

## Consolidated statement of changes in equity

Year ended 31 December 2009	Note	2009 £m							Total equity
		Share capital	Share premium	Retained earnings	Translation reserve	Available-for-sale securities reserve	Shareholders' equity	Minority interests	
<b>Reserves</b>									
Profit for the year		–	–	676	–	–	676	1	677
Other comprehensive income (loss):									
Exchange movements on foreign operations and net investment hedges, net of related tax		–	–	–	(195)	–	(195)	–	(195)
Unrealised valuation movements, net of related change in amortisation of deferred income and acquisition costs and related tax		–	–	–	–	1,043	1,043	–	1,043
Total other comprehensive income (loss)		–	–	–	(195)	1,043	848	–	848
Total comprehensive income (loss) for the year		–	–	676	(195)	1,043	1,524	1	1,525
Dividends	B3	–	–	(481)	–	–	(481)	–	(481)
Reserve movements in respect of share-based payments		–	–	29	–	–	29	–	29
Change in minority interests arising principally from purchase and sale of property partnerships of the PAC with-profits fund and other consolidated investment funds		–	–	–	–	–	–	(24)	(24)
<b>Share capital and share premium</b>									
New share capital subscribed	H11	2	139	–	–	–	141	–	141
Transfer to retained earnings in respect of shares issued in lieu of cash dividends	H11	–	(136)	136	–	–	–	–	–
<b>Treasury shares</b>									
Movement in own shares held in respect of share-based payment plans		–	–	3	–	–	3	–	3
Movement in Prudential plc shares purchased by unit trusts consolidated under IFRS		–	–	(3)	–	–	(3)	–	(3)
Net increase (decrease) in equity		2	3	360	(195)	1,043	1,213	(23)	1,190
At beginning of year		125	1,840	3,604	398	(909)	5,058	55	5,113
At end of year	H11	127	1,843	3,964	203	134	6,271	32	6,303

**Consolidated statement of changes in equity** > continued

		2008 £m							
	Note	Share capital	Share premium	Retained earnings	Translation reserve	Available-for-sale securities reserve	Shareholders' equity	Minority interests	Total equity
<b>Reserves</b>									
Loss for the year		–	–	(396)	–	–	(396)	5	(391)
Other comprehensive income (loss):									
Exchange movements on foreign operations and net investment hedges, net of related tax		–	–	–	510	–	510	–	510
Unrealised valuation movements, net of related change in amortisation of deferred income and acquisition costs and related tax		–	–	–	–	(831)	(831)	–	(831)
Total other comprehensive income (loss)		–	–	–	510	(831)	(321)	–	(321)
Total comprehensive income (loss) for the year		–	–	(396)	510	(831)	(717)	5	(712)
Dividends	B3	–	–	(453)	–	–	(453)	(2)	(455)
Reserve movements in respect of share-based payments		–	–	18	–	–	18	–	18
Change in minority interests arising principally from purchase and sale of property partnerships of the PAC with-profits fund and other consolidated investment funds		–	–	–	–	–	–	(50)	(50)
<b>Share capital and share premium</b>									
New share capital subscribed	H11	2	168	–	–	–	170	–	170
Transfer to retained earnings in respect of shares issued in lieu of cash dividends	H11	–	(156)	156	–	–	–	–	–
<b>Treasury shares</b>									
Movement in own shares held in respect of share-based payment plans		–	–	3	–	–	3	–	3
Movement in Prudential plc shares purchased by unit trusts consolidated under IFRS		–	–	(25)	–	–	(25)	–	(25)
Net increase (decrease) in equity		2	12	(697)	510	(831)	(1,004)	(47)	(1,051)
At beginning of year		123	1,828	4,301	(112)	(78)	6,062	102	6,164
At end of year	H11	125	1,840	3,604	398	(909)	5,058	55	5,113

As a result of the introduction of the consolidated statement of comprehensive income there has been a reclassification of £240 million of exchange losses from the Available-for-sale securities reserve to the Translation reserve in the 2008 comparative as explained in note A5.