



# PRUDENTIAL

## FOR IMMEDIATE RELEASE

30 January 2006

### **Prudential announces new city licence for Jinan in Eastern China.**

Prudential's life insurance joint venture in China, CITIC Prudential Life, has been awarded a life insurance licence for the capital city of Jinan in Shandong Province, north-east China. The licence is Prudential's first in Shandong and brings Prudential's total city licences in China to eleven.

Jinan is the capital city of Shandong and is the province's political and economic centre. The city reflects the compelling demographics of China and the opportunity that the region presents. Jinan has a population of 5.9 million, a GDP which increased 16% in the last year and a low insurance product penetration rate. The Jinan branch is expected to be operational by the end of the second quarter of 2006.

Mark Norbom, Chief Executive, Prudential Corporation Asia said:

"We are very excited about the Jinan licence because it means entry into a new province, Shandong, which has a population of 92 million people. It will also complement our successful operations in nearby Beijing, Jiangsu and Shanghai."

CITIC Prudential is committed to continuing its expansion in China and helping to meet the life insurance needs of the Chinese people.

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\*Prudential plc, a company incorporated and with its principal place of business in the United Kingdom, and its affiliated companies constitute one of the world's leading financial services groups. It provides insurance and financial services directly and through its subsidiaries and affiliates throughout the world. It has been in existence for over 150 years and has £214 billion in assets under management, (as at 30 June 2005). Prudential plc is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America.

### **About CITIC- Prudential**

CITIC Prudential, a joint venture between CITIC and Prudential, continues to expand its presence in China since 2000. It currently has eleven city licences for individual life insurance, a licence permitting it to sell group life insurance nationally in China and a network of over 11,000 agents and staff in China. In addition to life insurance, CITIC Prudential also has a fund management operation based on Shanghai with a national licence to sell retail mutual funds.

**News release**

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<b>City</b>	<b>Province</b>	<b>Date licence granted</b>	<b>Launch Date</b>
Guangzhou	Guangdong	April 2000	October 2000
Beijing	Direct Administration Zone	March 2003	August 2003
Suzhou	Jiangsu	March 2004	September 2004
Shanghai	Direct Administration Zone	November 2004	May 2005
Foshan	Guangdong	February 2005	March 2005
Dongguan	Guangdong	February 2005	March 2005
Wuhan	Hubei	March 2005	August 2005
Zhongshan	Guangdong	April 2005	May 2005
Nanjing	Jiangsu	June 2005	July 2005
Shenzhen	Guangdong	April 2005	July 2005
Jinan	Shandong	January 2006	Q2 2006

### **About Prudential**

Prudential plc is a leading international financial services group, providing retail financial services and fund management in its chosen markets: the United Kingdom, the United States, Asia and continental Europe.

Prudential has been writing life insurance in the United Kingdom for over 150 years and has had the largest long-term fund in the United Kingdom for over a century. Today, Prudential has over 16 million customers worldwide and over £214 billion (as of 30 June 2005) of funds under management.

In the United Kingdom Prudential is a leading life and pensions provider offering a range of retail financial products. M&G is Prudential's UK & European Fund Manager, with around £126 billion of funds under management. Jackson National Life, acquired by Prudential in 1986, is a leading provider of long-term savings and retirement products to retail and institutional customers throughout the United States. Egg plc, in which Prudential has a 78 per cent shareholding, provides banking, insurance and investment products through its internet site [www.egg.com](http://www.egg.com).

Prudential is the leading European-based life insurer in Asia with operations in 12 countries.

### **About CITIC Group (China International Trust and Investment Corporation)**

CITIC was established on 4 October 1979 by Rong Yiren. The creation of CITIC was initiated and approved by Deng Xiaoping, chief architect of China's reform.

CITIC is a window on the way China has opened to the outside world. Since its inception, CITIC has always adhered to the principle of innovation. In line with government laws, regulations and policies, CITIC has attracted and utilised foreign capital, introduced advanced technologies, and adopted advanced and scientific international practices in operations and management. CITIC has established successful, strong performing businesses in many fields. As a result, CITIC has made significant contributions to the country's reform and opening up drive and has improved China's reputation both domestically and abroad.

CITIC has grown into a large multinational conglomerate. It now owns 44 subsidiaries in countries including Hong Kong, the United States, Canada, Australia and New Zealand. The company has also set up representative offices in Tokyo, New York and Frankfurt. CITIC's core business ranges from financial services to service industries. By the end of 2003, CITIC had total assets of over RMB 596 billion (US\$72 billion).

**Forward-Looking Statements**

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