



Prudential plc

(incorporated with limited liability in England under the Companies Act 1985

with registered number 1397169)

as Issuer

£5,000,000,000

Medium Term Note Programme

This Supplemental Prospectus (the “**Supplemental Prospectus**”, which definition shall include all information incorporated by reference herein) to the base prospectus dated 9 December 2011 (the “**Prospectus**”, which definition includes the Prospectus as supplemented, amended or updated from time to time and includes all information incorporated by reference therein), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (“**FSMA**”) and is prepared in connection with the medium term note programme (the “**Programme**”) established by Prudential plc (the “**Issuer**”).

Terms defined in the Prospectus have the same meaning when used in this Supplemental Prospectus.

This Supplemental Prospectus is supplemental to, and should be read in conjunction with, the Prospectus issued by the Issuer and all documents which are incorporated herein or therein by reference.

This Supplemental Prospectus has been approved by the United Kingdom Financial Services Authority (the “**FSA**”), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (as amended) (the “**Prospectus Directive**”) and relevant implementing measures in the United Kingdom, as a supplemental prospectus to the Prospectus. The Prospectus constitutes a base prospectus prepared in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of Notes under the Programme.

The Issuer accepts responsibility for the information contained in this Supplemental Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplemental Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. Purpose

The purpose of this Supplemental Prospectus is (i) to incorporate by reference certain sections of the Issuer’s annual report and accounts for the financial year ended 31 December 2011 (the “**Issuer’s Annual Report and Accounts**”); (ii) to incorporate by reference certain sections of the Issuer’s half year results for the six months ended 30 June 2012 (the “**Issuer’s Half Year Results**”); (iii) to update the section of the Prospectus entitled “**Risk Factors**” to reflect the financial information contained within the Issuer’s Annual Report and Accounts; (iv) to update the Prospectus to reflect certain changes to the Board of Directors and committees of the Issuer and recent developments in the business of the Issuer; and (v) to provide updated ‘no

significant change' and 'no material adverse change' statements as set out at paragraph 7 of this Supplemental Prospectus.

2. Incorporation by reference of Issuer's Annual Report and Accounts

On 30 March 2012, the Issuer published the Issuer's Annual Report and Accounts.

By virtue of this Supplemental Prospectus, the audited consolidated financial statements of the Issuer for the year ended 31 December 2011 (together with the audit report prepared in connection therewith and the notes thereto), which appear on pages 159 to 434 (inclusive) of the Issuer's Annual Report and Accounts, and the unaudited financial information of the Issuer for the year ended 31 December 2011, which appears on pages 435 to 463 (inclusive) of the Issuer's Annual Report and Accounts, are hereby incorporated in and form part of this Supplemental Prospectus, and are thereby incorporated in and form part of the Prospectus.

By virtue of this Supplemental Prospectus, the following sections of the Issuer's Annual Report and Accounts are hereby incorporated in and form part of this Supplemental Prospectus, and are thereby incorporated in and form part of the Prospectus:

- pages 6 to 14 (inclusive) of the section headed "Overview";
- pages 16 to 90 (inclusive) of the section headed "Business Review";
- pages 113 to 129 (inclusive) of the section headed "Governance"; and
- pages 134 to 157 (inclusive) of the section headed "Directors' remuneration report".

A copy of the Issuer's Annual Report and Accounts has been filed with the National Storage Mechanism.

3. Incorporation by reference of Issuer's Half Year Results

On 10 August 2012, the Issuer published the Issuer's Half Year Results.

By virtue of this Supplemental Prospectus, the unaudited consolidated financial statements of the Issuer for the six months ended 30 June 2012 (together with the auditor's review report prepared in connection therewith and the notes thereto), which appear on pages 73 to 228 (inclusive) of the Issuer's Half Year Results, are hereby incorporated in and form part of this Supplemental Prospectus, and are thereby incorporated in and form part of the Prospectus.

By virtue of this Supplemental Prospectus, pages 1 to 72 (inclusive) of the Issuer's Half Year Results are hereby incorporated in and form part of this Supplemental Prospectus, and are thereby incorporated in and form part of the Prospectus.

A copy of the Issuer's Half Year Results has been filed with the National Storage Mechanism.

4. Risk Factors

The following table shows the ratio, as per test (a), of the Regulatory Assets of Prudential Assurance to its Regulatory Capital Requirement at 31 December 2011:

**At 31 December
2011**
149%

The following table shows the percentage, as per test (b), by which the Issuer and its Subsidiaries as a group exceed the Regulatory Capital Requirements, as per the Insurance Group Directive and after allowing for dividend payment at 31 December 2011:

**At 31 December
2011**
157%

The following table shows the percentage, as per test (c), by which the Issuer's total Assets exceeded its total Liabilities at 31 December 2011:

**At 31 December
2011
64%**

The following table shows the minimum percentage by which the Issuer's EEA Insurance Subsidiaries exceeded their minimum capital requirements pursuant to the Capital Regulations at 31 December 2011:

**At 31 December
2011
82%**

5. Changes to the Board of Directors and certain committees of the Issuer

On 20 December 2011, the Issuer announced the intention of Harvey McGrath, Chairman of the Board of Directors and Chairman of the Nomination Committee, to retire from the Board of Directors in 2012 once a successor was found. On 28 May 2012, the Issuer announced the appointment of Paul Victor Falzon Sant Manduca as Chairman of the Board of Directors, to take effect from 2 July 2012, with Harvey McGrath standing down as Chairman of the Board of Directors on the same day.

On 2 July 2012, the Issuer announced that Paul Manduca would also be Chairman of the Nomination Committee, but would cease to be a member of both the Audit and Remuneration Committees, with immediate effect.

Non-executive directors Ann Godbehere and Sir Howard Davies were appointed members of the Nomination Committee on 2 July 2012.

Further to an announcement made by the Issuer on 20 December 2011:

- Kathleen O'Donovan retired from the Board of Directors on 31 March 2012; and
- Kaikhushru (Kai) Shiavax Nargolwala and Alistair Dewar Kerr Johnston CMG were appointed as independent non-executive directors on 1 January 2012. Mr Nargolwala joined the Risk and Remuneration Committees and Mr Johnston joined the Audit Committee.

6. Recent Developments

On 30 May 2012, Jackson entered into an agreement to acquire Reassure America Life Insurance Company, a traditional US life business, from Swiss Re for £398 million in cash (subject to certain adjustments), financed from its own resources. The transaction completed on 4 September 2012 for a purchase price of £417 million (subject to further adjustments), having received all regulatory approvals. The transaction is expected to improve the diversification of Jackson's earnings.

On 14 February 2012, the Issuer announced that its Asia Fund Management operations would be rebranded Eastspring Investments, and that the new brand would replace a number of different business names that the asset management business had operated under across Asia.

7. Significant and material adverse change statements

There has been no significant change in the financial or trading position of the Issuer and its subsidiaries as a whole since 30 June 2012 and no material adverse change in the prospects of the Issuer and its subsidiaries as a whole since 31 December 2011.

8. General

Copies of all documents or information incorporated by reference in this Supplemental Prospectus and the Prospectus can be obtained from the Issuer as described in the Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Supplemental Prospectus or any statement incorporated by reference into the Prospectus by this Supplemental Prospectus, and (b) any

other statement in or incorporated by reference in the Prospectus prior to the date of this Supplemental Prospectus, the statements in (a) above will prevail.

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplemental Prospectus for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference to this Supplemental Prospectus or where this Supplemental Prospectus is specifically defined as including such information. Any information contained in a document incorporated by reference in this Supplemental Prospectus which is not incorporated in, and does not form part of, this Supplemental Prospectus is not relevant for investors or is contained elsewhere in this Supplemental Prospectus.

Save as disclosed in this Supplemental Prospectus and any supplemental prospectus previously issued by the Issuer, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since publication of the Prospectus.

No person has been authorised by the Issuer, any Dealer or the Trustee to give any information or to make any representation not contained in or not consistent with the Prospectus, this Supplemental Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, any Dealer or the Trustee.

The delivery of the Prospectus and/or this Supplemental Prospectus at any time does not imply that there has been no change in the affairs of the Issuer since the date hereof, or that the information contained in either of them is correct as at any time subsequent to each of their respective dates.