

‘Delivering Growth and Cash’

Tidjane Thiam

Agenda

	Group
	Asia
	US
	UK
	Conference agenda
	Key messages

Group

Overview

- Clear, unchanged strategy
- Focus on meeting customer needs
- Execution
- Delivering “Growth and Cash” to shareholders



Significant protection gap and investment needs of the Asian middle class



Transition of US 'baby-boomers' into retirement

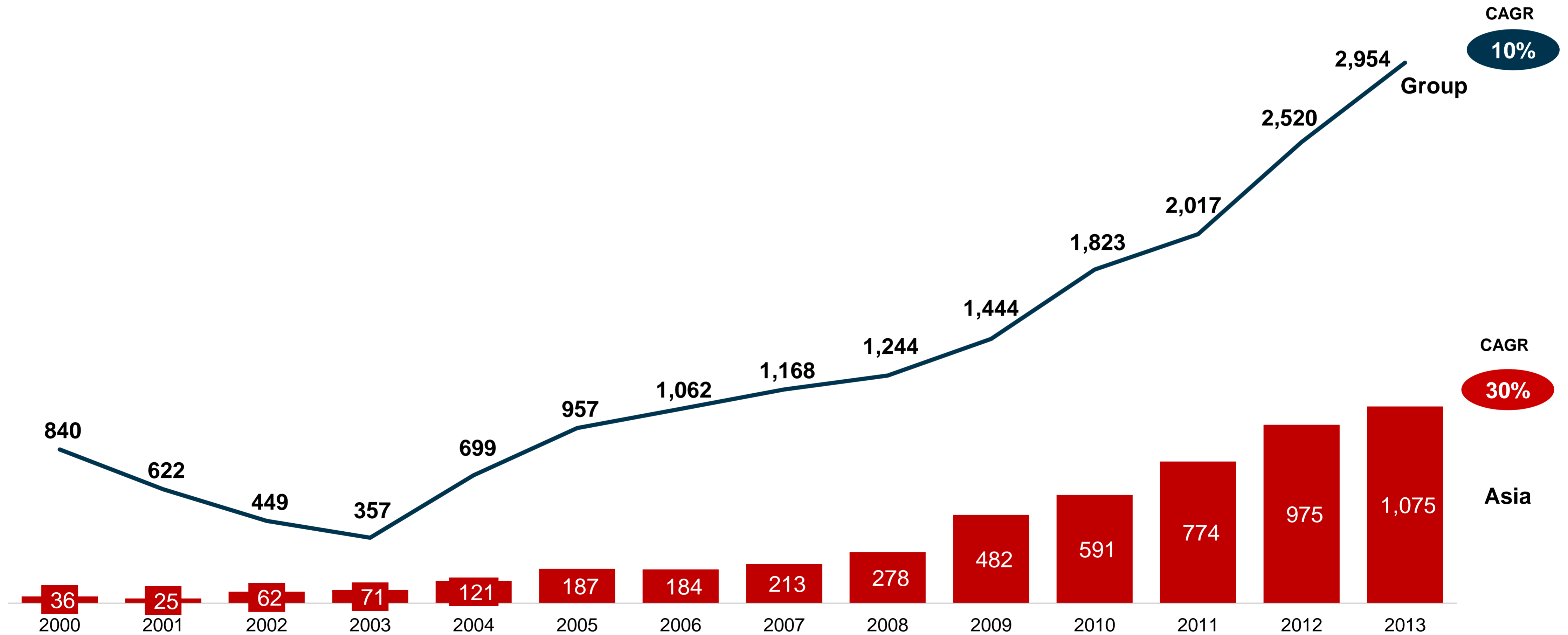


UK 'savings gap' and ageing population in need of returns / income

Group

Asia central to long term performance

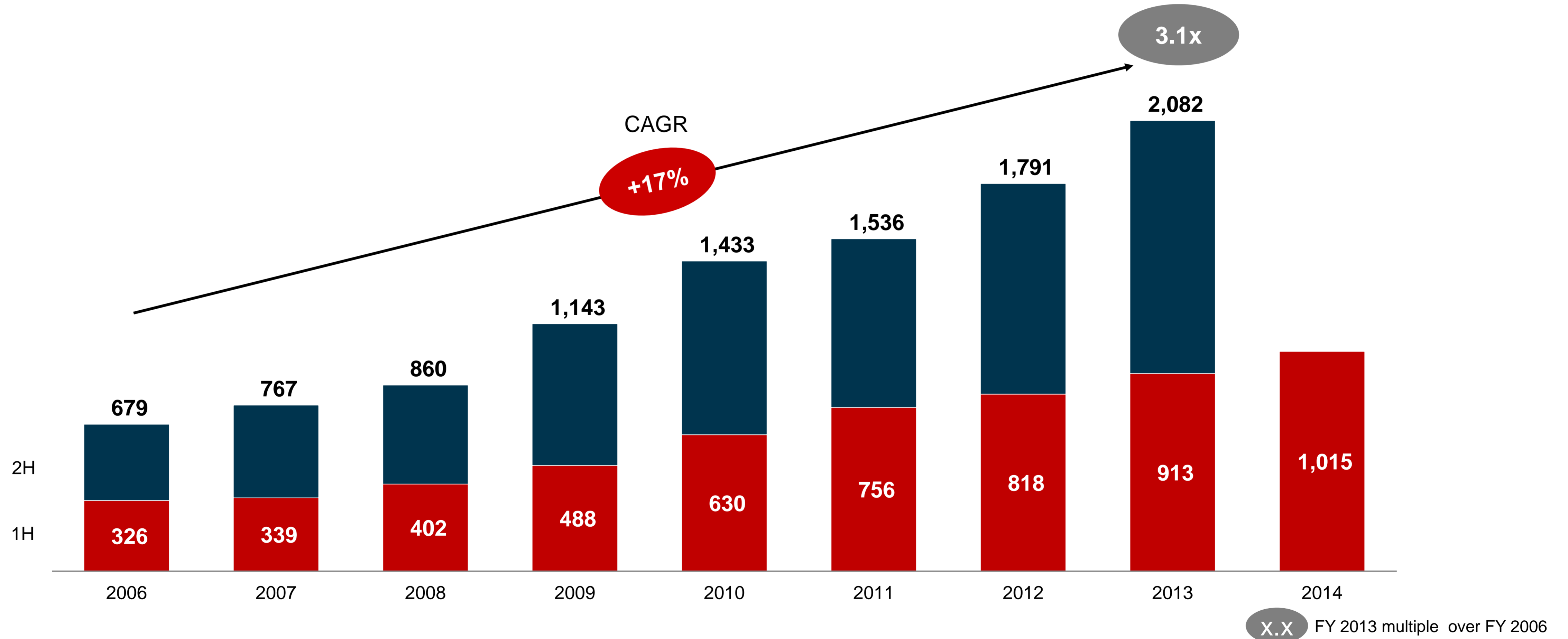
Operating profit^{1,2}, £m



Group

Track record

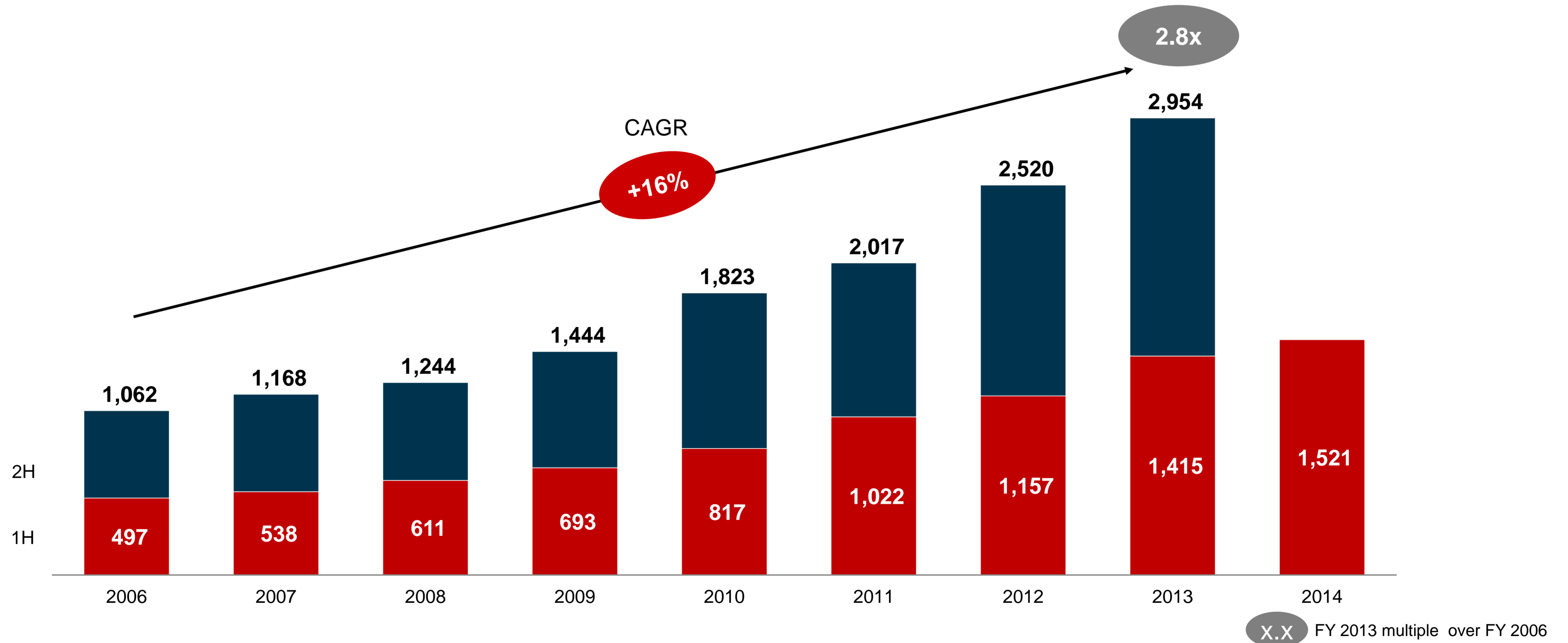
New business profit^{1,2}, £m



Group

Track record

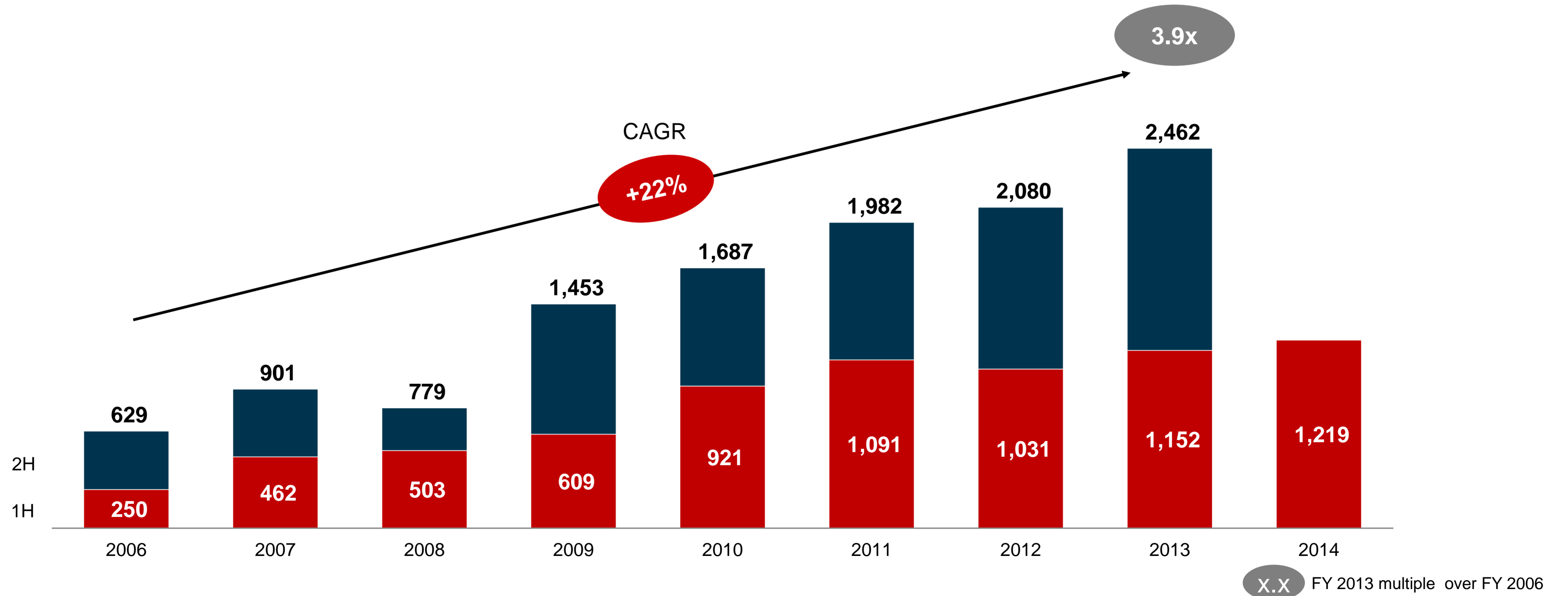
IFRS operating profit^{1,2}, £m



Group

Track record

Free surplus generation^{1,2,3}, £m



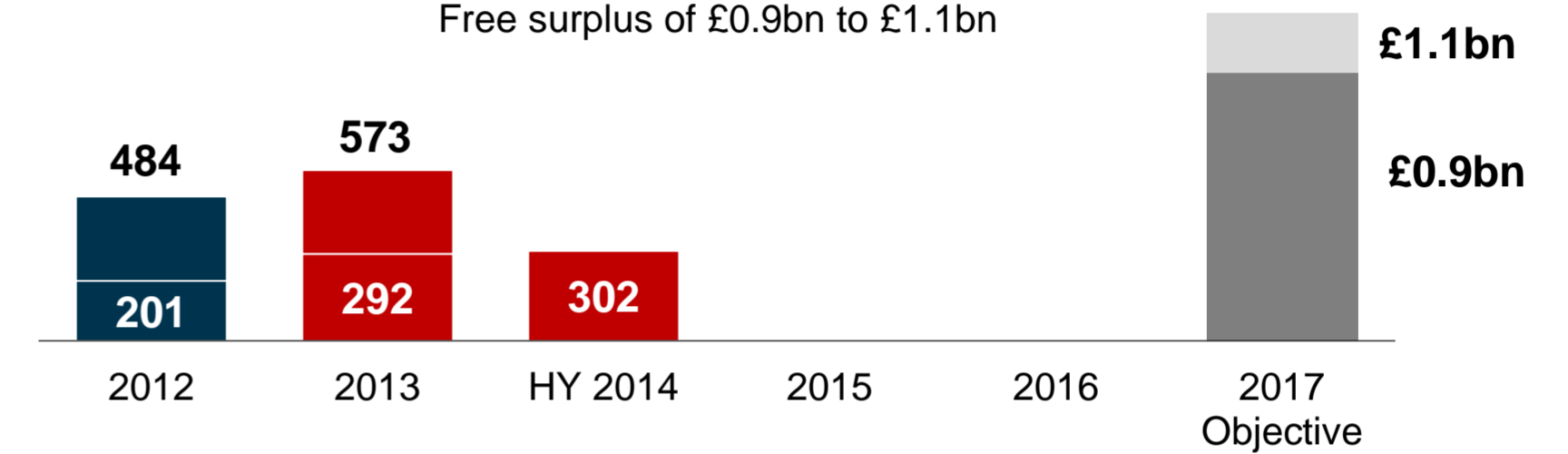
Group Objectives

2013 Objectives

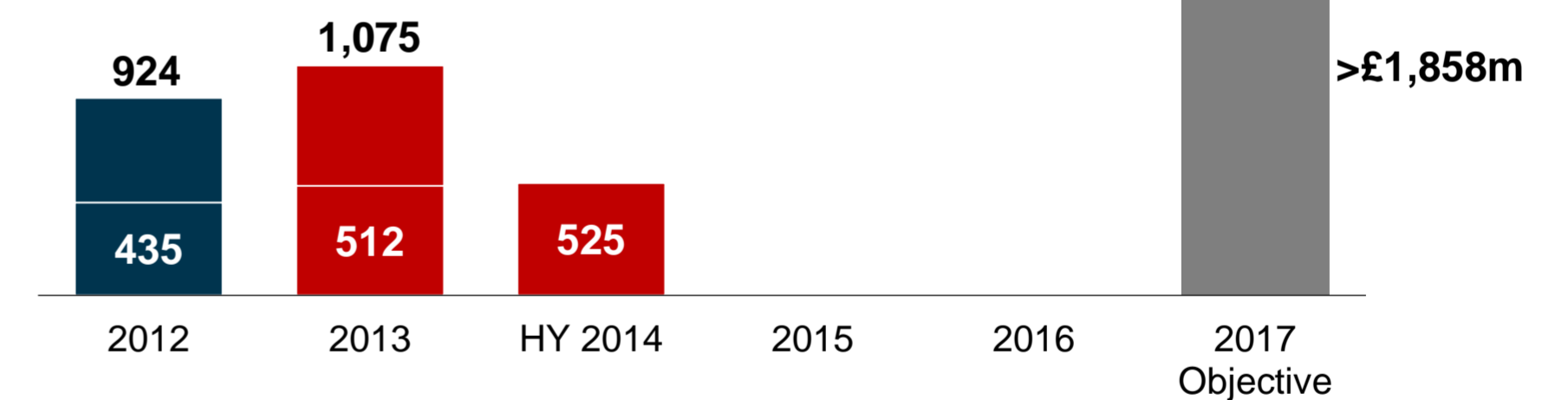
	£m	2009	2013	2013		
				Objective		
Growth	Asia new business profit	713	1,460	1,426	✓ 2013	1
	Asia IFRS operating profit	465	1,075	930	✓ 2012	2
Cash	Asia net remittance	40	400	300	✓ 2012	3
	Jackson net remittance	39	294	260	✓ HY 2013	4
	UK net remittance	284	355	350	✓ 2013	5
	Group net remittance (cumulative)	1,996	4,581	3,800	✓ HY 2013	6

2017 Objectives

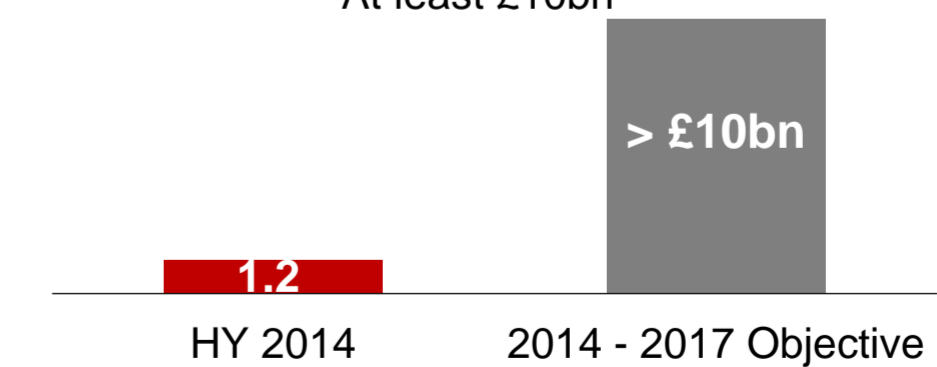
Asia underlying free surplus¹, £m
Free surplus of £0.9bn to £1.1bn



Asia IFRS operating profit², £m
At least 15% CAGR from 2012-17



Group cumulative underlying free surplus, £bn
At least £10bn



Note: The objectives assume exchange rates at December 2013 and economic assumptions made by Prudential in calculating the EEV basis supplementary information for the half year ended 30 June 2013, and are based on regulatory and solvency regimes applicable across the Group at the time the objectives were set. The objectives assume that the existing EEV, IFRS and Free Surplus methodology at December 2013 will be applicable over the period.

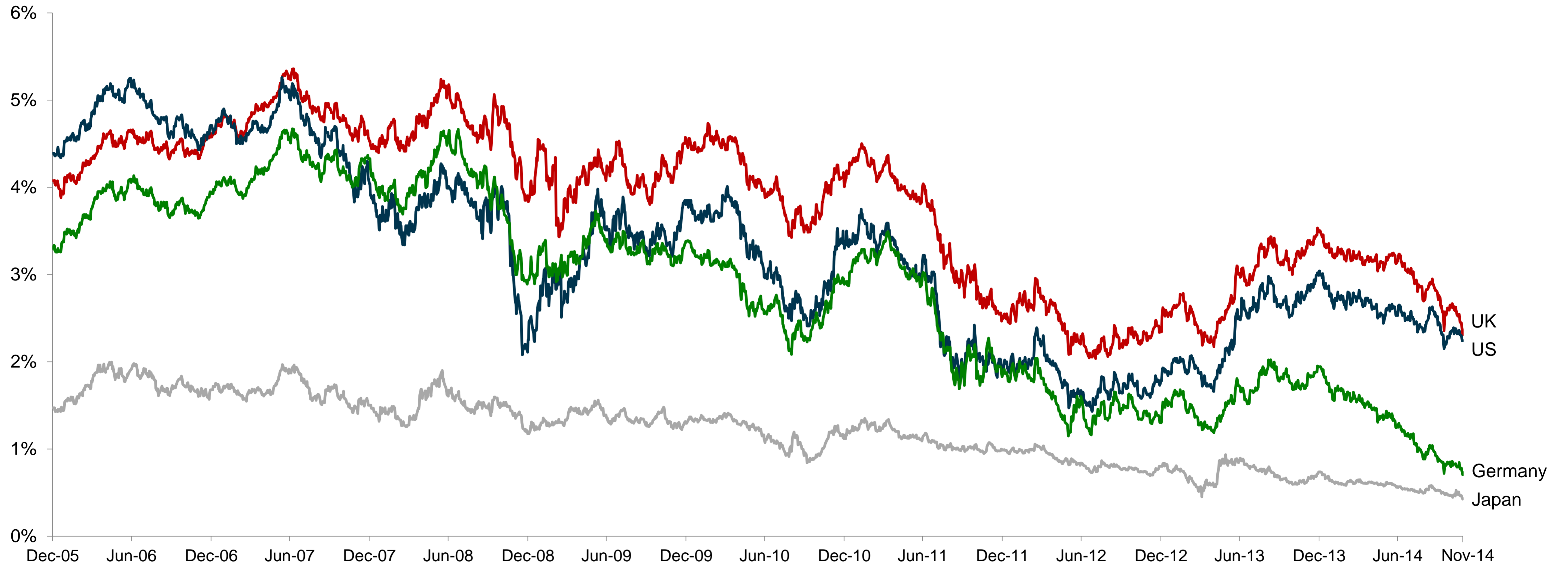
¹ Underlying free surplus generated comprises underlying free surplus generated from long-term business (net of investment in new business) and that generated from asset management operations. The 2012 comparative is based on the retrospective application of new and amended accounting standards and excludes the one-off gain on sale of our stake in China Life of Taiwan of £51 million.

² Asia 2012 IFRS operating profit of £924 million, as reported at HY 2013, is based on the retrospective application of new and amended accounting standards, and excludes the one-off gain on sale of our stake in China Life of Taiwan of £51 million. Excludes Japan.

Group

Macro environment

Interest rates (10 year)¹, %



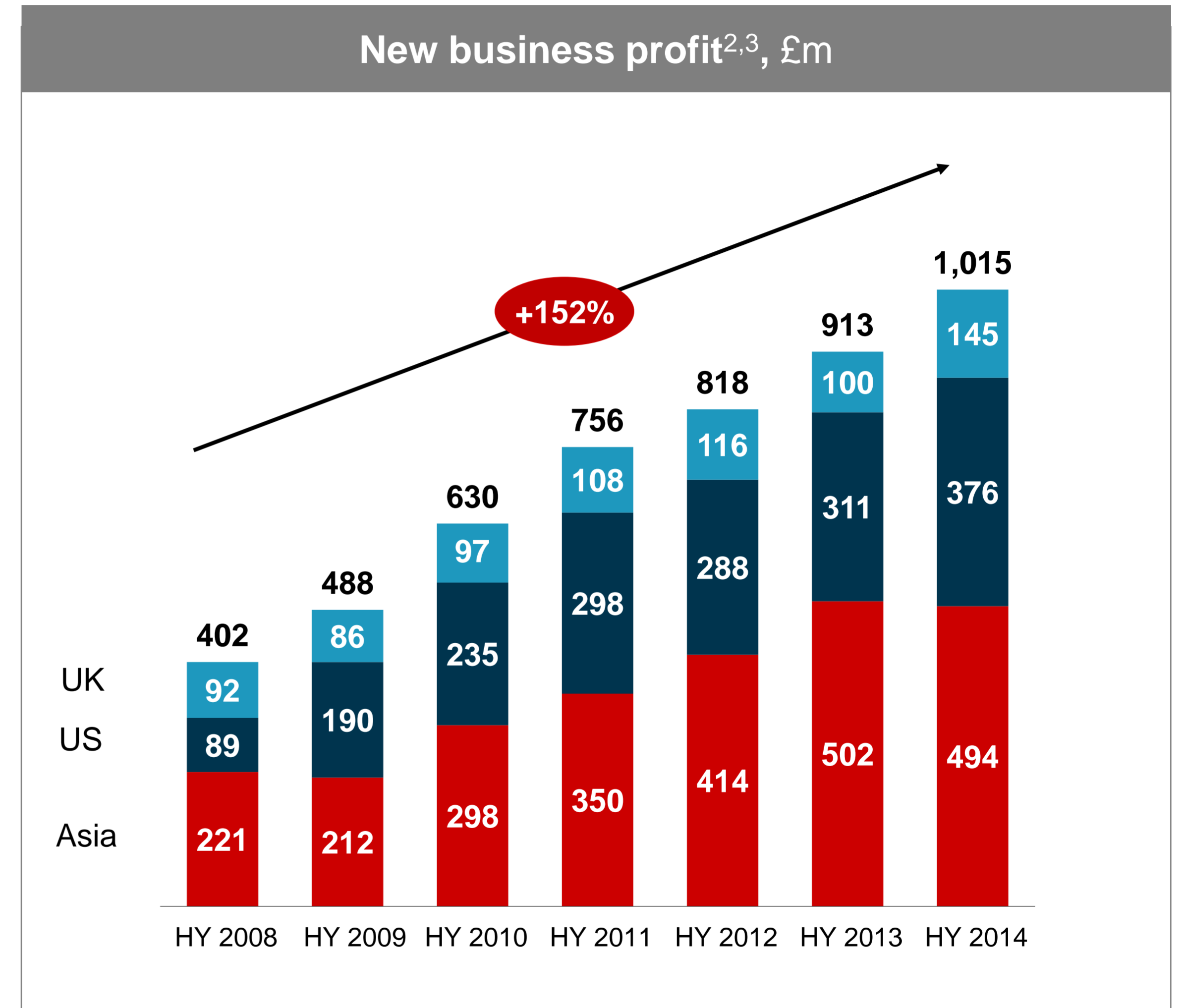
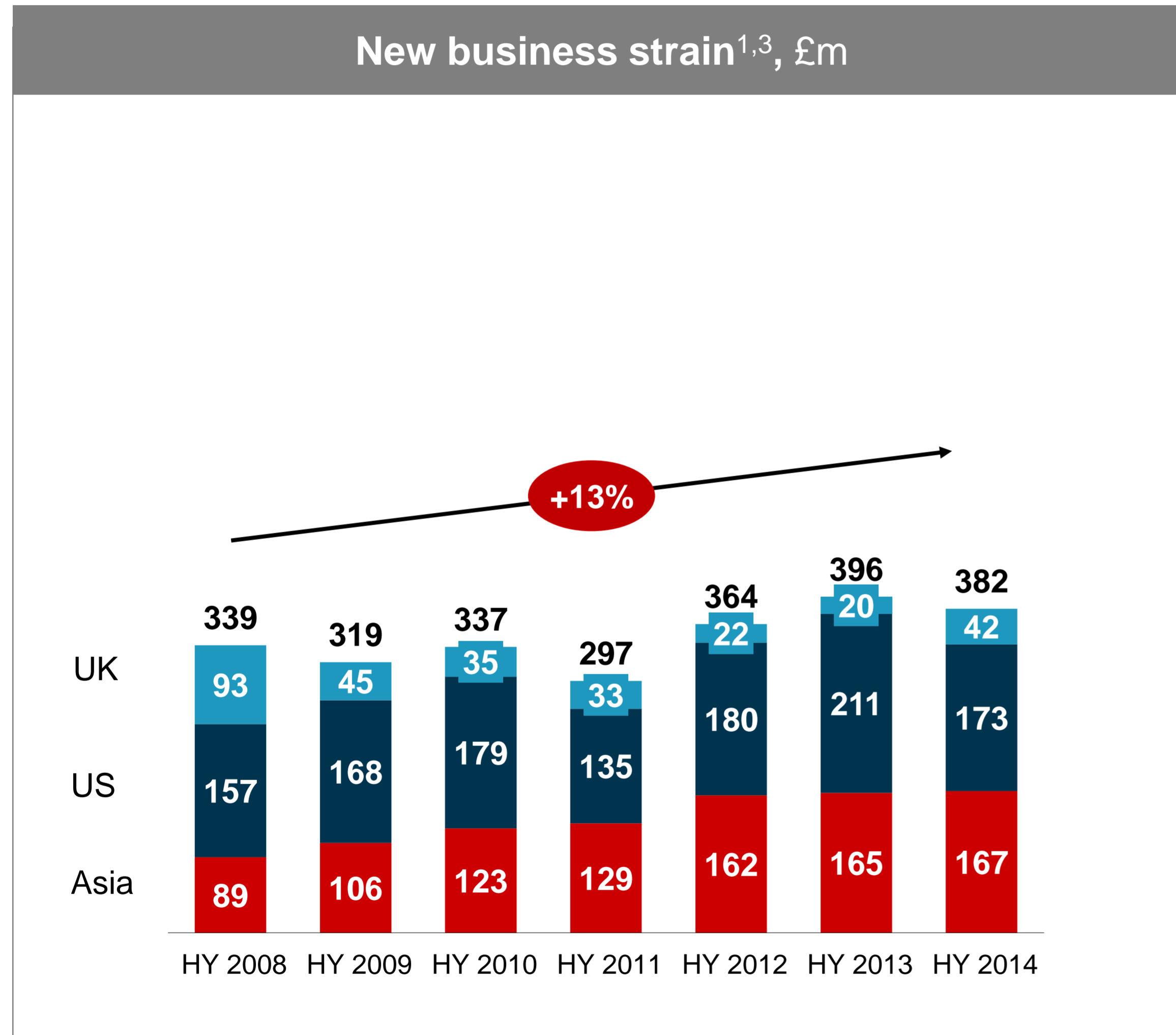
Group

Execution

- Focus on cash consumption and generation
- Disciplined capital allocation
- Capital generative business model
- Prudent and conservative approach

Group

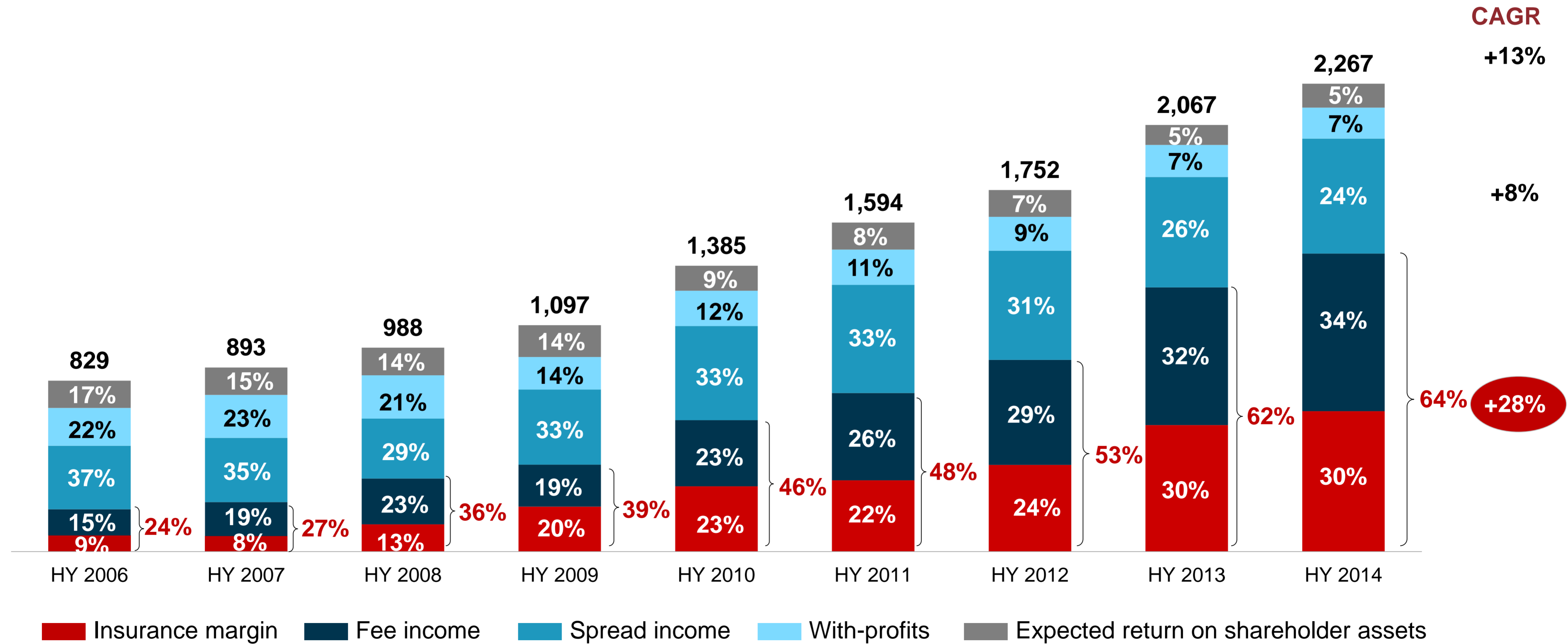
Disciplined capital allocation



Group

High quality earnings

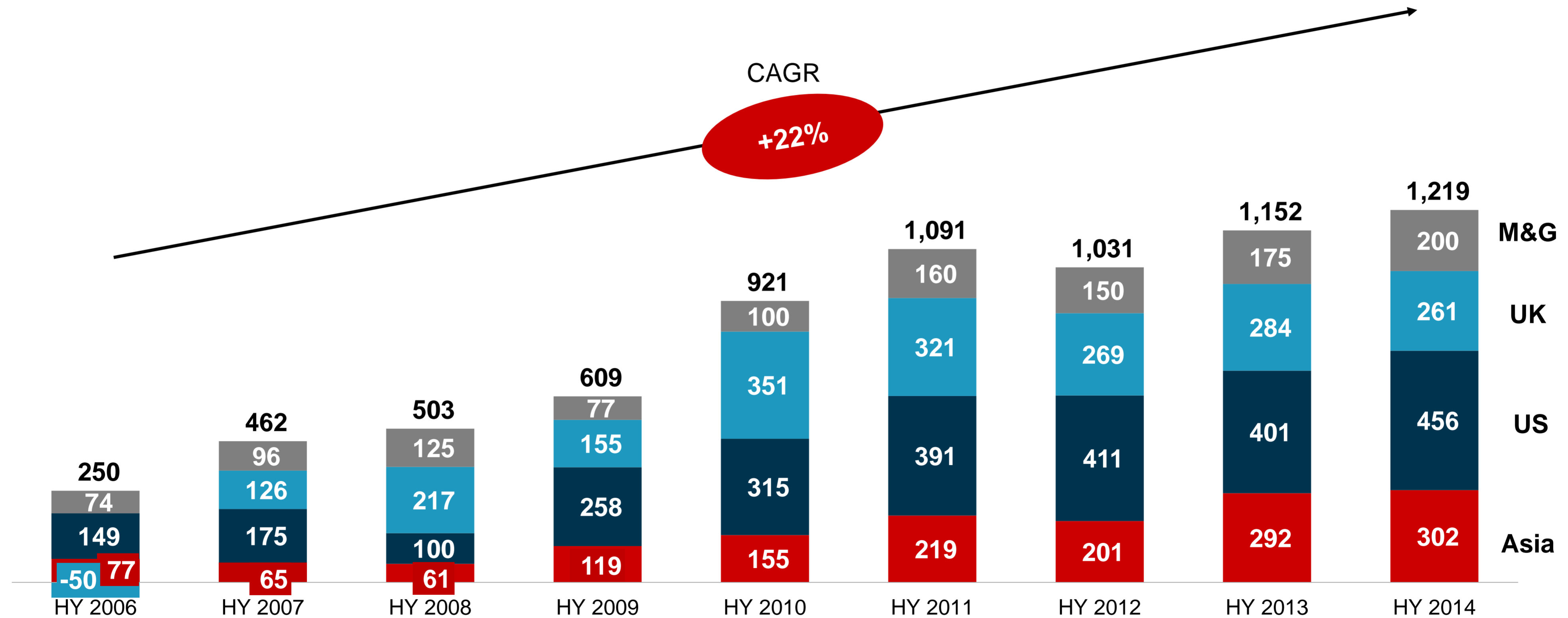
Sources of IFRS operating income^{1,2}, £m



Group

Strong cash generation

Free surplus generation^{1,2}, £m



Agenda

Group

Asia

US

UK

Conference agenda

Key messages

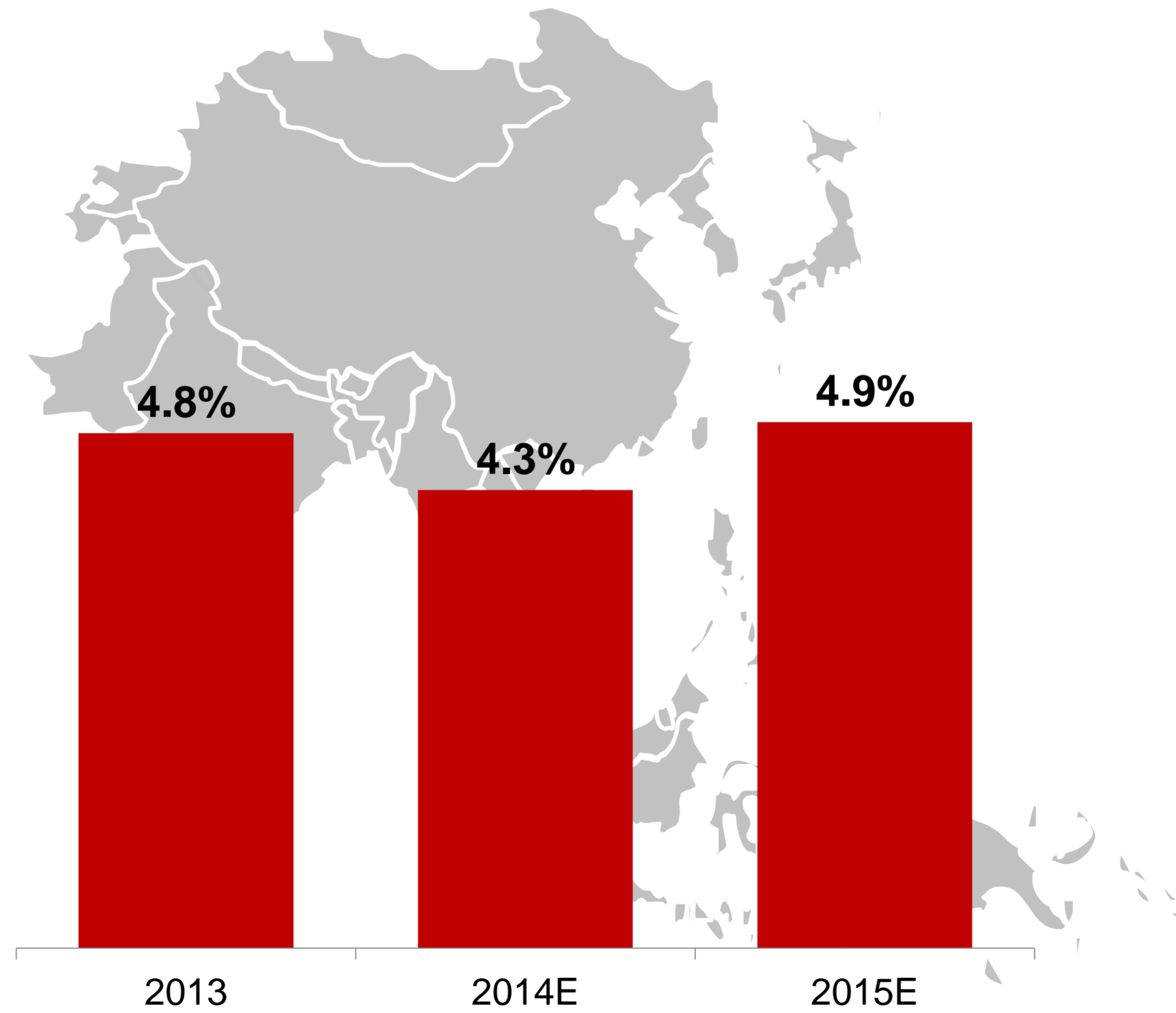
Asia

Conference focus

- Robust long-term fundamentals
- Disciplined execution
- Best in class franchise
- Strong track record

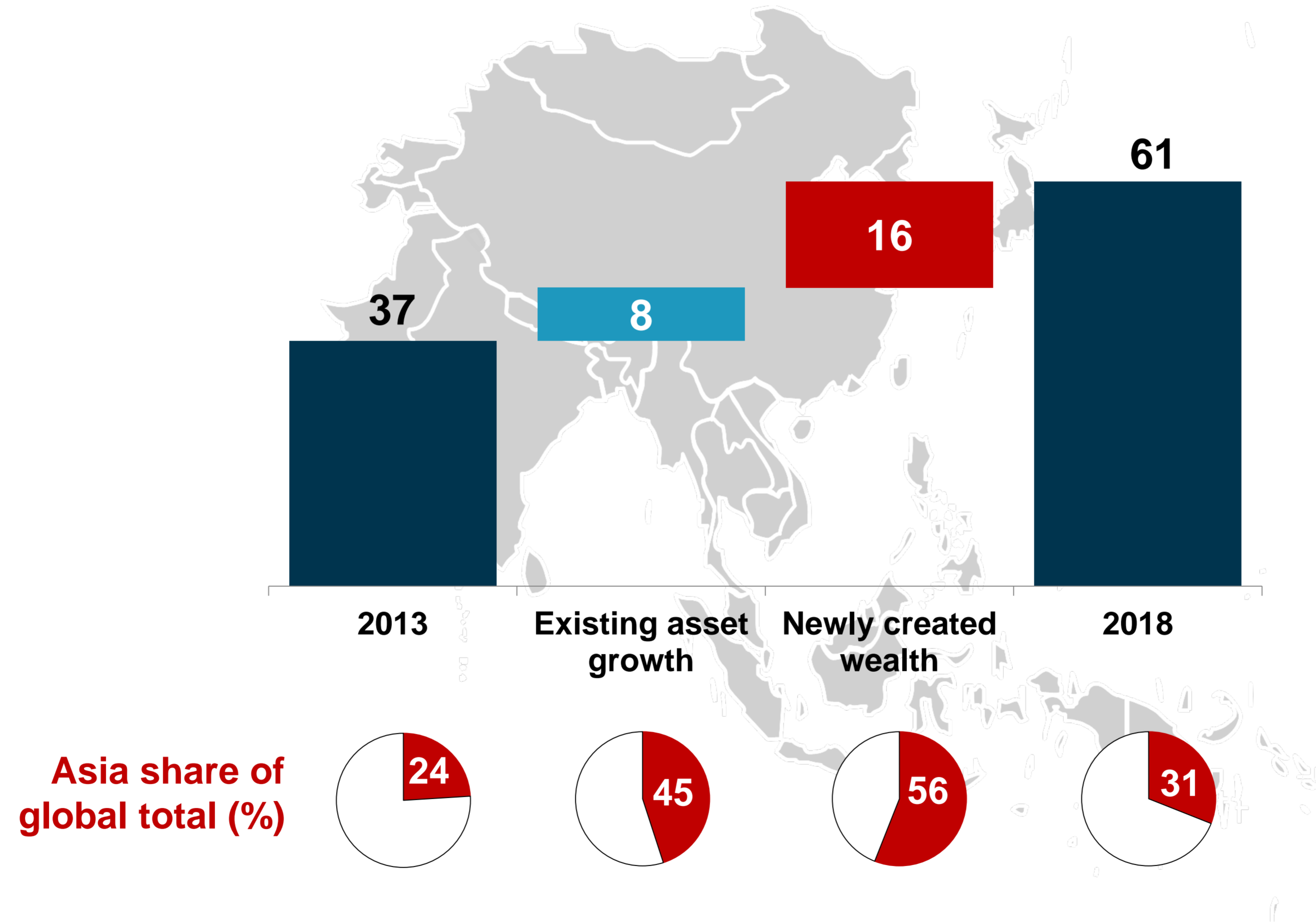
Asia GDP

Sweet spot GDP growth¹ (%)



Asia Wealth

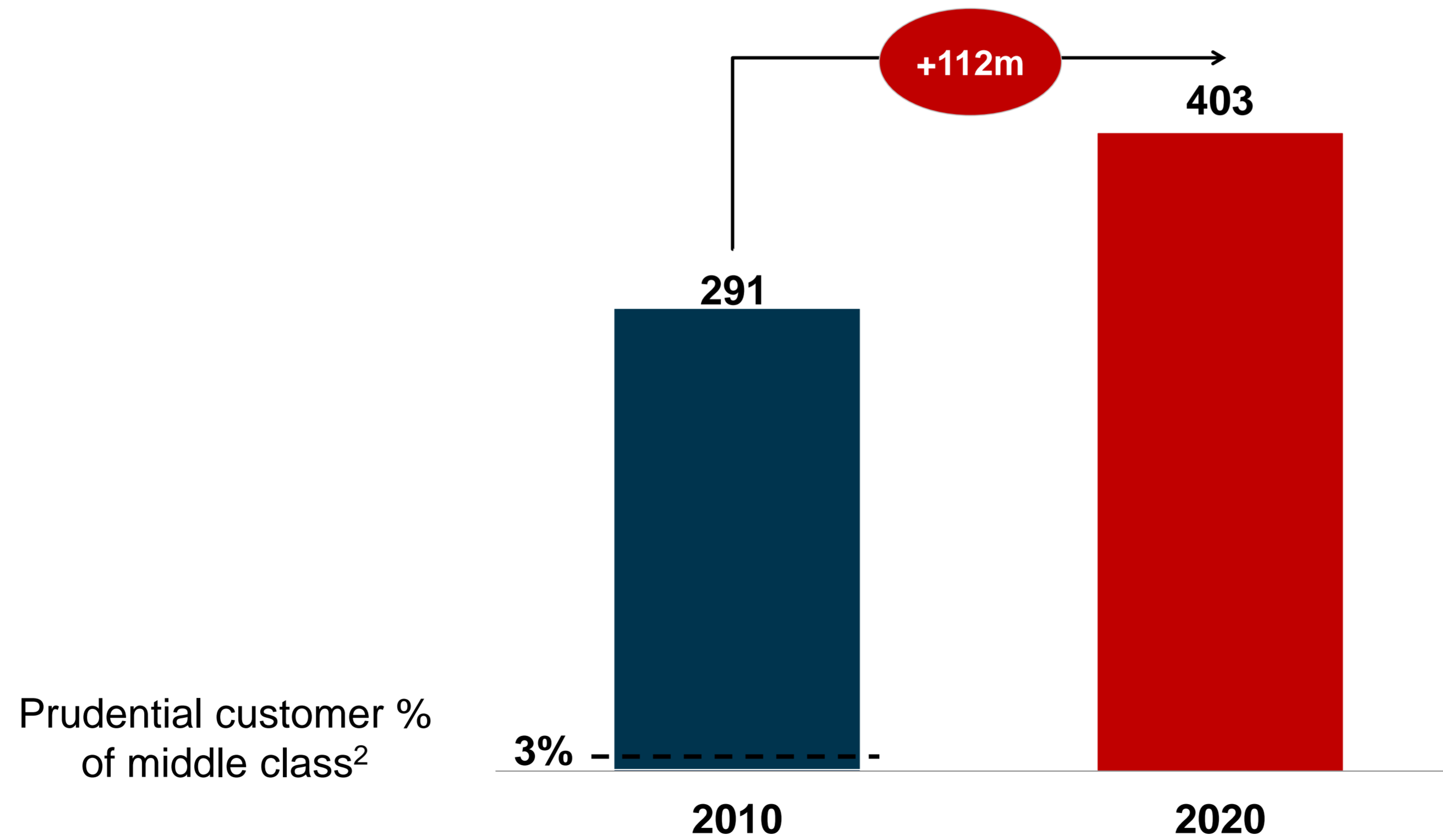
Drivers of wealth creation Asia (ex Japan) 2013-2018 \$tn



Asia

Demographics

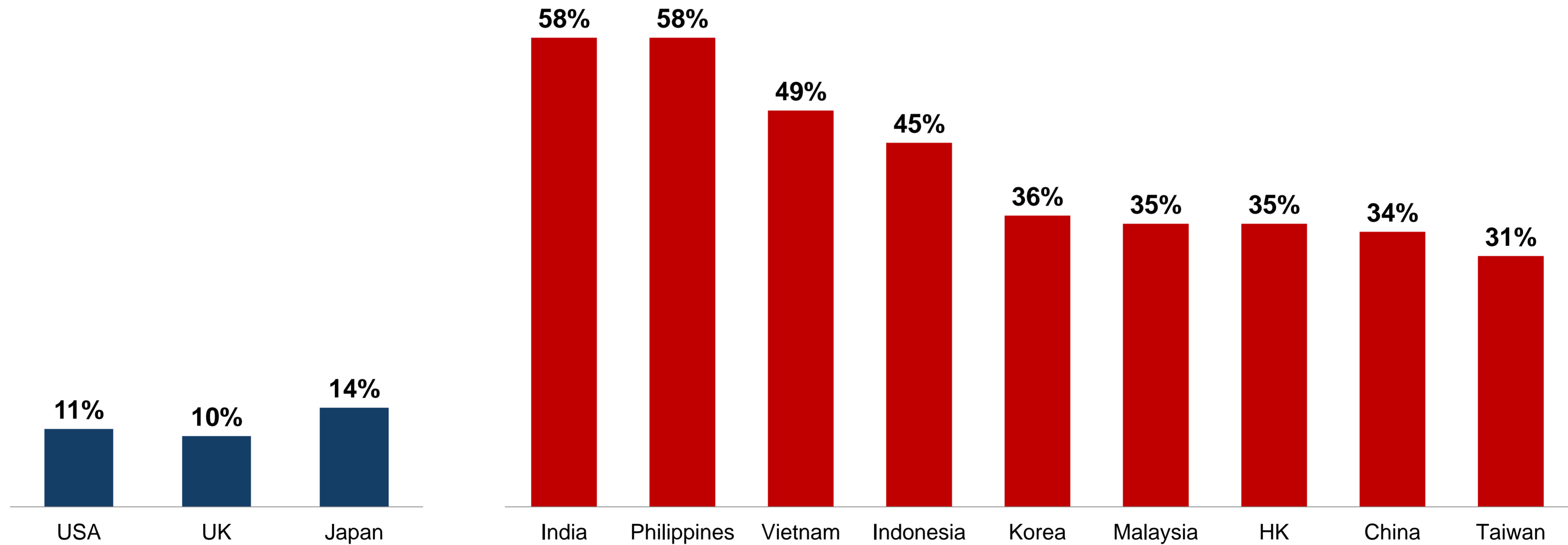
Sweet spot middle class¹, m



Asia

Significant protection gap

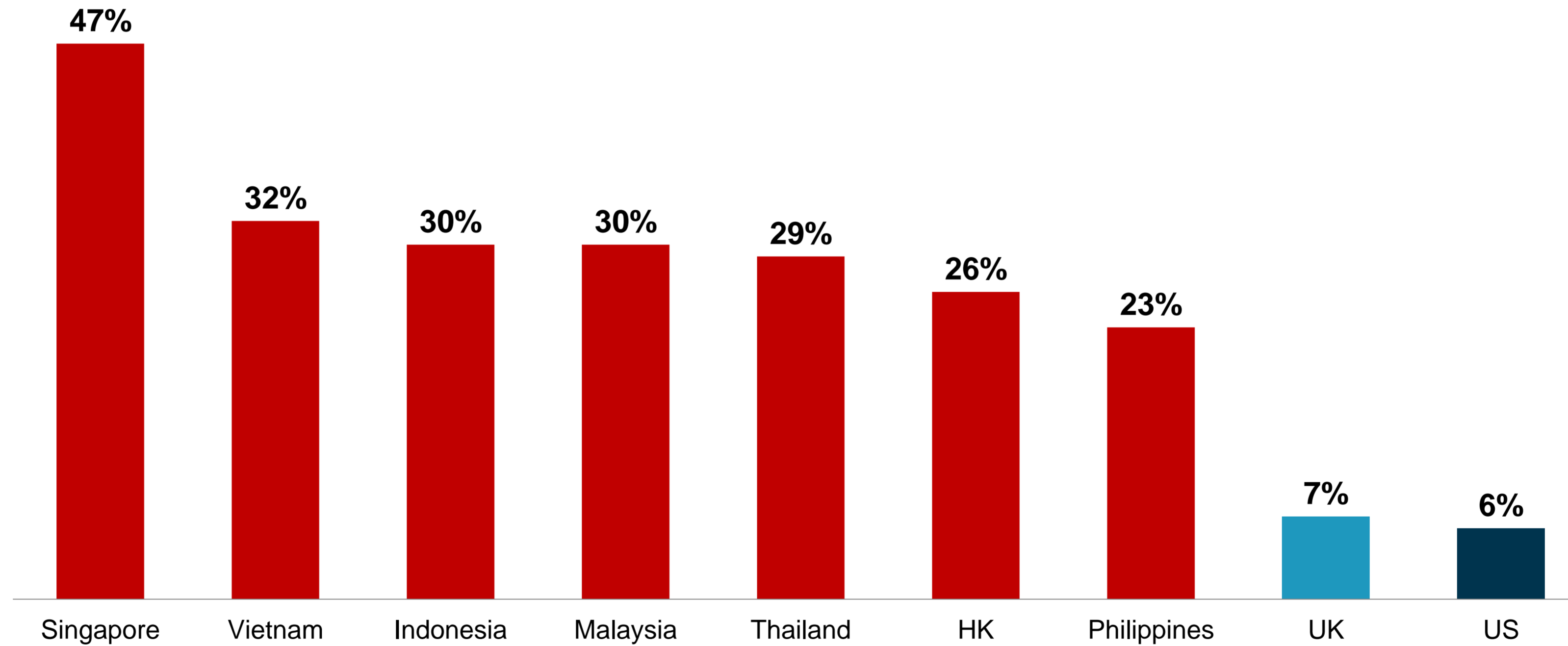
Household medical expenditure
% paid out-of-pocket



Asia

Significant investment needs

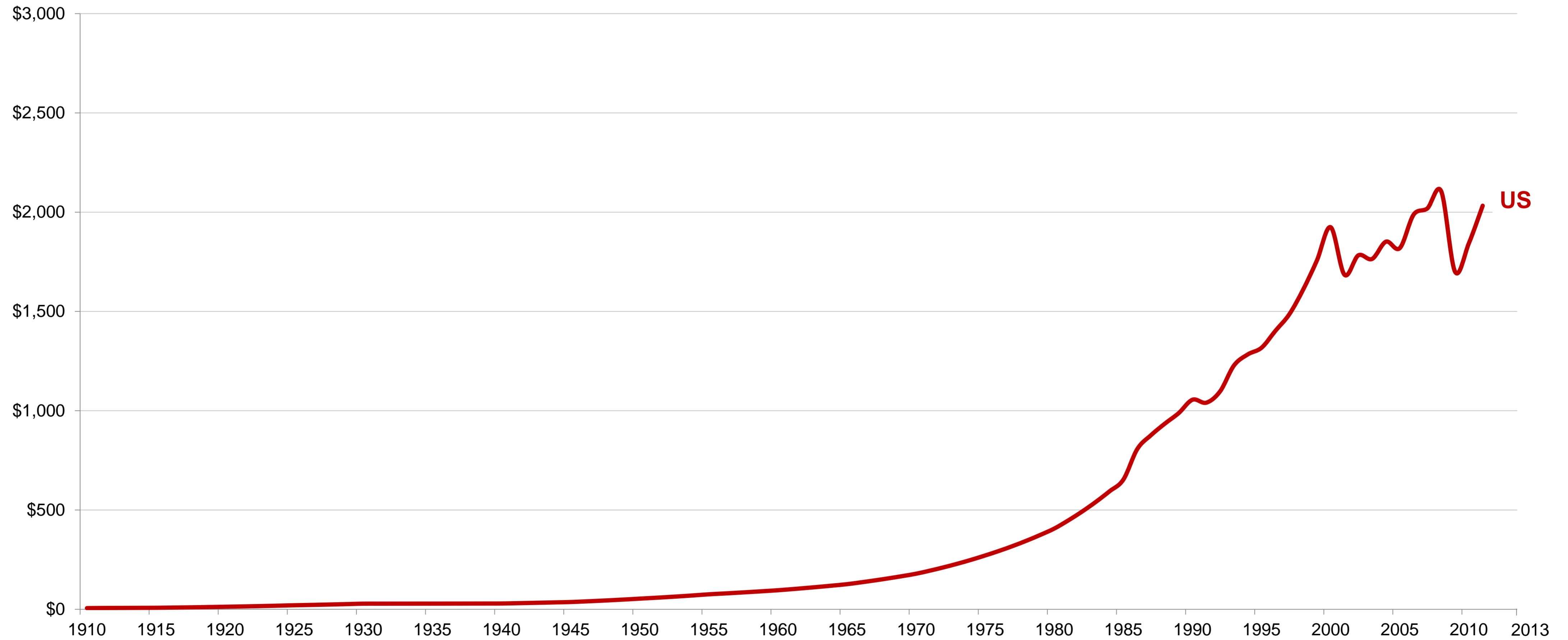
Sweet spot savings ratio¹, % GDP



Asia

Long term opportunity

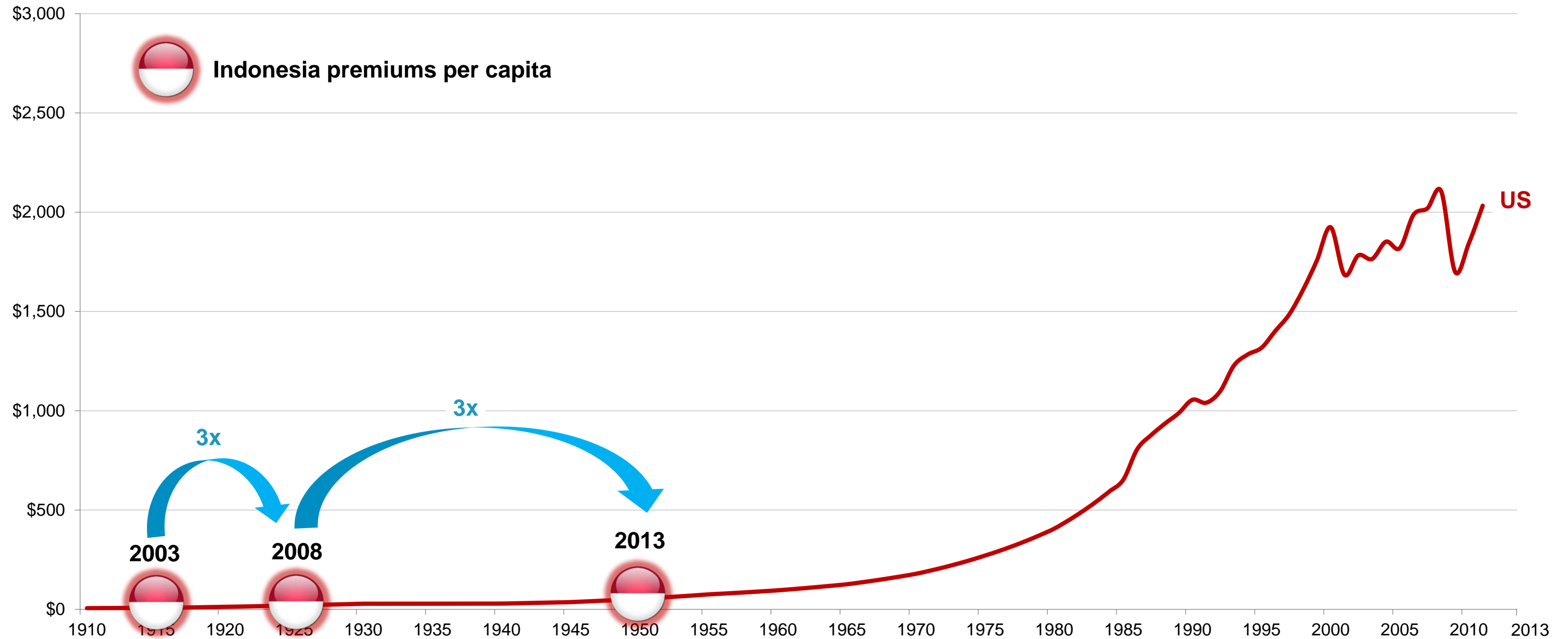
Life premiums per capita (US\$)



Asia

Long term opportunity

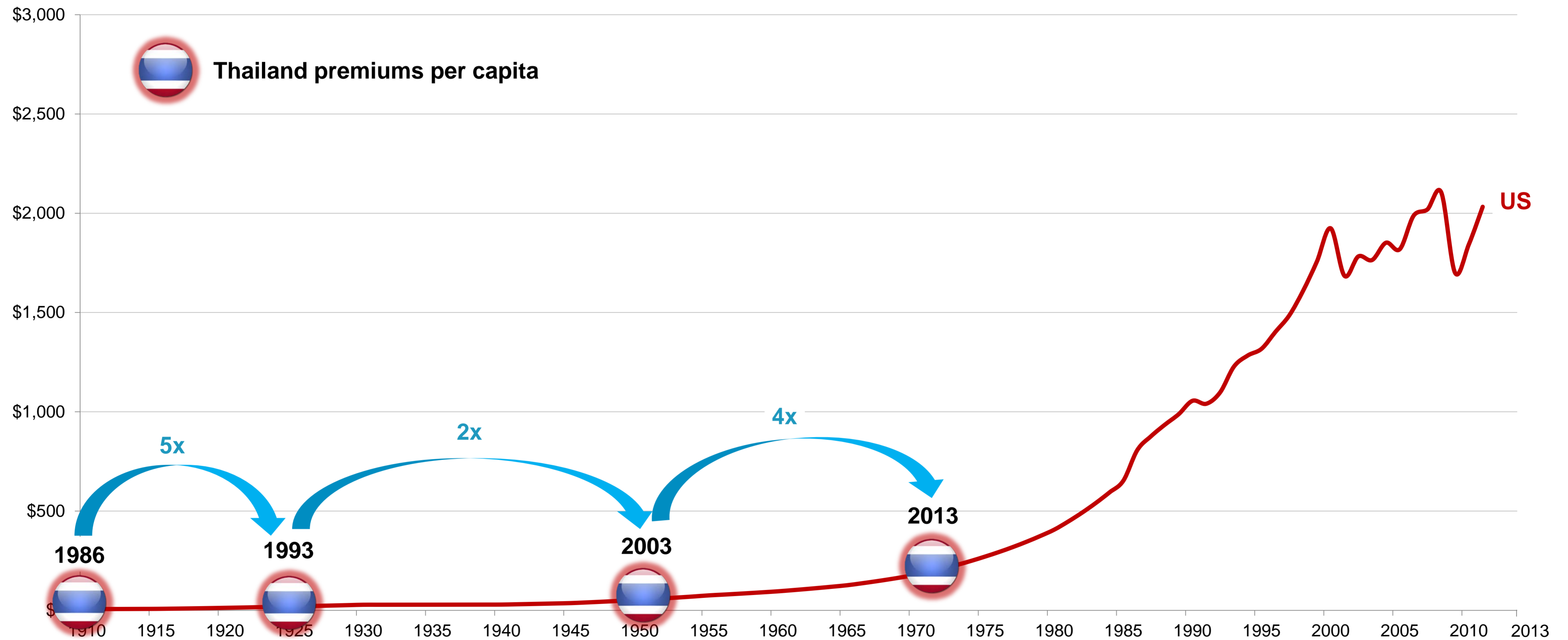
Life premiums per capita (US\$)



Asia

Long term opportunity

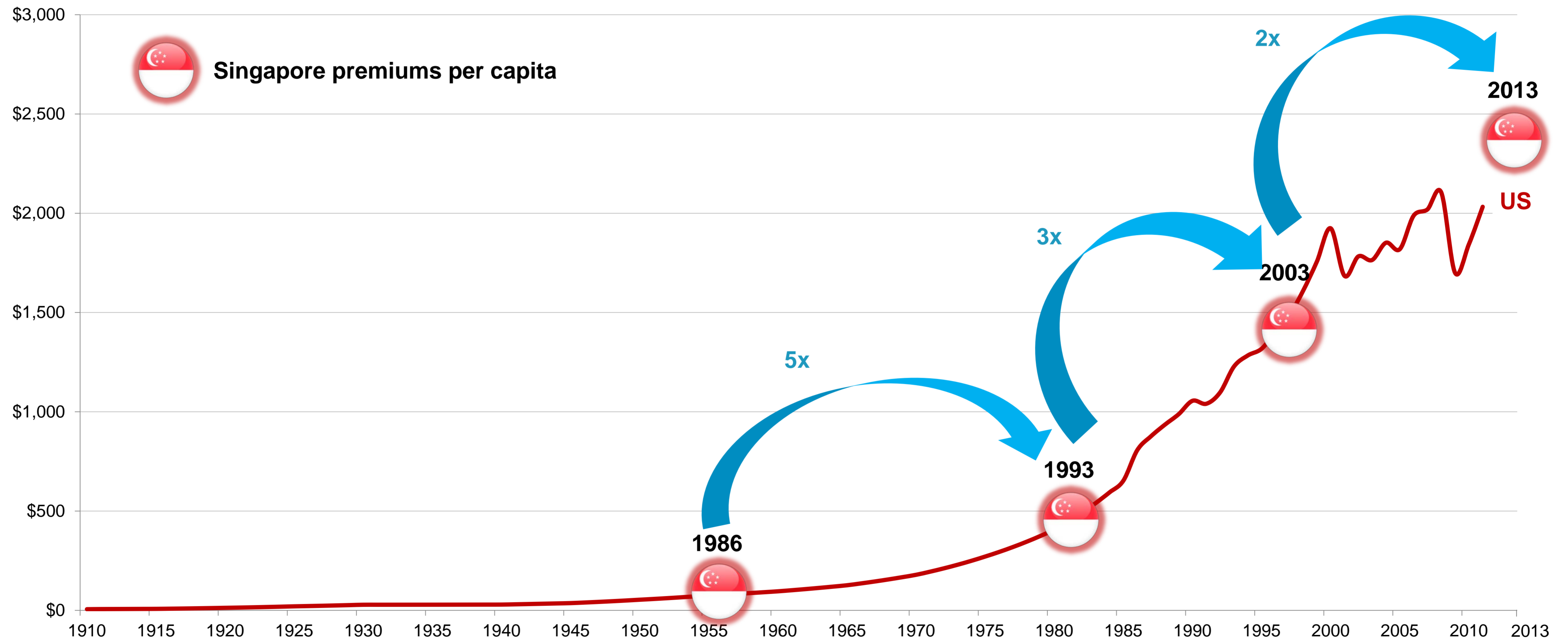
Life premiums per capita (US\$)



Asia

Long term opportunity

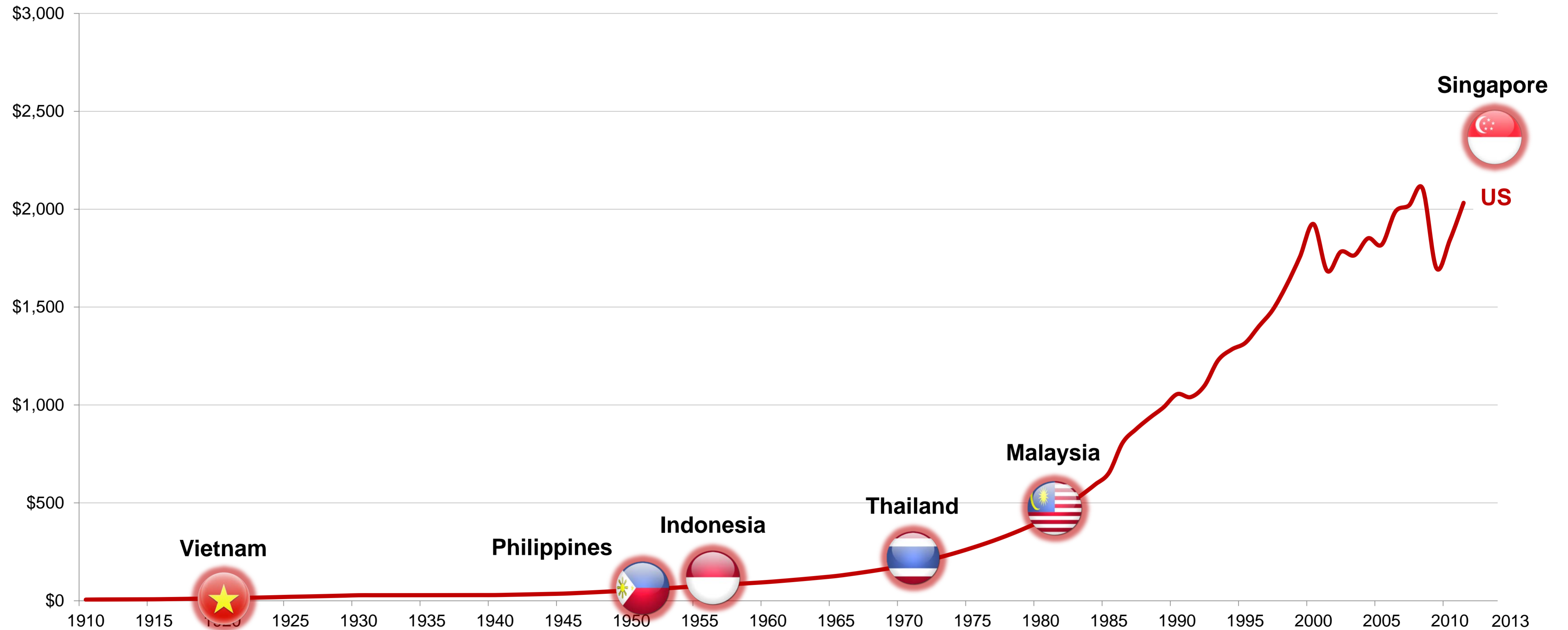
Life premiums per capita (US\$)



Asia

Long term opportunity

Life premiums per capita (US\$)

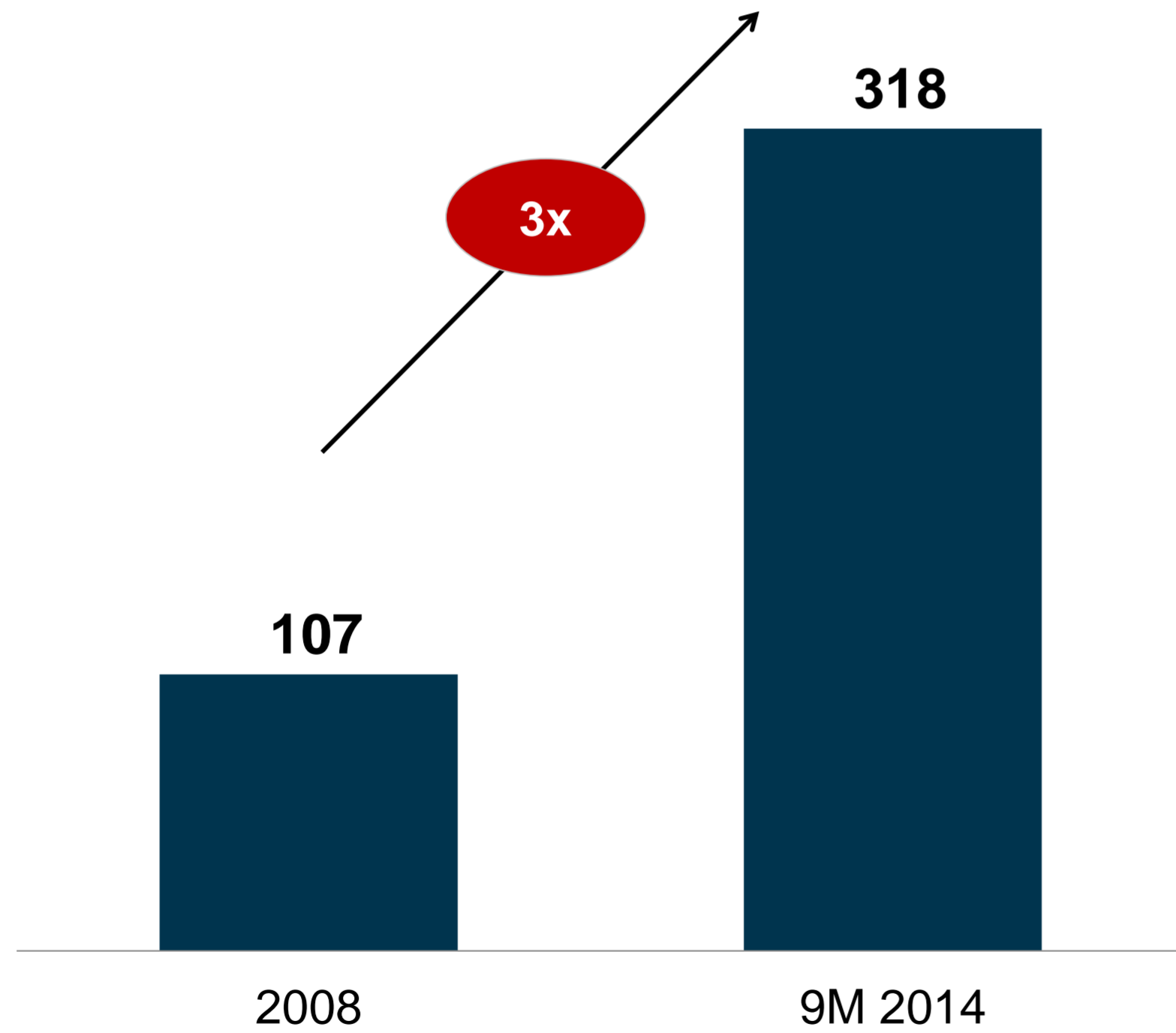


Asia

Distribution

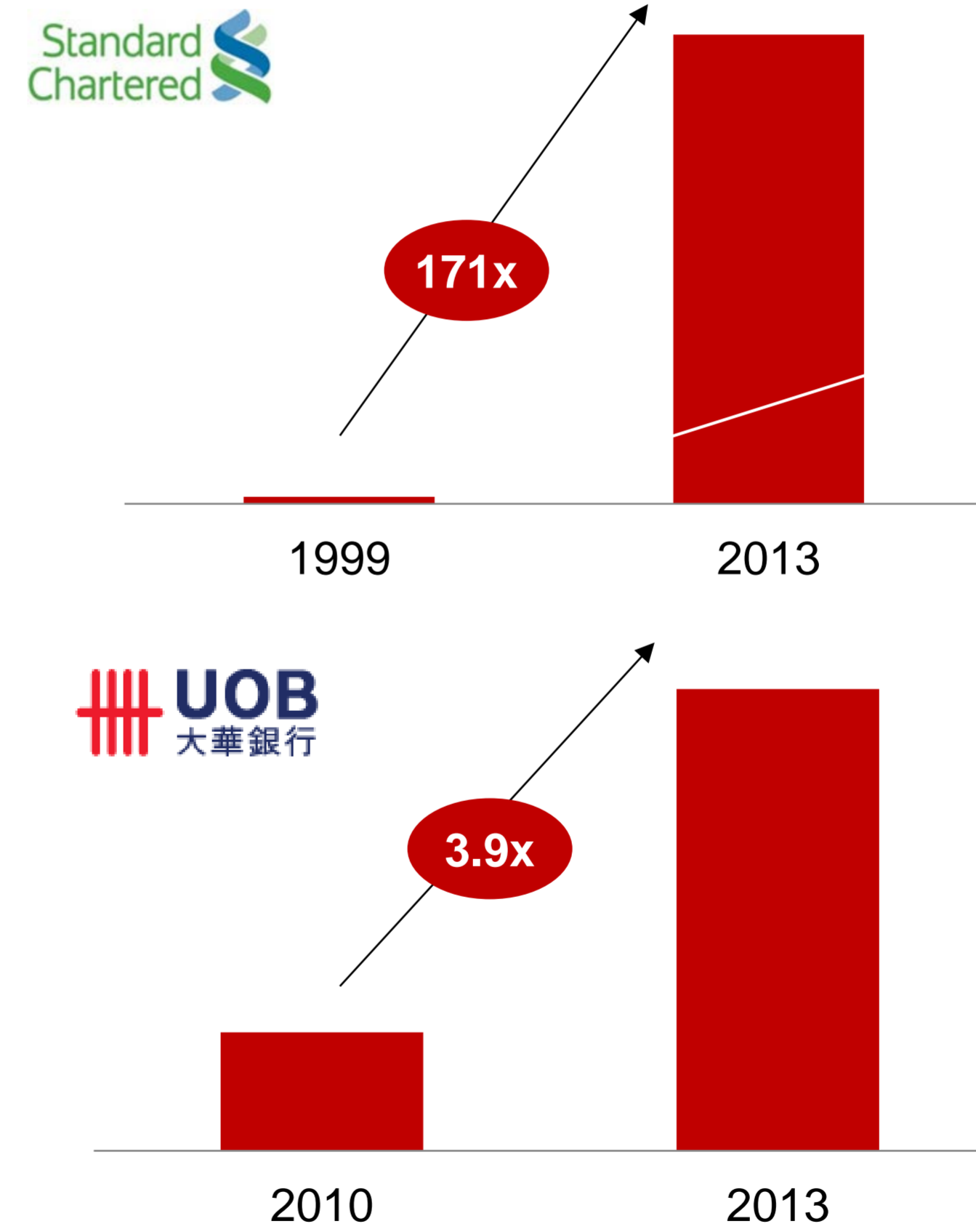
Agency

Number of agents in sweet spot countries, 000s



Bancassurance

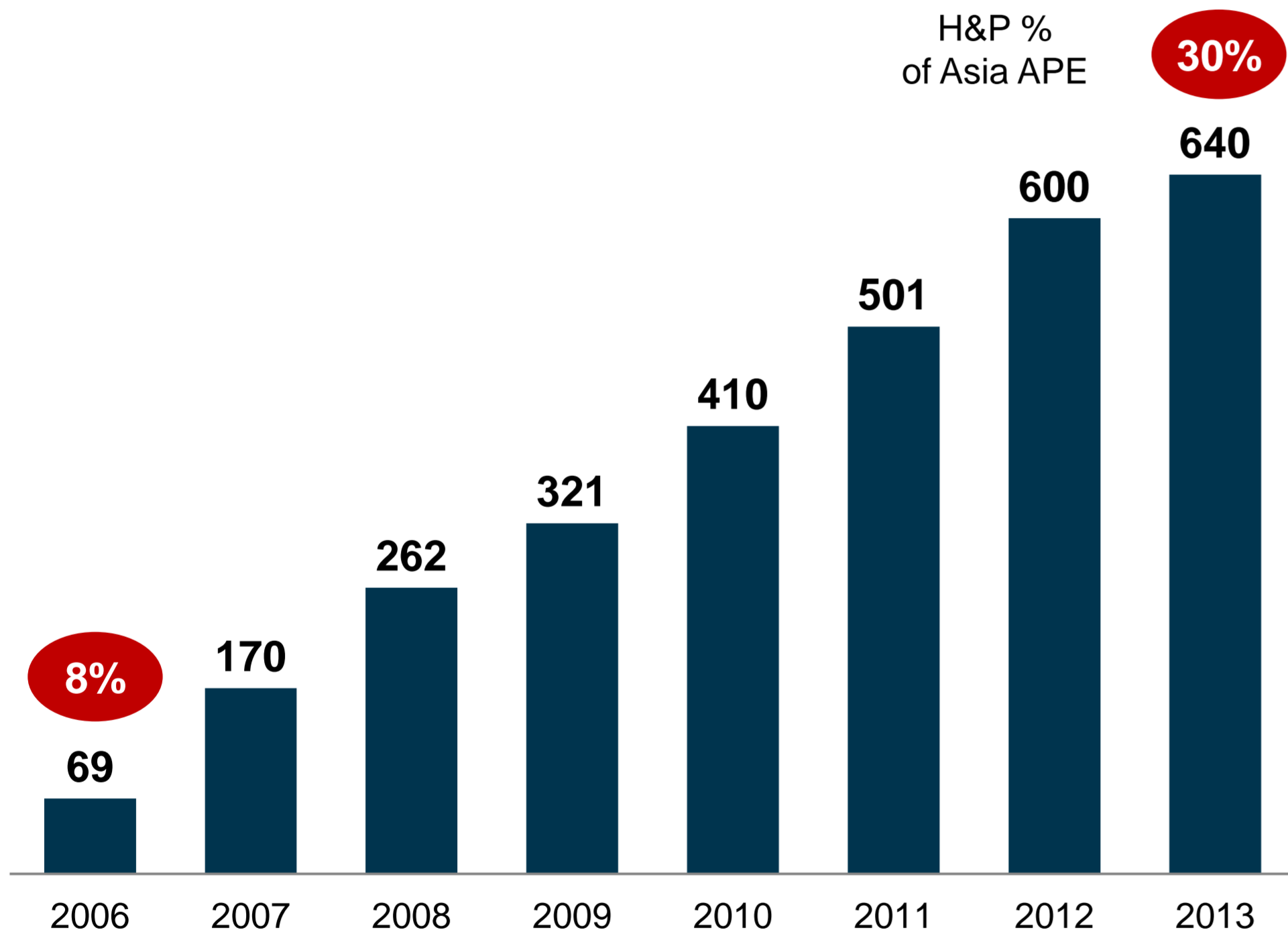
APE growth since inception



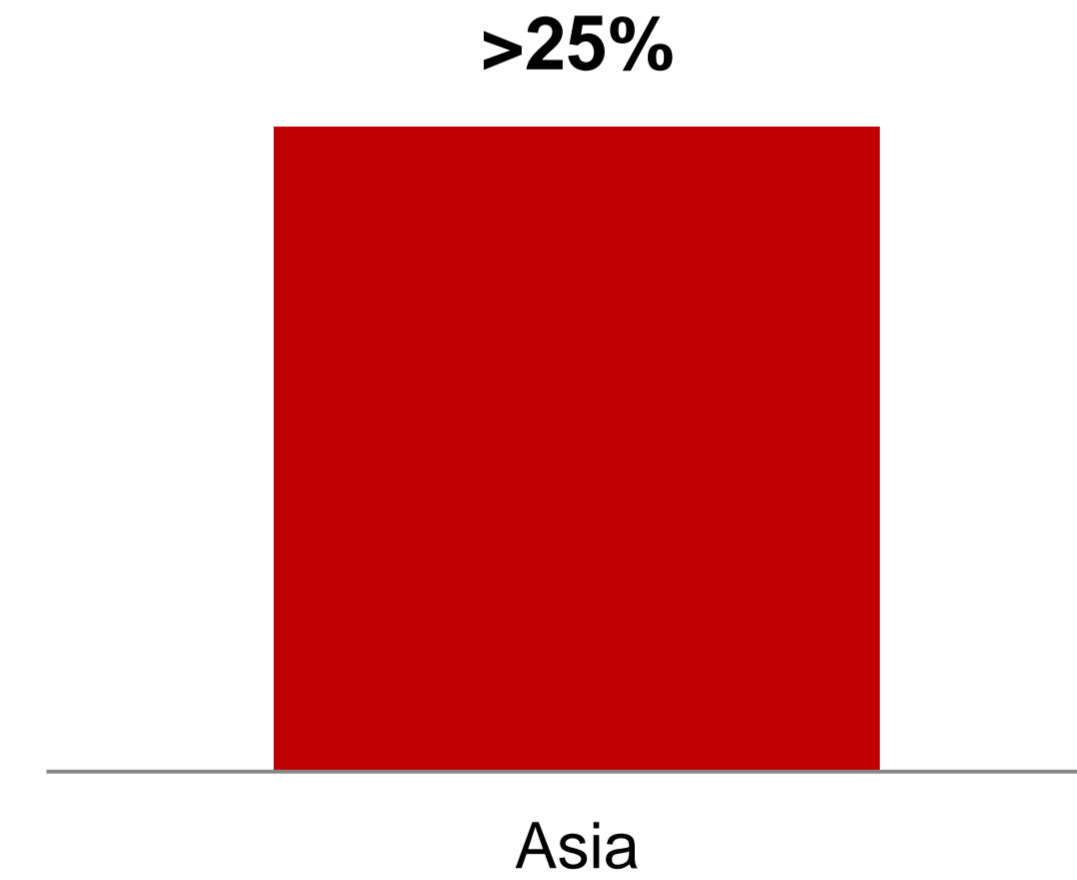
Asia

Innovation

Health and Protection APE¹, £m

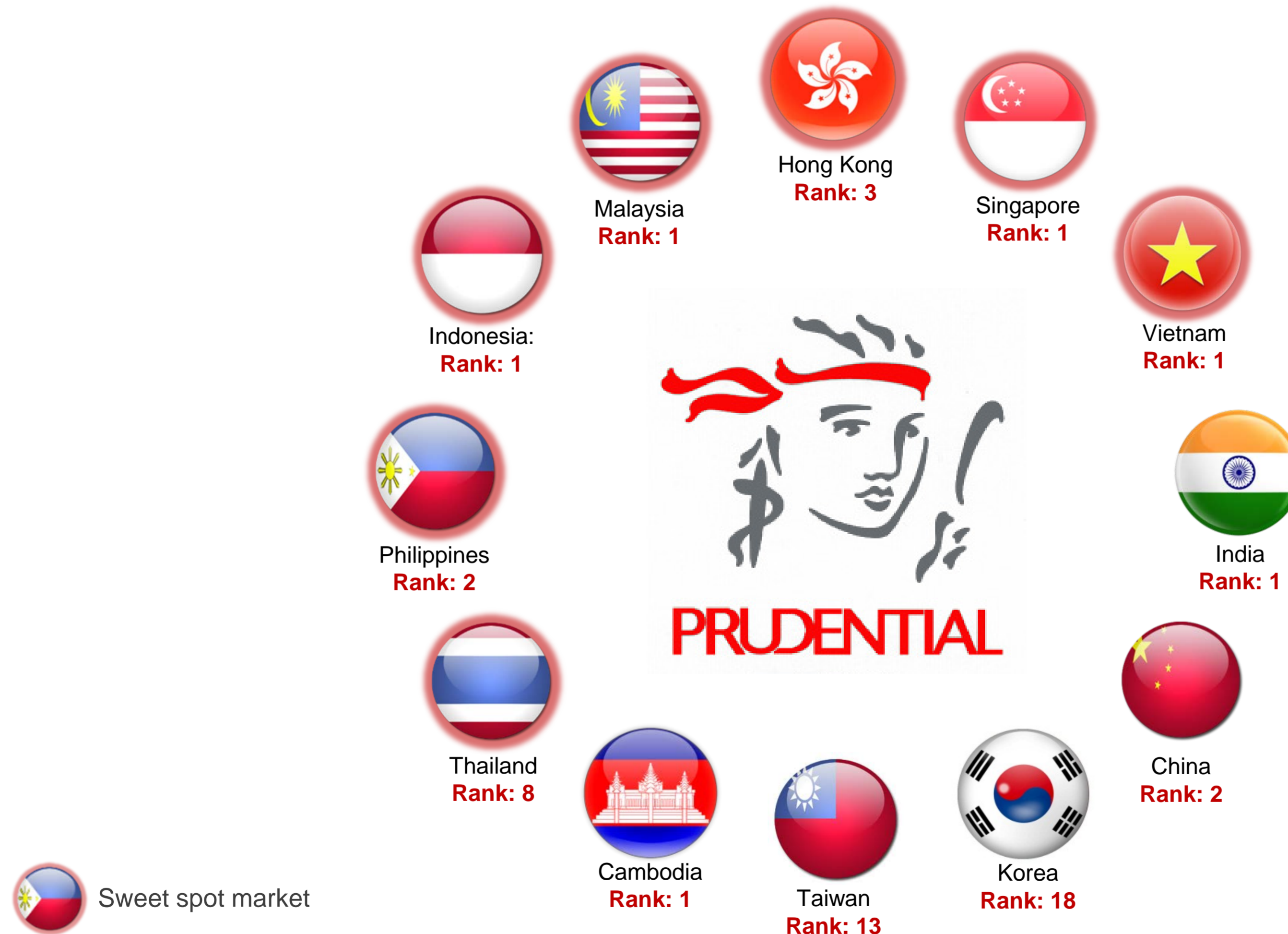


Innovation index²



Asia

Best in class franchise



Source: based on formal (Competitors' results release, local regulators and insurance associations) and informal (industry exchange) market share data submitted by LBUs

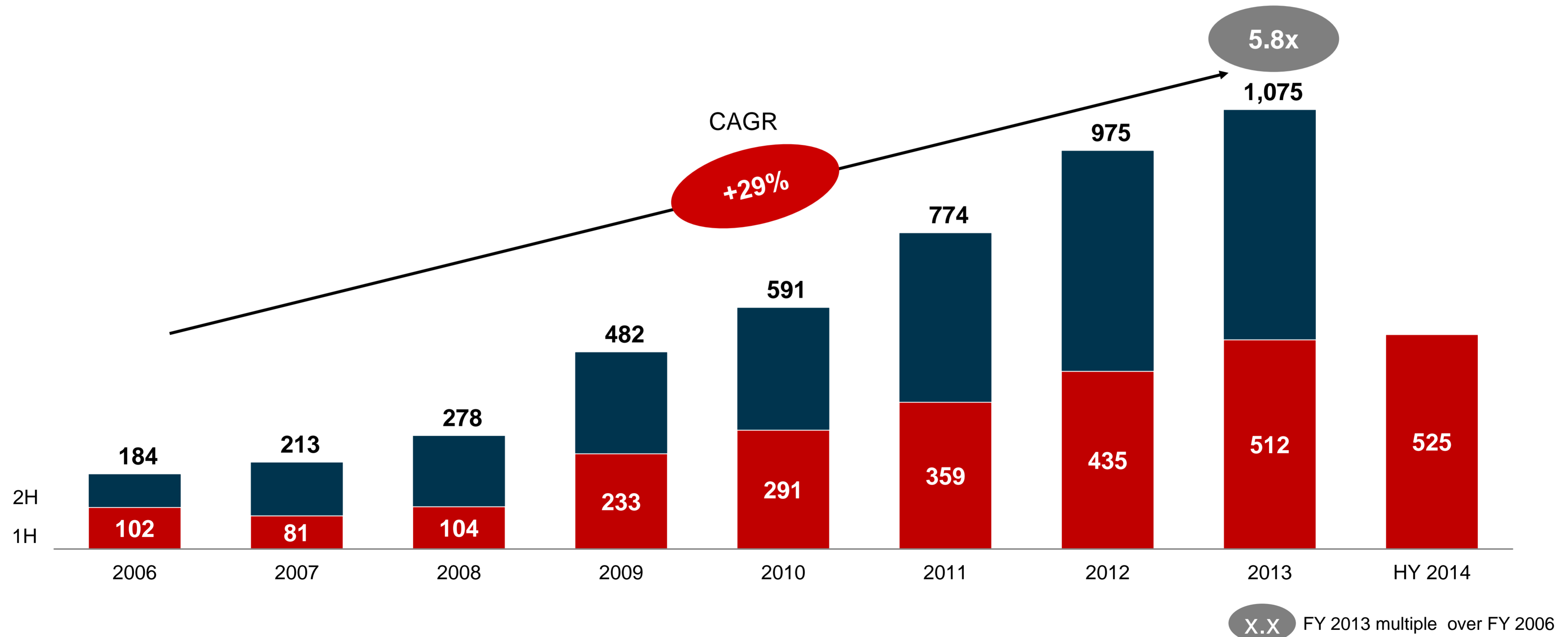
- 1. Based on New Business Weighted Premium basis
- 2. Philippines based on weighted new business premium, gross of reinsurance
- 3. China ranking and market share among foreign / JV only

- 4. Malaysia includes PAMB and PBTB
- 5. Cambodia based on Gross Premiums
- 6. India ranking based on private players only

Asia

Track record

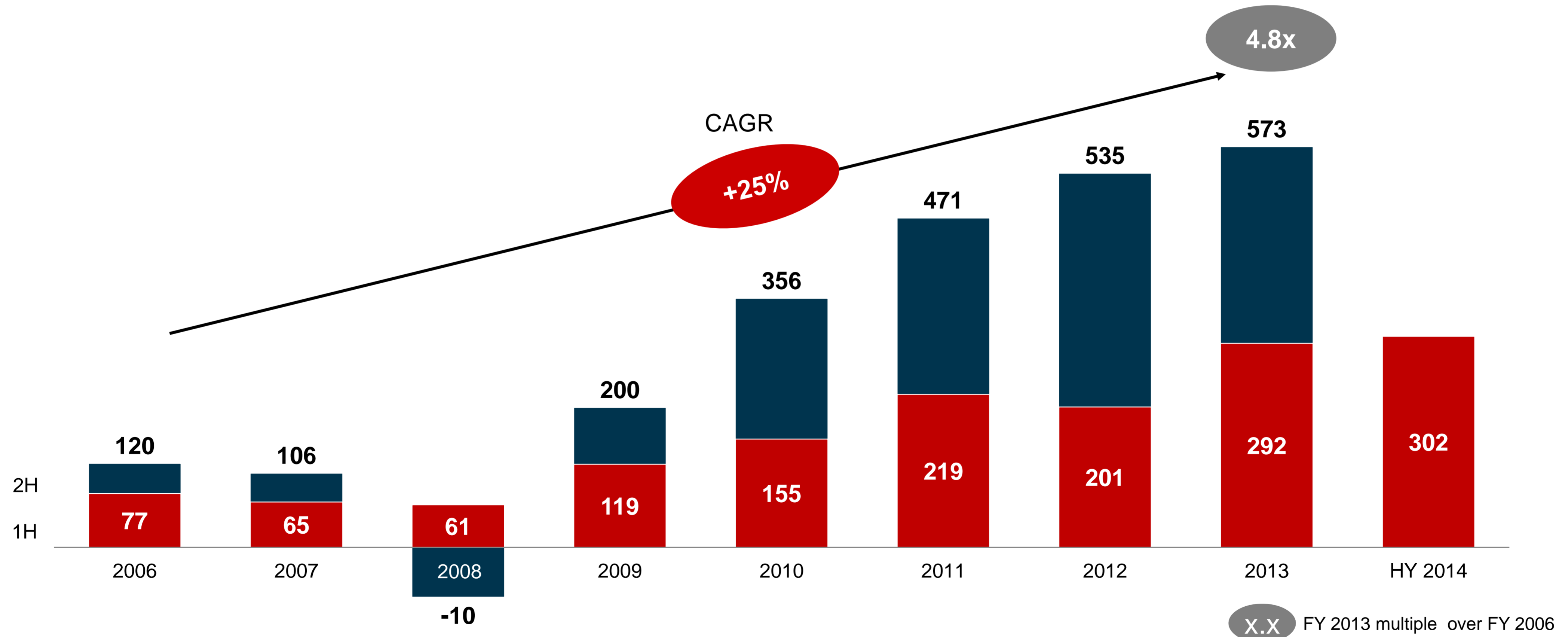
IFRS operating profit^{1,2}, £m



Asia

Track record

Free Surplus Generation^{1,2,3}, £m



Asia

Summary

- Robust long-term fundamentals
- Disciplined execution
- Best in class franchise
- Strong track record

Agenda

Group

Asia

US

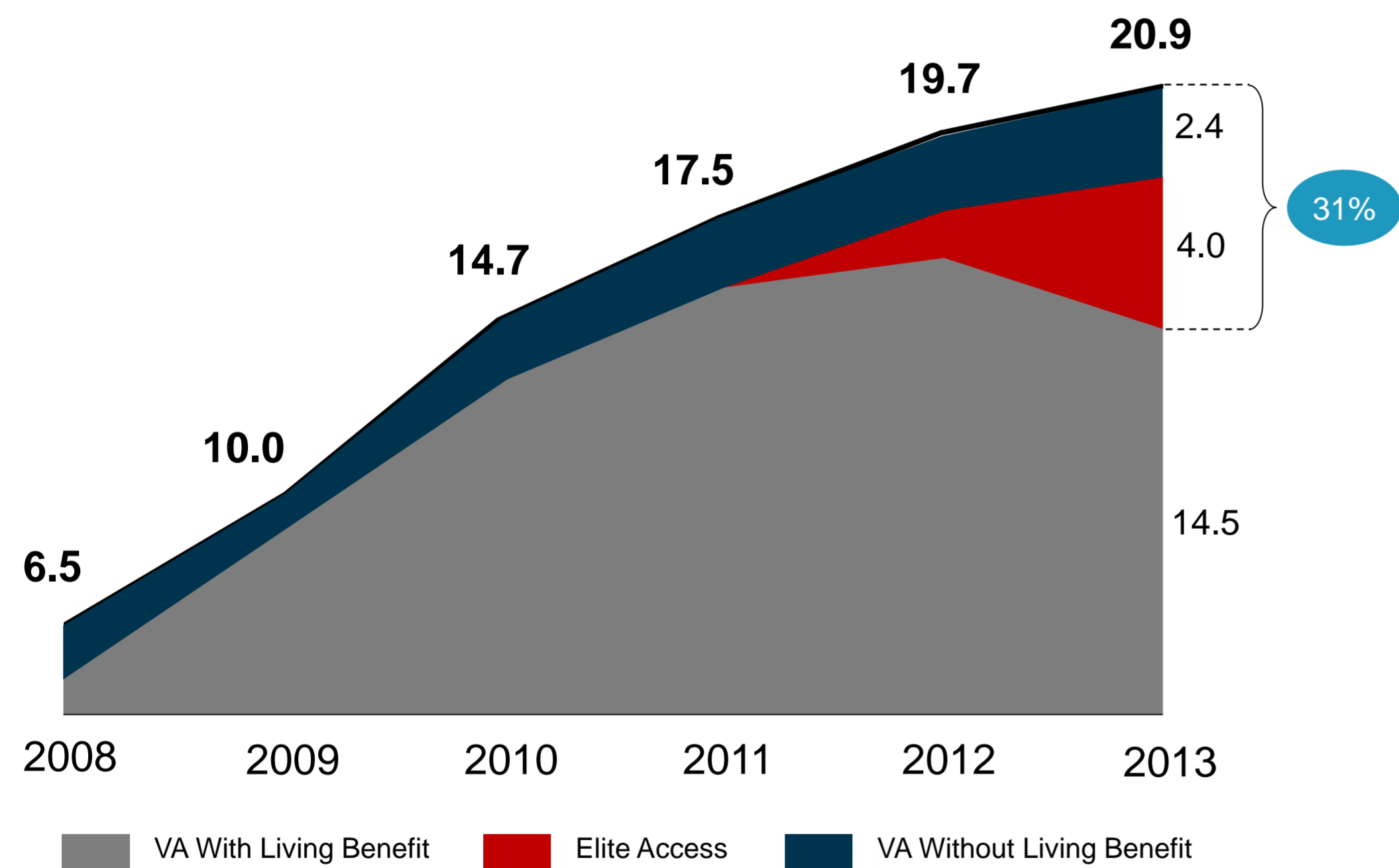
UK

Conference agenda

Key messages

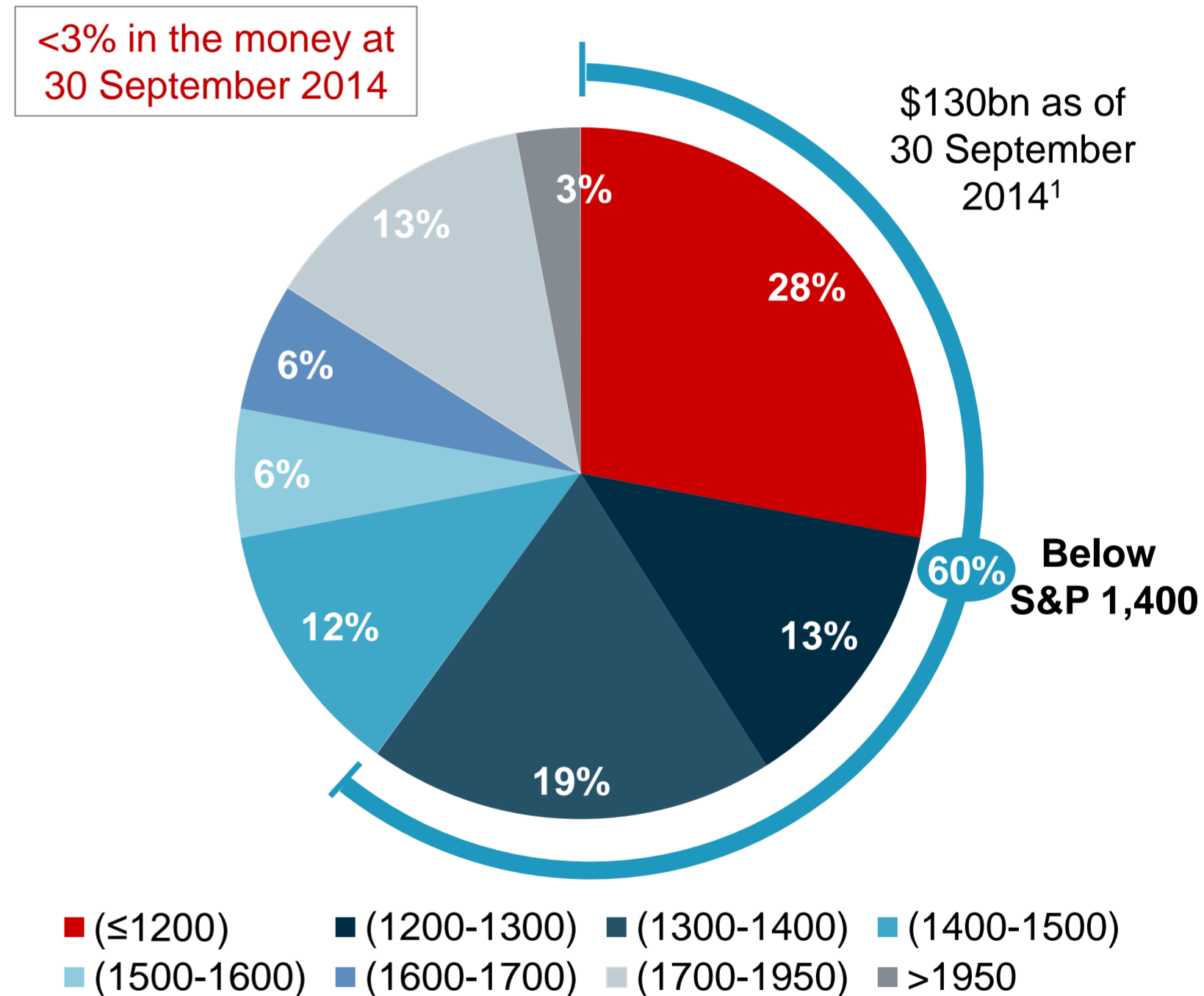
Strong execution

Jackson VA sales mix, \$bn



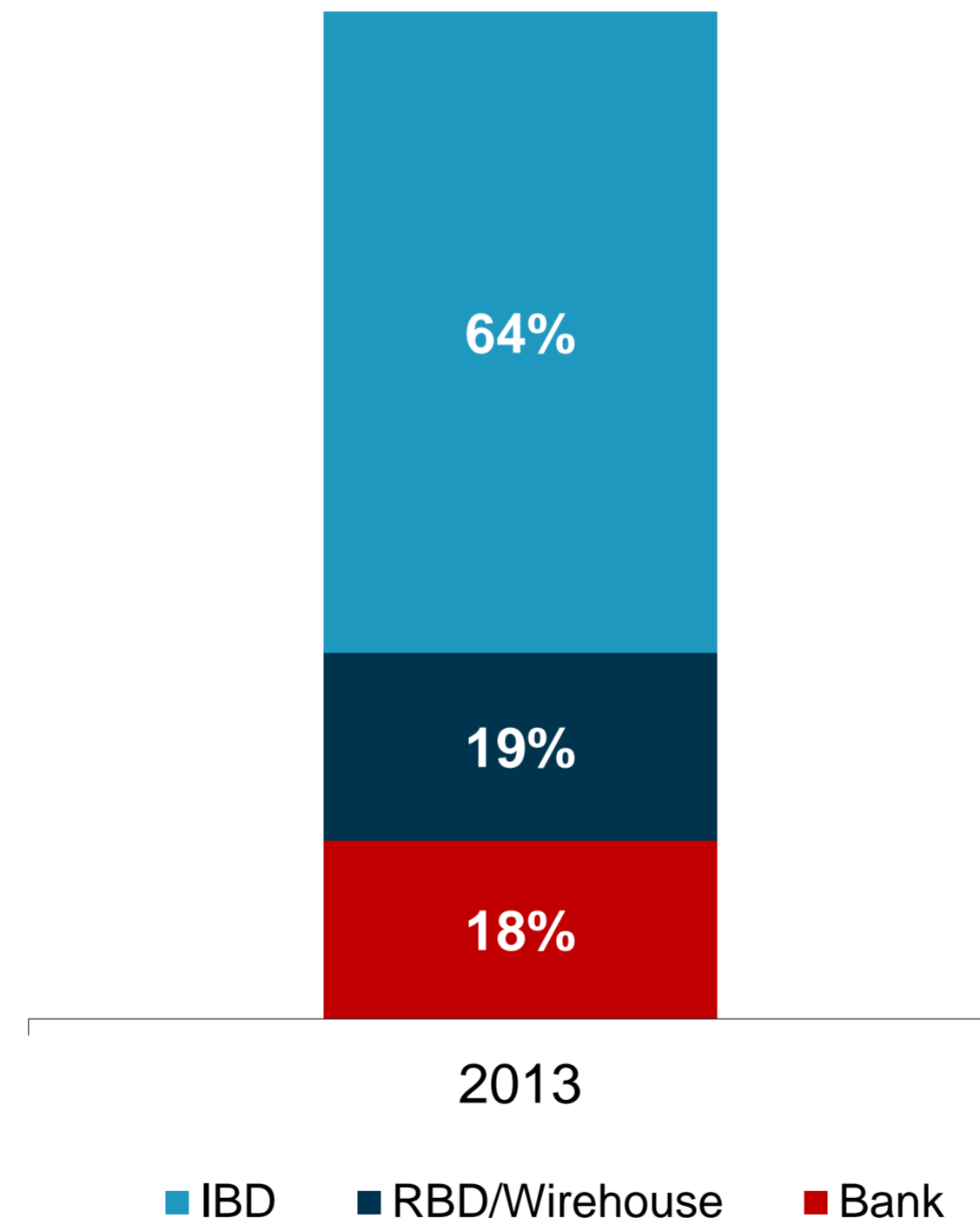
Healthy in-force

Separate account value by S&P 500 level at policy issue



¹ Includes VAs allocated to General Account.

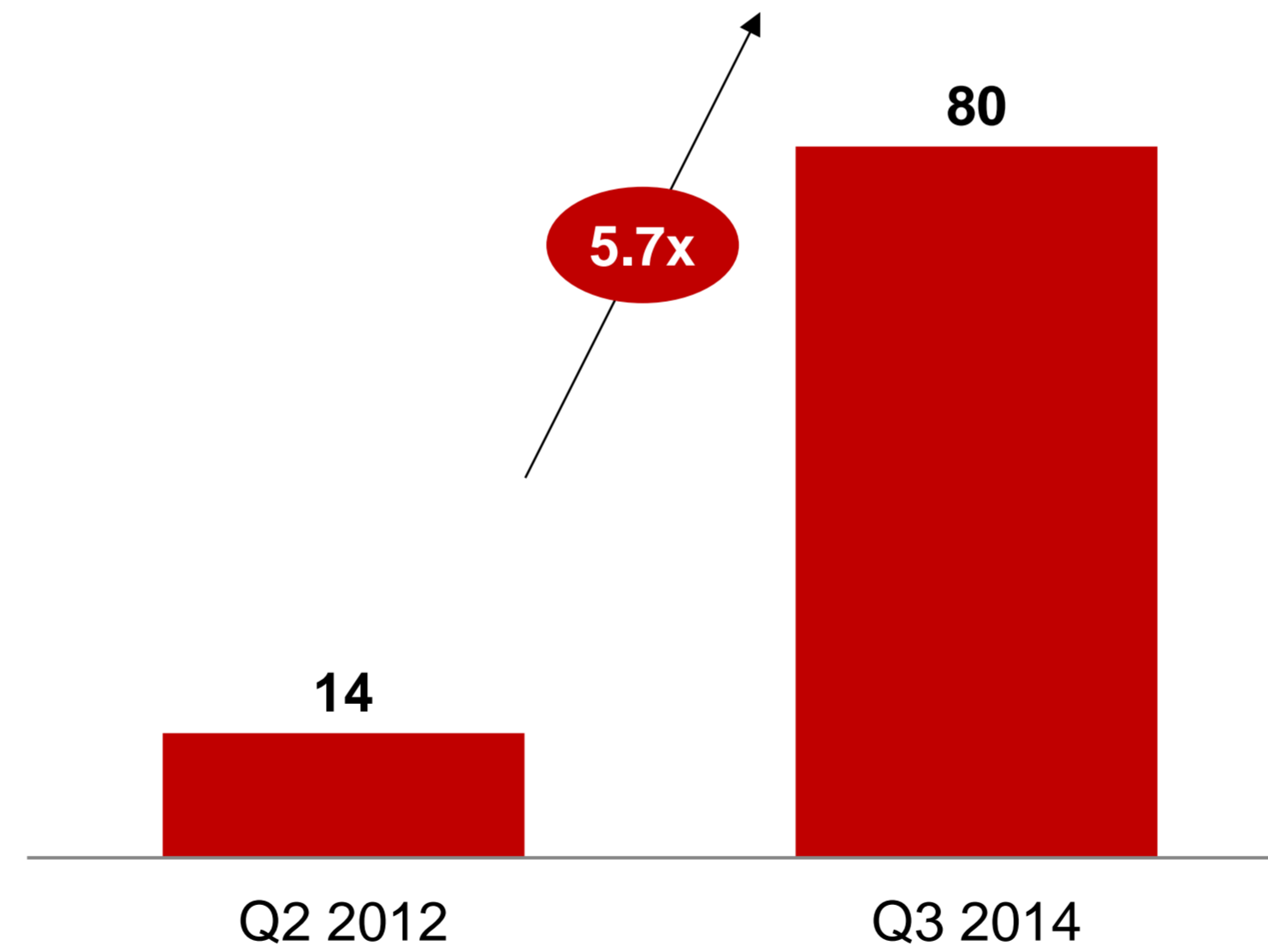
Variable annuity sales by channel, %



IBD: Independent Broker/Dealer, RBD: Regional Broker Dealer.

Product

Elite Access discrete quarterly APE, £m



Agenda

Group

Asia

US

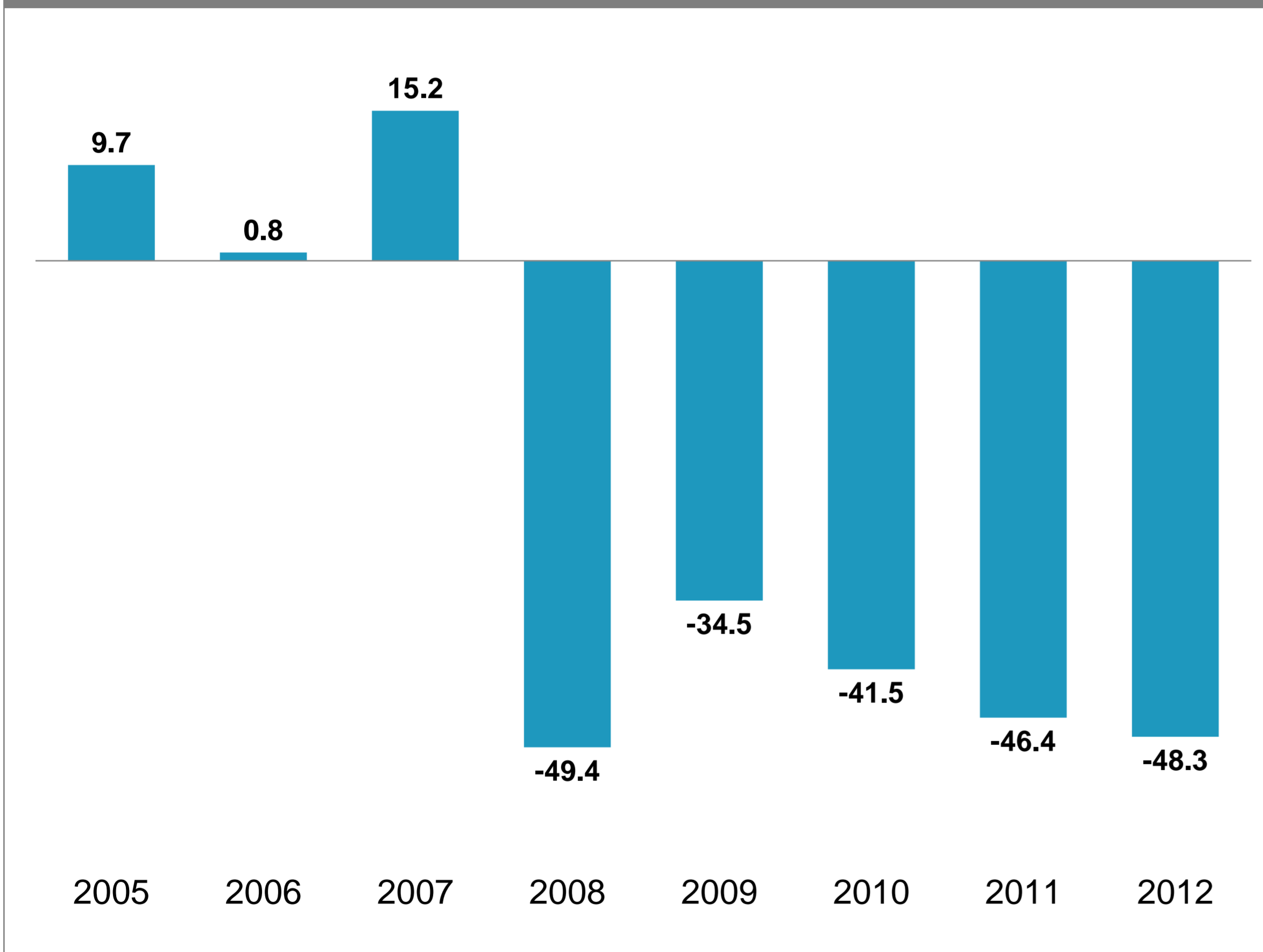
UK

Conference agenda

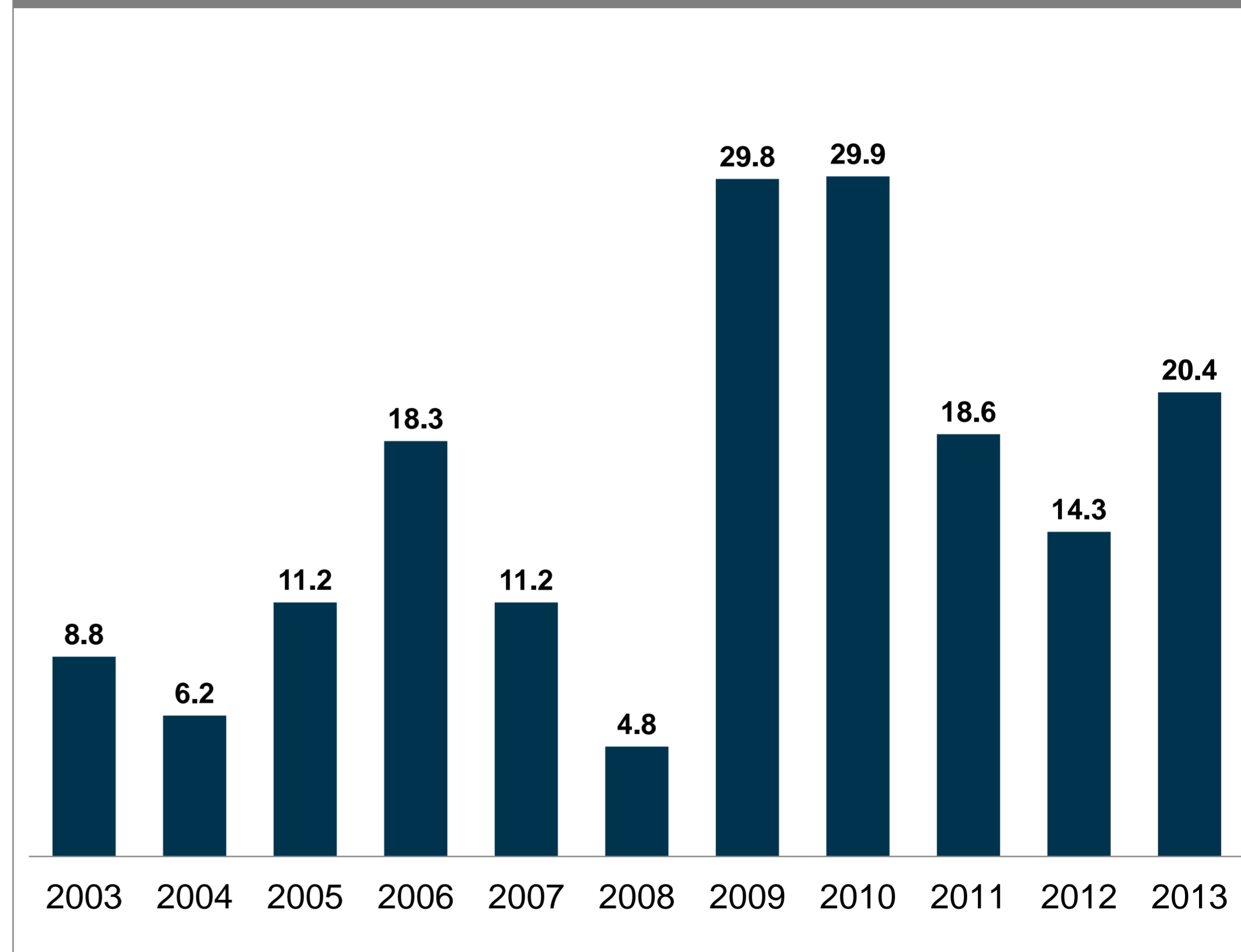
Key messages

Capturing savings flows into asset management

UK life insurance sector net inflows¹, £bn



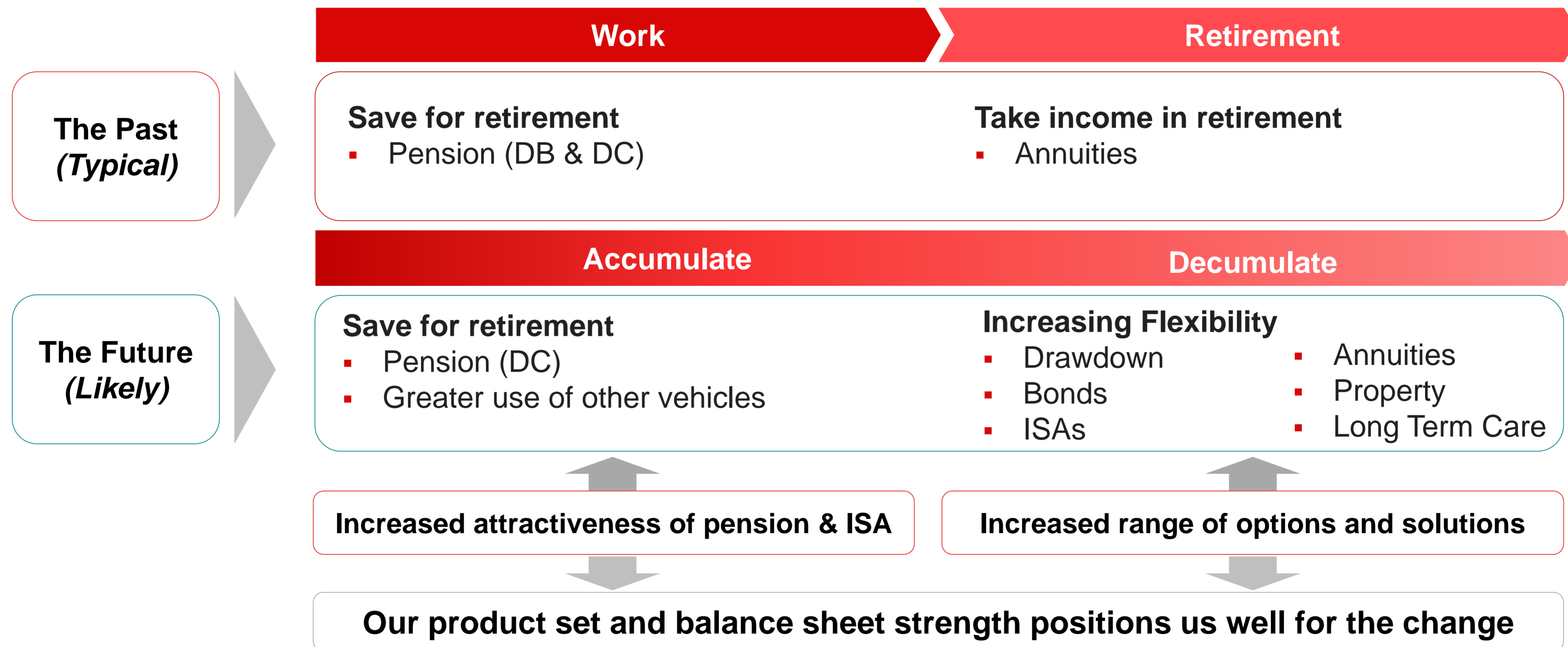
UK asset management industry net retail fund inflows², £bn



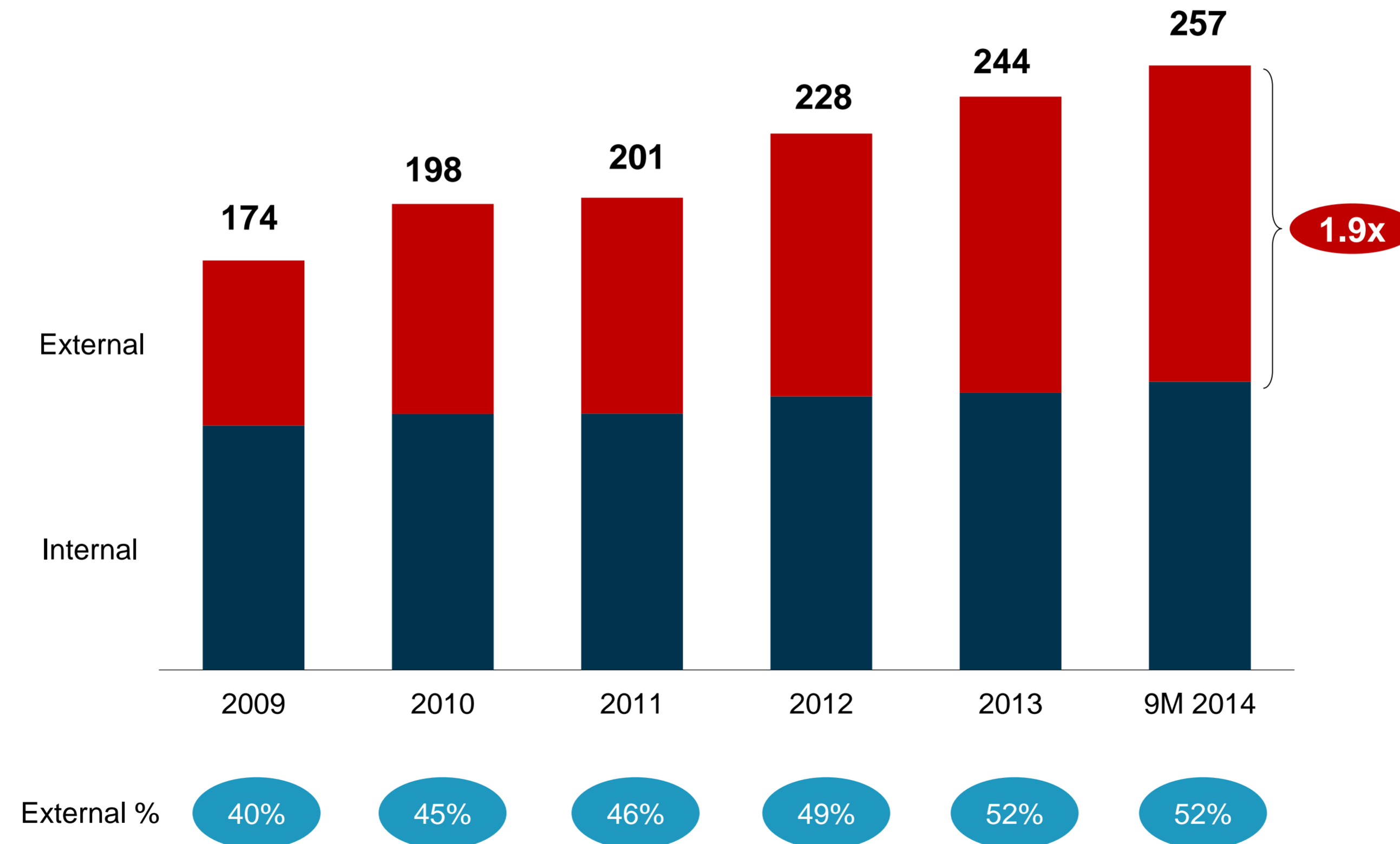
1. Source: ABI
2. Source: IMA

Well positioned for the new environment

Budget 2014: Merging of Accumulation and Decumulation



M&G funds under management, £bn



Agenda

Group

Asia

US

UK

Conference agenda

Key messages

Conference agenda – Day 1

09:00 – 09:30	Delivering Growth and Cash	Tidjane Thiam
09:30 – 09:50	Asia: Overview	Barry Stowe
09:50 – 10:50	Asia: Operational Update	Tony Wilkey, Lilian Ng
10:50 – 11:10	Break	
11:10 – 11:35	Asia: Eastspring Investments	Guy Strapp, Michele Bang
11:35 – 12:15	Asia: Financials	Adrian O'Connor, Brad Harris
12:15 – 13:00	Q&A	Tidjane Thiam
13:00 – 14:00	Lunch	
14:00 – 16:15	Carousel 1: Products Carousel 2: Customers Carousel 3: Assuring Quality Growth	Brad Harris, Tomas Urbanec Anthony Shaw Steve Bickell
16:15 – 17:15	Day 1 Wrap-up and Q&A	Tidjane Thiam
18:15	Transfer to Gala Drinks & Dinner	

Conference agenda – Day 2 & 3

Day 2

09:00 – 10:00	Jackson	Mike Wells, Chad Myers
----------------------	----------------	------------------------

10:00 – 10:30	Break	
---------------	-------	--

10:30 – 11:30	UK	Jackie Hunt, Aki Hussain
----------------------	-----------	--------------------------

11:30 – 12:30	Wrap-up and Final Q&A	Tidjane Thiam
----------------------	----------------------------------	---------------

12:30 – 14:00	Lunch	
---------------	-------	--

15:15	Transfer to Jakarta	
-------	---------------------	--

20:00 – 22:00	Dinner in Jakarta	
---------------	-------------------	--

Day 3

09:00 – 14:50	Jakarta local operations site visit	Barry Stowe, Rinaldi Mudahar
----------------------	--	------------------------------

15:00 – 15:20	Wrap-up and Close	Tidjane Thiam
----------------------	--------------------------	---------------

Agenda

Group

Asia

US

UK

Conference agenda

Key messages

Group

Key messages

Operating profit^{1,2}, £m

- Clear, unchanged strategy to pursue three long term growth opportunities
- Asia central to Group's long term performance
- Disciplined execution delivering profitable growth
- Well positioned to deliver long-term shareholder value

