

M&G to invest £1 billion into UK housing to build over 3,000 homes with a leading Asian pension fund

London, 30 November 2025 – M&G Investments (M&G) today announces it will invest £1 billion into UK multi-family housing to build over 3,000 rental homes in London and regional cities where there are housing shortages. M&G Real Estate will fund housing developments over the next three years on behalf of one of Asia's leading pension funds and M&G's £130 billion With Profits Fund, to boost British housebuilding efforts and support the UK Government's ambition to deliver 1,500,000 new homes over the course of this parliament.

With £100 billion¹ already invested in the UK economy, M&G is mobilising international capital to deploy into housing, primarily in London – as well as Manchester, Bristol, Birmingham and Leeds. UK residential property provides an attractive entry point for long-term investment as housing delivery rates in London are at all-time lows, whilst demand for rental homes continues to outpace supply. In London, each year 50,000 more homes are needed than are currently being built, and only two per cent of privately rented homes are purpose built – meaning these developments can improve the experiences of tenants through high quality amenities and by creating shared spaces.

M&G and the Asian pension fund have both injected £300 million of equity into the vehicle, which will use leverage to accelerate value creation, and enable the development of more homes, expected to create a £1 billion+ portfolio once complete. With £6.7 billion² invested and more than two decades of experience investing in residential properties in the UK, Europe and Asia, M&G's client base has become increasingly international as global institutional investors are attracted to its origination track record in private assets.

This venture is testament to M&G's business model, where capital from its Life business can be aligned with external institutional investors seeking to create scalable partnerships. In May, M&G agreed a long-term strategic partnership with Dai-ichi Life HD, Japan's largest listed insurer, to accelerate its expansion in European private markets, while opening new potential sources of business flows in Japan and across Asia, with initial flows expected in the coming months.

Martin Towns, Global Head of M&G Real Estate, said: "This is a powerful demonstration of our business model in action – mobilising international capital to invest into UK housing in a sector where there is a shortage of high quality homes. Through our investment into the real economy we can build more homes where they are most needed, whilst delivering resilient, long-term returns for pension savers in both the UK and internationally."

M&G Real Estate is part of the firm's £78.5 billion private markets business which also invests in infrastructure, private credit, private equity and impact strategies. The £130 billion With-Profits Fund invests on behalf of 4.5 million policyholders in the UK, which includes 500,000 clients who are invested in the £67.7 billion PruFund.

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Notes to Editors

This venture follows a long-term strategic partnership in May this year with Dai-ichi Life HD, Japan's largest listed insurer, to accelerate its expansion in European private markets, while opening new potential sources of business flows in Japan and across Asia, with initial flows expected in the coming months.

Sources:

The Government has stated an ambition to build 1.5 million homes by the end of August 2029: Our plan to build more homes - GOV.UK

¹<https://www.mandg.com/views-and-insights/growth-and-investment-centre/actively-investing-in-uk-growth>

²M&G as of 30 September 2025.

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About M&G Investments

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc's UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £365 billion of assets under management (as at 30 September 2025). M&G plc has customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G plc recognises the importance of responsible investing, is a signatory (both as an asset manager and owner) to the UN-supported Principles for Responsible Investment (PRI), and is targeting net zero emissions by 2050, across our investment portfolios and operations.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030. For more information, please visit: www.mandg.com

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