LIFELINK FUNDS

Report and statement of the managers
for the period 1 January 2011 to 31 December 2011

Nurturing your investments to your advantage.

PRUDENTIAL
Always Listening. Always Understanding.

GENERAL DISCLAIMERS:

For more information on LifeLink Funds,
please call 1800 333 0 333 from Monday to Friday, between 9am and 6pm.

LifeLink Funds

Managed by
UOB Asset Management Limited
Registered Address:
80 Raffles Place
UOB Plaza 1
Singapore 048624

Prudential Assurance Company Singapore (Pte) Limited
30 Cecil Street #30-01
Prudential Tower
Singapore 049712
Telephone: 6327 1234
Fax: 6224 3012
Website: www.prudential.com.sg

Prudential Assurance Company Singapore (Pte) Limited Reg No.199002477Z

FUND MANAGER'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

PERFORMANCE OF LIFELINK ASIA FUND

Fund Performance

For the year ended 31 December 2011, the Fund fell 28.0% on a net-asset-value basis, compared with a 13.7% decrease in the benchmark MSCI AC Far East ex-Japan index in Singapore dollar terms.

The Fund's poor performance during the period was due to weak securities selection and unfavorable asset allocation. The portfolio was too skewed to HK and China, and as the growth outlook in Asia turned down towards the early part of the year, this adversely impacted performance. The fund manager has taken action to address the allocation bias and has refocused the strategy to target high quality growth companies in a more effective manner, aiming to achieve a significant improved performance with time.

The negative allocation effect arose from the Fund being too under-exposed to more stable sectors such as Telecom Services, Consumer Staples and Utilities. Additionally, the Fund was too slow to adjust to inflation concerns in China and evidence of weaker external demand.

As for the negative selection effect, the fund manager's stock picks in sectors such as Consumer Discretionary, Information Technology, Materials and Financials (ex-Real Estate) did not perform favorably. This was partially off-set by Consumer Staples, Industrial Conglomerates and Real Estate which performed better but were unfortunately less well represented.

Key holdings which contributed to performance were: Samsung Electronics, Beijing Enterprise Water, Want Want China, Smartone Telecommunications and Hyundai Engineering & Construction.

Key holdings which detracted from performance include: Man Wah Holdings, Zhongsheng Group, Emperor Watch, Beijing Enterprise and Bank of China.

As at end December 2011, the Fund had the following regional asset allocation: China (26.16%), Hong Kong (10.71%), India (8.17%), Indonesia (1.85%), Malaysia (3.23%), Philippines (1.04%), Singapore (10.67%), South Korea (22.08%), Taiwan (11.44%) and Thailand (4.49%).

Market Review

Markets started the year on fairly solid footing, with the Federal Open Markets Committee keeping monetary policy excessively easy and with the Federal Reserve implementing Quantitative Easing 2 (QE 2) to drive down long end interest rates. However, a Standard & Poor's downgrade of US debt and political wrangling over the US debt ceiling sparked off a fall in markets in August.

With the global financial crisis (GFC) entering a second phase where fiscal adjustments started to be a drag on growth and debt loads in the developed world (Greece in particular) started impacting market confidence, markets became increasingly volatile. Asian equity markets were not spared and performed poorly in 2011.

During the course of the year, exogenous shocks also compounded high levels of volatility. The combination of an earthquake and tsunami in Japan, geopolitical uncertainty in the Middle East and a lack of a solution for Greece clouded the economic picture and led to heightened risk aversion.

A massive earthquake and tsunami struck Japan in March, resulting in both massive damage to Japan's industrial infrastructure and had global repercussions across the electronics and auto industry supply chains. This triggered a sharp slowdown in Japan industrial output and domestic demand, and became yet another headwind for the global economy.

In the Middle East and parts of Africa, calls for greater freedom and political representation, referred to as the "Jasmine Revolution", both disrupted economic activity and led to the downfall of several governments. Having started in Egypt, the movement impacted several countries in the region, including Libya, disrupting oil supplies. Temporary disruptions to oil supplies and perceived risk to energy security drove oil prices to beyond US$100 per barrel. This exacerbated already prevalent inflation problems in Asia.

Meanwhile, Europe continued its muddle through approach to dealing with problems in the peripheral Euro zone. This adversely influenced both the economic outlook and market sentiment. Concern mounted that Greece's problems would spread to other peripheral countries in Europe and credit spreads widened. Credit Default Swap (CDS) spreads tell the picture nicely, having peaked in November on hope the Euro zone is on the brink of coming up with a solution for Greece's debt problems. This set the stage for a recovery in Asian equity markets to near their August highs.

Economic growth started to slow noticeably in Asia during 2011, but has held up well compared to the developed world. Initially, while export growth slowed, domestic demand stayed firm. However, into late 2011, even domestic demand started to falter. China in particular came into focus due to signs that the real estate sector was starting to cool sharply and indications that industrial output was softening, the purchasing managers index (PMI) dipped below 50.

A significant element of the slowdown was linked to weaker domestic demand as monetary conditions were tightened across the region to contain inflation. The combination of tighter monetary conditions and weaker external demand caused growth to slow. Against a backdrop of weaker growth, corporate earning expectations also fell in late 2011. With signs that tighter monetary conditions were doing their trick to reign in inflation problems, and with a real slowdown in industrial and private sector demand, central banks reversed their policies.

Fund Strategy and Outlook

The external environment remains uncertain. However, there are a number of developments that suggest the outlook could continue to improve into 2012. US data has turned up sharply and the recovery continues to look like it is broadening out. Europe is hopefully on the brink of a more durable solution to its debt / sovereign problems, and Asia and emerging markets are starting to ease monetary conditions.

The US recovery appears to be increasingly durable, with employment gains and a pick up in hours worked leading to rising income and sustained, albeit modest gains in consumption. Meanwhile there is a bit of a renaissance taking shape in the US industrial sector, where improved terms of trade and lower wages have restored competitiveness. Surprisingly, the US has become a bastion of stability in terms of growth. And the US corporate sector remains in the sweet spot of being able to benefit from both recovering domestic demand and ongoing export gains to the developing world.

The Euro zone appears to at long last be coming up with a plan to deal with its twin challenge of dealing with Greece's problems and recapitalizing and re-liquifying its banks. And while Rome wasn't built in a day, a more proactive ECB and steadier hands at the helm across Europe are encouraging. Markets are now focusing on a plan, rather than a plan for a plan as was the case for much of 2011. Now it is more a question of execution and commitment for change. Painful as it may be, it will be positive over the long run. And importantly, the greatest risk for Europe, a disorderly default by Greece and contagion to the core continues to abate by the week.

Asia is in a transition period. While the focus in 2011 was dealing with overheating, the challenge now is to continue to put in place policies aimed at stimulating domestic demand, but at the same time prevents nascent bubbles in the real estate sectors from becoming something less benign. The rebalancing process will be a fine line that policy makers will have to walk, and China is the best example of this. With prior simulative policies having resulted in a significant overinvestment in the real estate sector, policy makers have to walk a fine line of enabling developers to work through housing and land inventories and manufacturing a soft landing for housing prices, or risk a sharp slowing in growth.

Underlying this adjustment process, there are still many positive factors supporting growth in Asia. Broadly speaking, positive demographic trends, favourable terms of trade and significant gains in literacy and skills should translate to ongoing wage and purchasing power gains over the long run. The rising purchasing power of the middle and increasingly lower income segments of emerging Asia (China, India, Indonesia, etc.) is a very supportive backdrop for investors, particularly in many of the regions' domestically oriented sectors, retail, healthcare, telecommunications and banking.

However, just as Rome wasn't built in a day, the journey towards development isn't always a straight upward sloping line. Cracks in China's development model are already very visible in its real estate and housing markets. The local government financing model of using land to repay prior debts could be challenged. The loss content in bank balance sheets could be grossly underestimated if real estate prices continue to fall. The build of a fixed asset investment overhang is eerily reminiscent of South East Asia's "Tiger era" in the early 1990s. And the risk is too big to be ignored.

The fund manager's investment strategy reflects both the long term opportunity sets that lie before them, but also the cyclical opportunities that are more visible and the risks that are frequently masked by rising asset prices.

The fund manager remains very focused on seeking out opportunities arising from rising purchasing power of the Asian consumer. This trend will continue to march forward regardless of the shifting fate of the real estate sector independent of the significant need of credit expansion to support.

The Fund's strategy is to seek opportunities in stable growth sectors, remain selective in the financial sector (frequently mistaken as a proxy for growth) and remain defensive in the more cyclical sectors. As always their research process is directed as identifying good long term opportunities across all sectors, and to position for these opportunities. The Fund is moderately overweight the consumer sector, and has underweighted the materials sector.

As the fund manager has discussed earlier, rising income levels are creating opportunities in the consumer sector and they will actively seek them out. The increased purchasing power of the Asian consumer is most visible in the world's luxury goods market, with Asian buyers now representing the largest revenue pool for most global luxury brands. From Hermes to Rolex, execution of their strategies in Asia is the single greatest determinant of their growth prospects. Unfortunately, there are very few if any local luxury brands, hence finding Asian luxury brand opportunities will be difficult.

Further, by solely focusing on the luxury segment investors are missing the larger opportunity, finding investment opportunities to play into the growth of the mass market consumer. From Beijing to Szechuan, or from Mumbai to Calcutta, or Jakarta to Jogjakarta, the most powerful driver of growth is the increase in purchasing power of the lowest income segment of the population, and the rise in demand for consumer staples. Put simply, it is a numbers game. Finding leading companies with local products that can benefit from this trend in rising purchasing power is a clear area of focus, but is easier said than done. The Fund continues to look for opportunities in the consumer staples area, eg. Want Want (Hong Kong), Hindustan Unilever (India), or LG H&H (Korea).

With rising wages and the growth of the middle classes in China, India, Indonesia, and Thailand, significant opportunities exist within the consumer discretionary segment as well. The Fund seeks to take a balanced approach to getting exposure to this opportunity, noting both the growth and competitive landscape can and do shift quickly such as the auto sector. The Fund tries to take a longer term view on the future leaders in the respective segments.

The discipline of not getting too carried away with the high growth rates of nascent industries is important given the law of large numbers. For example, evidence of the slowdown in some store sales is seen among appliance retailers in China (Gome and Suning). Some store sales growth fell from more than 20% per annum in 2010 to single-digit in the first half of 2011. The fund manager is reminded not to extrapolate on a straight line basis, especially in emerging industries and new market segments. Again, the fund manager selectively seeks out good long term opportunities, especially when the demand picture is stable and the competitive landscape is clearly defined. Examples of business that they find attractive are Hyundia Motor (Korea) or Sands China (Hong Kong).

The telecommunications sector is in many ways a way to get exposure to the rising purchasing power of the consumer in Asia as well. The clear challenge, however, is the shifting and often consumer friendly regulatory environment that has placed downward pressure on tariffs and has impeded the conversion of customer acquisition into revenue growth, or profits. India is a glaring example of this challenge and China is to a lesser extent as well. Because of this, the stability and predictability of operating conditions is critical considerations as is the level of free cash flow and dividend policy. The ability to progressively grow both cash flow and dividend will be rewarded, especially in less certain times. Preferred telecommunication holdings include Smartone and China Telecom.

While Asia is short of resources, the fund manager does not believe that the resource sector is the best way to invest in Asia's growth, at least not the domestic sector. Most Asian companies are far from being the low cost producers in their respective segments. The gap on the cost curve is further exacerbated by the tendency to control prices at the end product side. Whether it is diesel prices in China, or electricity prices in India, or petrol prices in Jakarta, a company's ability to monetize its resource endowment is frequently secondary to public policy objectives. Further, the ability to participate in downstream growth opportunities linked to the build-out of infrastructure in emerging Asia is frequently undermined by overinvestment in productive capacity. There are also problems facing the steel and aluminum sectors in China. The same can be true of the energy and agricultural sectors, where price controls limit the potential for returns.

The fund manager notes that over the medium term, earnings risk will persist, and will likely remain a challenge in specific sectors. Part of the risk is a supply issue (too much capacity) and part of it is a demand issue (more moderate growth), and the consequence will likely be margin pressure (more than expected). However, not all sectors face this challenge and many companies have the ability to pass through price increases. Furthermore, valuations are very attractive. Both Price-to-Earning and Price-to-Book ratios are at multi-year lows.

The Asian market trajectory will be significantly influenced by global economic developments over the near term, with Europe in particular influencing all markets significantly. Over time, the evolution of economic conditions locally will start to become a more important driver. China in particular is a market that could do very well if its domestic imbalances can be addressed, or one that could remain a challenge under a hard landing scenario. However, over the medium to longer term, the growth drivers that are so evident in Asia, should contribute to a backdrop that is favorable for investors for some time. While there may be bumps on the road ahead, Asia will likely remain an important destination for investors in the years ahead. The current environment that can continue to be characterized as one of global rebalancing (or factor market reform in the case of Asia) should play to the fund manager's strengths as stock pickers in the years ahead.

PERFORMANCE OF LIFELINK GROWTH FUND

Fund Performance

For the year ended 31 December 2011, the net asset value of the Fund fell 17.1% compared with a 14.5% decrease in the benchmark STI.

The Fund's underperformance for the period under review was largely attributed to a weak showing in the third quarter. This resulted from the Fund's overweight position in the Industrial cyclical stocks which underperformed the more defensive sectors in the quarter.

For the first half year ended 30 June, the Fund actually outperformed due to realized profits on Dyna-Mac Holdings, an overweight position in Keppel Corporation and an underweight position in Capitaland.

However the Fund was unable to defend this outperformance in the third quarter, which marked a period of market consolidation. The Fund's overweight position in the Industrial cyclical stocks and underweight position in the defensive sectors negatively impacted performance. The Fund's underweight position in the underperforming Real Estate sector helped, but did not fully offset exposure to industrial cyclicals which corrected sharply.

In the fourth quarter, the fund manager took action to address the imbalance in sector weights by positioning the Fund to be more defensively focused. This move paid dividends as the Fund outperformed in the quarter. However, this positive performance was not sufficient to offset the underperformance suffered in the third quarter.

As at end December 2011, the Fund was 100% invested. In terms of sectors, the Fund's allocation stood at Financials (35.4%), Industrials (28.0%), Consumer Staples (12.4%), Consumer Discretionary (11.4%), Telecommunication Services (10.9%) and Energy (1.9%).

Market Review

Markets started the year on a fairly solid footing, with the Federal Open Markets Committee keeping monetary policy excessively easy and with the Federal Reserve implementing Quantitative Easing 2 (QE 2) to drive down long end interest rates. However, a Standard & Poor's downgrade of US debt and political wrangling over the US debt ceiling sparked off a fall in markets in August.

With the global financial crisis (GFC) entering a second phase as fiscal adjustments started to drag growth and debt loads in the developed world (Greece in particular) started impacting market confidence, markets became increasingly volatile. Asian equity markets were not spared and performed poorly in 2011.

During the course of the year, exogenous shocks also compounded high levels of volatility. The combination of an earthquake and tsunami in Japan, geopolitical uncertainty in the Middle East, and a lack of a solution for Greece clouded the economic picture and led to heightened risk aversion.

A massive earthquake and tsunami struck Japan in March, resulting in both massive damage to Japan's industrial infrastructure, and had global repercussions across the electronics and auto industry supply chains. This triggered a sharp slowdown in Japan's industrial output and domestic demand, and became yet another headwind for the global economy.

In the Middle East and parts of Africa, calls for greater freedom and political representation, referred to as the "Jasmine Revolution", both disrupted economic activity and led to the downfall of several governments. Having started in Egypt, the movement impacted several countries in the region, including Libya, disrupting oil supplies. Temporary disruptions to oil supplies and perceived risk to energy security drove oil prices to beyond US$100 per barrel. This exacerbated already prevalent inflation problems in Asia.

Meanwhile, Europe continued its muddle through approach to dealing with problems in the peripheral Euro zone. This adversely influenced both the economic outlook and market sentiment. Concern mounted that Greece's problems would spread to other peripheral countries in Europe, and credit spreads widened. Credit Default Swap (CDS) spreads tell the picture nicely, having peaked in November on hope the Euro zone is on the brink of coming up with a solution for Greece's debt problems. This set the stage for a recovery in Asian equity markets to near their August highs.

A significant element of the slowdown was linked to weaker domestic demand as monetary conditions were tightened across the region to contain inflation. The combination of tighter monetary conditions and weaker external demand caused growth to slow. Against a backdrop of weaker growth, corporate earning expectations also fell in late 2011. With signs that tighter monetary conditions were easing inflation problems, and with a real slowdown in industrial and private sector demand, central banks reversed policies.

Economic growth started to slow noticeably in Asia during 2011, but has held up well compared to the developed world. Initially, while export growth slowed, domestic demand stayed firm. However, into late 2011, even domestic demand started to falter. China in particular came into focus due to signs that the real estate sector was starting to cool sharply and with indications that industrial output was slowing down, the purchasing managers index (PMI) dipped below 50.

On the whole, economic growth in Asia has been supported by robust domestic demand and a resilient financial sector. While Asian export growth moderates, the overall domestic economic conditions in the region stayed firm, providing a cushion against various external shocks. After a series of rate hikes to quell inflation in the early part of 2011, Asian central banks mostly held benchmark rates steady and some even reduced rates in the latter part of the year as concerns over the global economic outlook took hold.

Closer to home, the weakness in global growth had clearly impacted the Singapore economy which posted a slowdown in GDP growth to 4% compared with the low growth recorded in the first six months of the year. Consequently, companies in the export sector such as shipping, air transport and manufacturing saw a marked decline in earnings growth.

The 11th General Elections were held on 7 May and the ruling People's Action Party (PAP) was voted back into power, winning 81 out of 87 seats. However, the percentage of the votes won fell 6.5% points to 60.1%. Consequently, major changes to the Cabinet were announced, bringing in new chiefs for 11 out of the 14 ministries. In particular, new measures were announced for the property sector which included punitive additional buyers stamp duties for foreigners and Permanent Residents. This cooling measure adversely affected the listed property developers.

Fund Strategy and Outlook

The fund manager expects that the operating environment in Asia will be challenging in the next quarter. Inflation across the Asian markets look to be moderating, although the fund manager views that this may not be enough to offset the deteriorating growth environment. Domestic consumption, which has hitherto held up and provided support for the Asian economies, has started showing signs of fatigue. The fund manager expects that there will be more downgrades to companies' earnings as growth slows. Cyclical sectors, which are more susceptible to a global slowdown, could see further downside. The key risks include a major unraveling in the European debt crisis, the US going into a double-dip recession and a hard landing for China.

The macro economic indicators in Asia have deteriorated again in the most recent month after a slight rebound in October. The latest purchasing managers' index (PMI) in Singapore has shown a contraction, which is similar to most Asian economies including China, Japan, Korea and Taiwan. On a positive note, inflation in most Asian economies has come off except India where prices remain shaky.

Given the uncertain global economic backdrop, the fund manager has adopted a barbell strategy, where the approach is to remain defensively focused while simultaneously holding a balanced tactical weight in growth companies with solid fundamentals and superior earnings visibility.

The fund manager favours the Telecommunications sector and Real Estate Investment Trusts (REITs) which offer attractive dividend yields backed by sustainable cash flows.

Key holdings include SingTel and Mapletree Commercial Trust. The Fund also continues to target growth opportunities in the Offshore & Marine sector, which is poised to benefit from an upswing in deepwater oil exploration, increased capital spending from oil companies and demand for equipment. The Fund's key holdings include Keppel Corp, Sembcorp Marine and STX OSV in this space.

In summary, given the fund manager's cautious view of the Asian market, whose trajectory will be largely determined by global macro developments, in particular the outcome of the European debt crisis, the fund manager positions the Fund's portfolio defensively, balanced with a tactical weight in growth companies with solid fundamentals and superior earnings visibility.

PERFORMANCE OF LIFELINK GLOBAL FUND

Fund Performance

For the full year ended 31 December 2011, the Fund declined by 10.0%, lagging the benchmark MSCI AC World Free index which fell by 6.2% in Singapore dollar terms.

Asset allocation contributed modestly to performance as the Fund was underweight in Europe and Japan during the period and held cash reserves of 3.4%. Stock selection was the main drag on performance. Exposure to certain cyclical companies in the materials and energy sectors as well as poor performance from certain financial holdings were the principle drags on performance. In addition, the Fund was adversely affected by the weaker performance of a key holding in the pharmaceutical sector. The fund manager will discuss this in greater detail shortly.

In absolute and relative terms, 2011 was a disappointing year, with the Fund performing below benchmark and ranked in the middle of the peer group of global equity funds. The Fund lost ground early in the year due mainly to its overweight position in emerging markets and poor selection effects. During the second half of the year, however, the Fund gained ground compared to peers and ended the year in the middle of the peer group.

In performance terms, 2011 marked a sharp reversal from the strong performance of 2010. The MSCI AC World Index fell by 9.4% in US dollar terms. Developed Markets declined by 7.4% and Emerging Markets fell by 20.4%. MSCI EMEA was the worst performing followed by Latin America and Asia (ex. Japan), down 22.6%, 21.9% and 19.2% respectively. The Fund was overweight in both Latin America and Asia (ex. Japan) for the bulk of the period, and this detracted significantly from performance. The best performing region was the US, which was flat in the period. The Fund was moderately overweight in the US during the period. Europe, Canada, Australia and Japan, meanwhile, fell by 13.8%, 14.2%, 14.8% and 16.2% respectively during the period.

Stock selection detracted from performance. Drags on performance were: K+S AG (Germany), Kinross Gold (Canada), Oracle Corp. (US), Schlumberger (US), Northern Trust (US), Teva Parmaceutical (US), Norsk Hydro (Norway), Suez Environment (France), and HSBC Holdings (UK).

Notable contributors to performance include: Visa Inc. (US), Apple Inc (US), American Tower (US), Philip Morris (US), McDonalds Corp. (US), Bank Rakyat Indonesia (Indonesia), IBM (US), HDFC Bank (India) and United Health (US).

During the period under review, invested levels averaged 96%. And portfolio turnover was slightly elevated, averaging 113.7% during the 12-month period under review. This was in part due to allocation shifts implemented during the period as well as some changes in securities positioning.

As at 31 December 2011, the Fund was positioned as follows:

By Country

United States (48.2%), Europe (19.3%), Asia (ex. Japan) (10.5%), Latin America (6.7%), Japan (6.6%), EMEA (3.4%), Canada (2.7%), Australia (2.7%) and Cash/Net Liquidity (-0.1%).

By Sector

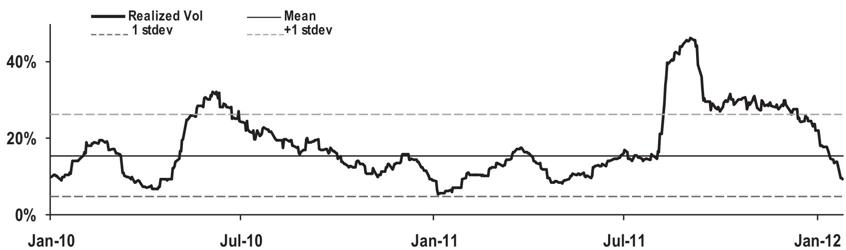
Consumer Discretionary (10.4%), Consumer Staples (13.7%), Energy (10.4%), Financials (17.6%), Healthcare (8.8%), Industrials (9.5%), Information Technology (13.8%), Materials (6.6%), Telecom Services (4.5%), Unit Trust (1.6%), Utilities (3.2%) and Cash/Net Liquidity (-0.1%).

Market Review

After a very sharp recovery in 2009 where global equities advanced by 27% and a flat performance in 2010, the MSCI AC World Free Index fell by 5.5% in 2011, all in Singapore dollar terms.

Risk indicators rose during the course of 2011, before moderating slightly. The Libor-OIS spread widened to 50 basis points (bps) by end 2011, reflecting funding stress in the European banking system. Meanwhile, the VIX Index rose to above 40% in August having started the year in the 20s. Realized volatility levels followed a similar pattern (see below chart).

S&P 500 – Realized Volatility (%)



The economic outlook started to diverge appreciably during 2011, with the US economy showing positive momentum, while the outlook for Europe and the Euro zone in particular turning decidedly negative. While the US data reflected a stabilization in the housing market, improved employment trends and gains in the manufacturing sector, Europe suffered from on-going weakness in peripheral Europe, which started to weigh on both business and consumer confidence in core Europe.

Growth expectations for the Euro zone were lowered sharply in the second half of the year, with most economists now looking for a contraction of between 0.5%-1.0%

for 2012. Meanwhile, data out of Japan has also tracked below expectations, due to both weak external demand, and a more muted boost from reconstruction efforts. At the time of writing, the International Monetary Fund (IMF) has just lowered its official 2012 global growth target to 3.3% (vs. 4% in September), pointing to risks evident in Europe.

Fund Strategy and Outlook

In the year ahead, risks in Europe associated with the periphery and weak banking systems in Europe represent the greatest challenge for policy makers and investors alike. Europe's approach of monetizing the debt and providing a liquidity backstop to the financial sector is failing. Beyond debt forgiveness for the periphery and recapitalizing Europe's banks, implementing social reform policies targeted at enhancing the competitive positioning of peripheral countries is essential. So far, efforts to address weaknesses in countries like Greece have failed to deal with the structural challenge of adopting the Euro currency. The road ahead will inevitably be a bumpy one. And while the final result will have direct bearing on how Europe performs, it will also have global implication.

Turning back to the US, there are some encouraging signs that the manufacturing sector is expanding and creating jobs. The corporate sector, supported in part by a weaker dollar and more competitive wages is again creating jobs. The revitalization of the US manufacturing sector has taken place despite the fact that there has been no progress on corporate tax rate reform. However, the fund manager believes that reforms will again be put on the table for discussion, provided they are revenue neutral. Given that many of the largest US corporations can structure their businesses in a manner to avoid paying US taxes, the fund manager believes that significant reductions in statutory rates can be achieved in the long run and that revenue gains will likely arise. The 1986 income tax reform act of Ronald Regan, which effectively broadened the tax net and increased fiscal revenue, is an example of this at work.

With the presidential election scheduled for November, it is unlikely that significant reform efforts will be tabled in the current year. The fact that the US government is operating with a divided congress, it is unlikely that there will be any fiscal boost in the event that the external environment worsens. This adds an element of risk to the fund manager's forecasts and market consensus, and places an ongoing burden on the Federal Reserve to provide a monetary boost should the need arise. More recent comments from the Fed suggest that it is committed to do just this.

Emerging markets (EM) have faced significant challenges in 2011 related to both inflation and growth. At the time of writing, inflationary pressures are just starting to abate. However, there are still significant risks to growth and to corporate profits into 2012. The fund manager will break his EM discussion into several parts as many of the issues are country specific.

No discussion of EM can be completed without examining China. Currently, the China outlook is rather mixed. Inflation and limited monetary flexibility became a problem last year. This resulted in financing constraints that adversely impacted the availability of credit. As inflation rates moderated in late 2011, policy measures were adopted to stimulate lending and extend credit into the cash starved SME segment. This has resulted in a resurgence of economic activity into the final quarter of the year. However, off-setting this, and of particular concern, are two factors at play. Firstly, there has been a sharp slowdown in trade activity, both at the export and import level. Secondly, policies targeted at containing overinvestment in real estate are leading to a reversal of real estate prices that could prove potentially problematic. Either way, it is clear that fixed asset investment growth rates will moderate over the medium term. The fund manager has refocused his investment strategy towards consumption growth opportunities, particularly those arising from rising consumer purchasing power. The fund manager is targeting consumer goods and services companies that are positioned to benefit from wage growth among middle & lower income consumers.

India also faced significant setbacks in 2011. Beyond inflation challenges and balance of payments pressures arising from higher energy prices, there were corruption scandals linked to the auction of telecommunications spectrum. Meanwhile, the Reserve Bank of India lifted interest rates to counter inflation. Equities de-rated significantly with the market down by over a third of its initial value. Inflation expectations have subsequently started to ease, and India has started to relax monetary policy. This should set the stage for a gradual recovery in economic growth and corporate profits. The fund manager has adopted a similar strategy as in China, focusing on opportunities to get leverage to consumption growth. The Fund is also positioned in Indian financials that are prime beneficiaries of the emerging mortgage and consumer credit markets.

Brazil too faced inflation challenges in 2011. Early in the year, the Brazil Sentral Bank (BSP) responded to concerns over a rapidly appreciating currency and overheating economy by both raising interest rates and introducing an IOF tax to limit portfolio inflows. Over time, this helped to slow the economy and weaken the Real. The result of which was that Brazil equities performed poorly in 2011. The Brazil market de-rated substantially. At the moment, with inflation moderating and growth picking up, the BSP is in a position to ease further. The outlook for Brazil equities looks solid.

The Fund has more recently increased its overweight in Emerging Markets (EM), but this increase in allocation is not indiscriminate. The fund manager is increasingly concerned about the impact of softer growth in Europe on export oriented sectors in the EM and his strategy of targeting growth in domestic demand has been further reinforced. Among the Fund's emerging market positions, China is perhaps the best illustration of this shift in focus. Not only is the Fund continuing to de-emphasize exporters, but it has also avoided property and financials due to concerns about overinvestment and misallocations of capital, preferring to focus on opportunities with in the consumer sector.

In the developed world, the good news for investors is that there are increased signs of decoupling. The US is firmly on a recovery path that should be self-sustainable, despite the slowdown in Europe and Japan. Jobs data in the US continue to improve, and the housing market is stabilizing. And while significant risks still remain, most notably in Europe, the fund manager believes that the US is firmly on a recovery trajectory.

Despite the positive developments in the US, significant tail risks still remain. In Europe, efforts to deal with problems of the periphery are moving painfully slowly. While politicians have repeatedly claimed that the risks are containable and controllable, a lack of consensus and commitment raises questions. Further, in the event of a hard default, it remains unclear how second and third order impacts will play out. Even core Europe could be at risk under this scenario. The fund manager continues to be skeptical, and remains defensive in his approach to investing in Europe.

As always, the fund manager's broader investment approach is rooted in finding high quality growth companies that will perform well across the business cycle. This strategy should perform well against the current backdrop of below potential growth rates, increased competitive pressures, and limited monetary policy flexibility. In an environment that will increasingly favor survival of the fittest, the Fund should start to show differentiated performance with time. Given the current levels of valuation compared with other asset classes and in relation to history, the fund manager believes it is an excellent time for investors with a time horizion of 3-5 years to position in equities.

A. Fund Performance

The performance of the Funds based on the net asset value basis are as follows:

	3 month	6 month	1 year	3 year	5 year	10 year	Since Inception
LifeLink Asia Fund	1.82	(20.54)	(27.89)	30.42	(18.82)	56.49	170.32
MSCI AC Far East Free ex-Japan Index+	4.80	(12.09)	(13.74)	15.67	(0.40)	7.17	5.11

	3 month	6 month	1 year	3 year	5 year	10 year	Since Inception
LifeLink Growth Fund	(0.68)	(17.48)	(17.07)	60.33	(7.89)	87.04	145.89
Straits Times Index@	(0.55)	(13.83)	(14.52)	18.30	0.33	6.46	4.24

	3 month	6 month	1 year	3 year	5 year	10 year	Since Inception
LifeLink Global Fund	5.23	(7.93)	(9.96)	10.53	(30.88)	11.22	50.32
MSCI AC World#	6.65	(6.51)	(6.22)	8.15	(5.17)	0.62	1.16

+ The benchmark is the Morgan Stanley Capital International (MSCI) All Countries Far East Free ex-Japan Index. Prior to 1 January 1999, the benchmark was the DBS CPF Index.

@ The benchmark is the Straits Times Index (STI). Prior to 1 December 2001, the benchmark was the DBS 50 Index.

For the financial year 2001, the benchmark return was computed by summing the return of the DBS 50 Index for the period January to November 2001 and the return of the STI for the month of December 2001.

The benchmark is the Morgan Stanley Capital International (MSCI) AC World Free Index. Prior to 1 January 1998, the benchmark was the MSCI AC Far East Index.

Past performance is not necessarily indicative of future or likely performance of the Lifelink Funds.

B. Investments Classified by:

(i) Country	LifeLink Asia Market Value (S$)	LifeLink Asia % of NAV	LifeLink Growth Market Value (S$)	LifeLink Growth % of NAV	LifeLink Global Market Value (S$)	LifeLink Global % of NAV
Australia	–	–	–	–	23,222	2.68
Austria	–	–	–	–	3,786	0.44
Belgium	–	–	–	–	5,589	0.64
Brazil	–	–	–	–	39,123	4.52
Canada	–	–	–	–	23,533	2.72
Chile	–	–	–	–	3,429	0.40
China	219,103	26.16	–	–	13,461	1.56
Denmark	–	–	–	–	5,768	0.67
Finland	–	–	–	–	3,894	0.45
France	–	–	–	–	8,077	0.94
Germany	–	–	–	–	22,697	2.63
Hong Kong	89,693	10.71	54,839	13.75	16,760	1.94
India	68,508	8.17	–	–	17,876	2.07
Indonesia	15,529	1.85	–	–	24,514	2.84
Israel	–	–	–	–	8,815	1.02
Italy	–	–	–	–	2,688	0.31
Japan	–	–	–	–	57,282	6.62
Malaysia	27,046	3.23	–	–	–	–
Mexico	–	–	–	–	9,145	1.06
Netherlands	–	–	–	–	5,646	0.66
Norway	–	–	–	–	5,892	0.69
Peru	–	–	–	–	6,193	0.72
Philippines	8,714	1.04	–	–	3,206	0.37
Poland	–	–	–	–	3,405	0.40
Portugal	–	–	–	–	2,263	0.26
Russia	–	–	–	–	6,345	0.74
Singapore	89,352	10.67	344,229	86.25	–	–
South Korea	184,935	22.08	–	–	8,374	0.97
Spain	–	–	–	–	6,683	0.77
Sweden	–	–	–	–	17,820	2.06
Switzerland	–	–	–	–	10,613	1.23
Taiwan	95,799	11.44	–	–	–	–
Thailand	37,603	4.49	–	–	6,836	0.79
Turkey	–	–	–	–	2,274	0.26
United Kingdom	–	–	–	–	73,440	8.49
United States	–	–	–	–	416,634	48.18
Portfolio of investment	836,282	99.84	399,068	100.00	865,283	100.10
Other net assets	1,413	0.16	(11)	(0.00)	(825)	(0.10)
Total	**837,695**	**100.00**	**399,057**	**100.00**	**864,458**	**100.00**

(ii) Industry	LifeLink Asia Market Value (S$)	LifeLink Asia % of NAV	LifeLink Growth Market Value (S$)	LifeLink Growth % of NAV	LifeLink Global Market Value (S$)	LifeLink Global % of NAV
Consumer Discretionary	76,932	9.18	45,426	11.37	89,353	10.34
Consumer Staples	84,171	10.05	49,541	12.42	118,751	13.73
Energy	55,538	6.63	7,541	1.89	89,719	10.39
Financials	222,708	26.59	141,094	35.35	152,464	17.64
Healthcare	17,778	2.12	–	–	76,213	8.81
Industrials	96,671	11.55	111,855	28.04	82,140	9.50
Information Technology	144,861	17.29	–	–	119,659	13.84
Materials	20,405	2.44	–	–	56,756	6.57
Telecommunication Services	83,598	9.98	43,611	10.93	38,452	4.46
Unit Trust	–	–	–	–	13,838	1.60
Utilities	33,620	4.01	–	–	27,938	3.22
Portfolio of investment	836,282	99.84	399,068	100.00	865,283	100.10
Other net assets	1,413	0.16	(11)	(0.00)	(825)	(0.10)
Total	**837,695**	**100.00**	**399,057**	**100.00**	**864,458**	**100.00**

(iii) Asset Class	LifeLink Asia Market Value (S$)	LifeLink Asia % of NAV	LifeLink Growth Market Value (S$)	LifeLink Growth % of NAV	LifeLink Global Market Value (S$)	LifeLink Global % of NAV
Equities	836,282	99.84	399,068	100.00	865,283	100.10
Other net assets	1,413	0.16	(11)	(0.00)	(825)	(0.10)
Total	**837,695**	**100.00**	**399,057**	**100.00**	**864,458**	**100.00**

C. Top Ten Holdings as at 31 December 2011

	LifeLink Asia	
At 31 December 2011	Market Value (S$)	% of NAV
Samsung Electronics Company Limited	34,517	4.12
Taiwan Semiconductor Mfg Co Ltd	27,651	3.30
Shinhan Financial Group	23,795	2.84
Hyundai Home Shopping Network Corporation	23,055	2.75
Hon Hai Precision Industry	22,073	2.63
China Telecom Corp Ltd	20,810	2.48
Hyundai Motor Company	20,643	2.46
ITC Ltd	20,547	2.45
LG Household & Health Care Ltd	19,437	2.32
Chinatrust Financial Holdings	18,215	2.17

At 31 December 2010

Samsung Electronics Company Limited	50,622	4.24
Alliance Global Group Inc	49,749	4.17
KB Financial Group Inc	43,985	3.69
Largan Precision Company Limited	35,178	2.95
China Construction Bank – H	34,907	2.93
Ping An Insurance Company	33,192	2.78
Man Wah Holdings Limited	33,162	2.78
Hyundai Heavy Industries	32,946	2.76
Zhuzhou CSR Times Electric Co Ltd	31,342	2.63
Hon Hai Precision Industry	30,607	2.57

	LifeLink Growth	
At 31 December 2011	**Market Value (S$)**	**% of NAV**
Singapore Telecommunications Limited	40,676	10.19
Overseas-Chinese Banking Corporation Limited	34,312	8.60
DBS Group Holdings Limited	32,700	8.19
United Overseas Bank Limited	26,453	6.63
Jardine Matheson Holdings Limited	26,052	6.53
Wilmar International Limited	25,169	6.31
Keppel Corporation Limited	24,968	6.26
Genting Singapore PLC	15,732	3.94
Golden Agri-Resources Ltd	12,970	3.25
Jardine Strategic Holdings Limited	12,884	3.23

At 31 December 2010		
Overseas-Chinese Banking Corporation Limited	52,924	10.30
DBS Group Holdings Limited	52,298	10.18
Keppel Corporation Limited	39,106	7.61
United Overseas Bank Limited	37,046	7.21
Jardine Matheson Holdings Limited	26,978	5.25
Noble Group Limited	22,838	4.45
Singapore Telecommunications Limited	21,993	4.28
Singapore Airlines Limited	21,854	4.25
Hongkong Land	20,230	3.94
Singapore Exchange Limited	18,958	3.69

At 31 December 2011	LifeLink Global Market Value (S$)	LifeLink Global % of NAV
Occidental Petroleum Corporation	23,786	2.75
Apple Inc	19,496	2.26
Visa Inc – Class A Shares	17,775	2.06
Microsoft Corporation	15,451	1.79
Cisco Systems Inc	14,242	1.65
Millicom International Cellular SA-SDR	14,085	1.63
McDonalds	14,041	1.62
Dominion Resources Inc	13,935	1.61
Schlumberger	13,749	1.59
Philip Morris International Inc	13,735	1.59

At 31 December 2010	LifeLink Global Market Value (S$)	LifeLink Global % of NAV
Emerson Electric Co	26,124	2.67
Occidental Petroleum Corporation	19,842	2.03
Apple Computer Inc	19,323	1.97
US Bancorp	17,779	1.82
Amerisourcebergen Corp	17,380	1.78
Thermo Fisher Scientific Inc	17,003	1.74
Visa Inc – Class A Shares	16,344	1.67
Walt Disney	16,293	1.66
Schlumberger	16,263	1.66
Comcast Corporation – Class A	15,971	1.63

D. Investments in Collective Schemes as at 31 December 2011

Market Value (S$)	% of NAV	Market Value (S$)	% of NAV	Market Value (S$)	% of NAV
United Asia Fund		United Growth Fund		United Int'l Growth Fund	
836,282	99.84	399,068	100.00	865,283	100.10

E. Expense Ratios

2011	2010	2011	2010	2011	2010
1.63%	1.65%	1.28%	1.25%	1.34%	1.39%

Note: *The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.*

F. Turnover ratios

2011	2010	2011	2010	2011	2010
2.93%	19.91%	7.02%	16.99%	2.03%	7.34%

Note: *The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".*

G. Amount of redemptions and subscriptions

	2011	2010	2011	2010	2011	2010
Total amount of redemptions	29,304	225,460	32,475	87,165	18,598	71,321
Total amount of subscriptions	–	–	–	13	–	–

H. Soft Dollar Comissions/Arrangements

The fund manager, UOB Asset Management, has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management's duties to clients. As such services generally benefit all of UOB Asset Management's clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The fund manager confirm that trades were executed on the best available terms and there was no churning of trades.

INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

		LifeLink Asia Fund	
	Note	31 DECEMBER 2011 $	31 DECEMBER 2010 $
Gross dividends on equities		–	–
Profit on disposal of investments		9,683	92,725
Unrealised (depreciation)/ appreciation in value of investments		(330,733)	16,073
Other income		–	–
		(321,050)	108,798
Management fee		–	–
Other charges	6	4,576	(3,768)
		(4,576)	3,768
(LOSS)/PROFIT BEFORE TAXATION		(325,626)	112,566
TAXATION	3	–	–
NET (LOSS)/PROFIT FOR THE YEAR		(325,626)	112,566

The accompanying notes form part of these financial statements.

LifeLink Growth Fund		LifeLink Global Fund	
31 DECEMBER 2011	31 DECEMBER 2010	31 DECEMBER 2011	31 DECEMBER 2010
$	$	$	$
2,920	4,047	–	–
6,129	65,123	8,580	12,420
(87,707)	(4,741)	(97,902)	959
–	–	–	–
(78,658)	64,429	(89,322)	13,379
–	–	–	–
3,435	(4,649)	6,489	(2,880)
(3,435)	4,649	(6,489)	2,880
(82,093)	69,078	(95,811)	16,259
–	–	–	–
(82,093)	69,078	(95,811)	16,259

BALANCE SHEET

AS AT 31 DECEMBER 2011

		LifeLink Asia Fund	
CAPITAL ACCOUNT	Note	31 DECEMBER 2011 $	31 DECEMBER 2010 $
Issues of units		–	–
Cancellations of units		(29,304)	(225,461)
		(29,304)	(225,461)
Net (loss)/profit for the year		(325,626)	112,566
Value of Fund at beginning of the year		1,192,625	1,305,520
Value of Fund at end of the year		837,695	1,192,625
Represented by:			
CURRENT ASSETS			
Investments in unit trusts	4	836,282	1,192,609
Accounts receivable		2,031	24,650
Bank balances		670	858
		838,983	1,218,117
Less:			
CURRENT LIABILITIES			
Other liabilities		1,288	25,492
NET ASSETS		837,695	1,192,625

The accompanying notes form part of these financial statements.

LifeLink Growth Fund

31 DECEMBER 2011 $	31 DECEMBER 2010 $
–	13
(32,475)	(87,167)
(32,475)	(87,154)
(82,093)	69,078
513,625	531,701
399,057	513,625
399,068	513,528
787	11,424
91	53
399,946	525,005
889	11,380
399,057	513,625

LifeLink Global Fund

31 DECEMBER 2011 $	31 DECEMBER 2010 $
–	–
(18,598)	(71,322)
(18,598)	(71,322)
(95,811)	16,259
978,867	1,033,930
864,458	978,867
865,283	979,346
1,809	22,694
225	22
867,317	1,002,062
2,859	23,195
864,458	978,867

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

The LifeLink Funds comprise the following Funds:

(i) LifeLink Asia Fund;

(ii) LifeLink Growth Fund; and

(iii) LifeLink Global Fund.

2. Significant accounting policies

(a) Basis of accounting

The financial statements, expressed in Singapore dollars, are prepared in accordance with the historical cost convention, modified by the valuation of investments at fair value.

(b) Investments

All purchases of investments, which include investment in funds, quoted equities and bonds are recognised on their trade dates, i.e. the date the commitment exists to purchase the investments. The investments are initially recorded at cost, being fair value of the consideration given. The attributable transaction costs are recognised in the Income Statement when incurred. After initial recognition, the investments are subsequently measured at fair value and the unrealised gains or losses on re-measurement to fair value are taken to the Income Statement. The fair value is determined by using open market valuation at the year-end date. All investments of the Funds are valued at the last known transacted prices on 31 December 2011. Unquoted debt securities are valued at the prevailing prices quoted by banks or brokers.

(c) Issue of units

Issue of units comprises the gross premiums received by the Company (after deducting charges which include bid-offer spread) and switches by the policyholders from other funds.

(d) Cancellation of units

Cancellation of units comprise of the sale of units in the Funds for the payment of death claims or surrenders and for switches by the policyholders to the other funds.

(e) Gains/losses from sale of investments

All sales of investments are recognised on their trade date, the date the Fund commits to sell the investments. The cost of disposal of investments is determined on the weighted-average cost basis. Realised gains/losses from the sale of investments are taken to the Income Statement.

(f) Income and expense recognition

Income and expenses are accounted for on an accrual basis. Dividend income is recognised in the Income Statement when the right to receive payment is established. Interest income from investments is recognised on an accrual basis, using the effective interest method.

(g) Foreign currencies

Transactions in foreign currencies are translated into Singapore dollars at the exchange rate at the date of the transaction. Financial assets and liabilities denominated in foreign currencies at the reporting date are retranslated into Singapore dollars at the exchange rate at the reporting date. Foreign currency differences arising on retranslation are recognised in the Income Statement.

(h) Mortality risk and other benefit charges, policy fees and administration fees

The mortality risk and other benefit charges, policy fees and administration fees are charged to other charges in the Income Statement.

3. Taxation

The funds are not subject to Singapore income tax.

Taxation, if any, is in respect of unrecoverable tax deducted at source from foreign-sourced dividends.

	LifeLink Asia Fund	
	31 DECEMBER 2011 $	31 DECEMBER 2010 $
4. Investments		
Unit trusts, at cost	565,232	590,826
Appreciation/ (Depreciation) in value	271,050	601,783
Unit trusts, at market value	836,282	1,192,609
5. Net assets attributable to unitholders		
The number of units on issue	326,096	334,895
Net asset attributable to unitholders per unit	$2.568	$3.561
6. Other charges		
Included in other charges are: Mortality risk, policy fees and administration fees	5,835	2,797

LifeLink Growth Fund		LifeLink Global Fund	
31 DECEMBER 2011 $	31 DECEMBER 2010 $	31 DECEMBER 2011 $	31 DECEMBER 2010 $
239,258	266,010	869,613	885,774
159,810	247,518	(4,330)	93,572
399,068	513,528	865,283	979,346
170,780	182,300	605,047	616,984
$2.336	$2.817	$1.428	$1.586
3,334	1,334	6,412	2,521

INDEPENDENT AUDITORS' REPORT

PRUDENTIAL ASSURANCE COMPANY SINGAPORE (PTE) LIMITED

We have audited the accompanying financial statements of the LifeLink Funds of Prudential Assurance Company Singapore (Pte) Limited (the Company) which comprise the Income Statement for the year from 1 January 2011 to 31 December 2011, Balance Sheet as at 31 December 2011, and a summary of significant accounting policies and other explanatory information as set out on pages 24 to 31. The financial statements have been prepared by management based on the accounting policies set out in Note 2 to the financial statements (the stated accounting policies).

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements in accordance with the stated accounting policies. This includes determining that the stated accounting policies are an acceptable basis for the preparation of the Statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the LifeLink Funds of the Company for the year from 1 January 2011 to 31 December 2011 are prepared, in all material respects, in accordance with the stated accounting policies.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 2 to the financial statements of the LifeLink Funds, which describe the basis of accounting. The financial statements are prepared to assist the Company to comply with paragraph 15(a) of the MAS Notice 307 Investment-Linked Life Insurance Policies. As a result, the report may not be suitable for another purpose. Our report should not be distributed to or used by parties other than the Company. As required by paragraph 36 of MAS Notice 307, this report may be made available by the Company to its policyholders.

Other matter

This report relates solely to the financial statements of the LifeLink Funds of the Company and does not extend to the financial statements of the Company taken as a whole.

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
16 March 2012

This page has been intentionally left blank.

This page has been intentionally left blank.

This page has been intentionally left blank.

PRUDENTIAL

Always Listening. Always Understanding.