This summary aims to give you an overview of the information contained in this listing document. As this is a summary, it does not contain all the information that may be important to you. You should read this listing document in its entirety including the Appendices hereto, which constitute an integral part of this listing document.

OVERVIEW

The Prudential Group is a large global financial services group, providing retail financial services in the United Kingdom, the United States and Asia. It has been in existence for over 160 years and has £290 billion in assets under management (as at 31 December 2009). Prudential is not affiliated with Prudential Financial, Inc. or its subsidiary, The Prudential Insurance Company of America.

The Prudential Group is structured around four main business units: Prudential Corporation Asia, Jackson, Prudential UK insurance operations and M&G. These are supported by central functions which are responsible for Prudential Group strategy cash and capital management, leadership development and succession, reputation management and other core group functions.

Prudential Corporation Asia's core business is life insurance, health and protection, either attached to a life policy or on a standalone basis, and mutual funds. It also provides selected personal lines property and casualty insurance, group insurance, institutional fund management and consumer finance (Vietnam only). The product range offered is tailored to suit the individual country markets. Insurance products are distributed mainly through an agency sales force together with selected banks, while the majority of mutual funds are sold through banks and brokers. Joint venture partners are mandatory in some markets: for example, the life insurance operation in China is a 50% equity joint venture with CITIC, in India the Prudential Group has a 26% equity stake in a joint venture with ICICI Bank and in Malaysia its Takaful business is a 70% equity joint venture with Bank Simpanan Nasional. In the fund management business Prudential Group holds a 49% equity stake in a joint venture with ICICI, in China it has a 49% equity stake in a joint venture with CITIC and in Hong Kong it has a 36% equity stake in a joint venture with Bank of China International.

As at 31 December 2009, Prudential Corporation Asia had:

- over 15 million customers in 28 businesses spread across 13 countries;
- distribution relationships with over 75 institutions across Asia including Standard Chartered Bank, E-Sun Bank and joint venture partners ICICI in India and CITIC in China;
- one of the largest networks of tied agents, comprising over 410,000 agents; and
- consistently high brand recognition, outperforming many other financial services companies and had received multiple awards for its customer service.

In the United States, the Prudential Group offers a range of products through Jackson, including fixed, fixed index and variable annuities; life insurance; guaranteed investment contracts; and funding agreements. Jackson distributes these products through independent insurance agents; securities broker-dealers; registered investment advisers; a small captive agency channel, consisting of approximately 100 life insurance agents; and banks, credit unions and other financial institutions.

Jackson also offers fee-based separately managed accounts and investment products through Curian Capital, LLC, which is Jackson's registered investment adviser.

As at 31 December 2009, in the United States, Jackson:

- was among the 20 largest life insurance companies in terms of General Account assets[(1)];

Note:

(1) Source: Statutory financial data per National Underwriter Insurance Data Services from Highline Data, rankings as at 30 September 2009, latest rankings available.

- was ranked 4th in total annuity sales in 2009, up from 11th in 2008[(2)];
- was ranked the top insurance company for overall sales support satisfaction in the Financial Research Corporation's Adviser Insight Series on market effectiveness[(3)];
- was once again rated as a 'World Class' service provider for the fifth successive year by Service Quality Measurement Group[(4)]; and
- completed a record sales year with total annual premium equivalent ("APE") retail sales of £912 million, the highest level in Jackson history.

As at 31 March 2010, Jackson was rated A1 (negative outlook) by Moody's, AA (negative watch) by Standard & Poor's and Fitch and A+ (under review — negative) by AM Best.

In the United Kingdom, the Prudential Group offers a range of retail financial products and services, including long-term insurance and asset accumulation and retirement income products (life insurance, pensions and pension annuities), retail investment and unit trust products, and fund management services. The Prudential Group in the United Kingdom primarily distributes these products through financial advisers, partnership agreements with banks and other financial institutions, and direct marketing, by telephone, mail, internet and face-to-face advisers.

As at 31 December 2009, the Prudential Group in the United Kingdom:

- was one of the market leaders in the individual annuity market and the with-profits market[(5)];
- was awarded two Five-Star awards at the Financial Adviser Service Awards in the Life and Pensions and Investments categories; and
- was named "Best Annuity Provider" at the 2010 Professional Adviser Awards; and
- delivered top-quartile investment performance in 38% of M&G's retail funds in the three years to December 2009[(6)].

As at 31 March 2010, the financial strength of PAC was rated Aa2 (negative outlook) by Moody's, AA (negative watch) by Standard & Poor's and AA+ (negative watch) by Fitch.

INDUSTRY OVERVIEW AND COMPETITION

There are other significant participants in each of the financial services markets in which the Enlarged Group operates. Its competitors include both mutual and stock financial companies. In addition, regulatory and other developments in many of the Enlarged Group's markets have blurred traditional financial service industry lines and opened the market to new competitors and increased competition. In some of the Enlarged Group's markets, other companies may have greater financial resources, allowing them to benefit from economies of scale, and may have stronger brands than the Enlarged Group does in that market.

THE ACQUISITION

Prudential, New Prudential, AIG and AIA Aurora have entered into an agreement ("Acquisition Agreement") under which New Prudential will acquire the entire issued share capital of AIA. AIA Aurora will receive consideration with a notional value of US$35.5 billion from New Prudential, comprising US$25.0 billion in cash, (subject to reduction in an amount equal to the aggregate

(2) Source: Life Insurance and Market Research Association.

(3) Source: Adviser Insight Marketing Effectiveness, 2009

(4) Source: Service Quality Measurement Group

(5) Source: Association of British Insurers ("ABI")

(6) Source: Morningstar

nominal value of any subordinated notes for which AIA Aurora subscribes under the Subordinated Note Commitment Letter), New Prudential Shares with a notional value of £3.613 billion (approximately US$5.5 billion), US$3.0 billion in Mandatory Convertible Notes, US$2.0 billion in Tier 1 Notes, and any subordinated notes for which AIA Aurora subscribes under the Subordinated Note Commitment Letter. The cash component of the consideration will be financed by Prudential through a combination of US$20.0 billion from the Rights Issue and up to US$5.0 billion from Bond Offerings.

If the Prudential Shares were listed on the Stock Exchange, the applicable percentage ratios for the Acquisition would have exceeded 100% and the Acquisition would have constituted a very substantial acquisition in accordance with the Listing Rules.

Prudential has entered into hedging arrangements in respect of its requirement to convert the pounds sterling proceeds of the Rights Issue into US dollars, which is the currency in which New Prudential must pay the cash element of the consideration.

Completion of the Acquisition is subject to certain pre-conditions, including: (i) Prudential shareholders approving the Scheme and certain other resolutions relating to the Transactions; (ii) obtaining the necessary regulatory and antitrust approvals; (iii) there having been no material adverse change in AIA in the period prior to commencement of the Rights Issue; (iv) there having been no breach of warranty or covenant resulting in a material adverse change in AIA prior to completion; (v) there having been no material breach of the New Prudential warranties having a material adverse effect on the ability of New Prudential or Prudential to complete the Acquisition; (vi) the Court sanctioning the Scheme; and (vii) admission of the Rights Issue Shares to be issued pursuant to the Rights Issue, New Prudential Shares (both to be issued pursuant to the Scheme and as consideration), MCNs and Tier 1 Notes (as consideration under the Acquisition Agreement) to listing and trading.

A termination fee of £153 million (including any VAT due in respect thereof) is payable by Prudential to AIA Aurora in the event of termination in specified circumstances. Additional consideration of 5/1200ths of the cash consideration outstanding is payable per month by New Prudential to AIA Aurora from 1 September 2010 to the completion date in the event that completion has not yet occurred (and the Acquisition Agreement has not been terminated) by 31 August 2010. For further details in relation to the Acquisition see "Information about the Transactions".

Investors should also refer to the supplemental listing document containing details of the Rights Issue to be published by Prudential on or around the date of this listing document.

THE SCHEME

The acquisition of Prudential by New Prudential that, with the Acquisition, results in the combination of the AIA Group and the Prudential Group to form the Enlarged Group will be effected by means of the Scheme between Prudential and Prudential shareholders (which is not conditional upon completion of the Rights Issue or the Acquisition). Under the terms of the Scheme, the Prudential Shares will be cancelled and, in consideration for this cancellation, Prudential shareholders on the register at the Scheme Record Time will receive:

for each Prudential Share one New Prudential Share

Implementation of the Scheme will require approval at the Court Meeting and the General Meeting.

INFORMATION ON THE ENLARGED GROUP

Prudential believes that the combination of its Asian operations with AIA will create a unique business with a significant focus on the Asian markets and leading positions in seven countries with highly complementary products and distribution channels across the region. It is anticipated that the Enlarged Group will be the leading life insurer in Hong Kong, Singapore, Malaysia, Indonesia, Vietnam, Thailand and the Philippines, and the leading foreign life insurance business in China and India,[7] as well as having strong and highly cash generative operations in the US and the UK.

Prudential has applied for a dual primary-listing on the Stock Exchange which is expected to be effective from 25 May 2010. Application has also been made to the SGX-ST for the secondary listing of the Shares on the Main Board of the SGX-ST which is expected to be effective from 25 May 2010. For details of the Singapore Introduction, please refer to the section "Registration and Removal of Prudential Shares between Registers — Information on Singapore Introduction" in Appendix VIII to this listing document.

INFORMATION ON PRUDENTIAL

The Prudential Group is a large international financial services group, providing retail financial services in Asia, the United Kingdom and the United States. It has been in existence for over 160 years and has £290 billion in assets under management (as at 31 December 2009). Prudential is not affiliated with Prudential Financial, Inc. or its subsidiary, The Prudential Insurance Company of America.

INFORMATION ON AIA

The AIA Group is a leading life insurance organisation in the Asia Pacific region which provides individuals and businesses with products and services for their insurance, protection, savings, investments and retirement needs in 15 geographical markets in the region. As of 30 November 2009, the AIA Group (excluding AIA India) had approximately 15,500 employees serving the holders of its approximately 21.3 million in-force policies and approximately 9 million participating members of its clients for group life, medical, credit, life coverage and pensions products.

STRENGTHS AND STRATEGY

The central objective of the Enlarged Group will be to deliver sustainable value to shareholders. To achieve, the strategy of the Enlarged Group will be to meet, profitably, customers' changing needs for savings, income and protection products in its chosen markets across Asia, the US and the UK. In particular, the Enlarged Group will focus on the objective of allocating capital to the most attractive opportunities and geographical markets, both in terms of return and payback period.

Prudential believes that the Prudential Group and the AIA Group have complementary capabilities, and key growth opportunities for the Enlarged Group will include: improvements in AIA sales force productivity based upon Prudential's agency management capabilities; increasing effectiveness of AIA's current bancassurance relationships by leveraging Prudential's capabilities in Asia with banks such as Standard Chartered Bank, ICICI Bank Limited and United Overseas Bank Limited; managing the AIA product mix; and increasing utilisation of customer management and data mining tools.

(7) As set out in "Industry Overview and Competition", (a) Prudential is ranked as the leading life insurer in Singapore, Malaysia, Indonesia and Vietnam, (b) AIA is ranked as the leading life insurer in the Philippines and Thailand, (c) ICICI Prudential is ranked as the leading private life insurer in India and (d) AIA is ranked as the leading foreign life insurer in China. According to the OCI, the combined market share of Prudential and AIA is greater than the market share of any other company in the Hong Kong life insurance market.

RISK FACTORS

Investors should consider carefully the following risks, amongst others:

Risks relating to the Prudential Group and the Enlarged Group

- The Prudential Group's businesses are, and the Enlarged Group's businesses will be, inherently subject to market fluctuations and general economic conditions.
- Interest rate fluctuations may materially and adversely affect the Enlarged Group's profitability.
- The Enlarged Group will be subject to the risk of potential sovereign debt credit deterioration owing to the amounts of sovereign debt obligations held in its investment portfolio.
- The Prudential Group is, and the Enlarged Group will be, subject to the risk of exchange rate fluctuations owing to the geographical diversity of its businesses.
- The Prudential Group conducts, and the Enlarged Group will conduct, their businesses subject to regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies and interpretations and any accounting standards in the markets in which they operate.
- The resolution of several issues affecting the financial services industry could have a negative impact on the Prudential Group's and the Enlarged Group's reported results or on their relations with current and potential customers.
- Litigation, disputes and regulatory investigations may adversely affect the Prudential Group's and the Enlarged Group's profitability and financial condition.
- The Prudential Group's businesses are conducted, and the Enlarged Group's businesses will be conducted, in highly competitive environments with developing demographic trends and continued profitability depends on management's ability to respond to these pressures and trends.
- Downgrades in the Prudential Group's and, following the Acquisition, the Enlarged Group's, financial strength and credit ratings could significantly impact its competitive position and hurt its relationships with creditors or trading counterparties.
- Adverse experience in the operational risks inherent in the Prudential Group's and Enlarged Group's businesses could have a negative impact on their results of operations.
- Adverse experience against the assumptions used in pricing products and reporting business results could significantly affect the Prudential Group's and Enlarged Group's results of operations.
- The business and prospects of the Enlarged Group may be materially and adversely affected if it is not able to manage the growth of the Enlarged Group's operations successfully.
- As holding companies, Prudential and AIA are each dependent upon their respective subsidiaries to cover operating expenses and dividend payments and, following the Acquisition, New Prudential will in turn depend on dividend payments from Prudential and AIA.
- The Prudential Group operates, and the Enlarged Group will operate, in a number of markets through joint ventures and other arrangements with third parties (including in China and India), involving certain risks that the Prudential Group does not, and the Enlarged Group will not, face with respect to its consolidated subsidiaries.
- Prudential's Articles of Association contain an exclusive jurisdiction provision.

- Events relating to the AIG Group could continue to harm the AIA Group's business and reputation and could also harm the Prudential Group's business and reputation.
- Agent, employee and distribution partner misconduct is difficult to detect and deter and could harm the Enlarged Group's reputation or lead to regulatory sanctions or litigation.
- Changes in tax legislation may result in adverse tax consequences.

Risks relating to the Transactions

- The Acquisition and the Scheme may each not complete.
- The integration of the Prudential Group and the AIA Group may be more difficult than anticipated.
- The Enlarged Group may fail to realise the anticipated benefits, including estimated synergies, and may fail to achieve its targets, in relation to the Acquisition.
- Change of control provisions in the AIA Group's and Prudential Group's agreements may be triggered upon the completion of the Acquisition and may lead to adverse consequences.
- The Acquisition and the Scheme may negatively impact the Prudential Group's or the AIA Group's tax position.
- Share prices may fluctuate.
- Shareholders who do not take up their rights in full will experience significant dilution in their ownership.
- The trading market for Nil Paid Rights may not develop.

Risks relating to the Introduction

In order to be entitled to vote at the upcoming Annual General Meeting, Court Meeting and General Meeting and eligible to participate in the Rights Issue investors must invest in Prudential Shares shortly after the Listing. Investors who do not vote or vote against the resolutions proposed at the upcoming General Meeting should note that the Rights Issue will still proceed if it is approved by Shareholders at the General Meeting. Shareholders intending to participate in the Rights Issue will need to make available funds to take up their rights. If Shareholders do not take up their rights in full, this will result in a significant dilution in their proportionate ownership and voting interest in Prudential Shares. **The Existing Shares will be marked "Ex-Rights" on the stock exchanges on different dates and may give rise to a difference in share prices.** Investors should also be aware that, for the purposes of the Rights Issue, the proposed date for the Existing Shares to be marked "ex-rights" on the Stock Exchange is expected to be earlier than the date proposed for the Existing Shares to be marked "ex-rights" on the London Stock Exchange. Investors are therefore warned that a difference in trading prices of the Existing Shares between the stock exchanges may arise from the date the Existing Shares are marked "ex-rights" on the Stock Exchange until they are marked "ex-rights" on the London Stock Exchange.

- Movements of Shares from the HK Register to the UK register may adversely affect the liquidity of the Shares on the Stock Exchange.
- Movement of Shares to CDP from CCASS may adversely affect the liquidity of the Shares on the Stock Exchange
- An active trading market for Prudential's Shares on the Stock Exchange may not develop or be sustained, and their trading prices may fluctuate significantly and the effectiveness of the liquidity arrangements by Designated Dealers may be limited.

- The period required for the Shares to be moved between the UK and Hong Kong markets and between the Hong Kong and Singapore markets may be longer than expected, and Shareholders may not be able to settle or effect any sales of their Shares during this period.
- Investors are subject to exchange rate risk between pounds sterling, Hong Kong dollars and US dollars.

In particular, investors should note that the Acquisition and the Scheme may each not complete. The completion of the Acquisition is subject to the satisfaction (or waiver) of a number of conditions precedent (including the approval of the holders of Prudential Shares, the approval of the Scheme by the Court and relevant competition and regulatory clearances). Any relevant body may refuse its approval or, in the case of competition or regulatory authorities, may seek to make their approval subject to compliance by Prudential with unanticipated or onerous conditions.

The Rights Issue is not conditional upon completion of the Acquisition or the Scheme. If completion of the Acquisition does not occur, which Prudential believes is unlikely, Prudential's current intention is that the net proceeds of the Rights Issue will be invested on a short-term basis while Prudential considers how the net proceeds of the Rights Issue (after deduction of Rights Issue and Transaction related expenses and hedging costs) may be returned to Prudential's shareholders. In considering how any such proceeds might be returned to Prudential's shareholders, the Directors will take into account, amongst other things, the tax implications for Prudential's shareholders.

If the Acquisition does not occur, which the Directors believe is unlikely, a termination fee of £153 million (including any VAT due in respect thereof) is, in certain circumstances, payable by Prudential to AIA Aurora.

Investors should also note that shareholders who do not take up their rights in full will experience significant dilution in their ownership. Those Shareholders who do not participate in the Rights Issue will suffer a significant reduction in their proportionate ownership and voting interest in the Prudential Shares as represented by their holding of Prudential Shares immediately following admission. Following completion of the Transactions, shareholders will also experience dilution in their proportionate ownership and voting interest in New Prudential because of the issue by New Prudential of ordinary shares to AIA Aurora as part of the consideration for the Acquisition.

SUMMARY OF HISTORICAL CONSOLIDATED FINANCIAL INFORMATION AND SUPPLEMENTARY INFORMATION

IFRS basis results

You should read the summary of historical consolidated financial information set out below in conjunction with the financial information set out in the section "Financial Information of the Prudential Group" of this listing document and the consolidated financial information included in the Accountants' Report set out in Appendix I to this listing document. The consolidated financial information of Prudential and the parent company financial information has been prepared and approved by the Directors in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and as endorsed by the EU. EU-endorsed IFRS may differ from IFRS as issued by the IASB if, at any point in time, new or amended IFRS have not been endorsed by the EU. As at 31 December 2009, there were no unendorsed standards effective for the three years ended 31 December 2009 affecting the consolidated financial information of Prudential or the parent company financial information, and there was no difference between IFRS endorsed by the EU and IFRS issued by the IASB in terms of their application to Prudential. Accordingly, Prudential's financial information for the three years ended 31 December 2009 is prepared in accordance with IFRS as issued by the IASB.

This summary of historical financial information includes a selection of information for the years ended 31 December 2007, 31 December 2008 and 31 December 2009 and has, unless otherwise stated, been extracted without material adjustment from the Accountants' Report set out in Appendix I to this listing document.

Operating profit based on longer-term investment returns is a supplemental measure of results and is the basis on which management regularly review the performance of the Prudential Group's segments as defined by IFRS 8. This measure, reported within the consolidated financial information set out in Appendix I, excludes the recurrent items of short-term fluctuations in investment returns and the shareholders' share of actuarial and other gains and losses on defined benefit pension schemes. It also excludes the effect of disposal and results of the Taiwan agency business, for which the sale process was completed in June 2009. Operating profit based on longer-term investment returns is different from profit before tax as reported in the Accountants' Report set out in Appendix I to this listing document.

Summary of historical IFRS financial information

	2007	2008	2009
	£m	£m	£m
Total IFRS basis operating profit based on longer-term investment returns(Note 2 3)	1,152	1,283	1,405
Short-term fluctuations in investment returns			
- Insurance operations	(50)	(1,408)	166
- IGD hedge costs(Note 3 5)	—	—	(235)
- Other operations	(1)	(313)	105
	(51)	(1,721)	36
Shareholders' share of actuarial and other gains and losses on defined benefit pension schemes	(1)	(13)	(74)
Profit/(loss) before loss on sale and results of Taiwan agency business	1,100	(451)	1,367
Loss on sale and results of Taiwan agency business(Note 4)	(37)	1	(621)
Profit (loss) before tax from continuing operations attributable to shareholders	1,063	(450)	746
Tax (charge) credit attributable to shareholders' profit	(354)	59	(55)
Discontinued operations (net of tax)	241	—	(14)
Minority interests	(3)	(5)	(1)
Profit (loss) after tax attributable to equity holders of the Company	**947**	**(396)**	**676**
Basic earnings (loss) per share(Note 1)	**38.7p**	**(16.0)p**	**27.0p**
Dividends per share declared and paid in reporting period	**17.42p**	**18.29p**	**19.20p**
IFRS Shareholders' equity, excluding minority interests	**6,062m**	**5,058m**	**6,271m**

There has been no material non-compliance by the Group with the relevant solvency and capital requirements imposed by the relevant authorities in Asia, the UK and USA during the track record period. Please see the section "Financial Information of the Prudential Group".

Summary balance sheet

A summary balance sheet for the Prudential Group is included in "Financial Information of the Prudential Group" in this listing document.

Summary of European Embedded Value basis supplementary results

In addition to the IFRS basis results, the Prudential Group also prepared results in accordance with the European Embedded Value ("EEV") Principles and Guidance issued by the Chief Financial Officers' Forum of European Insurance Companies. The EEV basis is a value-based method of reporting in that it reflects the change in value of in-force long-term business over the account period. This information is presented on a voluntary basis (supplementary to any Listing Rule requirement) as it is believed that the EEV basis not only provides a good indication of the value being added by management in a given accounting period, but also helps demonstrate whether shareholder capital is being deployed to best effect. Insurance companies in many countries use comparable bases of presenting their results for management purposes.

You should read the summary of the Prudential Group's EEV basis supplementary results set out below in conjunction with the information set out in "European Embedded Value of the Prudential Group", "Presentation of Financial Information" and the European Embedded Value Basis supplementary Information set out in Appendix IV to this listing document.

This historical European Embedded Value basis supplementary information in relation to Prudential in this summary has, unless otherwise stated, been extracted without any modification from the European Embedded Value Basis Supplementary Information set out in Appendix IV. This includes an independent auditor's report to Prudential plc as included in Appendix IV.

European Embedded Value (EEV) basis results

	2008	2009
	£m (except per share amounts)	
Total EEV basis operating profit from continuing operations based on longer-term investment returns(Note 2)	2,865	3,090
Short-term fluctuations in investment returns	(4,967)	351
Mark to market value movements on core borrowings	656	(795)
Shareholders' share of actuarial and other gains and losses on defined benefit pension schemes	(14)	(84)
Effect of changes in economic assumptions and time value of cost of options and guarantees	(398)	(910)
Profit on sale and results of Taiwan agency business(Note 4)	(248)	91
Profit (loss) before tax from continuing operations	(2,106)	1,743
Operating earnings per share from continuing operations after related tax and minority interests	85.1p	88.8p
Basic earnings (loss) per share(Note 1)	(54.1)p	49.8p
EEV Shareholders' equity, excluding minority interests	14,956	15,273

Notes

(1) Basic (loss)/earnings per share based on a weighted average of 2,445 million, 2,472 million and 2,501 million shares in 2007, 2008 and 2009 respectively.

(2) The results shown above distinguish 'operating profits based on longer-term investment returns' from 'profits before tax'. The reconciling items are presented in accordance with the Prudential Group's policy as described in the Prudential Group's financial information and supplementary information. Items excluded from operating profit based on longer-term investment returns represent primarily the effects of altered investment market conditions (short-term fluctuations) and actuarial and other gains and losses on defined benefit pension schemes. For EEV, the operating profits based on longer-term investment returns figure also excludes the mark to market value movements on core borrowings, the effect of changes in economic assumptions and the time value of the cost of options and guarantees.

(3) During the severe equity market conditions experienced in the first quarter of 2009, the Prudential Group entered into exceptional short-dated hedging contracts to protect against potential tail-events on the IGD capital position, in addition to the regular operational hedging programmes.

(4) In June 2009 Prudential Group completed the sale of its Taiwan agency business. In order to facilitate comparisons of the Prudential Group's businesses, the effect of disposal and the results of the Taiwan agency business are shown separately from operating profit based on longer term investment returns for all periods presented.

Summary financial information for AIA Group

IFRS basis results

You should read the summary of historical consolidated financial information set out below in conjunction with the AIA Group historical financial information set out in Appendix II "Accountants' Report of the AIA Group".

The long term nature of the AIA Group's operations means that, for management's decision making and internal performance management purposes, the AIA Group evaluates its results and its operating segments using a financial performance measure referred to as 'operating profit'. The AIA Group defines operating profit before tax and after tax respectively as profit excluding non-operating items, defined as AIA investment experience and investment income and expense related to investment-linked contracts together with corresponding changes in insurance and investment contract liabilities in respect of investment-linked contracts and participating funds. Non-operating items also include any other significant items that management considers to be non-operating income and expenses.

Summary of historical IFRS financial information for AIA Group

	2007	2008	2009
	US$ millions (except earnings per share)		
IFRS basis operating profit	1,742	1,943	1,835
Non-operating investment return	837	(2,412)	665
Gain on recapture of reinsurance from former parent company	—	447	—
Other non-operating items	219	64	80
	1,056	(1,901)	745
Profit before tax	2,798	42	2,580
Tax (expense)/credit attributable to shareholders' profits	(579)	347	(506)
Tax attributable to policyholders' returns	(70)	90	(137)
Net profit	2,149	479	1,937
Net profit attributable to:			
Shareholders of AIA Group Limited	2,133	473	1,916
Non-controlling interests	16	6	21
Earnings per share (basic and diluted) (US$)	0.18	0.04	0.16
IFRS Shareholders' equity, excluding non-controlling interests	13,616	9,176	15,252

Operating profit used historically by the AIA Group differs from that used by Prudential, as explained in "Presentation of Financial Information" in this listing document.

Summary balance sheet

A summary balance sheet for the AIA Group is included in "Financial Information of the AIA Group" in this listing document.

European Embedded Value (EEV) basis supplementary results

The EEV information below has been prepared in accordance with the EEV principles issued by the CFO Forum of European Insurance Companies. The results are prepared for "covered business", as defined by the EEV principles.

The basis of preparation, methodology and assumptions are as described in the Consulting Actuaries' Report set out in Appendix V to this listing document. The EEV basis results are not determined in accordance with IFRS or any other generally accepted accounting principles, and should not be considered as alternatives to performance measures derived in accordance with IFRS. Other insurance companies may calculate EEV basis or similar results differently, and consequently, the AIA Group's presentation of these results may not be readily comparable to other companies' figures.

As at 30 November 2009

US$ millions	Free surplus	Required capital	Adjusted net worth	Value of in-force business after tax and before cost of capital	Cost of capital	Value of in-force business after tax and after cost of capital	Embedded value
Total on Hong Kong statutory basis	4,022	3,742	7,765	15,552	1,364	14,188	21,953

2009

US$ millions	New business premiums		Annual premium and contribution equivalents (APE)	Present value of new business premiums (PVNBP)	Pre-tax new business contribution(1)	Tax(2)	Post-tax new business contribution	Pre-tax new business margin	
	Single	Regular						APE	PVNBP
Total on Hong Kong statutory basis	1,443	1,949	2,094	10,761	837	227	610	40%	7.8%

(1) Pre tax new business contribution is taken as the reported value of new business, adding back the present value of local tax for all countries other than Singapore, Malaysia, Hong Kong and Philippines. For Hong Kong and Philippines, tax is premium driven and is treated as an expense, hence is not included as shareholder tax. For Singapore and Malaysia, the corporate tax rate is used for grossing up as the cash-flow taxes include policyholder tax.

(2) The tax rates assumed in the value of new business reflect the corporate tax rate relevant to the AIA entity in question and allows for the impact of tax on income on the capital requirements where relevant. For Thailand, the corporate tax rate on profits is 30%, but due to the fact that the tax is accelerated and is payable before the statutory profits are made, the implied effective tax rate is significantly higher than 30%.

(3) For Hong Kong, Group office expenses are the same before tax as after tax as only premium tax is payable.

The EEV methodology used for AIA differs in some respects to that used by Prudential as described in the Consulting Actuaries' Report set out in Appendix V to this listing document.

Summary pro forma information

IFRS basis information

The unaudited pro forma IFRS income statement has been prepared to illustrate the effect on Prudential as if the Transactions had taken place on 1 January 2009. The unaudited pro forma IFRS net asset statement has been prepared to illustrate the effect on the net assets of Prudential as if the proposed Transactions had taken place on 31 December 2009. The unaudited pro forma IFRS income statement and unaudited pro forma IFRS net asset statement have been prepared for illustrative purposes and because of their nature address a hypothetical situation and, therefore, do not represent the Enlarged Group's actual financial result or financial position following the Transactions.

The unaudited pro forma IFRS income statement and unaudited pro forma IFRS net asset statement of the Enlarged Group does not constitute financial statements.

The following represents a summary of the information contained in the unaudited pro forma IFRS income statement and unaudited pro forma IFRS net asset statement as set out in Appendix III to this listing document. This summary should be read in conjunction with the all the financial information and notes set out in Appendix III to this listing document.

Unaudited pro forma IFRS net assets

	Prudential as at 31 December 2009	AIA Group as at 30 November 2009	AIA Group as at 30 November 2009	Purchase and Rights Issue adjustments	Pro forma Enlarged Group
	£m	$m	£m	£m	£m
Equity					
Shareholders' equity	**6,271**	**15,252**	**9,294**	**7,793**	**23,518**
Minority interests	**32**	**80**	**49**	**0**	**81**
Total equity	**6,303**	**15,332**	**9,343**	**7,793**	**23,599**

Unaudited pro forma IFRS Profit

	Prudential Plc as at 31 December 2009	AIA Group Year Ended 30 November 2009	AIA Group Year Ended 30 November 2009	Adjustments	Pro forma Enlarged Group
	£m	$m	£m	£m	£m
Profit (loss) from continuing operations after tax	691	1,937	1,246	(375)	1,562
Discontinued operations (net of tax)	(14)	—	—	—	(14)
Profit for the year	677	1,937	1,246	(375)	1,548

Unaudited supplementary analysis of IFRS profit before tax attributable to shareholders

The Prudential Group provides supplementary analysis of profit before tax attributable to shareholders that distinguishes operating profit based on longer term investments returns from other constituent elements of the total profits. Details of the basis of preparation of this analysis are included in notes A3 and A4 to the financial information on Prudential as set out in Appendix I to this listing document.

The following table presents an estimated supplementary analysis of profit before tax attributable to shareholders on the Prudential basis for the Enlarged Group.

	Prudential Year Ended 31 December 2009	AIA Group Year Ended 30 November 2009	AIA Group Year Ended 30 November 2009	Purchase adjustment	Pro forma Enlarged Group
	£m	$m	£m	£m	£m
Operating profit based on longer-term investment returns	1,405	1,836	1,181	(380)	2,206
Short-term fluctuations in investment returns on shareholder-backed business	36	687	442	—	478
Shareholders' share of actuarial and other gains and losses on defined benefit pension schemes	(74)	9	6	—	(68)
Loss on sale and results for Taiwan agency business	(621)	—	—	—	(621)
Restructuring and separation costs	—	(89)	(57)	—	(57)
Expenses of combination other than for issue of rights issue shares and senior debt	—	—	—	(100)	(100)
Profit from continuing operations before tax attributable to shareholders	746	2,443	1,572	(480)	1,838

EEV basis information

Unaudited pro forma net worth and value-in-force on a European Embedded Value Basis

The unaudited pro forma information set out below has been prepared to illustrate the effect on the Embedded Value net worth and value-in-force of Prudential Group as if the proposed Transactions had taken place on 31 December 2009. The pro forma information has been prepared for illustrative purposes only and because of its nature addresses a hypothetical situation and, therefore, does not represent the Enlarged Group's actual financial result or financial position following the Transactions.

The pro forma financial information has been prepared on the European Embedded Value (EEV) basis and on the basis that the Transactions took place on 31 December 2009. Both the EEV methodology adopted by Prudential plc and the EEV methodology adopted for AIA Group is in accordance with the EEV principles and guidance issued in May 2004 by the European Insurers' CFO forum and expanded by the additional guidance on EEV disclosures issued in October 2005 except for certain disclosure points referred to in the Consulting Actuaries' Report on AIA as set out in Appendix VI to this listing document.

This summary should be read in conjunction with the all the financial information and notes set out in Appendix VI to this listing document.

	Prudential Group Year Ended 31 December 2009	AIA Group Year Ended 30 November 2009	AIA Group Year Ended 30 November 2009	Adjustments Purchase Adjustments	Proforma Enlarged Group
	£m	£m	£m	£m	£m
Total net assets — EEV basis	15,273	21,953	13,377	3,870	32,520

Unaudited aggregated EEV value of new business

The value of new business for the twelve months to 31 December 2009 (for the Asian operations of the Prudential Group) and 30 November 2009 (for the AIA Group) are shown in the following table. Exchange rates used are average exchange rates for the year to 31 December 2009 and 30 November 2009, for the Prudential Group and the AIA Group respectively.

	2009							2009	
	New business premiums		Annual premium and contribution	Present value of new business premiums	Pre-tax new business		Post-tax new business	Pre-tax new business margin	
	Single	Regular	equivalents (APE)	(PVNBP)	contribution	Tax	contribution	APE	PVNBP
				£m					
Prudential Group (A)	14,495	1,447	2,896	21,195	1,607	(476)	1,131	56%	7.6%
Prudential Group — Total Asian operations (B)	842	1,177	1,261	6,245	713	(180)	533	57%	11.4%
AIA Group — Total (C)*	879	1,188	1,276	6,557	510	(138)	372	40%	7.8%
Total Asian Operations (B) + (C)	1,721	2,356	2,537	12,802	1,223	(318)	905	48%	9.6%
Total Prudential Group and AIA Group (A) + (C)	15,374	2,635	4,172	27,752	2,117	(614)	1,503	51%	7.6%

* Based on required capital and reserving consistent with Hong Kong statutory levels and after an allowance for Group expenses

DIVIDEND POLICY

The Directors intend to focus on delivering a growing dividend, which will be determined after taking into account the Enlarged Group's financial flexibility and the Directors' assessment of opportunities to generate attractive returns by investing in specific areas of the business. The Board believes that in the medium term a dividend cover of around two times post-tax operating earnings is appropriate.

The 2010 interim dividend is expected to reflect the pro forma earnings of the Enlarged Group as if the Acquisition had taken place on 1 January 2010.

SHARE AWARDS AND SHARE OPTION PLANS

The Prudential Group offers share award and option plans for certain key employees and a Save As You Earn plan for all UK and certain overseas employees. Shares relating to options granted under the Save As You Earn share plans and the Group Performance Share Plan and the Business Unit Performance Plan are satisfied by the issue of Shares to grantees. The combined dilution from all outstanding options at 31 December 2007, 31 December 2008 and 31 December 2009 was 0.1%, 0.02% and 0.2% respectively of the total share capital at the time.