

## Japanese Investors Embrace Emerging Asia Fund

**August 28, 2007** – Prudential Corporation Asia today announced that it has launched an Emerging Asia Fund through its Japanese company, PCA Asset Management. The fund, launched in Japan in late June, has raised US\$150 million in its first six weeks (as at 31 July 2007). The fund aims to capitalize on the strong economic growth in China, India, Thailand, Malaysia, Indonesia, Philippines and Vietnam.

“We believe the most compelling argument for investing in Emerging Asia is the combination of relative valuations, strong profitability and infrastructure opportunities. A review of average price earnings ratios on quoted companies worldwide reveals that Emerging Asian markets represent better value than their counterparts in the rest of the world,” said Mr. Guy Strapp, Regional Head of Investment Management, Prudential Asset Management.

“With billions of dollars being invested in Emerging Asia to upgrade their infrastructure, together with strong demand for technology, textiles and other products from these markets, we expect growth rates in these markets to continue to rise,” Mr. Strapp added.

By investing in this fund, Japanese investors have access to Prudential Corporation Asia’s extensive fund management expertise in emerging markets. As one of Asia’s largest and most successful fund managers, the company has successful joint ventures in China and India and was one of the early foreign entrants into Vietnam. The company manages US\$7.6 billion of listed securities in Emerging Asia equities (as at 30 June 2007).

PCA Asset Management in Japan currently manages 11 open-ended funds for retail investors and is a key player among the country’s foreign asset management companies, with a strong presence in the retail funds arena.

“The success of our Emerging Asia Fund is further evidence that the combination of providing innovative products, together with our distribution strategy, is working well in Japan,” Mr. Felix Pang, Chief Executive Officer, PCA Asset, Japan, said. The Emerging Asia Fund has 11 distributors in Japan.

Other highly successful funds managed by PCA Asset Management include an Indian Equity Fund, Indian Infrastructure Fund and US High Yield Corporate Bond Fund which have raised US\$1.3 billion, US\$1 billion and US\$3.3 billion respectively (as at 31 July 2007).

Prudential Corporation Asia’s fund management business holds a top five market position in five of the markets in which it operates in Asia (as at 30 June 2007).



## **About Prudential Corporation Asia**

Prudential Corporation Asia, which comprises both life insurance and fund management operations, is part of Prudential plc\* (United Kingdom), one of the world's foremost financial services groups. Prudential is the region's leading European-based life insurer in terms of market coverage and number of top five market rankings with over 360,000 agents and staff. Its insurance operations span 12 markets - mainland China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand and Vietnam.

In Asia, Prudential's fund management business independently manages assets on behalf of a wide range of retail and institutional investors across the region. It is also a fund manager for life and pension products sold by Prudential plc and Prudential Corporation Asia.

The fund management business is one of Asia's largest and most successful fund managers. With £32.8 billion in assets under management (as of 30 June 2007), it currently ranks No 2 in total retail-sourced assets ex-Japan, and No 3 in overall assets sourced ex-Japan (*source: Asia Asset Management Magazine 2006*).

It has an extensive geographic footprint with fund management operations in 10 markets – mainland China, Hong Kong, India, Japan, Korea, Malaysia, Singapore, Taiwan, Vietnam and the United Arab Emirates

\*Prudential plc is a company incorporated and with its principal place of business in England, 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 £256 billion in assets under management as at 30 June 2007. 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.

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