IFRS BASIS FINANCIAL INFORMATION

This listing document contains consolidated historical financial information for the Prudential Group as of and for the years ended 31 December 2007, 2008 and 2009. 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 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. At 31 December 2009, there were no unendorsed standards effective for the three years ended 31 December 2009 affecting the consolidated 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 consolidated financial information has been jointly reported on by KPMG Audit Plc, London and KPMG, Hong Kong, as stated in their report appearing in Appendix I to this listing document. The financial information relating to the Prudential Group comprises the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity, consolidated statement of financial position and the consolidated statement of cash flows of the Prudential Group and disclosure notes. The Prudential Group's consolidated financial information is presented in pounds sterling, the Prudential Group's presentation currency. Accordingly, the results and financial position of foreign subsidiaries must be translated into the presentation currency of the Prudential Group from their functional currencies, i.e. the currency of the primary economic environment in which the entity operates.

Operating profit based on longer-term investment results

Note B1 to the historical financial information for the Prudential Group set out in Appendix I to this listing document provides segment results for Prudential by reference to a performance measure of "operating profit based on longer-term investment returns". This measure is part of the total profit from continuing operations before tax attributable to shareholders. Note B1 also provides a supplementary analysis of profit from continuing operations before tax attributable to shareholders which includes the segmental performance reporting measure. The measure of "operating profit based on longer-term investment returns" is the basis on which management regularly reviews the performance of the Prudential Group's segments as defined by IFRS 8.

For the purposes of measuring operating profit, investment returns on shareholder-financed business are based on expected long-term rates of return. The expected long-term rates of return are intended to reflect historical real rates of return and, where appropriate, current inflation expectations adjusted for consensus economic and investment forecasts. The most significant operation that requires adjustment for the difference between actual and long-term investment returns is Jackson. The amounts included in operating results for long-term capital returns for Jackson's debt securities comprise two components. These are a risk margin reserve-based charge for long-term expected defaults, which is determined by reference to the credit quality of the portfolio, and amortisation of interest-related realised gains and losses to operating results based on longer-term results to the date when sold bonds would otherwise have matured. Consistent with the policy of including longer-term investment returns in the measure of operating profit, movements in policyholder liabilities are also, where appropriate, delineated between amounts included in operating profits and movements arising from short-term market conditions, which are recorded in short-term fluctuations in investment returns.

For the basis of calculation of operating profit, together with other information that is important to understanding the Prudential Group's financial condition and results of operation, see "Financial Information of the Prudential Group" of this listing document.

EEV BASIS SUPPLEMENTARY INFORMATION

Overview

This listing document also contains European Embedded Value ("EEV") basis supplementary information for the Prudential Group as of and for the years ended 31 December 2008 and 2009. The EEV basis supplementary information has been prepared in accordance with the EEV Principles and Guidance issued by the Chief Financial Officers' Forum of European Insurance Companies. The EEV basis supplementary information as of and for the years ended 31 December 2008 and 2009, together with the related notes to the Prudential Group's EEV basis supplementary information and the independent auditor's report from KPMG Audit Plc has been extracted without any modification from the Prudential 2009 Annual Report and Accounts, and is set forth in Appendix IV to this listing document. Where appropriate, the EEV basis supplementary information includes the effects of adoption of IFRS. 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 Prudential Group's presentation of these results may not be readily comparable to other companies' figures.

EV and EEV

Embedded value ("EV") is the present value of the shareholders' interest in the earnings distributable from assets allocated to the life businesses after allowing for the aggregate risks in that business. This includes the present value of future cash flows from in-force business and capital tied-up in the life funds, the cost of holding additional capital, and shareholders' free surplus. EV is a broadly defined concept and different applications of the principle can lead to very different financial results. This has led to attempts to standardise the application of EV in order to improve the rigour of, and comparability between, companies' EV results. EEV results are prepared in accordance with Principles issued by the CFO Forum of European Insurance Companies in May 2004 (and expanded by the Additional Guidance on EEV Disclosures published in October 2005), and are a standardised calculation of EV that has been adopted by many European life insurance companies to improve credibility and comparability of EV results.

A common set of principles are used under EEV that provide consistent definitions, a framework for setting actuarial assumptions, and a more explicit approach to the underlying methodology and disclosures. For example:

- The allowance for risk is explicit for EEV through: (i) an allowance for the cost of capital (at the higher of internal target for economic capital and the local statutory minimum), (ii) stochastic and other appropriate modelling of financial options and guarantees to ensure that an allowance for their cost is provided irrespective of their value at the balance sheet date, and (iii) an explicit allowance in the risk discount rate for financial and non-financial risks. EV has no prescribed way for allowing for the risk and uncertainty that is inherent in forecasting future cash flows (typically this has been achieved by including an implicit allowance for risk in the risk discount rate);
- EEV specifically allows for the look-through into profits arising in shareholder service companies, most notably the profit arising in investment management companies from managing the insurance companies' funds for covered business;
- There are extensive disclosures required for EEV on all aspects of the calculations, including the methodology adopted and the analysis of return.

In summary, the EEV basis is a value-based method of reporting in that it reflects the change in value of the business over the accounting period. This value is called the shareholders' funds on the EEV basis which, at a given point in time, is the value of future profits expected to arise from the current book of long-term insurance business plus the net worth of the company. In determining these expected profits, full allowance is made for the risks attached to their emergence and the associated cost of capital, and takes into account recent experience in assessing likely future persistency, mortality and expenses is taken into account.

PRESENTATION OF AIA GROUP FINANCIAL INFORMATION

IFRS basis financial information

The AIA Group was formed following the combination of the branches and subsidiaries of AIA Co, its chief operating subsidiary, with certain of the Asia Pacific life insurance operations of the AIG Group. The AIA Group reorganisation and business combinations arising from transfers of interests in entities that are under the common control of AIG throughout all periods presented in the historical financial information for AIA Group in "Appendix II — Accountants' Report of the AIA Group" to this listing document have been accounted for as if they had occurred at the beginning of the earliest period presented. Accordingly, the AIA Group historical financial information included in "Appendix II — Accountants' Report of the AIA Group" to this listing document presents the results of operations of the AIA Group as if it had been in existence throughout the period from 1 December 2006 to 30 November 2009.

This listing document contains the historical financial information for the AIA Group as of and for the years ended 30 November 2007, 2008 and 2009, which has been prepared in accordance with IFRS, as adopted by the European Union. This consolidated financial information has been reported on by PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, as stated in their report appearing in Appendix II to this listing document. The financial information relating to the AIA Group comprises the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of financial position, and the consolidated statement of cash flows of the AIA Group, and disclosure notes. The AIA Group's consolidated financial information is presented in US dollars, the AIA Group's presentation currency. Accordingly, the results and financial position of the AIA Group's subsidiaries must be translated into the presentation currency of the AIA Group from their functional currencies, i.e. the currency of the primary economic environment in which the entity operates.

Operating profit

Note 7 to the historical financial information for the AIA Group contained in Appendix II to this listing document provides segment results for the AIA Group by reference to a performance measure of "operating profit". This measure is part of the total profit before tax attributable to policyholder returns and shareholders. Note 5 to the AIA Group historical financial information provides a reconciliation of the operating profit to profit before tax. The "operating profit" measure is the basis on which management regularly reviews the performance of the AIA Group segments as defined by IFRS 8.

The AIA Group defines operating profit before and after tax respectively as profit excluding the following non-operating items:

- investment experience (which consists of realised gains and losses, foreign exchange gains and losses, impairments and unrealised gains and losses on investments held at fair value through profit or loss);
- investment income related to investment-linked contracts (consisting of dividends, interest income and rent income);
- investment management expenses related to investment-linked contracts;
- corresponding changes in insurance and investment contract liabilities in respect of investment-linked contracts and participating funds and changes in third party interests in consolidated investment funds resulting from the above; and

- other significant items that management considers to be non-operating income and expenses

For this and additional information that is important to understanding the AIA Group's financial condition and results of operation, see "Financial Information of the AIA Group" in this listing document.

EEV basis supplementary information

This listing document also contains EEV basis supplementary information for the AIA Group as at 30 November 2009 as prepared by Prudential. The information also sets out the contribution to the EEV of new covered business written in the twelve months prior. Prudential has prepared these EEV results with the intention of complying with the EEV Principles and Guidance, with the exception of certain disclosure requirements. This information is set forth in Appendix V to this listing document.

COMPARABILITY OF IFRS BASIS FINANCIAL INFORMATION AND EEV BASIS SUPPLEMENTARY INFORMATION FOR PRUDENTIAL GROUP AND AIA GROUP

IFRS basis financial information

The IFRS basis information included in the sections "Financial Information of the Prudential Group" and "Financial Information of the AIA Group" for Prudential and AIA respectively of this listing document has been prepared applying consistent IFRS accounting policies. Whilst consistent IFRS accounting policies have been applied the practical application of certain of these policies varies between the companies. These differences of application are particularly of note in the following two areas:

a) The application of previous GAAP under the IASB standard IFRS 4 ("Insurance Contracts") for the measurement of assets and liabilities of insurance contracts and the presentation of deposits and withdrawals for insurance contracts with investment features. Under IFRS 4 insurers are permitted to apply different measurement bases pending development by the IASB of a comprehensive phase II standard. In addition to differences of measurement, under IFRS 4 Prudential accounts for all premium and benefit flows within the income statement. AIA accounts for the investment components directly as movements in the balance sheet.

b) The application of segment basis reporting of a supplementary reporting measure for operating profits. The operating profit measures for Prudential and AIA are different, in particular in terms of the measurement of profits for with-profits funds and the differing approaches to allocation of investment return between operating and non-operating profit. Prudential's approach to with-profit accounting is to recognise profits on a distribution basis rather than, as for AIA, as a share of the earnings of the funds. The Prudential basis of operating profit includes longer-term capital returns for assets backing non-participating business whereas AIA's operating profit does not. The unaudited pro forma financial information set out in Appendix III to this listing document includes footnote disclosure of the 2009 profit before shareholder tax for the Enlarged Group by the supplementary analysis applied by Prudential. This analysis includes its measure of "operating profit based on longer-term investment returns" and the disclosure is accompanied by an explanation of the adjustments made to the 2009 AIA basis operating profit to derive the Prudential basis "Operating profit based on longer-term investment returns" for AIA.

EEV basis supplementary information

The EEV methodology adopted by Prudential 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. The EEV methodology used for AIA Group, as shown in the unaudited pro forma financial information set out in Appendix III to this listing document, is also in accordance with the same EEV principles and guidance except for certain disclosure points referred to in the Consulting Actuaries' Report set out in the section headed "Financial Information of the AIA Group" of this listing document.

As such, the EEV methodologies used for both companies are in accordance with the EEV principles; however the principles do allow for different approaches to be taken by companies. There are two principal differences between the EEV methodology adopted by Prudential and that used for AIA Group. The first is in relation to the way that risk is allowed for in the embedded value calculations and the second is in relation to the way that long term economic assumptions are set. Both approaches are acceptable under the EEV principles. It is important to note that each of these differences should not be considered in isolation, but together with the other differences as part of the entire EEV basis, i.e. the risk discount rates should be considered in conjunction with the long term economic assumptions rather than separately and vice versa.

In setting risk discount rates Prudential Group has based these on risk free rates plus a risk margin. The risk margin reflects an allowance for non diversifiable risk associated with the emergence of distributable earnings not allowed for elsewhere in the valuation. Prudential Group has selected a granular approach that reflects differences in market risks inherent in product groups. The risk discount rate so derived does not reflect a market beta but instead reflects the expected volatility associated with cash flows in the embedded value model. Since financial options and guarantees are explicitly valued using stochastic techniques, discount rates under EEV are set excluding the effect of these product features. The approach to setting risk discount rates for AIA Group is a top down approach using weighted industry specific equity capital costs. The cost of equity capital is derived using estimated long term risk free rates, an equity risk premium and industry specific beta for each country where business is sold. No explicit valuation of options and guarantees is set out and as such the discount rates set for AIA Group include an allowance for financial options and guarantees. Both approaches are acceptable under the EEV principles.

For Prudential Group at 31 December 2009 — in-force business

	China	Hong Kong[1]	India	Indonesia	Japan	Korea
Risk discount rate	11.75%	5.7%	14.25%	13.8%	5.1%	8.4%

	Malaysia	Philippines	Singapore	Taiwan	Thailand	Vietnam
Risk discount rate	9.5%	15.75%	6.8%	7.5%	13.0%	16.75%

1 The assumption shown for Hong Kong is for US dollar denominated business which comprises the largest proportion of the in-force Hong Kong business

For AIA Group at 30 November 2009 — in-force business

	Australia	China	Hong Kong	Indonesia (USD denominated)	Indonesia (Rupiah denominated)	Korea	Malaysia
Risk discount rate	9.00%	10.00%	8.00%	12.50%	17.00%	10.00%	9.00%

	New Zealand	Philippines	Singapore & Brunei	Taiwan	Thailand	Vietnam
Risk discount rate	9.00%	14.00%	7.50%	8.00%	10.00%	16.00%

In setting economic assumptions an active basis is used for Prudential Group's Asian operations in Japan, Korea and for the US dollar denominated business written in Hong Kong. For Asian operations where the long-term fixed interest markets are less established, economic assumptions are based on an assessment of longer term economic conditions. For AIA Group long term economic assumptions are based on an active basis but where current returns differ markedly from long term returns the returns are assumed to grade to the long term returns linearly over the estimated mean term of the existing fixed income assets. Both approaches are acceptable under the EEV principles.

For Prudential Group at 31 December 2009

	China	Hong Kong[1]	India	Indonesia	Japan	Korea
Government bond yield	8.25%	3.9%	9.25%	10.25%	1.9%	5.5%

	Malaysia	Philippines	Singapore	Taiwan	Thailand	Vietnam
Government bond yield	6.5%	9.25%	4.25%	5.5%	6.75%	10.25%

1 The assumption shown for Hong Kong is for US dollar denominated business which comprises the largest proportion of the in-force Hong Kong business

For AIA Group at 30 November 2009

	Australia	China	Hong Kong	Indonesia (USD denominated)	Indonesia (Rupiah denominated)	Korea	Malaysia
10 year Government bond yield	5.75%	3.74%	3.83%	6.92%	11.00%	5.16%	4.46%

	New Zealand	Philippines	Singapore & Brunei	Taiwan	Thailand	Vietnam
10 year Government bond yield	6.30%	7.47%	2.93%	1.73%	4.16%	9.25%

Note that for AIA Group, the assessed long term returns are shown in the table where these differ markedly to current returns.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Also included in this listing document is unaudited pro forma financial information. The unaudited pro forma net asset statement has been prepared to illustrate the effect on the net assets of the Prudential Group as if the proposed Transactions had taken place on 31 December 2009. The unaudited pro forma income statement has been prepared to illustrate the effect on the Prudential Group as if the proposed Transactions had taken place on 1 January 2009. The statement of unaudited pro forma net worth and value-in-force on a European Embedded Value Basis has been prepared to illustrate the effect on the Prudential Group as if the proposed Transactions had taken place on 31 December 2009. The unaudited pro forma financial 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 results or financial position following the proposed Transactions.

As a result of the above, the unaudited pro forma financial information presented in this listing document should not be relied on as indicative of future results of operations for the Enlarged Group and investors are cautioned against placing undue reliance on the unaudited pro forma financial information.

ACCOUNTING STANDARDS

Certain of the financial information included in this listing document has been prepared in accordance with IFRS and may not be comparable to the financial statements of US companies. US generally accepted accounting principles differ in certain significant respects from IFRS. The financial information in respect of FY 2007, FY 2008 and FY 2009 have not been reported on in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

ROUNDING AND CURRENCY

For convenience, certain financial data in this listing document has been subject to rounding and, as a result, the totals of the data presented herein and therein may vary slightly from the actual arithmetic totals of such data. In this listing document, references to "$", "US$", "US dollars", "¢" or "cents" are to United States dollars and cents, the lawful currency of the United States, references to

"£", "pounds sterling", "pounds", "sterling", "p" or "pence" are to pounds sterling and pence, the lawful currency of the United Kingdom, references to "HK$", "HK dollars" and "Hong Kong dollars" are to Hong Kong dollars, the lawful currency of Hong Kong, references to "SGD" or "S$" are to Singapore dollars, the lawful currency of Singapore, and references to "€", "EUR", "Euro" and "euro" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union.

In this listing document, certain amounts denominated in HK dollars or US dollars have been translated into pounds sterling at the exchange rate stated. Such conversions shall not be construed as representations that amounts in pounds sterling were or could have been or could be converted into HK dollars or US dollars at such rates or any other exchange rates on such date or any other date. Prudential publishes its consolidated financial statements in pounds sterling. The following tables show the period-end, average, high and low noon buying rates in New York City for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York (the "Noon Buying Rate") for the US dollar, expressed in US dollars per one pound, and the Hong Kong dollar, expressed in Hong Kong dollars per one pound, for the periods and dates indicated.

	US dollar/pound			
Month	**Period end**	**Average**	**High**	**Low**
November 2009	1.64	1.66	1.68	1.64
December 2009	1.62	1.62	1.66	1.59
January 2010	1.60	1.62	1.64	1.59
February 2010	1.52	1.56	1.60	1.52
March 2010	1.52	1.51	1.53	1.49
April 2010	1.53	1.53	1.55	1.52
May 2010 (through to 14 May 2010)	1.46	1.49	1.52	1.46

	HK dollar/pound			
Month	**Period end**	**Average**	**High**	**Low**
November 2009	12.72	12.86	13.02	12.70
December 2009	12.53	12.58	12.90	12.32
January 2010	12.43	12.55	12.71	12.34
February 2010	11.83	12.13	12.40	11.80
March 2010	11.79	11.69	11.87	11.55
April 2010	11.88	11.90	12.02	11.78
May 2010 (through to 14 May 2010)	11.33	11.59	11.83	11.33

	US dollar/pound			
Year	**Period end**	**Average rate**	**High**	**Low**
2005	1.72	1.82	1.93	1.71
2006	1.96	1.84	1.98	1.73
2007	1.98	2.00	2.11	1.92
2008	1.46	1.85	2.03	1.44
2009	1.62	1.57	1.70	1.37

	HK dollar/pound			
Year	Period end	Average rate	High	Low
2005	13.33	14.16	15.05	13.29
2006	15.23	14.32	15.39	13.39
2007	15.47	15.62	16.39	15.03
2008	11.33	14.44	15.81	11.16
2009	12.54	12.14	13.16	10.59

On 14 May 2010, the noon buying rate was £1.00 = HK$11.33 and £1.00 = US$1.46.

Certain amounts and percentage figures included in this listing document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.