

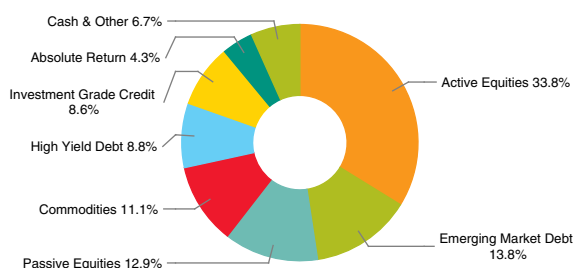
Prudential Schroders Life Intermediated Diversified Growth fund (series 3)



Fund description

The fund invests 100% in the Schroder Life Intermediated Diversified Growth fund. The objective of the Schroder Life Intermediated Diversified Growth Fund is targeted return of RPI +5% per annum over a five to seven year period. The Schroder Life Intermediated Diversified Growth Fund supports goals when there is a desire to grow assets to a similar extent as long-term investments, but with reduced volatility. The Fund can invest in a broad array of asset classes, equities, bonds and a range of diversifiers.

Fund breakdown



Key facts

Underlying fund size	£364m
Number of holdings	49
Underlying fund launch date	05/10/2007
Portfolio Manager	Johanna Kyrkland
Benchmark	60% FTSE All Share + 40% FTSE World ex UK hedged to GBP
Investment Style	Active
Sedol code	B2PKMC4
Performance Objective	to return RPI +5% per annum over a five to seven year period.

Commentary

The underlying fund delivered another strong return of +4.3% for the fourth quarter. This was ahead of the RPI+5% return of +2.5% and again reflected strong participation in the rally in global equity markets which returned +5.1%, as measured by our equity composite.

Top holdings

	%
1 QEP Global Dynamic Blend Portfolio	9.8
2 SISF Emerging Markets Debt Absolute Return	8.2
3 Schroder UK Alpha Plus fund	5.6
4 PIMCO Emerging Markets Inst Bond fund	5.6
5 SISF Global High Yield	5.2
6 SAS Commodity fund	5.1
7 Schroder Income fund	4.9
8 Vanguard US Investment Grade Credit Index fund	4.0
9 Infrastructure Total Return Swap	3.7
10 SISF Asian Equity Yield	3.5

Source: Schroders
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
Schroders Life Intermediated Diversified	28.6	N/A	N/A	N/A	N/A
Benchmark	7.4	N/A	N/A	N/A	N/A

Past performance of the fund to 31 December 2009

	Quarter	1 Year*	3 Years*	5 Years*
Schroders Life Intermediated Diversified	4.5	28.6	N/A	N/A
Benchmark	2.5	7.4	N/A	N/A

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 Schroders

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+1. This means that money received on day T buys units at the valuation date price applicable at close of business 1 day 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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