

# **The Prudential Assurance Company Limited**

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

**31 December 2009**

**IPRU(INS) 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 0HH. Registered number 15454

Authorised and regulated by the Financial Services Authority.

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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 2009**

**R A Devey**  
**Chief Executive**

.....

**A M Crossley**  
**Director**

.....

**D J Belsham**  
**Director**

.....

**Date**                            **26-Mar-10**

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

Global business

Financial year ended **31 December 2009**

Adjusted solo solvency calculation

R1	Company registration number	GL/ UK/ CM	day month year			Units
			31	12	2009	
	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	2138457	1473339
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12	2088457	1398339
Capital resources available to cover general insurance business capital resources requirement (11-12)	13	50000	75000

**Guarantee fund**

Guarantee fund requirement	21	12544	12544
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	37456	62456

**Minimum capital requirement (MCR)**

General insurance capital requirement	31	18296	18296
Base capital resources requirement	33	3128	2518
Individual minimum capital requirement	34	18296	18296
Capital requirements of regulated related undertakings	35	6446	6446
Minimum capital requirement (34+35)	36	24742	24742
Excess (deficiency) of available capital resources to cover 50% of MCR	37	37629	62629
Excess (deficiency) of available capital resources to cover 75% of MCR	38	31444	56444

**Capital resources requirement (CRR)**

Capital resources requirement	41	24742	24742
Excess (deficiency) of available capital resources to cover general insurance business CRR (13-41)	42	25258	50258

**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 2009**

Adjusted solo solvency calculation

R2	Company registration number	GL/UK/CM	day month year			Units
			31	12	2009	
	15454	GL				£000
			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	15468858	8595722
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12	2088457	1398339
Capital resources available to cover long-term insurance business capital resources requirement (11+12)	13	17557316	9994061

**Guarantee fund**

Guarantee fund requirement	21	2253825	2158286
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	15303490	7835775

**Minimum capital requirement (MCR)**

Long-term insurance capital requirement	31	3014304	3021112
Resilience capital requirement	32		
Base capital resources requirement	33	3128	2518
Individual minimum capital requirement	34	3014304	3021112
Capital requirements of regulated related undertakings	35	1255057	1154049
Minimum capital requirement (34+35)	36	4269361	4175161
Excess (deficiency) of available capital resources to cover 50% of MCR	37	15422635	7906481
Excess (deficiency) of available capital resources to cover 75% of MCR	38	14355295	6862690

**Enhanced capital requirement**

With-profits insurance capital component	39	5570268	1062163
Enhanced capital requirement	40	9839629	5237324

**Capital resources requirement (CRR)**

Capital resources requirement (greater of 36 and 40)	41	9839629	5237324
Excess (deficiency) of available capital resources to cover long-term insurance business CRR (13-41)	42	7717687	4756737

**Contingent liabilities**

Quantifiable contingent liabilities in respect of long-term insurance business as shown in a supplementary note to Form 14	51	377448	101014
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## Components of capital resources

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

Global business

Financial year ended **31 December 2009**

	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>2009</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>		

## Core tier one capital

Permanent share capital	<b>11</b>	242617		242617	242617
Profit and loss account and other reserves	<b>12</b>	914369	2455024	3369393	2907734
Share premium account	<b>13</b>				
Positive valuation differences	<b>14</b>	65689	6055974	6121663	849018
Fund for future appropriations	<b>15</b>		10330071	10330071	8691141
Core tier one capital in related undertakings	<b>16</b>	(342952)	(50006)	(392959)	(312763)
Core tier one capital (sum of 11 to 16)	<b>19</b>	879722	18791063	19670786	12377748

## Tier one waivers

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

## Other tier one capital

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

<b>Total tier one capital before deductions (19+24+25+26+27+28)</b>	<b>31</b>	966622	18791063	19757686	12464648
Investments in own shares	<b>32</b>				
Intangible assets	<b>33</b>		229717	229717	261212
Amounts deducted from technical provisions for discounting	<b>34</b>				
Other negative valuation differences	<b>35</b>				
Deductions in related undertakings	<b>36</b>	812324	710199	1522523	1538985
Deductions from tier one (32 to 36)	<b>37</b>	812324	939916	1752240	1800197
<b>Total tier one capital after deductions (31-37)</b>	<b>39</b>	154298	17851147	18005445	10664450

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

Global business

Financial year ended **31 December 2009**

	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>2009</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 2009**

	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>2009</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>		

## Total capital resources

Positive adjustments for regulated non-insurance related undertakings	<b>71</b>				
<b>Total capital resources before deductions (39+69+71)</b>	<b>72</b>	155298	17851147	18006445	10665450
Inadmissible assets other than intangibles and own shares	<b>73</b>	9826	293832	303658	476638
Assets in excess of market risk and counterparty limits	<b>74</b>	95472		95472	119752
Deductions for related ancillary services undertakings	<b>75</b>				
Deductions for regulated non-insurance related undertakings	<b>76</b>				
Deductions of ineligible surplus capital	<b>77</b>				
<b>Total capital resources after deductions (72-73-74-75-76-77)</b>	<b>79</b>	50000	17557316	17607316	10069061

## Available capital resources for GENPRU/INSPRU tests

Available capital resources for guarantee fund requirement	<b>81</b>	50000	17557316	17607316	10069061
Available capital resources for 50% MCR requirement	<b>82</b>	50000	17557316	17607316	10069061
Available capital resources for 75% MCR requirement	<b>83</b>	50000	17557316	17607316	10069061

## Financial engineering adjustments

Implicit items	<b>91</b>				
Financial reinsurance - ceded	<b>92</b>		23483	23483	
Financial reinsurance - accepted	<b>93</b>				
Outstanding contingent loans	<b>94</b>		353965	353965	100734
Any other charges on future profits	<b>95</b>				
<b>Sum of financial engineering adjustments (91+92-93+94+95)</b>	<b>96</b>		377448	377448	100734

**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 2009**

General insurance business

	Company registration number	GL/UK/CM	day month year			Units	
	R11	15454	GL	31	12	2009	£000
				This financial year		Previous year	
				1	2		
Gross premiums written			11	33719		28021	
Premiums taxes and levies (included in line 11)			12				
Premiums written net of taxes and levies (11-12)			13	33719		28021	
Premiums for classes 11, 12 or 13 (included in line 13)			14	4657		4310	
Premiums for "actuarial health insurance" (included in line 13)			15				
<b>Sub-total A (13 + 1/2 14 - 2/3 15)</b>			16	36048		30177	
Gross premiums earned			21	33374		26581	
Premium taxes and levies (included in line 21)			22				
Premiums earned net of taxes and levies (21-22)			23	33374		26581	
Premiums for classes 11, 12 or 13 (included in line 23)			24	4861		4153	
Premiums for "actuarial health insurance" (included in line 23)			25				
<b>Sub-total H (23 + 1/2 24 - 2/3 25)</b>			26	35804		28657	
<b>Sub-total I (higher of sub-total A and sub-total H)</b>			30	36048		30177	
<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	6489		5432	
	Excess (if any) over 57.5M EURO x 0.02		33				
<b>Sub-total J (32-33)</b>			34	6489		5432	
Claims paid in period of 3 financial years			41	56904		61108	
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis		42	1008		1008	
	For insurance business accounted for on an accident year basis		43	116450		113960	
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis		44	3150		1066	
	For insurance business accounted for on an accident year basis		45	103011		112829	
<b>Sub-total C (41+42+43-44-45)</b>			46	68201		62181	
Amounts recoverable from reinsurers in respect of claims included in Sub-total C			47	(1729)		2177	
<b>Sub-total D (46-47)</b>			48	69930		60004	
<b>Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)</b>			49	1.00		0.96	
<b>Premiums amount (Sub-total J x reinsurance ratio)</b>			50	6489		5242	
Provision for claims outstanding (before discounting and net of reinsurance)			51	99420		95038	
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 2009**

Long term insurance business

	Company registration number	GL/UK/CM	day month year			Units	
	R11	15454	GL	31	12	2009	£000
				This financial year		Previous year	
				1	2		
Gross premiums written			11			134621	131492
Premiums taxes and levies (included in line 11)			12				
Premiums written net of taxes and levies (11-12)			13			134621	131492
Premiums for classes 11, 12 or 13 (included in line 13)			14				
Premiums for "actuarial health insurance" (included in line 13)			15			123318	119432
<b>Sub-total A (13 + 1/2 14 - 2/3 15)</b>			16			52409	51871
Gross premiums earned			21			170133	170099
Premium taxes and levies (included in line 21)			22				
Premiums earned net of taxes and levies (21-22)			23			170133	170099
Premiums for classes 11, 12 or 13 (included in line 23)			24				
Premiums for "actuarial health insurance" (included in line 23)			25			123318	119432
<b>Sub-total H (23 + 1/2 24 - 2/3 25)</b>			26			87921	90478
<b>Sub-total I (higher of sub-total A and sub-total H)</b>			30			87921	90478
<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			15826	16286
	Excess (if any) over 57.5M EURO x 0.02		33			731	974
<b>Sub-total J (32-33)</b>			34			15095	15312
Claims paid in period of 3 financial years			41			219794	222340
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis		42			43737	43017
	For insurance business accounted for on an accident year basis		43			7173	7726
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis		44			29801	23337
	For insurance business accounted for on an accident year basis		45			6876	8556
<b>Sub-total C (41+42+43-44-45)</b>			46			234027	241190
Amounts recoverable from reinsurers in respect of claims included in Sub-total C			47			47008	62376
<b>Sub-total D (46-47)</b>			48			187019	178814
<b>Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)</b>			49			0.80	0.74
<b>Premiums amount (Sub-total J x reinsurance ratio)</b>			50			12063	11352
Provision for claims outstanding (before discounting and net of reinsurance)			51			26576	14277
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	21115
Greater of lines 50 and 53			54			21115	21115

**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 2009**

General insurance business

		Company registration number	GL/ UK/ CM	day month year			Units	
		R12	15454	GL	31	12	2009	£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		56904		61108		
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis	22		1008		1008		
	For insurance business accounted for on an accident year basis	23		116450		113960		
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis	24		3150		1066		
	For insurance business accounted for on an accident year basis	25		103011		112829		
Claims incurred in reference period (21+22+23-24-25)		26		68201		62181		
Claims incurred for classes 11, 12 or 13 (included in 26)		27		40501		38645		
Claims incurred for "actuarial health insurance" (included in 26)		28						
<b>Sub-total E (26 +1/2 27 - 2/3 28)</b>		29		88451		81503		
<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		29484		27168		
Division of sub-total F (gross adjusted claims amount)	x 0.26	32		7666		7064		
	Excess (if any) over 40.3M EURO x 0.03	33						
<b>Sub-total G (32-33)</b>		39		7666		7064		
<b>Claims amount Sub-total G x reinsurance ratio (11.49)</b>		41		7666		6816		
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 2009**

Long term insurance business

		Company registration number	GL/ UK/ CM	day month year			Units	
		R12	15454	GL	31	12	2009	£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	219794			222340	
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis		22	43737			43017	
	For insurance business accounted for on an accident year basis		23	7173			7726	
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis		24	29801			23337	
	For insurance business accounted for on an accident year basis		25	6876			8556	
Claims incurred in reference period (21+22+23-24-25)			26	234027			241190	
Claims incurred for classes 11, 12 or 13 (included in 26)			27					
Claims incurred for "actuarial health insurance" (included in 26)			28	101515			92488	
<b>Sub-total E (26 +1/2 27 - 2/3 28)</b>			29	166351			179531	
<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	55450			59844	
Division of sub-total F (gross adjusted claims amount)	x 0.26		32	14417			15559	
	Excess (if any) over 40.3M EURO x 0.03		33	583			917	
<b>Sub-total G (32-33)</b>			39	13834			14642	
<b>Claims amount Sub-total G x reinsurance ratio (11.49)</b>			41	11055			10856	
Higher of premiums amount and brought forward amount (11.54)			42	21115			21115	
<b>General insurance capital requirement (higher of lines 41 and 42)</b>			43	21115			21115	

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

Global business

Financial year ended **31 December 2009**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>2009</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>	
Land and buildings			<b>11</b>				

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>	365355	42069
	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>	11386	10636
	Debts and loans	<b>26</b>		
Other group undertakings	Shares	<b>27</b>	19155	13570
	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>		
Other shares and other variable yield participations	<b>42</b>		
Holdings in collective investment schemes	<b>43</b>		
Rights under derivative contracts	<b>44</b>		
Fixed interest securities	Approved	<b>45</b>	64475
	Other	<b>46</b>	
Variable interest securities	Approved	<b>47</b>	
	Other	<b>48</b>	
Participation in investment pools	<b>49</b>		
Loans secured by mortgages	<b>50</b>	724229	494704
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>		
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	80544
	More than one month withdrawal	<b>55</b>	7775
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 2009**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>2009</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>	1803	2114
Claims outstanding	<b>61</b>	17728	21901
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>	5859	6601
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>		
	Ceded	<b>75</b>	186	160
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>	823497	596474
	due in more than 12 months	<b>79</b>		

**Other assets**

Tangible assets	<b>80</b>		1
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	517940	349295
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>	11	1042
Deferred acquisition costs (general business only)	<b>85</b>	6052	6209
Other prepayments and accrued income	<b>86</b>	7604	

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>	2589122	1644741
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**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>2009</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>	2589122	1644741
Admissible assets in excess of market and counterparty limits	<b>92</b>	95472	119752
Inadmissible assets directly held	<b>93</b>	1145	4656
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	695813	611402
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>	758	1914
Inadmissible assets of regulated related undertakings	<b>96</b>	8681	102422
Book value of related ancillary services undertakings	<b>97</b>	6539	9995
Other differences in the valuation of assets (other than for assets not valued above)	<b>98</b>	1025785	931552
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>		<b>(25420)</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>	4423315	3401015
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 2009**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>2009</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>	
Land and buildings			<b>11</b>		5952253	6516834	

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>	251426	199181
	Debts and loans	<b>22</b>		
Other insurance dependants	Shares	<b>23</b>	57187	56586
	Debts and loans	<b>24</b>		
Non-insurance dependants	Shares	<b>25</b>	1483140	1832331
	Debts and loans	<b>26</b>	759646	716221
Other group undertakings	Shares	<b>27</b>	2513	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>	22843038	27158963	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	7324622	6134983	
Rights under derivative contracts	<b>44</b>	645483	726757	
Fixed interest securities	Approved	<b>45</b>	5308528	4894419
	Other	<b>46</b>	25209415	20916545
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	2315143	2600897
Participation in investment pools	<b>49</b>	1341395	1453642	
Loans secured by mortgages	<b>50</b>	24493	1490	
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>	84017	89556	
Other loans	<b>53</b>	817698	815212	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	9676575	5054856
	More than one month withdrawal	<b>55</b>	1650	3857
Other financial investments	<b>56</b>			
Deposits with ceding undertakings	<b>57</b>	2328670	2036625	
Assets held to match linked liabilities	Index linked	<b>58</b>	377273	355237
	Property linked	<b>59</b>	7298653	6200852

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

Global business

Financial year ended **31 December 2009**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>2009</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>	35315	49112
	Intermediaries	<b>72</b>	4968	2852
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>	25137	7647
	Ceded	<b>75</b>	23380	16127
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>	750647	539336
	due in more than 12 months	<b>79</b>	27384	292691

**Other assets**

Tangible assets	<b>80</b>	5485	7007
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	145319	346599
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>	705463	757230
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	30586	25576

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>	95856500	89811910
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**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>2009</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>	95856500	89811910
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>	294041	366906
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	565690	549093
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>	68836	99696
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>	868689	1168609
Deferred acquisition costs excluded from line 89	<b>99</b>	160671	164169
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	16736476	14630319
Other asset adjustments (may be negative)	<b>101</b>	41342	186258
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>	114592245	106976960
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>	7968	5731

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

Global business

Financial year ended **31 December 2009**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>2009</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>	
Land and buildings			<b>11</b>		712607	830730	

**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>	172899	237201
	Debts and loans	<b>26</b>	93693	85574
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>	2776920	3522510	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	216897	227759	
Rights under derivative contracts	<b>44</b>	109707	196210	
Fixed interest securities	Approved	<b>45</b>	746294	598589
	Other	<b>46</b>	3728824	3275879
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	321896	396533
Participation in investment pools	<b>49</b>	222510	243399	
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>	8938	10877	
Other loans	<b>53</b>	114056	145448	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	887242	595767
	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 2009**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>2009</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>	3144	1791
	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>	108845	92236
	due in more than 12 months	<b>79</b>		26339

**Other assets**

Tangible assets	<b>80</b>		
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	122050	172255
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>	93159	101572
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	4439	4534

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>	10444192	10765274
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**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>2009</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>	10444192	10765274
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>	14474	55114
Deferred acquisition costs excluded from line 89	<b>99</b>	2001	2671
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	465096	467479
Other asset adjustments (may be negative)	<b>101</b>	2816	29123
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>	10928579	11319661
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 2009**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>2009</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>	
Land and buildings			<b>11</b>		4701205	5460140	

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>	251426	199181
	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>	1310236	1595125
	Debts and loans	<b>26</b>	665953	630647
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>	19008601	22435727	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	6195161	5211586	
Rights under derivative contracts	<b>44</b>	451274	505918	
Fixed interest securities	Approved	<b>45</b>	3879267	3428587
	Other	<b>46</b>	18809455	15605348
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	1924043	2137665
Participation in investment pools	<b>49</b>	1118885	1210243	
Loans secured by mortgages	<b>50</b>	24422	1419	
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>	75000	78599	
Other loans	<b>53</b>	703072	669632	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	8142493	3987156
	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>	4322	5001
	Property linked	<b>59</b>		

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

Global business

Financial year ended **31 December 2009**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>2009</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>	23847	36866
	Intermediaries	<b>72</b>	4574	2423
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>		
	Ceded	<b>75</b>	22075	14263
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>	572697	369043
	due in more than 12 months	<b>79</b>	27384	197430

**Other assets**

Tangible assets	<b>80</b>	5485	7007
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>		
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>	559608	604218
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	10317	6277

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>	68490802	64399501
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**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>2009</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>	68490802	64399501
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>	152716	208175
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	518442	500789
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>	65300	95655
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>	804174	1076954
Deferred acquisition costs excluded from line 89	<b>99</b>	6618	10828
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	12872213	11424607
Other asset adjustments (may be negative)	<b>101</b>	46494	156934
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>	82956759	77873444
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>	2363	170

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

Global business

Financial year ended **31 December 2009**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>2009</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>	
Land and buildings			<b>11</b>		218025	225964	

**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>	1054961	1198172	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	767489	685142	
Rights under derivative contracts	<b>44</b>	329	15969	
Fixed interest securities	Approved	<b>45</b>	15	
	Other	<b>46</b>	1013659	618362
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	865	2115
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>	570	132	
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	194075	171109
	More than one month withdrawal	<b>55</b>	1650	3857
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 2009**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>2009</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>	469	527
	Intermediaries	<b>72</b>	394	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>	20499	7550
	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>	66	2290
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>	1554	1729
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>	3274621	2933349
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**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>2009</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>	3274621	2933349
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>	34	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>	(7968)	201
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>	3266687	2933612
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 2009**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>2009</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>	
Land and buildings			<b>11</b>	320416			

**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>	57187	56586
	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>	2513	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>	2557	2554	
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>	145074	10495	
Rights under derivative contracts	<b>44</b>	84173	8660	
Fixed interest securities	Approved	<b>45</b>	682952	867243
	Other	<b>46</b>	1657476	1416956
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	68339	64584
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>	452765	300824
	More than one month withdrawal	<b>55</b>		
Other financial investments	<b>56</b>			
Deposits with ceding undertakings	<b>57</b>	2328670	2036625	
Assets held to match linked liabilities	Index linked	<b>58</b>	372951	350236
	Property linked	<b>59</b>	7298653	6200852

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

Global business

Financial year ended **31 December 2009**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>2009</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>	7855	9928
	Intermediaries	<b>72</b>		
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>	25137	7647
	Ceded	<b>75</b>	1305	1864
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>	48605	70507
	due in more than 12 months	<b>79</b>		68922

**Other assets**

Tangible assets	<b>80</b>		
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	23203	172054
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>	51142	49710
Deferred acquisition costs (general business only)	<b>85</b>		
Other prepayments and accrued income	<b>86</b>	15829	14765

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>	13646886	11713786
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**Analysis of admissible assets**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**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>2009</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>	13646886	11713786
Admissible assets in excess of market and counterparty limits	<b>92</b>		
Inadmissible assets directly held	<b>93</b>	141325	158731
Capital resources requirement deduction of regulated related undertakings	<b>94</b>	47248	48304
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	<b>95</b>		
Inadmissible assets of regulated related undertakings	<b>96</b>	3536	4041
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>	50007	36479
Deferred acquisition costs excluded from line 89	<b>99</b>	152052	150670
Reinsurers' share of technical provisions excluded from line 89	<b>100</b>	3399167	2738232
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>	17440221	14850243
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	<b>103</b>	5605	5561

**Long term insurance business liabilities and margins**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**Total business/Sub fund **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>	76987236	76532967	
Cash bonuses which had not been paid to policyholders prior to end of the financial year	<b>12</b>	3654	1506	
Balance of surplus/(valuation deficit)	<b>13</b>	118518	32549	
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	77109408	76567022	
Claims outstanding	Gross	<b>15</b>	332352	342434
	Reinsurers' share	<b>16</b>	3915	3645
	Net (15-16)	<b>17</b>	328437	338789
Provisions	Taxation	<b>21</b>	576515	199967
	Other risks and charges	<b>22</b>	53785	219085
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	75038	66407
	Reinsurance accepted	<b>32</b>	12232	4361
	Reinsurance ceded	<b>33</b>	12345	26028
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>	45115	61267	
Creditors	Taxation	<b>37</b>	352797	14627
	Other	<b>38</b>	2396497	4190044
Accruals and deferred income	<b>39</b>	109674	110234	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	3962435	5230808	
Excess of the value of net admissible assets	<b>51</b>	14784657	8014080	
Total liabilities and margins	<b>59</b>	95856501	89811910	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	188101	174333
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	<b>62</b>	7298653	6200852

Total liabilities (11+12+49)	<b>71</b>	80953326	81765281
Increase to liabilities - DAC related	<b>72</b>	33399	32888
Reinsurers' share of technical provisions	<b>73</b>	16736477	14630319
Other adjustments to liabilities (may be negative)	<b>74</b>	6172407	1347431
Capital and reserves and fund for future appropriations	<b>75</b>	10696638	9201042
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	<b>76</b>	114592245	106976961



**Long term insurance business liabilities and margins**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**Total business/Sub fund **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>	8532568	9277559	
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>	8532568	9277559	
Claims outstanding	Gross	<b>15</b>	80332	79137
	Reinsurers' share	<b>16</b>	93	210
	Net (15-16)	<b>17</b>	80239	78927
Provisions	Taxation	<b>21</b>	64063	20543
	Other risks and charges	<b>22</b>	1600	
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	356	930
	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>	43877	2810
	Other	<b>38</b>	367740	764048
Accruals and deferred income	<b>39</b>	14298	16636	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	572173	883894	
Excess of the value of net admissible assets	<b>51</b>	1339451	603821	
Total liabilities and margins	<b>59</b>	10444192	10765274	

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>	9104741	10161453
Increase to liabilities - DAC related	<b>72</b>		
Reinsurers' share of technical provisions	<b>73</b>	465094	467479
Other adjustments to liabilities (may be negative)	<b>74</b>	1358744	690729
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 of its external financial reporting (71 to 75)	<b>76</b>	10928579	11319661

**Long term insurance business liabilities and margins**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**Total business/Sub fund **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>	52211610	52895823	
Cash bonuses which had not been paid to policyholders prior to end of the financial year	<b>12</b>	3654	1506	
Balance of surplus/(valuation deficit)	<b>13</b>			
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	52215264	52897329	
Claims outstanding	Gross	<b>15</b>	161813	171716
	Reinsurers' share	<b>16</b>	1391	840
	Net (15-16)	<b>17</b>	160422	170876
Provisions	Taxation	<b>21</b>	561933	319464
	Other risks and charges	<b>22</b>	43600	214000
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	48257	42901
	Reinsurance accepted	<b>32</b>		
	Reinsurance ceded	<b>33</b>	9143	9763
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>	45115	61267	
Creditors	Taxation	<b>37</b>	218557	9418
	Other	<b>38</b>	1649125	3170656
Accruals and deferred income	<b>39</b>	94178	93570	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	2830331	4091914	
Excess of the value of net admissible assets	<b>51</b>	13445206	7410259	
Total liabilities and margins	<b>59</b>	68490802	64399501	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	67681	54855
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>	55045596	56989242
Increase to liabilities - DAC related	<b>72</b>		1944
Reinsurers' share of technical provisions	<b>73</b>	12872213	11424607
Other adjustments to liabilities (may be negative)	<b>74</b>	4804470	873940
Capital and reserves and fund for future appropriations	<b>75</b>	10234480	8583710
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	<b>76</b>	82956759	77873443

**Long term insurance business liabilities and margins**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**Total business/Sub fund **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>	3204836	2928489	
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>	3204836	2928489	
Claims outstanding	Gross	<b>15</b>	633	579
	Reinsurers' share	<b>16</b>		
	Net (15-16)	<b>17</b>	633	579
Provisions	Taxation	<b>21</b>		
	Other risks and charges	<b>22</b>		
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>	146	
	Other	<b>38</b>	69006	4280
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>	69785	4860	
Excess of the value of net admissible assets	<b>51</b>			
Total liabilities and margins	<b>59</b>	3274621	2933349	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	315	
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>	3274621	2933349
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>	(7934)	(1574)
Capital and reserves and fund for future appropriations	<b>75</b>		1837
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	<b>76</b>	3266687	2933612

**Long term insurance business liabilities and margins**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**Total business/Sub fund **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>	13038222	11431096	
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>	118518	32549	
Long term insurance business fund carried forward (11 to 13)	<b>14</b>	13156740	11463645	
Claims outstanding	Gross	<b>15</b>	89574	91002
	Reinsurers' share	<b>16</b>	2430	2596
	Net (15-16)	<b>17</b>	87143	88406
Provisions	Taxation	<b>21</b>	(49482)	(140039)
	Other risks and charges	<b>22</b>	8585	5085
Deposits received from reinsurers	<b>23</b>			
Creditors	Direct insurance business	<b>31</b>	26425	22577
	Reinsurance accepted	<b>32</b>	12232	4361
	Reinsurance ceded	<b>33</b>	3201	16265
Debenture loans	Secured	<b>34</b>		
	Unsecured	<b>35</b>		
Amounts owed to credit institutions	<b>36</b>			
Creditors	Taxation	<b>37</b>	90216	2399
	Other	<b>38</b>	310626	251060
Accruals and deferred income	<b>39</b>	1198	28	
Provision for "reasonably foreseeable adverse variations"	<b>41</b>			
Total other insurance and non-insurance liabilities (17 to 41)	<b>49</b>	490146	250141	
Excess of the value of net admissible assets	<b>51</b>			
Total liabilities and margins	<b>59</b>	13646886	11713786	

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	<b>61</b>	15805	15178
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	<b>62</b>	7298653	6200852

Total liabilities (11+12+49)	<b>71</b>	13528368	11681236
Increase to liabilities - DAC related	<b>72</b>	33399	30944
Reinsurers' share of technical provisions	<b>73</b>	3399170	2738232
Other adjustments to liabilities (may be negative)	<b>74</b>	17126	(215664)
Capital and reserves and fund for future appropriations	<b>75</b>	462158	615495
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	<b>76</b>	17440221	14850244

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

Global business

Financial year ended **31 December 2009**

R15	Company registration number 15454	GL/ UK/ CM GL	day month year			Units £000
			31	12	2009	
			As at end of this financial year		As at end of the previous year	
			1		2	

**Technical provisions (gross amount)**

Provisions for unearned premiums	<b>11</b>	16363	18011
Claims outstanding	<b>12</b>	117148	116939
Provision for unexpired risks	<b>13</b>		
Equalisation provisions	Credit business	<b>14</b>	
	Other than credit business	<b>15</b>	711
Other technical provisions	<b>16</b>		
Total gross technical provisions (11 to 16)	<b>19</b>	134168	135661

**Provisions and creditors**

Provisions	Taxation	<b>21</b>		
	Other risks and charges	<b>22</b>	56653	93199
Deposits received from reinsurers	<b>31</b>			
Creditors	Direct insurance business	<b>41</b>	2243	2737
	Reinsurance accepted	<b>42</b>		
	Reinsurance ceded	<b>43</b>	553	616
Debenture loans	Secured	<b>44</b>		
	Unsecured	<b>45</b>		
Amounts owed to credit institutions	<b>46</b>			
Creditors	Taxation	<b>47</b>	3075	9535
	Foreseeable dividend	<b>48</b>		
	Other	<b>49</b>	946865	540102
Accruals and deferred income	<b>51</b>	2918	954	
Total (19 to 51)	<b>59</b>	1146475	782804	
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>	1147475	783804	

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	<b>71</b>	927753	
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Amounts deducted from technical provisions for discounting	<b>82</b>		
Other adjustments (may be negative)	<b>83</b>	(56500)	(110148)
Capital and reserves	<b>84</b>	3332340	2727359
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>	4423315	3401015

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

Global business

Financial year ended **31 December 2009**

		Company registration number	GL/ UK/ CM	day	month	year	Units	
		R16	15454	GL	31	12	2009	£000
				This financial year			Previous year	
				1			2	
Transfer (to)/from the general insurance business technical account	From Form 20	11	(5388)	(13045)				
	Equalisation provisions	12	(24)	(37)				
Transfer from the long term insurance business revenue account		13	472041	265282				
Investment income	Income	14	45886	117067				
	Value re-adjustments on investments	15	384176					
	Gains on the realisation of investments	16	2202	46767				
Investment charges	Investment management charges, including interest	17	182	295				
	Value re-adjustments on investments	18		23365				
	Loss on the realisation of investments	19						
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	38649	2016				
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		29	937359	394389				
Tax on profit or loss on ordinary activities		31	32705	37149				
Profit or loss on ordinary activities after tax (29-31)		39	904654	357240				
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	904654	357240				
Dividends (paid or foreseeable)		51	284033	482029				
Profit or loss retained for the financial year (49-51)		59	620622	(124790)				

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

Global business

Financial year ended **31 December 2009**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>2009</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 <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>							
	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 2009**Category of assets **Total 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>2009</b>	<b>£000</b>	<b>10</b>
Derivative contracts		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>	37985	34245	1578184	2060220			
	Interest rates	<b>12</b>	239797	77314	4811692	4811692			
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>	1384		48779				
	Credit single name	<b>15</b>	960	611	36412	12385			
	Equity index	<b>16</b>	8068	19842	675854	818916			
	Equity stock	<b>17</b>							
	Land	<b>18</b>	1139	8560	350000	350000			
	Currencies	<b>19</b>	339651	313892	19556755	19522497			
	Mortality	<b>20</b>							
	Other	<b>21</b>	30	417	70195	70583			
In the money options	Swaptions	<b>31</b>	1746		85000	85000			
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>	2662		19254				
	Equity index puts	<b>34</b>							
	Equity stock puts	<b>35</b>							
	Other	<b>36</b>	324		5830				
Out of the money options	Swaptions	<b>41</b>	23148		815000	815000			
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>	679	200	4885	6829			
	Equity index puts	<b>44</b>	29614			545080			
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>	24		49				
Total (11 to 46)		<b>51</b>	687210	455081	28057889	29098202			
Adjustment for variation margin		<b>52</b>	(41726)	(50083)					
Total (51 + 52)		<b>53</b>	645483	404998					

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 2009**Category of assets **Scottish Amicable Insurance Fund**

		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>2009</b>	<b>£000</b>	<b>11</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 <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>	6132		3219		165890	340966	
	Interest rates	<b>12</b>	47859		5298		568030	568030	
	Inflation	<b>13</b>							
	Credit index / basket	<b>14</b>	222				7819		
	Credit single name	<b>15</b>	71		59		5945		
	Equity index	<b>16</b>	1453				131509		
	Equity stock	<b>17</b>							
	Land	<b>18</b>			345		25000	25000	
	Currencies	<b>19</b>	36185		27757		3103610	3095182	
	Mortality	<b>20</b>							
	Other	<b>21</b>	5		67		11164	11226	
In the money options	Swaptions	<b>31</b>	1746				85000	85000	
	Equity index calls	<b>32</b>							
	Equity stock calls	<b>33</b>	303				2206		
	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>	23148				815000	815000	
	Equity index calls	<b>42</b>							
	Equity stock calls	<b>43</b>	75		22		561	773	
	Equity index puts	<b>44</b>							
	Equity stock puts	<b>45</b>							
	Other	<b>46</b>	24				49		
Total (11 to 46)		<b>51</b>	117223		36767		4921783	4941177	
Adjustment for variation margin		<b>52</b>	(7516)		(2839)				
Total (51 + 52)		<b>53</b>	109707		33928				

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 2009**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	2009	£000	12
Derivative contracts		Value as at the end of this financial year			Notional amount as at the end of this financial year				
		Assets 1	Liabilities 2	Bought / Long 3	Sold / Short 4				
Futures and contracts for differences	Fixed-interest securities	11	31278	30274	1374996	1700957			
	Interest rates	12	182862	70927	3832682	3832682			
	Inflation	13							
	Credit index / basket	14	1162		40960				
	Credit single name	15	889	552	30467	12385			
	Equity index	16	5073	19747	412015	818916			
	Equity stock	17							
	Land	18	1139	8215	325000	325000			
	Currencies	19	227438	209516	16186780	16160458			
	Mortality	20							
	Other	21	25	350	59031	59357			
In the money options	Swaptions	31							
	Equity index calls	32							
	Equity stock calls	33	2359		17048				
	Equity index puts	34							
	Equity stock puts	35							
	Other	36	320		5821				
Out of the money options	Swaptions	41							
	Equity index calls	42							
	Equity stock calls	43	604	178	4324	6056			
	Equity index puts	44	29614			545080			
	Equity stock puts	45							
	Other	46							
Total (11 to 46)		51	482763	339759	22289124	23460891			
Adjustment for variation margin		52	(31488)	(46494)					
Total (51 + 52)		53	451275	293265					

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 2009**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	2009	£000	13
Derivative contracts		Value as at the end of this financial year				Notional amount as at the end of this financial year			
		Assets 1		Liabilities 2		Bought / Long 3		Sold / Short 4	
Futures and contracts for differences	Fixed-interest securities	11	575	752	37298	18297			
	Interest rates	12							
	Inflation	13							
	Credit index / basket	14							
	Credit single name	15							
	Equity index	16	1542	95	132330				
	Equity stock	17							
	Land	18							
	Currencies	19	935	2452	157595	159013			
	Mortality	20							
	Other	21							
In the money options	Swaptions	31							
	Equity index calls	32							
	Equity stock calls	33							
	Equity index puts	34							
	Equity stock puts	35							
	Other	36							
Out of the money options	Swaptions	41							
	Equity index calls	42							
	Equity stock calls	43							
	Equity index puts	44							
	Equity stock puts	45							
	Other	46							
Total (11 to 46)		51	3051	3299	327223	177310			
Adjustment for variation margin		52	(2722)	(750)					
Total (51 + 52)		53	329	2549					

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 2009**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	2009	£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 <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>							
	Interest rates	<b>12</b>	9076		1089		410980	410980	
	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>	75093		74167		108770	107844	
	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>	4				9		
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>	84173		75256		519759	518824	
Adjustment for variation margin		<b>52</b>							
Total (51 + 52)		<b>53</b>	84173		75256				

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 2009**  
 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>	82209614	78098124
	Implicit items allocated to the fund	<b>12</b>		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	<b>13</b>	1377336	1402290
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	<b>14</b>	226706	183682
	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>	80605572	76512152
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	62571678	63699581
	Regulatory current liabilities of the fund	<b>22</b>	3475944	4982174
	Total (21+22)	<b>29</b>	66047622	68681755
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	2445598	2537602
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>	68493220	71219357
Regulatory excess capital (19-39)		<b>49</b>	12112352	5292795

**Realistic excess capital**

Realistic excess capital	<b>51</b>	4896864	3331464
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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>	7343681	1961331
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>	1773414	1016307
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>	5570268	1062163

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

Name of insurer **The Prudential Assurance Company Limited**  
 With-profits fund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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>	10444192	10765274
	Implicit items allocated to the fund	<b>12</b>		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	<b>13</b>	288276	273569
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	<b>14</b>	49911	51282
	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>	10106005	10440423
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	8244292	9003990
	Regulatory current liabilities of the fund	<b>22</b>	572173	883894
	Total (21+22)	<b>29</b>	8816465	9887884
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	281467	311499
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>	9097932	10199383
Regulatory excess capital (19-39)		<b>49</b>	1008073	241040

**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>	1008073	528436
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>	1008073	528436

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

Name of insurer **The Prudential Assurance Company Limited**  
 With-profits fund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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>	68490802	64399501
	Implicit items allocated to the fund	<b>12</b>		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	<b>13</b>	1089060	1128721
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	<b>14</b>	176795	132400
	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>	67224946	63138380
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	51122550	51767102
	Regulatory current liabilities of the fund	<b>22</b>	2833985	4093420
	Total (21+22)	<b>29</b>	53956535	55860522
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	2035938	2108963
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>	55992473	57969485
Regulatory excess capital (19-39)		<b>49</b>	11232473	5168895

**Realistic excess capital**

Realistic excess capital	<b>51</b>	4896864	3618860
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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>	6335609	1550035
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>	1773414	1016307
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>	4562195	533727

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

Name of insurer **The Prudential Assurance Company Limited**  
 With-profits fund **Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2009**  
 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>	3274621	2933349
	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>	3274621	2933349
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profits insurance contracts	<b>21</b>	3204836	2928489
	Regulatory current liabilities of the fund	<b>22</b>	69785	4860
	Total (21+22)	<b>29</b>	3274622	2933349
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		<b>31</b>	128193	117140
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>	3402815	3050489
Regulatory excess capital (19-39)		<b>49</b>	(128194)	(117140)

**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>	(128194)	(117140)
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>		



**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **Summary**Financial year end **31 December 2009**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>	80605572	76512152
Implicit items allocated to the fund	<b>12</b>		
Value of shares in subsidiaries held in fund (regulatory)	<b>13</b>	251426	199181
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>	663740	727338
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>	1493426	1287901
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>	82511312	78328210
Support arrangement assets	<b>27</b>		
Assets available to the fund (26+27)	<b>29</b>	82511312	78328210

**Realistic value of liabilities of fund**

With-profits benefit reserve	<b>31</b>	68820499	62537028	
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>	1020167	848085
	Planned deductions for the costs of guarantees, options and smoothing from with-profits benefits reserve	<b>35</b>	1919533	1384212
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	<b>36</b>	368606	216541
	Future costs of contractual guarantees (other than financial options)	<b>41</b>	2689678	4219093
	Future costs of non-contractual commitments	<b>42</b>		
	Future costs of financial options	<b>43</b>	276036	398189
	Future costs of smoothing (possibly negative)	<b>44</b>	711930	498383
	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>	1391109	1123558
Total (32+34+41+42+43+44+45+46+47-(33+35+36))	<b>49</b>	3800782	5486554	
Realistic current liabilities of the fund	<b>51</b>	3448585	4941951	
Realistic value of liabilities of fund (31+49+51)	<b>59</b>	76069866	72965533	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **Summary**Financial year end **31 December 2009**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>	77614448	74996745
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>	77614448	74996745
Risk capital margin for fund (62-59)	<b>65</b>	1544582	2031212
Realistic excess capital for fund (26-(59+65))	<b>66</b>	4896864	3331464
Realistic excess available capital for fund (29-(59+65))	<b>67</b>	4896864	3331464
Working capital for fund (29-59)	<b>68</b>	6441446	5362677
Working capital ratio for fund (68/29)	<b>69</b>	7.81	6.85

**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 **Scottish Amicable Insurance Fund**Financial year end **31 December 2009**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>	10106005	10440423
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>	244890	199092
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>	10350895	10639516
Support arrangement assets	<b>27</b>		
Assets available to the fund (26+27)	<b>29</b>	10350895	10639516

**Realistic value of liabilities of fund**

With-profits benefit reserve	<b>31</b>	8888981	8761034	
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>	586415	296389
	Planned deductions for the costs of guarantees, options and smoothing from with-profits benefits reserve	<b>35</b>	190904	204439
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	<b>36</b>	74365	
	Future costs of contractual guarantees (other than financial options)	<b>41</b>	158133	347070
	Future costs of non-contractual commitments	<b>42</b>		
	Future costs of financial options	<b>43</b>	245135	356200
	Future costs of smoothing (possibly negative)	<b>44</b>	41167	35602
	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>	126788	165995
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	<b>49</b>	892369	996817
Realistic current liabilities of the fund	<b>51</b>	569545	881665	
Realistic value of liabilities of fund (31+49+51)	<b>59</b>	10350895	10639516	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **Scottish Amicable Insurance Fund**Financial year end: **31 December 2009**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>	10350895	10926912
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>	10350895	10926912
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 **With-Profits Sub-Fund**Financial year end **31 December 2009**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>	67224946	63138380
Implicit items allocated to the fund	<b>12</b>		
Value of shares in subsidiaries held in fund (regulatory)	<b>13</b>	251426	199181
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>	418850	528245
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>	1493426	1287901
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>	68885796	64755345
Support arrangement assets	<b>27</b>		
Assets available to the fund (26+27)	<b>29</b>	68885796	64755345

**Realistic value of liabilities of fund**

With-profits benefit reserve	<b>31</b>	56701990	50847505	
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>	433752	551696
	Planned deductions for the costs of guarantees, options and smoothing from with-profits benefits reserve	<b>35</b>	1633339	1102450
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	<b>36</b>	216693	216541
	Future costs of contractual guarantees (other than financial options)	<b>41</b>	2531545	3872023
	Future costs of non-contractual commitments	<b>42</b>		
	Future costs of financial options	<b>43</b>	30902	41989
	Future costs of smoothing (possibly negative)	<b>44</b>	670763	462780
	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>	1116176	880240
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	<b>49</b>	2933105	4489737
Realistic current liabilities of the fund	<b>51</b>	2809254	4055427	
Realistic value of liabilities of fund (31+49+51)	<b>59</b>	62444350	59392669	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **With-Profits Sub-Fund**Financial year end **31 December 2009**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>	63988932	61136485
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>	63988932	61136485
Risk capital margin for fund (62-59)	<b>65</b>	1544582	1743816
Realistic excess capital for fund (26-(59+65))	<b>66</b>	4896864	3618860
Realistic excess available capital for fund (29-(59+65))	<b>67</b>	4896864	3618860
Working capital for fund (29-59)	<b>68</b>	6441446	5362677
Working capital ratio for fund (68/29)	<b>69</b>	9.35	8.28

**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 **Defined Charge Participating Sub-Fund**Financial year end **31 December 2009**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	3274621	2933349
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	3274621	2933349
Support arrangement assets	27		
Assets available to the fund (26+27)	29	3274621	2933349

**Realistic value of liabilities of fund**

With-profits benefit reserve	31	3229528	2928489	
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	95290	77323
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	36	77547	
	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	148145	77323
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	49	(24692)	
Realistic current liabilities of the fund	51	69785	4860	
Realistic value of liabilities of fund (31+49+51)	59	3274621	2933349	

**Realistic balance sheet**Name of insurer **The Prudential Assurance Company Limited**With-profits fund **Defined Charge Participating Sub-Fund**Financial year end **31 December 2009**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>	3274621	2933349
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>	3274621	2933349
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 2009**

R20A	Company registration number	GL/UK/CM	day month year			units
			31	12	2009	
	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	
			Reported	Incurred but not reported		
		1	2	3	4	
1	Total business	1	33719	33559	79505	16882
2	Total primary (direct) and facultative business	2	33719	33559	79505	16882
3	Total treaty reinsurance accepted business	3				
110	Total primary (direct) and facultative accident and health (category numbers 111 to 114)	4	22265	1103	1101	11217
120	Total primary (direct) and facultative personal lines motor business (category numbers 121 to 123)	5	2144	14975	1049	1126
160	Primary (direct) and facultative household and domestic all risks	6	2896	1445	989	1456
180	Total primary (direct) and facultative personal lines financial loss (category numbers 181 to 187)	7	392		17	113
220	Total primary (direct) and facultative commercial motor business (category numbers 221 to 223)	8	56	23	3	29
260	Total primary (direct) and facultative commercial lines property (category numbers 261 to 263)	9	895	1674	10	451
270	Total primary (direct) and facultative commercial lines liability business (category numbers 271 to 274)	10	4684	14316	75304	2295
280	Total primary (direct) and facultative commercial lines financial loss (category numbers 281 to 284)	11	162	25	10	87
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	226		13	108
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	33719	33559	79505	16882

## General insurance business : Summary of business carried on

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

Global business

Financial year ended **31 December 2009**

R20A	Company registration number	GL/UK/CM	day month year			units
			31	12	2009	
	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 personal lines business

111	Medical insurance	21	13456	428	798	6737
112	HealthCare cash plans	22	73	2	7	41
113	Travel	23	2040	230	92	1071
114	Personal accident or sickness	24	6696	443	204	3368
121	Private motor - comprehensive	25	1852	10614	936	973
122	Private motor - non-comprehensive	26	292	4361	114	153
123	Motor cycle	27				
160	Household and domestic all risks (equals line 6)	28	2896	1445	989	1456
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	392		17	113

## Primary (direct) and facultative commercial lines business

221	Fleets	41				
222	Commercial vehicles (non-fleet)	42	56	23	3	29
223	Motor other	43				
261	Commercial property	44	790	150	10	397
262	Consequential loss	45	83	1524	1	43
263	Contractors or engineering all risks	46	21			11
271	Employers liability	47	3738	12106	73856	1809
272	Professional indemnity	48	26	915	40	14
273	Public and products liability	49	919	1295	1408	472
274	Mixed commercial package	50				
281	Fidelity and contract guarantee	51	162	25	10	87
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 2009**

		Company registration number	GL/UK/CM	day month year			units	
		R20A	15454	GL	31	12	2009	£000
Category number	FSA return general insurance business reporting category	Gross Premium written in this financial year 1	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 4			
			Reported 2	Incurred but not reported 3				
<b>Primary (direct) and facultative marine and transport</b>								
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	226			13		108
<b>Primary (direct) and facultative miscellaneous</b>								
400	Miscellaneous primary (direct) and facultative business (equals line 15)	72						
<b>Non-proportional treaty</b>								
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						
<b>Proportional treaty</b>								
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						
<b>Treaty Reinsurance Miscellaneous</b>								
700	Miscellaneous treaty reinsurance accepted business (equals line 18)	101						
<b>Total (lines 21 to 101)</b>		<b>111</b>	<b>33719</b>	<b>33559</b>	<b>79505</b>	<b>16882</b>		

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

Global business

Financial year ended **31 December 2009****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>2009</b>	<b>£000</b>	<b>001</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>				29678	22995	
	Claims incurred (22.17.4)		<b>12</b>				13969	11062	
	Claims management costs (22.18.4)		<b>13</b>				417	388	
	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>				11627	9585	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				3665	1960	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				8169	15462	
	Claims management costs (22.14.4)		<b>23</b>				243	800	
	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>				49	12	
	Net operating expenses (22.41.4)		<b>26</b>				665	887	
	Balance (21-22-23+24+25-26)		<b>29</b>				(9027)	(17138)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		<b>31</b>				(26)	2132	
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>32</b>						
	Total		<b>39</b>				(26)	2132	
Balance of all years' underwriting (19+29+39)			<b>49</b>				(5388)	(13045)	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				(5388)	(13045)	

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

Global business

Financial year ended **31 December 2009****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>2009</b>	<b>£000</b>	<b>002</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>				29678	22995	
	Claims incurred (22.17.4)		<b>12</b>				13969	11062	
	Claims management costs (22.18.4)		<b>13</b>				417	388	
	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>				11627	9585	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				3665	1960	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				8169	15462	
	Claims management costs (22.14.4)		<b>23</b>				243	800	
	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>				49	12	
	Net operating expenses (22.41.4)		<b>26</b>				665	887	
	Balance (21-22-23+24+25-26)		<b>29</b>				(9027)	(17138)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		<b>31</b>				(26)	2132	
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>32</b>						
	Total		<b>39</b>				(26)	2132	
Balance of all years' underwriting (19+29+39)			<b>49</b>				(5388)	(13045)	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				(5388)	(13045)	

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

Global business

Financial year ended **31 December 2009****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>2009</b>	<b>£000</b>	<b>110</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>				19642	14799	
	Claims incurred (22.17.4)		<b>12</b>				9953	7260	
	Claims management costs (22.18.4)		<b>13</b>				326	303	
	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>				6390	5257	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				2973	1979	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				566	193	
	Claims management costs (22.14.4)		<b>23</b>				31	24	
	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>				49	12	
	Net operating expenses (22.41.4)		<b>26</b>						
	Balance (21-22-23+24+25-26)		<b>29</b>				(548)	(205)	
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>				2425	1774	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				2425	1774	

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

Global business

Financial year ended **31 December 2009****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>2009</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>				1598	1237	
	Claims incurred (22.17.4)		<b>12</b>				473	382	
	Claims management costs (22.18.4)		<b>13</b>				16	14	
	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>				1267	963	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				(158)	(122)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				(56)	6	
	Claims management costs (22.14.4)		<b>23</b>				(4)	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>				60	(9)	
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>				(98)	(131)	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				(98)	(131)	

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

Global business

Financial year ended **31 December 2009****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>2009</b>	<b>£000</b>	<b>160</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>				2511	1959	
	Claims incurred (22.17.4)		<b>12</b>				786	657	
	Claims management costs (22.18.4)		<b>13</b>				28	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>				1273	1015	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				425	262	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				(189)	(151)	
	Claims management costs (22.14.4)		<b>23</b>				(2)	(7)	
	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>				191	158	
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>				616	420	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				616	420	



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

Global business

Financial year ended **31 December 2009****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>2009</b>	<b>£000</b>	<b>270</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>				4247	3577	
	Claims incurred (22.17.4)		<b>12</b>				2381	2261	
	Claims management costs (22.18.4)		<b>13</b>				33	25	
	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>				1952	1714	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				(119)	(422)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		<b>21</b>						
	Claims incurred (22.13.4)		<b>22</b>				7630	15851	
	Claims management costs (22.14.4)		<b>23</b>				210	787	
	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>				633	844	
	Balance (21-22-23+24+25-26)		<b>29</b>				(8473)	(17482)	
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>				(8592)	(17905)	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				(8592)	(17905)	

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

Global business

Financial year ended **31 December 2009****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>2009</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>				1679	1423	
	Claims incurred (22.17.4)		<b>12</b>				378	502	
	Claims management costs (22.18.4)		<b>13</b>				14	21	
	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>				744	636	
	Balance of year's underwriting (11-12-13+14-15+16-17)		<b>19</b>				544	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>				218	(438)	
	Claims management costs (22.14.4)		<b>23</b>				7	(7)	
	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>				32	43	
	Balance (21-22-23+24+25-26)		<b>29</b>				(258)	401	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		<b>31</b>				(26)	2132	
	Other technical income or charges (particulars to be specified by way of supplementary note)		<b>32</b>						
	Total		<b>39</b>				(26)	2132	
Balance of all years' underwriting (19+29+39)			<b>49</b>				261	2798	
Allocated investment income			<b>51</b>						
Transfer to non-technical account (49+51)			<b>59</b>				261	2798	

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

Global business

Financial year ended **31 December 2009****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>2009</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>	16837	16882	1754	1860	15082	15022	
	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>	16537	1941			14596		
Total (12 to 16)		<b>19</b>	33374	16882	3696	1860	29678	15022	

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

Global business

Financial year ended **31 December 2009****Total 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>2009</b>	<b>£000</b>	<b>002</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>	16837	16882	1754	1860	15082	15022	
	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>	16537	1941			14596		
Total (12 to 16)		<b>19</b>	33374	16882	3696	1860	29678	15022	

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

Global business

Financial year ended **31 December 2009****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>2009</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>	11016	11176	1096	954	9920	10221	
	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>	10722	1001		9722			
Total (12 to 16)		<b>19</b>	21739	11176	2097	954	19642	10221	

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

Global business

Financial year ended **31 December 2009****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>2009</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>	879	973	71	145	808	828	
	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>	919		130		790		
Total (12 to 16)		<b>19</b>	1799	973	201	145	1598	828	

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

Global business

Financial year ended **31 December 2009****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>2009</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>	1440	1456	126	133	1314	1322	
	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>	1313		116		1197		
Total (12 to 16)		<b>19</b>	2753	1456	242	133	2511	1322	

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

Global business

Financial year ended **31 December 2009****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>2009</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>	2376	2281	215	368	2161	1913	
	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>	2485		399		2087		
Total (12 to 16)		<b>19</b>	4861	2281	613	368	4247	1913	



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

Global business

Financial year ended **31 December 2009****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>2009</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>	1125	997	246	259	879	738	
	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>	1097		296		801		
Total (12 to 16)		<b>19</b>	2222	997	543	259	1679	738	

**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 2009****Total business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2009	£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		110628	10811		106898	7081	
	Reinsurers' share	12		21860	3282		17491	(1088)	
	Net (11-12)	13		88768	7529		89407	8169	
	Claims management costs	14		4259	199		4303	243	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			9911		5158	15070	
	Reinsurers' share	16			852		248	1100	
	Net (15-16)	17			9059		4910	13969	
	Claims management costs	18			327		91	417	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21		4574	10262		5006	9831	
	Other acquisition expenses	22		1754			1864	(110)	
	Administrative expenses	23			3987			3987	
	Reinsurance commissions and profit participations	24		627	1414		626	1415	
	Total (21+22+23-24)	29		5701	12835		6244	12292	
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			665			665	
	This financial year	42		5701	12170		6244	11627	
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 2009****Total primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	15454	GL	31	12	2009	£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		110628	10811		106898	7081	
	Reinsurers' share	12		21860	3282		17491	(1088)	
	Net (11-12)	13		88768	7529		89407	8169	
	Claims management costs	14		4259	199		4303	243	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			9911		5158	15070	
	Reinsurers' share	16			852		248	1100	
	Net (15-16)	17			9059		4910	13969	
	Claims management costs	18			327		91	417	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21		4574	10262		5006	9831	
	Other acquisition expenses	22		1754			1864	(110)	
	Administrative expenses	23			3987			3987	
	Reinsurance commissions and profit participations	24		627	1414		626	1415	
	Total (21+22+23-24)	29		5701	12835		6244	12292	
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			665			665	
	This financial year	42		5701	12170		6244	11627	
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 2009****Total primary (direct) and facultative accident and health**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>£000</b>	<b>110</b>
			<b>Amount brought forward from previous financial year</b>	<b>Amount payable/receivable in this financial year</b>		<b>Amount carried forward to next financial year</b>	<b>Amount attributable to this financial year</b>		
			<b>1</b>	<b>2</b>		<b>3</b>	<b>4</b>		
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	1821	2124		169	472		
	Reinsurers' share	<b>12</b>	186	72		20	(94)		
	Net (11-12)	<b>13</b>	1635	2052		148	566		
	Claims management costs	<b>14</b>	45	71		6	31		
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>		8918		2026	10943		
	Reinsurers' share	<b>16</b>		825		166	991		
	Net (15-16)	<b>17</b>		8092		1860	9953		
	Claims management costs	<b>18</b>		287		39	326		
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	2378	5724		2731	5371		
	Other acquisition expenses	<b>22</b>	1168			1248	(80)		
	Administrative expenses	<b>23</b>		2261			2261		
	Reinsurance commissions and profit participations	<b>24</b>	369	1154		361	1162		
	Total (21+22+23-24)	<b>29</b>	3177	6831		3618	6390		
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>	3177	6831		3618	6390		
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

**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 2009****Total primary (direct) and facultative personal lines motor business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>£000</b>	<b>120</b>
			<b>Amount brought forward from previous financial year</b>	<b>1</b>	<b>Amount payable/receivable in this financial year</b>	<b>2</b>	<b>Amount carried forward to next financial year</b>	<b>3</b>	<b>Amount attributable to this financial year</b>
									<b>4</b>
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	12266		1788		11316		837
	Reinsurers' share	<b>12</b>	12032		1732		11193		893
	Net (11-12)	<b>13</b>	234		55		123		(56)
	Claims management costs	<b>14</b>	10		3		3		(4)
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>			239		234		473
	Reinsurers' share	<b>16</b>							
	Net (15-16)	<b>17</b>			239		234		473
	Claims management costs	<b>18</b>			11		5		16
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	545		1169		617		1097
	Other acquisition expenses	<b>22</b>	98				110		(13)
	Administrative expenses	<b>23</b>			176				176
	Reinsurance commissions and profit participations	<b>24</b>	29		7		42		(6)
	Total (21+22+23-24)	<b>29</b>	613		1339		685		1267
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>	613		1339		685		1267
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

**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 2009****Primary (direct) and facultative household and domestic all risks**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>£000</b>	<b>160</b>
			<b>Amount brought forward from previous financial year</b>	<b>Amount payable/receivable in this financial year</b>		<b>Amount carried forward to next financial year</b>		<b>Amount attributable to this financial year</b>	
			<b>1</b>	<b>2</b>		<b>3</b>		<b>4</b>	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	5904	1520		2041		(2343)	
	Reinsurers' share	<b>12</b>	5330	1278		1897		(2154)	
	Net (11-12)	<b>13</b>	574	242		144		(189)	
	Claims management costs	<b>14</b>	15	7		6		(2)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>		405		392		797	
	Reinsurers' share	<b>16</b>		4		7		12	
	Net (15-16)	<b>17</b>		401		385		786	
	Claims management costs	<b>18</b>		12		16		28	
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	536	1275		643		1167	
	Other acquisition expenses	<b>22</b>	147			172		(25)	
	Administrative expenses	<b>23</b>		284				284	
	Reinsurance commissions and profit participations	<b>24</b>	93	156		96		153	
	Total (21+22+23-24)	<b>29</b>	590	1403		719		1273	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>	590	1403		719		1273	
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

**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 2009****Total primary (direct) and facultative commercial lines liability business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>£000</b>	<b>270</b>
			<b>Amount brought forward from previous financial year</b>	<b>Amount payable/receivable in this financial year</b>		<b>Amount carried forward to next financial year</b>		<b>Amount attributable to this financial year</b>	
			<b>1</b>	<b>2</b>		<b>3</b>		<b>4</b>	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	83810	4919		86443		7552	
	Reinsurers' share	<b>12</b>	89	1		11		(78)	
	Net (11-12)	<b>13</b>	83721	4918		86433		7630	
	Claims management costs	<b>14</b>	4046	107		4150		210	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>		188		2221		2409	
	Reinsurers' share	<b>16</b>				28		28	
	Net (15-16)	<b>17</b>		188		2193		2381	
	Claims management costs	<b>18</b>		7		26		33	
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	792	1421		699		1514	
	Other acquisition expenses	<b>22</b>	251			247		4	
	Administrative expenses	<b>23</b>		1073				1073	
	Reinsurance commissions and profit participations	<b>24</b>	73	4		71		6	
	Total (21+22+23-24)	<b>29</b>	970	2490		874		2585	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>		633				633	
	This financial year	<b>42</b>	970	1857		874		1952	
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

**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 2009****Balance of all primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>£000</b>	<b>409</b>
				<b>Amount brought forward from previous financial year 1</b>	<b>Amount payable/receivable in this financial year 2</b>		<b>Amount carried forward to next financial year 3</b>	<b>Amount attributable to this financial year 4</b>	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	6826		460		6929	563	
	Reinsurers' share	<b>12</b>	4223		198		4370	345	
	Net (11-12)	<b>13</b>	2603		262		2559	218	
	Claims management costs	<b>14</b>	142		11		139	7	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>			162		285	447	
	Reinsurers' share	<b>16</b>			23		47	70	
	Net (15-16)	<b>17</b>			139		238	378	
	Claims management costs	<b>18</b>			9		5	14	
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	324		674		317	681	
	Other acquisition expenses	<b>22</b>	90				87	3	
	Administrative expenses	<b>23</b>			193			193	
	Reinsurance commissions and profit participations	<b>24</b>	63		95		56	101	
	Total (21+22+23-24)	<b>29</b>	351		772		348	776	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>			32			32	
	This financial year	<b>42</b>	351		740		348	744	
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							



**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 2009**

**Total business**

Accident year ended		Company registration number	GL/UK/CM	day month year			Units	Category number							
				R23	15454	GL			31	12	2009	£000	001		
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	
12	2009	11				9059	1995	2916			13969		28764		48.6
12	2008	12	8184	4558		3102	731	1264	1862	2840	395		26486	11.8	50.1
12	2007	13	6476	3797	2090	700	453	1005	725	274	1159		22815	11.9	47.0
12	2006	14	6492	3486	2895	767	268	619	686	190	778		21153	30.5	52.2
12	2005	15	5920	3223	2894	386	55	141	283	75	225		19594	7.9	48.0
12	2004	16	4446	3118	3034	216	59	75	163	42	145		16948	8.6	46.2
12	2003	17	2650	2395	2358	89	1	3	117	30	(53)		12379	2.3	41.2
12	2002	18	2471	2090	1865	(39)			41	11	(91)		44876	(12.6)	9.6
12	2001	19	119069	2007	1449								198836	(27.8)	60.6
12	2000	20	109000	113776	81150		1				1		318309	(28.7)	59.7
Prior accident years		21				2308	14030	70701	13369	68060	5611				
Reconciliation		22													
Total (11 to 22)		29				16588	17594	76723	17245	71522	22138				

**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 2009**
**Total primary (direct) and facultative business**

Accident year ended		Company registration number	GL/UK/CM	day month year			Units	Category number						
				R23	15454	GL			31	12	2009	£000	002	
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13
12	2009	11				9059	1995	2916			13969		28764	48.6
12	2008	12	8184	4558		3102	731	1264	1862	2840	395		26486	11.8
12	2007	13	6476	3797	2090	700	453	1005	725	274	1159		22815	11.9
12	2006	14	6492	3486	2895	767	268	619	686	190	778		21153	30.5
12	2005	15	5920	3223	2894	386	55	141	283	75	225		19594	7.9
12	2004	16	4446	3118	3034	216	59	75	163	42	145		16948	8.6
12	2003	17	2650	2395	2358	89	1	3	117	30	(53)		12379	2.3
12	2002	18	2471	2090	1865	(39)			41	11	(91)		44876	(12.6)
12	2001	19	119069	2007	1449								198836	(27.8)
12	2000	20	109000	113776	81150		1				1		318309	(28.7)
Prior accident years		21				2308	14030	70701	13369	68060	5611			
Reconciliation		22												
Total (11 to 22)		29				16588	17594	76723	17245	71522	22138			

**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 2009**

**Total primary (direct) and facultative accident and health**

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)	day month year			Units	Category number
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)			R23	15454	GL		
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13		
12	2009	<b>11</b>				8092	805	1055			9953		19037		52.3		
12	2008	<b>12</b>	7066	1296		1948	79	17	763	574	706		17045	57.7	53.4		
12	2007	<b>13</b>	5651	1064	1225	82	12	3	94	31	(28)		14033	24.2	49.7		
12	2006	<b>14</b>	5518	940	1073	8	4	3	38	10	(32)		12693	15.9	52.0		
12	2005	<b>15</b>	5098	959	939	10			13	3	(6)		11530	(0.9)	52.5		
12	2004	<b>16</b>	3512	918	1005	3	30	1	29	8	(3)		9486	13.1	48.0		
12	2003	<b>17</b>	1837	644	498				54	14	(69)		6135	(22.7)	38.1		
12	2002	<b>18</b>	1891	608	434								5423	(28.7)	42.9		
12	2001	<b>19</b>	1300	446	295								3567	(33.9)	44.7		
12	2000	<b>20</b>	847	314	136								2770	(56.6)	35.5		
Prior accident years		<b>21</b>							2	1	(3)						
Reconciliation		<b>22</b>															
Total (11 to 22)		<b>29</b>				10144	930	1079	994	641	10518						

**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 2009**

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

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)	day month year			Units	Category number
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)			31	12	2009		
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13		
12	2009	<b>11</b>				239	123	111			473		1549		30.5		
12	2008	<b>12</b>	277	163		70	38	43	97	72	(17)		1425	(7.3)	30.1		
12	2007	<b>13</b>	139	154	109	(9)	24	9	30	15	(22)		1228	(13.8)	22.2		
12	2006	<b>14</b>	170	121	125	(5)	6	3	11	6	(12)		1126	7.1	26.6		
12	2005	<b>15</b>	125	105	44				1		(1)		1011	(58.2)	16.7		
12	2004	<b>16</b>	148	135	(6)	(1)			1		(2)		803	(105.1)	17.6		
12	2003	<b>17</b>	63	250	162				2		(2)		603	(35.3)	37.3		
12	2002	<b>18</b>	84	189	52								3188	(72.5)	4.3		
12	2001	<b>19</b>	27019	363	60								3539	(83.5)	765.1		
12	2000	<b>20</b>	18611	21094	9853								47486	(53.3)	59.9		
Prior accident years		<b>21</b>															
Reconciliation		<b>22</b>															
Total (11 to 22)		<b>29</b>				294	191	166	141	93	417						

**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 2009**

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

		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>2009</b>	<b>£000</b>	<b>160</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	1	2	3	4	5	6	7	8	9	10	11	12	13
12	2009	<b>11</b>			401	358	27			786		2434		32.3
12	2008	<b>12</b>	350	406	224	108	3	328	91	(85)		2257	(17.7)	30.3
12	2007	<b>13</b>	327	325	131	9	1	74	20	(62)		2105	(49.9)	23.3
12	2006	<b>14</b>	380	405	205	7	8	35	9	(29)		1963	(45.7)	30.6
12	2005	<b>15</b>	302	282	148	2		6	2	(6)		1843	(46.7)	24.5
12	2004	<b>16</b>	496	516	190			1		(1)		1791	(63.3)	38.3
12	2003	<b>17</b>	272	404	166			6	1	(8)		2003	(58.9)	21.8
12	2002	<b>18</b>	205	356	164							17867	(53.8)	2.1
12	2001	<b>19</b>	89465	265	158							172318	(40.4)	52.0
12	2000	<b>20</b>	89013	90688	69829		1			1		260656	(23.0)	60.9
Prior accident years		<b>21</b>												
Reconciliation		<b>22</b>												
Total (11 to 22)		<b>29</b>				642	497	31	451	123	597			

**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 2009**

**Total primary (direct) and facultative commercial lines liability business**

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)	day month year			Units	Category number
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)			R23	15454	GL		
Month	Year		1	2	3	4	5	6	7	8	9	10	11	12	13		
12	2009	<b>11</b>				187	616	1577			2380		4117		57.8		
12	2008	<b>12</b>	191	2413		711	453	1151	496	1994	(175)		4120	(4.1)	60.8		
12	2007	<b>13</b>	232	1997	547	560	387	983	445	174	1311		3822	24.1	70.9		
12	2006	<b>14</b>	216	1814	1383	768	240	609	589	153	875		3753	65.4	85.7		
12	2005	<b>15</b>	200	1601	1602	371	55	140	257	67	243		3587	35.5	66.0		
12	2004	<b>16</b>	221	1454	1625	214	29	72	131	34	151		3186	33.4	67.9		
12	2003	<b>17</b>	148	1059	1497	89	1	3	53	14	26		2982	50.1	58.2		
12	2002	<b>18</b>	211	904	1208	(39)			41	11	(91)		2214	29.4	62.4		
12	2001	<b>19</b>	85	761	832								1600	9.2	57.3		
12	2000	<b>20</b>	93	501	641								1050	27.8	69.9		
Prior accident years		<b>21</b>				2244	11607	70701	11202	68059	5291						
Reconciliation		<b>22</b>															
Total (11 to 22)		<b>29</b>				5106	13389	75237	13215	70506	10010						

**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 2009**

**Balance of all primary (direct) and facultative business**

Accident year ended		Company registration number	GL/UK/CM	day month year			Units	Category number						
				R23	15454	GL			31	12	2009	£000	409	
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13
		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 %
12	2009	11			139	92	146			378		1628		23.2
12	2008	12	300	278	149	54	49	178	109	(35)		1639	(9.4)	33.7
12	2007	13	126	257	79	59	8	9	82	34	(41)	1626	(40.0)	17.2
12	2006	14	207	206	110	(11)	10	3	14	11	(23)	1618	(45.9)	19.7
12	2005	15	196	277	161	2		1	5	3	(6)	1623	(40.9)	22.1
12	2004	16	67	95	221			2	1	0	1	1683	134.4	17.2
12	2003	17	330	38	35				1	0	(1)	655	(6.1)	55.8
12	2002	18	80	33	7							16184	(79.2)	0.5
12	2001	19	1200	171	105							17811	(38.6)	7.3
12	2000	20	437	1179	691							6347	(41.4)	17.8
Prior accident years		21			64	2423	0	2164	0	323				
Reconciliation		22												
Total (11 to 22)		29			402	2587	210	2445	159	596				

**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 2009****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		R24		15454		GL		31 12 2009			£000		001		Total all previous columns		
			29	29	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	99	99	99	99	99	99	99	99	99	99	99	99				
Premiums written	Gross amount	11																																						
	Reinsurers' share	12																																						
	Net (11-12)	19																																						
Claims paid	Gross amount	21																																						
	Reinsurers' share	22																																						
	Net (21-22)	29																																						
Claims management costs		39																																						
Net operating expenses	Commissions	41																																						
	Other acquisition expenses	42																																						
	Administrative expenses	43		26																																		26		
	Reinsurers' commissions and profit participations	44																																						
	Payable net (41+42+43-44)	49		26																																			26	
Technical provisions	Brought forward	Undiscounted	51		1008																																		1008	
		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																																					
Balance on each underwriting year (19-29-39-49-59)		69		(26)																																		(26)		



**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 2009****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		R24		15454		GL		31 12 2009			£000		002		Total all previous columns	
			29	29	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	99	99	99	99	99	99	99	99	99	99	99				
Premiums written	Gross amount	11																																					
	Reinsurers' share	12																																					
	Net (11-12)	19																																					
Claims paid	Gross amount	21																																					
	Reinsurers' share	22																																					
	Net (21-22)	29																																					
Claims management costs		39																																					
Net operating expenses	Commissions	41																																					
	Other acquisition expenses	42																																					
	Administrative expenses	43		26																																			26
	Reinsurers' commissions and profit participations	44																																					
	Payable net (41+42+43-44)	49		26																																			26
Technical provisions	Brought forward	Undiscounted	51		1008																																	1008	
		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																																				
Balance on each underwriting year (19-29-39-49-59)		69		(26)																																		(26)	

**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 2009****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		R24		15454		GL		31 12 2009			£000		409		Total all previous columns	
			29	29	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	99	99	99	99											
Premiums written	Gross amount	11																																					
	Reinsurers' share	12																																					
	Net (11-12)	19																																					
Claims paid	Gross amount	21																																					
	Reinsurers' share	22																																					
	Net (21-22)	29																																					
Claims management costs		39																																					
Net operating expenses	Commissions	41																																					
	Other acquisition expenses	42																																					
	Administrative expenses	43		26																																		26	
	Reinsurers' commissions and profit participations	44																																					
	Payable net (41+42+43-44)	49		26																																		26	
Technical provisions	Brought forward	Undiscounted	51		1008																																	1008	
		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																																				
Balance on each underwriting year (19-29-39-49-59)		69		(26)																																	(26)		

**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 2009****Total business**

Company registration number      GL/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		Total all previous columns	
			29	29	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	99	99		
Reported claims outstanding	Gross amount	11	8																									8
	Reinsurers' share	12																										
Claims incurred but not reported	Gross amount	13	1000																								1000	
	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 2009****Total primary (direct) and facultative business**

Company registration number      GL/UK/CM      day month year      Units      Category number

Underwriting year ended		Prior underwriting years		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		Company registration number		GL/UK/CM		day month year			Units		Category number		
		29	29	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	MM	YY	MM	YY	MM	YY	MM	YY	MM	YY		
Reported claims outstanding	Gross amount	11	8																															8	
	Reinsurers' share	12																																	
Claims incurred but not reported	Gross amount	13	1000																															1000	
	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 2009****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		Total all previous columns	
			29	29	12	00	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	99	99	99	99	99	99		
Reported claims outstanding	Gross amount	11	8																												8	
	Reinsurers' share	12																														
Claims incurred but not reported	Gross amount	13	1000																												1000	
	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 2009**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>2009</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	2009	<b>11</b>	101447	1181		83739	5056	9681			98476	163127	60.4
12	2008	<b>12</b>	56900	268	70001	16896	133	2	5713	5800	5518	149210	58.3
12	2007	<b>13</b>	5574	5	62889	42	1		2		41	129921	48.4
12	2006	<b>14</b>	5937		59217							119722	49.5
12	2005	<b>15</b>	5798		56982							106807	53.4
12	2004	<b>16</b>	1422		43534							92418	47.1
12	2003	<b>17</b>											
12	2002	<b>18</b>											
12	2001	<b>19</b>											
12	2000	<b>20</b>											
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		1454		100677	5190	9683	5715	5800	104035		
Line 29 expressed in sterling		<b>30</b>				8296	428	798	471	478	8572		

## 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 2009**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>2009</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	2009	<b>11</b>	2216	303		4096	2437	997			7530	22506	33.5
12	2008	<b>12</b>	2755	86	4999	1703	309	84	1620	496	(20)	20035	35.4
12	2007	<b>13</b>	2479	30	5244	4	48	14	277	94	(305)	18738	28.3
12	2006	<b>14</b>	2667		4311	3		17	71	20	(71)	16902	25.6
12	2005	<b>15</b>	1988		3297				9	2	(11)	14854	22.2
12	2004	<b>16</b>	934		3516				33	8	(41)	13235	26.6
12	2003	<b>17</b>											
12	2002	<b>18</b>											
12	2001	<b>19</b>											
12	2000	<b>20</b>											
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		419		5806	2794	1112	2010	620	7082		
Line 29 expressed in sterling		<b>30</b>				478	230	92	166	51	584		

**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 2009**Company  
registration  
numberGL/  
UK/  
CM

day month year

Monetary  
unitsCategory  
numberCurrency  
codeReporting  
territory  
code
**Personal accident or sickness**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</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	2009	<b>11</b>	20695	1292		20389	4170	2244			26803	78189	34.3
12	2008	<b>12</b>	20923	245	19289	5913	688	164	3102	1520	2143	74030	35.2
12	2007	<b>13</b>	19700	37	21189	952	103	27	966	312	(196)	68724	32.4
12	2006	<b>14</b>	18032	2	21566	96	48	34	415	114	(351)	62539	34.8
12	2005	<b>15</b>	16290		17750	127			147	39	(59)	58180	30.7
12	2004	<b>16</b>	3724	4	17526	37	363	10	333	87	(10)	56511	31.7
12	2003	<b>17</b>	2529	1	40662		1		698	182	(879)	115856	35.1
12	2002	<b>18</b>	12431		42012							97641	43.0
12	2001	<b>19</b>	8398		34684							71389	48.6
12	2000	<b>20</b>	9857	1	23326	1	1				2	56613	41.2
Prior accident years		<b>21</b>							30	8	(38)		
Total (11 to 21)		<b>29</b>		1582		27515	5374	2479	5691	2262	27415		
Line 29 expressed in sterling		<b>30</b>				2267	443	204	469	186	2259		



**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 2009**

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**

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>000</b>	<b>160</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	2009	<b>11</b>											
12	2008	<b>12</b>											
12	2007	<b>13</b>											
12	2006	<b>14</b>											
12	2005	<b>15</b>											
12	2004	<b>16</b>											
12	2003	<b>17</b>	57741	7	63822	72	25	265	246	1441	(1325)	118909	54.0
12	2002	<b>18</b>	173965	9	164485	446	369	151	1049	651	(734)	263415	62.8
12	2001	<b>19</b>	163058	5	145679	26	184	134	216	22	106	266534	54.8
12	2000	<b>20</b>	193711	5	174812	331	20	137	263	126	99	267007	65.7
Prior accident years		<b>21</b>		15		388	324	269	596	673	(288)		
Total (11 to 21)		<b>29</b>		41		1262	922	956	2370	2912	(2142)		
Line 29 expressed in sterling		<b>30</b>				1262	922	956	2370	2912	(2142)		

## 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 2009**Company  
registration  
numberGL/  
UK/  
CM

day month year

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

<b>R31</b>	<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>000</b>	<b>160</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	2009	<b>11</b>	2416	911		4915	4416	346			9677	33413	29.0
12	2008	<b>12</b>	2562	292	4420	2879	1316	38	4189	1165	(1121)	31171	27.8
12	2007	<b>13</b>	2635	81	5847	131	277	8	903	251	(738)	29253	21.4
12	2006	<b>14</b>	2773	6	7711	81	99	3	422	111	(350)	27539	28.7
12	2005	<b>15</b>	2207		6116	35			76	21	(62)	27417	22.4
12	2004	<b>16</b>	1625	1	6749				23	5	(28)	27258	24.8
12	2003	<b>17</b>	1329	1	9155		1		85	17	(101)	42351	21.6
12	2002	<b>18</b>	885	1	10550		5		5	1	(1)	45299	23.3
12	2001	<b>19</b>	786		9137							41321	22.1
12	2000	<b>20</b>	542	1	5449		10					32743	16.7
Prior accident years		<b>21</b>		1			214	6	228	48	(56)		
Total (11 to 21)		<b>29</b>		1295		8041	6338	401	5931	1619	7230		
Line 29 expressed in sterling		<b>30</b>				663	522	33	489	133	596		

**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 2009**

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>2009</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	2009	<b>11</b>											
12	2008	<b>12</b>											
12	2007	<b>13</b>											
12	2006	<b>14</b>											
12	2005	<b>15</b>											
12	2004	<b>16</b>											
12	2003	<b>17</b>											
12	2002	<b>18</b>											
12	2001	<b>19</b>											
12	2000	<b>20</b>											
Prior accident years		<b>21</b>		1331		2140	10679	70225	10273	67583	5188		
Total (11 to 21)		<b>29</b>		1331		2140	10679	70225	10273	67583	5188		
Line 29 expressed in sterling		<b>30</b>				2140	10679	70225	10273	67583	5188		

## 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 2009**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>2009</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	2009	<b>11</b>	535	415		1972	5507	14010			21489	47791	45.0
12	2008	<b>12</b>	886	197	2297	7619	3930	9999	3880	19738	(2070)	49139	48.5
12	2007	<b>13</b>	949	186	9379	5829	4371	11121	4401	1730	15190	46547	66.0
12	2006	<b>14</b>	1183	67	19009	8993	2802	7128	6907	1797	10219	46418	81.7
12	2005	<b>15</b>	1059	5	20703	4142	605	1539	2875	748	2663	45501	59.3
12	2004	<b>16</b>	840	3	21207	1725	92	233	751	196	1103	40118	58.0
12	2003	<b>17</b>	697	2	21487	1084	12	31	648	169	310	43598	51.9
12	2002	<b>18</b>	871		18425	(473)			900	234	(1607)	34404	52.2
12	2001	<b>19</b>	53		14137							22331	63.3
12	2000	<b>20</b>	545		9629							15455	62.3
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		875		30891	17319	44061	20362	24612	47297		
Line 29 expressed in sterling		<b>30</b>				2545	1427	3631	1678	2028	3897		

**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 2009**

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>2009</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	2009	<b>11</b>											
12	2008	<b>12</b>											
12	2007	<b>13</b>											
12	2006	<b>14</b>											
12	2005	<b>15</b>											
12	2004	<b>16</b>											
12	2003	<b>17</b>											
12	2002	<b>18</b>											
12	2001	<b>19</b>											
12	2000	<b>20</b>											
Prior accident years		<b>21</b>		6		104	928	476	929	476	103		
Total (11 to 21)		<b>29</b>		6		104	928	476	929	476	103		
Line 29 expressed in sterling		<b>30</b>				104	928	476	929	476	103		

**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 2009**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>2009</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	2009	<b>11</b>	123	359		304	2073	5366			7743	11201	69.1
12	2008	<b>12</b>	237	237	135	1019	1605	4067	2297	4869	(475)	10760	63.4
12	2007	<b>13</b>	287	62	387	965	330	808	1002	394	707	9854	25.3
12	2006	<b>14</b>	385	17	1016	329	108	264	244	64	393	9400	18.3
12	2005	<b>15</b>	291	1	1864	362	68	165	246	64	285	9553	25.7
12	2004	<b>16</b>	141	3	2005	874	264	645	839	218	726	7911	47.9
12	2003	<b>17</b>											
12	2002	<b>18</b>											
12	2001	<b>19</b>											
12	2000	<b>20</b>											
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		679		3853	4448	11315	4628	5609	9379		
Line 29 expressed in sterling		<b>30</b>				317	367	932	381	462	773		

**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 2009**

Company  
registration  
number

GL/  
UK/  
CM

day month year

Monetary  
units

Category  
number

Currency  
code

Reporting  
territory  
code

**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	Incurred but not reported	Reported	Incurred but not reported						
		1	2	3	4	5	6	7	8	9	10	11	12	13	
12	2009	<b>11</b>													
12	2008	<b>12</b>													
12	2007	<b>13</b>													
12	2006	<b>14</b>													
12	2005	<b>15</b>													
12	2004	<b>16</b>													
12	2003	<b>17</b>	14338	12	16548	10	156	289	170	287	(2)	28736	59.2	102	14.1
12	2002	<b>18</b>	37128	8	47957	240	514	393	882	399	(132)	74652	65.8	92	40.4
12	2001	<b>19</b>	39073	5	49073	203	54	87	176	470	(303)	70393	70.2	229	17.1
12	2000	<b>20</b>	28449	2	36162	1279	271	1	1587		(36)	45366	83.1	200	14.2
Prior accident years		<b>21</b>		4			9428		8063			1365			
Total (11 to 21)		<b>29</b>		31		1732	10423	770	10877	1156		892			
Line 29 expressed in sterling		<b>30</b>				1732	10423	770	10877	1156		892			

**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

**Hong Kong Dollar**

Global business

Reporting Territory

**Overseas**

Financial year ended **31 December 2009**

Company  
registration  
number

GL/  
UK/  
CM

day month year

Monetary  
units

Category  
number

Currency  
code

Reporting  
territory  
code

**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) 9	Gross earned premiums 10	Claims ratio % 11	Vehicle years (000's) 12	Claims frequency % 13	
Month	Year	Closed at some cost during this or previous years 1	Reported claims outstanding 2	In previous financial years 3	In this financial year 4	Reported 5	Incurred but not reported 6	Reported 7	Incurred but not reported 8						
		<b>R32</b>													
								<b>15454</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2009</b>	<b>000</b>	<b>121</b>	
													<b>HKD</b>	<b>XX</b>	
12	2009	<b>11</b>	87	76		2901	1496	1342			5739	21828	26.3	2	8.2
12	2008	<b>12</b>	121	46	3469	855	457	524	1175	870	(209)	20224	26.2	2	8.4
12	2007	<b>13</b>	104	22	3114	(110)	285	109	359	175	(250)	17838	19.0	2	6.3
12	2006	<b>14</b>	119	6	3695	(59)	78	36	129	73	(147)	16596	22.6	2	6.3
12	2005	<b>15</b>	108	2	2112				15	4	(19)	15289	13.8	3	3.7
12	2004	<b>16</b>	73		1787	(14)			14	4	(32)	11714	15.1	1	7.3
12	2003	<b>17</b>	62		2740				20	5	(25)	9296	29.5	1	6.2
12	2002	<b>18</b>	70		1407							9787	14.4	1	7.0
12	2001	<b>19</b>	94		2715							9157	29.6	1	9.4
12	2000	<b>20</b>	98		2619							9885	26.5	1	9.8
Prior accident years		<b>21</b>													
Total (11 to 21)		<b>29</b>		152		3573	2316	2011	1712	1131	5057				
Line 29 expressed in sterling		<b>30</b>				294	191	166	141	93	417				





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

Global business

Financial year ended **31 December 2009**

		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	Company registration number	GL/UK/CM	day month year			Units
									R37	15454	GL	31	12	2009
<b>Calculation of the maximum provision</b>		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>						
Total net premiums written in the previous 4 years	<b>11</b>	12794												
Net premiums written in the current year	<b>12</b>	3630												
Maximum provision	<b>13</b>	657					657							

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

Equalisation provision brought forward	<b>21</b>						633							
Transfers in	<b>22</b>	109					109							
Total abnormal loss	<b>23</b>													
Provisional transfers out	<b>24</b>													
Excess of provisional transfer out over fund available	<b>25</b>													
Provisional amount carried forward (21+22-24+25)	<b>26</b>						742							
Excess, if any, of 26 over 13	<b>27</b>						85							
Equalisation provision carried forward (26-27)	<b>28</b>						657							
Transfer in/(out) for financial year (28-21)	<b>29</b>						24							

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

Global business

Financial year ended **31 December 2009**

		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>2009</b>	<b>£000</b>
	Business grouping A (property) <b>1</b>	Business grouping B (business interruption) <b>2</b>	Business grouping C (marine and aviation) <b>3</b>	Business grouping D (nuclear) <b>4</b>		Business grouping E (non-proportional treaty) <b>5</b>	
<b>Other than credit business</b>							
Net premiums earned	<b>11</b>	3534					
Claims incurred net of reinsurance	<b>12</b>	673					
Trigger claims value	<b>13</b>	2562					
Abnormal loss	<b>19</b>						
Trigger claims ratio		72.5%	72.5%	95%	25%	100%	

**Credit business**

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

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Summary**  
 Financial year ended **31 December 2009**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	5108952	7677922
Investment income receivable before deduction of tax	12	4246643	4736345
Increase (decrease) in the value of non-linked assets brought into account	13	832543	(591303)
Increase (decrease) in the value of linked assets	14	1212775	(1830838)
Other income	15	398353	145313
<b>Total income</b>	<b>19</b>	<b>11799266</b>	<b>10137439</b>

**Expenditure**

Claims incurred	21	8348689	9392401
Expenses payable	22	925029	985790
Interest payable before the deduction of tax	23	60260	55890
Taxation	24	557484	(96901)
Other expenditure	25	118326	79748
Transfer to (from) non technical account	26	472041	265282
<b>Total expenditure</b>	<b>29</b>	<b>10481829</b>	<b>10682209</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	1317437	(544770)
Fund brought forward	49	75791971	77111792
Fund carried forward (39+49)	59	77109408	76567022

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	195472	228455
Investment income receivable before deduction of tax	12	515840	652301
Increase (decrease) in the value of non-linked assets brought into account	13	197899	211018
Increase (decrease) in the value of linked assets	14		
Other income	15		
<b>Total income</b>	<b>19</b>	<b>909211</b>	<b>1091774</b>

**Expenditure**

Claims incurred	21	1504050	1828402
Expenses payable	22	63605	69086
Interest payable before the deduction of tax	23	8482	10056
Taxation	24	66167	5676
Other expenditure	25	11899	18243
Transfer to (from) non technical account	26		
<b>Total expenditure</b>	<b>29</b>	<b>1654203</b>	<b>1931464</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(744991)	(839689)
Fund brought forward	49	9277559	10117249
Fund carried forward (39+49)	59	8532568	9277559

## Long-term insurance business : Revenue account

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	3371685	3514059
Investment income receivable before deduction of tax	12	2990256	3623266
Increase (decrease) in the value of non-linked assets brought into account	13	(70889)	59024
Increase (decrease) in the value of linked assets	14		
Other income	15	30278	42775
<b>Total income</b>	<b>19</b>	<b>6321330</b>	<b>7239124</b>

**Expenditure**

Claims incurred	21	5248780	6071177
Expenses payable	22	575567	680726
Interest payable before the deduction of tax	23	50473	42930
Taxation	24	306300	51165
Other expenditure	25	14168	
Transfer to (from) non technical account	26	214210	298405
<b>Total expenditure</b>	<b>29</b>	<b>6409498</b>	<b>7144403</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(88167)	94722
Fund brought forward	49	52303432	52802608
Fund carried forward (39+49)	59	52215264	52897329

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	258758	246915
Investment income receivable before deduction of tax	12	52498	51260
Increase (decrease) in the value of non-linked assets brought into account	13	495620	(735950)
Increase (decrease) in the value of linked assets	14		
Other income	15	14168	
<b>Total income</b>	<b>19</b>	<b>821044</b>	<b>(437774)</b>

**Expenditure**

Claims incurred	21	395603	374627
Expenses payable	22	(4890)	(4377)
Interest payable before the deduction of tax	23		
Taxation	24	1757	3098
Other expenditure	25	31473	42229
Transfer to (from) non technical account	26		
<b>Total expenditure</b>	<b>29</b>	<b>423943</b>	<b>415578</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	397101	(853352)
Fund brought forward	49	2807735	3781841
Fund carried forward (39+49)	59	3204836	2928489

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

Financial year	Previous year
1	2

**Income**

Earned premiums	11	1283036	3688493
Investment income receivable before deduction of tax	12	688048	409517
Increase (decrease) in the value of non-linked assets brought into account	13	209914	(125395)
Increase (decrease) in the value of linked assets	14	1212775	(1830838)
Other income	15	410527	102538
<b>Total income</b>	<b>19</b>	<b>3804300</b>	<b>2244315</b>

**Expenditure**

Claims incurred	21	1200257	1118196
Expenses payable	22	290746	240354
Interest payable before the deduction of tax	23	1306	2904
Taxation	24	183260	(156841)
Other expenditure	25	117406	19276
Transfer to (from) non technical account	26	257831	(33124)
<b>Total expenditure</b>	<b>29</b>	<b>2050805</b>	<b>1190765</b>

Business transfers - in	31		
Business transfers - out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	1753495	1053549
Fund brought forward	49	11403245	10410095
Fund carried forward (39+49)	59	13156740	11463645



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Summary**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Regular premiums	11	469701	1018330	915464	2403495	2296443
Single premiums	12	1444941	2475899	360770	4281611	6979852

**Reinsurance - external**

Regular premiums	13	30645	18472	9475	58592	51752
Single premiums	14	902	(6231)		(5329)	18591

**Reinsurance - intra-group**

Regular premiums	15		309825	13599	323424	386390
Single premiums	16	124009	1075458		1199467	1141640

**Net of reinsurance**

Regular premiums	17	439055	690033	892391	2021479	1858301
Single premiums	18	1320030	1406673	360770	3087473	5819621

**Total**

Gross	19	1914642	3494229	1276234	6685106	9276295
Reinsurance	20	155557	1397523	23074	1576154	1598373
Net	21	1759085	2096706	1253161	5108952	7677922

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Regular premiums	11	138251	40055		178306	209425
Single premiums	12	129	19237		19366	20608

**Reinsurance - external**

Regular premiums	13	70	66		136	175
Single premiums	14					

**Reinsurance - intra-group**

Regular premiums	15					
Single premiums	16		2064		2064	1403

**Net of reinsurance**

Regular premiums	17	138181	39990		178170	209249
Single premiums	18	129	17173		17302	19206

**Total**

Gross	19	138379	59292		197672	230033
Reinsurance	20	70	2129		2199	1578
Net	21	138309	57163		195472	228455

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Regular premiums	11	230705	631449	572453	1434607	1385344
Single premiums	12	1321759	1674510	22901	3019170	3452124

**Reinsurance - external**

Regular premiums	13	11572	1223	6386	19180	19595
Single premiums	14	902	417		1319	1324

**Reinsurance - intra-group**

Regular premiums	15		90014		90014	151053
Single premiums	16	956	970622		971578	1151436

**Net of reinsurance**

Regular premiums	17	219133	540212	566067	1325412	1214695
Single premiums	18	1319901	703471	22901	2046273	2299364

**Total**

Gross	19	1552464	2305959	595354	4453777	4837468
Reinsurance	20	13430	1062276	6386	1082091	1323408
Net	21	1539034	1243683	588968	3371685	3514059

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2009**  
 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					
Single premiums	12			258758	258758	246915

**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			258758	258758	246915

**Total**

Gross	19			258758	258758	246915
Reinsurance	20					
Net	21			258758	258758	246915

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Regular premiums	11	100745	346826	343011	790582	701675
Single premiums	12	123053	782152	79111	984317	3260204

**Reinsurance - external**

Regular premiums	13	19004	17183	3089	39276	31981
Single premiums	14		(6648)		(6648)	17267

**Reinsurance - intra-group**

Regular premiums	15		219811	13599	233410	235337
Single premiums	16	123053	102772		225826	(11199)

**Net of reinsurance**

Regular premiums	17	81741	109832	326324	517897	434356
Single premiums	18		686029	79111	765140	3254136

**Total**

Gross	19	223799	1128978	422122	1774899	3961880
Reinsurance	20	142057	333118	16688	491863	273387
Net	21	81741	795860	405435	1283036	3688493

## Long-term insurance business : Analysis of claims

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Summary**  
 Financial year ended **31 December 2009**  
 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	500391	108213	75013	683618	765099
Disability periodic payments	12	1392		910	2302	403
Surrender or partial surrender	13	1587917	1065595	631134	3284646	3873864
Annuity payments	14	8137	1629868	7260	1645265	1374367
Lump sums on maturity	15	1578782	2471301	15209	4065293	4673322
<b>Total</b>	<b>16</b>	<b>3676619</b>	<b>5274978</b>	<b>729527</b>	<b>9681124</b>	<b>10687055</b>

**Reinsurance - external**

Death or disability lump sums	21	32552	251	4126	36929	19973
Disability periodic payments	22	908		4	912	43
Surrender or partial surrender	23	85	7428		7513	29195
Annuity payments	24		437		437	318
Lump sums on maturity	25		1083		1083	599
<b>Total</b>	<b>26</b>	<b>33545</b>	<b>9199</b>	<b>4130</b>	<b>46875</b>	<b>50128</b>

**Reinsurance - intra-group**

Death or disability lump sums	31	14224	1233		15457	20765
Disability periodic payments	32					
Surrender or partial surrender	33	179045	109903		288948	274473
Annuity payments	34		927813		927813	892009
Lump sums on maturity	35		53342		53342	57279
<b>Total</b>	<b>36</b>	<b>193269</b>	<b>1092291</b>		<b>1285560</b>	<b>1244526</b>

**Net of reinsurance**

Death or disability lump sums	41	453615	106729	70887	631231	724362
Disability periodic payments	42	484		907	1390	359
Surrender or partial surrender	43	1408787	948264	631134	2988185	3570196
Annuity payments	44	8137	701618	7260	717015	482041
Lump sums on maturity	45	1578782	2416876	15209	4010868	4615443
<b>Total</b>	<b>46</b>	<b>3449805</b>	<b>4173487</b>	<b>725397</b>	<b>8348689</b>	<b>9392401</b>

## Long-term insurance business : Analysis of claims

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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	30879	14629		45507	50044
Disability periodic payments	12	160			160	172
Surrender or partial surrender	13	157621	70855		228475	298608
Annuity payments	14		46280		46280	47609
Lump sums on maturity	15	746754	482151		1228905	1479702
<b>Total</b>	<b>16</b>	<b>935414</b>	<b>613913</b>		<b>1549328</b>	<b>1876135</b>

**Reinsurance - external**

Death or disability lump sums	21	1170	56		1226	977
Disability periodic payments	22					
Surrender or partial surrender	23					
Annuity payments	24					
Lump sums on maturity	25					
<b>Total</b>	<b>26</b>	<b>1170</b>	<b>56</b>		<b>1226</b>	<b>977</b>

**Reinsurance - intra-group**

Death or disability lump sums	31					
Disability periodic payments	32					
Surrender or partial surrender	33					
Annuity payments	34		44051		44051	46756
Lump sums on maturity	35					
<b>Total</b>	<b>36</b>		<b>44051</b>		<b>44051</b>	<b>46756</b>

**Net of reinsurance**

Death or disability lump sums	41	29709	14573		44281	49067
Disability periodic payments	42	160			160	172
Surrender or partial surrender	43	157621	70855		228475	298608
Annuity payments	44		2228		2228	853
Lump sums on maturity	45	746754	482151		1228905	1479702
<b>Total</b>	<b>46</b>	<b>934244</b>	<b>569807</b>		<b>1504050</b>	<b>1828402</b>

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	383512	82259	27127	492898	536195
Disability periodic payments	12	290			290	301
Surrender or partial surrender	13	1092703	628136	289960	2010799	2461688
Annuity payments	14	5547	1106346	2857	1114750	1021469
Lump sums on maturity	15	803527	1794337	15209	2613074	2969654
<b>Total</b>	<b>16</b>	<b>2285580</b>	<b>3611078</b>	<b>335153</b>	<b>6231811</b>	<b>6989307</b>

**Reinsurance - external**

Death or disability lump sums	21	12593		1956	14549	16812
Disability periodic payments	22					
Surrender or partial surrender	23	85	262		347	146
Annuity payments	24		437		437	318
Lump sums on maturity	25		359		359	451
<b>Total</b>	<b>26</b>	<b>12678</b>	<b>1058</b>	<b>1956</b>	<b>15692</b>	<b>17727</b>

**Reinsurance - intra-group**

Death or disability lump sums	31		1233		1233	1975
Disability periodic payments	32					
Surrender or partial surrender	33		29003		29003	26190
Annuity payments	34		883762		883762	824972
Lump sums on maturity	35		53342		53342	47266
<b>Total</b>	<b>36</b>		<b>967340</b>		<b>967340</b>	<b>900403</b>

**Net of reinsurance**

Death or disability lump sums	41	370920	81026	25171	477116	517407
Disability periodic payments	42	290			290	301
Surrender or partial surrender	43	1092618	598871	289960	1981449	2435352
Annuity payments	44	5547	222147	2857	230551	196179
Lump sums on maturity	45	803527	1740636	15209	2559373	2921937
<b>Total</b>	<b>46</b>	<b>2272902</b>	<b>2642680</b>	<b>333197</b>	<b>5248780</b>	<b>6071177</b>



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2009**  
 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			7160	7160	6332
Disability periodic payments	12					
Surrender or partial surrender	13		1	262281	262282	219941
Annuity payments	14	2590	119167	4403	126160	148354
Lump sums on maturity	15					1
<b>Total</b>	<b>16</b>	<b>2590</b>	<b>119168</b>	<b>273845</b>	<b>395603</b>	<b>374627</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			7160	7160	6332
Disability periodic payments	42					
Surrender or partial surrender	43		1	262281	262282	219941
Annuity payments	44	2590	119167	4403	126160	148354
Lump sums on maturity	45					1
<b>Total</b>	<b>46</b>	<b>2590</b>	<b>119168</b>	<b>273845</b>	<b>395603</b>	<b>374627</b>

## Long-term insurance business : Analysis of claims

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	86000	11326	40726	138052	172529
Disability periodic payments	12	941		910	1851	(70)
Surrender or partial surrender	13	337593	366604	78893	783089	893628
Annuity payments	14		358076		358076	156935
Lump sums on maturity	15	28500	194813		223314	223964
<b>Total</b>	<b>16</b>	<b>453035</b>	<b>930819</b>	<b>120529</b>	<b>1504382</b>	<b>1446986</b>

**Reinsurance - external**

Death or disability lump sums	21	18789	195	2170	21155	2183
Disability periodic payments	22	908		4	912	43
Surrender or partial surrender	23		7166		7166	29049
Annuity payments	24					
Lump sums on maturity	25		724		724	148
<b>Total</b>	<b>26</b>	<b>19697</b>	<b>8086</b>	<b>2174</b>	<b>29957</b>	<b>31423</b>

**Reinsurance - intra-group**

Death or disability lump sums	31	14224			14224	18790
Disability periodic payments	32					
Surrender or partial surrender	33	179045	80900		259945	248283
Annuity payments	34					20281
Lump sums on maturity	35					10013
<b>Total</b>	<b>36</b>	<b>193269</b>	<b>80900</b>		<b>274169</b>	<b>297367</b>

**Net of reinsurance**

Death or disability lump sums	41	52987	11130	38555	102673	151556
Disability periodic payments	42	33		907	940	(113)
Surrender or partial surrender	43	158548	278537	78893	515978	616297
Annuity payments	44		358076		358076	136654
Lump sums on maturity	45	28500	194089		222590	213803
<b>Total</b>	<b>46</b>	<b>240069</b>	<b>841833</b>	<b>118355</b>	<b>1200257</b>	<b>1118196</b>

## Long-term insurance business : Analysis of expenses

Name of insurer **The Prudential Assurance Company Limited**  
Total business / subfund **Summary**  
Financial year ended **31 December 2009**  
Units **£000**

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

**Gross**

Commission - acquisition	11	93203	13328	104192	210723	124603
Commission - other	12	24383	4098	34390	62872	46981
Management - acquisition	13	62857	92106	84411	239373	220725
Management - maintenance	14	147601	229019	33043	409663	597590
Management - other	15	11684	22168	(5038)	28815	11159
<b>Total</b>	<b>16</b>	<b>339728</b>	<b>360719</b>	<b>250999</b>	<b>951446</b>	<b>1001059</b>

**Reinsurance - external**

Commission - acquisition	21			558	558	833
Commission - other	22	2	3	1630	1635	2496
Management - acquisition	23			57	57	44
Management - maintenance	24			99	99	92
Management - other	25					
<b>Total</b>	<b>26</b>	<b>2</b>	<b>3</b>	<b>2344</b>	<b>2349</b>	<b>3465</b>

**Reinsurance - intra-group**

Commission - acquisition	31	(1)	5209		5208	1565
Commission - other	32	497	1633		2130	1257
Management - acquisition	33	1	11894		11895	4268
Management - maintenance	34	1409	3427		4835	4715
Management - other	35					
<b>Total</b>	<b>36</b>	<b>1905</b>	<b>22163</b>		<b>24068</b>	<b>11805</b>

**Net of reinsurance**

Commission - acquisition	41	93204	8119	103634	204957	122205
Commission - other	42	23884	2462	32760	59107	43229
Management - acquisition	43	62856	80211	84354	227422	216412
Management - maintenance	44	146192	225592	32944	404729	592784
Management - other	45	11684	22168	(5038)	28815	11159
<b>Total</b>	<b>46</b>	<b>337820</b>	<b>338553</b>	<b>248655</b>	<b>925029</b>	<b>985790</b>

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Commission - acquisition	11		1210		1210	1418
Commission - other	12	1770	337		2107	3491
Management - acquisition	13					156
Management - maintenance	14	21400	38892		60292	64026
Management - other	15					
<b>Total</b>	<b>16</b>	<b>23170</b>	<b>40439</b>		<b>63609</b>	<b>69091</b>

**Reinsurance - external**

Commission - acquisition	21					
Commission - other	22	1	3		4	5
Management - acquisition	23					
Management - maintenance	24					
Management - other	25					
<b>Total</b>	<b>26</b>	<b>1</b>	<b>3</b>		<b>4</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		1210		1210	1418
Commission - other	42	1769	335		2104	3486
Management - acquisition	43					156
Management - maintenance	44	21400	38892		60292	64026
Management - other	45					
<b>Total</b>	<b>46</b>	<b>23169</b>	<b>40436</b>		<b>63605</b>	<b>69086</b>

## Long-term insurance business : Analysis of expenses

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Commission - acquisition	11	76438	(5941)	53199	123696	88344
Commission - other	12	18887	1949	17126	37962	29981
Management - acquisition	13	38877	46601	48411	133889	112997
Management - maintenance	14	107518	130806	21585	259909	448373
Management - other	15	8821	13110		21931	2510
<b>Total</b>	<b>16</b>	<b>250541</b>	<b>186525</b>	<b>140321</b>	<b>577387</b>	<b>682204</b>

**Reinsurance - external**

Commission - acquisition	21			379	379	178
Commission - other	22	1		1298	1299	1191
Management - acquisition	23			57	57	23
Management - maintenance	24			85	85	87
Management - other	25					
<b>Total</b>	<b>26</b>	<b>1</b>		<b>1819</b>	<b>1820</b>	<b>1479</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	76438	(5941)	52820	123318	88166
Commission - other	42	18886	1949	15828	36663	28790
Management - acquisition	43	38877	46601	48354	133832	112974
Management - maintenance	44	107518	130806	21500	259824	448286
Management - other	45	8821	13110		21931	2510
<b>Total</b>	<b>46</b>	<b>250540</b>	<b>186525</b>	<b>138502</b>	<b>575567</b>	<b>680726</b>

## Long-term insurance business : Analysis of expenses

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Defined Charge Participating Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Commission - acquisition	11		10	10	
Commission - other	12				
Management - acquisition	13				
Management - maintenance	14	10	128	138	6
Management - other	15		(5038)	(5038)	(4383)
<b>Total</b>	<b>16</b>	<b>10</b>	<b>(4900)</b>	<b>(4890)</b>	<b>(4377)</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		10	10	
Commission - other	42				
Management - acquisition	43				
Management - maintenance	44	10	128	138	6
Management - other	45		(5038)	(5038)	(4383)
<b>Total</b>	<b>46</b>	<b>10</b>	<b>(4900)</b>	<b>(4890)</b>	<b>(4377)</b>

## Long-term insurance business : Analysis of expenses

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Gross**

Commission - acquisition	11	16765	18059	50983	85807	34841
Commission - other	12	3726	1812	17265	22803	13510
Management - acquisition	13	23980	45505	36000	105484	107572
Management - maintenance	14	18673	59321	11331	89325	85186
Management - other	15	2863	9058		11922	13032
<b>Total</b>	<b>16</b>	<b>66007</b>	<b>133755</b>	<b>115578</b>	<b>315340</b>	<b>254140</b>

**Reinsurance - external**

Commission - acquisition	21			180	180	655
Commission - other	22			332	332	1301
Management - acquisition	23					21
Management - maintenance	24			14	14	5
Management - other	25					
<b>Total</b>	<b>26</b>			<b>525</b>	<b>525</b>	<b>1981</b>

**Reinsurance - intra-group**

Commission - acquisition	31	(1)	5209		5208	1565
Commission - other	32	497	1633		2130	1257
Management - acquisition	33	1	11894		11895	4268
Management - maintenance	34	1409	3427		4835	4715
Management - other	35					
<b>Total</b>	<b>36</b>	<b>1905</b>	<b>22163</b>		<b>24068</b>	<b>11805</b>

**Net of reinsurance**

Commission - acquisition	41	16765	12851	50803	80419	32621
Commission - other	42	3229	179	16932	20341	10953
Management - acquisition	43	23979	33610	36000	93589	103283
Management - maintenance	44	17265	55894	11317	84476	80466
Management - other	45	2863	9058		11922	13032
<b>Total</b>	<b>46</b>	<b>64102</b>	<b>111592</b>	<b>115053</b>	<b>290746</b>	<b>240354</b>

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business  
 Financial year ended **31 December 2009**  
 Units **£000**

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

**Internal linked funds (excluding cross investment)**

Directly held assets (excluding collective investment schemes)	11	833981	1691007
Directly held assets in collective investment schemes of connected companies	12	6064779	4332152
Directly held assets in other collective investment schemes	13	362209	133957
<b>Total assets (excluding cross investment) (11+12+ 13)</b>	<b>14</b>	<b>7260969</b>	<b>6157117</b>
Provision for tax on unrealised capital gains	15	9841	(221)
Secured and unsecured loans	16		
Other liabilities	17	8940	105
<b>Total net assets (14-15-16-17)</b>	<b>18</b>	<b>7242188</b>	<b>6157232</b>

**Directly held linked assets**

Value of directly held linked assets	21	63255	53484
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**Total**

Value of directly held linked assets and units held (18+21)	31	7305443	6210716
Surplus units	32	6790	9864
Deficit units	33		
<b>Net unit liability (31-32+33)</b>	<b>34</b>	<b>7298653</b>	<b>6200852</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 2009**  
 Units **£000**

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

**Income**

Value of total creation of units	11	574600	1519603
Investment income attributable to the funds before deduction of tax	12	203077	282538
Increase (decrease) in the value of investments in the financial year	13	1224105	(1689231)
Other income	14		
<b>Total income</b>	<b>19</b>	<b>2001782</b>	<b>112911</b>

**Expenditure**

Value of total cancellation of units	21	753036	1762970
Charges for management	22	92708	72697
Charges in respect of tax on investment income	23	11606	10351
Taxation on realised capital gains	24	14149	(19794)
Increase (decrease) in amount set aside for tax on capital gains not yet realised	25		(3996)
Other expenditure	26		
<b>Total expenditure</b>	<b>29</b>	<b>871498</b>	<b>1822227</b>

Increase (decrease) in funds in financial year (19-29)	39	1130284	(1709317)
Internal linked fund brought forward	49	6111904	7866549
Internal linked funds carried forward (39+49)	59	7242188	6157232

**Long-term insurance business : Summary of new business**Name of insurer **The Prudential Assurance Company Limited**

Total business

Financial year ended **31 December 2009**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	142683	29499	131091	303273	292668
Single premium business	12	30470	75443	4102	110015	303845
<b>Total</b>	<b>13</b>	<b>173153</b>	<b>104942</b>	<b>135193</b>	<b>413288</b>	<b>596513</b>

**Amount of new regular  
premiums**

Direct insurance business	21	26697	210612	224720	462029	435767
External reinsurance	22			34155	34155	218
Intra-group reinsurance	23					
<b>Total</b>	<b>24</b>	<b>26697</b>	<b>210612</b>	<b>258875</b>	<b>496184</b>	<b>435985</b>

**Amount of new single  
premiums**

Direct insurance business	25	1464934	2216272	99174	3780381	4529505
External reinsurance	26			15	15	123
Intra-group reinsurance	27		241922	223630	465552	2681257
<b>Total</b>	<b>28</b>	<b>1464934</b>	<b>2458194</b>	<b>322819</b>	<b>4245948</b>	<b>7210885</b>

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

Name of insurer

The Prudential Assurance Company Limited

Total business

Financial year ended

31 December 2009

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	6	1		
120	Conventional endowment with-profits OB savings	22	6		138
125	Conventional endowment with-profits OB target cash		(0)		61
325	Level term assurance	16488	8294		
330	Decreasing term assurance	4708	2580		
345	Accelerated critical illness (reviewable premiums)	9178	1089		
355	Stand-alone critical illness (reviewable premiums)	735	960		
360	Income protection non-profit (guaranteed premiums)	1022	834		
365	Income protection non-profit (reviewable premiums)	147	556		
380	Miscellaneous protection rider		15		
395	Annuity non-profit (PLA)			57	744
405	Annuity non-profit (CPA impaired life)			613	20824
415	Collective life	110373	11789	1220	1814
500	Life UWP single premium			26975	1319355
505	Life UWP whole life regular premium		355		

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

Name of insurer

The Prudential Assurance Company Limited

Total business

Financial year ended

31 December 2009

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	2	12		
700	Life property linked single premium			1605	121998
710	Life property linked whole life regular premium	2	188		
720	Life property linked endowment regular premium - target cash		8		
790	Miscellaneous protection rider		5		
795	Miscellaneous property linked		5		

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

Name of insurer

The Prudential Assurance Company Limited

Total business

Financial year ended

31 December 2009

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
170	Conventional deferred annuity with-profits - increments		388		2350
200	Annuity with-profits (CPA)			7355	333190
325	Level term assurance	80	7		
400	Annuity non-profit (CPA)			57043	1164890
405	Annuity non-profit (CPA impaired life)			206	7931
525	Individual pensions UWP	1273	1623	4191	93535
530	Individual pensions UWP - increments		5270		1358
535	Group money purchase pensions UWP	2031	4896	9	10850
540	Group money purchase pensions UWP - increments		484		97
555	Group deposit administration with-profits	6652	74437		55373
565	DWP National Insurance rebates UWP				128894
570	Income drawdown UWP			932	59872
571	Trustee investment plan UWP			424	49557
575	Miscellaneous UWP			26	3585
595	Income protection rider		7		

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

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2009**

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
725	Individual pensions property linked	3451	27547	2939	73784
730	Individual pensions property linked - increments		2627		12489
735	Group money purchase pensions property linked	16012	80751	1315	94464
740	Group money purchase pensions property linked - increments		12564		22937
745	DWP National Insurance rebates property linked				30623
750	Income drawdown property linked			599	34737
755	Trustee investment plan			7	1174
785	Income protection rider		12		
795	Miscellaneous property linked			39	18763
905	Index linked annuity			358	15820

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

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2009**

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				159
400	Annuity non-profit (CPA)				210965
401	Annuity non-profit (bulk transfer)				3484
405	Annuity non-profit (CPA impaired life)				9027
794	Property linked investment only reinsurance				106
905	Index linked annuity(CPA)				15660
906	Index linked annuity (bulk transfer)				2499
907	Index linked deferred annuity				22

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

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2009**

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	48296	74553	610	9867
120	Conventional endowment with-profits OB savings	13736	49598	280	5014
305	Single premium non-profit WL/EA OB			1677	24930
325	Level term assurance	5900	2955		1
330	Decreasing term assurance	345	99	363	1165
345	Accelerated critical illness (reviewable premiums)		3693		
355	Stand-alone critical illness (reviewable premiums)	19571	15436		
365	Income protection non-profit (reviewable premiums)	102	32		
380	Miscellaneous protection rider		7281		
395	Annuity non-profit (PLA)			89	7312
410	Group life	1638	77		
430	Group critical illness		11		
435	Miscellaneous non-profit	17604	10252	2	15
500	Life UWP single premium				321
700	Life property linked single premium			1081	50549



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

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2009**

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
710	Life property linked whole life regular premium	23899	56484		
770	Term assurance rider		623		
775	Accelerated critical illness rider		875		
780	Stand-alone critical illness rider		113		
785	Income protection rider		4		
790	Miscellaneous protection rider		2634		

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

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2009**

Units

**£000**

Overseas / Reinsurance accepted external

Product code number	Product description	Regular premium business		Single premium business	
		Number of policyholders / scheme members	Amount of premiums	Number of policyholders / scheme members	Amount of premiums
1	2	3	4	5	6
530	Individual pensions UWP - increments		34155		15

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

Name of insurer

**The Prudential Assurance Company Limited**

Total business

Financial year ended

**31 December 2009**

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				160949
575	Miscellaneous UWP - Capital redemption bond				62681

**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 2009**  
 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	320416	380926	22013	5.78	
Approved fixed interest securities	12	872777	872777	32497	4.09	
Other fixed interest securities	13	2989720	3249178	193550	6.05	
Variable interest securities	14	92415	30199	502	10.17	
UK listed equity shares	15	2557	3176	130	4.09	
Non-UK listed equity shares	16		236			
Unlisted equity shares	17	59704	59705			
Other assets	18	3237412	2978805	148519	4.99	
<b>Total</b>	<b>19</b>	<b>7575001</b>	<b>7575001</b>	<b>397211</b>	<b>5.36</b>	

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

Land and buildings	21	5631837	7640616	501421	6.56	(0.96)
Approved fixed interest securities	22	4489724	4026553	152997	4.63	20.28
Other fixed interest securities	23	22737845	25522384	1482117	5.79	20.28
Variable interest securities	24	2228716	2387187	40420	8.65	20.28
UK listed equity shares	25	15344393	14061625	485909	4.97	30.32
Non-UK listed equity shares	26	7210629	10935692	285722	3.46	31.45
Unlisted equity shares	27	2020020	2320820	8885	0.38	30.67
Other assets	28	20942408	13710696	201910	1.47	0.32
<b>Total</b>	<b>29</b>	<b>80605572</b>	<b>80605573</b>	<b>3159381</b>	<b>4.54</b>	<b>18.44</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 2009**  
 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	40977	40977	2228	4.78	
Other fixed interest securities	13	273266	273266	16378	6.15	
Variable interest securities	14	23944	23944	437	10.87	
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>338187</b>	<b>338187</b>	<b>19043</b>	<b>6.32</b>	

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

Land and buildings	21	712607	969509	73983	7.63	(1.20)
Approved fixed interest securities	22	718512	543435	29552	4.78	20.08
Other fixed interest securities	23	3534233	3624026	217199	6.15	20.08
Variable interest securities	24	298826	317537	5792	10.87	20.08
UK listed equity shares	25	1775329	1789425	62659	3.50	30.60
Non-UK listed equity shares	26	954832	1081377	27173	2.51	29.97
Unlisted equity shares	27	219658	340643	8880	2.61	30.37
Other assets	28	1892008	1440054	12636	0.88	(0.69)
<b>Total</b>	<b>29</b>	<b>10106005</b>	<b>10106005</b>	<b>437875</b>	<b>4.64</b>	<b>18.35</b>

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					18.04
Return allocated to non taxable 'asset shares'	32					18.19
Return allocated to taxable 'asset shares'	33					15.14

**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 2009**  
 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	139919	139919	195	4.81	
Other fixed interest securities	13	1017227	1121614	64845	5.87	
Variable interest securities	14					
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18	104387				
<b>Total</b>	<b>19</b>	<b>1261533</b>	<b>1261533</b>	<b>65041</b>	<b>5.75</b>	

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

Land and buildings	21	4701205	6297121	405658	6.44	(0.93)
Approved fixed interest securities	22	3771197	3445236	121981	4.62	20.31
Other fixed interest securities	23	18188142	20503057	1190165	5.73	20.31
Variable interest securities	24	1929024	2008187	32408	8.43	20.31
UK listed equity shares	25	13230034	11901940	412032	5.21	30.28
Non-UK listed equity shares	26	5543078	8913565	238126	3.56	31.62
Unlisted equity shares	27	1797151	1976967	4	0.00	30.72
Other assets	28	18065117	12178874	189143	1.55	0.43
<b>Total</b>	<b>29</b>	<b>67224947</b>	<b>67224947</b>	<b>2589517</b>	<b>4.52</b>	<b>18.29</b>

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					18.60
Return allocated to non taxable 'asset shares'	32					18.75
Return allocated to taxable 'asset shares'	33					15.68

**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 2009**  
 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	218025	373986	21780	5.82	(0.93)
Approved fixed interest securities	22	15	37882	1463	3.90	20.31
Other fixed interest securities	23	1015471	1395301	74752	5.69	20.31
Variable interest securities	24	866	61463	2220	4.28	20.31
UK listed equity shares	25	339030	370260	11218	4.33	30.28
Non-UK listed equity shares	26	712719	940750	20423	3.60	31.62
Unlisted equity shares	27	3211	3211	1	0.04	30.72
Other assets	28	985283	91768	131	0.14	0.43
<b>Total</b>	<b>29</b>	<b>3274621</b>	<b>3274621</b>	<b>131990</b>	<b>4.74</b>	<b>21.71</b>

**Overall return on with-profits assets**

Post investment costs but pre-tax	31					18.60
Return allocated to non taxable 'asset shares'	32					18.75
Return allocated to taxable 'asset shares'	33					15.68

**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 2009**  
 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	320416	380926	22013	5.78	
Approved fixed interest securities	12	691881	691881	30073	3.90	
Other fixed interest securities	13	1699227	1854298	112327	6.15	
Variable interest securities	14	68471	6255	65	7.48	
UK listed equity shares	15	2557	3176	130	4.09	
Non-UK listed equity shares	16		236			
Unlisted equity shares	17	59704	59705			
Other assets	18	3133025	2978805	148519	4.99	
<b>Total</b>	<b>19</b>	<b>5975282</b>	<b>5975282</b>	<b>313127</b>	<b>5.22</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-Dec-09**  
 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>	2673317	14.41	4.32	4.32

<b>Other approved fixed interest securities</b>	<b>21</b>	2226013	14.21	4.79	4.74
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**Other fixed interest securities**

AAA/Aaa	<b>31</b>	1526908	6.29	5.15	4.52
AA/Aa	<b>32</b>	2806949	6.79	4.21	3.72
A/A	<b>33</b>	9413269	7.67	5.44	4.72
BBB/Baa	<b>34</b>	9246069	7.34	6.04	5.02
BB/Ba	<b>35</b>	1602093	7.30	6.68	5.29
B/B	<b>36</b>	836623	4.76	10.93	7.73
CCC/Caa	<b>37</b>	161579	3.33	15.00	7.98
Other (including unrated)	<b>38</b>	3178071	0.98	5.79	4.81
<b>Total other fixed interest securities</b>	<b>39</b>	28771561	6.54	5.82	4.86

<b>Approved variable interest securities</b>	<b>41</b>				
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<b>Other variable interest securities</b>	<b>51</b>	2417386	0.25	8.67	7.19
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<b>Total (11+21+39+41+51)</b>	<b>61</b>	36088276	7.17	5.84	4.97
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## 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-Dec-09**  
 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>	203936	11.64	4.29	4.29
<b>Other approved fixed interest securities</b>	<b>21</b>	380476	11.37	5.04	4.95
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	237613	6.76	5.40	4.77
AA/Aa	<b>32</b>	282642	7.58	5.10	4.43
A/A	<b>33</b>	1224882	7.38	5.50	4.75
BBB/Baa	<b>34</b>	1289521	7.32	6.08	5.16
BB/Ba	<b>35</b>	256342	6.42	7.53	5.78
B/B	<b>36</b>	141674	4.71	10.77	7.67
CCC/Caa	<b>37</b>	26499	3.32	13.99	7.99
Other (including unrated)	<b>38</b>	438120	5.02	6.49	5.01
<b>Total other fixed interest securities</b>	<b>39</b>	3897292	6.88	6.15	5.09
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	341481	0.19	10.87	8.32
<b>Total (11+21+39+41+51)</b>	<b>61</b>	4823185	6.96	6.32	5.27

## 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-Dec-09**  
 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>	2103444	14.51	4.32	4.32
<b>Other approved fixed interest securities</b>	<b>21</b>	1481711	16.49	5.06	5.03
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	1154161	6.16	5.04	4.41
AA/Aa	<b>32</b>	2227518	6.35	3.98	3.50
A/A	<b>33</b>	6921481	7.53	5.39	4.65
BBB/Baa	<b>34</b>	6886036	7.29	5.99	4.94
BB/Ba	<b>35</b>	1227748	7.46	6.44	5.15
B/B	<b>36</b>	634756	4.78	10.95	7.77
CCC/Caa	<b>37</b>	127707	3.32	15.25	7.98
Other (including unrated)	<b>38</b>	2445261	0.00	5.76	4.86
<b>Total other fixed interest securities</b>	<b>39</b>	21624670	6.30	5.74	4.78
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	2008187	0.27	8.43	7.15
<b>Total (11+21+39+41+51)</b>	<b>61</b>	27218011	7.04	5.79	4.93

## 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-Dec-09**  
 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>	37882	6.69	3.90	3.87
<b>Other fixed interest securities</b>					
AAA/Aaa	<b>31</b>	60050	5.77	5.12	4.45
AA/Aa	<b>32</b>	113495	6.52	4.68	4.14
A/A	<b>33</b>	476655	7.08	5.22	4.58
BBB/Baa	<b>34</b>	463196	6.89	5.69	4.82
BB/Ba	<b>35</b>	83870	6.81	6.56	4.91
B/B	<b>36</b>	50609	4.63	10.05	7.43
CCC/Caa	<b>37</b>	7372	3.57	14.38	7.98
Other (including unrated)	<b>38</b>	140054	0.95	5.83	4.66
<b>Total other fixed interest securities</b>	<b>39</b>	1395301	6.18	5.69	4.77
<b>Approved variable interest securities</b>	<b>41</b>				
<b>Other variable interest securities</b>	<b>51</b>	61463	0.12	4.28	2.65
<b>Total (11+21+39+41+51)</b>	<b>61</b>	1494646	5.94	5.59	4.66

## 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-Dec-09**  
 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>	365937	15.39	4.36	4.36

<b>Other approved fixed interest securities</b>	<b>21</b>	325944	7.99	3.39	3.30
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**Other fixed interest securities**

AAA/Aaa	<b>31</b>	75084	7.29	6.07	5.48
AA/Aa	<b>32</b>	183295	11.15	5.40	4.96
A/A	<b>33</b>	790251	9.69	5.95	5.33
BBB/Baa	<b>34</b>	607316	8.22	6.75	5.73
BB/Ba	<b>35</b>	34132	9.69	9.41	7.28
B/B	<b>36</b>	9583	5.44	16.41	7.99
CCC/Caa	<b>37</b>				
Other (including unrated)	<b>38</b>	154637	5.02	4.36	3.53
<b>Total other fixed interest securities</b>	<b>39</b>	1854298	8.84	6.15	5.33

<b>Approved variable interest securities</b>	<b>41</b>				
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<b>Other variable interest securities</b>	<b>51</b>	6255	0.12	7.48	2.57
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<b>Total (11+21+39+41+51)</b>	<b>61</b>	2552434	9.65	5.54	4.92
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## Long-term insurance business : Summary of mathematical reserves

Name of insurer **The Prudential Assurance Company Limited**Total business / subfund **Summary**Financial year ended **31 December 2009**

Units

**£000**

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

**Gross**

Form 51 - with-profits	11	6781276	9868953	2997369	19647598	21174195
Form 51 - non-profit	12	762482	17779210	538875	19080566	17374532
Form 52	13	15087751	23487275	3829470	42404495	41855106
Form 53 - linked	14	3702121	7299360	711290	11712771	9720256
Form 53 - non-linked	15	76853	276357	(33519)	319691	380745
Form 54 - linked	16	4364	894357	1052	899773	858471
Form 54 - non-linked	17		12239		12239	26881
<b>Total</b>	<b>18</b>	<b>26414848</b>	<b>59617749</b>	<b>8044537</b>	<b>94077133</b>	<b>91390186</b>

**Reinsurance - external**

Form 51 - with-profits	21	3610		71	3681	4187
Form 51 - non-profit	22	71626	3869	13063	88558	121812
Form 52	23	66	56		122	150
Form 53 - linked	24	51332	196442		247774	199685
Form 53 - non-linked	25	4786	849	10796	16431	6248
Form 54 - linked	26		4120		4120	4300
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>131420</b>	<b>205336</b>	<b>23930</b>	<b>360686</b>	<b>336382</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32	20944	12546151		12567095	11375845
Form 52	33					
Form 53 - linked	34	1602010	2564333		4166344	3319718
Form 53 - non-linked	35	530	331		861	957
Form 54 - linked	36	1261	517038		518299	498934
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>	<b>1624745</b>	<b>15627853</b>		<b>17252598</b>	<b>15195454</b>

**Net of reinsurance**

Form 51 - with-profits	41	6777666	9868953	2997298	19643917	21170008
Form 51 - non-profit	42	669912	5229190	525812	6424913	5876874
Form 52	43	15087685	23487219	3829470	42404373	41854956
Form 53 - linked	44	2048779	4538584	711290	7298653	6200853
Form 53 - non-linked	45	71537	275177	(44315)	302399	373540
Form 54 - linked	46	3103	373199	1052	377354	355237
Form 54 - non-linked	47		12239		12239	26881
<b>Total</b>	<b>48</b>	<b>24658682</b>	<b>43784560</b>	<b>8020607</b>	<b>76463848</b>	<b>75858350</b>

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

Name of insurer **The Prudential Assurance Company Limited**Total business / subfund **Scottish Amicable Insurance Fund**Financial year ended **31 December 2009**

Units

**£000**

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

**Gross**

Form 51 - with-profits	11	2717805	1598337		4316142	4838370
Form 51 - non-profit	12	23688	670833		694521	702998
Form 52	13	866792	3007593		3874385	4105970
Form 53 - linked	14					
Form 53 - non-linked	15		83461		83461	70167
Form 54 - linked	16					
Form 54 - non-linked	17					
<b>Total</b>	<b>18</b>	<b>3608285</b>	<b>5360224</b>		<b>8968509</b>	<b>9717505</b>

**Reinsurance - external**

Form 51 - with-profits	21	1917			1917	2075
Form 51 - non-profit	22	28	317		345	391
Form 52	23		4		4	5
Form 53 - linked	24					
Form 53 - non-linked	25		2		2	2
Form 54 - linked	26					
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>1945</b>	<b>323</b>		<b>2268</b>	<b>2473</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32		489359		489359	499203
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>489359</b>		<b>489359</b>	<b>499203</b>

**Net of reinsurance**

Form 51 - with-profits	41	2715888	1598337		4314225	4836295
Form 51 - non-profit	42	23660	181157		204817	203404
Form 52	43	866792	3007589		3874381	4105965
Form 53 - linked	44					
Form 53 - non-linked	45		83459		83459	70165
Form 54 - linked	46					
Form 54 - non-linked	47					
<b>Total</b>	<b>48</b>	<b>3606340</b>	<b>4870542</b>		<b>8476882</b>	<b>9215829</b>

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

Name of insurer **The Prudential Assurance Company Limited**Total business / subfund **With-Profits Sub-Fund**Financial year ended **31 December 2009**

Units

**£000**

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

**Gross**

Form 51 - with-profits	11	4042491	7072034	2959874	14074399	15145507
Form 51 - non-profit	12	511169	12211760	340518	13063446	11928749
Form 52	13	14220959	20479682	1881691	36582331	36010965
Form 53 - linked	14	13599	1107482		1121081	894393
Form 53 - non-linked	15	11127	93582		104710	88518
Form 54 - linked	16	3022	519010	1052	523084	505886
Form 54 - non-linked	17					
<b>Total</b>	<b>18</b>	<b>18802368</b>	<b>41483549</b>	<b>5183135</b>	<b>65469051</b>	<b>64574018</b>

**Reinsurance - external**

Form 51 - with-profits	21	1693		71	1764	2112
Form 51 - non-profit	22	41613	3346	339	45298	57814
Form 52	23	66	52		118	145
Form 53 - linked	24		15239		15239	11682
Form 53 - non-linked	25	965			965	1138
Form 54 - linked	26		4120		4120	4300
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>44337</b>	<b>22757</b>	<b>410</b>	<b>67504</b>	<b>77191</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32		12037155		12037155	10834595
Form 52	33					
Form 53 - linked	34	13599	1092242		1105842	882711
Form 53 - non-linked	35					
Form 54 - linked	36		514642		514642	496585
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>	<b>13599</b>	<b>13644039</b>		<b>13657638</b>	<b>12213891</b>

**Net of reinsurance**

Form 51 - with-profits	41	4040798	7072034	2959803	14072635	15143395
Form 51 - non-profit	42	469556	171259	340179	980993	1036340
Form 52	43	14220893	20479630	1881691	36582213	36010820
Form 53 - linked	44					
Form 53 - non-linked	45	10162	93582		103745	87380
Form 54 - linked	46	3022	248	1052	4322	5001
Form 54 - non-linked	47					
<b>Total</b>	<b>48</b>	<b>18744431</b>	<b>27816752</b>	<b>5182725</b>	<b>51743908</b>	<b>52282936</b>



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

Name of insurer **The Prudential Assurance Company Limited**Total business / subfund **Defined Charge Participating Sub-Fund**Financial year ended **31 December 2009**

Units

**£000**

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

**Gross**

Form 51 - with-profits	11	20980	1198582	37495	1257057	1190318
Form 51 - non-profit	12					
Form 52	13			1947779	1947779	1738171
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>20980</b>	<b>1198582</b>	<b>1985274</b>	<b>3204836</b>	<b>2928489</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	20980	1198582	37495	1257057	1190318
Form 51 - non-profit	42					
Form 52	43			1947779	1947779	1738171
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>20980</b>	<b>1198582</b>	<b>1985274</b>	<b>3204836</b>	<b>2928489</b>

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

Name of insurer **The Prudential Assurance Company Limited**Total business / subfund **Non-Profit Sub-Fund**Financial year ended **31 December 2009**

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	227625	4896617	198357	5322599	4742785
Form 52	13					
Form 53 - linked	14	3688522	6191878	711290	10591690	8825863
Form 53 - non-linked	15	65726	99313	(33519)	131520	222060
Form 54 - linked	16	1342	375347		376689	352585
Form 54 - non-linked	17		12239		12239	26881
<b>Total</b>	<b>18</b>	<b>3983215</b>	<b>11575394</b>	<b>876128</b>	<b>16434737</b>	<b>14170174</b>

**Reinsurance - external**

Form 51 - with-profits	21					
Form 51 - non-profit	22	29985	206	12724	42915	63607
Form 52	23					
Form 53 - linked	24	51332	181203		232535	188003
Form 53 - non-linked	25	3821	847	10796	15464	5108
Form 54 - linked	26					
Form 54 - non-linked	27					
<b>Total</b>	<b>28</b>	<b>85138</b>	<b>182256</b>	<b>23520</b>	<b>290914</b>	<b>256718</b>

**Reinsurance - intra-group**

Form 51 - with-profits	31					
Form 51 - non-profit	32	20944	19637		40581	42047
Form 52	33					
Form 53 - linked	34	1588411	1472091		3060502	2437007
Form 53 - non-linked	35	530	331		861	957
Form 54 - linked	36	1261	2396		3657	2349
Form 54 - non-linked	37					
<b>Total</b>	<b>38</b>	<b>1611146</b>	<b>1494455</b>		<b>3105601</b>	<b>2482360</b>

**Net of reinsurance**

Form 51 - with-profits	41					
Form 51 - non-profit	42	176696	4876774	185633	5239103	4637130
Form 52	43					
Form 53 - linked	44	2048779	4538584	711290	7298653	6200853
Form 53 - non-linked	45	61375	98135	(44315)	115195	215995
Form 54 - linked	46	81	372951		373032	350236
Form 54 - non-linked	47		12239		12239	26881
<b>Total</b>	<b>48</b>	<b>2286931</b>	<b>9898683</b>	<b>852608</b>	<b>13038222</b>	<b>11431096</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 **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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	4079	84734	959				54318
120	Conventional endowment with-profits OB savings	35007	396098	8765				316501
125	Conventional endowment with-profits OB target cash	177696	2578213	65914				2239274
165	Conventional deferred annuity with-profits		10					214
175	Group conventional deferred annuity with-profits	62						
185	Group conventional pensions endowment with-profits	19	27					24
205	Miscellaneous conventional with-profits	26	101					
210	Additional reserves with-profits OB							107474
300	Regular premium non-profit WL/EA OB	126	1273	73				1027
330	Decreasing term assurance		1784219	8392				19188
390	Deferred annuity non-profit	264	45					266
395	Annuity non-profit (PLA)	301	206					1394
435	Miscellaneous non-profit	2						
440	Additional reserves non-profit OB							1813

**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 **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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		2366	26				1669
120	Conventional endowment with-profits OB savings		266	4				248
330	Decreasing term assurance		661	8				28
336	Mortality risk premium reinsurance		1447					

**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 **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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	51431	963165	6367				808834
165	Conventional deferred annuity with-profits	618	761	17				12690
175	Group conventional deferred annuity with-profits	2021	46009	495				101144
210	Additional reserves with-profits OB							675669
300	Regular premium non-profit WL/EA OB	588	9334					11171
325	Level term assurance	13422	528834	1878				11712
380	Miscellaneous protection rider		140	26				55
385	Income protection claims in payment		8					81
390	Deferred annuity non-profit	4521	17369	32				145647
400	Annuity non-profit (CPA)	34748	45504					493037
440	Additional reserves non-profit OB							9130

**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 **Scottish Amicable Insurance Fund**  
Financial year ended **31 December 2009**  
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
325	Level term assurance		12788	45				309
336	Mortality risk premium reinsurance		17					
390	Deferred annuity non-profit		1437	10				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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	75098	487804	5341				303334
105	Conventional whole life with-profits IB	844883	906747	6485				1030793
120	Conventional endowment with-profits OB savings	93394	959150	29287				817508
125	Conventional endowment with-profits OB target cash	119702	3004587	62388				1489576
130	Conventional endowment with-profits IB	61712	67078	708				150336
165	Conventional deferred annuity with-profits		46					695
205	Miscellaneous conventional with-profits							400
210	Additional reserves with-profits OB							176306
215	Additional reserves with-profits IB							73543
300	Regular premium non-profit WL/EA OB	141057	305965	1408				205790
310	Non-profit IB	1204471	77787	59				59753
325	Level term assurance	101902	4618370	14147				50149
330	Decreasing term assurance	28245	1124446	5366				16927
335	Decreasing term assurance (rider benefits)		12469	91				26
340	Accelerated critical illness (guaranteed premiums)	12647	933972	4376				18468



**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
345	Accelerated critical illness (reviewable premiums)	2947	164039	1119				4723
350	Stand-alone critical illness (guaranteed premiums)		6082	28				119
355	Stand-alone critical illness (reviewable premiums)		4133	24				100
360	Income protection non-profit (guaranteed premiums)		19538	598				2610
380	Miscellaneous protection rider							17
385	Income protection claims in payment		63					628
390	Deferred annuity non-profit	307	288	1				4817
395	Annuity non-profit (PLA)	5132	6689					80425
435	Miscellaneous non-profit			492				492
440	Additional reserves non-profit OB							60124
445	Additional reserves non-profit IB							6000

**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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		1545	29				568
120	Conventional endowment with-profits OB savings		674	22				611
125	Conventional endowment with-profits OB target cash		1148	22				514
300	Regular premium non-profit WL/EA OB		956	1				654
325	Level term assurance		3209333	5010				24667
330	Decreasing term assurance		349097	1072				2210
335	Decreasing term assurance (rider benefits)		13880	41				25
336	Mortality risk premium reinsurance		383					
340	Accelerated critical illness (guaranteed premiums)		840608	3261				9600
345	Accelerated critical illness (reviewable premiums)		140584	552				1624
350	Stand-alone critical illness (guaranteed premiums)		5474	20				59
355	Stand-alone critical illness (reviewable premiums)		3518	14				42
360	Income protection non-profit (guaranteed premiums)		14693	211				1257
385	Income protection claims in payment		47					471
435	Miscellaneous non-profit			91				188



**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	3215	3687					72456
165	Conventional deferred annuity with-profits	211985	441527	47535				4297443
175	Group conventional deferred annuity with-profits		1882					22461
200	Annuity with-profits (CPA)	44109	171210					2574438
205	Miscellaneous conventional with-profits							9730
210	Additional reserves with-profits OB							95506
325	Level term assurance	16683	2317579	7513				33059
390	Deferred annuity non-profit	43256	23476	4				270979
400	Annuity non-profit (CPA)	719432	868157					11810259
405	Annuity non-profit (CPA impaired life)	2755	6659					90737
440	Additional reserves non-profit OB							6726

**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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					1
400	Annuity non-profit (CPA)		121					3345



**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	387332	13475268	301320				1909452
100	Conventional whole life with-profits OB - HK Cash Bonus plan	53471	2247082	39331				88669
120	Conventional endowment with-profits OB savings	79132	1469913	137143				709985
120	Conventional endowment with-profits OB savings - HK Cash Bonus plan	10061	256416	34697				59706
125	Conventional endowment with-profits OB target cash	326	13268	293				5906
165	Conventional deferred annuity with-profits	1892	6778	1250				59959
175	Group conventional deferred annuity with-profits		41					531
195	Annuity with-profits (PLA)	1	5					50
200	Annuity with-profits (CPA)	1	2					25
210	Additional reserves with-profits OB							125591
300	Regular premium non-profit WL/EA OB	498	3842	43				2584
325	Level term assurance	24635	4855274	16154				28896
330	Decreasing term assurance	2646	154305	309				693
335	Decreasing term assurance (rider benefits)		450	4				3
345	Accelerated critical illness (reviewable premiums)		6059174	20376				185545

**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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					1703
395	Annuity non-profit (PLA)	3959	7534					110481
435	Miscellaneous non-profit			5				5
440	Additional reserves non-profit OB							10608



**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
120	Conventional endowment with-profits OB savings		81	3				71
325	Level term assurance		33415	53				312
330	Decreasing term assurance		3197	9				21
335	Decreasing term assurance (rider benefits)		196	1				3
336	Mortality risk premium reinsurance		4551985	6084				
435	Miscellaneous non-profit			1				3







## 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 **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	36	58	3				44
325	Level term assurance	33603	4318579	13679				(2811)
330	Decreasing term assurance	31667	2038432	6866				3773
340	Accelerated critical illness (guaranteed premiums)	14157	1388218	5213				19834
345	Accelerated critical illness (reviewable premiums)	19938	1708360	5467				10989
350	Stand-alone critical illness (guaranteed premiums)		21372	117				501
355	Stand-alone critical illness (reviewable premiums)	3343	404033	2376				3861
360	Income protection non-profit (guaranteed premiums)	2989	218903	2583				6003
365	Income protection non-profit (reviewable premiums)	182	75965	896				1189
380	Miscellaneous protection rider		442512	1055				1226
385	Income protection claims in payment		641					3991
390	Deferred annuity non-profit	58	76					877
400	Annuity non-profit (CPA)	67	85					502
410	Group life	114	8488	119				585
415	Collective life	889205	5802540	21224				164719

**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 **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
425	Group income protection claims in payment		267	52				2727
435	Miscellaneous non-profit	1188	20611	295				230
440	Additional reserves non-profit OB							9385

**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 **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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		2663307	4371				2216
330	Decreasing term assurance		1324203	2821				1415
340	Accelerated critical illness (guaranteed premiums)		1097568	3240				14264
345	Accelerated critical illness (reviewable premiums)		1195699	2171				3858
350	Stand-alone critical illness (guaranteed premiums)		19118	73				375
355	Stand-alone critical illness (reviewable premiums)		140516	301				(294)
360	Income protection non-profit (guaranteed premiums)		117248	697				3526
365	Income protection non-profit (reviewable premiums)		45721	226				263
380	Miscellaneous protection rider		9	1				4
385	Income protection claims in payment		286					2119
410	Group life		4244	59				289
415	Collective life		745942	15309				673
435	Miscellaneous non-profit		15578	155				108
440	Additional reserves non-profit OB							1169

**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 **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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)		17					174
385	Income protection claims in payment		288					1742
415	Collective life		8106					16301
425	Group income protection claims in payment		267					2727



**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 **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	1309	22190	126				380
365	Income protection non-profit (reviewable premiums)		3179	114				1129
390	Deferred annuity non-profit	39	6420					67752
400	Annuity non-profit (CPA)	112855	337254					4510679
405	Annuity non-profit (CPA impaired life)	4	6793					79964
440	Additional reserves non-profit OB							236713





**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 **Non-Profit Sub-Fund**  
Financial year ended **31 December 2009**  
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
305	Single premium non-profit WL/EA OB	1620	24783					24380
325	Level term assurance	15679	2289280	5256				2706
330	Decreasing term assurance	2320	242140	366				2217
345	Accelerated critical illness (reviewable premiums)		223998	3229				2845
355	Stand-alone critical illness (reviewable premiums)	56844	3022817	38427				47837
360	Income protection non-profit (guaranteed premiums)	18	67	1				5
365	Income protection non-profit (reviewable premiums)	26500	1768339	4878				11217
380	Miscellaneous protection rider		398564	119				64
380	Miscellaneous protection rider - HK Waiver of Premium		175517	5552				2976
380	Miscellaneous protection rider - HK Medical Plans		2328052	30484				8939
385	Income protection claims in payment	514	33387	94				212
410	Group life	16228	810901	833				428
430	Group critical illness - Hong Kong		527311	136				72
435	Miscellaneous non-profit - Hong Kong Hospital Income Plan	98513	3147991	36534				85922
440	Additional reserves non-profit OB							8537

**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 **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
336	Mortality risk premium reinsurance		1272508	1393				33
355	Stand-alone critical illness (reviewable premiums)		216882	2504				12584
360	Income protection non-profit (guaranteed premiums)		9					
410	Group life		389737	307				107

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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
510	Life UWP endowment regular premium - savings		17043	1380	17089	17089		17089
515	Life UWP endowment regular premium - target cash		826051	59240	844565	826557		826557
610	Additional reserves UWP						23146	23146

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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>
525	Individual pensions UWP	255508	2739338	29878	2874533	2874533	21892	2896425
535	Group money purchase pensions UWP	1593	14539	314	15289	15289	279	15568
570	Income drawdown UWP	54	3237		3237	3237	6	3243
595	Income protection rider		6481	171			1274	1274
610	Additional reserves UWP						91083	91083





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

Name of insurer **The Prudential Assurance Company Limited**  
Total business / subfund **With-Profits Sub-Fund**  
Financial year ended **31 December 2009**  
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	12456	587033		581221	614202		614202
500	Life UWP single premium - Other	316505	10839510		10748649	10749991		10749991
500	Life UWP single premium - PruFund	26636	1221966		1209867	1329500		1329500
505	Life UWP whole life regular premium	93113	933576	39169	938268	1000323		1000323
510	Life UWP endowment regular premium - savings	4263	22771	1576	13996	14306	265	14571
515	Life UWP endowment regular premium - target cash	121034	2467216	22053	197163	198647	25866	224513
555	Group deposit administration with-profits - 0% guarantee	8474	129	10	129	129		129
555	Group deposit administration with-profits - 2.5% guarantee		178		178	178		178
555	Group deposit administration with-profits - 4.75% guarantee		416		418	418		418
580	Term assurance rider		27					
595	Income protection rider		36342	877			3056	3056
610	Additional reserves UWP			1			284078	284078



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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	604699	7054010	194655	6931933	7026249	20355	7046604
535	Group money purchase pensions UWP	96083	1431668	37073	1436204	1435650	1809	1437459
555	Group deposit administration with-profits - 0% guarantee	294118	1515801	208941	1555404	1555314		1555314
555	Group deposit administration with-profits - 2.5% guarantee		1700998		1722023	1721720		1721720
555	Group deposit administration with-profits - 4.75% guarantee		774128		806380	806380		806380
555	Group deposit administration with-profits - Deposit fund	36625	285362	54197	303891	303891		303891
565	DWP National Insurance rebates UWP	323369	6279084		6276084	6293726		6293726
570	Income drawdown UWP	2042	106976		107642	107271	569	107840
571	Trustee investment plan UWP	1019	81564		132896	132220		132220
575	Miscellaneous UWP - Flexible lifetime annuity	519	32838		32838	32838		32838
580	Term assurance rider		923461	3846			1922	1922
595	Income protection rider		18674	253			590	590
610	Additional reserves UWP						1039177	1039177



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**  
 Overseas / 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>
500	Life UWP single premium	66282	1779051		1599202	1599202	68591	1667793
505	Life UWP whole life regular premium	2030	10997	1495	11866	11866	116	11982
525	Individual pensions UWP	2969	47205	1969	46537	46886		46886
535	Group money purchase pensions UWP	4645	99327	9440	99327	99327	406	99733
555	Group deposit administration with-profits - 0% guarantee	307	10297	1423	10306	10306		10306
555	Group deposit administration with-profits - 2.5% guarantee		7472		7484	7432		7432
555	Group deposit administration with-profits - 4.75% guarantee		13161		13308	13308		13308
565	DWP National Insurance rebates UWP	725	12247		12247	12271		12271
580	Term assurance rider		1970	111			56	56
610	Additional reserves UWP						11924	11924

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

Name of insurer **The Prudential Assurance Company Limited**  
Total business / subfund **Defined Charge Participating Sub-Fund**  
Financial year ended **31 December 2009**  
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	13941	1659476		1659476	1507308	(2087)	1505221
525	Individual pensions UWP	33563	205026	40408	205026	196622		196622
575	Miscellaneous UWP - Capital redemption bond	1158			247990	235753		235753
610	Additional reserves UWP						10183	10183

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Scottish Amicable Insurance Fund**  
 Financial year ended **31 December 2009**  
 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>
725	Individual pensions property linked	79943	65238	7			13129	13129
735	Group money purchase pensions property linked	269	156				125	125
750	Income drawdown property linked	81					14	14
785	Income protection rider		5095	136			778	778
800	Additional reserves property linked						69415	69415





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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**  
 UK Life / 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>
700	Life property linked single premium	11740	19981		13599	13599	379	13979
710	Life property linked whole life regular premium	5901	168933	9			125	125
715	Life property linked endowment regular premium - savings	939	1317	5			76	76
720	Life property linked endowment regular premium - target cash	8287	536177	86			6261	6261
785	Income protection rider		10631	235			896	896
790	Miscellaneous protection rider		371	66				
795	Miscellaneous property linked	628	15554	239			1820	1820
800	Additional reserves property linked						1570	1570





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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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>
725	Individual pensions property linked	6019	27446	250			986	986
735	Group money purchase pensions property linked	37951	1107482	28717	1107482	1107482	70390	1177872
770	Term assurance rider		31696	119			624	624
800	Additional reserves property linked						21582	21582

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
735	Group money purchase pensions property linked		15239	111	15239	15239		15239



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
700	Life property linked single premium	127296	2911881		2736838	2724373	(4089)	2720284
710	Life property linked whole life regular premium	19366	604198	8729	315440	315288	2695	317983
715	Life property linked endowment regular premium - savings	5327	100382	3310	94379	94375	1044	95419
720	Life property linked endowment regular premium - target cash	13886	1145762	43129	560302	554229	4658	558887
785	Income protection rider		37154	640			2761	2761
790	Miscellaneous protection rider		224	69	24	24		24
795	Miscellaneous property linked	670	7912	156	233	233	786	1019
800	Additional reserves property linked						57871	57871

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**  
 UK Life / Reinsurance ceded external

<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>
700	Life property linked single premium		162071		51332	51332	374	51706
710	Life property linked whole life regular premium		170805	1213			561	561
715	Life property linked endowment regular premium - savings		9					
720	Life property linked endowment regular premium - target cash		9777	49				
785	Income protection rider		26131	466			1787	1787
795	Miscellaneous property linked		336301	1779			1099	1099



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
700	Life property linked single premium		1614781		1588411	1588411		1588411
785	Income protection rider		43				428	428
795	Miscellaneous property linked		10				102	102

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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>
725	Individual pensions property linked	151064	4064455	122806	4037683	4016842	7655	4024497
735	Group money purchase pensions property linked	122480	1730534	290223	1728154	1728154	22892	1751046
750	Income drawdown property linked	1782	184303		184276	184276	1034	185310
755	Trustee investment plan	298	32118		33578	33573		33573
785	Income protection rider		37161	260			1496	1496
794	Property linked investment only reinsurance		74482	490	74482	74482		74482
795	Miscellaneous property linked - Annuity in payment	585	2497		32342	32342		32342
795	Miscellaneous property linked - Flexible lifetime annuity	753	122313		122209	122209	1524	123733
800	Additional reserves property linked						64712	64712

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
725	Individual pensions property linked		25141	10	19864	19864		19864
735	Group money purchase pensions property linked		161339	13168	161339	161339		161339
785	Income protection rider		26937	140			818	818
795	Miscellaneous property linked - mortality risk premium reinsurance		31265	50			29	29

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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		1472091	273093	1472091	1472091		1472091
785	Income protection rider		33				331	331

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 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
700	Life property linked single premium	10848	143344		142462	142462	(1057)	141405
710	Life property linked whole life regular premium	183091	4615296	218151	567882	567882	(52436)	515446
735	Group money purchase pensions property linked	3	946	83	946	946		946
770	Term assurance rider		1844635	4793			1396	1396
775	Accelerated critical illness rider		2818728	10017			14757	14757
780	Stand-alone critical illness rider		592715	1424			80	80
785	Income protection rider		6650	165			341	341
790	Miscellaneous protection rider - Waiver of Premium on Linked		74204	2066			1420	1420
790	Miscellaneous protection rider - Medical Plans on Linked		1219987	16506			665	665
800	Additional reserves property linked						1315	1315

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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**  
 Overseas / Reinsurance ceded external

<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>
790	Miscellaneous protection rider - PARC PR arrangement on Crisis Cover		1379164	2276			10796	10796



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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)	9373	32378		511877	511877		511877
907	Index linked deferred annuity	312	419		7133	7133		7133





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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 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>
905	Index linked annuity(CPA)		32046		507509	507509		507509
907	Index linked deferred annuity		419		7133	7133		7133

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

Name of insurer **The Prudential Assurance Company Limited**  
Total business / subfund **With-Profits Sub-Fund**  
Financial year ended **31 December 2009**  
Units **£000**  
Overseas / 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>
910	Miscellaneous index linked	37	55		1052	1052		1052



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**  
 UK Life / 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>
910	Miscellaneous index linked		221		1261	1261		1261



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

Name of insurer **The Prudential Assurance Company Limited**  
 Total business / subfund **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**  
 UK Pension / Reinsurance ceded intra-group

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
905	Index linked annuity		100		2396	2396		2396

**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 2009**  
 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	684178	2	0.25	7.9120	9.7420	23.13
Pru Managed Bonds (ex M&G)	02 - life - balanced managed fund	127961		1.00	15.1773	18.6230	22.70
Prufund	02 - life - balanced managed fund	159772		1.00	6.4308	7.8208	21.61
Pru Inherit. Bond (ex SA)	04 - life - other managed fund	175232	1	0.75	0.9710	1.0710	10.30
Pru Recovery Bond Fund (ex M&G)	05 - life - UK equity	137493		1.00	16.8728	23.1931	37.46
Exempt Newton Managed (ex SA)	11 - individual pension - stock market manage	110692	2	1.15	1.3610	1.6300	19.76
Pru Exempt Managed (ex SA)	12 - individual pension - balanced managed fu	1841664	2	1.00	10.6070	13.1300	23.79
Pru Exempt Cash (ex SA)	14 - individual pension - other managed fund	468355	2	1.00	6.0970	6.2410	2.36
Pru Exempt Equity (ex SA)	15 - individual pension - UK equity	389931	2	1.00	10.9770	14.3460	30.69
Pru Exempt Pensions Equity Fund (ex M&G)	15 - individual pension - UK equity	232774		1.00	16.7994	21.6310	28.76
Pru Exempt Recovery Pension Fund (ex M&G)	15 - individual pension - UK equity	147072		1.00	14.0531	19.8899	41.53
Pru Exempt International (ex SA)	16 - individual pension - overseas equity	103377	2	1.00	7.8540	9.8140	24.96
Pru Exempt Property (ex SA)	17 - individual pension - property	141517	2	1.00	9.2520	8.9950	(2.78)



**Long-term insurance business : Index linked business**

Name of insurer **The Prudential Assurance Company Limited**  
 Total business  
 Financial year ended **31 December 2009**  
 Units **£000**

Value of assets	Mean Term
1	2

**Analysis of assets**

Approved variable interest securities	11		
Other variable interest securities	12	4322	11.00
Approved fixed interest securities	13		
Other fixed interest securities	14		
Cash and deposits	15		
Equity index derivatives	16		
Inflation swaps	17		
Other assets	18	372951	
Variation margin	19		
<b>Total (11 to 19)</b>	<b>20</b>	<b>377273</b>	

**Credit rating of other fixed interest and other variable interest securities**

AAA/Aaa	31		
AA/Aa	32		
A/A	33		
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>		

**Long-term insurance business: Analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **Scottish Amicable Insurance Fund**Financial year ended **31 December 2009**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	2746086	3.00	3.46	3.70
UK Life WP assurances Form 52	883139	3.20	3.51	4.58
UK Pensions NP assurances Form 51	177143		3.75	4.50
UK Pensions Form 52	2922037		3.75	4.67
UK Pensions WP Assurance (other) Form 51	211179		4.50	6.58
UK Pensions WP FlexiPension Form 51	661344		4.50	6.58
UK Pensions WP group assurances Form 51	105812		4.25	5.92
UK Pensions maturity options	730372		4.30	5.28
Misc	95455	n/a	n/a	6.20
<b>Total</b>	8532567			

**Long-term insurance business: Analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **With-Profits Sub-Fund**Financial year ended **31 December 2009**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	4149202	3.50	4.35	5.19
UK Life WP assurances Form 52	13916513	1.60	1.65	3.28
UK Pension WP deferred annuities Form 51	4399411		4.75	5.15
UK Pension WP immediate annuities Form 51	2574514			4.42
UK Pension personal pensions guarantees under the FSA pensions review Form 52	359196		4.33	4.77
UK Pension unitised WP and cash accumulation - 0% guarantee Form 52	16933207		2.00	4.61
UK Pension cash accumulation - 2.5% guarantee Form 52	1729331		4.00	4.98
UK Pension cash accumulation - 4.75% guarantee Form 52	820106		4.25	4.70
UK Pension additional reserves Form 52	678723			4.12
Overseas WP assurances Form 51	2739311		3.25	3.65
Misc	3911427	n/a	n/a	4.59
<b>Total</b>	52210941			

**Long-term insurance business: Analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **Defined Charge Participating Sub-Fund**Financial year ended **31 December 2009**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 Immediate Annuities Form 51	20980		3.00	4.46
UK Pensions WP Immediate Annuities Form 51	1198582		3.00	4.46
Overseas WP Immediate Annuities form 51	37495		3.00	4.46
Overseas contracts in sterling Form 52	527447		2.00	3.86
Overseas contracts in euros Form 52	1125751		2.75	3.54
Overseas contracts in US dollars Form 52	284398		3.00	3.95
Misc	10183	n/a	n/a	3.54
<b>Total</b>	3204836			

**Long-term insurance business: Analysis of valuation interest rate**Name of insurer **The Prudential Assurance Company Limited**Subfund **Non-Profit Sub-Fund**Financial year ended **31 December 2009**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 NP immediate annuities Form 51 (direct written)	2545049		4.90	5.02
UK Pension NP immediate and deferred annuities Form 51 (reassurance accepted)	2212174		5.05	5.17
UK Pension Form 53 unit-linked business	10953		4.00	5.51
UK Pension Forms 51 business and 53 non-profit riders	11263		3.75	5.12
Collective Life Form 51	147565			0.36
Overseas Life Forms 51 and 53	207787		1.44	1.47
UK Life Forms 51, 53 and 54	15436	3.00	3.75	6.41
Income Protection and Critical Illness Form 51	8095		3.75	5.12
Additional reserves Forms 51, 53 and 54	175753			0.35
Misc	32462	n/a	n/a	0.66
<b>Total</b>	5366538			

**Long-term insurance business : Distribution of surplus**

Name of insurer **The Prudential Assurance Company Limited**  
Total business / subfund **Summary**  
Financial year ended **31 December 2009**  
Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	77109408	76567022
Bonus payments in anticipation of a surplus	12	2018097	2949378
Transfer to non-technical account	13	472041	298405
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	79599546	79814805
Mathematical reserves	21	76463848	75858350
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	3135698	3956455

**Composition of surplus**

Balance brought forward	31	32549	39406
Transfer from non-technical account	32		33124
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	3103148	3883925
Total	39	3135698	3956455

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	2018097	2949378
Cash bonuses	42	3654	1506
Reversionary bonuses	43	236043	281083
Other bonuses	44	287345	393534
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	2545139	3625501
Net transfer out of fund / part of fund	47	472041	298405
Total distributed surplus (46+47)	48	3017180	3923906
Surplus carried forward	49	118518	32549
Total (48+49)	59	3135698	3956455

**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 **Scottish Amicable Insurance Fund**  
Financial year ended **31 December 2009**  
Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	8532568	9277559
Bonus payments in anticipation of a surplus	12	477365	715612
Transfer to non-technical account	13		
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	9009933	9993171
Mathematical reserves	21	8476882	9215829
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	533051	777342

**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	533051	777342
Total	39	533051	777342

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	477365	715612
Cash bonuses	42		
Reversionary bonuses	43	55686	61730
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	533051	777342
Net transfer out of fund / part of fund	47		
Total distributed surplus (46+47)	48	533051	777342
Surplus carried forward	49		
Total (48+49)	59	533051	777342

**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 **With-Profits Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	52215264	52897329
Bonus payments in anticipation of a surplus	12	1463333	2115979
Transfer to non-technical account	13	214210	298405
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	53892807	55311713
Mathematical reserves	21	51743908	52282936
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	2148899	3028777

**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	2148899	3028777
Total	39	2148899	3028777

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	1463333	2115979
Cash bonuses	42	3654	1506
Reversionary bonuses	43	180357	219353
Other bonuses	44	287345	393534
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	1934689	2730372
Net transfer out of fund / part of fund	47	214210	298405
Total distributed surplus (46+47)	48	2148899	3028777
Surplus carried forward	49		
Total (48+49)	59	2148899	3028777

**Percentage of distributed surplus allocated to policyholders**

Current year	61	90.03	90.15
Current year - 1	62	90.15	90.02
Current year - 2	63	90.02	90.00
Current year - 3	64	90.00	90.03



**Long-term insurance business : Distribution of surplus**

Name of insurer **The Prudential Assurance Company Limited**  
Total business / subfund **Defined Charge Participating Sub-Fund**  
Financial year ended **31 December 2009**  
Units **£000**

Financial year	Previous year
1	2

**Valuation result**

Fund carried forward	11	3204836	2928489
Bonus payments in anticipation of a surplus	12	77399	117787
Transfer to non-technical account	13		
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	3282235	3046276
Mathematical reserves	21	3204836	2928489
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	77399	117787

**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	77399	117787
Total	39	77399	117787

**Distribution of surplus**

Bonus paid in anticipation of a surplus	41	77399	117787
Cash bonuses	42		
Reversionary bonuses	43		
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	77399	117787
Net transfer out of fund / part of fund	47		
Total distributed surplus (46+47)	48	77399	117787
Surplus carried forward	49		
Total (48+49)	59	77399	117787

**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 **Non-Profit Sub-Fund**  
 Financial year ended **31 December 2009**  
 Units **£000**

Financial year 1	Previous year 2
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**Valuation result**

Fund carried forward	11	13156740	11463645
Bonus payments in anticipation of a surplus	12		
Transfer to non-technical account	13	257831	
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	13414571	11463645
Mathematical reserves	21	13038222	11431096
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	376349	32549

**Composition of surplus**

Balance brought forward	31	32549	39406
Transfer from non-technical account	32		33124
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	343800	(39980)
Total	39	376349	32549

**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	257831	
Total distributed surplus (46+47)	48	257831	
Surplus carried forward	49	118518	32549
Total (48+49)	59	376349	32549

**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 **Prudential Assurance Company Limited**  
 Date of maturity value / open market option **01 March 2010**

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	6686	843	n/a	CWP	N	6686
Endowment assurance	15	12004	2000	n/a	CWP	N	12004
Endowment assurance	20	22208	5306	n/a	CWP	N	22208
Endowment assurance	25	37812	8970	n/a	CWP	N	37812
Regular premium pension	5	13576	550	n/a	UWP	N	13576
Regular premium pension	10	31614	3148	n/a	UWP	N	31614
Regular premium pension	15	52443	6656	n/a	UWP	N	52443
Regular premium pension	20	93964	20395	n/a	UWP	N	93964
Single premium pension	5	12797	1059	n/a	UWP	N	12797
Single premium pension	10	16332	1665	n/a	UWP	N	16332
Single premium pension	15	26365	7311	n/a	UWP	N	26365
Single premium pension	20	48263	17538	n/a	UWP	N	48263

## Long-term insurance business : With-profits payouts on surrender

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **Prudential Assurance Company Limited**  
 Date of surrender value **01 March 2010**

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	2123		N/A	CWP	N	13969
Endowment assurance	10	6167	1292	N/A	CWP	N	17160
Endowment assurance	15	10682	2214	N/A	CWP	N	20672
Endowment assurance	20	19972	5103	N/A	CWP	N	28254
With-profits bond	2	9129	146	-1072	UWP	Y	10621
With-profits bond	3	9348	232	-1409	UWP	Y	11087
With-profits bond	5	12246	715		UWP	Y	12368
With-profits bond	10	14695	887		UWP	Y	14842
Single premium pension	2	9724	441	-1380	UWP	Y	11104
Single premium pension	3	9932	460	-1539	UWP	Y	11470
Single premium pension	5	12797	1059		UWP	N	12797
Single premium pension	10	16332	1665		UWP	N	16332

**Long-term insurance business : With-profits payouts on maturity (normal retirement)**

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **Scottish Amicable Life Assurance Society Limited**  
 Date of maturity value / open market option **01 March 2010**

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	12519	2662	n/a	UWP	N	13360
Endowment assurance	20	22051	4410	n/a	CWP	N	22051
Endowment assurance	25	38153	9466	n/a	CWP	N	38153
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	53909	6565	n/a	UWP	N	53909
Regular premium pension	20	98765	17347	n/a	UWP	N	98765
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	29165	6838	n/a	UWP	N	29165
Single premium pension	20	48798	13087	n/a	UWP	N	48798

## Long-term insurance business : With-profits payouts on surrender

Name of insurer **The Prudential Assurance Company Limited**  
 Original insurer **Scottish Amicable Life Assurance Society Limited**  
 Date of surrender value **01 March 2010**

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	11682	2483	n/a	UWP	Y	31400
Endowment assurance	20	19831	3304	n/a	CWP	N	19831
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 **Scottish Amicable Life plc**  
Date of maturity value / open market option **01 March 2010**

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	6975	395	n/a	UWP	N	7630
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	30647	2537	n/a	UWP	N	30647
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	15390	1399	n/a	UWP	N	15390
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 **Scottish Amicable Life plc**  
Date of surrender value **01 March 2010**

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	5734	325		UWP	Y	27820
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	15390	1399		UWP	Y	15390



**Long-term insurance capital requirement**Name of insurer **The Prudential Assurance Company Limited**

Global business

Financial year ended **31 December 2009**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%	4633512	2997206	0.71	3287	3578
Classes I (other), II and IX	13	0.15%	4727330	4364759		5030	6777
Classes I (other), II and IX	14	0.3%	47409330	32908052		100890	103306
Classes III, VII and VIII	15	0.3%	7889337	6319248	0.80	18958	20133
<b>Total</b>	<b>16</b>		64659508	46589265		128164	133794

**Insurance health risk and life protection reinsurance capital component**

Class IV supplementary classes 1 and 2 and life protection reinsurance	21					21115	21115
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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%	81178392	68547300	0.85	690016	690441
Classes III, VII and VIII (investment risk)	33	1%	1677682	1153708	0.85	14260	14566
Classes III, VII and VIII (expenses fixed 5 yrs +)	34	1%	2421486	1677135	0.85	20583	15365
Classes III, VII and VIII (other)	35	25%				9022	8498
Class IV (other)	36	1%	254200	220837	0.87	2208	2385
Class V	37	1%					
Class VI	38	1%	236991	236991	1.00	2370	3192
<b>Total</b>	<b>39</b>					738460	734448

**Insurance market risk capital component**

Life protection and permanent health reinsurance	41	0%					
Classes I (other), II and IX	42	3%	81178392	68547300	0.85	2070049	2071324
Classes III, VII and VIII (investment risk)	43	3%	1677682	1153708	0.85	42781	43699
Classes III, VII and VIII (expenses fixed 5 yrs +)	44	0%	2421486	1677135			
Classes III, VII and VIII (other)	45	0%	8831825	5151262			
Class IV (other)	46	3%	254200	220837	0.87	6625	7156
Class V	47	0%					
Class VI	48	3%	236991	236991	1.00	7110	9575
<b>Total</b>	<b>49</b>		94600576	76987234		2126565	2131755

<b>Long term insurance capital requirement</b>	<b>51</b>					3014304	3021112
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# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Year ended 31 December 2009

## 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.

(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. This waiver was revoked at the firm's request on 26 August 09.

(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 and ends on 30 June 2011. This waiver was revoked at the firm's request on 26 August 09.

(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 30 June 2012. This waiver was revoked at the firm's request on 26 August 09.

(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. This waiver was revoked at the firm's request on 26 August 09.

(948128) The FSA, on the application of 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 09 September 2013, and to take such debts fully into account. This direction ends on 9 September 2013.

(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

	2009
	£000
Total assets per Form 13 (other than long-term business) line 89	2,589,122
Total assets per Form 13 (long-term business) line 89	95,856,500
Less: the sum of lines 11, 12 and 49 in Form 14	80,953,334
Less: liabilities per Form 15 line 69	1,147,475
Add: assets backing the capital resource requirements of dependants	1,261,503
Add: preference shares	1,000
Net assets per Form 3 line 79	17,607,316

\*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 £54.6m.

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 2009 is a contingent liability that arises from a contingent loan arrangement with Prudential plc and is linked to the performance of part of the non-profit sub-fund annuity in payment business.

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 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 2010 (none was repaid in March 2009).

The £61.3m of the loans plus £5.1m 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 £66.4m.

Also included in Line 94 is a contingent liability that arises from a funded contingent loan arrangement. This agreement was entered into on 21 December 2009 and provided an advance of £335m to The Prudential Assurance Company Limited. The repayments are linked to the emergence of regulatory surplus on specified lines of business in the Non-Profits Sub-Fund. Part of this loan is denominated in US dollars and is subject to exchange adjustments. Included in the returns is a repayment of £100.9m that will become due in 2010.

The commutation value of this arrangement is £232.9m.

Also included in Line 92 is a contingent liability that arises from a financial reinsurance treaty. This agreement was entered into on 1 October 2009 and provided an advance of £25.3m to The Prudential Assurance Company Limited. The repayments are linked to the emergence of regulatory surplus on certain policies issued in Hong Kong in the Non-Profits Sub-Fund. Under the terms of the treaty a repayment of £1.8m will become due on 31 March 2010.

The commutation value of this arrangement is £23.5m.

\*0310\* Details of valuation differences

<u>Other than long-term</u>	2009 £'000
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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	65,689
Total line 14 column 1	<u>65,689</u>

<u>Long-term</u>	2009 £'000
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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	33,396
Deferred tax on additional reserves.	33,037
Difference in valuation basis for actuarial liabilities	5,765,780
Creditors in respect of contingent loans and financial reinsurance accepted	377,448

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	(108,487)
Pension deficit funding net of tax – see note 1405	(45,200)
Total line 14 column 2	<u>6,055,974</u>

\*0313\* Reconciliation of the profit & loss a/c movement to the profit and loss retained on Form 16

Form 3 line 12 column 3 (2009)	3,369,393
Form 3 line 12 column 4 (2008)	2,907,734
Movement in profit & loss a/c per Form 3	<u>461,659</u>
Long-term business profits retained within the long-term fund	158,963
Form 16 line 59 column 1 profit & loss for the year	<u>620,622</u>

\*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 £1,555m and units of beneficial interest in collective investment schemes with an aggregate value of £2,710m. There are no listed investments which are not readily realisable, and no reversionary interests or remainders in property other than land or buildings in the long-term fund.

\*1309\*      Aggregate value of hybrid securities

The aggregate value of hybrid securities is £4,723m 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.

\*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:

Long-term assets:

	£'000
Long-term assets netted off with liabilities	41,342
Total Line 101 (long-term)	<u>41,342</u>

\*1319\*      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.

\*1322\*      Total Other Than Long Term Business Assets Analysis of derivative contracts

Form 17 has been submitted in blank, as no such contracts were used.

\*1323\*      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 2009 Return, Form 13 line 93 includes the unamortised balance of £96m. 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 2009 Return includes the unamortised balance of £8m. 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.

\*1324\*      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 £0.5m 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 £707m for tax on capital gains in respect of other long-term business has been included in line 21 of Form 14, including £66m 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) For guaranteed annuity products sold in the UK, the Company held a provision of £48m at December 31 2009, (2008: £62m), 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 £732m was held in SAIF at 31 December 2009, (2008: £752m) to honour annuity and other guarantees.
- e) 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.



- f) 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 £8 million in the non-profit sub-fund and £71 million in SAIF were held at 31 December 2009 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 £2.5 million in respect of mortgage endowment products mis-selling claims in the year ended 31 December 2009 and held a provision of £47 million at 31 December 2009, in respect of further compensation. This provision has no impact on the Company's profit before tax.
- g) Contingent liabilities arise in connection with the contingent loan and financial reinsurance arrangements described in note 0308. The total of these is £377m.
- h) There are no other fundamental uncertainties.
- i) 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. The Company is however, and in the future may be, subject to legal actions and disputes in the ordinary course of its business. Whilst the outcome of such matters cannot be predicted with certainty, the directors believe that the ultimate outcome of such litigation will not have a material adverse effect on the Company's financial condition and results.

\*1405\*      Particulars of other adjustments

The amount in line 74 is made up of the following:	£000
Difference in valuation basis for actuarial liabilities	5,765,780
Pension deficit funding net of tax (note 1)	(45,200)
Creditors in respect of contingent loan	377,448
Deferred tax on additional reserves	33,037
Long-term liabilities netted off with assets	41,342
Total Line 74	<u>6,172,407</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 £43.6m and the deficit shown at line 22 of the SAIF Form 14 is £1.6m. The surplus in the statutory accounts is £46m and is included in line 93 of the With-Profits Sub-Fund Form 13. The net difference between the FSA returns (£45.2m) deficit and the accounts (£46m) surplus is therefore £91.2m.

\*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. For events occurring after 31 July 2009 certain payments of compensation and redress may only be paid from assets attributable to Shareholders. As the pensions mis-selling review was concluded prior to this date, the new requirements do not impact the provisions noted above.
- e) There are no other fundamental uncertainties.

\*1503\* Dividend on Cumulative Preference Shares

A dividend on cumulative preference shares of £24,392 had accrued at 31 December 2009.

\*1504\* Deficit in valuation of insurance undertakings

An amount of £56,500k 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 at 31 December 2009 represents deficits in subsidiaries of £56,500k.

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

(PSPS) the shareholders element of the surplus/deficit is being met by the holding company. In respect of the Scottish Amicable Pension Scheme (SAPS), the shareholders element of the surplus/deficit is being met by another group company.

\*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 2009 rates of exchange.

\*1603\*            Other income and charges

	£000
Transfer from closure provision for operations in run-off	6,020
Provision for property leases relating to general insurance business	(1,400)
Commission received on sale of general insurance products	51,106
Shareholder expenses incurred on overseas subsidiaries	(6,637)
Expenses incurred on acquisition of equity release business from another group company	(2,454)
Guarantee charge paid in respect of long-term fund products	(13,676)
Costs of acquisition of contingent loans	(10,000)
Transfer of SAPS pension scheme deficit to another group company	15,912
Other items	(222)
Total	<u>38,649</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.

\*1701\*            Variation margins

No excess variation margin has been received. A variation margin of £50m 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.

\*1702\*            Quasi-derivatives

Convertible securities of £575m, with the features of a quasi-derivative, have been included in line 46 of the Long-term Form 13.

\*1901\*            Adjustment to future policy related liabilities

Line 49 column 1 of the Defined Charge Participating Sub-Fund is negative due to an adjustment required to ensure that the working capital (line 68 column 1) is zero.

## 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	13,457
Healthcare cash plans	112	73
Travel	113	2,040
Personal accident or sickness	114	6,696
Private motor – comprehensive	121	1,852
Private motor – non-comprehensive	122	292
House and domestic all risks	160	2,896
Other personal financial loss	187	392
Commercial vehicle (non-fleet)	222	56
Commercial property	261	790
Consequential loss	262	83
Contractors or engineering all risks	263	21
Employers liability	271	3,738
Professional indemnity	272	26
Public and products liability	273	919
Fidelity and contract guarantee	281	162
Total primary and facultative goods in transit	350	226
Total		<u>33,719</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 £519k 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 a 2009 interim dividend of £284m to the holding company (Prudential plc).

The receipt of £30m from another group company being the repayment of a loan made from The Prudential Assurance Company Limited.

Two loans of £200m and £49m to another group company.

Two transfers of equity release mortgage portfolios of £103m and £61m from another group company. The transfer was financed using loans secured on the mortgages from the wholly owned subsidiary Prudential Retirement Income Limited.

The increase in share capital (£14.1m) of the Joint Venture in Prudential Health Holdings Limited in which the Company has a 50% shareholding.

The increase in share capital (£13m) of the wholly owned subsidiary Prudential Lifetime Mortgages Limited.

The increase in share capital (£9.9m) of the wholly owned subsidiary Prudential Holborn Limited.

The receipt of £5.7m being the partial repayment of a contingent loan to Prudential Pensions Limited.

Two loans of £200m and £19.9m from the wholly owned subsidiary Prudential Retirement Income 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 £462k 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.

APPENDIX 9.3 (Forms 40-45)

\*4002\* Other income and expenditure in the long-term business revenue accounts (£000)

	WPSF	NPSF	SAIF	DCPSF	Consolidation	Summary
<b>Other income</b>						
Transfer in respect of support assets	11,899				(11,899)	-
Annual management charges received from DCPSF /NPSF	8,033	22,520		14,168	(44,721)	-
Rebate from the fund manager	2,050	8,641				10,691
Refund of guarantee charge from the shareholder fund	8,296					8,296
Contingent loan receipts		355,789				355,789
Financial reinsurance receipts		23,577				23,577
<b>Total</b>	<b>30,278</b>	<b>410,527</b>	<b>-</b>	<b>14,168</b>	<b>(56,620)</b>	<b>398,353</b>
<b>Other expenditure</b>						
Transfer in respect of support assets			11,899		(11,899)	-
Annual management charges paid to the NPSF/DCPSF/WPSF	14,168	3,067		27,486	(44,721)	-
Annual management charge paid to another group company		11,633		3,987		15,620
Contingent loan repayments		100,925				100,925
Financial reinsurance repayments		1,781				1,781
<b>Total</b>	<b>14,168</b>	<b>117,406</b>	<b>11,899</b>	<b>31,473</b>	<b>(56,620)</b>	<b>118,326</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 14 column 2 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 £16.9m 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 £5.1m .

\*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)

#### \*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	70

#### \*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.

For individual pension policies the amount of new business premium for product codes 525, 530, 725 and 730 is estimated from the premiums for in force policies.

#### \*4802\* Assets where the payment of interest is in default

There are 42 assets in the WPSF, 2 in the NPSF, 7 in the DCPSF and 20 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. The only exception to this rule is where the terms and conditions of a security are such that the coupon steps up from current levels, should the issuer not redeem at the earliest call date. Securities that fall into this category have been classified on the assumption that they will redeem at the earliest 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	4
425	Group income protection claims in payment	9

**\*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.

For overseas business the number of income protection claims in payment is approximated using experience proportions.

**\*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	89

**\*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	66

**\*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.

**\*5701\* Negative mathematical reserves**

Negative reserves, net of reinsurance, (-£13.8m) are held for PruProtect Plan. These negative reserves, and the positive cashflows expected to repay them, are offset against positive reserves required to fund negative cashflows emerging from certain annuity policies.

\*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)	5.02%	5.76%
UK Pension Form 51 NP immediate and deferred annuities (reassurance accepted)	5.17%	5.98%

\*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 2009

## 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	707	-	-

### 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	170	-	-
China Intl Reinsurance Co (HK) Ltd 29A United Centre 95 Queensway Admiralty Hong Kong	232	-	-
The Toa Reinsurance Co Ltd Room 801 8 <sup>th</sup> Floor, Admiralty Centre, Tower 1 18 Harbour Road Hong Kong	255	-	-

<u>Name of Reinsurer</u>	<u>Premiums Payable (£000)</u>	<u>Amount due to Company (£000)</u>	<u>Anticipated Recovery from Reinsurer (£000)</u>
Hannover Ruckversicherungs-AG Karl-Wiechert-Allee 50 D-30625 Hannover Germany	89	-	-
Berkley Insurance Company Suite 6708, 67/F, Central Plaza 18 Harbour Road Hong Kong	68	-	-
Cassie Centrale De Reassurance 31 Rue De Courcelles Paris France	84	-	-
Paris Re Asia Pacific PTE Ltd. 152 Beach Road, #27-01 Gateway East Singapore 189721	46	-	-

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 2009**

## **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 2009**

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	Hong Kong Accident	1/1/09 – 31/12/09	Reinsurers potential liability: £4,944,000 in excess of £247,000
113 114	Hong Kong Accident Catastrophe Excess of Loss 1 <sup>st</sup> Layer 2 <sup>nd</sup> Layer	1/1/09 – 31/12/09	Reinsurers potential liability:  £989,000 in excess of £247,000 £2,884,000 in excess of £1,236,000
121 122 222	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	1/1/09 – 31/12/09	Reinsurers potential liability:  £247,000 in excess of £165,000 £824,000 in excess of £412,000 £1,236,000 in excess of £1,236,000 £5,768,000 in excess of £2,472,000 Unlimited in excess of £8,240,000
271 272 273	Liability Excess of Loss	1/1/09 – 31/12/09	Reinsurers potential liability: £1,483,000 in excess of £165,000
111 112	Hong Kong Medical	1/1/09 – 31/12/09	Reinsurers potential liability: 75:25 Quota share
350	Hong Kong Marine Cargo Combined Quota Share  And Surplus	1/1/09 – 31/12/09	Reinsurers potential liability: Quota share £33,000 in excess of £49,000  Surplus £824,000 in excess of £49,000
160 261 262 263	Hong Kong Fire Surplus	1/1/09 – 31/12/09	Reinsurers potential liability: £4,944,000 in excess of £247,000

Reporting categories covered	Type of cover	Period of cover	Policy limits
160 261 262 263	Hong Kong Property Combined Quota Share  And Surplus	1/1/09 – 31/12/09	Reinsurers potential liability: Quota share £396,000 in excess of £99,000  Surplus £1,483,000 in excess of £99,000
160 261 262 263	Hong Kong Fire Catastrophe Excess of Loss 1 <sup>st</sup> Layer 2 <sup>nd</sup> Layer 3 <sup>rd</sup> Layer	1/1/09 – 31/12/09	Reinsurers potential liability:  £577,000 in excess of £247,000 £824,000 in excess of £824,000 £2,472,000 in excess of £1,648,000
281	Hong Kong Bond Quota Share	1/1/09 – 31/12/09	Reinsurers potential liability: £185,000 in excess of £62,000

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	247
Personal accident or sickness	114	247
Private motor-comprehensive	121	165
Private motor-non-comprehensive	122	165
Household and domestic all risks	160	247
Other personal financial loss	187	247
Commercial vehicles (non-fleet)	222	165
Commercial property	261	247
Consequential loss	262	247
Contractors or engineering all risks	263	247
Employers liability	271	165
Professional indemnity	272	165
Public and products liability	273	165
Fidelity and contract guarantee	281	62
Total primary (direct) and facultative goods in transit	350	49

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	301	707	1,008
HealthCare cash plan	112	-	-	-
Travel	113	2	668	670
Personal accident or sickness	114	1	372	373
Private motor-comprehensive	121	-	216	216
Private motor-non-comprehensive	122	15	34	49
Household and domestic all risks	160	19	240	259
Other personal financial loss	187	-	-	-
Commercial vehicles (non-fleet)	222	-	7	7
Commercial property	261	30	248	278
Consequential loss	262	3	18	21
Contractors or engineering all risks	263	1	8	9
Employers liability	271	-	482	482
Professional indemnity	272	-	3	3
Public and products liability	273	7	94	101
Fidelity and contract guarantee	281	5	26	31
Total primary (direct) and facultative goods in transit	350	1	107	108
<b>Total</b>		<b>385</b>	<b>3,230</b>	<b>3,615</b>

## **THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

### **Returns for the year ended 31 December 2009**

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 various Prudential Sourcebooks.
  - 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 £647,998k.

#### **(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 (£36,245k). The largest exposure during the year to put options was (£545,080k).

**(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**

No such derivatives were held.

**(i) Consideration for granting rights under derivative contracts**

**Long-term funds**

The total consideration received for granting rights under derivative contracts totalled £8,561k.

## **Statement of information pursuant to Rule 9.30 of the Interim Prudential Sourcebook for Insurers**

Rule 9.30 of the Interim Prudential 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 2009

## 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 8,363 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 Share Incentive Plan in 1,886 shares in Prudential Plc, held in trust at the end of the year.
- (iii) 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>
5,426	288p	June 2014

- (iv) 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.
  - (v) 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 5,212 shares payable in 2011.
  - (vi) He had an interest under the 2009 Prudential Group Performance Share Plan and the 2009 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 15,873 shares payable in 2012.
- (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 £223,093.
- (f) He is a member of the Prudential Staff Pension Scheme and contributions in respect of the year were paid by the Company. These amounts are not included in the figures above.

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

**Year ended 31 December 2009**

## **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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R A Devey  
Chief Executive

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A M Crossley  
Director

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D J Belsham  
Director

26 March 2010

# **THE PRUDENTIAL ASSURANCE COMPANY LIMITED**

**Year ended 31 December 2009**

## **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 128 and pages 233 to 252, and pages 139 to 148, 216, 221 to 225 and 232 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 129 to 138, 149 to 215, 217 to 220 and 226 to 231 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.

Chris Moulder

For and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

1 Canada Square

London

26 March 2010