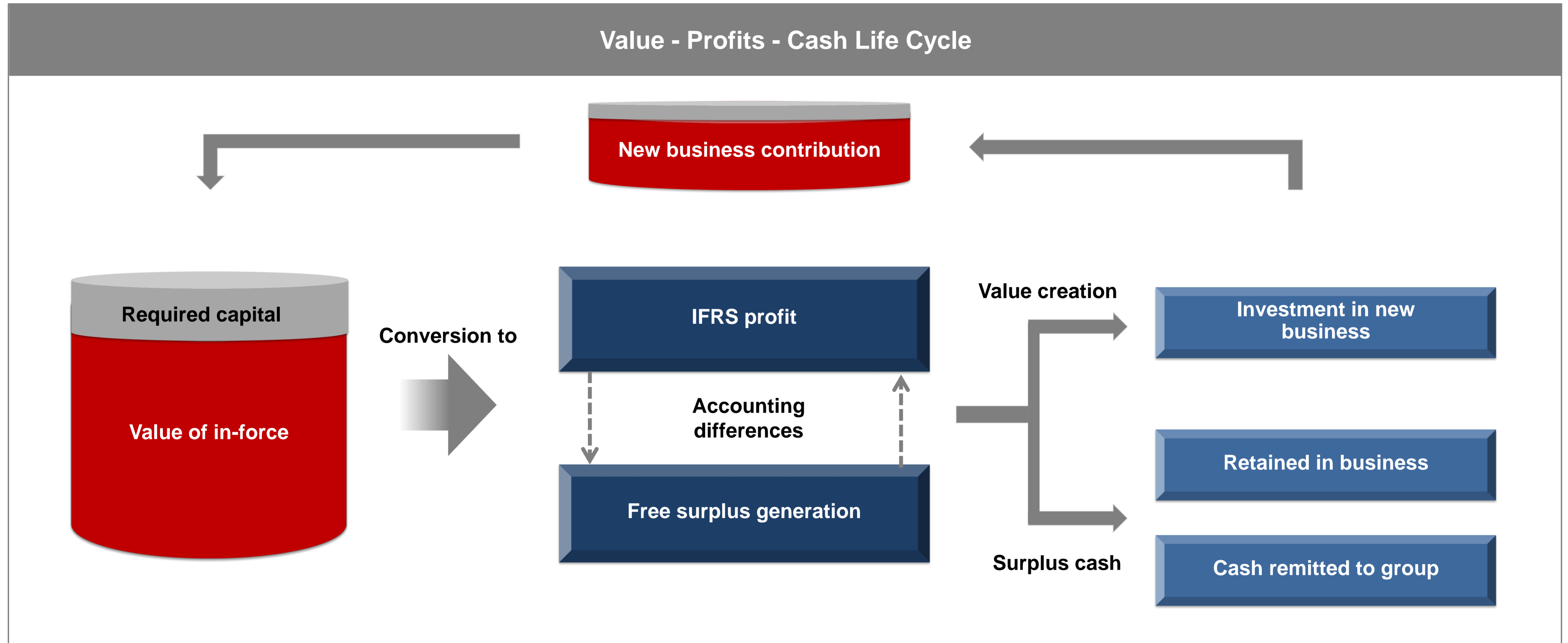


Delivering Shareholder Value

Adrian O'Connor
Chief Financial Officer
Prudential Corporation Asia

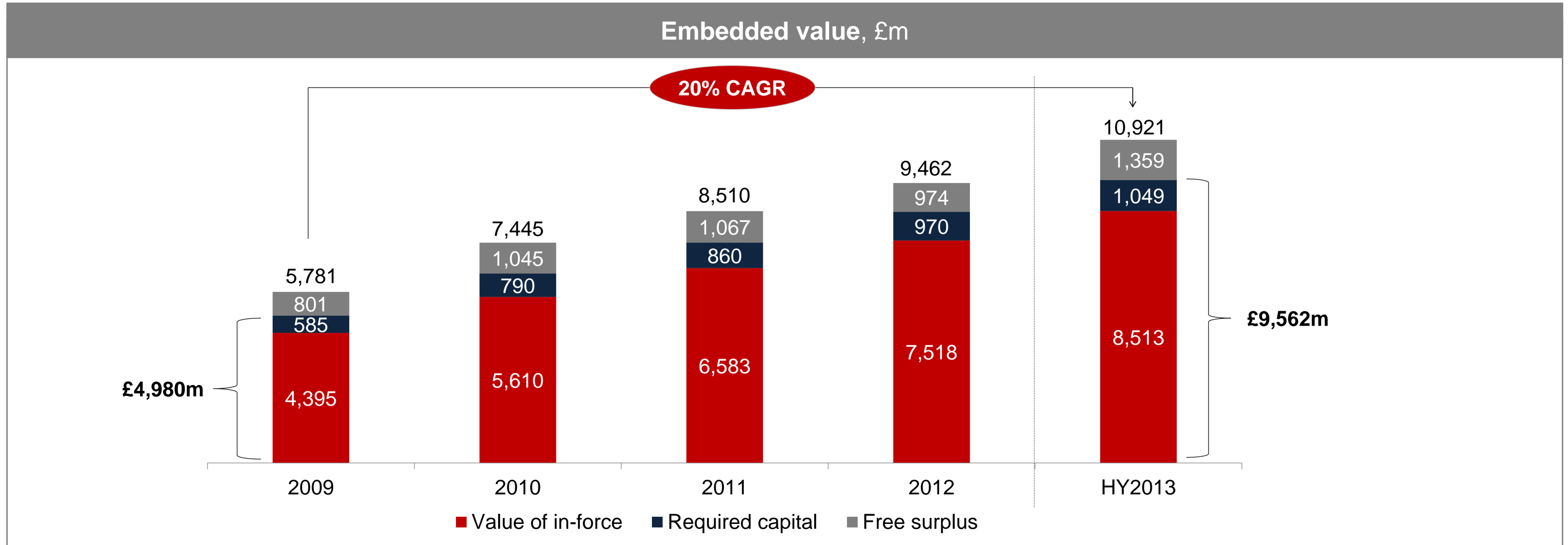
10 December 2013

Delivering shareholder value



Large and growing book of business

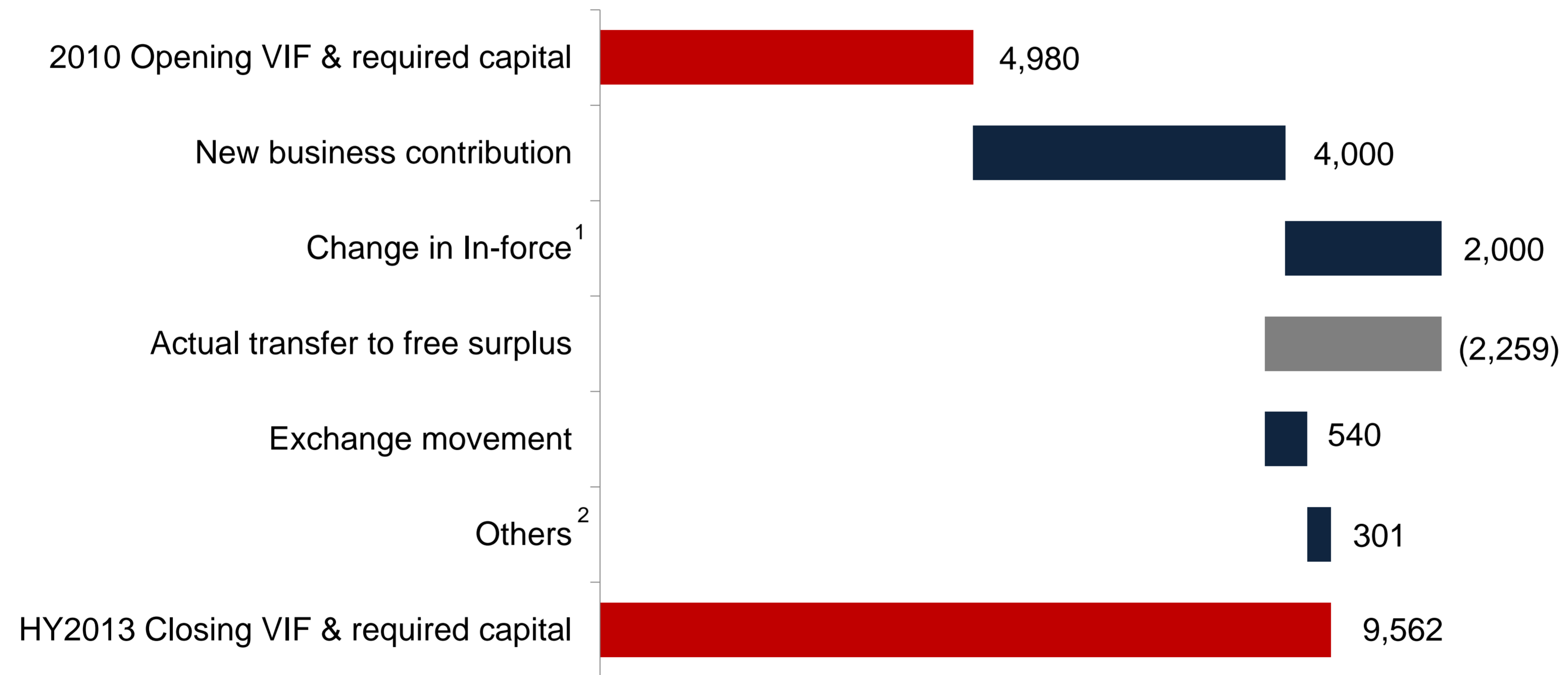
£4.6bn growth in in-force book in three and a half years



Growth in in-force portfolio

New business contribution building in-force portfolio

In-force portfolio growth analysis, £m



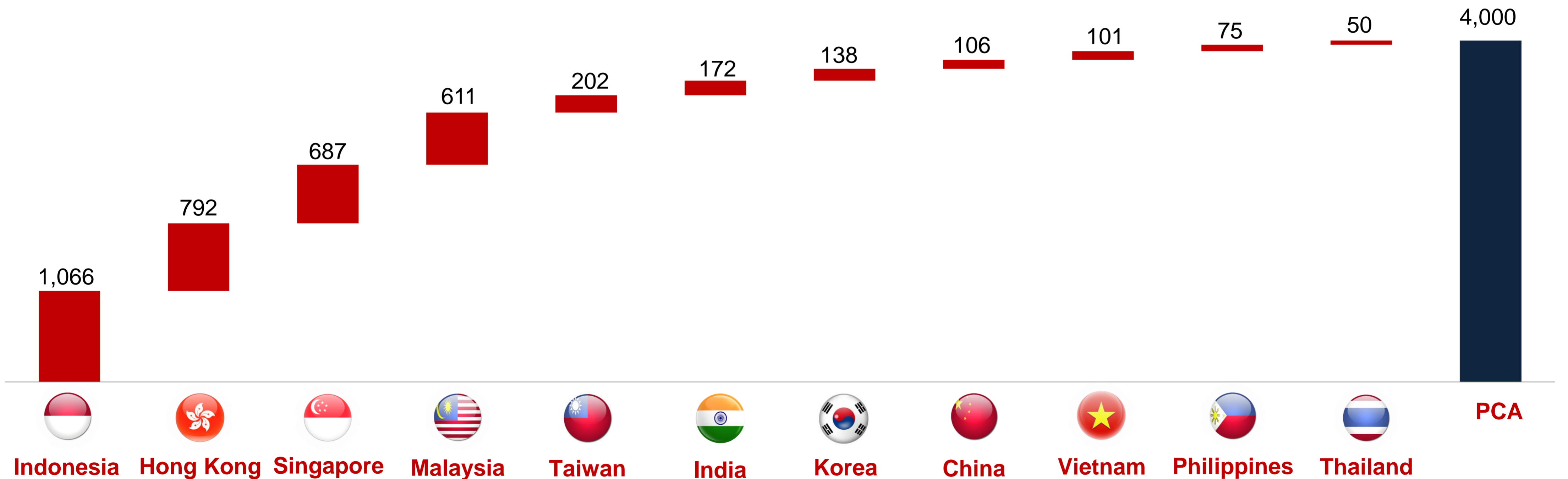
1. Change in in-force comprises +£1.5bn unwind and +£0.4bn from change in economic assumptions.

2. Others comprise repayment of funding contingent on future profits for Hong Kong and acquisition of in-force business from UOB and Thanachart Bank.

Contribution to new business

All markets contributing to growth in shareholder value creation

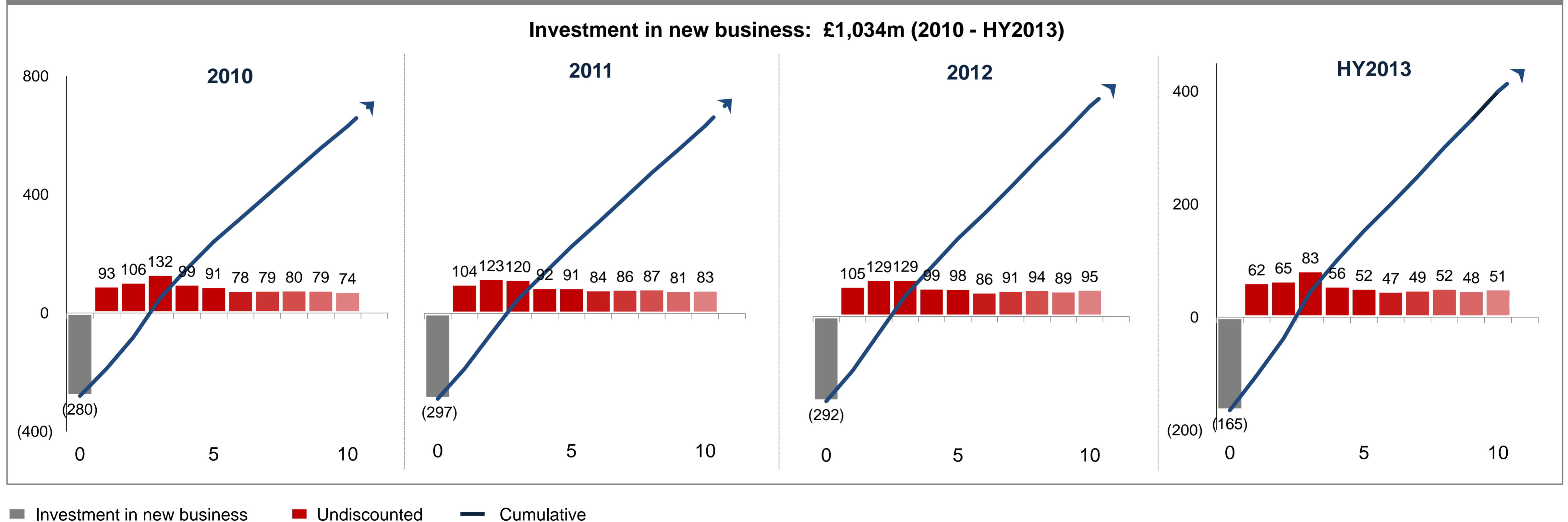
Cumulative new business contribution (2010 – HY2013), £m



Rapid capital payback

Quality new business enhances future profit and surplus generation

Expected transfer to free surplus profile from different new business tranches, £m

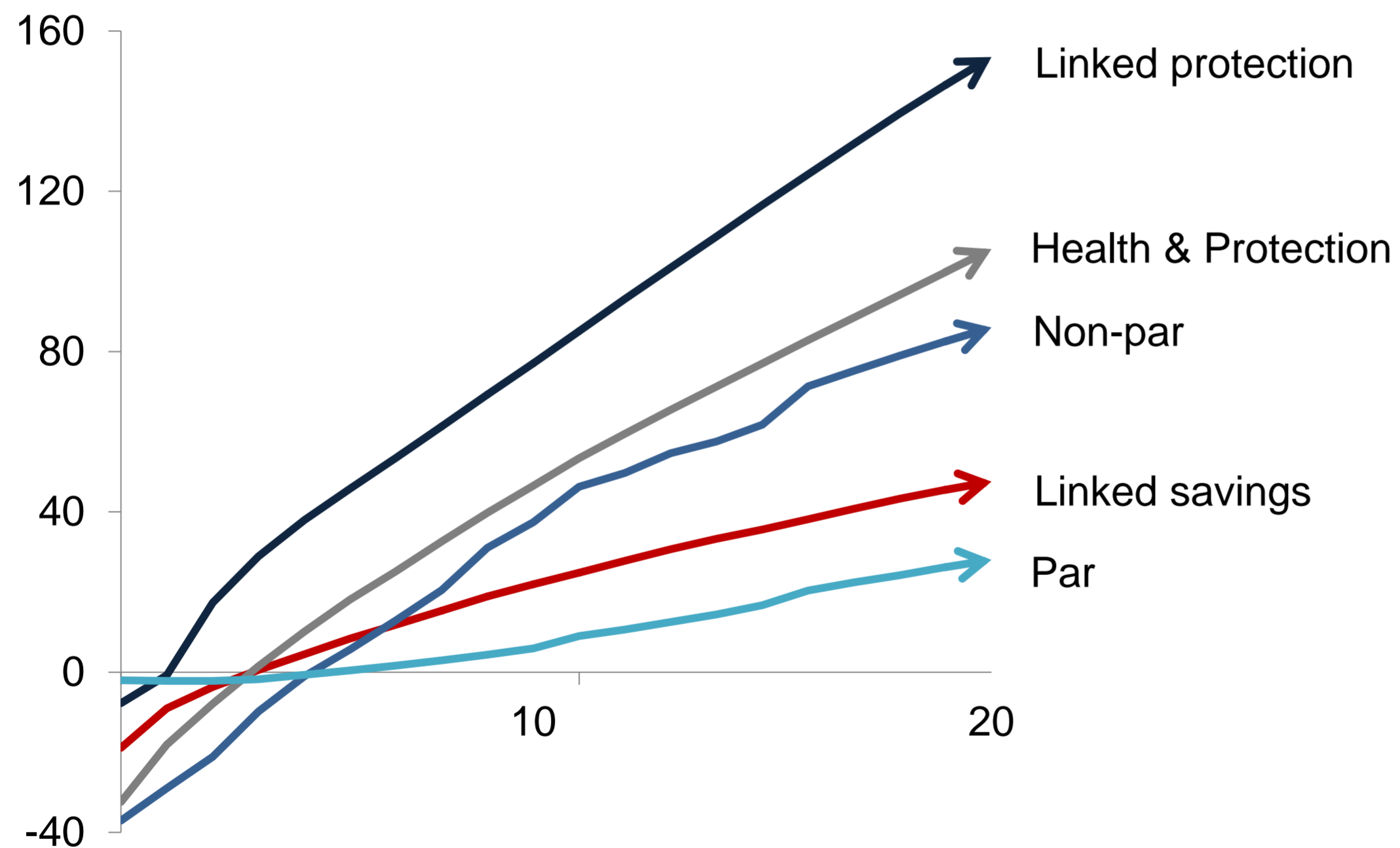


Portfolio effect underpins our surplus generative characteristics

Capital consumption and return profiles vary by product

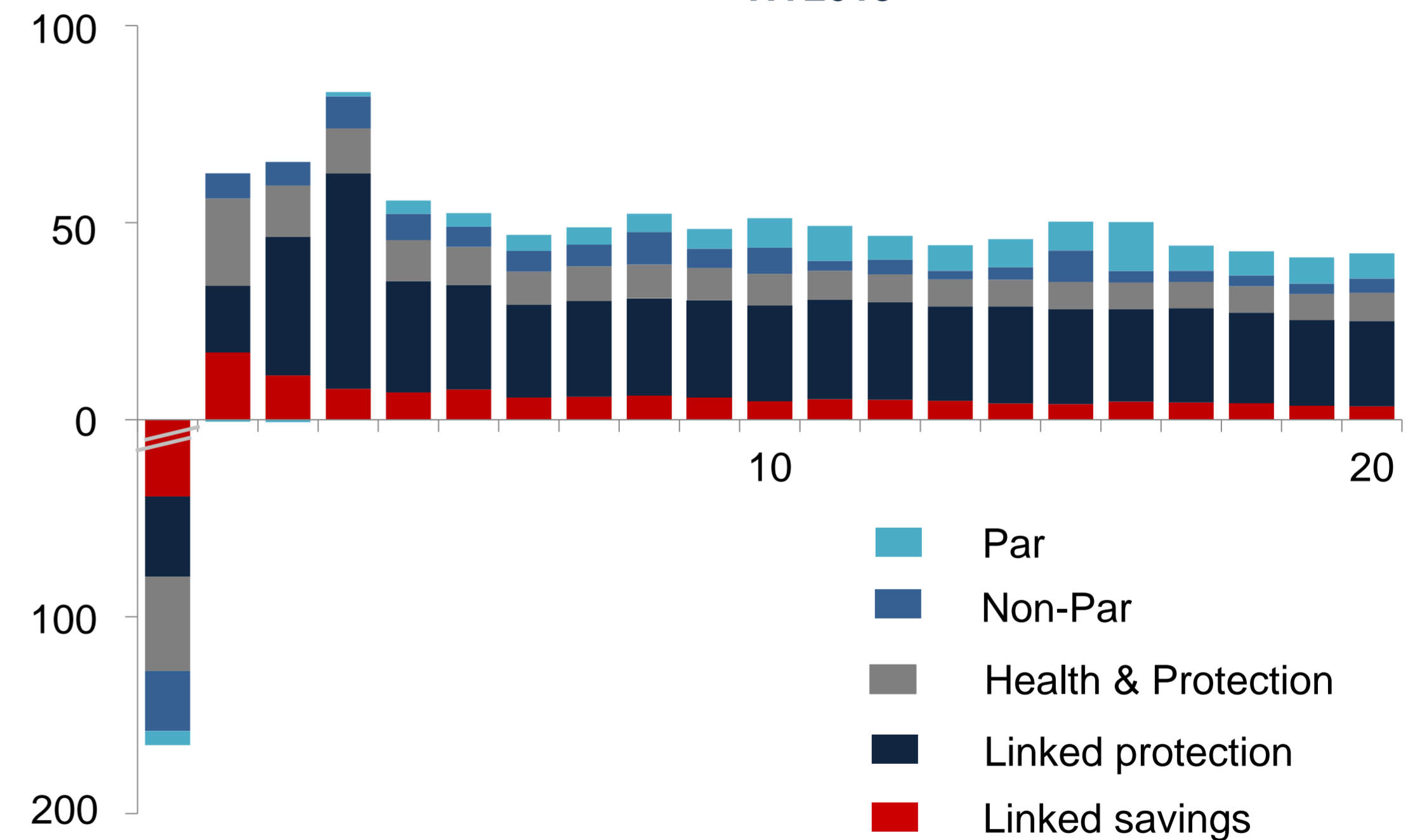
Expected transfer to free surplus (cumulative) per £100 APE, £

HY2013



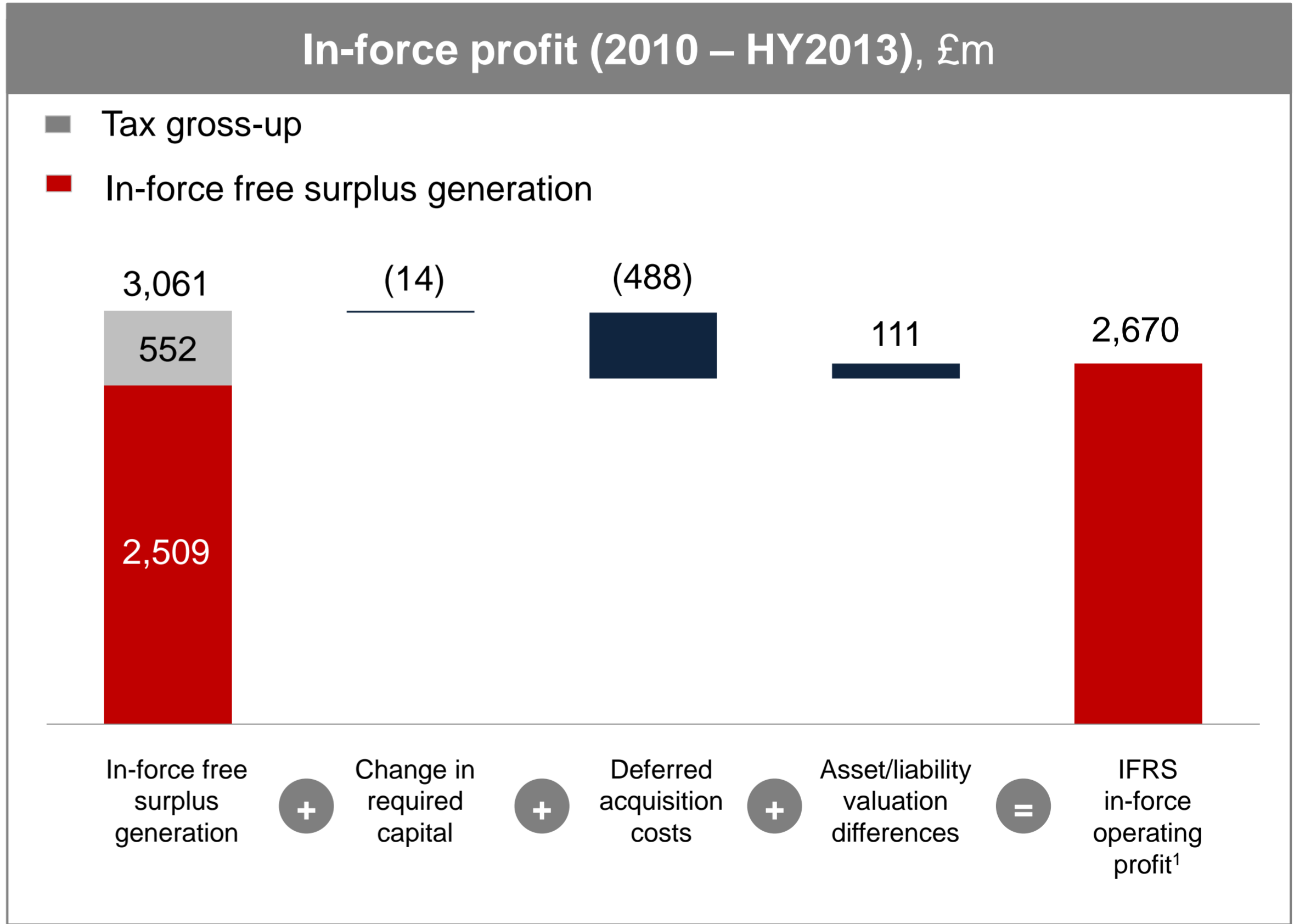
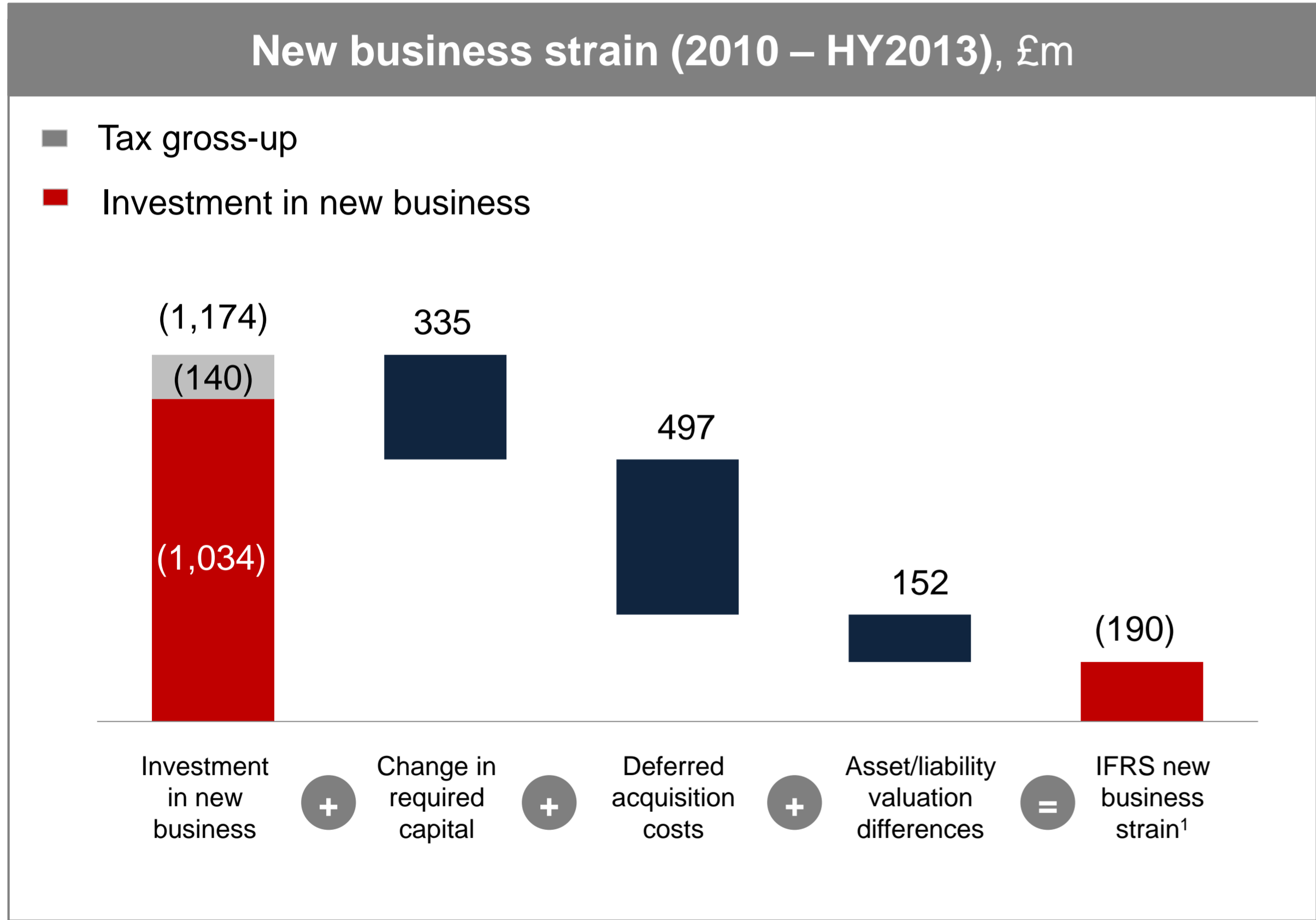
Expected transfer to free surplus by product, £m

HY2013



Surplus generation to IFRS profit

IFRS profits emerge more quickly than free surplus

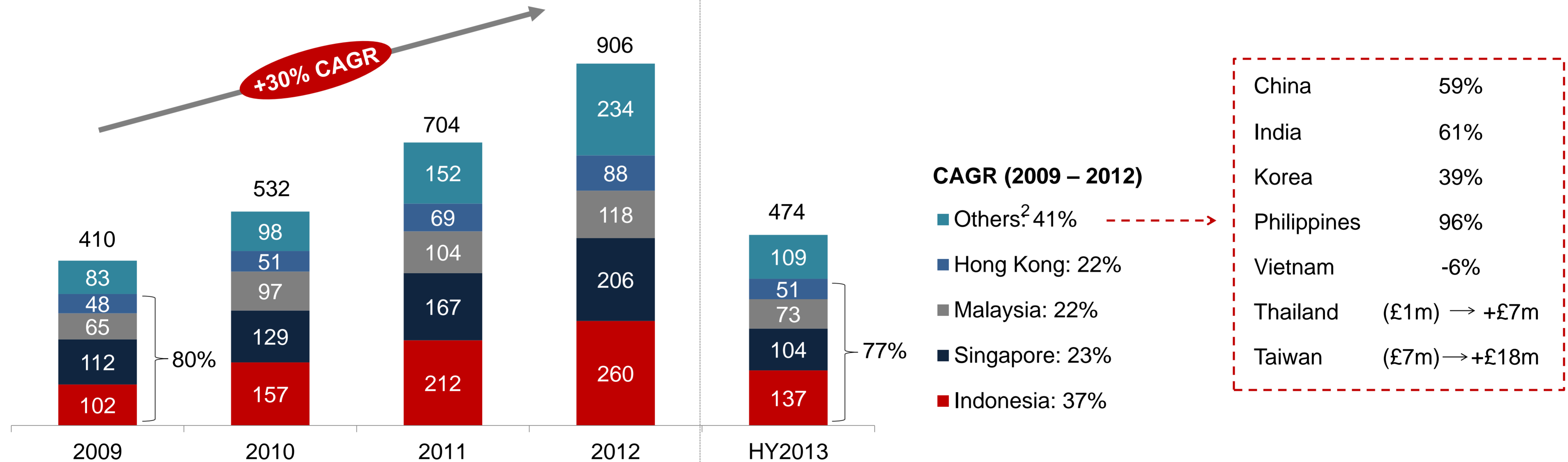


1. Both IFRS new business strain and in-force operating profit exclude non-recurrent items.

Strong growth in IFRS profits

Increasing contribution from other markets

Long-term business IFRS operating profit by markets¹, £m



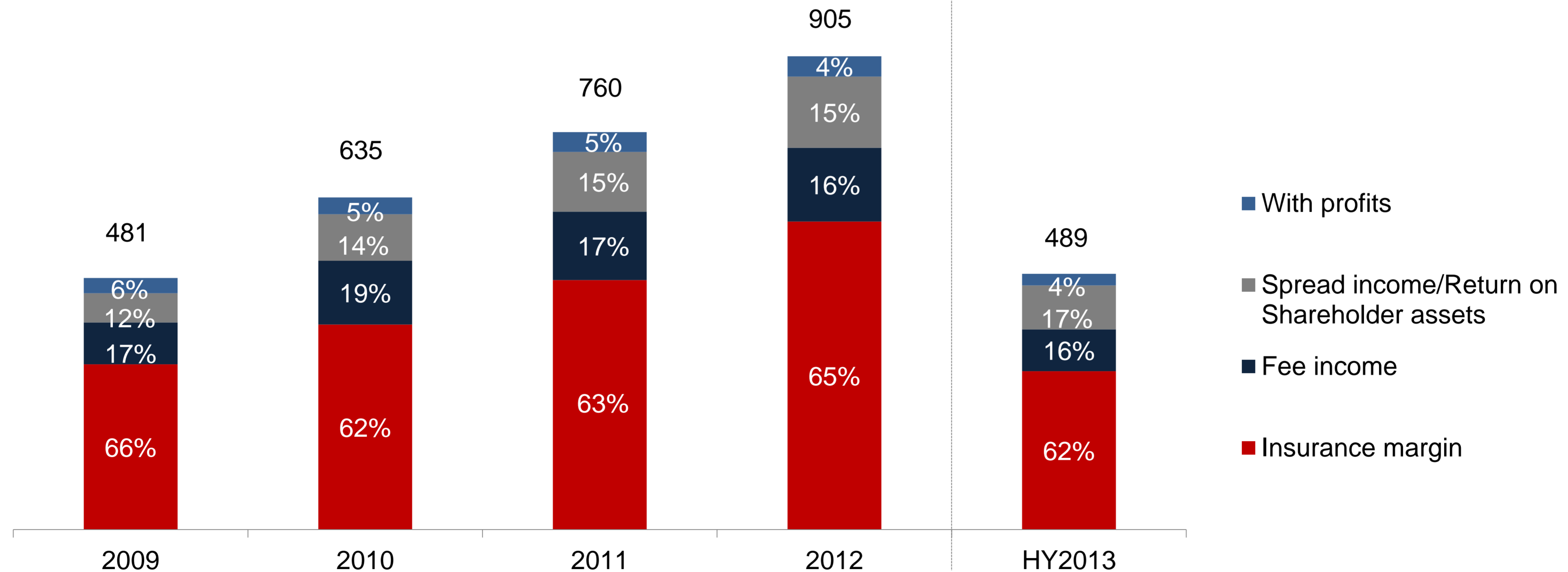
1. IFRS results for 2012 and HY13 have been prepared under new joint venture accounting standards and exclude Japan life operating profit. 2009 and 2010 comparatives have not been adjusted for the change of DAC policy in 2012.

2. Others also include non-recurrent items and development costs.

Resilient IFRS earnings

Insurance margin contributes two third of profits

Long-term business IFRS operating profit by source of earnings^{1,2}, £m

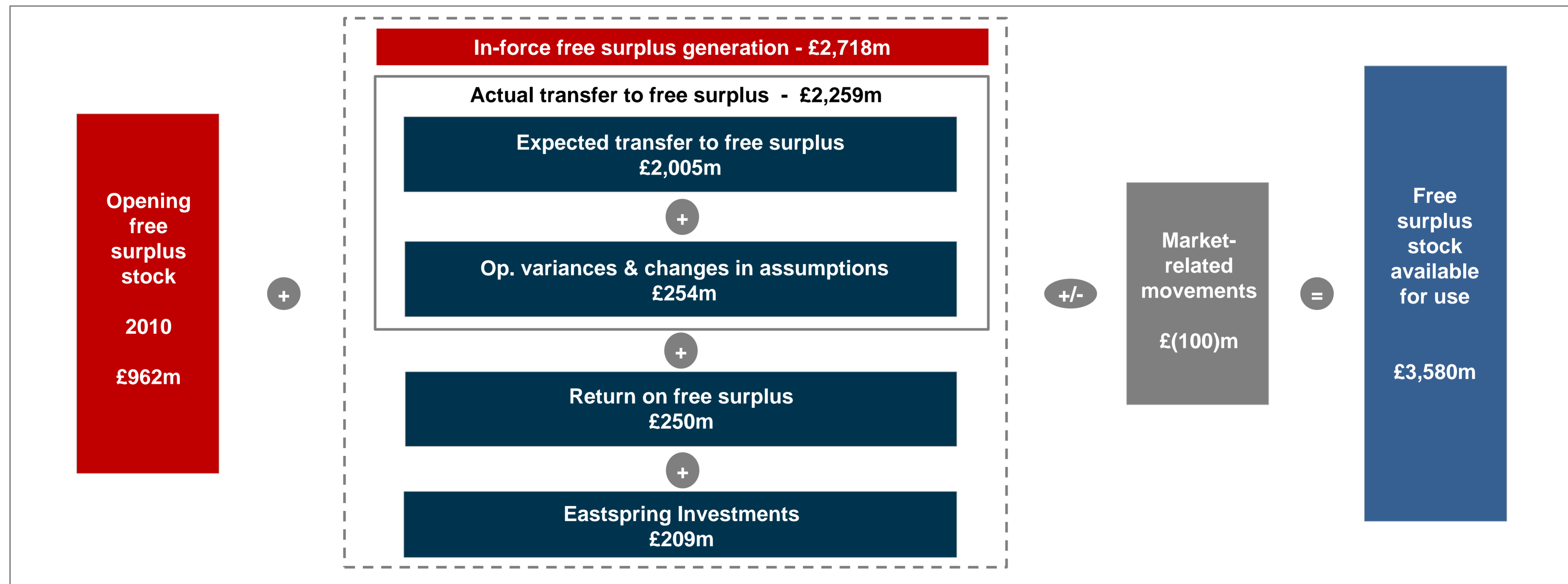


1. IFRS results for 2012 and HY13 have been prepared under new joint venture accounting standards and exclude Japan life operating profit. 2012 source of earnings also excludes £51m gain from disposal of China Life (Taiwan).

2. Excludes margin on revenue, acquisition and administration expenses and DAC amortisation.

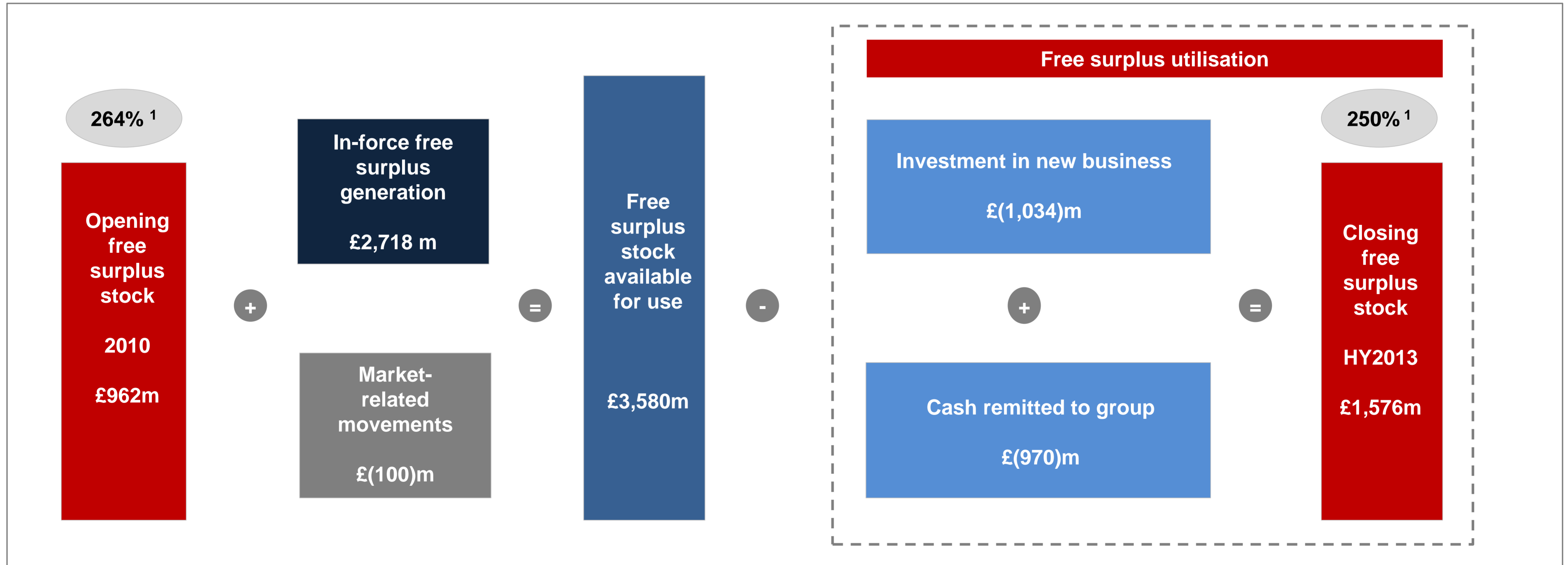
Free surplus generation

Actual transfers higher than expectation



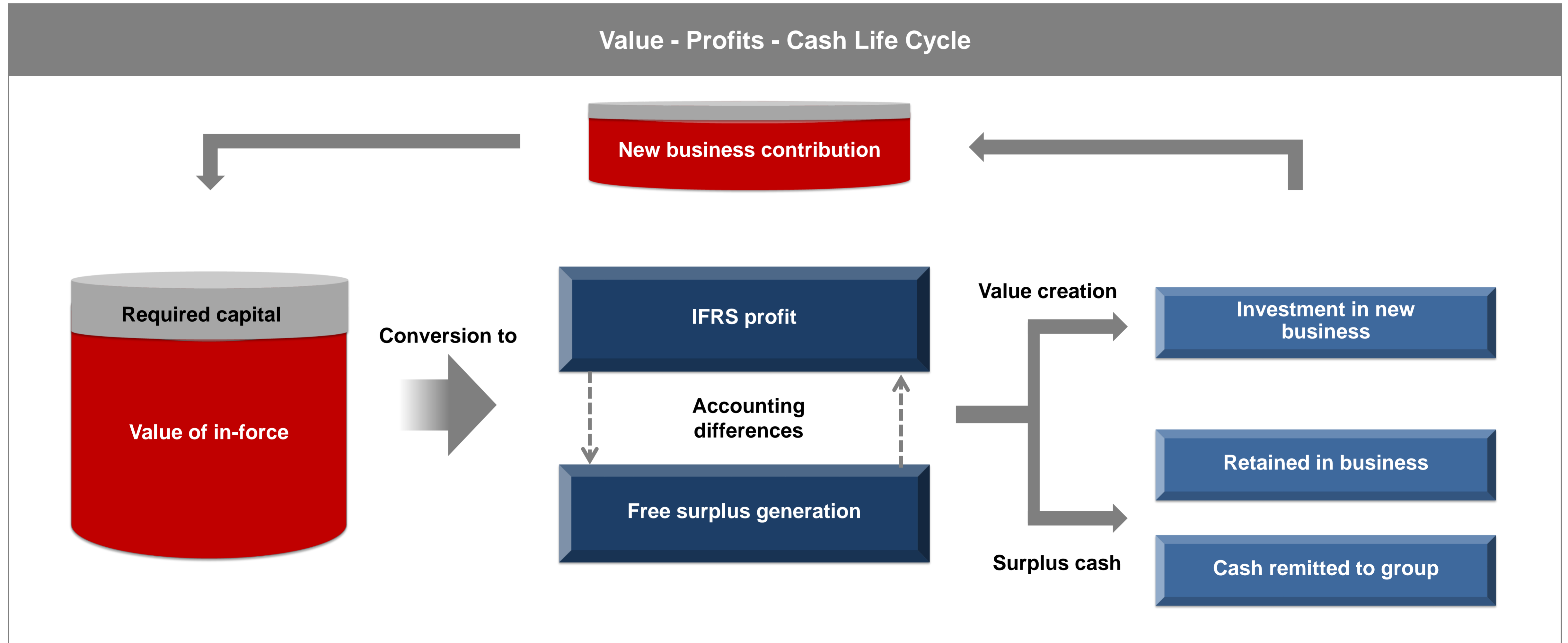
Utilisation of free surplus stock

£1.6bn of surplus capital in excess of target at HY 2013



1. Free surplus coverage ratio is defined as net worth divided by required capital.

Delivering shareholder value



Key messages

- In-force book has £10bn of future cash flow expectation
- Quality new business is key in adding to that expectation
- Managing persistency, claim and expenses has and continues to turn expectation into reality
- Resulting in delivery of resilient and growing IFRS and free surplus

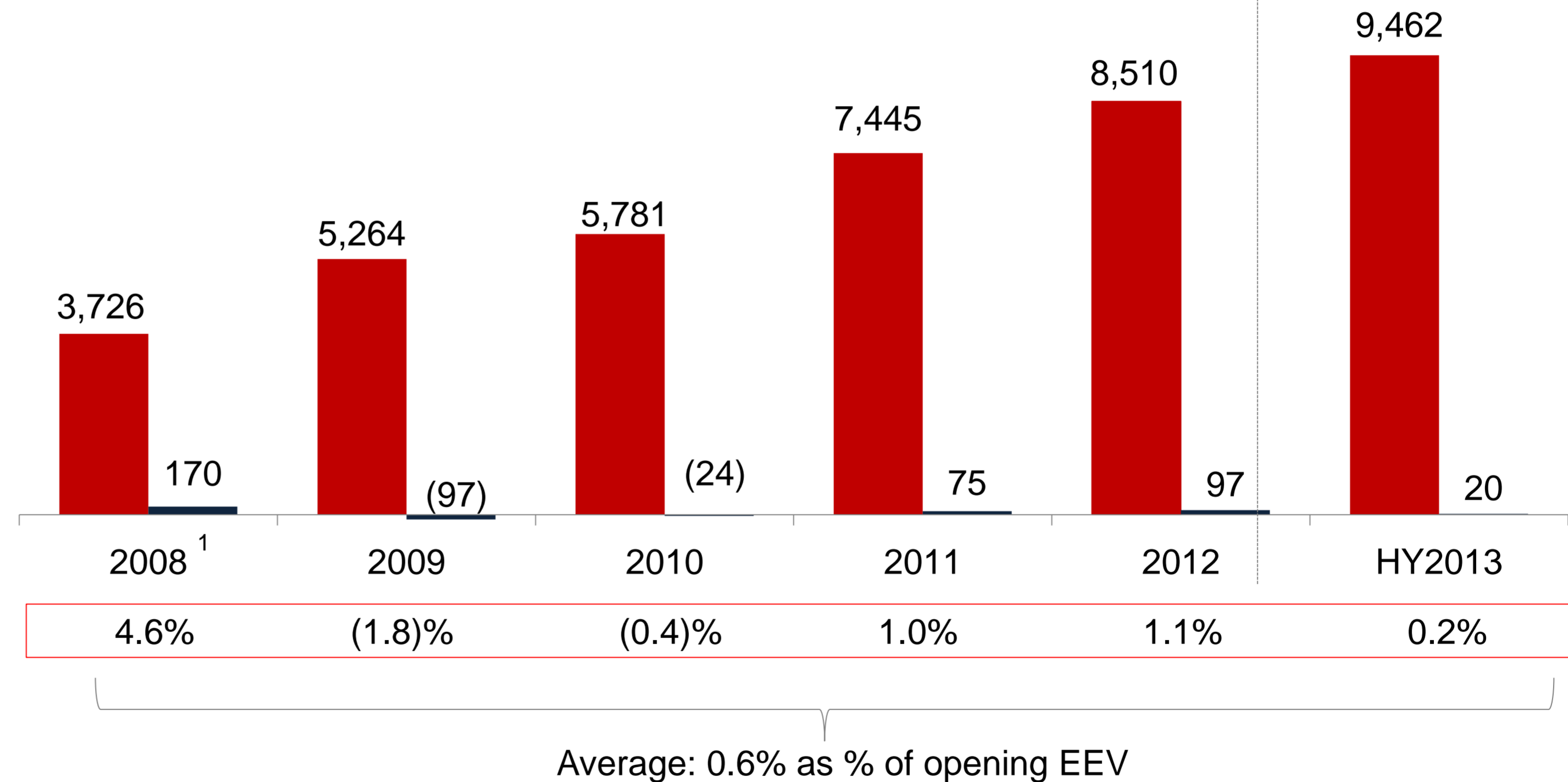
Appendix

Operating experience

Small operating experience variances and basis changes relative to opening EEV

Operating Experience Variances and Basis Changes relative to Embedded Value, £m

- Opening Embedded Value
- Experience variances and basis changes (2008-HY2013: £241m)
- Experience variances and basis changes as % of opening EEV

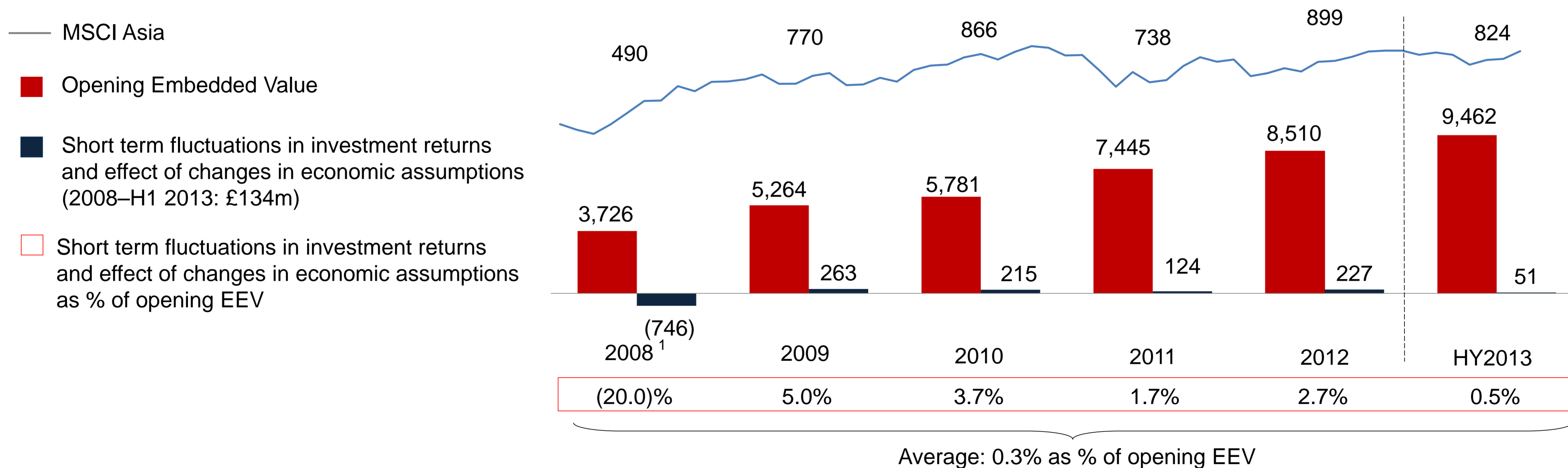


1. 2008 experience variances and basis changes exclude Taiwan agency business (sold in Q1 2009).

Non-operating experience

Impact of short term fluctuations has been relatively small, even in volatile market conditions

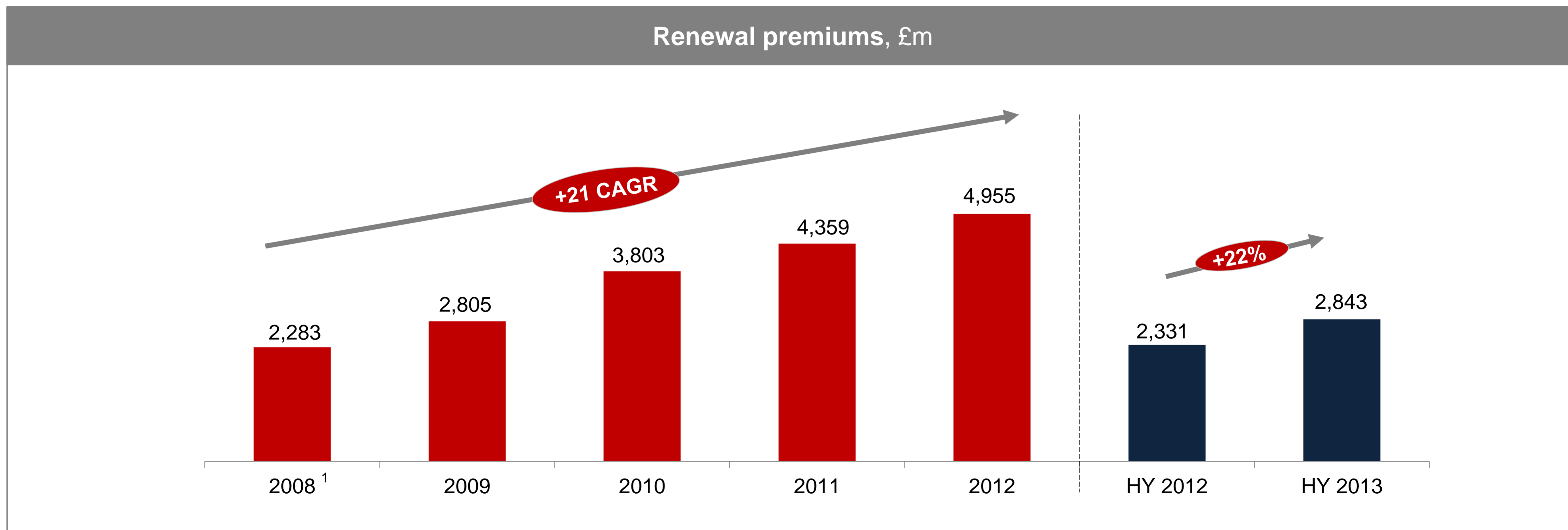
Short term fluctuations in investment returns and effect of changes in economic assumptions relative to embedded value, £m



1. 2008 short term fluctuations in investment returns and effect of changes in economic assumptions exclude Taiwan agency business (sold in Q1 2009).

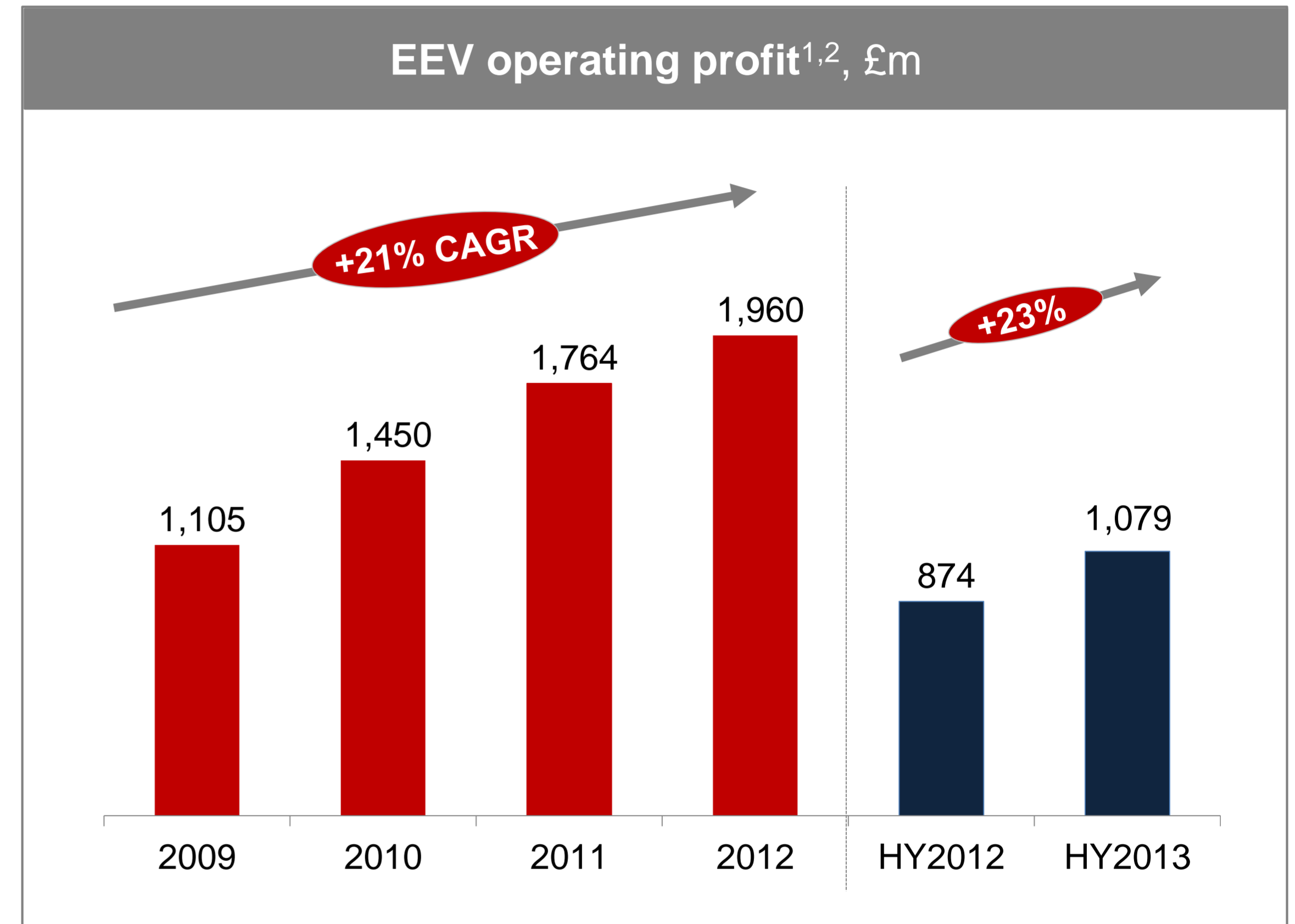
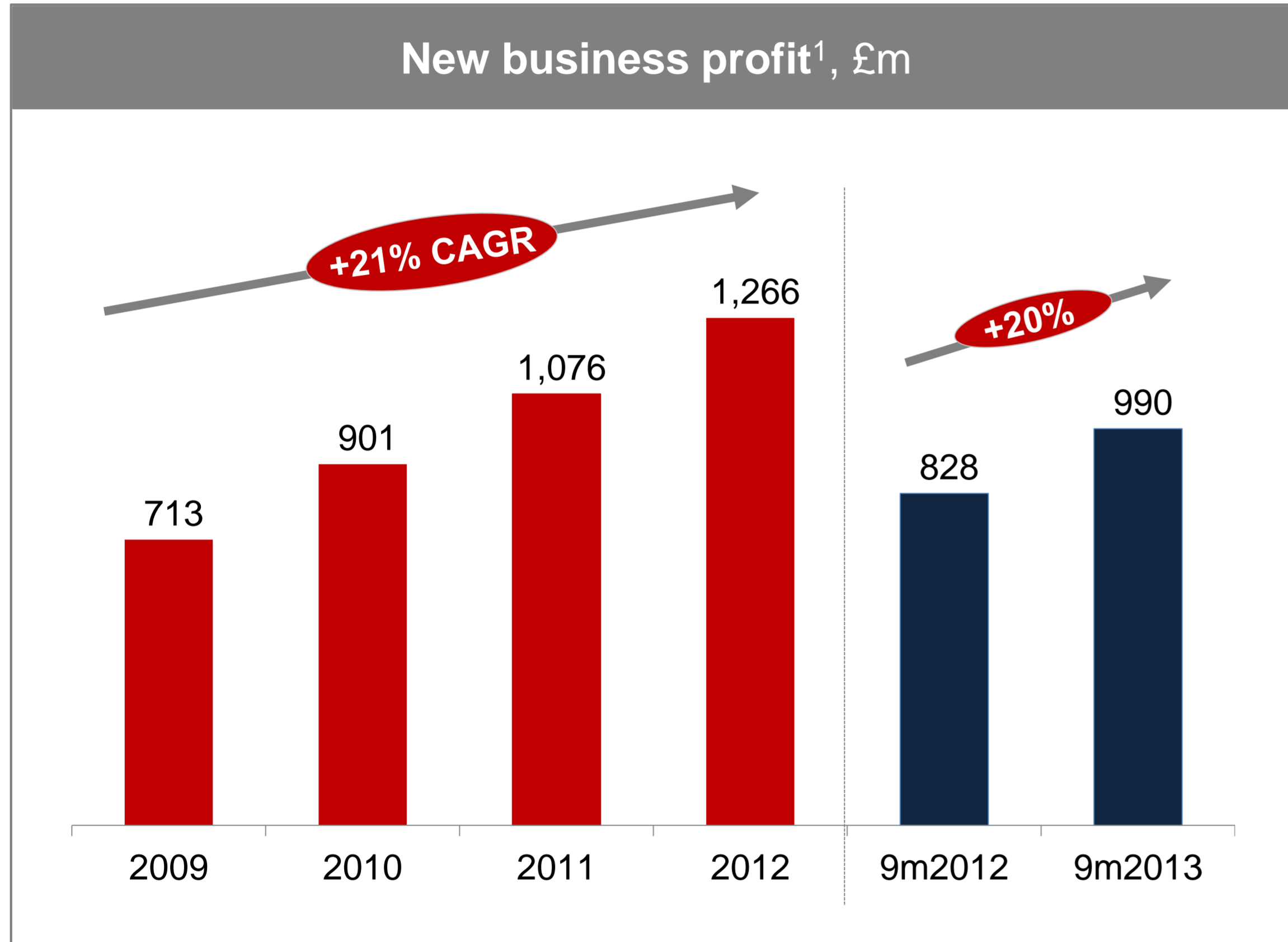
Renewal premiums

Robust momentum in renewal premiums, reflecting policyholders' continued belief in the preservation of their insurance contracts with Prudential



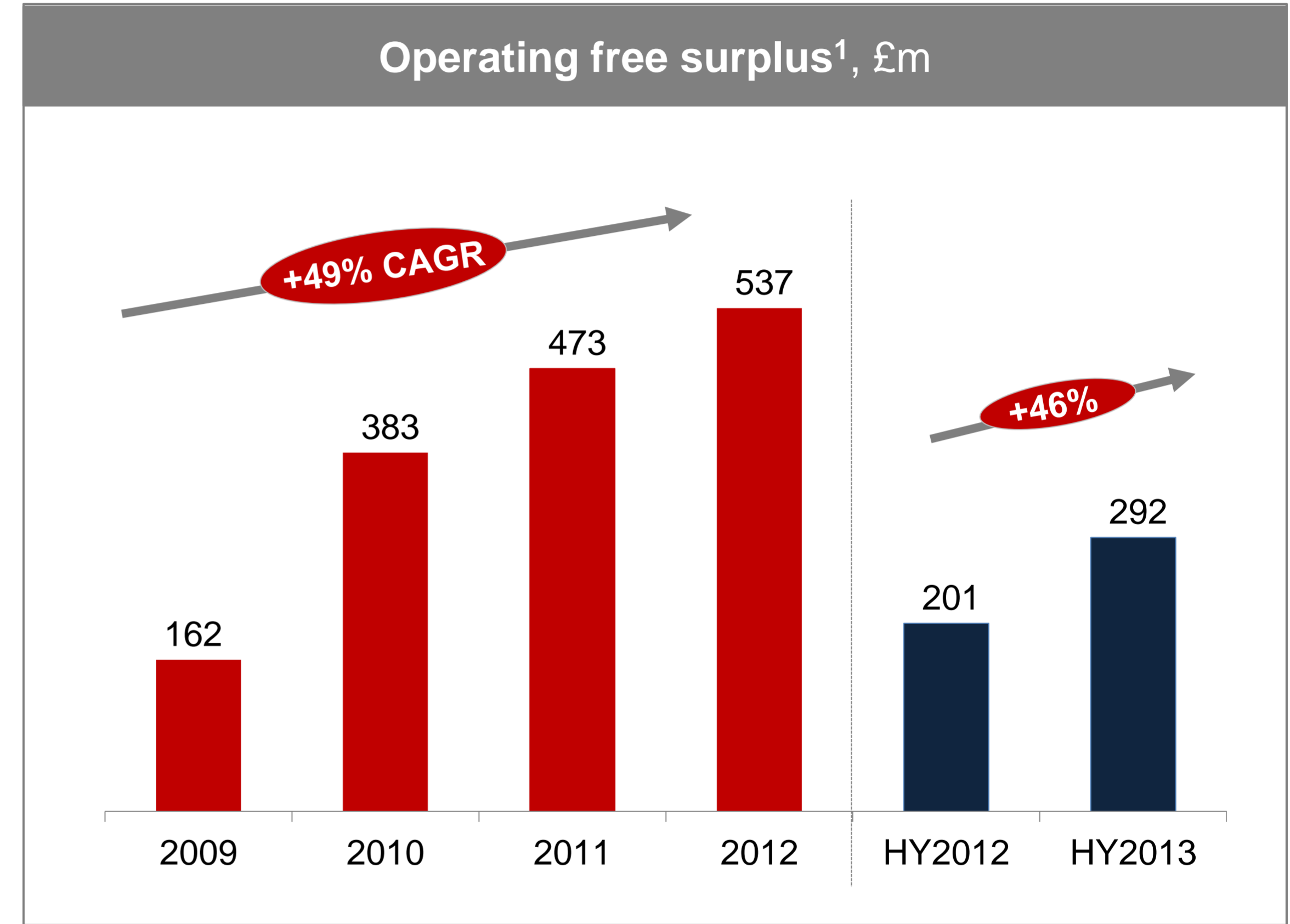
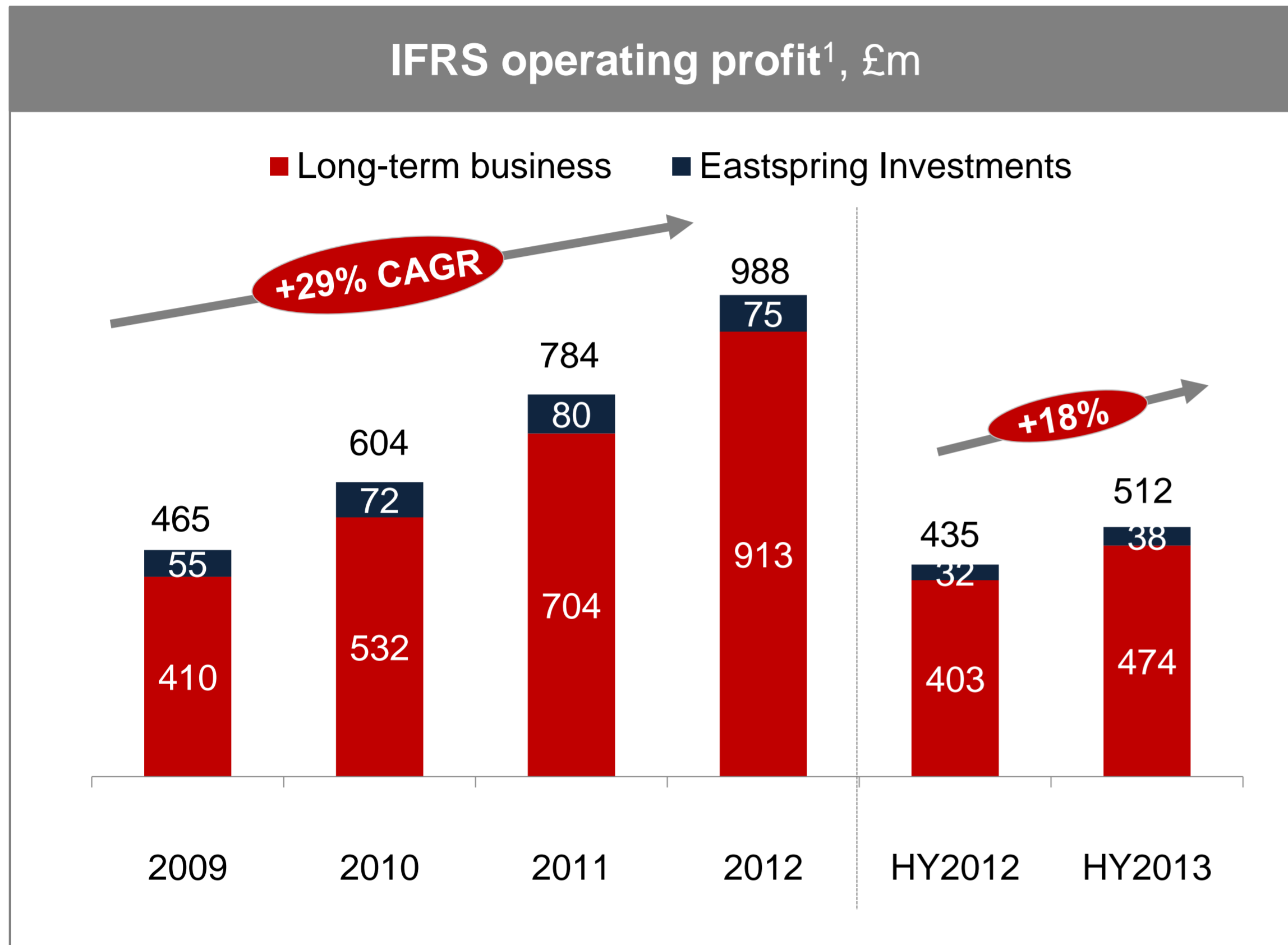
1. Exclude Taiwan agency business (sold in Q1 2009) and Japan Life (ceased writing new business in Q1 2010).

Delivering growth and cash



1. Results for 9m 2013, 9m 2012, HY13 and HY12 exclude Japan Life.
 2. Long-term business operating profit before tax and development costs.

Delivering growth and cash



1. HY13 IFRS result and operating free surplus generation have been prepared under new joint venture accounting standards and exclude Japan life operating profit following reclassification as held for sale. HY 2012 comparatives have been adjusted on a comparable basis.