



PRUDENTIAL

FOR IMMEDIATE RELEASE

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Joint venture between Prudential and BSN in Malaysia awarded new takaful licence

Prudential Holdings, part of Prudential plc, and Bank Simpanan Nasional (BSN) have been awarded a takaful licence by Bank Negara Malaysia. The new licence is one of four granted by Bank Negara, bringing the total number of companies offering Islamic insurance to nine.

Mark Norbom, Chief Executive of Prudential Corporation Asia said:

“We would like to thank Bank Negara for awarding us the takaful licence which allows the joint venture to sell takaful products. We are very excited about the opportunity to develop products that would have strong appeal to Muslim Malays who make up 60% of the population. We are also delighted to be in partnership with BSN, a well-known and well respected financial institution.”

Encik Tajuddin b Atan General Manager/ Chief Executive Officer of BSN said:

“The two shareholders complement each other and the joint venture will immediately benefit from Prudential’s existing distribution of more than 7,000 agents as well as BSN’s nationwide network of 391 branches. We are confident that the joint venture will meet the ambition of the Government to accelerate the availability of takaful products and bring insurance to Malays residing in the cities as well as in the rural areas.”

The new joint venture is expected to be operational in about four to six months.

-ENDS-

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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.

News release

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Incorporated and registered in England and Wales. Registered office as above. Registered number 1397169.
Prudential plc is a holding company, subsidiaries of which are authorised and regulated by the Financial Services Authority.

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.

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

About Bank Simpanan Nasional (BSN)

BSN, or National Savings Bank, was incorporated on 1st December 1974 under the Ministry of Finance. With its incorporation, BSN has taken over all the duties and responsibilities of the Post Office Savings Bank.

BSN's mission is to encourage savings, investments and smart financial management among Malaysians to increase their quality of life. BSN has grown into more than 5,100 employees, 391 branches and 616 automatic teller machine (ATM) nationwide.

It has embarked on a number of key initiatives to catalyse transformation, stay competitive and be an entity which is able to create sustainable value. BSN is continuously enhancing its services as well as expanding its range of products for the benefit of its customers. BSN's main products include Personal Financing, Home Loan, Premium Saving Certificate (SSP), Islamic Banking Scheme, Giro Savings Account, BSN Matrix and Matrix-i Debit Card as well as VISA and Mastercard credit card.

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.