

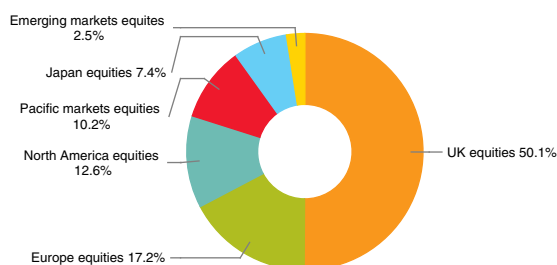
Prudential Long Term Growth fund (series 3)



Fund description

The fund invests in shares of companies around the world with about 50% invested in the UK and 50% overseas roughly in proportion to each region's economic importance. The fund is passively managed with a benchmark of 50% in the UK tracking the FTSE All-Share Index and 50% tracking a mix of overseas regional market indices using fixed weights broadly reflecting each region's Gross Domestic Product. The split between UK and overseas equities and between overseas regions may alter from time to time to reflect changing economic and market conditions.

Fund breakdown



Top holdings

	%
1 HSBC	4.5
2 BP	4.1
3 Vodafone	2.7
4 GlaxoSmithKline	2.5
5 Royal Dutch Shell 'A'	2.4
6 Rio Tinto	1.9
7 Royal Dutch Shell 'B'	1.8
8 AstraZeneca	1.6
9 BHP Billiton	1.6
10 British American Tobacco	1.5

Source: M&G
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
Long Term Growth fund	26.8	-24.3	9.0	13.1	25.0
Benchmark	26.2	-25.2	9.1	12.9	25.0

Key facts

Underlying fund size	£111m
Number of holdings	6
Underlying fund launch date	31/01/2001
Portfolio Manager	Portfolio Management Group
Benchmark	50% FTSE All-Share Index & 50% composite of FTSE World and MSCI Regional Market Indices
Investment Style	Passive
Sedol code	3168637
Performance Objective	To match the performance of the benchmark as closely as possible

Commentary

Share prices in the UK stockmarket continued to rise in the fourth quarter, with the key FTSE All-Share Index climbing above levels last seen before the September 2008 collapse of Lehman Brothers, the US investment bank. Gains were led by stocks in larger companies, while their smaller counterparts experienced some profit-taking following a sharp rally. The quarter saw renewed interest in mining stocks, on expectations of a pickup in global demand for commodities. Banks, on the other hand, were among the laggards as fresh uncertainties for the sector dented sentiment. Share prices rose across a broad range of industries, including automobile manufacturing and power generation. On the other hand, shares in banks and construction & engineering companies were among a handful that declined in value.

Europe was among the weakest performers among the major stockmarkets. Nonetheless, a number of sectors posted healthy gains, particularly in mining. Conversely, declines were led by financials, where sentiment was undermined by the possibility of further bank loan losses. The best performing stockmarket in the Pacific Basin ex Japan region was China, which rebounded strongly during the fourth quarter. Stockmarkets in the Philippines, Singapore and Taiwan reported healthy increases as well, while South Korea lagged. Japanese equities endured another sluggish quarter, with the yen's depreciation against the British pound exacerbating the lacklustre returns to sterling-based investors.

Past performance of the fund to 31 December 2009

	Quarter	1 Year*	3 Years*	5 Years*
Long Term Growth fund	3.8	26.8	1.5	8.1
Benchmark	3.8	26.2	1.0	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.

Prudential Long Term Growth fund (series 3)

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 M&G Investments.

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?

The Pensions Series 3 fund range is forward priced which means that the member gets the next available price after they invest.

This fund has a dealing cycle of T+0. This means that money received on day T buys units at the valuation date price applicable at close of business on the same day.

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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