

Prudential BGI Ascent Overseas Equity fund (series 3)

BARCLAYS GLOBAL INVESTORS

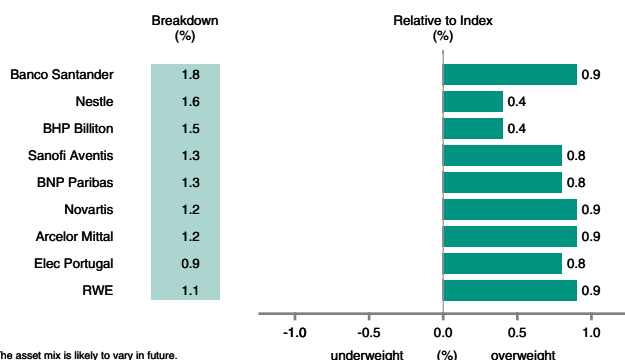
Fund description

The fund is actively managed and invests in the shares of overseas companies in the US, Europe, Japan and Pacific Rim markets. The fund is well diversified with a large number of stocks in all areas of the market.

Key facts

Underlying fund size	£105m
Number of holdings	665
Underlying fund launch date	01/12/2001
Portfolio Manager	Team Approach
Benchmark	Composite Benchmark
Investment Style	Active Quantitative
Sedol code	3420092
Performance Objective	+ 1 % per annum over rolling 3 year periods

Largest holdings

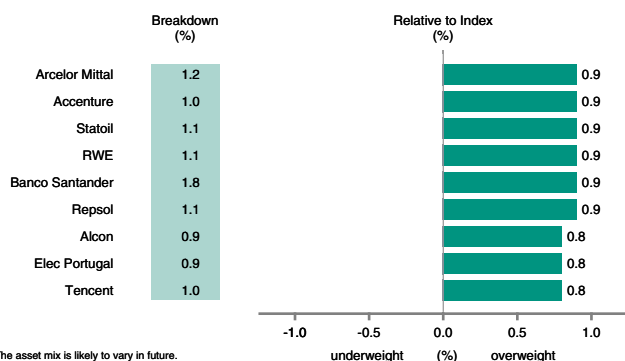


Commentary

Investors started to place their faith in analysts' forecasts and recent market trends, as a full economic recovery appeared increasingly likely. The performance of our local industry insights was also positive. An overweight in the European metals & mining industry was the top contributor. After performing well for much of the market rally, value finished the year poorly and also detracted slightly. Despite performing well in November as sovereign debt concerns drove investors towards more defensive stocks, quality also made a small negative contribution.

An overweight position in ArcelorMittal, the French steel producer, was the largest positive contributor to relative performance. The stock rose 24% during the quarter as the company announced that it had an unexpectedly large excess of carbon credits, due to the extent of the reduction in global steel demand seen throughout 2009. The company stands to make £1 billion by 2012 from these unused credits. Positive scores from value and sentiment themes motivated the overweight. One of the largest negative contributors to relative performance was our quality motivated overweight in Japanese telecommunications giant NTT DoCoMo. Japan's largest mobile phone operator fell over 13% in Q4. Net income declined significantly in 2009 after the company cut its data transmission charges to try and boost sales. DoCoMo cut its basic monthly flat rate plan by 20% to attract users and help achieve its annual target of shipping 1m handsets capable of surfing the internet.

Largest active positions vs benchmark



Source: BGI
All figures are as at 31 December 2009, unless otherwise stated.

Performance

Past performance of the fund over each of the last 5 years to the end of December

	31/12/08 - 31/12/09	31/12/07 - 31/12/08	31/12/06 - 31/12/07	31/12/05 - 31/12/06	31/12/04 - 31/12/05
BGI Ascent Overseas Equity fund	17.4	-17.8	7.8	9.5	28.0
Benchmark	17.6	-17.9	10.7	8.5	25.6

Past performance of the fund to 31 December 2009

	Quarter	1 Year*	3 Years*	5 Years*
BGI Ascent Overseas Equity fund	2.6	17.4	1.3	7.8
Benchmark	1.8	17.6	2.3	7.8

Source: Prudential and Financial Express. * annualised

Based on percentage change in unit price. It is important to remember that past performance is not a reliable indicator of future performance. The value of your investment may go down as well as up and the fund value at retirement may be less than the payments you have made.

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Prudential risk rating

Medium to Higher

What type of funds are in this risk category?

These funds offer a diverse geographical spread of equity investment. The funds within this category will have greater overseas exposure and underlying volatility than the "medium" sector.

What is the risk rating?

- Risk ratings have been developed by Prudential to help provide an indication of the potential level of risk and reward that is attributable to a fund based on the type of assets which may be held within the fund. Other companies may use different descriptions and as such these risk ratings should not be considered as generic across the fund management industry.
- Prudential will keep the risk ratings under regular review and as such they may be subject to change in the future. We therefore recommend that before making any fund choice in the future you understand the appropriate risk rating before making a decision. You will find this information at www.pru.co.uk.
- You should also consider discussing your decision and the appropriateness of this risk rating with an adviser

Important information

Who is this factsheet for and what does it do?

This factsheet is intended for the trustees, sponsors, advisers and members of occupational pension schemes using Prudential group pension contracts and Prudential grouped personal pensions and Stakeholder pension contracts.

Its purpose is to shed some light on how investment markets and funds have performed over the period and is provided for information only.

If you are not familiar with any of the investment terminology included on this factsheet, then please contact an adviser.

Can I get advice?

This factsheet should not be considered as a financial promotion and any changes to investment arrangements should be discussed with an adviser. It is not our intention to give an indication of how any particular funds will perform in the future. The commentary in this factsheet reflects the general views of the individual fund manager and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

Who manages the funds?

This fund is managed by Barclays Global Investors, a subsidiary of Barclays Bank plc

How are the performance figures calculated?

The performance shown overleaf is measured on the fluctuation of the daily published price. This published price is adjusted to accommodate the fund's dealing cycle where appropriate.

To obtain current unit price and performance information for all funds in the Prudential Fund range, simply log on to <http://www.pru.co.uk/funds/series/> and choose 'Pension Funds' and then select Prudential Corporate Pensions (Series 3).

How are the fund prices calculated?

This fund has a single price, based on the valuation of the underlying assets and cash flows into and out of the fund. This valuation price will be the published price.

What is the dealing cycle?

Funds managed by BGI have a dealing cycle of T+2. This means that money received on day T buys units at the valuation date price applicable at close of business 2 days later.

Other important information

Exchange Rate fluctuations may cause the Sterling values of overseas investments to rise or fall.

Retirement has more potential with

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