

NEWS RELEASE

For immediate release
2 January 2008

Equitable Life completes transfer of with-profits annuities and looks forward to the next phase of its development

The Equitable Life Assurance Society (“Equitable Life” or “the Society”) is pleased to announce that it has completed the transfer of all of its with-profits annuity policies, accounting for around 20% of policyholders with an estimated value of approximately £1.7 billion*, to Prudential Assurance Company Limited (“Prudential”).

Under the terms of the transaction, which was announced 15 March 2007, Prudential has now taken responsibility for administration of the pensions (including future pension payments) for the transferring with-profits annuity policies, with effect from 1 January 2008.

The completion of this transaction means that the Society is now able to focus fully on examining strategic options for the remainder of the business.

Following the Prudential transaction, the Society has the financial strength and stability to continue to run off its policies securely should it choose that option. However, the Board of Equitable Life has always maintained that it will seek to achieve the best possible outcome for all policyholders.

The Society expects to complete shortly the work of compiling a detailed specification of the remainder of the business - known as the ‘data book’. The data book will be made available to interested parties in the coming weeks.

Vanni Treves, Equitable Life’s Chairman said: “Whether we will run the Society off or pass it to someone who can offer our policyholders something better, 2008 will decide the future of Equitable Life. The success of the transactions completed in 2007 enables Equitable Life to face the future from a position of strength. Thanks are due to the Executive for these important steps forward.”

Charles Thomson, Equitable Life's Chief Executive added: "I am delighted that the transfer of with-profits annuity policies to Prudential has successfully completed. The preparations we have made in 2007 can now be taken forward to find the right strategic option for the rest of the business."

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Notes to editors:

1. *£1.7 billion as at 31 December 2007.
2. It is expected that a decision on the future of Equitable Life will be taken in 2008 and any resulting changes implemented in 2009.