

Prudential Distribution Trust

August 2011

All data as at 31 July 2011 unless otherwise stated

Investment objective and policy

This Trust aims to provide a rising income together with a steady capital growth over the longer term. The Trust aims to generate a yield greater than that of the FTSE All-Share Index.

Key information

Fund manager	Matthew Williams
Launch date	14 March 1994
Fund size (millions)	£183.65
Fund type	Unit Trust
IMA sector	Cautious Managed
No. of holdings	162
Ex-dividend dates	08 Jan, 08 Apr, 08 Jul & 08 Oct
Payment dates	07 Mar, 07 Jun, 07 Sep & 07 Dec
Product availability	ISA & Unit Trust
Nominated Unit Class	Sterling Class A
ISIN numbers	Acc GB0006973167 Inc GB0006973050
SEDOL codes	Acc 697316 Inc 697305

Charges

Sterling Class A

Initial charge	3.00%
Annual management charge	1.50%

Prices may fluctuate and you may not get back your original investment.

Investment approach

The Prudential Distribution Trust invests directly in UK equities, corporate bonds and to a lesser extent, government bonds. The aim is to achieve consistent outperformance of a composite benchmark made up of 55% equities and 45% fixed income securities.

Within both the equity and fixed income components, quality and valuation criteria are applied to investment research in order to identify companies that have strong business franchises and good management.

When determining the asset split between equities and bonds, the fund manager uses a valuation model that attempts to identify behaviour-driven mis-pricing in asset markets. The process combines standard macro- and micro-economic fundamental analysis with an examination of behavioural aspects of investor psychology. The process is ongoing, with the belief that events in markets do not happen to a timetable. However, we ensure all positions are formally reviewed at least monthly.

Top 10 holdings (excluding cash)

1 Treasury 1 1/4 I/L 2017 3MO	4.9%
2 Royal Dutch Shell 'B'	4.5%
3 HSBC Holdings	3.9%
4 GlaxoSmithKline	3.8%
5 BP	3.3%
6 Vodafone	3.2%
7 British American Tobacco	2.4%
8 Tsy 3.75% 07/09/2019	2.0%
9 Unilever	1.7%
10 Baa Funding 5.225% 15/02/2025	1.5%

Fund ratings

Overall Morningstar Rating **★★★**

Ratings should not be taken as a recommendation.

Fund manager biography

Matthew Williams joined the M&G Portfolio Management Group in 2000, having been a bond fund manager at Prudential since 1991. His responsibilities are to ensure that the investment specialists working on all aspects of Prudential Unit Trusts and Unit Linked funds are focused on adding value at every stage of the investment process. Furthermore, Matthew has specific responsibility for implementing asset allocation views within the multi-asset funds of the same ranges. Prior to joining Prudential, Matthew was a bond fund manager at Morley Asset Management (then Commercial Union Asset Management), and as well as employing his expertise in bonds and asset allocation, he is also one of the group's experts in the use of derivatives. Matthew graduated from York University in 1989 with a BA (Hons) in mathematics.

Contact us

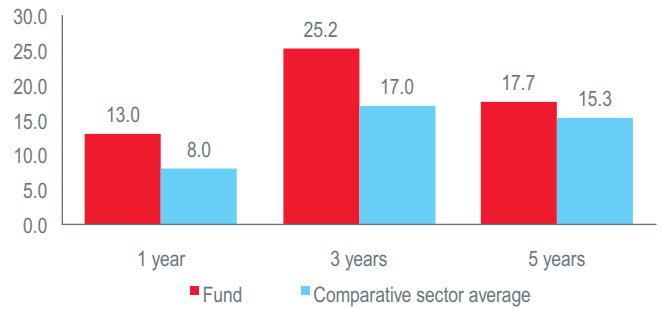
Call Customer Relations on: (local rate number) **0845 783 5500** between 8am and 6pm Monday to Friday. For your security and to improve the quality of our service, we may record and monitor telephone calls.

Visit our website at: www.pru.co.uk

Or please write to us at: Customer Relations, Prudential Unit Trusts, PO Box 9022, Chelmsford, CM99 2WA

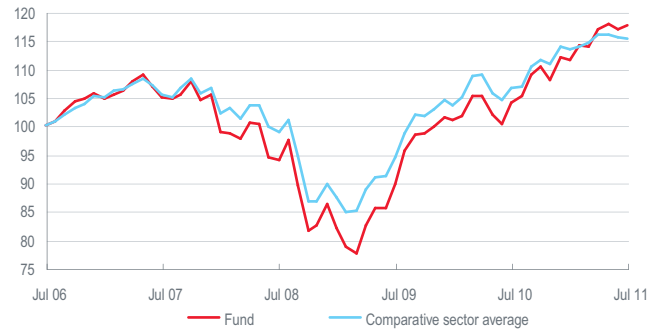
Cumulative performance

Total return (%)



Performance over 5 years

Indexed to 100



Single year performance

5 years ending July

From	30.07.10	31.07.09	31.07.08	31.07.07	31.07.06
To	29.07.11	30.07.10	31.07.09	31.07.08	31.07.07
Fund	13.0%	15.9%	-4.5%	-10.4%	5.0%

Please remember when investing do not base decisions on past performance. Prices may fluctuate and you may not get back your original investment.



www.pru.co.uk

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All information quoted is correct as of the last business day of the previous month unless stated. All information is based on the nominated unit class unless otherwise stated. Performance data is published on a bid to bid basis with net income reinvested.

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