

Form 604

Corporations Law
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme **Mesoblast Limited**

ACN/ARSN

1. Details of substantial holder (1)

Name **M&G Investment Funds (1)**
M&G Investment Funds (3)
M&G Investment Management Limited
M&G Limited
M&G Group Limited
M&G Securities Limited
Prudential plc

ACN/ARSN (if applicable)

There was a change in the interests of the substantial holder on **06 December 2011**

The previous notice was given to the company on **14 September 2011**

The previous notice was dated **14 September 2011**

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate(2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of Security (4)	Previous Notice		Present Notice	
	Person's votes	Voting Power (5)	Person's votes	Voting Power (5)
Ordinary NPV	28,156,967	10.04%	30,984,977	11.04%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
	M&G Investment Funds (1)				
	M&G Investment Funds (3)				
	M&G Investment Management Limited	PLEASE SEE ANNEX 1 (Below)			
	M&G Limited				
	M&G Group Limited				
	M&g Securities Limited				
	Prudential plc				

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and number of securities
M&G Investment Funds (1) M&G Investment Management Limited M&G Securities Limited M&G Limited M&G Group Limited Prudential plc	State Street Nominees Limited A/C GMBM	State Street Nominees Limited A/C GMBM	Power to exercise or control the exercise of, a right to vote attached to the securities Power to dispose of, or control the exercise of a power to dispose of, the securities	14,400,000
M&G Investment Management Limited, M&G Securities Limited, M&G Limited, M&G Group Limited, Prudential plc	HSBC SEOUL GL BASICS MOTHER FD	(HSBC Seoul GL Basics Mother Fund) KBAS		2,511
M&G Investment Management Limited, M&G Securities Limited M&G Limited, M&G Group Limited, Prudential plc	JNL/M&G GLOBAL BASICS FUND	JNL/M&G GLOBAL BASICS FUND		482,466
M&G Investment Funds (3) M&G Investment Management Limited, M&G Securities Limited M&G Limited, M&G Group Limited, Prudential plc	State Street Nominees Limited A/C GMIQ	State Street Nominees Limited A/C GMIQ	Power to exercise or control the exercise of, a right to vote attached to the securities Power to dispose of, or control the exercise of a power to dispose of, the securities	14,650,000
M&G Investment Funds (1) M&G Investment Management Limited, M&G Securities Limited M&G Limited, M&G Group Limited, Prudential plc	State Street Nominees Limited A/C GMBS	State Street Nominees Limited A/C GMBS	Power to exercise or control the exercise of, a right to vote attached to the securities Power to dispose of, or control the exercise of a power to dispose of, the securities	850,000
M&G Investment Management Limited, M&G Securities Limited M&G Limited, M&G Group Limited, Prudential plc	State Street Nominees Ltd A/C GMIV	State Street Nominees Ltd A/C GMIV	Power to exercise or control the exercise of, a right to vote attached to the	600,000

			securities Power to dispose of, or control the exercise of a power to dispose of, the securities	
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5. Changes in association

The persons who have been associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and CAN/ARSN (if applicable)	Nature of association
M&G Investment Funds (1) M&G Investment Funds (3)	An Open Ended Investment Company (Separate Legal Entity, not within the Prudential plc group of companies), the assets are managed by M&G Investment Management Limited, which is a wholly owned subsidiary of Prudential Plc, as are M&G Limited and M&G Group Limited and as such these companies are included within this notice. Since the previous notice there has been no change in overall ownership structure of the assets.

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
M&G Investment Funds (1) M&G Investment Funds (3)	Laurence Pountney Hill, London EC4R 0HH, England
M&G Investment Management Limited	Laurence Pountney Hill, London EC4R 0HH, England
M&G Limited	Laurence Pountney Hill, London EC4R 0HH, England
M&G Securities Limited	Laurence Pountney Hill, London EC4R 0HH, England
M&G Group Limited	Laurence Pountney Hill, London EC4R 0HH, England
Prudential plc	Laurence Pountney Hill, London EC4R 0HH, England
State Street Nominees	20 Churchill Place, Canary Wharf, London E14 5HJ, England

Signature

print name **James Todd**

capacity **Notifiables Administrator**

sign here **James Todd**

date **07 December 2011**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Law.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Law.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Law.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annex 1: Transactions 14 September 2011 to 06 December 2011

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	Ord NPV
M&G Investment Management Limited, M&G Limited, M&G Group Limited, Prudential plc (HSBC Seoul GL Basics Mother Fund KBAS)	14-Sep-11	116		15
	15-Sep-11	128		16
	16-Sep-11	136		17
	19-Sep-11	119		15
	20-Sep-11	215		27
	20-Sep-11	239		30
	21-Sep-11	147		18
	22-Sep-11	115		14
	23-Sep-11	110		14
	01-Dec-11	1,553		215
M&G Investment Management Limited, M&G Limited, M&G Group Limited, Prudential plc (JNL/M&G Global Basics Fund JBBS)	14-Sep-11	20,201		2,621
	15-Sep-11	21,731		2,725
	16-Sep-11	23,558		2,935
	19-Sep-11	21,543		2,725
	20-Sep-11	37,540		4,715
	20-Sep-11	41,802		5,241
	21-Sep-11	25,649		3,145
	22-Sep-11	20,600		2,515
	23-Sep-11	19,793		2,516
	27-Oct-11	175,649		18,506
	11-Nov-11	299,993		39,404
	24-Nov-11	201,554		29,993

M&G Investment Funds (1) M&G Investment Management Limited, M&G Limited, M&G Group Limited, Prudential Plc (M&G GLOBAL BASICS FUND - AUST)	14-Sep-11	471,549	61,182
	15-Sep-11	507,423	63,629
	16-Sep-11	550,015	68,524
	19-Sep-11	503,049	63,630
	20-Sep-11	876,395	110,075
	20-Sep-11	975,986	122,365
	21-Sep-11	598,768	73,418
	22-Sep-11	481,100	58,736
	23-Sep-11	462,056	58,735
	11-Oct-11	2,368,313	250,000
	18-Oct-11	2,480,000	250,000
	03-Nov-11	2,057,342	255,000
	04-Nov-11	363,090	45,000
	22-Nov-11	3,181,248	450,000
	23-Nov-11	337,834	50,000
06-Dec-11	2,267,576	300,000	
M&G Investment Management Limited M&G Limited M&G Group Limited M&G Securities Limited Prudential plc (REC)	14-Sep-11	471,549	61,182
	15-Sep-11	507,431	63,630
	16-Sep-11	550,015	68,524
	19-Sep-11	503,049	63,630
	20-Sep-11	876,395	110,075
	20-Sep-11	975,978	122,364
	21-Sep-11	598,776	73,419
	22-Sep-11	481,092	58,735
23-Sep-11	462,056	58,735	
M&G Investment Funds (1) M&G Investment Management Limited, M&G Securities Limited M&G Limited, M&G Group Limited, Prudential plc State Street Nominees Limited A/C GMBS (FARE)	18-Oct-11	-2,480,000	-250,000