

**M&G REAL ESTATE AGREES £198 MILLION RETAIL PROPERTY ASSET SWAP
WITH BP PENSION FUND**

London, 5 September 2013 – M&G Real Estate today confirms it has completed on a £198 million off-market retail asset swap with BP Pension Fund on behalf of the M&G Property Portfolio.

Under the terms of the deal M&G Real Estate has acquired two dominant retail parks for £123 million - Riverside Retail Park in Northampton and Wycombe Retail Park – in exchange for its interests in the Tesco Extra on Honeywood Parkway in Dover and a Debenhams store in Taunton for a combined valuation of £75 million. M&G Real Estate is also making balancing cash payment of £48 million net of costs.

The £2.21 billion M&G Property Portfolio, is a pure bricks and mortar fund, which invests in UK commercial property and is aimed at private investors. It is managed by Fiona Rowley and Justin Upton of M&G Real Estate.

Deputy Fund Manager, Justin Upton, comments: “This transaction is typical of the innovative approach the Fund is taking to acquire high quality assets in a restricted market characterised by low stock volumes. These well located retail parks provide secure income returns and good asset management potential. By offering the BP Pension Fund this particular solution to cash re-investment risk, we were able to structure a mutually beneficial deal and remain substantial net cash investors ourselves.

“The ability to transact a deal of this size off market with BP is a testament to the on-going relationship between our two firms.”

Jones Lang LaSalle represented M&G Real Estate. Edgerley Simpson Howe represented the BP Pension Fund.

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Notes to Editors

About M&G Real Estate

M&G Real Estate (formerly known as PRUPIM), is the real estate fund management arm of M&G and is one of the top 25 real estate fund managers in the world by assets under management, with over £16 billion invested in a broad spread of properties across Europe, North America and the Asia Pacific region (as of 30 March 2013). M&G is the investment arm of Prudential Plc in the UK and Europe. For more information please visit www.mandg.com/realestate

About M&G

M&G is an international active asset manager, investing on behalf of individuals and institutions for over 80 years. The firm manages over £216.9 billion of assets through a wide range of investment strategies across equities, bonds, property and multi asset.

Headquartered in London, M&G employs over 1,500 people worldwide operating from offices across Europe and Asia.

M&G's history is a story of investment firsts, from Europe's first mutual fund in 1931 to the Inflation Linked Corporate Bond Fund in 2010. For more information please visit www.mandg.com

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