Claims management costs (22.14.4)	<b>23</b>				800		484	
	Adjustment for discounting (22.51.4)	<b>24</b>							
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>25</b>				12			
	Net operating expenses (22.41.4)	<b>26</b>					887	2338	
	Balance (21-22-23+24+25-26)	<b>29</b>					(17138)	(12582)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	<b>31</b>				2132		756	
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>32</b>							
	Total	<b>39</b>				2132		756	
Balance of all years' underwriting (19+29+39)		<b>49</b>				(13045)		(10071)	
Allocated investment income		<b>51</b>							
Transfer to non-technical account (49+51)		<b>59</b>				(13045)		(10071)	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>002</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		<b>11</b>				22995		18295
	Claims incurred (22.17.4)		<b>12</b>				11062		8238
	Claims management costs (22.18.4)		<b>13</b>				388		256
	Adjustment for discounting (22.52.4)		<b>14</b>						
	Increase in provision for unexpired risks (22.19.4)		<b>15</b>						(36)
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>16</b>						55
	Net operating expenses (22.42.4)		<b>17</b>				9585		8138
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				1960		1755
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				15462		9760
	Claims management costs (22.14.4)		<b>23</b>				800		484
	Adjustment for discounting (22.51.4)		<b>24</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>25</b>				12		
	Net operating expenses (22.41.4)		<b>26</b>				887		2338
	Balance (21-22-23+24+25-26)		<b>29</b>				(17138)		(12582)
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		<b>31</b>				2132		756
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>32</b>						
	Total		<b>39</b>				2132		756
Balance of all years' underwriting (19+29+39)			<b>49</b>				(13045)		(10071)
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				(13045)		(10071)

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative accident and health**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>110</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		<b>11</b>				14799	11253	
	Claims incurred (22.17.4)		<b>12</b>				7260	5385	
	Claims management costs (22.18.4)		<b>13</b>				303	187	
	Adjustment for discounting (22.52.4)		<b>14</b>						
	Increase in provision for unexpired risks (22.19.4)		<b>15</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>16</b>					55	
	Net operating expenses (22.42.4)		<b>17</b>				5257	4388	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				1979	1348	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				193	35	
	Claims management costs (22.14.4)		<b>23</b>				24	14	
	Adjustment for discounting (22.51.4)		<b>24</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>25</b>				12		
	Net operating expenses (22.41.4)		<b>26</b>						
	Balance (21-22-23+24+25-26)		<b>29</b>				(205)	(49)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		<b>31</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>32</b>						
	Total		<b>39</b>						
Balance of all years' underwriting (19+29+39)			<b>49</b>				1774	1299	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				1774	1299	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative personal lines motor business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>120</b>
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>			<b>Previous year</b>		
				<b>1</b>			<b>2</b>		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	<b>11</b>	1237	985					
	Claims incurred (22.17.4)	<b>12</b>	382	235					
	Claims management costs (22.18.4)	<b>13</b>	14	8					
	Adjustment for discounting (22.52.4)	<b>14</b>							
	Increase in provision for unexpired risks (22.19.4)	<b>15</b>		(36)					
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>16</b>							
	Net operating expenses (22.42.4)	<b>17</b>	963	749					
	Balance of year's underwriting (11-12-13+14-15+16-17)	<b>19</b>	(122)	28					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	<b>21</b>							
	Claims incurred (22.13.4)	<b>22</b>	6	(38)					
	Claims management costs (22.14.4)	<b>23</b>	3	(1)					
	Adjustment for discounting (22.51.4)	<b>24</b>							
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>25</b>							
	Net operating expenses (22.41.4)	<b>26</b>							
	Balance (21-22-23+24+25-26)	<b>29</b>	(9)	39					
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	<b>31</b>							
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>32</b>							
	Total	<b>39</b>							
Balance of all years' underwriting (19+29+39)		<b>49</b>	(131)	67					
Allocated investment income		<b>51</b>							
Transfer to non-technical account (49+51)		<b>59</b>	(131)	67					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Primary (direct) and facultative household and domestic all risks**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>160</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	<b>11</b>				1959		1688	
	Claims incurred (22.17.4)	<b>12</b>				657		523	
	Claims management costs (22.18.4)	<b>13</b>				26		24	
	Adjustment for discounting (22.52.4)	<b>14</b>							
	Increase in provision for unexpired risks (22.19.4)	<b>15</b>							
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>16</b>							
	Net operating expenses (22.42.4)	<b>17</b>					1015	878	
	Balance of year's underwriting (11-12-13+14-15+16-17)	<b>19</b>					262	264	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	<b>21</b>							
	Claims incurred (22.13.4)	<b>22</b>				(151)		(135)	
	Claims management costs (22.14.4)	<b>23</b>				(7)		(3)	
	Adjustment for discounting (22.51.4)	<b>24</b>							
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>25</b>							
	Net operating expenses (22.41.4)	<b>26</b>							
	Balance (21-22-23+24+25-26)	<b>29</b>					158	138	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	<b>31</b>							
	Other technical income or charges (particulars to be specified by way of supplementary note)	<b>32</b>							
	Total	<b>39</b>							
Balance of all years' underwriting (19+29+39)		<b>49</b>				420		402	
Allocated investment income		<b>51</b>							
Transfer to non-technical account (49+51)		<b>59</b>				420		402	



**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative commercial lines liability business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>270</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		<b>11</b>				3577	3065	
	Claims incurred (22.17.4)		<b>12</b>				2261	1787	
	Claims management costs (22.18.4)		<b>13</b>				25	26	
	Adjustment for discounting (22.52.4)		<b>14</b>						
	Increase in provision for unexpired risks (22.19.4)		<b>15</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>16</b>						
	Net operating expenses (22.42.4)		<b>17</b>				1714	1523	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				(422)	(271)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				15851	8679	
	Claims management costs (22.14.4)		<b>23</b>				787	415	
	Adjustment for discounting (22.51.4)		<b>24</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>25</b>						
	Net operating expenses (22.41.4)		<b>26</b>				844	2290	
	Balance (21-22-23+24+25-26)		<b>29</b>				(17482)	(11383)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		<b>31</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>32</b>						
	Total		<b>39</b>						
Balance of all years' underwriting (19+29+39)			<b>49</b>				(17905)	(11654)	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				(17905)	(11654)	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Balance of all primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>409</b>
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>			<b>Previous year</b>		
				<b>1</b>			<b>2</b>		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		<b>11</b>				1423	1304	
	Claims incurred (22.17.4)		<b>12</b>				502	307	
	Claims management costs (22.18.4)		<b>13</b>				21	12	
	Adjustment for discounting (22.52.4)		<b>14</b>						
	Increase in provision for unexpired risks (22.19.4)		<b>15</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>16</b>						
	Net operating expenses (22.42.4)		<b>17</b>				636	600	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				264	385	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				(438)	1220	
	Claims management costs (22.14.4)		<b>23</b>				(7)	59	
	Adjustment for discounting (22.51.4)		<b>24</b>						
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>25</b>						
	Net operating expenses (22.41.4)		<b>26</b>				43	48	
	Balance (21-22-23+24+25-26)		<b>29</b>				401	(1328)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		<b>31</b>				2132	756	
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>32</b>						
	Total		<b>39</b>				2132	756	
Balance of all years' underwriting (19+29+39)			<b>49</b>				2798	(186)	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				2798	(186)	

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		<b>R21</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>001</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	14106	13915	1768	1634	12338	12282	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	12474		1817		10657		
Total (12 to 16)		<b>19</b>	26581	13915	3585	1634	22995	12282	

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	15454	GL	31	12	2008	£000	002
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	14106	13915	1768	1634	12338	12282	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	12474	1817			10657		
Total (12 to 16)		<b>19</b>	26581	13915	3585	1634	22995	12282	

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative accident and health**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		<b>R21</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>110</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	8964	9023	1067	842	7897	8180	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	7904		1002		6901		
Total (12 to 16)		<b>19</b>	16868	9023	2069	842	14799	8180	

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative personal lines motor business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		<b>R21</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>120</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>			Earned in previous financial years <b>5</b>		
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>		Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>	
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	718	773	66	109	652	664	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	684		99		585		
Total (12 to 16)		<b>19</b>	1402	773	165	109	1237	664	

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Primary (direct) and facultative household and domestic all risks**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R21</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>160</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	1112	1105	99	98	1013	1007	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	1050	103			947		
Total (12 to 16)		<b>19</b>	2161	1105	202	98	1959	1007	

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative commercial lines liability business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		<b>R21</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>270</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	2219	2091	208	335	2012	1756	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	1934	368			1566		
Total (12 to 16)		<b>19</b>	4153	2091	576	335	3577	1756	



**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Balance of all primary (direct) and facultative business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		<b>R21</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>409</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	1093	923	329	249	764	674	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	903	244			659		
Total (12 to 16)		<b>19</b>	1996	923	573	249	1423	674	

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of company **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2008	£000	001
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2			Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	100492	9443			105486	14437	
	Reinsurers' share	12	25660	3129			21506	(1025)	
	Net (11-12)	13	74832	6313			83981	15462	
	Claims management costs	14	3507	146			4160	800	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		7636			4241	11878	
	Reinsurers' share	16		531			284	815	
	Net (15-16)	17		7105			3957	11062	
	Claims management costs	18		316			72	388	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	3570	8082			3849	7804	
	Other acquisition expenses	22	1543				1476	67	
	Administrative expenses	23		3490				3490	
	Reinsurance commissions and profit participations	24	598	818			528	888	
	Total (21+22+23-24)	29	4515	10754			4797	10472	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		887				887	
	This financial year	42	4515	9867			4797	9585	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of company **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2008	£000	002
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	100492	9443	105486	14437			
	Reinsurers' share	12	25660	3129	21506	(1025)			
	Net (11-12)	13	74832	6313	83981	15462			
	Claims management costs	14	3507	146	4160	800			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		7636	4241	11878			
	Reinsurers' share	16		531	284	815			
	Net (15-16)	17		7105	3957	11062			
	Claims management costs	18		316	72	388			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	3570	8082	3849	7804			
	Other acquisition expenses	22	1543		1476	67			
	Administrative expenses	23		3490		3490			
	Reinsurance commissions and profit participations	24	598	818	528	888			
	Total (21+22+23-24)	29	4515	10754	4797	10472			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		887		887			
	This financial year	42	4515	9867	4797	9585			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of company **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative accident and health**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2008	£000	110
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	1289	1183	267	160			
	Reinsurers' share	12	83	33	17	(33)			
	Net (11-12)	13	1206	1149	250	193			
	Claims management costs	14	34	49	9	24			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		6538	1265	7803			
	Reinsurers' share	16		403	140	543			
	Net (15-16)	17		6135	1126	7260			
	Claims management costs	18		274	29	303			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	1834	4314	2001	4146			
	Other acquisition expenses	22	1017		982	34			
	Administrative expenses	23		1716		1716			
	Reinsurance commissions and profit participations	24	376	574	310	639			
	Total (21+22+23-24)	29	2475	5455	2673	5257			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41							
	This financial year	42	2475	5455	2673	5257			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

## Total primary (direct) and facultative personal lines motor business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2008	£000	120
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	15493	1844	12088	(1562)			
	Reinsurers' share	12	15287	1687	12032	(1568)			
	Net (11-12)	13	206	157	55	6			
	Claims management costs	14	5	5	3	3			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		241	142	382			
	Reinsurers' share	16							
	Net (15-16)	17		241	142	382			
	Claims management costs	18		8	6	14			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	394	884	459	819			
	Other acquisition expenses	22	83		82	1			
	Administrative expenses	23		137		137			
	Reinsurance commissions and profit participations	24	17	1	25	(6)			
	Total (21+22+23-24)	29	459	1020	516	963			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41							
	This financial year	42	459	1020	516	963			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of company **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Primary (direct) and facultative household and domestic all risks**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R22	15454	GL			31 12 2008	£000	160
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2			Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	6859	1296			5434	(129)	
	Reinsurers' share	12	6454	1171			5304	22	
	Net (11-12)	13	406	124			130	(151)	
	Claims management costs	14	17	7			3	(7)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		306			371	678	
	Reinsurers' share	16		2			18	21	
	Net (15-16)	17		304			353	657	
	Claims management costs	18		16			9	26	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	457	905			451	911	
	Other acquisition expenses	22	136				124	12	
	Administrative expenses	23		210				210	
	Reinsurance commissions and profit participations	24	79	119			78	119	
	Total (21+22+23-24)	29	514	997			496	1015	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41							
	This financial year	42	514	997			496	1015	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of company **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative commercial lines liability business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2008	£000	270
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	69867	4699			80955	15787	
	Reinsurers' share	12	105	5			36	(64)	
	Net (11-12)	13	69761	4694			80919	15851	
	Claims management costs	14	3307	79			4015	787	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		169			2134	2303	
	Reinsurers' share	16		2			39	42	
	Net (15-16)	17		166			2095	2261	
	Claims management costs	18		7			18	25	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	622	1371			666	1327	
	Other acquisition expenses	22	223				211	12	
	Administrative expenses	23		1238				1238	
	Reinsurance commissions and profit participations	24	77	4			62	19	
	Total (21+22+23-24)	29	769	2605			816	2558	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		844				844	
	This financial year	42	769	1761			816	1714	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of company **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Balance of all primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2008	£000	409
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	6984		422		6743	181	
	Reinsurers' share	12	3731		232		4117	618	
	Net (11-12)	13	3253		189		2626	(438)	
	Claims management costs	14	143		6		130	(7)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			383		328	711	
	Reinsurers' share	16			123		87	210	
	Net (15-16)	17			260		242	502	
	Claims management costs	18			11		10	21	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	263		609		272	600	
	Other acquisition expenses	22	83				76	7	
	Administrative expenses	23			189			189	
	Reinsurance commissions and profit participations	24	49		120		53	117	
	Total (21+22+23-24)	29	298		677		296	679	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41			43			43	
	This financial year	42	298		634		296	636	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							



**General insurance business (accident year accounting) : Analysis of net claims and premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total business**

		Company registration number		GL/UK/CM		day month year			Units	Category number				
		R23	15454	GL	31	12	2008	£000	001					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2008	11			7105	1567	2390			11062		29763		37.2
12	2007	12	7277	4267	1815	610	230	1329	1968	(642)		25638	(37.8)	38.7
12	2006	13	7295	3917	2243	781	577	160	743	255		23770	(4.0)	46.5
12	2005	14	6653	3622	2797	352	238	63	380	107		22018	(4.8)	45.9
12	2004	15	4996	3503	2945	358	137	35	549	143	(161)	19045	(0.8)	44.5
12	2003	16	2943	2692	2508	110	98	25	129	33	72	13906	1.8	40.9
12	2002	17	2776	2349	2096		35	9	84	21	(62)	46230	(8.9)	10.6
12	2001	18	119316	2239	1622	6			8	2	(5)	199904	(27.3)	60.5
12	2000	19	109171	113922	81269							319084	(28.7)	59.7
12	1999	20	115735	77016	57885							307750	(24.8)	56.4
Prior accident years		21			2892	13702	68060	18149	50929	15576				
Reconciliation		22												
Total (11 to 22)		29			13419	16964	70972	21372	53457	26525				

**General insurance business (accident year accounting) : Analysis of net claims and premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative business**

		Company registration number		GL/UK/CM		day month year			Units	Category number				
		R23	15454	GL	31	12	2008	£000	002					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2008	11			7105	1567	2390			11062		29763		37.2
12	2007	12	7277	4267	1815	610	230	1329	1968	(642)		25638	(37.8)	38.7
12	2006	13	7295	3917	2243	781	577	160	743	255		23770	(4.0)	46.5
12	2005	14	6653	3622	2797	352	238	63	380	107		22018	(4.8)	45.9
12	2004	15	4996	3503	2945	358	137	35	549	143	(161)	19045	(0.8)	44.5
12	2003	16	2943	2692	2508	110	98	25	129	33	72	13906	1.8	40.9
12	2002	17	2776	2349	2096		35	9	84	21	(62)	46230	(8.9)	10.6
12	2001	18	119316	2239	1622	6			8	2	(5)	199904	(27.3)	60.5
12	2000	19	109171	113922	81269							319084	(28.7)	59.7
12	1999	20	115735	77016	57885							307750	(24.8)	56.4
Prior accident years		21			2892	13702	68060	18149	50929	15576				
Reconciliation		22												
Total (11 to 22)		29			13419	16964	70972	21372	53457	26525				

**General insurance business (accident year accounting) : Analysis of net claims and premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative accident and health**

		Company registration number	GL/UK/CM	day month year			Units	Category number						
		<b>R23</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>	<b>110</b>					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
12	2008	<b>11</b>			6135	642	483			7260		19154		37.9
12	2007	<b>12</b>	6351	1196	1063	79	26	504	420	244		15769	(2.3)	47.7
12	2006	<b>13</b>	6201	1056	1100	81	32	85	26	11		14263	15.8	52.0
12	2005	<b>14</b>	5729	1077	1054	1	11	23	6	(15)		12957	(0.8)	52.5
12	2004	<b>15</b>	3947	1032	1125	3	24	45	11	(22)		10659	12.3	47.9
12	2003	<b>16</b>	2064	724	560		46	50	13	(5)		6895	(14.7)	38.9
12	2002	<b>17</b>	2125	684	487			16	4	(20)		6094	(28.7)	42.9
12	2001	<b>18</b>	1461	501	332							4009	(33.9)	44.7
12	2000	<b>19</b>	952	353	153							3113	(56.6)	35.5
12	1999	<b>20</b>	753	346	202							2462	(41.5)	38.8
Prior accident years		<b>21</b>				2	1	2	1					
Reconciliation		<b>22</b>												
Total (11 to 22)		<b>29</b>			7284	836	539	725	481	7454				

**General insurance business (accident year accounting) : Analysis of net claims and premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative personal lines motor business**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category  
number

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2008	<b>11</b>				241	81	60			382		1601		23.9
12	2007	<b>12</b>	156	173		95	25	12	90	44	(2)		1380	(23.8)	20.9
12	2006	<b>13</b>	192	136	54	67	9	5	43	15	22		1266	(0.9)	25.8
12	2005	<b>14</b>	140	118	54	(4)	1		1	2	(6)		1136	(56.4)	16.9
12	2004	<b>15</b>	167	151	(5)	(1)	1		1		(1)		902	(103.4)	17.9
12	2003	<b>16</b>	71	281	182		1		5	1	(5)		678	(34.8)	37.5
12	2002	<b>17</b>	95	212	58				2		(2)		3265	(72.5)	4.7
12	2001	<b>18</b>	27040	408	67								3626	(83.5)	747.5
12	2000	<b>19</b>	18633	21106	9857								47571	(53.3)	59.9
12	1999	<b>20</b>	16530	19347	10336								38541	(46.6)	69.7
Prior accident years		<b>21</b>													
Reconciliation		<b>22</b>													
Total (11 to 22)		<b>29</b>				398	119	78	142	63	388				

**General insurance business (accident year accounting) : Analysis of net claims and premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Primary (direct) and facultative household and domestic all risks**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category  
number

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2008	<b>11</b>				304	276	77			657		2536		25.9
12	2007	<b>12</b>	368	366		113	62	17	222	60	(90)		2366	(47.3)	23.7
12	2006	<b>13</b>	427	456	219	9	29	7	60	18	(33)		2206	(41.9)	31.4
12	2005	<b>14</b>	339	317	164	2	5	1	16	5	(12)		2071	(45.6)	24.7
12	2004	<b>15</b>	558	580	213		1		12	3	(14)		2012	(63.1)	38.4
12	2003	<b>16</b>	305	454	186		5	1	7	1	(2)		2250	(57.5)	22.1
12	2002	<b>17</b>	230	400	185				1		(1)		18068	(53.8)	2.3
12	2001	<b>18</b>	89513	298	178								172529	(40.4)	52.0
12	2000	<b>19</b>	89040	90702	69836								260825	(23.0)	60.9
12	1999	<b>20</b>	98078	55973	46325								261154	(17.2)	55.3
Prior accident years		<b>21</b>													
Reconciliation		<b>22</b>													
Total (11 to 22)		<b>29</b>				428	379	104	318	87	506				

**General insurance business (accident year accounting) : Analysis of net claims and premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative commercial lines liability business**

		Company registration number		GL/UK/CM		day month year			Units	Category number				
		R23	15454	GL	31	12	2008	£000	270					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurring but not reported (net)	Reported (net)	Incurring but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2008	11			166	417	1678			2261		4630		48.8
12	2007	12	261	2244	475	375	147	373	1361	(738)		4295	(55.6)	29.3
12	2006	13	243	2038	761	613	496	129	527	177		4217	(2.0)	53.1
12	2005	14	225	1799	1343	353	216	56	312	82		4031	9.4	54.4
12	2004	15	249	1634	1364	357	110	29	480	125	(110)	3580	13.8	58.9
12	2003	16	166	1190	1540	110	45	12	66	17	84	3351	43.3	55.9
12	2002	17	237	1016	1358		35	9	57	15	(28)	2488	38.0	65.9
12	2001	18	96	856	927	6			6	2	(2)	1798	9.0	57.2
12	2000	19	104	563	720							1179	27.8	69.9
12	1999	20	73	593	363							881	(38.7)	49.6
Prior accident years		21			2781	11202	68059	15503	50659	15880				
Reconciliation		22												
Total (11 to 22)		29			4860	12896	70118	17324	52438	18113				

**General insurance business (accident year accounting) : Analysis of net claims and premiums**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Balance of all primary (direct) and facultative business**

		Company registration number	GL/UK/CM	day month year			Units	Category number						
		R23	15454	GL	31	12	2008	£000	409					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2008	11			260	149	92			502		1842		27.2
12	2007	12	141	288	68	69	29	141	82	(57)		1827	(42.4)	16.8
12	2006	13	233	232	109	12	10	28	18	(14)		1818	(39.0)	20.6
12	2005	14	220	311	182	(1)	4	3	27	12	(32)	1823	(39.5)	22.4
12	2004	15	76	107	248		1	12	4	(15)		1892	132.8	17.1
12	2003	16	337	42	40		1	2		(1)		731	(4.8)	51.5
12	2002	17	90	38	8			9	2	(11)		16314	(79.2)	0.6
12	2001	18	1206	176	118			3	1	(3)		17942	(32.9)	7.4
12	2000	19	442	1197	703							6395	(41.3)	17.9
12	1999	20	301	756	659							4712	(12.9)	20.4
Prior accident years		21			111	2498		2644	269	(304)				
Reconciliation		22												
Total (11 to 22)		29			449	2734	133	2864	388	64				

**General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total business**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category number

Underwriting year ended			Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns					
			29	29	12	99	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	99	99
Premiums written	Gross amount	11																								
	Reinsurers' share	12																								
	Net (11-12)	19																								
Claims paid	Gross amount	21	(23)																						(23)	
	Reinsurers' share	22																								
	Net (21-22)	29	(23)																						(23)	
Claims management costs		39																								
Net operating expenses	Commissions	41																								
	Other acquisition expenses	42																								
	Administrative expenses	43	33																						33	
	Reinsurers' commissions and profit participations	44																								
	Payable net (41+42+43-44)	49	33																						33	
Technical provisions	Brought forward	Undiscounted	51	3150																					3150	
		Adjustment for discounting	52																							
	Carried forward	Undiscounted	53	1008																						1008
		Adjustment for discounting	54																							
	Increase (decrease) in the financial year (53-54-51+52)		59	(2142)																						(2142)
Balance on each underwriting year (19-29-39-49-59)		69	2132																						2132	



**General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative business**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category number

Underwriting year ended			Prior underwriting years		MM YY		MM YY		MM YY		MM YY		R24		15454		GL		31 12 2008			£000		002		Total all previous columns		
			29	29	12	99	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	99		99	
Premiums written	Gross amount	11																										
	Reinsurers' share	12																										
	Net (11-12)	19																										
Claims paid	Gross amount	21	(23)																							(23)		
	Reinsurers' share	22																										
	Net (21-22)	29	(23)																							(23)		
Claims management costs		39																										
Net operating expenses	Commissions	41																										
	Other acquisition expenses	42																										
	Administrative expenses	43		33																							33	
	Reinsurers' commissions and profit participations	44																										
	Payable net (41+42+43-44)	49		33																							33	
Technical provisions	Brought forward	Undiscounted	51	3150																							3150	
		Adjustment for discounting	52																									
	Carried forward	Undiscounted	53	1008																								1008
		Adjustment for discounting	54																									
	Increase (decrease) in the financial year (53-54-51+52)		59	(2142)																								(2142)
Balance on each underwriting year (19-29-39-49-59)		69	2132																								2132	

**General insurance business (underwriting year accounting) : Analysis of premiums, claims and expenses**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Balance of all primary (direct) and facultative business**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category number

Underwriting year ended			Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns			
			29	29	12	99	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	99	99
Premiums written	Gross amount	11																								
	Reinsurers' share	12																								
	Net (11-12)	19																								
Claims paid	Gross amount	21	(23)																					(23)		
	Reinsurers' share	22																								
	Net (21-22)	29	(23)																					(23)		
Claims management costs		39																								
Net operating expenses	Commissions	41																								
	Other acquisition expenses	42																								
	Administrative expenses	43	33																					33		
	Reinsurers' commissions and profit participations	44																								
	Payable net (41+42+43-44)	49	33																						33	
Technical provisions	Brought forward	Undiscounted	51	3150																					3150	
		Adjustment for discounting	52																							
	Carried forward	Undiscounted	53	1008																						1008
		Adjustment for discounting	54																							
	Increase (decrease) in the financial year (53-54-51+52)		59	(2142)																						(2142)
Balance on each underwriting year (19-29-39-49-59)		69	2132																						2132	

**General insurance business (underwriting year accounting) : Analysis of technical provisions**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total business**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category number

Underwriting year ended		Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns		
		29	29	12	99	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	99
Reported claims outstanding	Gross amount	11																						
	Reinsurers' share	12																						
Claims incurred but not reported	Gross amount	13	1008																				1008	
	Reinsurers' share	14																						
Claims management costs		15																						
Adjustment for discounting	Gross amount	16																						
	Reinsurers' share	17																						
	Claims management costs	18																						
Allocation to/(from) another risk category of anticipated surplus		19																						
Balance of the fund		20																						
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	1008																					1008
Provision for unearned premiums		22																						
Provision for unexpired risks		23																						
Deferred acquisition costs		24																						
Other technical provisions (particulars to be specified by way of supplementary note)		25																						
Total (21+22+23-24+25)		29	1008																					1008

**General insurance business (underwriting year accounting) : Analysis of technical provisions**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Total primary (direct) and facultative business**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category number

Underwriting year ended		Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns		
		29	29	12	99	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	99
Reported claims outstanding	Gross amount	11																						
	Reinsurers' share	12																						
Claims incurred but not reported	Gross amount	13	1008																				1008	
	Reinsurers' share	14																						
Claims management costs		15																						
Adjustment for discounting	Gross amount	16																						
	Reinsurers' share	17																						
	Claims management costs	18																						
Allocation to/(from) another risk category of anticipated surplus		19																						
Balance of the fund		20																						
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	1008																					1008
Provision for unearned premiums		22																						
Provision for unexpired risks		23																						
Deferred acquisition costs		24																						
Other technical provisions (particulars to be specified by way of supplementary note)		25																						
Total (21+22+23-24+25)		29	1008																					1008

**General insurance business (underwriting year accounting) : Analysis of technical provisions**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008****Balance of all primary (direct) and facultative business**Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category number

Underwriting year ended		Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns		
		29	29	12	99	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	99
Reported claims outstanding	Gross amount	11																						
	Reinsurers' share	12																						
Claims incurred but not reported	Gross amount	13	1008																				1008	
	Reinsurers' share	14																						
Claims management costs		15																						
Adjustment for discounting	Gross amount	16																						
	Reinsurers' share	17																						
	Claims management costs	18																						
Allocation to/(from) another risk category of anticipated surplus		19																						
Balance of the fund		20																						
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	1008																				1008	
Provision for unearned premiums		22																						
Provision for unexpired risks		23																						
Deferred acquisition costs		24																						
Other technical provisions (particulars to be specified by way of supplementary note)		25																						
Total (21+22+23-24+25)		29	1008																				1008	

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance

Name of insurer **The Prudential Assurance Company Limited**

Currency

**Hong Kong Dollar**

Global business

Reporting Territory

**Overseas**Financial year ended **31 December 2008**Company  
registration  
numberGL/  
UK/  
CM

day month year

Monetary  
unitsCategory  
numberCurrency  
codeReporting  
territory  
code**Medical insurance**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>111</b>	<b>HKD</b>	<b>XX</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2008	<b>11</b>	33392	7161		70001	5713	5800			81514	149210	54.6
12	2007	<b>12</b>	5569	11	53763	9126	2		3084	4454	1590	129921	48.4
12	2006	<b>13</b>	5937		59213	4			120	25	(141)	119722	49.5
12	2005	<b>14</b>	5798		56977	5			65	14	(74)	106807	53.4
12	2004	<b>15</b>	1422		43534				174	36	(210)	92418	47.1
12	2003	<b>16</b>											
12	2002	<b>17</b>											
12	2001	<b>18</b>											
12	2000	<b>19</b>											
12	1999	<b>20</b>											
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		7172		79136	5715	5800	3443	4529	82679		
Line 29 expressed in sterling		<b>30</b>				5487	396	402	239	314	5733		

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance

Name of insurer **The Prudential Assurance Company Limited**

Currency

**Hong Kong Dollar**

Global business

Reporting Territory

**Overseas**Financial year ended **31 December 2008**Company  
registration  
numberGL/  
UK/  
CM

day month year

Monetary  
unitsCategory  
numberCurrency  
codeReporting  
territory  
code**Travel**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>113</b>	<b>HKD</b>	<b>XX</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2008	<b>11</b>	2336	256		4999	1620	496			7115	20035	35.5
12	2007	<b>12</b>	2376	124	4471	773	277	94	692	230	222	18738	30.0
12	2006	<b>13</b>	2598	66	4299	12	71	20	154	55	(106)	16902	26.0
12	2005	<b>14</b>	1959	29	3297		9	2	195	52	(236)	14854	22.3
12	2004	<b>15</b>	918	15	3516		33	8	93	24	(76)	13235	26.9
12	2003	<b>16</b>											
12	2002	<b>17</b>											
12	2001	<b>18</b>											
12	2000	<b>19</b>											
12	1999	<b>20</b>											
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		490		5784	2010	620	1134	361	6919		
Line 29 expressed in sterling		<b>30</b>				401	139	43	79	25	480		

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance

Name of insurer **The Prudential Assurance Company Limited**Currency **Hong Kong Dollar**

Global business

Reporting Territory **Overseas**Financial year ended **31 December 2008****Personal accident or sickness**Company  
registration  
numberGL/  
UK/  
CM

day month year

Monetary  
unitsCategory  
numberCurrency  
codeReporting  
territory  
code

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>114</b>	<b>HKD</b>	<b>XX</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2008	<b>11</b>	18628	905		19289	3102	1520			23911	74030	32.3
12	2007	<b>12</b>	19468	275	15272	5917	966	312	3808	1747	1640	68724	32.7
12	2006	<b>13</b>	17965	73	20402	1164	415	114	1041	331	321	62539	35.3
12	2005	<b>14</b>	16253	36	17738	12	147	39	231	65	(98)	58180	30.8
12	2004	<b>15</b>	3699	28	17484	42	333	87	439	114	(91)	56511	31.8
12	2003	<b>16</b>	2362	168	40662		698	182	781	202	(103)	115856	35.9
12	2002	<b>17</b>	12431		42012				260	64	(324)	97641	43.0
12	2001	<b>18</b>	8398		34684				1		(1)	71389	48.6
12	2000	<b>19</b>	9856		23326							56613	41.2
12	1999	<b>20</b>	2079		16515							44597	37.0
Prior accident years		<b>21</b>		1			30	8	30	8			
Total (11 to 21)		<b>29</b>		1486		26424	5691	2262	6591	2531	25255		
Line 29 expressed in sterling		<b>30</b>				1832	395	157	457	175	1751		



**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance**

Name of insurer **The Prudential Assurance Company Limited**

Currency

**British Pound**

Global business

Reporting Territory

**United Kingdom other than home foreign**

Financial year ended **31 December 2008**

Company  
registration  
number

GL/  
UK/  
CM

day month year

Monetary  
units

Category  
number

Currency  
code

Reporting  
territory  
code

**Primary (direct) and facultative household and domestic all risks**

Accident year ended		Number of claims	Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %		
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurring but not reported				Reported	Incurring but not reported
		1	2	3	4	5	6	7	8	9	10	11	
		<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>160</b>	<b>GBP</b>	<b>AA</b>		
12	2008	<b>11</b>											
12	2007	<b>12</b>											
12	2006	<b>13</b>											
12	2005	<b>14</b>											
12	2004	<b>15</b>											
12	2003	<b>16</b>	57717	23	63370	452	246	1441	496	1638	4	118909	55.1
12	2002	<b>17</b>	173939	22	164088	397	1049	651	1406	472	218	263415	63.1
12	2001	<b>18</b>	163051	4	145667	12	216	22	287	501	(538)	266534	54.7
12	2000	<b>19</b>	193704	9	174734	78	263	126	270	270	(73)	267007	65.6
12	1999	<b>20</b>	195584	2	142672	1	46	69	37	364	(285)	267500	53.4
Prior accident years		<b>21</b>		18		230	550	604	636	37	712		
Total (11 to 21)		<b>29</b>		78		1170	2370	2912	3132	3282	39		
Line 29 expressed in sterling		<b>30</b>				1170	2370	2912	3132	3282	39		

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance

Name of insurer **The Prudential Assurance Company Limited**

Currency

**Hong Kong Dollar**

Global business

Reporting Territory

**Overseas**Financial year ended **31 December 2008**Company  
registration  
numberGL/  
UK/  
CM

day month year

Monetary  
unitsCategory  
numberCurrency  
codeReporting  
territory  
code**Primary (direct) and facultative household and domestic all risks**

Accident year ended		Number of claims	Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %		
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurring but not reported				Reported	Incurring but not reported
		1	2	3	4	5	6	7	8	9	10	11	
		<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>160</b>	<b>HKD</b>	<b>XX</b>		
12	2008	<b>11</b>	1960	657		4420	4189	1165		9774	31171	31.4	
12	2007	<b>12</b>	2463	253	4201	1646	903	251	3212	882	(1294)	29253	23.9
12	2006	<b>13</b>	2689	89	7584	127	422	111	875	263	(478)	27539	29.9
12	2005	<b>14</b>	2183	24	6086	30	76	21	242	73	(188)	27417	22.7
12	2004	<b>15</b>	1610	16	6749		23	5	174	39	(185)	27258	24.9
12	2003	<b>16</b>	1289	41	9155		85	17	157	31	(86)	42351	21.9
12	2002	<b>17</b>	884	2	10550		5	1	19	4	(17)	45299	23.3
12	2001	<b>18</b>	786		9137							41321	22.1
12	2000	<b>19</b>	542		5449							32743	16.6
12	1999	<b>20</b>	540	3	8133		228	48	373	78	(175)	27105	31.0
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		1085		6223	5931	1619	5052	1370	7351		
Line 29 expressed in sterling		<b>30</b>				431	411	112	350	95	510		

**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance**

Name of insurer **The Prudential Assurance Company Limited**

Currency

**British Pound**

Global business

Reporting Territory

**United Kingdom other than home foreign**

Financial year ended **31 December 2008**

Company  
registration  
number

GL/  
UK/  
CM

day month year

Monetary  
units

Category  
number

Currency  
code

Reporting  
territory  
code

**Employers liability**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>271</b>	<b>GBP</b>	<b>AA</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2008	<b>11</b>											
12	2007	<b>12</b>											
12	2006	<b>13</b>											
12	2005	<b>14</b>											
12	2004	<b>15</b>											
12	2003	<b>16</b>											
12	2002	<b>17</b>											
12	2001	<b>18</b>											
12	2000	<b>19</b>											
12	1999	<b>20</b>											
Prior accident years		<b>21</b>		531		2643	10273	67583	10447	47938	22114		
Total (11 to 21)		<b>29</b>		531		2643	10273	67583	10447	47938	22114		
Line 29 expressed in sterling		<b>30</b>				2643	10273	67583	10447	47938	22114		

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance

Name of insurer **The Prudential Assurance Company Limited**

Currency

**Hong Kong Dollar**

Global business

Reporting Territory

**Overseas**Financial year ended **31 December 2008**Company  
registration  
numberGL/  
UK/  
CM

day month year

Monetary  
unitsCategory  
numberCurrency  
codeReporting  
territory  
code**Employers liability**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>271</b>	<b>HKD</b>	<b>XX</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2008	<b>11</b>	521	473		2297	3880	19738			25915	49139	52.7
12	2007	<b>12</b>	895	235	2708	6671	4401	1730	3261	15129	(5588)	46547	33.3
12	2006	<b>13</b>	1077	169	10238	8771	6907	1797	6877	2241	8357	46418	59.7
12	2005	<b>14</b>	1008	55	15717	4986	2875	748	3841	1003	3765	45501	53.5
12	2004	<b>15</b>	822	21	16832	4375	751	196	4538	1184	(400)	40118	55.2
12	2003	<b>16</b>	684	15	19837	1650	648	169	961	251	1255	43598	51.2
12	2002	<b>17</b>	869	1	18425		900	234	1219	318	(403)	34404	56.9
12	2001	<b>18</b>	53		14057	80			83	21	(24)	22331	63.3
12	2000	<b>19</b>	545		9629							15455	62.3
12	1999	<b>20</b>	1198		5074							13488	37.6
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		969		28830	20362	24612	20780	20147	32877		
Line 29 expressed in sterling		<b>30</b>				1999	1412	1707	1441	1397	2280		

**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance**

Name of insurer **The Prudential Assurance Company Limited**

Currency

**British Pound**

Global business

Reporting Territory

**United Kingdom other than home foreign**

Financial year ended **31 December 2008**

Company  
registration  
number

GL/  
UK/  
CM

day month year

Monetary  
units

Category  
number

Currency  
code

Reporting  
territory  
code

**Public and products liability**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>273</b>	<b>GBP</b>	<b>AA</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2008	<b>11</b>											
12	2007	<b>12</b>											
12	2006	<b>13</b>											
12	2005	<b>14</b>											
12	2004	<b>15</b>											
12	2003	<b>16</b>											
12	2002	<b>17</b>											
12	2001	<b>18</b>											
12	2000	<b>19</b>											
12	1999	<b>20</b>											
Prior accident years		<b>21</b>		18		138	929	476	3381	2721	(4559)		
Total (11 to 21)		<b>29</b>		18		138	929	476	3381	2721	(4559)		
Line 29 expressed in sterling		<b>30</b>				138	929	476	3381	2721	(4559)		

## General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance

Name of insurer **The Prudential Assurance Company Limited**

Currency

**Hong Kong Dollar**

Global business

Reporting Territory

**Overseas**Financial year ended **31 December 2008**Company  
registration  
numberGL/  
UK/  
CM

day month year

Monetary  
unitsCategory  
numberCurrency  
codeReporting  
territory  
code**Public and products liability**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>000</b>	<b>273</b>	<b>HKD</b>	<b>XX</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2008	<b>11</b>	114	317		135	2297	4869			7301	10760	67.9
12	2007	<b>12</b>	245	103	197	190	1002	394	2480	5091	(5985)	9854	18.1
12	2006	<b>13</b>	364	37	951	65	244	64	735	331	(693)	9400	14.1
12	2005	<b>14</b>	270	23	1758	106	246	64	670	175	(429)	9553	22.8
12	2004	<b>15</b>	133	10	1238	767	839	218	2396	626	(1198)	7911	38.7
12	2003	<b>16</b>											
12	2002	<b>17</b>											
12	2001	<b>18</b>											
12	2000	<b>19</b>											
12	1999	<b>20</b>											
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		490		1263	4628	5609	6281	6223	(1004)		
Line 29 expressed in sterling		<b>30</b>				88	321	389	436	431	(70)		

**General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance**

Name of insurer **The Prudential Assurance Company Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2008**

Company registration number **R32** GL/UK/CM **15454** day month year **31 12 2008** Monetary units **000** Category number **121** Currency code **GBP** Reporting territory code **AA**

**Private motor - comprehensive**

Accident year ended		Number of claims	Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %		
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurrred but not reported						Reported	Incurrred but not reported
		1	2	3	4	5	6	7	8	9	10	11	12	13	
12	2008	11													
12	2007	12													
12	2006	13													
12	2005	14													
12	2004	15													
12	2003	16	14328	15	16004	544	170	287	773	1118	(890)	28736	59.2	102	14.1
12	2002	17	37103	20	47510	447	882	399	1567	1323	(1162)	74652	66.0	92	40.4
12	2001	18	39067	8	48811	262	176	470	600	778	(470)	70393	70.6	229	17.1
12	2000	19	28445	4	35942	221	1587		786	276	745	45366	83.2	200	14.2
12	1999	20	24680	1	30521	8	54		45	(4)	20	34798	87.9	172	14.3
Prior accident years		21		1		205	8009		8025		189				
Total (11 to 21)		29		49		1687	10877	1156	11796	3491	(1568)				
Line 29 expressed in sterling		30				1687	10877	1156	11796	3491	(1568)				







**Equalisation provisions**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

			Company registration number	GL/UK/CM	day	month	year	Units	
			R37	15454	GL	31	12	2008	£000
	Business grouping A (property)	Business grouping B (business interruption)	Business grouping C (marine and aviation)	Business grouping D (nuclear)	Business grouping E (non-proportional treaty)	All business groupings		Credit insurance business	
	1	2	3	4	5	6		7	
<b>Calculation of the maximum provision</b>									
Total net premiums written in the previous 4 years	11	13948							
Net premiums written in the current year	12	3835							
Maximum provision	13	711					711		

**Calculation of the transfer to/from the provision**

Equalisation provision brought forward	21						674	
Transfers in	22	115					115	
Total abnormal loss	23							
Provisional transfers out	24							
Excess of provisional transfer out over fund available	25							
Provisional amount carried forward (21+22-24+25)	26						789	
Excess, if any, of 26 over 13	27						78	
Equalisation provision carried forward (26-27)	28						711	
Transfer in/(out) for financial year (28-21)	29						37	

**Equalisation provisions technical account : Accident year accounting**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**

		Company registration number	GL/ UK/ CM	day month year			Units
	<b>R38</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2008</b>	<b>£000</b>
<b>Other than credit business</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>			<b>5</b>
	Business grouping A (property)	Business grouping B (business interruption)	Business grouping C (marine and aviation)	Business grouping D (nuclear)			Business grouping E (non-proportional treaty)
Net premiums earned	11	3738					
Claims incurred net of reinsurance	12	1015					
Trigger claims value	13	2710					
Abnormal loss	19						
Trigger claims ratio	72.5%	72.5%	95%	25%			100%

**Credit business**

Net premiums earned	21	
Claims incurred net of reinsurance	22	
Claims management costs	23	
Net operating expenditure	24	
Technical surplus/ (deficit) (21-22-23-24)	29	

**Long-term insurance business : Revenue account**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **10 Summary**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	7677922	4457059
Investment income receivable before deduction of tax	12	4736345	4461961
Increase (decrease) in the value of non-linked assets brought into account	13	(591303)	1596466
Increase (decrease) in the value of linked assets	14	(1830838)	378654
Other income	15	145313	57005
<b>Total income</b>	<b>19</b>	<b>10137439</b>	<b>10951144</b>

**Expenditure**

Claims incurred	21	9392401	8740093
Expenses payable	22	985790	735923
Interest payable before the deduction of tax	23	55890	108647
Taxation	24	(96901)	81383
Other expenditure	25	79748	49063
Transfer to (from) non technical account	26	265282	289426
<b>Total expenditure</b>	<b>29</b>	<b>10682209</b>	<b>10004534</b>

Business transfers - in	31		1703551
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(544770)	2650161
Fund brought forward	49	77111792	72516620
Fund carried forward (39+49)	59	76567022	75166781

## Long-term insurance business : Revenue account

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	228455	280220
Investment income receivable before deduction of tax	12	652301	676658
Increase (decrease) in the value of non-linked assets brought into account	13	211018	238381
Increase (decrease) in the value of linked assets	14		
Other income	15		
<b>Total income</b>	<b>19</b>	<b>1091774</b>	<b>1195258</b>

**Expenditure**

Claims incurred	21	1828402	1537858
Expenses payable	22	69086	56704
Interest payable before the deduction of tax	23	10056	13423
Taxation	24	5676	38761
Other expenditure	25	18243	16745
Transfer to (from) non technical account	26		
<b>Total expenditure</b>	<b>29</b>	<b>1931464</b>	<b>1663491</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(839689)	(468233)
Fund brought forward	49	10117249	10585482
Fund carried forward (39+49)	59	9277559	10117249

**Long-term insurance business : Revenue account**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	3514059	2824873
Investment income receivable before deduction of tax	12	3623266	3411041
Increase (decrease) in the value of non-linked assets brought into account	13	59024	1346762
Increase (decrease) in the value of linked assets	14		
Other income	15	42775	19921
<b>Total income</b>	<b>19</b>	<b>7239124</b>	<b>7602597</b>

**Expenditure**

Claims incurred	21	6071177	5564758
Expenses payable	22	680726	604910
Interest payable before the deduction of tax	23	42930	93048
Taxation	24	51165	72284
Other expenditure	25		
Transfer to (from) non technical account	26	298405	289426
<b>Total expenditure</b>	<b>29</b>	<b>7144403</b>	<b>6624425</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	94722	978171
Fund brought forward	49	52802608	50503781
Fund carried forward (39+49)	59	52897329	51481952

## Long-term insurance business : Revenue account

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **23 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	246915	307653
Investment income receivable before deduction of tax	12	51260	40532
Increase (decrease) in the value of non-linked assets brought into account	13	(735950)	54156
Increase (decrease) in the value of linked assets	14		
Other income	15		
<b>Total income</b>	<b>19</b>	<b>(437774)</b>	<b>402341</b>

**Expenditure**

Claims incurred	21	374627	123024
Expenses payable	22	(4377)	(4241)
Interest payable before the deduction of tax	23		
Taxation	24	3098	2524
Other expenditure	25	42229	14590
Transfer to (from) non technical account	26		
<b>Total expenditure</b>	<b>29</b>	<b>415578</b>	<b>135897</b>

Business transfers - in	31		1703551
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(853352)	1969995
Fund brought forward	49	3781841	1384178
Fund carried forward (39+49)	59	2928489	3354173

## Long-term insurance business : Revenue account

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	3688493	1044313
Investment income receivable before deduction of tax	12	409517	333730
Increase (decrease) in the value of non-linked assets brought into account	13	(125395)	(42832)
Increase (decrease) in the value of linked assets	14	(1830838)	378654
Other income	15	102538	37084
<b>Total income</b>	<b>19</b>	<b>2244315</b>	<b>1750948</b>

**Expenditure**

Claims incurred	21	1118196	1514454
Expenses payable	22	240354	78550
Interest payable before the deduction of tax	23	2904	2175
Taxation	24	(156841)	(32186)
Other expenditure	25	19276	17728
Transfer to (from) non technical account	26	(33124)	
<b>Total expenditure</b>	<b>29</b>	<b>1190765</b>	<b>1580720</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	1053549	170228
Fund brought forward	49	10410095	10043179
Fund carried forward (39+49)	59	11463645	10213407



## Long-term insurance business : Analysis of premiums

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **10 Summary**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Regular premiums	11	544320	1096918	655205	2296443	2199048
Single premiums	12	1061460	5123567	794825	6979852	4187440

**Reinsurance - external**

Regular premiums	13	25432	12489	13831	51752	52822
Single premiums	14	797	17794		18591	162321

**Reinsurance - intra-group**

Regular premiums	15	11541	374850		386390	289075
Single premiums	16	151723	989917		1141640	1425212

**Net of reinsurance**

Regular premiums	17	507348	709580	641374	1858301	1857151
Single premiums	18	908941	4115856	794825	5819621	2599907

**Total**

Gross	19	1605780	6220485	1450030	9276295	6386488
Reinsurance	20	189492	1395050	13831	1598373	1929429
Net	21	1416288	4825435	1436199	7677922	4457059

**Long-term insurance business : Analysis of premiums**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life 1	UK Pension 2	Overseas 3	Total Financial year 4	Total Previous year 5
--------------	-----------------	---------------	------------------------------	-----------------------------

**Gross**

Regular premiums	11	160685	48739		209425	268370
Single premiums	12		20608		20608	12026

**Reinsurance - external**

Regular premiums	13	76	99		175	177
Single premiums	14					

**Reinsurance - intra-group**

Regular premiums	15					
Single premiums	16		1403		1403	

**Net of reinsurance**

Regular premiums	17	160609	48640		209249	268193
Single premiums	18		19206		19206	12026

**Total**

Gross	19	160685	69348		230033	280396
Reinsurance	20	76	1502		1578	177
Net	21	160609	67846		228455	280220

**Long-term insurance business : Analysis of premiums**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life 1	UK Pension 2	Overseas 3	Total Financial year 4	Total Previous year 5
--------------	-----------------	---------------	------------------------------	-----------------------------

**Gross**

Regular premiums	11	274303	694698	416342	1385344	1406050
Single premiums	12	965475	2030409	456240	3452124	2578795

**Reinsurance - external**

Regular premiums	13	13395	809	5392	19595	22595
Single premiums	14	797	527		1324	803

**Reinsurance - intra-group**

Regular premiums	15		151053		151053	117819
Single premiums	16	2356	1149080		1151436	1018755

**Net of reinsurance**

Regular premiums	17	260909	542836	410951	1214695	1265635
Single premiums	18	962322	880802	456240	2299364	1559237

**Total**

Gross	19	1239778	2725107	872582	4837468	3984844
Reinsurance	20	16548	1301469	5392	1323408	1159972
Net	21	1223230	1423638	867191	3514059	2824873

## Long-term insurance business : Analysis of premiums

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **23 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life 1	UK Pension 2	Overseas 3	Total Financial year 4	Total Previous year 5
--------------	-----------------	---------------	------------------------------	-----------------------------

**Gross**

Regular premiums	11					
Single premiums	12	(29751)	(810)	277476	246915	307653

**Reinsurance - external**

Regular premiums	13					
Single premiums	14					

**Reinsurance - intra-group**

Regular premiums	15					
Single premiums	16					

**Net of reinsurance**

Regular premiums	17					
Single premiums	18	(29751)	(810)	277476	246915	307653

**Total**

Gross	19	(29751)	(810)	277476	246915	307653
Reinsurance	20					
Net	21	(29751)	(810)	277476	246915	307653

## Long-term insurance business : Analysis of premiums

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life 1	UK Pension 2	Overseas 3	Total Financial year 4	Total Previous year 5
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**Gross**

Regular premiums	11	109332	353481	238863	701675	524629
Single premiums	12	125737	3073360	61108	3260204	1288966

**Reinsurance - external**

Regular premiums	13	11961	11581	8440	31981	30050
Single premiums	14		17267		17267	161518

**Reinsurance - intra-group**

Regular premiums	15	11541	223797		235337	171256
Single premiums	16	149367	(160566)		(11199)	406457

**Net of reinsurance**

Regular premiums	17	85830	118103	230423	434356	323323
Single premiums	18	(23630)	3216658	61108	3254136	720991

**Total**

Gross	19	235068	3426840	299971	3961880	1813594
Reinsurance	20	172868	92079	8440	273387	769281
Net	21	62200	3334761	291531	3688493	1044313

**Long-term insurance business : Analysis of claims**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **10 Summary**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Death or disability lump sums	11	580173	125448	59478	765099	556729
Disability periodic payments	12	1601		(1198)	403	3196
Surrender or partial surrender	13	1920074	1365908	587882	3873864	3823709
Annuity payments	14	146655	1220683	7029	1374367	1081059
Lump sums on maturity	15	1809245	2848109	15968	4673322	4432815
<b>Total</b>	<b>16</b>	<b>4457749</b>	<b>5560147</b>	<b>669160</b>	<b>10687055</b>	<b>9897509</b>

**Reinsurance - external**

Death or disability lump sums	21	15531	75	4367	19973	19346
Disability periodic payments	22	17		26	43	143
Surrender or partial surrender	23	21820	7374		29195	20694
Annuity payments	24		318		318	
Lump sums on maturity	25		599		599	724
<b>Total</b>	<b>26</b>	<b>37368</b>	<b>8367</b>	<b>4393</b>	<b>50128</b>	<b>40906</b>

**Reinsurance - intra-group**

Death or disability lump sums	31	18555	2210		20765	14562
Disability periodic payments	32					
Surrender or partial surrender	33	208469	66004		274473	212536
Annuity payments	34		892009		892009	835802
Lump sums on maturity	35	286	56993		57279	53610
<b>Total</b>	<b>36</b>	<b>227310</b>	<b>1017216</b>		<b>1244526</b>	<b>1116510</b>

**Net of reinsurance**

Death or disability lump sums	41	546088	123163	55111	724362	522821
Disability periodic payments	42	1583		(1224)	359	3054
Surrender or partial surrender	43	1689785	1292529	587882	3570196	3590480
Annuity payments	44	146655	328356	7029	482041	245257
Lump sums on maturity	45	1808959	2790516	15968	4615443	4378481
<b>Total</b>	<b>46</b>	<b>4193070</b>	<b>4534564</b>	<b>664767</b>	<b>9392401</b>	<b>8740093</b>

**Long-term insurance business : Analysis of claims**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Death or disability lump sums	11	33348	16696		50044	52600
Disability periodic payments	12	172			172	183
Surrender or partial surrender	13	183575	115033		298608	337239
Annuity payments	14		47609		47609	45388
Lump sums on maturity	15	806693	673010		1479702	1155445
<b>Total</b>	<b>16</b>	<b>1023788</b>	<b>852347</b>		<b>1876135</b>	<b>1590855</b>

**Reinsurance - external**

Death or disability lump sums	21	928	49		977	1436
Disability periodic payments	22					
Surrender or partial surrender	23					
Annuity payments	24					
Lump sums on maturity	25					
<b>Total</b>	<b>26</b>	<b>928</b>	<b>49</b>		<b>977</b>	<b>1436</b>

**Reinsurance - intra-group**

Death or disability lump sums	31					
Disability periodic payments	32					
Surrender or partial surrender	33					
Annuity payments	34		46756		46756	51562
Lump sums on maturity	35					
<b>Total</b>	<b>36</b>		<b>46756</b>		<b>46756</b>	<b>51562</b>

**Net of reinsurance**

Death or disability lump sums	41	32420	16647		49067	51164
Disability periodic payments	42	172			172	183
Surrender or partial surrender	43	183575	115033		298608	337239
Annuity payments	44		853		853	(6173)
Lump sums on maturity	45	806693	673010		1479702	1155445
<b>Total</b>	<b>46</b>	<b>1022860</b>	<b>805542</b>		<b>1828402</b>	<b>1537858</b>

**Long-term insurance business : Analysis of claims**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Death or disability lump sums	11	416307	95274	24614	536195	328441
Disability periodic payments	12	301			301	336
Surrender or partial surrender	13	1310837	839311	311539	2461688	2501661
Annuity payments	14	5740	1013006	2723	1021469	899732
Lump sums on maturity	15	962976	1990710	15968	2969654	2686950
<b>Total</b>	<b>16</b>	<b>2696161</b>	<b>3938301</b>	<b>354845</b>	<b>6989307</b>	<b>6417120</b>

**Reinsurance - external**

Death or disability lump sums	21	14603	12	2198	16812	14762
Disability periodic payments	22					
Surrender or partial surrender	23	10	136		146	396
Annuity payments	24		318		318	
Lump sums on maturity	25		451		451	653
<b>Total</b>	<b>26</b>	<b>14613</b>	<b>917</b>	<b>2198</b>	<b>17727</b>	<b>15811</b>

**Reinsurance - intra-group**

Death or disability lump sums	31	283	1692		1975	1257
Disability periodic payments	32					
Surrender or partial surrender	33	2148	24042		26190	26388
Annuity payments	34		824972		824972	759804
Lump sums on maturity	35	286	46980		47266	49103
<b>Total</b>	<b>36</b>	<b>2717</b>	<b>897686</b>		<b>900403</b>	<b>836551</b>

**Net of reinsurance**

Death or disability lump sums	41	401421	93570	22416	517407	312423
Disability periodic payments	42	301			301	336
Surrender or partial surrender	43	1308679	815133	311539	2435352	2474877
Annuity payments	44	5740	187716	2723	196179	139928
Lump sums on maturity	45	962690	1943279	15968	2921937	2637194
<b>Total</b>	<b>46</b>	<b>2678831</b>	<b>3039698</b>	<b>352647</b>	<b>6071177</b>	<b>5564758</b>



**Long-term insurance business : Analysis of claims**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **23 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Death or disability lump sums	11			6332	6332	2596
Disability periodic payments	12					
Surrender or partial surrender	13	175		219766	219941	120428
Annuity payments	14	140915	3133	4306	148354	
Lump sums on maturity	15		1		1	
<b>Total</b>	<b>16</b>	<b>141090</b>	<b>3134</b>	<b>230403</b>	<b>374627</b>	<b>123024</b>

**Reinsurance - external**

Death or disability lump sums	21					
Disability periodic payments	22					
Surrender or partial surrender	23					
Annuity payments	24					
Lump sums on maturity	25					
<b>Total</b>	<b>26</b>					

**Reinsurance - intra-group**

Death or disability lump sums	31					
Disability periodic payments	32					
Surrender or partial surrender	33					
Annuity payments	34					
Lump sums on maturity	35					
<b>Total</b>	<b>36</b>					

**Net of reinsurance**

Death or disability lump sums	41			6332	6332	2596
Disability periodic payments	42					
Surrender or partial surrender	43	175		219766	219941	120428
Annuity payments	44	140915	3133	4306	148354	
Lump sums on maturity	45		1		1	
<b>Total</b>	<b>46</b>	<b>141090</b>	<b>3134</b>	<b>230403</b>	<b>374627</b>	<b>123024</b>

**Long-term insurance business : Analysis of claims**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Death or disability lump sums	11	130518	13478	28533	172529	173093
Disability periodic payments	12	1128		(1198)	(70)	2677
Surrender or partial surrender	13	425487	411564	56577	893628	864381
Annuity payments	14		156935		156935	135939
Lump sums on maturity	15	39576	184388		223964	590420
<b>Total</b>	<b>16</b>	<b>596710</b>	<b>766365</b>	<b>83912</b>	<b>1446986</b>	<b>1766511</b>

**Reinsurance - external**

Death or disability lump sums	21		14	2169	2183	3148
Disability periodic payments	22	17		26	43	143
Surrender or partial surrender	23	21810	7238		29049	20297
Annuity payments	24					
Lump sums on maturity	25		148		148	71
<b>Total</b>	<b>26</b>	<b>21828</b>	<b>7401</b>	<b>2195</b>	<b>31423</b>	<b>23659</b>

**Reinsurance - intra-group**

Death or disability lump sums	31	18272	518		18790	13306
Disability periodic payments	32					
Surrender or partial surrender	33	206321	41962		248283	186148
Annuity payments	34		20281		20281	24437
Lump sums on maturity	35		10013		10013	4507
<b>Total</b>	<b>36</b>	<b>224593</b>	<b>72774</b>		<b>297367</b>	<b>228398</b>

**Net of reinsurance**

Death or disability lump sums	41	112246	12946	26364	151556	156638
Disability periodic payments	42	1110		(1224)	(113)	2535
Surrender or partial surrender	43	197356	362363	56577	616297	657936
Annuity payments	44		136654		136654	111502
Lump sums on maturity	45	39576	174226		213803	585842
<b>Total</b>	<b>46</b>	<b>350289</b>	<b>686190</b>	<b>81717</b>	<b>1118196</b>	<b>1514454</b>

**Long-term insurance business : Analysis of expenses**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **10 Summary**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Commission - acquisition	11	30318	(1175)	95460	124603	(21462)
Commission - other	12	17543	4418	25020	46981	42789
Management - acquisition	13	62885	86627	71212	220725	174178
Management - maintenance	14	213063	363491	21036	597590	518868
Management - other	15	5504	10038	(4383)	11159	26236
<b>Total</b>	<b>16</b>	<b>329313</b>	<b>463400</b>	<b>208346</b>	<b>1001059</b>	<b>740609</b>

**Reinsurance - external**

Commission - acquisition	21		391	442	833	1025
Commission - other	22	110	187	2199	2496	3557
Management - acquisition	23			44	44	26
Management - maintenance	24			92	92	78
Management - other	25					
<b>Total</b>	<b>26</b>	<b>110</b>	<b>579</b>	<b>2776</b>	<b>3465</b>	<b>4686</b>

**Reinsurance - intra-group**

Commission - acquisition	31		1565		1565	
Commission - other	32	457	800		1257	
Management - acquisition	33	1	4267		4268	
Management - maintenance	34	1294	3421		4715	
Management - other	35					
<b>Total</b>	<b>36</b>	<b>1752</b>	<b>10052</b>		<b>11805</b>	

**Net of reinsurance**

Commission - acquisition	41	30318	(3131)	95018	122205	(22487)
Commission - other	42	16977	3431	22821	43229	39233
Management - acquisition	43	62884	82360	71168	216412	174152
Management - maintenance	44	211769	360071	20944	592784	518790
Management - other	45	5504	10038	(4383)	11159	26236
<b>Total</b>	<b>46</b>	<b>327451</b>	<b>452769</b>	<b>205570</b>	<b>985790</b>	<b>735923</b>

**Long-term insurance business : Analysis of expenses**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Commission - acquisition	11	1	1416		1418	1833
Commission - other	12	2484	1007		3491	4224
Management - acquisition	13		156		156	
Management - maintenance	14	24158	39869		64026	50652
Management - other	15					
<b>Total</b>	<b>16</b>	<b>26643</b>	<b>42448</b>		<b>69091</b>	<b>56709</b>

**Reinsurance - external**

Commission - acquisition	21					
Commission - other	22	1	3		5	5
Management - acquisition	23					
Management - maintenance	24					
Management - other	25					
<b>Total</b>	<b>26</b>	<b>1</b>	<b>3</b>		<b>5</b>	<b>5</b>

**Reinsurance - intra-group**

Commission - acquisition	31					
Commission - other	32					
Management - acquisition	33					
Management - maintenance	34					
Management - other	35					
<b>Total</b>	<b>36</b>					

**Net of reinsurance**

Commission - acquisition	41	1	1416		1418	1833
Commission - other	42	2483	1003		3486	4219
Management - acquisition	43		156		156	
Management - maintenance	44	24158	39869		64026	50652
Management - other	45					
<b>Total</b>	<b>46</b>	<b>26642</b>	<b>42445</b>		<b>69086</b>	<b>56704</b>

**Long-term insurance business : Analysis of expenses**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Commission - acquisition	11	54242	(10573)	44676	88344	72118
Commission - other	12	14006	1780	14194	29981	22866
Management - acquisition	13	34670	42918	35409	112997	85512
Management - maintenance	14	185282	247876	15214	448373	407066
Management - other	15	1650	860		2510	18785
<b>Total</b>	<b>16</b>	<b>289851</b>	<b>282861</b>	<b>109492</b>	<b>682204</b>	<b>606346</b>

**Reinsurance - external**

Commission - acquisition	21			178	178	243
Commission - other	22	2		1189	1191	1094
Management - acquisition	23			23	23	22
Management - maintenance	24			87	87	77
Management - other	25					
<b>Total</b>	<b>26</b>	<b>2</b>		<b>1477</b>	<b>1479</b>	<b>1436</b>

**Reinsurance - intra-group**

Commission - acquisition	31					
Commission - other	32					
Management - acquisition	33					
Management - maintenance	34					
Management - other	35					
<b>Total</b>	<b>36</b>					

**Net of reinsurance**

Commission - acquisition	41	54242	(10573)	44497	88166	71875
Commission - other	42	14005	1780	13005	28790	21771
Management - acquisition	43	34670	42918	35386	112974	85489
Management - maintenance	44	185282	247876	15127	448286	406989
Management - other	45	1650	860		2510	18785
<b>Total</b>	<b>46</b>	<b>289849</b>	<b>282861</b>	<b>108015</b>	<b>680726</b>	<b>604910</b>

**Long-term insurance business : Analysis of expenses**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **23 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Commission - acquisition	11				17
Commission - other	12				
Management - acquisition	13				
Management - maintenance	14	6		6	
Management - other	15		(4383)	(4383)	(4258)
<b>Total</b>	<b>16</b>	<b>6</b>	<b>(4383)</b>	<b>(4377)</b>	<b>(4241)</b>

**Reinsurance - external**

Commission - acquisition	21				
Commission - other	22				
Management - acquisition	23				
Management - maintenance	24				
Management - other	25				
<b>Total</b>	<b>26</b>				

**Reinsurance - intra-group**

Commission - acquisition	31				
Commission - other	32				
Management - acquisition	33				
Management - maintenance	34				
Management - other	35				
<b>Total</b>	<b>36</b>				

**Net of reinsurance**

Commission - acquisition	41				17
Commission - other	42				
Management - acquisition	43				
Management - maintenance	44	6		6	
Management - other	45		(4383)	(4383)	(4258)
<b>Total</b>	<b>46</b>	<b>6</b>	<b>(4383)</b>	<b>(4377)</b>	<b>(4241)</b>

**Long-term insurance business : Analysis of expenses**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Commission - acquisition	11	(23925)	7981	50784	34841	(95431)
Commission - other	12	1052	1631	10826	13510	15700
Management - acquisition	13	28215	43553	35804	107572	88666
Management - maintenance	14	3617	75746	5822	85186	61149
Management - other	15	3854	9178		13032	11709
<b>Total</b>	<b>16</b>	<b>12814</b>	<b>138091</b>	<b>103236</b>	<b>254140</b>	<b>81794</b>

**Reinsurance - external**

Commission - acquisition	21		391	264	655	782
Commission - other	22	107	184	1009	1301	2457
Management - acquisition	23			21	21	4
Management - maintenance	24			5	5	1
Management - other	25					
<b>Total</b>	<b>26</b>	<b>107</b>	<b>575</b>	<b>1299</b>	<b>1981</b>	<b>3244</b>

**Reinsurance - intra-group**

Commission - acquisition	31		1565		1565	
Commission - other	32	457	800		1257	
Management - acquisition	33	1	4267		4268	
Management - maintenance	34	1294	3421		4715	
Management - other	35					
<b>Total</b>	<b>36</b>	<b>1752</b>	<b>10052</b>		<b>11805</b>	

**Net of reinsurance**

Commission - acquisition	41	(23925)	6025	50521	32621	(96213)
Commission - other	42	489	647	9817	10953	13243
Management - acquisition	43	28214	39286	35782	103283	88662
Management - maintenance	44	2323	72326	5818	80466	61148
Management - other	45	3854	9178		13032	11709
<b>Total</b>	<b>46</b>	<b>10954</b>	<b>127463</b>	<b>101937</b>	<b>240354</b>	<b>78550</b>

**Long-term insurance business : Linked funds balance sheet**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year 1	Previous year 2
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**Internal linked funds (excluding cross investment)**

Directly held assets (excluding collective investment schemes)	11	1691007	1972535
Directly held assets in collective investment schemes of connected companies	12	4332152	5693901
Directly held assets in other collective investment schemes	13	133957	194717
<b>Total assets (excluding cross investment) (11+12+13)</b>	<b>14</b>	<b>6157117</b>	<b>7861153</b>
Provision for tax on unrealised capital gains	15	(221)	27711
Secured and unsecured loans	16		
Other liabilities	17	105	424
<b>Total net assets (14-15-16-17)</b>	<b>18</b>	<b>6157232</b>	<b>7833018</b>

**Directly held linked assets**

Value of directly held linked assets	21	53484	76433
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**Total**

Value of directly held linked assets and units held (18+21)	31	6210716	7909451
Surplus units	32	9864	5647
Deficit units	33		
<b>Net unit liability (31-32+33)</b>	<b>34</b>	<b>6200852</b>	<b>7903805</b>



**Long-term insurance business : Revenue account for internal linked funds**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year 1	Previous year 2
---------------------	--------------------

**Income**

Value of total creation of units	11	1519603	579438
Investment income attributable to the funds before deduction of tax	12	282538	237006
Increase (decrease) in the value of investments in the financial year	13	(1689231)	374641
Other income	14		
<b>Total income</b>	<b>19</b>	<b>112911</b>	<b>1191085</b>

**Expenditure**

Value of total cancellation of units	21	1762970	1007372
Charges for management	22	72697	77981
Charges in respect of tax on investment income	23	10351	26791
Taxation on realised capital gains	24	(19794)	4579
Increase (decrease) in amount set aside for tax on capital gains not yet realised	25	(3996)	185
Other expenditure	26		
<b>Total expenditure</b>	<b>29</b>	<b>1822227</b>	<b>1116908</b>

Increase (decrease) in funds in financial year (19-29)	39	(1709317)	74177
Internal linked fund brought forward	49	7866549	7758840
Internal linked funds carried forward (39+49)	59	6157232	7833018

**Long-term insurance business : Summary of new business**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Number of new policyholders/  
scheme members for direct  
insurance business**

Regular premium business	11	133494	41868	117306	292668	344279
Single premium business	12	204127	80639	19079	303845	190355
<b>Total</b>	<b>13</b>	<b>337621</b>	<b>122507</b>	<b>136385</b>	<b>596513</b>	<b>534634</b>

**Amount of new regular  
premiums**

Direct insurance business	21	10354	225695	199718	435767	339970
External reinsurance	22			218	218	175
Intra-group reinsurance	23					
<b>Total</b>	<b>24</b>	<b>10354</b>	<b>225695</b>	<b>199936</b>	<b>435985</b>	<b>340145</b>

**Amount of new single  
premiums**

Direct insurance business	25	1090447	2754828	684229	4529505	5595816
External reinsurance	26			123	123	59
Intra-group reinsurance	27	35	2387114	294108	2681257	295536
<b>Total</b>	<b>28</b>	<b>1090482</b>	<b>5141942</b>	<b>978460</b>	<b>7210885</b>	<b>5891411</b>

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

UK Life / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
100	Conventional whole life with-profits OB	14	6		
120	Conventional endowment with-profits OB savings	7	6		80
125	Conventional endowment with-profits OB target cash	8	5		
195	Annuity with-profits (PLA)				(810)
325	Level term assurance	6400	3771		
330	Decreasing term assurance	429	78		
345	Accelerated critical illness (reviewable premiums)	4125	1371		
355	Stand-alone critical illness (reviewable premiums)		102		
365	Income protection non-profit (reviewable premiums)		87		
380	Miscellaneous protection rider		18		
395	Annuity non-profit (PLA)			76	2972
415	Collective life	121263	3712	183832	5452
500	Life UWP single premium			17648	965474
505	Life UWP whole life regular premium	1247	936		
510	Life UWP endowment regular premium - savings		1		

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

UK Life / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
515	Life UWP endowment regular premium - target cash	(3)	26		
700	Life property linked single premium			2571	117279
710	Life property linked whole life regular premium	2	197		
715	Life property linked endowment regular premium - savings	2	5		
720	Life property linked endowment regular premium - target cash		9		
790	Miscellaneous protection rider		12		
795	Miscellaneous property linked		12		

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

UK Life / Reinsurance accepted intra-group

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
500	Life UWP single premium				35

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

UK Pension / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
155	Conventional pensions endowment with-profits			(1)	
170	Conventional deferred annuity with-profits - increments		540		2838
200	Annuity with-profits (CPA)			7948	401964
205	Miscellaneous conventional with-profits				41930
325	Level term assurance	111	9		
400	Annuity non-profit (CPA)			65672	1467803
405	Annuity non-profit (CPA impaired life)			4	278
525	Individual pensions UWP	952	2187	1125	31601
530	Individual pensions UWP - increments		6415		1245
535	Group money purchase pensions UWP	2799	11357	95	29305
540	Group money purchase pensions UWP - increments		326		154
555	Group deposit administration with-profits	10613	71728		139444
565	DWP National Insurance rebates UWP				155100
570	Income drawdown UWP			410	23330
571	Trustee investment plan UWP			191	31199

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

UK Pension / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
575	Miscellaneous UWP			20	1283
595	Income protection rider		11		
725	Individual pensions property linked	4206	15634	3779	93536
730	Individual pensions property linked - increments		3359		14396
735	Group money purchase pensions property linked	23187	101101	178	168306
740	Group money purchase pensions property linked - increments		13008		29260
745	DWP National Insurance rebates property linked				33416
750	Income drawdown property linked			594	51360
755	Trustee investment plan			36	1418
770	Term assurance rider		2		
785	Income protection rider		18		
795	Miscellaneous property linked			25	17311
905	Index linked annuity			563	18351

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

UK Pension / Reinsurance accepted intra-group

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
390	Deferred annuity non-profit				55773
400	Annuity non-profit (CPA)				1615369
401	Annuity non-profit (bulk transfer)				271823
405	Annuity non-profit (CPA impaired life)				66779
794	Property linked investment only reinsurance				252
905	Index linked annuity				124410
906	Index linked annuity (bulk transfer)				222449
907	Index linked deferred annuity				30259



**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

Overseas / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
100	Conventional whole life with-profits OB	31320	47241	223	2408
120	Conventional endowment with-profits OB savings	6954	23002		
170	Conventional deferred annuity with-profits - increments		(5)		18
195	Annuity with-profits (PLA)				(372)
200	Annuity with-profits (CPA)				(303)
325	Level term assurance	4148	2451		2
330	Decreasing term assurance	217	53	372	1385
345	Accelerated critical illness (reviewable premiums)		2063		
355	Stand-alone critical illness (reviewable premiums)	19431	15057		
365	Income protection non-profit (reviewable premiums)	67	28		
380	Miscellaneous protection rider		6188		
395	Annuity non-profit (PLA)			100	9391
410	Group life	1671	56		
430	Group critical illness		10		
435	Miscellaneous non-profit	16956	10593	8	91

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

Overseas / Direct Insurance Business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
500	Life UWP single premium			16131	573549
525	Individual pensions UWP			2	
700	Life property linked single premium			2243	98061
710	Life property linked whole life regular premium	36542	87061		
770	Term assurance rider		1180		
775	Accelerated critical illness rider		624		
780	Stand-alone critical illness rider		144		
785	Income protection rider		11		
790	Miscellaneous protection rider		3961		

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31-Dec-07**

Units

**£000**

Overseas / Reinsurance accepted external

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
530	Individual pensions UWP - increments		218		123

**Long-term insurance business : Analysis of new business**

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2008**

Units

**£000**

Overseas / Reinsurance accepted intra-group

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
500	Life UWP single premium				279445
575	Miscellaneous UWP - Capital redemption bond				14663

**Long-term insurance business : Assets not held to match linked liabilities**

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **10 Total long term insurance business assets**  
 Financial year ended **31 December 2008**  
 Units **£000**

Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
1	2	3	4	5

**Assets backing non-profit liabilities and non-profit capital requirements**

Land and buildings	11					
Approved fixed interest securities	12	1004749	1004749	38816	3.49	
Other fixed interest securities	13	2737377	2948620	206748	8.59	
Variable interest securities	14	103728	38485	2308	9.88	
UK listed equity shares	15	2554	3059	148	4.85	
Non-UK listed equity shares	16					
Unlisted equity shares	17	59281	59281			
Other assets	18	2835981	2689477	137482	5.11	
<b>Total</b>	<b>19</b>	<b>6743670</b>	<b>6743670</b>	<b>385503</b>	<b>6.37</b>	

**Assets backing with-profits liabilities and with-profits capital requirements**

Land and buildings	21	6516834	8865406	568040	6.41	(20.45)
Approved fixed interest securities	22	3934886	1460049	28354	3.20	(8.90)
Other fixed interest securities	23	18653478	21367906	1436920	8.97	(8.90)
Variable interest securities	24	2526048	2531049	148373	10.05	(8.90)
UK listed equity shares	25	17297809	18562663	977207	9.02	(29.35)
Non-UK listed equity shares	26	9475051	12359511	579687	7.44	(21.14)
Unlisted equity shares	27	2415056	2424551	7640	0.36	(26.63)
Other assets	28	15692990	8941016	167709	1.88	4.25
<b>Total</b>	<b>29</b>	<b>76512152</b>	<b>76512152</b>	<b>3913930</b>	<b>7.26</b>	<b>(16.20)</b>

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					
Return allocated to non taxable 'asset shares'	32					
Return allocated to taxable 'asset shares'	33					

**Long-term insurance business : Assets not held to match linked liabilities**

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **11 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
1	2	3	4	5

**Assets backing non-profit liabilities and non-profit capital requirements**

Land and buildings	11					
Approved fixed interest securities	12	18521	18521	1175	5.52	
Other fixed interest securities	13	274318	274318	19454	9.51	
Variable interest securities	14	32013	32013	1869	10.73	
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18					
<b>Total</b>	<b>19</b>	<b>324851</b>	<b>324851</b>	<b>22499</b>	<b>9.41</b>	

**Assets backing with-profits liabilities and with-profits capital requirements**

Land and buildings	21	830730	1201689	83048	6.91	(17.20)
Approved fixed interest securities	22	590141	212647	13491	5.52	(9.50)
Other fixed interest securities	23	3073989	3149622	223368	9.51	(9.50)
Variable interest securities	24	367557	367557	21462	10.73	(9.50)
UK listed equity shares	25	2304600	2692281	150558	8.91	(29.09)
Non-UK listed equity shares	26	1158650	1367683	58633	7.62	(21.41)
Unlisted equity shares	27	296461	362939	7640	2.38	(26.51)
Other assets	28	1818294	1086005	23858	2.20	7.62
<b>Total</b>	<b>29</b>	<b>10440423</b>	<b>10440423</b>	<b>582058</b>	<b>7.76</b>	<b>(18.42)</b>

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					(18.54)
Return allocated to non taxable 'asset shares'	32					(18.42)
Return allocated to taxable 'asset shares'	33					(14.81)

**Long-term insurance business : Assets not held to match linked liabilities**

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **12 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
1	2	3	4	5

**Assets backing non-profit liabilities and non-profit capital requirements**

Land and buildings	11					
Approved fixed interest securities	12	111696	111696	32	3.01	
Other fixed interest securities	13	1010828	1144423	76903	9.23	
Variable interest securities	14					
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18	133595				
<b>Total</b>	<b>19</b>	<b>1256120</b>	<b>1256120</b>	<b>76935</b>	<b>8.68</b>	

**Assets backing with-profits liabilities and with-profits capital requirements**

Land and buildings	21	5460140	7314635	464615	6.35	(20.96)
Approved fixed interest securities	22	3344745	1242509	14802	2.81	(8.80)
Other fixed interest securities	23	14959471	17219539	1167995	8.89	(8.80)
Variable interest securities	24	2156376	2161377	126894	9.94	(8.80)
UK listed equity shares	25	14555787	15417376	803762	9.06	(29.39)
Non-UK listed equity shares	26	7555684	9916044	475954	7.47	(21.11)
Unlisted equity shares	27	2118562	2061579			(26.66)
Other assets	28	12987616	7805321	143395	1.84	3.78
<b>Total</b>	<b>29</b>	<b>63138380</b>	<b>63138380</b>	<b>3197418</b>	<b>7.17</b>	<b>(19.68)</b>

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					(19.80)
Return allocated to non taxable 'asset shares'	32					(19.68)
Return allocated to taxable 'asset shares'	33					(15.84)

**Long-term insurance business : Assets not held to match linked liabilities**

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **13 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
1	2	3	4	5

**Assets backing non-profit liabilities and non-profit capital requirements**

Land and buildings	11					
Approved fixed interest securities	12					
Other fixed interest securities	13					
Variable interest securities	14					
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18					
<b>Total</b>	<b>19</b>					

**Assets backing with-profits liabilities and with-profits capital requirements**

Land and buildings	21	225964	349082	20377	5.84	(20.96)
Approved fixed interest securities	22		4893	61	1.94	(8.80)
Other fixed interest securities	23	620018	998745	45557	8.74	(8.80)
Variable interest securities	24	2115	2115	17	4.31	(8.80)
UK listed equity shares	25	437423	453006	22887	8.41	(29.39)
Non-UK listed equity shares	26	760717	1075785	45099	6.92	(21.11)
Unlisted equity shares	27	33	33			(26.66)
Other assets	28	887080	49690	456	0.92	3.78
<b>Total</b>	<b>29</b>	<b>2933349</b>	<b>2933349</b>	<b>134454</b>	<b>7.53</b>	<b>(19.68)</b>

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					(19.80)
Return allocated to non taxable 'asset shares'	32					(19.68)
Return allocated to taxable 'asset shares'	33					



**Long-term insurance business : Assets not held to match linked liabilities**

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **14 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
1	2	3	4	5

**Assets backing non-profit liabilities and non-profit capital requirements**

Land and buildings	11					
Approved fixed interest securities	12	874532	874532	37610	3.51	
Other fixed interest securities	13	1452231	1529879	110390	7.94	
Variable interest securities	14	71715	6472	439	5.70	
UK listed equity shares	15	2554	3059	148	4.85	
Non-UK listed equity shares	16					
Unlisted equity shares	17	59281	59281			
Other assets	18	2702386	2689477	137482	5.11	
<b>Total</b>	<b>19</b>	<b>5162699</b>	<b>5162699</b>	<b>286070</b>	<b>5.62</b>	

**Assets backing with-profits liabilities and with-profits capital requirements**

Land and buildings	21					
Approved fixed interest securities	22					
Other fixed interest securities	23					
Variable interest securities	24					
UK listed equity shares	25					
Non-UK listed equity shares	26					
Unlisted equity shares	27					
Other assets	28					
<b>Total</b>	<b>29</b>					

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					
Return allocated to non taxable 'asset shares'	32					
Return allocated to taxable 'asset shares'	33					

**Long-term insurance business : Fixed and variable interest assets**

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **10 Total long term insurance business assets**  
 Financial year ended **31 December 2008**  
 Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
<b>UK Government approved fixed interest securities</b>	<b>11</b>	409178	14.48	3.63	3.63
<b>Other approved fixed interest securities</b>	<b>21</b>	2055620	17.22	3.26	2.70
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	3222788	4.74	9.04	8.33
AA/Aa	<b>32</b>	3039514	4.85	5.54	4.62
A/A	<b>33</b>	8162148	5.63	8.31	7.00
BBB/Baa	<b>34</b>	6026078	5.11	10.19	8.46
BB/Ba	<b>35</b>	537826	2.82	15.06	8.80
B/B	<b>36</b>	256771	2.88	19.13	9.27
CCC/Caa	<b>37</b>	164493	2.33	27.67	9.80
Other (including unrated)	<b>38</b>	2906907	4.45	8.34	6.82
<b>Total other fixed interest securities</b>	<b>39</b>	24316525	5.03	8.93	7.30
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	2569534	2.45	10.05	8.79
<b>Total (11+21+39+41+51)</b>	<b>61</b>	29350857	5.79	8.55	7.06

## Long-term insurance business : Fixed and variable interest assets

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **11 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
<b>UK Government approved fixed interest securities</b>	<b>11</b>				
<b>Other approved fixed interest securities</b>	<b>21</b>	231168	11.57	5.52	5.48
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	484753	5.99	9.28	8.71
AA/Aa	<b>32</b>	321162	5.10	7.17	6.45
A/A	<b>33</b>	1110746	7.41	8.67	7.50
BBB/Baa	<b>34</b>	924350	6.88	10.21	8.49
BB/Ba	<b>35</b>	90722	5.38	15.23	8.80
B/B	<b>36</b>	47062	4.49	18.75	9.18
CCC/Caa	<b>37</b>	28581	4.36	26.60	9.96
Other (including unrated)	<b>38</b>	416563	4.92	8.82	7.41
<b>Total other fixed interest securities</b>	<b>39</b>	3423939	6.43	9.51	7.91
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	399570	2.45	10.73	9.44
<b>Total (11+21+39+41+51)</b>	<b>61</b>	4054677	6.33	9.40	7.92

## Long-term insurance business : Fixed and variable interest assets

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **12 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
<b>UK Government approved fixed interest securities</b>	<b>11</b>				
<b>Other approved fixed interest securities</b>	<b>21</b>	1354205	21.33	2.83	2.02
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	2485387	4.28	9.17	8.43
AA/Aa	<b>32</b>	2372995	4.22	5.20	4.23
A/A	<b>33</b>	6026545	4.85	8.29	6.93
BBB/Baa	<b>34</b>	4467692	4.46	10.25	8.50
BB/Ba	<b>35</b>	418189	2.24	14.84	8.80
B/B	<b>36</b>	198513	2.49	19.26	9.29
CCC/Caa	<b>37</b>	129898	1.86	27.77	9.76
Other (including unrated)	<b>38</b>	2264744	4.27	8.42	6.87
<b>Total other fixed interest securities</b>	<b>39</b>	18363963	4.42	8.91	7.25
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	2161377	2.46	9.94	8.69
<b>Total (11+21+39+41+51)</b>	<b>61</b>	21879544	5.27	8.63	7.07

## Long-term insurance business : Fixed and variable interest assets

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **13 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
<b>UK Government approved fixed interest securities</b>	<b>11</b>				
<b>Other approved fixed interest securities</b>	<b>21</b>	4893	1.01	1.94	1.94
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	153694	5.98	7.53	6.91
AA/Aa	<b>32</b>	94250	4.90	6.44	5.65
A/A	<b>33</b>	357761	5.83	7.82	6.57
BBB/Baa	<b>34</b>	262553	5.08	9.94	8.32
BB/Ba	<b>35</b>	27835	3.18	16.88	8.80
B/B	<b>36</b>	11197	2.92	18.54	9.18
CCC/Caa	<b>37</b>	5219	2.63	25.97	9.97
Other (including unrated)	<b>38</b>	86237	4.78	8.65	7.20
<b>Total other fixed interest securities</b>	<b>39</b>	998745	5.36	8.74	7.16
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	2115	0.21	4.31	3.00
<b>Total (11+21+39+41+51)</b>	<b>61</b>	1005753	5.33	8.70	7.13

## Long-term insurance business : Fixed and variable interest assets

Name of insurer **The Prudential Assurance Company Limited**  
 Category of assets **14 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
<b>UK Government approved fixed interest securities</b>	<b>11</b>	409178	14.48	3.63	3.63
<b>Other approved fixed interest securities</b>	<b>21</b>	465354	8.24	3.40	3.32
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	98954	8.45	6.88	6.21
AA/Aa	<b>32</b>	251106	10.39	6.34	5.57
A/A	<b>33</b>	667096	9.53	8.21	7.00
BBB/Baa	<b>34</b>	371483	8.57	9.60	8.03
BB/Ba	<b>35</b>	1080	3.35	40.95	9.51
B/B	<b>36</b>				
CCC/Caa	<b>37</b>	796	3.92	61.30	9.71
Other (including unrated)	<b>38</b>	139363	5.79	5.31	4.05
<b>Total other fixed interest securities</b>	<b>39</b>	1529879	9.02	7.94	6.70
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	6472	1.98	5.70	4.88
<b>Total (11+21+39+41+51)</b>	<b>61</b>	2410883	9.78	6.33	5.52

**Long-term insurance business : Summary of mathematical reserves**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **10 Summary**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Form 51 - with-profits	11	7695095	10461365	3017735	21174195	21687197
Form 51 - non-profit	12	932184	15961902	480446	17374532	14564650
Form 52	13	14029533	23678942	4146631	41855106	41200913
Form 53 - linked	14	3344850	5957129	418277	9720256	11850972
Form 53 - non-linked	15	118245	250732	11768	380745	333579
Form 54 - linked	16	4703	852823	945	858471	510077
Form 54 - non-linked	17		26881		26881	
<b>Total</b>	<b>18</b>	<b>26124610</b>	<b>57189774</b>	<b>8075802</b>	<b>91390186</b>	<b>90147388</b>

**Reinsurance - external**

Form 51 - with-profits	21	4124		63	4187	4493
Form 51 - non-profit	22	105108	4445	12259	121812	123337
Form 52	23	87	63		150	190
Form 53 - linked	24	48072	151613		199685	217377
Form 53 - non-linked	25	5151	767	330	6248	6551
Form 54 - linked	26		4300		4300	4415
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>162542</b>	<b>161188</b>	<b>12652</b>	<b>336382</b>	<b>356363</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32	34247	11341598		11375845	11221390
Form 52	33					
Form 53 - linked	34	1488911	1830807		3319718	3729790
Form 53 - non-linked	35	589	368		957	
Form 54 - linked	36	1409	497525		498934	498500
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>	<b>1525156</b>	<b>13670298</b>		<b>15195454</b>	<b>15449680</b>

**Net of reinsurance**

Form 51 - with-profits	41	7690971	10461365	3017672	21170008	21682704
Form 51 - non-profit	42	792829	4615858	468187	5876874	3219923
Form 52	43	14029446	23678879	4146631	41854956	41200723
Form 53 - linked	44	1807867	3974709	418277	6200853	7903805
Form 53 - non-linked	45	112505	249597	11438	373540	327028
Form 54 - linked	46	3294	350998	945	355237	7162
Form 54 - non-linked	47		26881		26881	
<b>Total</b>	<b>48</b>	<b>24436912</b>	<b>43358288</b>	<b>8063150</b>	<b>75858350</b>	<b>74341345</b>

**Long-term insurance business : Summary of mathematical reserves**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Form 51 - with-profits	11	3145332	1693038		4838370	5381407
Form 51 - non-profit	12	29385	673613		702998	727662
Form 52	13	890549	3215421		4105970	4383628
Form 53 - linked	14					
Form 53 - non-linked	15		70167		70167	78518
Form 54 - linked	16					
Form 54 - non-linked	17					
<b>Total</b>	<b>18</b>	<b>4065266</b>	<b>5652239</b>		<b>9717505</b>	<b>10571215</b>

**Reinsurance - external**

Form 51 - with-profits	21	2075			2075	2306
Form 51 - non-profit	22	31	360		391	435
Form 52	23		5		5	6
Form 53 - linked	24					
Form 53 - non-linked	25		2		2	3
Form 54 - linked	26					
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>2106</b>	<b>367</b>		<b>2473</b>	<b>2750</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32		499203		499203	542145
Form 52	33					
Form 53 - linked	34					
Form 53 - non-linked	35					
Form 54 - linked	36					
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>		<b>499203</b>		<b>499203</b>	<b>542145</b>

**Net of reinsurance**

Form 51 - with-profits	41	3143257	1693038		4836295	5379101
Form 51 - non-profit	42	29354	174050		203404	185082
Form 52	43	890549	3215416		4105965	4383622
Form 53 - linked	44					
Form 53 - non-linked	45		70165		70165	78515
Form 54 - linked	46					
Form 54 - non-linked	47					
<b>Total</b>	<b>48</b>	<b>4063160</b>	<b>5152669</b>		<b>9215829</b>	<b>10026320</b>



**Long-term insurance business : Summary of mathematical reserves**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Form 51 - with-profits	11	4529836	7633182	2982489	15145507	14602239
Form 51 - non-profit	12	565357	11015846	347546	11928749	11369559
Form 52	13	13138984	20463521	2408460	36010965	35166662
Form 53 - linked	14	13895	880498		894393	974640
Form 53 - non-linked	15	13355	75163		88518	87247
Form 54 - linked	16	3294	501647	945	505886	507970
Form 54 - non-linked	17					
<b>Total</b>	<b>18</b>	<b>18264721</b>	<b>40569857</b>	<b>5739440</b>	<b>64574018</b>	<b>62708317</b>

**Reinsurance - external**

Form 51 - with-profits	21	2049		63	2112	2187
Form 51 - non-profit	22	53449	3863	502	57814	65340
Form 52	23	87	58		145	184
Form 53 - linked	24		11682		11682	14487
Form 53 - non-linked	25	1138			1138	1231
Form 54 - linked	26		4300		4300	4415
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>56723</b>	<b>19903</b>	<b>565</b>	<b>77191</b>	<b>87844</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32		10834595		10834595	10375447
Form 52	33					
Form 53 - linked	34	13895	868816		882711	960153
Form 53 - non-linked	35					
Form 54 - linked	36		496585		496585	498023
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>	<b>13895</b>	<b>12199996</b>		<b>12213891</b>	<b>11833623</b>

**Net of reinsurance**

Form 51 - with-profits	41	4527787	7633182	2982426	15143395	14600052
Form 51 - non-profit	42	511908	177388	347044	1036340	928772
Form 52	43	13138897	20463463	2408460	36010820	35166478
Form 53 - linked	44					
Form 53 - non-linked	45	12217	75163		87380	86016
Form 54 - linked	46	3294	762	945	5001	5532
Form 54 - non-linked	47					
<b>Total</b>	<b>48</b>	<b>18194103</b>	<b>28349958</b>	<b>5738875</b>	<b>52282936</b>	<b>50786850</b>

**Long-term insurance business : Summary of mathematical reserves**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **23 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Form 51 - with-profits	11	19927	1135145	35246	1190318	1703551
Form 51 - non-profit	12					
Form 52	13			1738171	1738171	1650623
Form 53 - linked	14					
Form 53 - non-linked	15					
Form 54 - linked	16					
Form 54 - non-linked	17					
<b>Total</b>	<b>18</b>	<b>19927</b>	<b>1135145</b>	<b>1773417</b>	<b>2928489</b>	<b>3354174</b>

**Reinsurance - external**

Form 51 - with-profits	21					
Form 51 - non-profit	22					
Form 52	23					
Form 53 - linked	24					
Form 53 - non-linked	25					
Form 54 - linked	26					
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>					

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32					
Form 52	33					
Form 53 - linked	34					
Form 53 - non-linked	35					
Form 54 - linked	36					
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>					

**Net of reinsurance**

Form 51 - with-profits	41	19927	1135145	35246	1190318	1703551
Form 51 - non-profit	42					
Form 52	43			1738171	1738171	1650623
Form 53 - linked	44					
Form 53 - non-linked	45					
Form 54 - linked	46					
Form 54 - non-linked	47					
<b>Total</b>	<b>48</b>	<b>19927</b>	<b>1135145</b>	<b>1773417</b>	<b>2928489</b>	<b>3354174</b>

**Long-term insurance business : Summary of mathematical reserves**Name of insurer **The Prudential Assurance Company Limited**Total business / subfund **31 Non-Profit Sub-Fund**Financial year ended **31 December 2008**

Units

**£000**

UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
1	2	3	4	5

**Gross**

Form 51 - with-profits	11					
Form 51 - non-profit	12	337442	4272443	132900	4742785	2467429
Form 52	13					
Form 53 - linked	14	3330955	5076631	418277	8825863	10876332
Form 53 - non-linked	15	104890	105402	11768	222060	167814
Form 54 - linked	16	1409	351176		352585	2107
Form 54 - non-linked	17		26881		26881	
<b>Total</b>	<b>18</b>	<b>3774696</b>	<b>9832533</b>	<b>562945</b>	<b>14170174</b>	<b>13513682</b>

**Reinsurance - external**

Form 51 - with-profits	21					
Form 51 - non-profit	22	51628	222	11757	63607	57562
Form 52	23					
Form 53 - linked	24	48072	139931		188003	202890
Form 53 - non-linked	25	4013	765	330	5108	5317
Form 54 - linked	26					
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>103713</b>	<b>140918</b>	<b>12087</b>	<b>256718</b>	<b>265769</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32	34247	7800		42047	303798
Form 52	33					
Form 53 - linked	34	1475016	961991		2437007	2769637
Form 53 - non-linked	35	589	368		957	
Form 54 - linked	36	1409	940		2349	477
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>	<b>1511261</b>	<b>971099</b>		<b>2482360</b>	<b>3073912</b>

**Net of reinsurance**

Form 51 - with-profits	41					
Form 51 - non-profit	42	251567	4264420	121143	4637130	2106069
Form 52	43					
Form 53 - linked	44	1807867	3974709	418277	6200853	7903805
Form 53 - non-linked	45	100288	104269	11438	215995	162497
Form 54 - linked	46		350236		350236	1630
Form 54 - non-linked	47		26881		26881	
<b>Total</b>	<b>48</b>	<b>2159722</b>	<b>8720516</b>	<b>550858</b>	<b>11431096</b>	<b>10174001</b>

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
100	Conventional whole life with-profits OB	4271	87108	1007				54913
120	Conventional endowment with-profits OB savings	39994	450085	10038				353199
125	Conventional endowment with-profits OB target cash	218206	3091519	78817				2620287
165	Conventional deferred annuity with-profits		16					315
175	Group conventional deferred annuity with-profits	62						
185	Group conventional pensions endowment with-profits	23	32					28
205	Miscellaneous conventional with-profits	47	160					1
210	Additional reserves with-profits OB							116589
300	Regular premium non-profit WL/EA OB	172	1707	103				1395
330	Decreasing term assurance		2017260	9919				23730
390	Deferred annuity non-profit	265	46					270
395	Annuity non-profit (PLA)	361	267					2032
435	Miscellaneous non-profit	2						
440	Additional reserves non-profit OB							1958

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
100	Conventional whole life with-profits OB		2315	26				1602
120	Conventional endowment with-profits OB savings		518	9				473
330	Decreasing term assurance		808	9				31
336	Mortality risk premium reinsurance		1787					

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
155	Conventional pensions endowment with-profits	57086	1065373	7382				879898
165	Conventional deferred annuity with-profits	707	800	21				13363
175	Group conventional deferred annuity with-profits	2181	47168	633				101771
210	Additional reserves with-profits OB							698006
300	Regular premium non-profit WL/EA OB	617	10089					11920
325	Level term assurance	14907	582560	2114				13043
380	Miscellaneous protection rider		147	32				66
385	Income protection claims in payment		12					124
390	Deferred annuity non-profit	5218	17607	36				138228
400	Annuity non-profit (CPA)	35962	46764					502641
440	Additional reserves non-profit OB							7591



**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded intra-group

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
400	Annuity non-profit (CPA)		46077					499203



**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
100	Conventional whole life with-profits OB	78590	497709	6811				305281
105	Conventional whole life with-profits IB	921454	939654	7676				1074102
120	Conventional endowment with-profits OB savings	128521	1230830	40465				1061864
125	Conventional endowment with-profits OB target cash	137851	3343588	71264				1604163
130	Conventional endowment with-profits IB	79539	85750	1014				234262
155	Conventional pensions endowment with-profits	7	6					97
165	Conventional deferred annuity with-profits		46					690
195	Annuity with-profits (PLA)	10	46					198
210	Additional reserves with-profits OB							188921
215	Additional reserves with-profits IB							60258
300	Regular premium non-profit WL/EA OB	147607	318744	1510				203061
310	Non-profit IB	1258886	88325	92				60097
325	Level term assurance	118547	5365348	16593				56283
330	Decreasing term assurance	33155	1314973	6213				18285
335	Decreasing term assurance (rider benefits)		19426	129				27

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
340	Accelerated critical illness (guaranteed premiums)	14213	1059304	4903				18618
345	Accelerated critical illness (reviewable premiums)	3589	204201	1370				5201
350	Stand-alone critical illness (guaranteed premiums)		7206	35				132
355	Stand-alone critical illness (reviewable premiums)		5092	29				111
360	Income protection non-profit (guaranteed premiums)		23607	725				2800
380	Miscellaneous protection rider			1				25
385	Income protection claims in payment		42					423
390	Deferred annuity non-profit	314	284	2				5113
395	Annuity non-profit (PLA)	5703	6828					84267
440	Additional reserves non-profit OB			623				68621
445	Additional reserves non-profit IB							42293

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
100	Conventional whole life with-profits OB		1911	37				791
120	Conventional endowment with-profits OB savings		770	23				656
125	Conventional endowment with-profits OB target cash		1348	25				602
300	Regular premium non-profit WL/EA OB		1097	1				722
325	Level term assurance		3828499	6081				33727
330	Decreasing term assurance		430316	1290				2598
335	Decreasing term assurance (rider benefits)		21393	59				32
336	Mortality risk premium reinsurance		408					
340	Accelerated critical illness (guaranteed premiums)		953408	3652				10478
345	Accelerated critical illness (reviewable premiums)		174585	671				1925
350	Stand-alone critical illness (guaranteed premiums)		6486	25				71
355	Stand-alone critical illness (reviewable premiums)		4291	18				51
360	Income protection non-profit (guaranteed premiums)		17745	255				1414
385	Income protection claims in payment		32					317
440	Additional reserves non-profit OB			117				2114

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
155	Conventional pensions endowment with-profits	3081	3608					71283
165	Conventional deferred annuity with-profits	231662	481612	53935				4552785
175	Group conventional deferred annuity with-profits		1882					22398
200	Annuity with-profits (CPA)	36473	160310					2881884
210	Additional reserves with-profits OB							104832
325	Level term assurance	17039	2584415	8485				35814
390	Deferred annuity non-profit	43304	24852	4				254222
400	Annuity non-profit (CPA)	690159	825935					10693696
405	Annuity non-profit (CPA impaired life)	870	2032					26368
440	Additional reserves non-profit OB							5746

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
325	Level term assurance		40					2
400	Annuity non-profit (CPA)		199					3861

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded intra-group

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
390	Deferred annuity non-profit		11124					119170
400	Annuity non-profit (CPA)		825388					10689057
405	Annuity non-profit (CPA impaired life)		2032					26368

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
100	Conventional whole life with-profits OB	352920	13592720	290039				2007127
100	Conventional whole life with-profits OB - HK Cash Bonus plan	48703	2287628	40374				82048
120	Conventional endowment with-profits OB savings	71617	1443059	136970				655799
120	Conventional endowment with-profits OB savings - HK Cash Bonus plan	6254	183465	17190				49862
125	Conventional endowment with-profits OB target cash	365	14605	335				6273
165	Conventional deferred annuity with-profits	2046	7371	1392				62875
175	Group conventional deferred annuity with-profits		41					527
195	Annuity with-profits (PLA)	1	5					54
200	Annuity with-profits (CPA)	1	2					26
210	Additional reserves with-profits OB							117898
300	Regular premium non-profit WL/EA OB	526	4104	47				2644
325	Level term assurance	24745	5412445	17241				33670
330	Decreasing term assurance	3093	209312	413				943
335	Decreasing term assurance (rider benefits)		667	4				6
345	Accelerated critical illness (reviewable premiums)		6338747	19934				200983

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
390	Deferred annuity non-profit	12	109					1676
395	Annuity non-profit (PLA)	3847	7178					107162
440	Additional reserves non-profit OB			7				462



**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Reinsurance ceded external

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
120	Conventional endowment with-profits OB savings		80	3				63
325	Level term assurance		40048	65				469
330	Decreasing term assurance		3921	12				23
335	Decreasing term assurance (rider benefits)		293	1				6
336	Mortality risk premium reinsurance		5091867	6551				
440	Additional reserves non-profit OB			2				4







**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
300	Regular premium non-profit WL/EA OB	41	63	3				47
325	Level term assurance	22168	2442205	5006				21780
330	Decreasing term assurance	28877	1440238	3914				7447
340	Accelerated critical illness (guaranteed premiums)	16519	1607762	6071				19905
345	Accelerated critical illness (reviewable premiums)	14285	1947440	5699				17856
350	Stand-alone critical illness (guaranteed premiums)		25034	137				499
355	Stand-alone critical illness (reviewable premiums)	2692	301965	1497				8241
360	Income protection non-profit (guaranteed premiums)	2187	73764	2002				8159
365	Income protection non-profit (reviewable premiums)		26546	442				1273
380	Miscellaneous protection rider		516312	1310				1278
385	Income protection claims in payment		758					4485
390	Deferred annuity non-profit	58	76					878
400	Annuity non-profit (CPA)	73	84					649
410	Group life	164	10388	60				160
415	Collective life	1068302	11963521	15853				231889



**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
325	Level term assurance		2022285	2623				12262
330	Decreasing term assurance		1063256	1921				4972
340	Accelerated critical illness (guaranteed premiums)		1272931	3776				15303
345	Accelerated critical illness (reviewable premiums)		1372138	2278				5738
350	Stand-alone critical illness (guaranteed premiums)		22399	86				397
355	Stand-alone critical illness (reviewable premiums)		84224	132				273
360	Income protection non-profit (guaranteed premiums)		46431	741				4621
365	Income protection non-profit (reviewable premiums)		17804	132				272
380	Miscellaneous protection rider		9	1				4
385	Income protection claims in payment		222					2221
410	Group life		5194	30				77
415	Collective life		689321	10428				3927
435	Miscellaneous non-profit		22761	205				143
440	Additional reserves non-profit OB							1418

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Reinsurance ceded intra-group

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
360	Income protection non-profit (guaranteed premiums)		19					193
385	Income protection claims in payment		536					2266
415	Collective life		15952					28691
425	Group income protection claims in payment		276					3097



**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
325	Level term assurance	1500	26073	152				416
365	Income protection non-profit (reviewable premiums)		4014	134				1391
390	Deferred annuity non-profit	50	6467					52668
400	Annuity non-profit (CPA)	101297	312388					3896771
405	Annuity non-profit (CPA impaired life)		5704					64244
440	Additional reserves non-profit OB							256953

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
325	Level term assurance		15814	95				213
365	Income protection non-profit (reviewable premiums)		21	1				1
440	Additional reserves non-profit OB							8

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded intra-group

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
400	Annuity non-profit (CPA)		539					7800

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
325	Level term assurance	14952	2347791	4978				2402
330	Decreasing term assurance	1885	205871	332				1153
345	Accelerated critical illness (reviewable premiums)		252202	3552				2980
355	Stand-alone critical illness (reviewable premiums)	41008	2629923	27982				30593
360	Income protection non-profit (guaranteed premiums)	22	79	1				7
365	Income protection non-profit (reviewable premiums)	29753	2218486	5863				11322
380	Miscellaneous protection rider		3171071	33456				14733
385	Income protection claims in payment	561	41878	112				207
410	Group life	20933	1105105	1055				527
430	Group critical illness - Hong Kong		712208	163				84
435	Miscellaneous non-profit - Hong Kong Hospital Income Plan	90096	3311388	32490				64051
440	Additional reserves non-profit OB							4841

**Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profits contracts)**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
325	Level term assurance		659346	1149				24
336	Mortality risk premium reinsurance		1527781	2667				42
345	Accelerated critical illness (reviewable premiums)		52318	878				632
355	Stand-alone critical illness (reviewable premiums)		12916	410				9
360	Income protection non-profit (guaranteed premiums)		9					
365	Income protection non-profit (reviewable premiums)		909102	1786				37
410	Group life		533763	333				132
435	Miscellaneous non-profit - Hong Kong Hospital Income Plan		637875	7274				10881

**Long-term insurance business : Valuation summary of accumulating with-profits contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
510	Life UWP endowment regular premium - savings		17019	1509	17050	17050		17050
515	Life UWP endowment regular premium - target cash		837889	64738	860247	838525		838525
610	Additional reserves UWP						34974	34974

**Long-term insurance business : Valuation summary of accumulating with-profits contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
525	Individual pensions UWP	278441	2918634	34931	3064929	3064929	30247	3095176
535	Group money purchase pensions UWP	1741	16604	372	16282	16282	519	16801
570	Income drawdown UWP	59	3915		3915	3915	11	3926
595	Income protection rider		7424	198			1407	1407
610	Additional reserves UWP						98111	98111

**Long-term insurance business : Valuation summary of accumulating with-profits contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
575	Miscellaneous UWP		2575	13			1	1
595	Income protection rider		64	2			4	4



**Long-term insurance business : Valuation summary of accumulating with-profits contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
500	Life UWP single premium - Optimum Bonus Fund	12702	576102		570398	579612		579612
500	Life UWP single premium - Other	318023	10358786		10273551	9986029	18969	10004998
500	Life UWP single premium - PruFund	19502	939838		848952	1028000		1028000
505	Life UWP whole life regular premium	103278	974384	45081	981529	1007824	4293	1012117
510	Life UWP endowment regular premium - savings	4952	27814	1990	15862	16300	290	16590
515	Life UWP endowment regular premium - target cash	132231	2712586	24350	193273	194923	26682	221605
555	Group deposit administration with-profits - 0% guarantee	9602	126	11	126	126		126
555	Group deposit administration with-profits - 2.5% guarantee		203		203	203		203
555	Group deposit administration with-profits - 4.75% guarantee		434		436	436		436
580	Term assurance rider		27					
595	Income protection rider		43744	1019			3475	3475
610	Additional reserves UWP			1			271822	271822

**Long-term insurance business : Valuation summary of accumulating with-profits contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
575	Miscellaneous UWP		2707	27			3	3
595	Income protection rider		2239	42			84	84

**Long-term insurance business : Valuation summary of accumulating with-profits contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
525	Individual pensions UWP	973713	13361569	216143	13212664	13245871	25830	13271701
535	Group money purchase pensions UWP	98074	1495979	56294	1490001	1458522	2714	1461236
555	Group deposit administration with-profits - 0% guarantee	311505	1398735	227869	1398735	1386870		1386870
555	Group deposit administration with-profits - 2.5% guarantee		1822769		1852489	1852137		1852137
555	Group deposit administration with-profits - 4.75% guarantee		828213		860800	860800		860800
555	Group deposit administration with-profits - Deposit fund	37971	297707	47529	297707	290396		290396
570	Income drawdown UWP	1146	62512		62512	60231	104	60335
571	Trustee investment plan UWP	704	41912		85642	84110		84110
575	Miscellaneous UWP - Flexible lifetime annuity	500	36179		36179	36179		36179
580	Term assurance rider		1083715	4209			2105	2105
595	Income protection rider		21608	294			681	681
610	Additional reserves UWP						1156971	1156971



**Long-term insurance business : Valuation summary of accumulating with-profits contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
500	Life UWP single premium	76706	2130892		1845456	1845456	241885	2087341
505	Life UWP whole life regular premium	2458	13428	2066	13847	13847	203	14050
525	Individual pensions UWP	3871	59070	2162	58365	57808		57808
535	Group money purchase pensions UWP	4825	95044	10186	95044	95044	1006	96050
555	Group deposit administration with-profits - 0% guarantee	364	9614	1494	9614	9532		9532
555	Group deposit administration with-profits - 2.5% guarantee		8669		8670	8638		8638
555	Group deposit administration with-profits - 4.75% guarantee		15938		16151	16151		16151
580	Term assurance rider		2378	32			15	15
610	Additional reserves UWP						118875	118875



**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
725	Individual pensions property linked	84489	72208	5			15706	15706
735	Group money purchase pensions property linked	287	141				197	197
750	Income drawdown property linked	98					24	24
785	Income protection rider		5656	152			737	737
800	Additional reserves property linked						53503	53503





**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
700	Life property linked single premium	12656	20293		13895	13895	508	14403
710	Life property linked whole life regular premium	6201	188640	10			130	130
715	Life property linked endowment regular premium - savings	1055	3295	5			100	100
720	Life property linked endowment regular premium - target cash	9092	655589	93			7930	7930
785	Income protection rider		12798	272			1049	1049
790	Miscellaneous protection rider		363	96				
795	Miscellaneous property linked	734	19057	272			2041	2041
800	Additional reserves property linked						1597	1597

**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
785	Income protection rider		1980	36			160	160
795	Miscellaneous property linked		26143	210			978	978



**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
725	Individual pensions property linked	6548	25315	294			1643	1643
735	Group money purchase pensions property linked	44721	880498	38370	880498	880498	59765	940263
770	Term assurance rider		36587	140			698	698
800	Additional reserves property linked						13057	13057





**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
700	Life property linked single premium	136648	2716056		2526630	2512950	(4597)	2508353
710	Life property linked whole life regular premium	20825	586269	9705	272014	271843	1782	273625
715	Life property linked endowment regular premium - savings	6271	99505	4289	89398	89390	567	89957
720	Life property linked endowment regular premium - target cash	15310	1174285	47534	462615	456549	5505	462054
785	Income protection rider		44166	742			2918	2918
790	Miscellaneous protection rider		248	88	15	15		15
795	Miscellaneous property linked	752	8564	163	208	208	705	913
800	Additional reserves property linked						98010	98010

**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Life / Reinsurance ceded external

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
700	Life property linked single premium		168291		48072	48072	345	48417
710	Life property linked whole life regular premium		178892	1218			498	498
715	Life property linked endowment regular premium - savings		11					
720	Life property linked endowment regular premium - target cash		10676	55				
785	Income protection rider		31216	542			2054	2054
795	Miscellaneous property linked		432291	1995			1116	1116





**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
725	Individual pensions property linked	155649	3573694	120560	3537633	3517054	17829	3534883
735	Group money purchase pensions property linked	107725	1171778	261580	1169033	1169033	11437	1180470
750	Income drawdown property linked	1428	147911		147867	147867	759	148626
755	Trustee investment plan	407	27878		40073	40070		40070
785	Income protection rider		46547	303			1418	1418
794	Property linked investment only reinsurance		72500	574	72500	72500		72500
795	Miscellaneous property linked - Annuity in payment	606	2051		27309	27309		27309
795	Miscellaneous property linked - Flexible lifetime annuity	721	102942		102798	102798	875	103673
800	Additional reserves property linked						73084	73084

**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded external

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
725	Individual pensions property linked		21852	12	15639	15639		15639
735	Group money purchase pensions property linked		124292	12026	124292	124292		124292
785	Income protection rider		33983	165			734	734
795	Miscellaneous property linked - mortality risk premium reinsurance		35155	54			31	31

**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded intra-group

<b>Product code number</b>	<b>Product description</b>	<b>Number of policyholders / scheme members</b>	<b>Amount of benefit</b>	<b>Amount of annual office premiums</b>	<b>Nominal value of units</b>	<b>Discounted value of units</b>	<b>Other liabilities</b>	<b>Amount of mathematical reserves</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
735	Group money purchase pensions property linked		961991	246321	961991	961991		961991
785	Income protection rider		37				368	368

**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
700	Life property linked single premium	10549	147864		109630	109630	(962)	108668
710	Life property linked whole life regular premium	170213	4813184	200490	307935	307935	(24659)	283276
735	Group money purchase pensions property linked	3	712	101	712	712		712
770	Term assurance rider		1977499	5096			1419	1419
775	Accelerated critical illness rider		3068752	10811			32356	32356
780	Stand-alone critical illness rider		667863	1595			95	95
785	Income protection rider		7789	185			391	391
790	Miscellaneous protection rider		1355676	18406			2323	2323
800	Additional reserves property linked						805	805

**Long-term insurance business : Valuation summary of property linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Reinsurance ceded external

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
790	Miscellaneous protection rider		1482459	3531			330	330



**Long-term insurance business : Valuation summary of index linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Gross

<b>Product code number</b>	<b>Product description</b>	<b>Number of policyholders / scheme members</b>	<b>Amount of benefit</b>	<b>Amount of annual office premiums</b>	<b>Nominal value of units</b>	<b>Discounted value of units</b>	<b>Other liabilities</b>	<b>Amount of mathematical reserves</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
905	Index linked annuity(CPA)	9080	31955		494667	494667		494667
907	Index linked deferred annuity	313	444		6980	6980		6980





**Long-term insurance business : Valuation summary of index linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 UK Pension / Reinsurance ceded intra-group

Product code number	Product description	Number of policyholders / scheme members	Amount of benefit	Amount of annual office premiums	Nominal value of units	Discounted value of units	Other liabilities	Amount of mathematical reserves
1	2	3	4	5	6	7	8	9
905	Index linked annuity(CPA)		31500		489605	489605		489605
907	Index linked deferred annuity		444		6980	6980		6980

**Long-term insurance business : Valuation summary of index linked contracts**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**  
 Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
910	Miscellaneous index linked	33	48		945	945		945









**Long-term insurance business : Unit prices for internal linked funds**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business  
 Financial year ended **31 December 2008**  
 Units **£000**

Fund name 1	Type of fund 2	Net assets 3	Main series 4	Unit management charge 5	Price at previous valuation date 6	Price at current valuation date 7	Change in price during year 8
Pru Managed (ex SA)	02 - life - balanced managed fund	568164	Series 2	0.25	9.6390	7.9120	(17.92)
Pru Managed Bonds (ex M&G)	02 - life - balanced managed fund	113492		1.00	18.4550	15.1773	(17.76)
Prufund	02 - life - balanced managed fund	142982		1.00	7.5893	6.4308	(15.26)
Pru Inheritance Bond (ex SA)	04 - life - other managed fund	164077	Series 1	0.75	1.1760	0.9710	(17.43)
Pru Recovery Bond Fund (ex M&G)	05 - life - UK equity	108233		1.00	22.3567	16.8728	(24.53)
Pru Exempt Managed (ex SA)	12 - individual pension - balanced managed fund	1539924	Series 2	1.00	12.6480	10.6070	(16.14)
Pru Exempt Cash (ex SA)	14 - individual pension - other managed fund	494141	Series 2	1.00	5.8710	6.0970	3.85
Pru Exempt Equity (ex SA)	15 - individual pension - UK equity	301406	Series 2	1.00	15.5170	10.9770	(29.26)
Pru Exempt Pensions Equity Fund (ex M&G)	15 - individual pension - UK equity	205926		1.00	24.2281	16.7994	(30.66)
Pru Exempt Recovery Pension Fund (ex M&G)	15 - individual pension - UK equity	112980		1.00	19.2454	14.0531	(26.98)
Pru Exempt Property (ex SA)	17 - individual pension - property	173185	Series 2	1.00	10.9990	9.2520	(15.88)



**Long-term insurance business : Index linked business**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business  
 Financial year ended **31 December 2008**  
 Units **£000**

Value of assets 1	Mean Term 2
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**Analysis of assets**

Approved variable interest securities	11		
Other variable interest securities	12	5001	11.03
Approved fixed interest securities	13		
Other fixed interest securities	14		
Cash and deposits	15		
Equity index derivatives	16		
Inflation swaps	17		
Other assets	18	350236	
Variation margin	19		
<b>Total (11 to 19)</b>	<b>20</b>	<b>355237</b>	

**Credit rating of other fixed interest and other variable interest securities**

AAA/Aaa	31		
AA/Aa	32		
A/A	33	5001	11.03
BBB/Baa	34		
BB/Ba	35		
B/B	36		
CCC/Caa	37		
Other (including unrated)	38		
<b>Total other fixed interest and other variable interest securities</b>	<b>39</b>	<b>5001</b>	<b>11.03</b>

**Long-term insurance business: analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **21 Scottish Amicable Insurance Fund**Financial year ended **31 December 2008**Units **£000**

Product group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK Life WP assurances Form 51	3178750	3.00	3.53	4.30
UK Life WP assurances Form 52	907037	3.20	3.60	4.16
UK Pensions NP assurances Form 51	170426		3.75	5.34
UK Pensions Form 52	3117125		3.75	5.42
UK Pensions WP FlexiPension Form 51	712109		4.50	8.73
UK Pensions WP group assurances Form 51	107462		4.25	8.73
UK Pensions maturity options	751755		3.50	6.14
UK Pensions WP group assurances (other) Form 51	233261		4.50	8.73
Misc	99634	n/a	n/a	6.72
<b>Total</b>	9277559			

**Long-term insurance business: analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **22 With-Profits Sub-Fund**Financial year ended **31 December 2008**Units **£000**

Product group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK Life WP assurances Form 51	4719066	3.50	4.38	6.73
UK Life WP assurances Form 52	12845681	1.60	1.81	6.11
UK Pension WP deferred annuities Form 51	4698360		4.75	6.52
UK Pension WP immediate annuities Form 51	2300987			5.67
UK Pension personal pensions guarantees under the FSA pensions review Form 52	347432		3.65	6.98
UK Pension unitised WP and cash accumulation - 0% guarantee Form 52	16607228		2.00	6.42
UK Pension cash accumulation - 2.5% guarantee Form 52	1860978		4.00	7.25
UK Pension cash accumulation - 4.75% guarantee Form 52	877387		4.25	6.98
UK Pension additional reserves Form 52	809539			3.45
Overseas WP assurances Form 51	2762261		2.90	2.97
Misc	5063409	n/a	n/a	4.08
<b>Total</b>	52892328			

**Long-term insurance business: analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **23 Defined Charge Participating Sub-Fund**Financial year ended **31 December 2008**Units **£000**

Product group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK Life Form 51 WP immediate annuities	19927			6.10
UK Pension Form 51 WP immediate annuities	1135145			6.10
Overseas Form 51 WP immediate annuities	35246			6.10
Overseas contracts in sterling Form 52	350646		2.00	5.57
Overseas contracts in euros Form 52	1091345		2.75	4.29
Overseas contracts in US dollars Form 52	288000		3.00	4.64
Misc	8180	n/a	n/a	2.82
<b>Total</b>	2928489			

**Long-term insurance business: analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **31 Non-Profit Sub-Fund**Financial year ended **31 December 2008**Units **£000**

Product group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK Pension Form 51 NP immediate annuities (direct written)	2201955		5.66	5.81
UK Pension Form 51 NP immediate and deferred annuities (reassurance accepted)	1910030		5.83	5.98
UK Pension Form 53 unit-linked business	30777		4.00	7.57
UK Pension Forms 51 business and 53 non-profit riders	9670		3.75	6.55
Collective Life Form 51	199073			1.19
Overseas Life Forms 51 and 53	118141		0.74	0.76
UK Life Forms 51, 53 and 54	34365	3.00	3.75	6.55
Income Protection and Critical Illness Form 51	9001		3.75	6.55
Additional reserves Forms 51 (direct written) and 53	220857			1.19
Misc	146136	n/a	n/a	4.10
<b>Total</b>	4880006			

**Long-term insurance business : Distribution of surplus**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **10 Summary**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	76567022	75166781
Bonus payments in anticipation of a surplus	12	2949378	2570666
Transfer to non-technical account	13	298405	289426
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	79814805	78026873
Mathematical reserves	21	75858350	74341345
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	3956455	3685528

**Composition of surplus**

Balance brought forward	31	39406	84457
Transfer from non-technical account	32	33124	
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	3883925	3601071
Total	39	3956455	3685528

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	2949378	2570666
Cash bonuses	42	1506	1198
Reversionary bonuses	43	281083	313129
Other bonuses	44	393534	471703
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	3625501	3356696
Net transfer out of fund / part of fund	47	298405	289426
Total distributed surplus (46+47)	48	3923906	3646122
Surplus carried forward	49	32549	39406
Total (48+49)	59	3956455	3685528

**Percentage of distributed surplus allocated to policyholders**

Current year	61		
Current year - 1	62		
Current year - 2	63		
Current year - 3	64		

**Long-term insurance business : Distribution of surplus**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **21 Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	9277559	10117249
Bonus payments in anticipation of a surplus	12	715612	585320
Transfer to non-technical account	13		
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	9993171	10702569
Mathematical reserves	21	9215829	10026320
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	777342	676249

**Composition of surplus**

Balance brought forward	31		
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	777342	676249
Total	39	777342	676249

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	715612	585320
Cash bonuses	42		
Reversionary bonuses	43	61730	90929
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	777342	676249
Net transfer out of fund / part of fund	47		
Total distributed surplus (46+47)	48	777342	676249
Surplus carried forward	49		
Total (48+49)	59	777342	676249

**Percentage of distributed surplus allocated to policyholders**

Current year	61	100.00	100.00
Current year - 1	62	100.00	100.00
Current year - 2	63	100.00	100.00
Current year - 3	64	100.00	100.00

**Long-term insurance business : Distribution of surplus**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **22 With-Profits Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	52897329	51481951
Bonus payments in anticipation of a surplus	12	2115979	1916782
Transfer to non-technical account	13	298405	289426
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	55311713	53688159
Mathematical reserves	21	52282936	50786850
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	3028777	2901309

**Composition of surplus**

Balance brought forward	31		
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	3028777	2901309
Total	39	3028777	2901309

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	2115979	1916782
Cash bonuses	42	1506	1198
Reversionary bonuses	43	219353	222200
Other bonuses	44	393534	471703
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	2730372	2611883
Net transfer out of fund / part of fund	47	298405	289426
Total distributed surplus (46+47)	48	3028777	2901309
Surplus carried forward	49		
Total (48+49)	59	3028777	2901309

**Percentage of distributed surplus allocated to policyholders**

Current year	61	90.15	90.02
Current year - 1	62	90.02	90.00
Current year - 2	63	90.00	90.03
Current year - 3	64	90.03	90.01



**Long-term insurance business : Distribution of surplus**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **23 Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	2928489	3354174
Bonus payments in anticipation of a surplus	12	117787	68564
Transfer to non-technical account	13		
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	3046276	3422738
Mathematical reserves	21	2928489	3354174
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	117787	68564

**Composition of surplus**

Balance brought forward	31		
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	117787	68564
Total	39	117787	68564

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	117787	68564
Cash bonuses	42		
Reversionary bonuses	43		
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	117787	68564
Net transfer out of fund / part of fund	47		
Total distributed surplus (46+47)	48	117787	68564
Surplus carried forward	49		
Total (48+49)	59	117787	68564

**Percentage of distributed surplus allocated to policyholders**

Current year	61	100.00	100.00
Current year - 1	62	100.00	100.00
Current year - 2	63	100.00	100.00
Current year - 3	64	100.00	100.00

**Long-term insurance business : Distribution of surplus**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **31 Non-Profit Sub-Fund**  
 Financial year ended **31 December 2008**  
 Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	11463645	10213407
Bonus payments in anticipation of a surplus	12		
Transfer to non-technical account	13		
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	11463645	10213407
Mathematical reserves	21	11431096	10174001
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	32549	39406

**Composition of surplus**

Balance brought forward	31	39406	84457
Transfer from non-technical account	32	33124	
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	(39980)	(45051)
Total	39	32549	39406

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41		
Cash bonuses	42		
Reversionary bonuses	43		
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46		
Net transfer out of fund / part of fund	47		
Total distributed surplus (46+47)	48		
Surplus carried forward	49	32549	39406
Total (48+49)	59	32549	39406

**Percentage of distributed surplus allocated to policyholders**

Current year	61		
Current year - 1	62		
Current year - 2	63		
Current year - 3	64		

**Long-term insurance business : With-profits payouts on maturity (normal retirement)**

Name of insurer **The Prudential Assurance Company Limited**  
Original insurer **41 Prudential Assurance Company Limited**  
Date of maturity value / open market option **01 March 2009**

Category of with-profits policy	Original term (years)	Maturity value / open market option	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	10	7770	1871	n/a	CWP	N	7770
Endowment assurance	15	13780	3593	n/a	CWP	N	13780
Endowment assurance	20	25906	8430	n/a	CWP	N	25906
Endowment assurance	25	44475	14388	n/a	CWP	N	44475
Regular premium pension	5	13917	860	n/a	UWP	N	13917
Regular premium pension	10	32668	4030	n/a	UWP	N	32668
Regular premium pension	15	56088	9529	n/a	UWP	N	56088
Regular premium pension	20	103139	26806	n/a	UWP	N	103139
Single premium pension	5	14136	2372	n/a	UWP	N	14136
Single premium pension	10	16654	2340	n/a	UWP	N	16654
Single premium pension	15	30138	10118	n/a	UWP	N	30138
Single premium pension	20	54003	20762	n/a	UWP	N	54003

## Long-term insurance business : With-profits payouts on surrender

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **41 Prudential Assurance Company Limited**  
 Date of surrender value **01 March 2009**

Category of with-profits policy	Duration at surrender (years)	Surrender value	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	5	2322	423	n/a	CWP	N	14758
Endowment assurance	10	6495	2379	n/a	CWP	N	19943
Endowment assurance	15	11273	3545	n/a	CWP	N	23731
Endowment assurance	20	21251	7323	n/a	CWP	N	32958
With-profits bond	2	8672	123	(1530)	UWP	Y	10623
With-profits bond	3	9144	206	(1613)	UWP	Y	11087
With-profits bond	5	12757	1028		UWP	Y	12885
With-profits bond	10	15344	1226		UWP	Y	15497
Single premium pension	2	9421	398	(1663)	UWP	Y	11083
Single premium pension	3	9727	411	(1717)	UWP	Y	11444
Single premium pension	5	14136	2372		UWP	Y	14136
Single premium pension	10	16654	2340		UWP	Y	16654

**Long-term insurance business : With-profits payouts on maturity (normal retirement)**

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **42 Scottish Amicable Life Assurance Society Limited**  
 Date of maturity value / open market option **01 March 2009**

Category of with-profits policy	Original term (years)	Maturity value / open market option	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	10	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	15	14025	2715	n/a	CWP	N	14025
Endowment assurance	20	25677	7336	n/a	CWP	N	25677
Endowment assurance	25	43590	13319	n/a	CWP	N	43590
Regular premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	10	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	15	59448	11226	n/a	UWP	N	59448
Regular premium pension	20	111300	27204	n/a	UWP	N	111300
Single premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	10	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	15	32113	8788	n/a	UWP	N	32113
Single premium pension	20	56253	17617	n/a	UWP	N	56253

**Long-term insurance business : With-profits payouts on surrender**

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **42 Scottish Amicable Life Assurance Society Limited**  
 Date of surrender value **01 March 2009**

Category of with-profits policy	Duration at surrender (years)	Surrender value	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	5	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	10	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	15	11089	1187	n/a	CWP	N	14080
Endowment assurance	20	21425	4146	n/a	CWP	N	21425
With-profits bond	2	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	3	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	5	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	10	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	2	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	3	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	10	n/a	n/a	n/a	n/a	n/a	n/a

**Long-term insurance business : With-profits payouts on maturity (normal retirement)**

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **43 Scottish Amicable Life plc**  
 Date of maturity value / open market option **01 March 2009**

Category of with-profits policy	Original term (years)	Maturity value / open market option	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	10	7200	939	n/a	UWP	N	7480
Endowment assurance	15	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	20	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	25	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	10	32394	4348	n/a	UWP	N	32394
Regular premium pension	15	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	20	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	10	16874	2694	n/a	UWP	N	16874
Single premium pension	15	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	20	n/a	n/a	n/a	n/a	n/a	n/a

**Long-term insurance business : With-profits payouts on surrender**

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **43 Scottish Amicable Life plc**  
 Date of surrender value **01 March 2009**

Category of with-profits policy	Duration at surrender (years)	Surrender value	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	5	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	10	6266	817		UWP	Y	31510
Endowment assurance	15	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	20	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	2	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	3	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	5	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	10	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	2	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	3	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	10	16874	2694		UWP	Y	16874



**Long-term insurance capital requirement**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2008**Units **£000**

LTICR factor	Gross reserves / capital at risk	Net reserves / capital at risk	Reinsurance factor	LTICR Financial year	LTICR Previous year
1	2	3	4	5	6

**Insurance death risk capital component**

Life protection reinsurance	11	0.0%					
Classes I (other), II and IX	12	0.1%	5038189	4346215	0.71	3578	3002
Classes I (other), II and IX	13	0.15%	6362734	5266654		6777	8596
Classes I (other), II and IX	14	0.3%	48495365	32918116		103306	105416
Classes III, VII and VIII	15	0.3%	8574247	6710926	0.78	20133	15617
<b>Total</b>	<b>16</b>		<b>68470535</b>	<b>49241911</b>		<b>133794</b>	<b>132631</b>

**Insurance health risk and life protection reinsurance capital component**

Class IV supplementary classes 1 and 2 and life protection reinsurance	21					21115	75929
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**Insurance expense risk capital component**

Life protection and permanent health reinsurance	31	0%					
Classes I (other), II and IX	32	1%	80491920	69044144	0.86	690441	664369
Classes III, VII and VIII (investment risk)	33	1%	1713704	1208908	0.85	14566	10843
Classes III, VII and VIII (expenses fixed 5 yrs +)	34	1%	1807621	1332947	0.85	15365	16985
Classes III, VII and VIII (other)	35	25%				8498	9215
Class IV (other)	36	1%	280630	220701	0.85	2385	2532
Class V	37	1%					
Class VI	38	1%	319167	319167	1.00	3192	2067
<b>Total</b>	<b>39</b>					<b>734448</b>	<b>706011</b>

**Insurance market risk capital component**

Life protection and permanent health reinsurance	41	0%					
Classes I (other), II and IX	42	3%	80491920	69044144	0.86	2071324	1993106
Classes III, VII and VIII (investment risk)	43	3%	1713704	1208908	0.85	43699	32528
Classes III, VII and VIII (expenses fixed 5 yrs +)	44	0%	1807621	1332947			
Classes III, VII and VIII (other)	45	0%	7451828	4407100			
Class IV (other)	46	3%	280630	220701	0.85	7156	7597
Class V	47	0%					
Class VI	48	3%	319167	319167	1.00	9575	6202
<b>Total</b>	<b>49</b>		<b>92064870</b>	<b>76532967</b>		<b>2131755</b>	<b>2039433</b>

<b>Long term insurance capital requirement</b>	<b>51</b>					<b>3021112</b>	<b>2954004</b>
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# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2008

## Supplementary Notes to the Forms

### APPENDIX 9.1

\*0101\* Waivers modifying the Accounts and Statements rules

#### Section 68 (Insurance Companies Act 1982) Orders modifying 1996 Regulation provisions continued under transitional arrangements

The Financial Services Authority has used its powers under section 156(2) of the Financial Services and Markets Act 2000 to allow waivers granted under section 68 of the Insurance Companies Act 1982 to continue without the need for companies to request a waiver under the Financial Services and Markets Act 2000.

(906) An Order modifying The Insurance Companies (Accounts and Statements) Regulations 1996 was issued on 16 January 1997 by the Secretary of State with the consent of the Company. The Order permits the Company when completing Forms 20 to 34 to include premiums relating to business accepted in the Netherlands net of local cessions for accident or underwriting years from 1984 to 1995. The section 68 Order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the Supervision manual. The Insurance Companies (Accounts and Statements) Regulations 1996 has now been replaced by the Interim Prudential Sourcebook for Insurers, the Prudential Sourcebook for Insurers and the General Prudential Sourcebook.

(826) The Treasury issued to the Company in February 1999 an Order under section 68 of the Insurance Companies Act 1982 modifying the provisions of Regulation 13 of The Insurance Companies (Accounts and Statements) Regulations 1996 so that the Company is not required to submit a Form 31 in respect of the business written through its Dutch branch in the years 1976 to 1979. The section 68 Order under the Insurance Companies Act 1982 continues to have effect under the transitional arrangements set out in the Supervision manual. Regulation 13 of The Insurance Companies (Accounts and Statements) Regulation 1996 has been replaced by Rule 9.19 of the Interim Prudential Sourcebook for Insurers.

#### Application of Section 148 Waiver

(777110) The FSA, on the application of the firm, made a direction under section 148 of the Financial Services and Markets Act 2000 in September 2007. The effect of the direction is to reduce the level of detail reported in Forms 23, 24, 25, 31 and 32 (by showing all business as written in prior years), and to exclude Forms 28, 29, 34, 37, 38 and 39, in the firm's return to the FSA, in respect of the firm's UK Commercial lines general insurance business, which has been in run off since 31 December 1992. The direction ends on 31 October 2010.

(350789) The FSA made a direction in December 2004 under section 148 of the Financial Services and Markets Act 2000. The effect of the direction is to permit the firm, when calculating the group capital resources requirement, to modify the treatment of the long-term life and health liabilities incurred by Prudential Life Assurance Company Limited of Taiwan on or before 31 December 2002 in respect of voluntary discontinuance and valuation rates of interest. The direction ends on 31 March 2010.

(626291) The FSA made a direction in December 2004, which it varied in July 2006, under section 148 of the Financial Services and Markets Act 2000. The effect of the direction is to permit the firm, when calculating the group capital resources requirement, to modify the treatment of the long-term life and health liabilities incurred by Prudential Life Assurance Company Limited of Taiwan on or before 31 December 2002 in respect of voluntary discontinuance and valuation rates of interest. This direction varies direction number 350789 made on 31 December 2004, took effect on 6 July 2006 and ends on 30 June 2011.

(766500) The FSA made a direction in December 2004, which it varied in July 2006 and August 2007, under section 148 of the Financial Services and Markets Act 2000. The effect of the direction is to permit the firm, when calculating the group capital resources requirement, to modify the treatment of the long-term life and health liabilities incurred by Prudential Life Assurance Company Limited of Taiwan on or before 31 December 2002 in respect of valuation rates of interest. This direction varies direction number 626291 and ends on June 2012.

(350792) The FSA issued to the firm in December 2004 a direction under section 148 of the Financial Services and Markets Act 2000. The effect of the direction is to permit the firm, when calculating the group capital resources requirement, to modify the treatment of the term, increasing term, cancer, endowment and whole-life insurance liabilities of Prudential Life Insurance Company Limited of Japan, incurred on or before 31 December 2002 in respect of voluntary discontinuance. This direction ends on 31 March 2010.

(948128) The FSA on the application of The Prudential Assurance Company Ltd, made a Direction under section 148 of the Financial Services and Markets Act 2000 in September 2008. The effect of the direction is to modify GENPRU 2 Annex 7R and INSPRU 3.2.33R so as to permit the firm to value debts arising from amounts advanced as commission to approved credit institutions and wholly owned subsidiaries of approved credit institutions in respect of certain long term insurance policies sold on or before 9 September 2013, and to take such debts fully into account.

(972667) The FSA, on the application of the firm, made a direction under section 148 of the Financial Services and Markets Act 2000 in December 2008. The effect of the direction is to modify the provisions of INSPRU 3.1.35R and IPRU(INS) Appendix 9.3 in relation to fixed and index-linked immediate and deferred annuity business in the firm’s non-profit sub-fund, so that a more appropriate rate of interest is used for assets taken in combination. This direction ends on 30 November 2013.

\*0301\* Reconciliation of net assets to total capital resources

	2008 £000
Total assets per Form 13 (other than long-term business) line 89	1,644,741
Total assets per Form 13 (long-term business) line 89	89,811,910
Less: the sum of lines 11, 12 and 49 in Form 14	81,765,281
Less: liabilities per Form 15 line 69	783,804
Add: assets backing the capital resource requirements of dependants	1,160,495
Add: preference shares	1,000
Net assets per Form 3 line 79	10,069,061

\*0305\*      Details of other financing arrangements

Not included in lines 91 to 95 is an arrangement with Swiss Re Europe S.A., UK branch to provide financing for Prudential Protection contracts. The amount to be repaid is a proportion of the difference between the office premium and the reinsurance premium (net of an allowance for renewal expenses) for the time that the policy remains in force. The payment of a proportion of each future premium to the reinsurer has been allowed for when calculating the mathematical reserves.

If a policy lapses then a further repayment equal to the amount of any intermediary commission clawback due also becomes payable.

\*0308\*      Nature of outstanding contingent loans

Included in Line 94 is a contingent liability that arises from a contingent loan arrangement with Prudential Health Holdings Limited. This agreement was entered into on 3 September 2007 and allows The Prudential Assurance Company Limited to borrow from Prudential Health Holdings Limited, sums from time to time in an aggregate amount of up to £250m. The loan amount is principally linked to the emergence of regulatory losses arising in respect of all income and costs associated with selling and underwriting the Flexible Protection Plan and PruProtect Plan. The loan is to be repaid as regulatory surplus arises in the future.

The commutation value of this arrangement is £36m.

The Prudential Assurance Company Limited is entitled, if it has given Prudential Health Holdings Limited prior notice to that effect, at any time, to repay any amount of the loan balance.

Included in line 94 for 2008 is a contingent liability that arises from a contingent loan arrangement with Prudential plc and is linked to the performance of the non-profit sub-fund, with the exception of policies issued by the Hong Kong Branch and the protection business referred to above.

The original contingent loan arrangement for £20m was entered into with Prudential Finance (UK) plc on 22 December 2005, and this loan was novated to Prudential plc in July 2008.

The contingent loan is repayable as certain regulatory surplus arises in future.

An amount of £50m being the second tranche of this loan was advanced in December 2008.

Under the terms of the contingent loan arrangement none of the loan will become due for repayment on 31 March 2009 (none was repaid in March 2008).

The £61.3m of the loans plus £3.5m of interest that remains contingent upon future margins including interest has been included in line 94 as financial engineering.

The commutation value of this arrangement is £64.8m.

\*0310\* Details of valuation differences

Other than long-term 2008  
£'000

Positive valuation differences in respect of assets where valuation  
in GENPRU is higher than the firm uses for external reporting purposes being:-  
Mortgages and loans valuation difference 17,542

Positive valuation differences in respect of liabilities where valuation  
in GENPRU is lower than the firm uses for external reporting purposes being:-  
Pensions deficit net of tax 15,912

Total line 14 column 1 33,454

Long-term 2008  
£'000

Positive valuation differences in respect of liabilities where valuation  
in GENPRU is lower than the firm uses for external reporting purposes being: -  
Deferred tax on accounts deferred acquisition costs 32,901  
Deferred tax on additional reserves. 120,351  
Difference in valuation basis for actuarial liabilities 1,154,088  
Creditors in respect of contingent loans net of tax 100,734

Negative valuation differences in respect of assets where valuation  
in GENPRU is lower than the firm uses for external reporting purposes being:-

Mortgages and loans valuation difference (378,510)  
Pension deficit funding net of tax – see note 1405 (214,000)

Total line 14 column 2 815,564

\*0313\* Reconciliation of the profit & loss a/c movement to the profit and loss retained on Form 16

Form 3 line 12 column 3 (2008) 2,907,734  
Form 3 line 12 column 4 (2007) 2,962,753

Movement in profit & loss a/c per Form 3 (55,019)

Long-term business profits retained within the long-term fund (69,771)

Form 16 line 59 column 1 profit & loss for the year (124,790)

\*1301\* Aggregate value of certain investments

There are no units held in collective investment schemes, no unlisted investments, no listed investments which are not readily realisable, and no reversionary interests or remainders in property other than land or buildings in the other than long-term funds.

\*1302\* Aggregate value of hybrid securities

The aggregate value of hybrid securities is nil for the other than long-term business fund.

\*1304\*      Use of set off

Amounts have been set off to the extent permitted by generally accepted accounting principles.

\*1305\*      Counterparty limits

Under the Company's investment guidelines, the maximum permitted exposure to any one counterparty is set at 5% of the business amount, with the exception of short-term deposits with approved credit institutions, where the limit for any one institution is 20%. The 5% limit for the other than long-term fund has not been exceeded.

\*1306\*      Exposure at the year end to large counterparties

There were no exposures in excess of 5% of the relevant business amount within the other than long-term business fund at the year-end.

\*1307\*      Secured Obligations

No secured obligations were held by the other than long-term fund.

\*1308\*      Aggregate value of certain investments

The long-term business fund held unlisted investments with an aggregate value of £2,373m and units of beneficial interest in collective investment schemes with an aggregate value of £2,403m. There are no listed investments which are not readily realisable, and no reversionary interests or remainders in property other than land or buildings in either the long-term or other than long-term funds.

\*1309\*      Aggregate value of hybrid securities

The aggregate value of hybrid securities is £5,365m for the long-term business fund.

\*1310\*      Use of set off

Amounts have been set off to the extent permitted by generally accepted accounting principles.

\*1311\*      Counterparty limits

Under the Company's investment guidelines, the maximum permitted exposure to any one counterparty is set at 5% of the business amount, with the exception of short-term deposits with approved credit institutions, where the limit for any one institution is 20%. During the year the 5% limit for the long-term fund was not exceeded.

\*1312\*      Exposure at the year end to large counterparties

There were no exposures in excess of 5% of the relevant business amount within the long-term business fund at the year-end.

\*1313\*      Secured Obligations

At the year end the Company's long-term business fund had no secured obligations to which para 14 of part 1 of Appendix 4.2 applies.

\*1314\*      Tangible lease assets

No tangible lease assets are included for the other than long-term business fund.

\*1316\*      Tangible lease assets

No tangible lease assets are included for the long-term business fund.

\*1318\*      Particulars of other assets adjustments

The amount in line 101 is made up of the following:

Other than long-term assets:

	£'000
Other than long-term assets netted off with liabilities	(9,508)
Pensions scheme deficit netted off against surplus in accounts	(15,912)
Total Line 101 (other than long-term)	<u>(25,420)</u>

Long-term assets:

	£'000
Long-term assets netted off with liabilities	186,258
Total Line 101 (long-term)	<u>186,258</u>

\*1319\*      Total Other Than Long Term Business Assets Analysis of derivative contracts

Form 17 has been submitted in blank, as no such contracts were used.

\*1322\*      Acquisition of Scottish Amicable Life Assurance Society

In 1997 the business of Scottish Amicable Life Assurance Society (SALAS) was transferred to the Company. In effecting the transfer, a separate sub-fund, the Scottish Amicable Insurance Fund (SAIF) was established within the Company's long-term fund. This sub-fund contains all the with-profits business and all other pension business that was transferred from SALAS and is closed to new business. As separate assets are managed for SAIF, separate Forms 13, 14 and 17 have been prepared for that fund.

The Non-Profit Sub-Fund of the other long-term PAC funds contributed £185m to the purchase cost of SALAS in respect of expected expense synergies. This amount was treated as an asset of a type not valued and included in Form 13 line 95 of the 1998 Return. £160m of this amount represented the value of an agreement with a fellow subsidiary company for the use of Scottish Amicable and Prudential trademarks which is being amortised in the shareholder accounts over a period of 20 years to 30 September 2017 on a basis consistent with the revenue stream from the agreement. Under this basis, the amortisation commenced in the year 2000, when the benefits from the agreement first arose. Accordingly in the 2008 Return, Form 13 line 93 includes the unamortised balance of £106m. The remaining £25m related to the estimated net present value of income from current service agreements and has been fully amortised in the shareholder accounts from 1 January 1998 over a period of 10 years to 31 December 2007.

The other than long-term business fund contributed £489.3m to the purchase cost via the Non-Profit Sub-Fund. Admissible assets, after revaluation, of £113.6m were treated as surplus carried forward in the fund and the balance of £375.7m was written off in Form 40 in 1997. £13.8m of the contribution related to the value of a service agreement which is being amortised on the same basis as the trademarks agreement described above. In the admissible assets reconciliation, and the long-term business Form 13 line 93 of the 2008 Return includes the unamortised balance of £9m. In addition, goodwill of £328m was recognised which has been fully amortised from 1 January 1998 over a period of 10 years to 31 December 2007.

\*1323\*        Distribution rights

Also included in form 13 line 93 are the distribution rights relating to facilitation fees paid in relation to the bancassurance partnership arrangements in Asia for the bank distribution of insurance products for a fixed period of time. The distribution rights amounts are amortised over the term of the distribution contracts.

\*1401\*        Provision for “reasonably foreseeable adverse variations”

No provision has been made for reasonably foreseeable adverse variations as all contracts are strictly covered by assets.

\*1402\*        Long-term charges, contingent liabilities, guarantees and commitments

- a) There were no charges over assets.  
The Company has adopted the provisions of Financial Reporting Standard 19 - Deferred Tax. Full provision has been made.
- b) The ordinary long-term business fund held a provision of £0.8m for potential tax on capital gains in respect of linked business in the ordinary long-term business fund, in line 11 of Form 14. Provision of £471m for tax on capital gains in respect of other long-term business has been included in line 21 of Form 14, including £28m in respect of SAIF. These provisions have been determined in accordance with the procedures outlined in paragraph 3 of the Valuation Report in Appendix 9.4 of this Return. The actual provisions and the maximum potential tax are the same.
- c) The Company has contingent liabilities in respect of insurance and other agreements entered into in the normal course of business and in respect of litigation arising therefrom.
- d) The Company has guaranteed up to £0.3m (2007: £0.3m) of a £2.8m loan issued by the Royal Bank of Scotland to Pension Advisors Support Systems (PASS) to assist independent financial advisors with their review of pension transfers and opt outs.
- e) For guaranteed annuity products sold in the UK, the Company held a provision of £62m at December 31 2008, (2007: £70m), within the With-Profits Sub-Fund to honour guarantees on these products. The Company’s main exposure to guaranteed annuities in the UK is through SAIF and a provision of £752m was held in SAIF at 31 December 2008, (2007: £806m) to honour annuity and other guarantees.
- f) Inherited Estate in the With-Profits Sub-Fund.  
The assets of the main with-profits fund within the long-term insurance fund of the Company comprise the amounts that it expects to pay out to meet its obligations to existing policyholders and an additional amount used as working capital. The amount payable over time to policyholders from the with-profits fund is equal to the policyholders’ accumulated asset shares



plus any additional payments that may be required by way of smoothing or to meet guarantees. The balance of the assets of the with-profits fund is called the 'inherited estate' and has accumulated over many years from various sources.

The inherited estate represents the major part of the working capital of the Company's long-term insurance fund. This enables the Company to support with-profits business by providing the benefits associated with smoothing and guarantees, by providing investment flexibility for the fund's assets, by meeting the regulatory capital requirements that demonstrate solvency and by absorbing the costs of significant events or fundamental changes in its long-term business without affecting the bonus and investment policies. The size of the inherited estate fluctuates from year to year depending on the investment return and the extent to which it has been required to meet smoothing costs, guarantees and other events.

Prudential Group, of which the Company is a part, announced in March 2006 that it had begun a process to determine whether it could achieve greater clarity as to the status of the inherited estate through reattribution. In June 2008 Prudential Group announced that it did not believe that it was in the interests of current or future policyholders or shareholders to continue the reattribution process. This announcement reflects the Company's overriding priority which is to maintain the long-term financial security of the WPSF and to continue delivering strong performance for the benefit of its policyholders.

- g) In common with several other UK insurance companies, the Company used to sell low-cost endowment products related to repayment of residential mortgages. At sale, the initial sum assured was set at a level such that the projected benefits, including an estimate of the annual bonus receivable over the life of the policy, were equal to or exceeded the mortgage debt. Because of a decrease in expected future investment returns since these products were sold, the FSA is concerned that the maturity value of some of these products will be less than the mortgage debt. The FSA has worked with insurance companies to devise a programme whereby the companies write to customers indicating whether they may have a possible shortfall and outline the actions that the customers can take to prevent this possibility.

The Company is exposed to mortgage endowment products in respect of policies issued by Scottish Amicable Life plc (SAL) and policies issued by Scottish Amicable Life Assurance Society (SALAS) and transferred into the Scottish Amicable Insurance Fund (SAIF). Provisions of £9 million in the non-profit sub-fund and £81 million in SAIF were held at 31 December 2008 to cover potential compensation in respect of mortgage endowment product mis-selling claims. As SAIF is a separate sub-fund of the Company's long-term business fund, this provision has no impact on shareholders.

In addition, the Company's main with-profits fund paid compensation of £1.4 million in respect of mortgage endowment products mis-selling claims in the year ended 31 December 2008 and held a provision of £108 million at 31 December 2008, in respect of further compensation. This provision has no impact on the Company's profit before tax.

- h) Contingent liabilities arise in connection with the contingent loan arrangements described in note 0308 and the Guarantee noted in item (d) above. The total of these is £101m.
- i) There are no other fundamental uncertainties.
- j) During 2008 the Company entered into a credit facility agreement whereby it will lend up to £500m, at any time, in the form of subscription to Senior Notes issued under Prudential plc's £5,000 million Medium Term Note programme or of an unsecured senior loan to Prudential plc, Prudential Capital plc or other subsidiaries of Prudential plc. The purpose of the facility is to provide funding at Prudential Group level if the debt markets are closed to external issuance or if commercial paper issuance is difficult or not practicable. The commitment period is until

further notice and subject to annual review by the Company's Board. The facility is repayable on demand and the borrowers can repay at any time at par plus break costs.

- k) There are no other guarantees, indemnities or other contractual commitments effected, other than in the ordinary course of its insurance business, or in respect of related companies.

\*1405\* Particulars of other adjustments

The amount in line 74 is made up of the following:	£000
Difference in valuation basis for actuarial liabilities	1,154,088
Pension deficit funding net of tax (note 1)	(214,000)
Creditors in respect of contingent loan	100,734
Deferred tax on additional reserves	120,351
Long-term liabilities netted off with assets	186,258
Total Line 74	<u>1,347,431</u>

Note 1 - The pensions surplus in the statutory accounts is the actual pensions surplus for the Company's main schemes. The amount provided for in the FSA returns is the deficit reduction amount i.e. the additional funding (net of tax) that will be required to be paid into that scheme by the firm over the following five year period for the purpose of reducing the firm's defined benefit liability. The deficit shown at line 22 of the With-Profits Sub-Fund Form 14 is £214m. The surplus in the statutory accounts is £88m and is included in line 93 of the With-Profits Sub-Fund Form 13. The net difference between the FSA returns (£214m) deficit and the accounts (£88m) surplus is therefore £302m.

\*1407\* Provision for deferred tax

The provision for deferred tax on line 21 was negative for the Non-Profit Sub-Fund. However overall the balance for the long-term fund was a liability. A right of set off exists with the counterparty and the disclosure is considered appropriate. Reclassification of the provision as an asset would have incorrectly grossed up Forms 13 and 14 and created a reconciling difference with the financial statements.

\*1501\* Provision for "reasonably foreseeable adverse variations"

There is no provision for reasonably foreseeable adverse variations as all contracts are strictly covered by assets.

\*1502\* Other than long-term charges, contingent liabilities and guarantees

- a) There were no charges over assets.
- b) The potential tax on capital gains in respect of the other than long-term business assets shown on Form 13 is nil.
- c) Under the terms of the Company's arrangements with the Prudential Group's main UK bank, the bank has a right of set-off between credit balances (other than those of long-term business funds) and all overdrawn balances of those group undertakings with similar arrangements. The Company also has contingent liabilities in respect of insurance and other agreements entered into in the normal course of business and in respect of litigation arising therefrom.
- d) Provisions in respect of the costs associated with the pensions mis-selling review have been included in the long-term technical provision. The directors believe that, based on current

information, the pension mis-selling provision, together with future investment return on the assets backing the provision, will be adequate to cover the costs of pension mis-selling as well as the costs and expenses of the Company to identify and settle such cases. The costs associated with the pensions mis-selling review have been met from the inherited estate. Given the strength of the with-profits fund, the directors believe that charging the costs to the inherited estate will not have an adverse effect on the level of bonuses paid to policyholders or on their reasonable expectations. In the unlikely event of this proving not to be the case, an appropriate contribution to the with-profits fund would be made from the shareholders' funds.

e) There are no other fundamental uncertainties.

\*1503\*            Dividend on Cumulative Preference Shares

A dividend on cumulative preference shares of £31,495 had accrued at 31 December 2008.

\*1504\*            Deficit in valuation of insurance undertakings

An amount of £93,199k has been included in line 22 of Form 15 in respect of a deficit on the valuation of certain insurance and insurance holding undertakings.

\*1507\*            Particulars of other adjustments

The amount in line 83 is made up of the following:	£000
Deficit in subsidiaries	(93,199)
Loan valuation difference	(7,441)
Other than long-term liabilities netted off with assets	(9,508)
Total Line 83	<u>(110,148)</u>

Note 1 - In respect of the Company's main pension schemes there has been no provision in these returns for any deficits impacting the shareholders fund. For the Prudential Staff Pension Scheme the shareholders element of the surplus/deficit is being met by the holding company. In respect of the Scottish Amicable Pension Scheme, as at the last valuation date (1 April 2005) the scheme actuaries decided that no additional contributions were required, and on that basis there was no "deficit funding amount" to be included in these returns.

\*1601\*            Basis of foreign currency conversion

Foreign currency revenue transactions have generally been translated at average exchange rates for the year.

\*1602\*            Restatement of brought forward balances

Brought forward balances in the Return denominated in foreign currencies have been retranslated at 2008 rates of exchange.

\*1603\*      Other income and charges

	2008 £000
Transfer in respect of closure provision for operations in run-off	3,148
Commission on sale of general insurance products	42,930
Pension deficit actuarial gains/(losses)	1,512
Pensions credit	3,050
Review costs associated with the reattribution of the inherited estate	(18,253)
Shareholder expenses incurred on overseas subsidiaries	(6,479)
Expenses incurred on acquisition of equity release business from another group company	(17,910)
Other items	(5,982)
Total	<u>2,016</u>

Operations in run-off include the former UK general insurance broker and commercial, London Market, marine and aviation and overseas agencies business which the Company ceased writing between 1990 and 1992, and the UK general insurance personal lines business. There is a contingency within other creditors in respect of these operations.

\*1701\*      Variation margins

No excess variation margin has been received. A variation margin of £186m has been included in line 38 of Form 14 of the long-term business fund. No variation margin is included in respect of the other than long-term business fund.

## APPENDIX 9.2

### \*20Aa\* Details of risk categories

No contracts of insurance were allocated under Rule 9.14B.

### \*20Ab\* Death or injury to passenger risk categories

No such contracts were entered into.

### \*20Ac\* Business allocated to categories 187, 223, 400 & 700

Risk category 187 relates to credit card products with the following features:

Death benefit – cash payment equivalent to the outstanding balance of nominated credit card up to a maximum amount if the insured cardholder dies while the policy is still in force.

Temporary total disability benefit – monthly cash payment equivalent to 10% of the outstanding card balance, up to 10 months.

Unemployment benefit - monthly cash payment equivalent to 10% of the outstanding card balance, up to 6 months.

### \*20Ad\* Details of claims made policies

No amount reported on Form 20A contains both claims made policies and policies that are not claims made.

### \*20Ae\* Amount of facultative business included under category 002

All business included under category 002 relates to direct business.

### \*20Af\* Amounts reported under categories 113, 274 & 343

All business within category 113 has arisen from business falling within classes 1 and 2 (Accident and Health).

\*20Ag\*

Gross premiums written attributable to home foreign or overseas business

Category	No.	Gross premiums
		Written (£000)
		Overseas <sup>1</sup>
Medical Insurance	111	11,213
Healthcare cash plans	112	61
Travel	113	1,428
Personal accident or sickness	114	5,345
Private motor – comprehensive	121	1,491
Private motor – non-comprehensive	122	267
House and domestic all risks	160	2,217
Other personal financial loss	187	356
Commercial vehicle (non-fleet)	222	54
Commercial property	261	753
Consequential loss	262	77
Contractors or engineering all risks	263	38
Employers liability	271	3,523
Professional indemnity	272	23
Public and products liability	273	787
Fidelity and contract guarantee	281	150
Total primary and facultative goods in transit	350	238
Total		<u>28,021</u>

1. All overseas business is written and carried on in Hong Kong.
2. The above notes may disagree in some instances with the Forms as the underlying figures feeding into the Forms are in pounds whereas the Forms are in £'000's.

\*20A1\*

Differences between Form 20A and Form 15

The gross provision for unearned premiums in Form 20A differs from Form 15 by £4,096k due to the revenue account and the balance sheet being translated at different rates of exchange.

\*2005\*

Other technical income or charges

The other technical income at line 25 of Form 20 is a handling charge for a Hong Kong Government levy.

\*2007\*

Material connected party transactions

The payment of two 2008 interim dividends of £282m and £200m to the holding company (Prudential plc).

The receipt of £822m from another group company being the partial repayment of a loan made from The Prudential Assurance Company Limited.

Two transfers of equity release mortgage portfolios of £269m and £211m from another group company. The transfer was financed using loans secured on the mortgages from the wholly owned subsidiary Prudential Retirement Income Limited.

The 15% quota share reinsurance of business from the wholly owned subsidiary Prudential Retirement Income Limited.

The increase in share capital (£6.8m) of the Joint Venture in Prudential Healthcare Holdings Limited in which the Company has a 50% shareholding.

The increase in share capital (£10.1m) of the wholly owned subsidiary Prudential Lifetime Mortgages Limited.

The increase in share capital (£320m) of the wholly owned subsidiary Prudential Retirement Income Limited.

The novation of a contingent loan (£226.2m) to the wholly owned subsidiary Prudential Retirement Income Limited from another group company. Subsequent loans (£131.7m) were made to Prudential Retirement Income Limited directly from The Prudential Assurance Company Ltd.

The novation of a contingent loan (£18.4m) to the wholly owned subsidiary Prudential Pensions Limited from another group company.

The loan (£4m) from the wholly owned subsidiary Prudential Holborn Limited.

The loan (£12m) from the wholly owned subsidiary Prudential (AN) Limited.

\*2102\*            Provision for unearned premiums

Unearned premiums continue to be calculated on a daily basis to give a strict day by day apportionment.

\*2103\*            Differences between Forms 21 and Forms 13 and 15

The net provision for unearned premium in Forms 13 and 15 differs from Form 21 by £3,615k due to the balance sheet and revenue account being translated at different rates of exchange.

\*2202\*            Claims management expenses

Claims management expenses comprise internal and external costs directly attributable to claims negotiation and settlement and indirect costs incurred in respect of maintaining a claims settlement function. Claims management expenses carried forward are based on the level of outstanding claims. The expense ratios applied to outstanding claims are determined separately for motor and non-motor accounting classes. Lower ratios are applied to the reported outstanding claims to allow for claims expenses, which have already been paid on these claims.

\*2204\*            Acquisition expenses

Acquisition costs comprise fixed and variable costs arising from the completion of an insurance contract including commission, sales related bonuses, initial processing costs, underwriting costs, marketing costs and a proportion of customer servicing costs based on time allocation. Other overhead costs are included in administrative expenses. Acquisition costs are deferred and released on a 24th's basis to approximate the method used to recognise earned premiums.

\*2402\*      Underwriting year accounting

Underwriting year accounting is used for Marine hull business. This business is long-tail as there may be a long delay between the occurrence and notification of these types of claims. Business reported in the return on an underwriting year basis is in run-off.

\*2404\*      Claims management expenses

There are no claims management expenses carried forward in respect of underwriting year basis business. This is due to the low level of outstanding claims for this business. There is a closure provision, which will absorb any future claims management expenses.



APPENDIX 9.3 (Forms 40-45)

\*4002\* Other income and expenditure in the long-term business revenue accounts (£000)

	WPSF	NPSF	SAIF	DCPSF	Summary
<b>Other income</b>					
Transfer in respect of support assets	18,243				18,243
Annual management charges received from DCPSF /NPSF	13,048	33,539			46,587
Rebate from the fund manager	8,623	1,718			10,341
Refund of guarantee charge from the shareholder fund	2,861				2,861
Contingent loan receipts		67,281			67,281
<b>Total</b>	<b>42,775</b>	<b>102,538</b>	<b>-</b>	<b>-</b>	<b>145,313</b>
<b>Other expenditure</b>					
Transfer in respect of support assets			18,243		18,243
Annual management charges paid to the NPSF/DCPSF/WPSF		4,358		42,229	46,587
Annual management charge paid to another group company		14,918			14,918
<b>Total</b>	<b>-</b>	<b>19,276</b>	<b>18,243</b>	<b>42,229</b>	<b>79,748</b>

Notes:

1. The transfer in respect of support assets reflects 1% of the Capital Support Fund paid by SAIF to the With-Profits Sub-Fund.

\*4006\* Apportionment of income and expenses of the long-term business

The Company's long-term business fund comprises four separately managed sub-funds, namely the Scottish Amicable Insurance Fund (SAIF), Defined Charge Participating Sub-Fund (DCPSF), With-Profits Sub-Fund (WPSF) and Non-Profit Sub-Fund (NPSF), with separate pools of assets.

1 Scottish Amicable Insurance Fund

- a) Investment income is determined by the assets held.
- b) The increase or decrease in the value of assets is determined by the assets held.
- c) Expenses are charged in accordance with the provisions under the Scheme of Transfer.
- d) The tax charge is determined on the equivalent of a mutual office basis as provided under the Scheme of Transfer.

2&3 Defined Charge Participating Sub-Fund and Non-Profit Sub-Fund

- a) Investment income is determined by the assets held.
- b) Expenses which are incurred directly are charged to the revenue account. In addition for the Non-Profit Sub-Fund other expenses are allocated having regard to such measures as business volumes or time spent as considered necessary.
- c) The tax charge is incurred directly and charged to the revenue account.

4 With-Profits Sub-Fund

- a) A single pool of assets is maintained in respect of the With-Profits Sub-Fund which comprises three separate elements, these being the ordinary (other), ordinary (pensions) and industrial business. Investment income and investment expenses are apportioned between the three elements of the fund on a mean fund basis.
- b) The increase or decrease in value of non-linked assets brought into account by way of transfer from investment and revaluation reserves and allocated to the ordinary (other), ordinary (pensions) and industrial business elements is apportioned so as to maintain reasonable compatibility in the amounts payable to the respective policyholders.
- c) Expenses (except investment expenses which are apportioned on a mean fund basis) which are incurred directly for the purpose of an element of the fund are allocated to that element. Other expenses are allocated having regard to such measures as business volumes or time spent as considered appropriate.
- d) The tax charge is allocated directly to the three elements of the fund to the extent that the charge can be separately identified. The balance of the charge is apportioned using a mean fund basis or a derivative thereof.

\*4008\* Statement on provision of management services

- a) The Company was provided with management services by M&G Investment Management Limited, Silverfleet Capital Limited, Prudential Services Limited, Prudential UK Services Limited, Prudential Property Investments Managers Limited, PPM America Inc, PAM Singapore and Prudential Distribution Limited.
- b) The Company seconded employees to provide management and other services throughout the year to Prudential Pensions Limited, Prudential Holborn Life Limited, Prudential (AN) Limited, Prudential Annuities Limited, Prudential Pensions Administration Limited, Prudential Retirement Income Limited, Prudential Health Holdings Limited, Prudential Lifetime Mortgages Limited and Prudential Distribution Limited.

All the companies mentioned above are subsidiaries or fellow subsidiaries of the Company.

\*4101\* Adjustment to previous year's premiums

Line 12 columns 1 and 2 of the Defined Charge Participating Sub Fund are negative due to adjustments to the 2007 bulk transfer from Equitable Life.

Line 16 column 2 and line 18 column 1 of the Non Profit Sub Fund are due to a recapture of reinsurance from another group company.

\*4201\* Adjustment to previous year's annuity payments

Line 12 column 3 of the Non Profit Sub Fund is negative due to an adjustment to previous year's figures.

\*4302\* Reinsurance commission

Line 41 of the With-Profits Form 43 column 2 includes an amount of £20.1m in respect of reinsurance commission for business reinsured to another group company.

\*4303\*      Refund of investment management expenses

Line 45 of the Defined Charge Participating sub-fund Form 43 column 3 includes a refund of investment management expenses of £4.3m .

\*4304\*      Clawback of commission

Line 41 of the Non Profit sub-fund Form 43 column 1 includes a negative amount of £46.4m being the clawback of commission previously paid.

\*4401\*      Basis of valuation of assets

The assets have principally been valued at a bid price. Funds closed to new business have been valued on a bid basis.

### APPENDIX 9.3 (Forms 46-60)

The following notes are included for completeness. They relate to Forms which are included in a separate document 'Annual FSA Insurance Returns for the year ended 31 December 2008, Appendix 9.3 (Forms 46-60)'.

#### \*4701\* Number of group schemes for which there is no member count

Product Code	Product description	Number of schemes
735	Group money purchase pension property linked	4

#### \*4702\* Approximations used on Form 47

For protection policies that can include

- term and decreasing term assurance and
  - accelerated or stand-alone critical illness insurance by guaranteed or reviewable premiums
- the split of number of contracts and amount of premium for product codes 325 to 355 is estimated from the data for in force policies.

#### \*4802\* Assets where the payment of interest is in default

There are 24 assets in the WPSF, 2 in the NPSF, 4 in the DCPSF and 12 in SAIF where the payment of interest is in default. The expected interest from these assets has been reduced to nil.

#### \*4803\* Securities that may be redeemed over a period

Where securities may be redeemed over a period at the option of the guarantor or issuer, and they are valued "above par" they have been classified on the assumption that they will be redeemed at the earliest possible date. Where they are valued "below par" they have been classified on the basis that they will be redeemed at the latest possible date.

#### \*4806\* Non-linked Assets

The returns shown in column 5 are those arising on the following asset portfolios:

SAIF

Line number and portfolio for the sub-fund

21 - Property portfolio

22, 23 & 24 - Fixed interest portfolio

25 - UK equity portfolio

26 - Overseas equity portfolio

27 - Weighted average by market value of the UK equity and overseas equity portfolios

28 - Weighted average by market value of the alternative assets and cash portfolios

29 - Overall return on the SAIF with-profits portfolio

## WPSF

Line number and portfolio for the sub-fund

- 21 - Property portfolio
- 22, 23 & 24 - Fixed interest portfolio
- 25 - UK equity portfolio
- 26 - Overseas equity portfolio
- 27 - Weighted average by market value of the UK equity and overseas equity portfolios
- 28- Weighted average by market value of the alternative assets, cash and other assets portfolios
- 29 - Overall return on the main WPSF with-profits portfolio

## DCPSF

Line number and portfolio for the sub-fund

- 21 - UK property portfolio
- 22, 23 & 24 - UK fixed interest portfolio
- 25 - UK equity portfolio
- 26 - Overseas equity portfolio in the DCPSF sterling fund
- 27 - Weighted average by market value of the UK equity and overseas equity portfolios in the DCPSF sterling fund
- 28 - Weighted average by market value of the alternative assets, cash and other assets portfolios in the DCPSF sterling fund
- 29 - Overall return on the DCPSF sterling fund

### \*4807\* Non-linked Assets

The returns shown in lines 32 and 33 column 5 are before investment costs and, for the WPSF and SAIF, exclude any allocation to asset shares arising from surplus on non-profit business.

### \*4901\* Credit rating agency

Credit ratings used on Form 49 are the lowest of three external rating agencies, namely Fitch, Standard & Poor's and Moody's.

### \*5101\* Number of group schemes for which there is no member count

Product Code	Product description	Number of schemes
165	Conventional deferred annuity with-profits	38
175	Group conventional deferred annuity with-profits	2,522
390	Deferred annuity non-profit	2,067
415	Collective life	3
425	Group income protection claims in payment	19

**\*5104\* Approximations used in apportioning between product codes on Form 51**

For protection policies that can include

- term and decreasing term assurance
- accelerated or stand-alone critical illness insurance by guaranteed or reviewable premiums
- income protection insurance by guaranteed or reviewable premiums

annual office premiums are estimated from the reinsurance premiums. Mathematical reserves are then estimated from this split of office premiums.

**\*5201\* Number of group schemes for which there is no member count**

Product Code	Product description	Number of schemes
535	Group money purchase pensions UWP	91

**\*5204\* Approximations used in apportioning between product codes on Form 52**

Prudential Investment Bonds with both regular and single premiums invested have been included in product code 505.

**\*5301\* Number of group schemes for which there is no member count**

Product Code	Product description	Number of schemes
755	Trustee investment plan	76

**\*5304\* Approximations used in apportioning between product codes on Form 53**

For M&G Personal Security policies included in product codes 700 and 710, the current death benefit and the other liabilities are split in proportion to the value of units.

**\*5601\* Credit rating agency**

Credit ratings used on Form 56 are the lowest of three external rating agencies, namely Fitch, Standard & Poor's and Moody's.

**\*5602\* Other assets**

Other assets represent deposits with Prudential Retirement Income Limited.

**\*5702\* Waiver**

The information required in respect of waiver 972667 (dated 1 December 2008) is as follows:

Product group	Risk adjusted yield on matching assets (Form 57 column 5)	Corresponding asset yield
UK Pension Form 51 NP immediate annuities (direct written)	5.66%	6.69%
UK Pension Form 51 NP immediate and deferred annuities (reassurance accepted)	5.83%	6.88%

**\*5801\* Other bonuses**

Line 44 of the With-Profits Sub-Fund Form 58 includes the cost of final (terminal) bonus in the following year on conventional with-profits whole life and endowment assurances in the ordinary and industrial branches and on conventional with-profits deferred annuities. These bonuses are declared out of surplus arising at the valuation date and not declared in anticipation of surplus arising subsequently.

**\*5803\* Percentage of distributed surplus allocated to policyholders**

The percentage of distributed surplus allocated to policyholders in the WPSF exceeds 90%. This is as a result of allocations for Hong Kong business being affected by exchange rate differences. Bonuses have been exchanged from Hong Kong dollars to Sterling using year-end exchange rates whereas the transfer out of the fund has been based upon average exchange rate

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2008

## Statement of information pursuant to Rule 9.25 of the Interim Prudential Sourcebook for Insurers

### Rule 9.25: Additional information on general insurance business major treaty reinsurers

#### Proportional Treaty Reinsurance

<u>Name of Reinsurer</u>	<u>Premiums Payable (£000)</u>	<u>Amount due to Company (£000)</u>	<u>Anticipated Recovery from Reinsurer (£000)</u>
Asia Insurance Co. Ltd 16/F World Wide House 19 Des Voeux Road Central Hong Kong	659	-	-

#### Non-Proportional Treaty Reinsurance

<u>Name of Reinsurer</u>	<u>Premiums Payable (£000)</u>	<u>Amount due to Company (£000)</u>	<u>Anticipated Recovery from Reinsurer (£000)</u>
Munich Reinsurance Company 11 <sup>th</sup> Floor Fairmont House 8 Cotton Tree Drive, Central Hong Kong	152	-	-
China Intl Reinsurance Co (HK) Ltd 29A United Centre 95 Queensway Admiralty Hong Kong	202	-	-
The Toa Reinsurance Co Ltd Room 801 8 <sup>th</sup> Floor, Admiralty Centre, Tower 1 18 Harbour Road Hong Kong	221	-	-



<u>Name of Reinsurer</u>	<u>Premiums Payable (£000)</u>	<u>Amount due to Company (£000)</u>	<u>Anticipated Recovery from Reinsurer (£000)</u>
Federal Insurance Company 24/F Harcourt House 39 Gloucester Road Wanchai Hong Kong	-	-	-
Asia Insurance Co. Ltd 16/F World Wide House 19 Des Voeux Road Central Hong Kong	-	-	-
Cassie Centrale De Reassurance 31, Rue De Courcelles Paris France	71	-	-
European Specialty Reinsurance (Ireland) Limited 2 <sup>nd</sup> Floor 12/13 Exchange Place IFSC Dublin 1 Ireland	-	-	-
Ming An Insurance (HK) Co Ltd 18/F Ming An Plaza 8 Sunning Road Causway Bay Hong Kong	-	-	-

Notes:

1. Premiums include amounts payable to companies connected with the reinsurer.
2. The Company was not connected at any time in the year with any of the above reinsurers.
3. No deposits were received from any of the above reinsurers.

# **THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

**Year ended 31 December 2008**

## **Statement of information pursuant to Rule 9.26 of the Interim Prudential Sourcebook for Insurers**

Rule 9.26: Additional information on general insurance business major facultative reinsurers

The Company had no major facultative reinsurers in the year.

## **Statement of information pursuant to Rule 9.27 of the Interim Prudential Sourcebook for Insurers**

Rule 9.27: Information on general insurance business major reinsurance cedants

The Company had no major cedants in the year.

## **THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

### **Year ended 31 December 2008**

Statement of additional information on general insurance business ceded pursuant to Rules 9.32, 9.32A and 9.32B of the Interim Prudential Sourcebook for Insurers

The objective of the Company's general business reinsurance strategy is to minimise the risk of significant adverse movements in the general business result and hence to protect shareholder value. This is achieved by the transfer of exposure risk to reinsurers at cost-effective rates. Cover is purchased in excess of a retention level that is set as low as is economically attainable and, where appropriate, in programme sizes above that level. Cover is placed across worldwide markets with reinsurers whose selection and capacity allocations are determined by security ratings supplemented by market knowledge and input from reinsurance brokers. There is no co-reinsurance.

The policies purchased are either quota share treaties or standard non-proportional reinsurance treaties providing excess-of-loss cover, which include a significant transfer of risk to the reinsurer.

None of the policies contain the features detailed in Rule 9.32B(5).

The Company has taken into account the effect of any agreements, correspondence (including side-letters) or understandings that amend or modify the contracts or their operation when considering whether a contract of insurance meets one or both of the conditions in rule 9.32A(2).

The Company is satisfied that there are no contracts of insurance under which general insurance has been ceded by the insurer where –

- (a) the value placed on future payments in respect of the contract is not commensurate with the economic value provided by that contract, after taking account of the level of risk transferred; or
- (b) there are terms or foreseeable contingencies (other than the insured event) that have the potential to affect materially the value placed on the contract in the Company's balance sheet at, or any time after, the end of the financial year in question.

The Company is also satisfied that there are no financing arrangements which include terms for:

- (a) the transfer of assets to the insurer, the creation of a debt to the insurer or the transfer from the insurer to another party of liabilities to policyholders; and
- (b) either an obligation for the insurer to return some or all of such assets, a provision for the diminution of such debt or a provision for the recapture of such liabilities, in each case, in specified circumstances.

On 31 December 2001 the Company transferred its personal lines General Insurance liabilities to Winterthur Swiss Insurance Company. The policies transferred left no net retention to the Company. From January 2003, Prudential branded new business policies were underwritten by Winterthur/Churchill. Winterthur has subsequently been acquired by the Royal Bank of Scotland Plc.

During 2005 the Company entered into a Solvent Scheme of Arrangement under Section 425 of the Companies Act 1985, in respect of certain closed Marine and London Market business.

All claims lodged by creditors by the Scheme submission date have now been settled, and related provisions released. In accordance with the terms of the Scheme claims notified after the final claims submission date are not valid, however an IBNR reserve has been maintained to meet legal fees incurred repudiating late reported claims and to meet claims from outside the jurisdiction of the Scheme.

Policies were purchased to protect the exposures of its Hong Kong branch operation. Details of these policies are set out below.

Reporting categories covered	Type of cover	Period of cover	Policy limits
113 114 187 273	Hong Kong Accident	1/1/08 – 31/12/08	Reinsurers potential liability: £4,160,000 in excess of £208,000
113 114	Hong Kong Accident Catastrophe Excess of Loss 1 <sup>st</sup> Layer 2 <sup>nd</sup> Layer	1/1/08 – 31/12/08	Reinsurers potential liability:  £832,000 in excess of £208,000 £2,427,000 in excess of £1,040,000
121 122 222 271 272 273	Hong Kong Motor and Liability Excess of Loss 1 <sup>st</sup> Layer 2 <sup>nd</sup> Layer 3 <sup>rd</sup> Layer 4 <sup>th</sup> Layer 5 <sup>th</sup> Layer	1/1/08 – 31/12/08	Reinsurers potential liability:  £208,000 in excess of £139,000 £693,000 in excess of £347,000 £1,040,000 in excess of £1,040,000 £4,854,000 in excess of £2,080,000 Unlimited in excess of £6,934,000
271	Liability Excess of Loss	1/1/08 – 31/12/08	Reinsurers potential liability: £1,248,000 in excess of £139,000
111 112	Hong Kong Medical	1/1/08 – 31/12/08	Reinsurers potential liability: 75:25 Quota share
350	Hong Kong Marine Cargo Combined Quota Share  And Surplus	1/1/08 – 31/12/08	Reinsurers potential liability: Quota share £28,000 in excess of £42,000  Surplus £693,000 in excess of £42,000
160 261 263	Hong Kong Fire Surplus	1/1/08 – 31/12/08	Reinsurers potential liability: £4,160,000 in excess of £208,000

Reporting categories covered	Type of cover	Period of cover	Policy limits
160 261 263	Hong Kong Property Combined Quota Share  And Surplus	1/1/08 – 31/12/08	Reinsurers potential liability: Quota share £333,000 in excess of £83,000  Surplus £1,248,000 in excess of £83,000
114 187	CPP/CPS Quota Share	1/1/08 – 31/12/08	Reinsurers potential liability: 50:50 Quota share
160 261 263	Hong Kong Fire Catastrophe Excess of Loss 1 <sup>st</sup> Layer 2 <sup>nd</sup> Layer 3 <sup>rd</sup> Layer	1/1/08 – 31/12/08	Reinsurers potential liability:  £485,000 in excess of £208,000 £693,000 in excess of £693,000 £2,080,000 in excess of £1,386,000
281	Hong Kong Bond Quota Share	1/1/08 – 31/12/08	Reinsurers potential liability: £156,000 in excess of £52,000

Details of the Company's maximum probable loss (net of reinsurance) for each business category are set out below:

Risk category	No.	Any one risk/event £'000
Travel	113	208
Personal accident or sickness	114	208
Private motor-comprehensive	121	208
Private motor-non-comprehensive	122	208
Household and domestic all risks	160	208
Other personal financial loss	187	208
Commercial vehicles (non-fleet)	222	208
Commercial property	261	208
Consequential loss	262	208
Contractors or engineering all risks	263	208
Employers liability	271	208
Professional indemnity	272	208
Public and products liability	273	208
Fidelity and contract guarantee	281	208
Total primary (direct) and facultative goods in transit	350	42

The split of reinsurance premiums (as shown on forms 21) for each accounting class by facultative and non-facultative reinsurance is set out below:

Risk category	No.	Facultative £'000	Non- Facultative £'000	Total £'000
Medical insurance	111	273	659	932
HealthCare cash plan	112	-	-	-
Travel	113	-	485	485
Personal accident or sickness	114	2	490	492
Private motor-comprehensive	121	-	175	175
Private motor-non-comprehensive	122	3	32	35
Household and domestic all risks	160	16	181	197
Other personal financial loss	187	-	98	98
Commercial vehicles (non-fleet)	222	-	6	6
Commercial property	261	32	237	269
Consequential loss	262	4	19	23
Contractors or engineering all risks	263	1	9	10
Employers liability	271	-	454	454
Professional indemnity	272	-	2	2
Public and products liability	273	8	81	89
Fidelity and contract guarantee	281	4	26	30
Total primary (direct) and facultative goods in transit	350	1	104	105
<b>Total</b>		<b>344</b>	<b>3,058</b>	<b>3,402</b>

## **THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

### **Returns for the year ended 31 December 2008**

Statement required by Rule 9.29 of the Interim Prudential Sourcebook

#### **(a) Investment guidelines**

As requested by Rule 9.29 of the Interim Prudential Sourcebook, the investment guidelines for the use of derivative contracts in the long-term fund are set out below. These are fully explained in the Company's Investment Management Agreement with its fund managers and are consistent with the investment strategy.

- (i) Derivatives are used for the purpose of efficient portfolio management or to reduce risk, specific examples being to implement tactical asset allocation changes around the strategic benchmark, hedge cash flows, or control the risk profile of an identified strategy.
- (ii) A number of restrictions on the use of derivatives have been agreed with the Company's fund managers and can only be overruled by prior agreement between the two parties:
  - all derivatives that impose obligations on the fund must be strictly covered.
  - all derivative contracts must satisfy the definition of approved under the Interim Prudential Sourcebook.
  - the maximum allowable exposure to counterparties should not be exceeded.
  - only certain permitted exchanges and contracts can be used.
- (iii) The company has used a number of derivative instruments; principally exchange traded futures and options, over the counter swaps (including total return swaps), options, swaptions, warrants and currency forwards. The company has also used redeemable convertible corporate bonds. These bonds have not been categorised as derivative contracts as the derivative element is minimal and have therefore not been reported on form 17. The total value of these bonds on the long-term form 13 is £730,521k.

#### **(b) Derivatives where exercise is unlikely.**

There are no specific guidelines for the use of contracts not reasonably likely to be exercised. However the Investment Management Agreement only allows the use of derivatives for the purpose of efficient portfolio management or to reduce risk and the Company's investment managers work within these constraints.

**(c) Quantification of derivatives in (b) above.**

**Long-term funds**

The largest exposure during the year to call options was (£29,145k). There was no exposure during the year to put options.

**(h) Derivatives not covered by the definition of an admissible derivative contract in the Interim Prudential Sourcebook.**

**Long-term funds**

No such derivatives were held.

**Other Than Long-term funds**

The fund holds a range of long total return property swaps with another group company. The swaps are inadmissible as the exposure value of the contracts are not covered by sufficient cash or near cash.

**(i) Consideration for granting rights under derivative contracts**

**Long-term funds**

The total consideration received for granting rights under derivative contracts totalled £812,412k.



## **Statement of information pursuant to Rule 9.30 of the Interim Prudential Sourcebook for Insurers**

Rule 9.30 of the Interim Sourcebook for Insurers: Additional information on shareholder controllers

Throughout the year Prudential plc held all the shares of the Company and controlled the whole of the voting power.

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2008

## Statement of information on the actuary who has been appointed to perform the with-profits actuary function pursuant to Rule 9.36 of the Interim Prudential Sourcebook for Insurers

In accordance with Rule 9.36 of the above sourcebook, Gerry Gallagher, the actuary who has been appointed to perform the with-profits actuary function of the Company, was requested to furnish and has provided the following information:

- (a) (i) He had an interest in 7,891 shares in the share capital of the holding company, Prudential plc, at the end of the year.
- (ii) He had an interest under the Prudential Restricted Share Plan in shares in Prudential plc held in trust, representing the maximum award that could be made if performance requirements of the Plan were met, of 6,673 shares at the end of the year.
- (iii) He had an interest under the Prudential Share Incentive Plan in 1,340 shares in Prudential Plc, held in trust at the end of the year.
- (iv) He held the following options granted under the Prudential Savings-Related Share Option Scheme to subscribe for shares in Prudential plc:

<u>Number of Shares</u>	<u>Exercise Price</u>	<u>Exercise Dates</u>
2,593	551p	June 2013

- (v) He had an interest under the 2007 Prudential Group Performance Share Plan and the 2007 Prudential UK Business Unit Performance Plan in shares in Prudential plc, representing the maximum award that could be made if the performance requirements of the plans were met, of 5,287 shares payable in 2010.
  - (vi) He had an interest under the 2008 Prudential Group Performance Share Plan and the 2008 Prudential UK Business Unit Performance Plan in shares in Prudential plc, representing the maximum award that could be made if the performance requirements of the plans were met, of 5,210 shares payable in 2011.
- (b) He was interested in a general insurance policy issued by the Company, being a home insurance policy covering buildings, household contents, travel and personal effects.
  - (c) Under the 2007 Prudential UK Business Unit Performance Plan, he had a potential cash award payable in 2010, ranging from nil to a maximum of £19,500 dependent on the growth in the appraisal value of Prudential's UK and Europe business.

- (d) Under the 2008 Prudential UK Business Unit Performance Plan, he had a potential cash award payable in 2011, ranging from nil to a maximum of £20,700 dependent on the growth in the appraisal value of Prudential's UK and Europe business.
- (e) His total remuneration for the year was £257,335.
- (f) He is a member of the Prudential Staff Pension Scheme and contributions in respect of the year were paid by the Company.

# **THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

**Year ended 31 December 2008**

## **Directors' Certificate required by rule 9.34 of the Accounts and Statements Rules**

We certify:

1. (a) that the return has been properly prepared in accordance with the requirements in IPRU(INS), GENPRU and INSPRU as modified by waivers as detailed in supplementary note 0101 issued under section 148 of the Financial Services and Markets Act 2000 and section 68 of the Insurance Companies Act 1982 which continues to have effect; and
  - (b) We are satisfied that:
    - (i) throughout the financial year in question, the insurer has complied in all material respects with the requirements of SYSC and PRIN as well as the provisions of IPRU(INS), GENPRU and INSPRU, applicable; and
    - (ii) it is reasonable to believe that the insurer has continued so to comply subsequently, and will continue so to comply in future.
2. (a) that in our opinion, premiums for contracts entered into during the financial year and the resulting income earned are sufficient, under reasonable actuarial methods and assumptions, and taking into account the other financial resources of the insurer that are available for the purpose, to enable the insurer to meet its obligations in respect of those contracts and, in particular, to establish adequate mathematical reserves;
  - (b) that the sum of the mathematical reserves and the deposits received from reinsurers as shown in Form 14 constitute proper provision at the end of the financial year in question for the long-term insurance liabilities (including all liabilities arising from deposit back arrangements, but excluding other liabilities which had fallen due before the end of the financial year) including any increase in those liabilities arising from a distribution of surplus as a result of an actuarial investigation as at that date into the financial condition of the long-term insurance business;
  - (c) that the with-profits fund has been managed in accordance with the Principles and Practice of Financial Management, as established, maintained and recorded under COBS 20.3; and
  - (d) that we have, in preparing the return, taken and paid due regard to-

- (i) advice in preparing the return from every actuary appointed by the insurer to perform the actuarial function in accordance with SUP 4.3.13R; and
- (ii) advice from every actuary appointed by the insurer to perform the with-profits actuary function in accordance with SUP 4.3.16R

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Nick Prettejohn  
Chief Executive

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Andrew Crossley  
Director

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David Belsham  
Director

26 March 2009

# **THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

**Year ended 31 December 2008**

## **Report of the auditors to the directors pursuant to rule 9.35 of the Interim Prudential Sourcebook for Insurers**

We have examined the following documents prepared by the Company pursuant to the Accounts and Statements Rules set out in part I and part IV of chapter 9 to the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU, the Prudential Sourcebook for Insurers, (“the Rules”) made by the Financial Services Authority under section 138 of the Financial Services and Markets Act 2000:

- Forms 1 to 3, 11 to 25, 31 to 32, 36 to 38, 40 to 45, 48, 49, 56, 58 and 60, (including the supplementary notes) on Volume 1 pages 1 to 126 and pages 231 to 252, and pages 138 to 147, 214, 219 to 223 and 230 on Volume 2 (‘the Forms’);
- the statements required by IPRU(INS) rules 9.25, 9.26, 9.27 and 9.29 on pages 253 to 255 and 260 to 261 of Volume 1 (‘the Statements’);
- the valuation report required by IPRU(INS) rule 9.31(a) (‘the methods and assumptions included in the valuation report’); and
- the statements, analysis and reports required by IPRU(INS) rule 9.31(b) (‘the realistic valuation report’)

We are not required to examine and do not express an opinion on:

- Forms 46, 47, 50 to 55, 57, 59A and 59B (including the supplementary notes) on pages 127 to 137, 148 to 213, 215 to 218 and 224 to 229 of volume 2;
- the statements required by IPRU(INS) rules 9.30, 9.32 and 9.36 on pages 256 to 259 and 262 to 264 of Volume 1;
- the certificate required by IPRU(INS) rule 9.34 on pages 265 to 266 of Volume 1 (‘the certificate’); and

This report is made solely to the Company’s directors, as a body, in accordance with the requirements of IPRU(INS) rule 9.35. We acknowledge that the directors are required to submit this report to the FSA, to enable the FSA to verify that an auditor’s report has been commissioned by the Company’s directors and issued in accordance with the requirements of IPRU(INS) rule 9.35 and to facilitate the discharge by the FSA of its regulatory functions in respect of the Company, conferred on the FSA by or under the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Company’s directors those matters we are required to state to them

in an auditor's report issued pursuant to IPRU(INS) rule 9.35 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Company and its auditors**

The Company is responsible for the preparation of an annual return (including the Forms, the Statement, the valuation report, and the realistic valuation report, the forms and statements not examined by us and the certificate) under the provisions of the Rules. The requirements of the Rules have been modified by waivers issued under section 148 of the Financial Services and Markets Act 2000 and orders granted under section 68 of the Insurance Companies Act 1982 which continue to have effect as referred to in supplementary note 0101 on pages 231 and 232. Under IPRU(INS) rule 9.11 the Forms, the Statement, valuation report, realistic valuation report, the forms and statements not examined by us and the certificate are required to be prepared in the manner specified by the Rules and to state fairly the information provided on the basis required by the Rules.

The methods and assumptions determined by the Company and used to perform the actuarial investigation as set out in the valuation report, and the realistic valuation report, prepared in accordance with IPRU(INS) rule 9.31 are required to reflect appropriately the requirements of INSPRU 1.2 and 1.3.

It is our responsibility to form an independent opinion as to whether the Forms, the Statements, the valuation report and the realistic valuation report meet these requirements, and to report our opinions to you. We also report to you if, in our opinion, the Company has not kept proper accounting records or if we have not received all the information we require for our examination.

### **Basis of opinion**

We conducted our work in accordance with Practice Note 20 "The audit of insurers in the United Kingdom" and Bulletin 2004/5 issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms, the Statements, the valuation report and the realistic valuation report. The evidence included that previously obtained by us relating to the audit of the financial statements of the Company for the financial year. It also included an assessment of the significant estimates and judgements made by the Company in the preparation of the Forms, the Statement, the valuation report and the realistic valuation report.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Forms, the Statement, the valuation report and the realistic valuation report are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with IPRU(INS) rule 9.11.

In accordance with IPRU(INS) rule 9.35(1A), to the extent that any document, Form, Statement, analysis or report to be examined under IPRU(INS) rule 9.35(1) contains amounts or information abstracted from the actuarial investigation performed pursuant to IPRU(INS) rule 9.4, we have obtained and paid due regard to advice from a suitably qualified actuary who is independent of the Company.

## **Opinion**

In our opinion:

- i) the Forms, the Statements, the valuation report and the realistic valuation report fairly state the information provided on the basis required by the Rules as modified and have been properly prepared in accordance with the provisions of those Rules; and
- ii) the methods and assumptions determined by the Company and used to perform the actuarial investigation as set out in the valuation report and the realistic valuation report prepared in accordance with IPRU(INS) rule 9.31 appropriately reflect the requirements of INSPRU 1.2 and 1.3.

KPMG Audit Plc  
Registered Auditor

London

26 March 2009