



PRUDENTIAL

PRUDENTIAL PLC BOARD STATEMENT

18 March 2006

The Board of Prudential plc announces that it received a proposal from Aviva plc about a possible combination of the two companies. The Board of Prudential plc, which has taken independent financial advice, does not consider that the proposal is in the best interests of its shareholders and has rejected it.

The Board confirms that it is not in discussions with any party and reaffirms its confidence in Prudential's future as an independent company.

Enquiries:

Prudential plc	Jon Bunn	07808 632167
	Rebecca Burrows	07718 637264
Brunswick	Mike Smith	020 7404 5959
	Kate Holgate	020 7404 5959

Note to editors:

1. Prudential plc announced its 2005 full year results on 16 March 2006
 - Total EEV operating profit from continuing operations of £1,712 million, up 33%
 - New business APE of £2,146 million, up 15%; PVNBP of £16.8 billion, up 11%
 - New business profit of £867 million, up 15%, with Group margin of 41%
 - Total statutory profit from continuing operations of £957 million, up 36%
 - EEV shareholders' funds up 20% to £10.3 billion
 - Return on embedded value of 15.7% (2004: 13.4%)
 - Total net inflows for funds businesses of £5.2 billion, with external funds under management of £46 billion, up 23%
 - Full year dividend of 16.32 pence per share (2004: 15.84 pence per share)
2. Prudential plc is being advised by Goldman Sachs International, Lexicon Partners Limited and UBS Limited in connection with the matters referred to herein
3. Goldman Sachs International and UBS Limited are joint corporate brokers to Prudential plc

Goldman Sachs International, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Prudential and no-one else in connection with the matters referred to herein and is not advising any other person and accordingly will not be responsible to any person other than Prudential for providing the protections afforded to clients of Goldman Sachs International or for providing advice in relation to such matters.

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News release

Group Communications
Prudential plc

Laurence Pountney Hill London EC4R 0HH Tel 020 7220 7588 Fax 020 7548 3725

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