



Mike Wells Group

Group

Conference objectives



- 1 Confirm opportunity set & positioning
- 2 Demonstrate business resilience
- 3 Highlight BU operational progress
- 4 Re-affirm company prospects

Group

Conference agenda



Group

Strategic & Financial overview

Asia

Operational summary & Country 'deep dives'

US

Strategic overview, Regulatory & financial update

UK

M&G & Life overview

Group

Market context



BOE rate cut
Solvency II
US elections
Jan Investor conference
GDP growth
BREXIT
Department of Labor
China politics
Fed rate
expectations
NAIC
IMF growth forecasts cut
HY results
Oil price

Lower nominal GDP growth rates

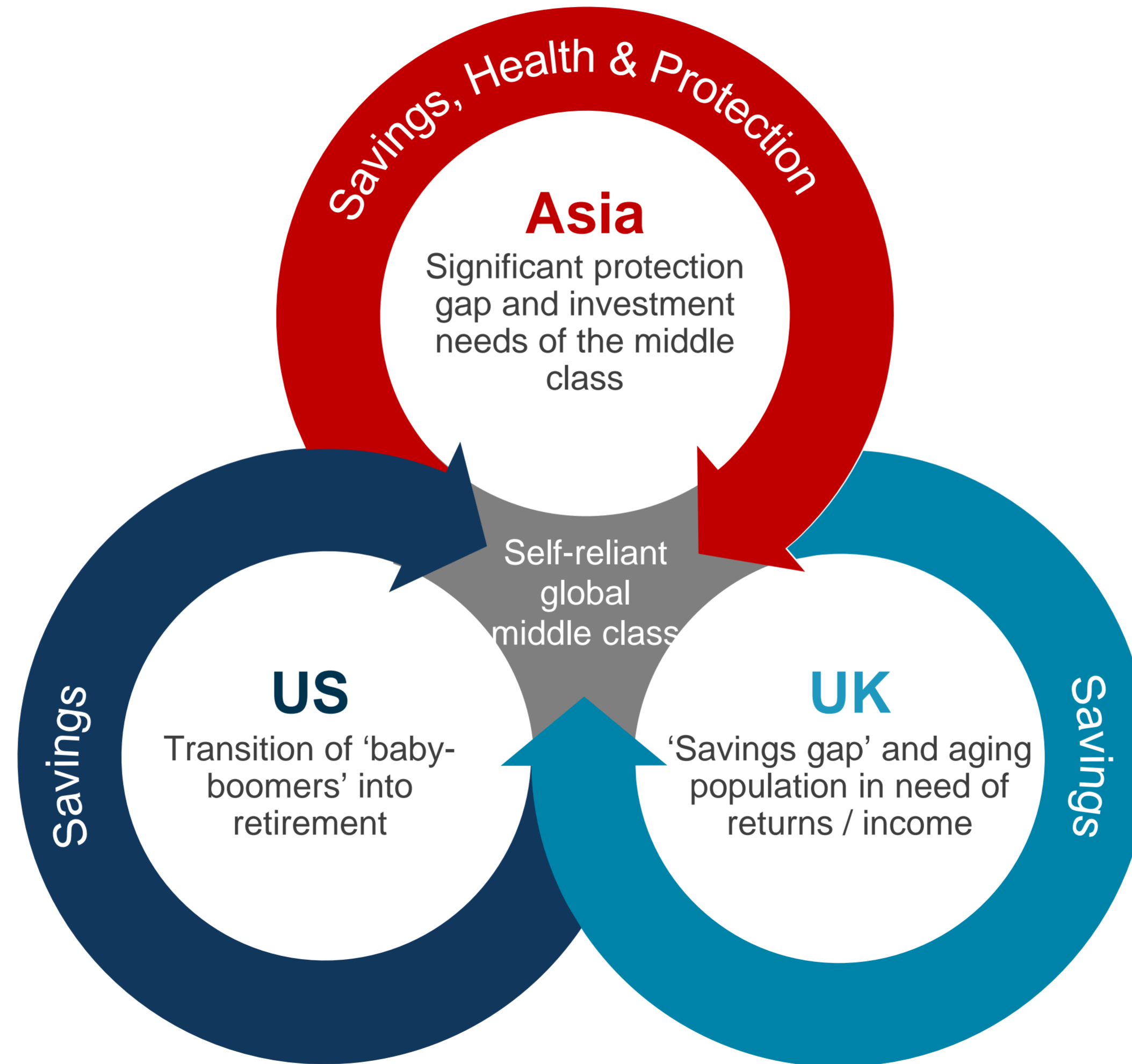
Interest rate outlook

Higher uncertainty & volatility

Regulatory & political change

Group

Clear strategy



Group

Significant growth opportunities



Asia

- Low life insurance and mutual fund penetration ✓
- Significant health and protection gap ✓
- Growing working age population ✓
- Increasing consumer affluence ✓

US

- Retiring 'baby-boomer' generation ✓
- Large & growing retirement asset pools ✓
- Growing demand for guaranteed income ✓

UK

- Aging population ✓
- Large & growing retirement asset pools ✓
- Growing demand for savings and income ✓

Group

'Best in class' franchises



Asia

- **Leading** pan regional franchise
- **Top 3 position in 9 of 12 life markets**¹
- **#1** Retail Asian asset manager²

US

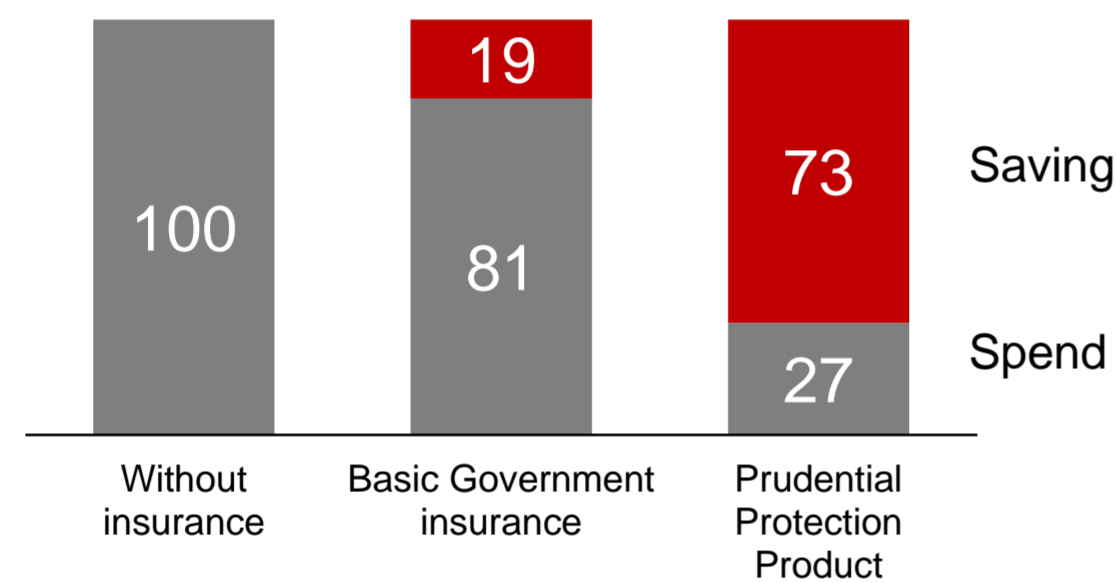
- **Premier** retirement income player

UK

- **Well recognised brands** with strong track records

Products

Out of pocket medical spend³



Funds with high performance⁴
(+7% 3 year net return)

21

Nil

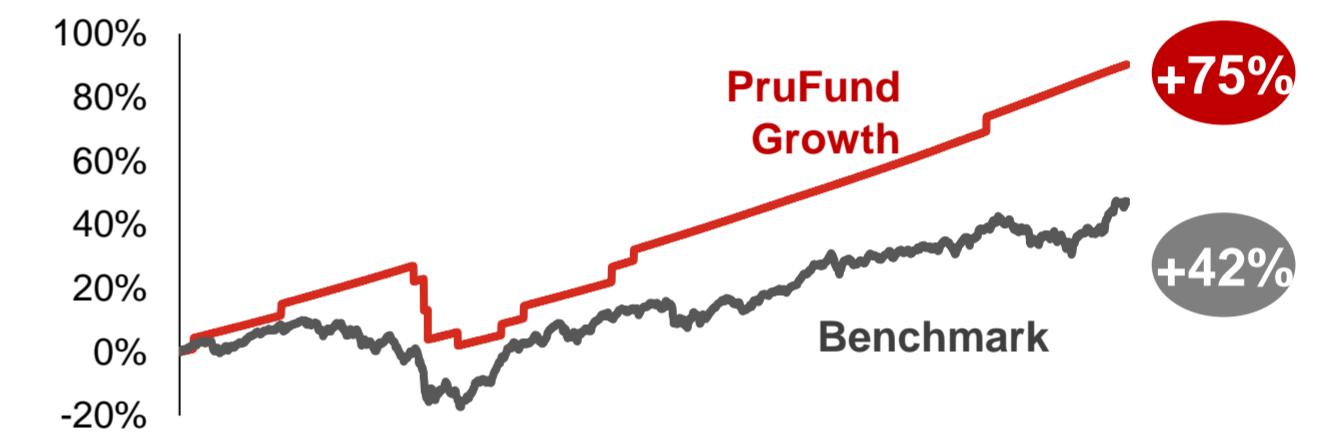
Jackson

Peers

5x

Greater number of eligible funds -
Living benefit
(vs peer average)

PruFund Investment Performance⁷



£266bn

M&G Assets under management
(Sept 16)

Distribution

+500,000 agents

Access to +10,000 Active bank branches

>50%

Larger wholesale distribution than
nearest competitor⁵

39%

Greater wholesaler productivity^{5,6}

+39%

Growth in advisor firms from
2013 (post RDR)⁸

1. 12 markets excludes Korea and includes Laos

2. Number 1 retail asset manager by FUM ex-Japan

3. Expenses for a male aged 50 for heart disease and heart surgery treatment

4. Funds with living benefit with 3 years annualised performance over 7% and net of contract and fund fees. Weighted average assumes best performing fund of available fund allocations as at Q3 2016

5. Source: Market Metrics. Data as of 2Q 2016 YTD

6. Gross sales per VA wholesaler \$m

7. ABI Mixed Investment 20%-60% Shares TR performance from 29 September 2006 to 30 September 2016

8. Number of advisor firms dealing with Prudential (Monthly average). 2,021 in 2013 and 2,804 in Sept 2016

Group

Capital allocation focus



	Metric	Objective
Asia	Underlying free surplus ¹ , £bn	2017: £0.9bn to £1.1bn
Asia	IFRS operating profit ² , £m	2012-17: At least 15% CAGR
Group	Underlying free surplus ¹ , £bn	Cumulative 2014-17: At least £10bn

1. Note:

2. 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.

3. 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

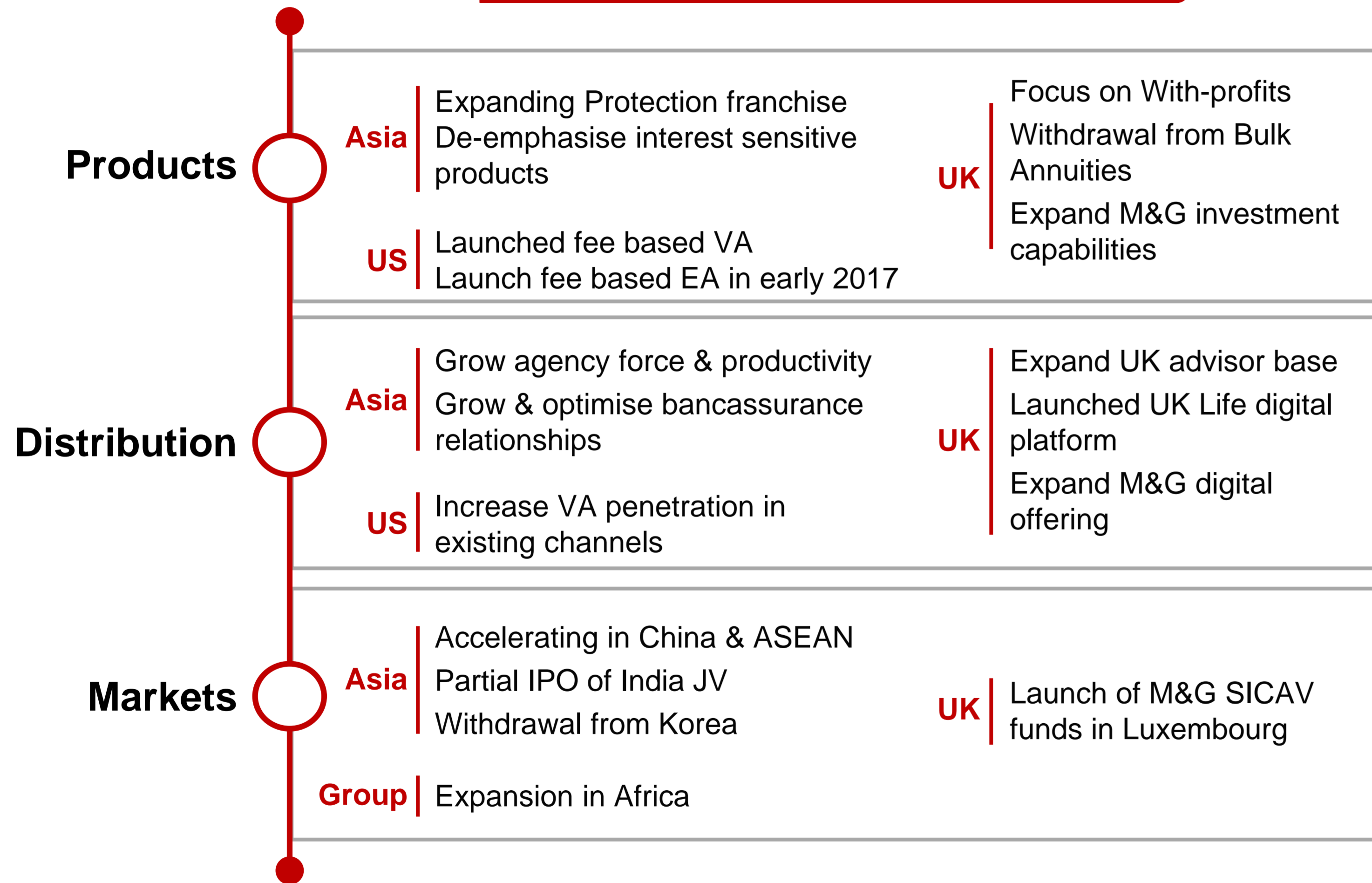
1. Asia 2012 IFRS operating profit of £924 million, as reported at HY 2013, is based on the retrospective application of new and amended accounting standards, and excludes the one-off gain on sale of our stake in China Life of Taiwan of £51 million. Excludes Japan

Group

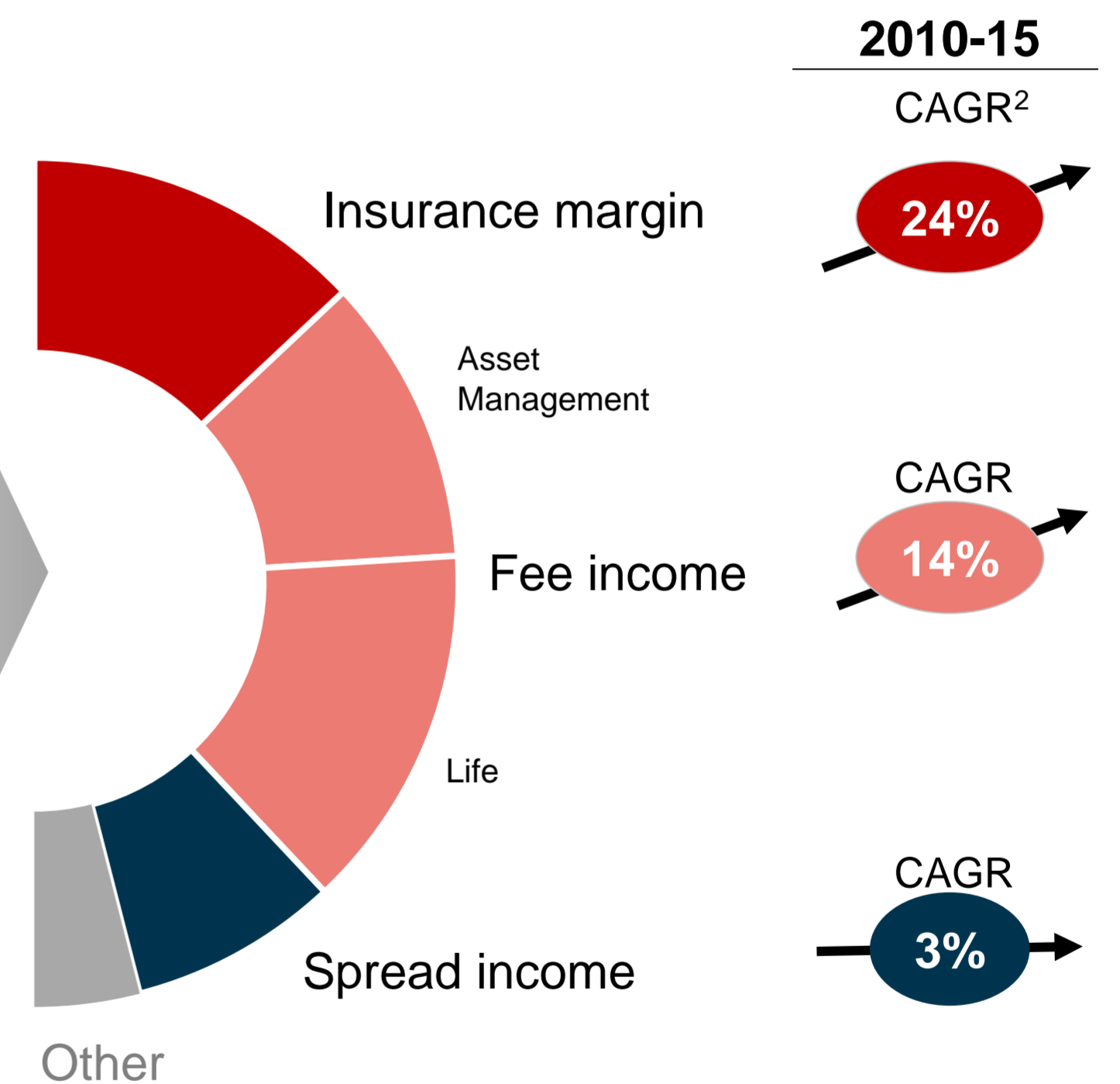
Significant capital allocation optionality



Shareholder value levers



Sources of earnings¹



1. Sources of earnings split based on HY16 income by revenue source and excludes £140m of longevity reinsurance and other UK management actions for capital optimisation

2. 2010-15 CAGR calculated on a actual exchange rate basis

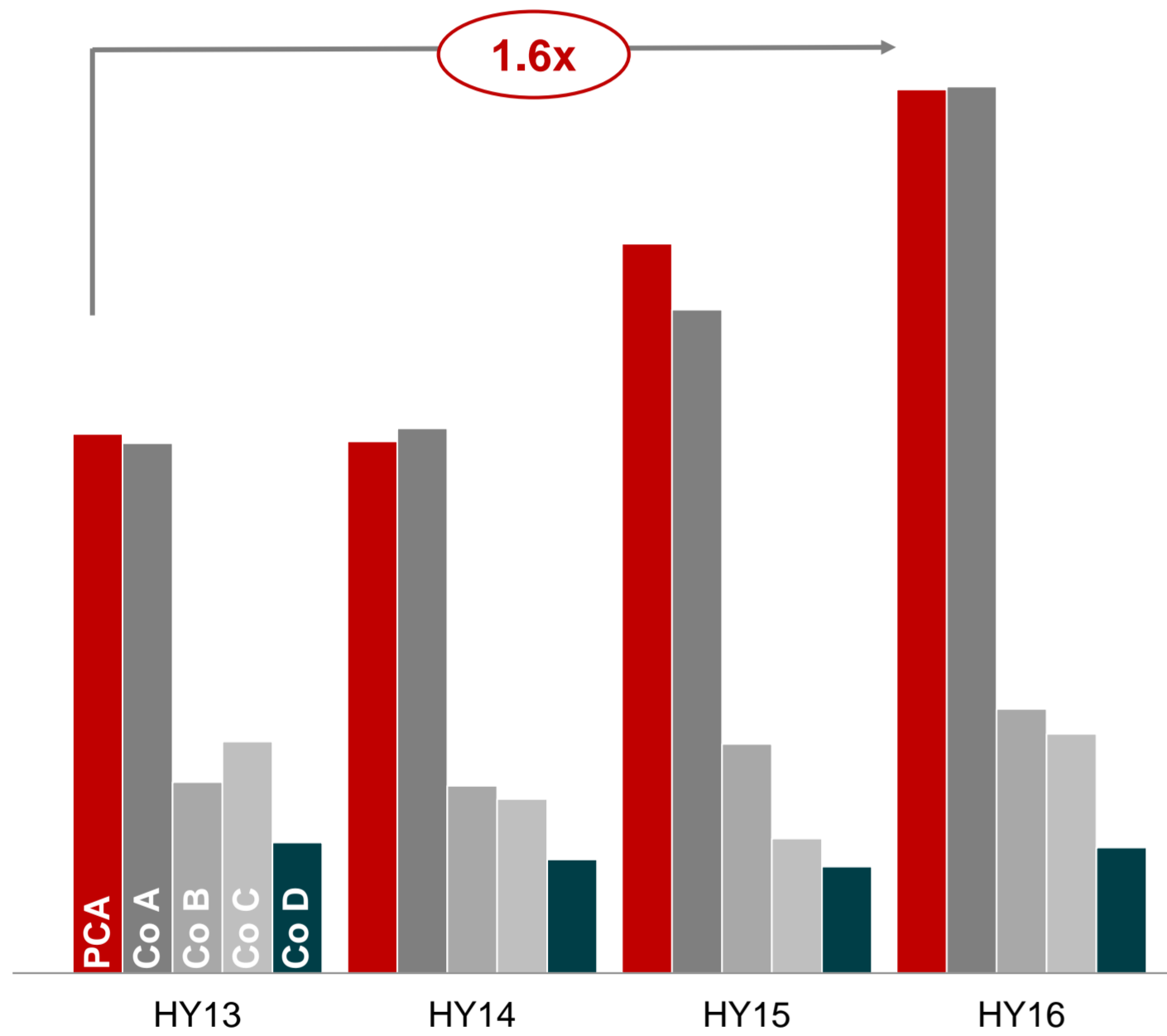
Group

Relative outperformance



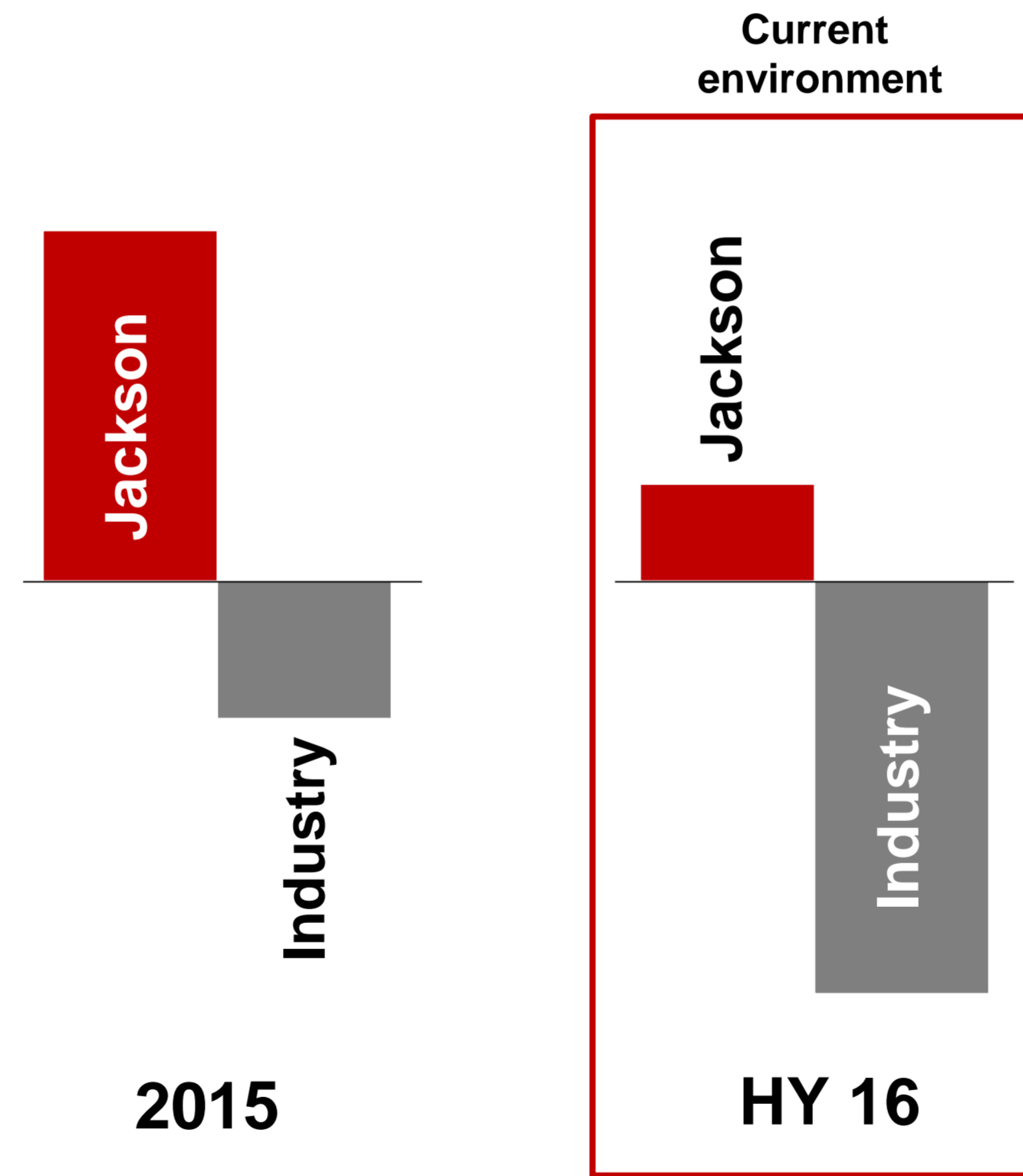
Asia

APE sales¹



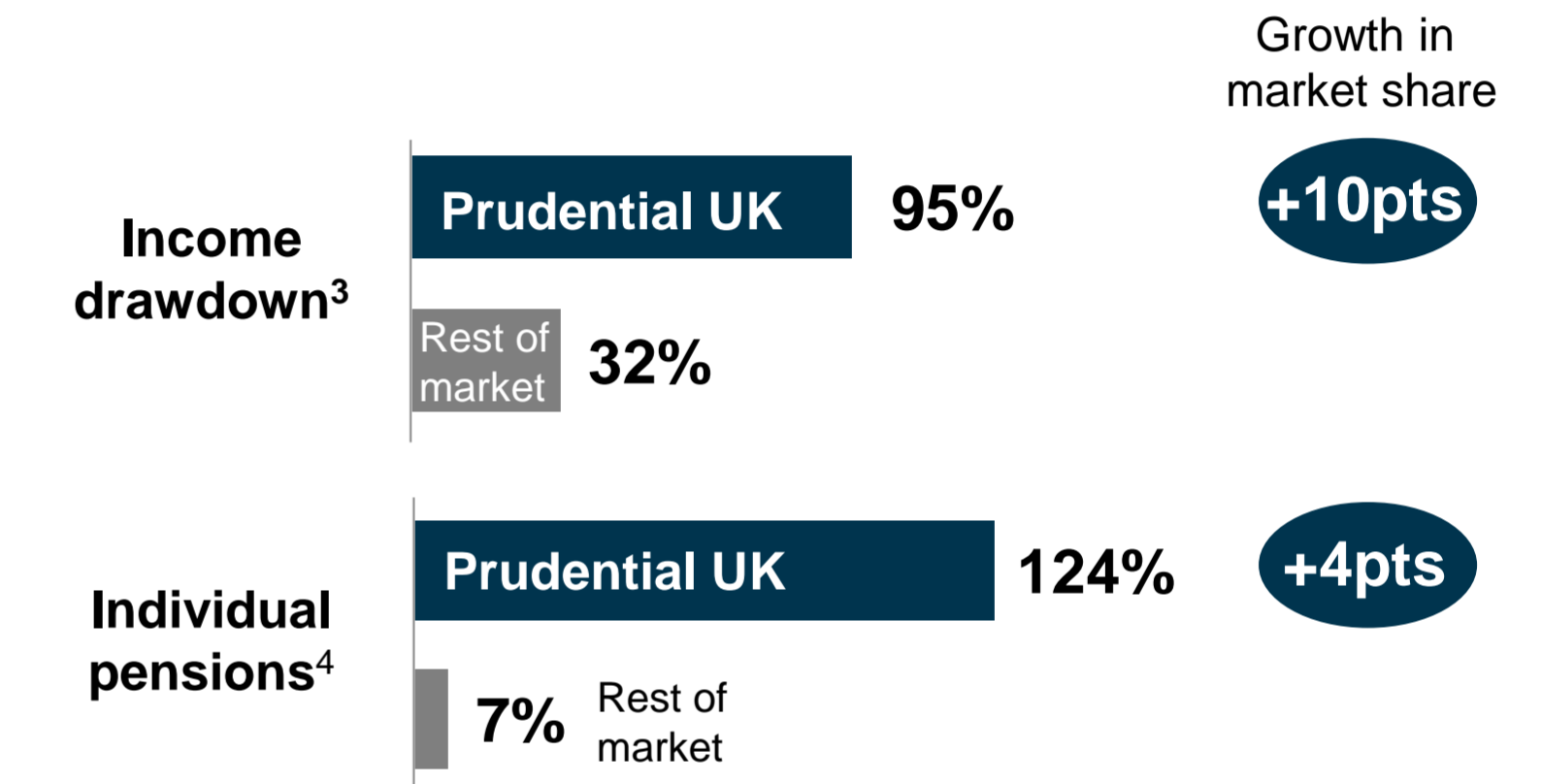
US

VA net flows²



UK

Growth in Life advised sales³, 1H16, %



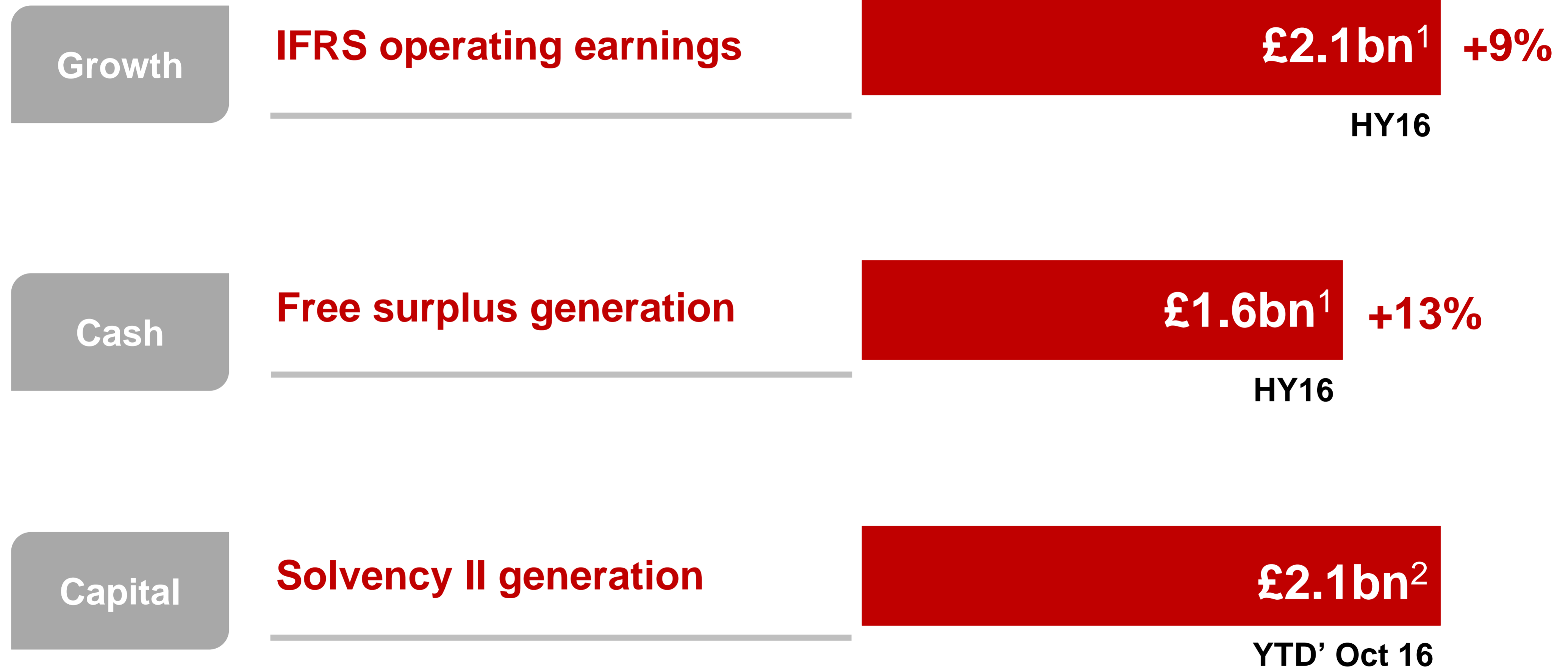
M&G

31% top quartile retail investment performance.
(12m Sept 2016, weighted by number of funds)

1. Source: Competitors' results release; local insurance regulator and association. All data at net equity interest. Note: 1. Co A's reported figures exclude India as being a minority shareholder. India's sales are added back based on IRDA's WFYP data and Co A's share was 26% / 49% pre and post the ownership increase completed on 25 April 2016 (therefore approx. 60% of Q2'16 sales were reflected at 26% S/H and the remaining 40% sales were reflected at 49% S/H). Excludes pension business;
 2. Source: MARC industry data
 3. ABI, Prudential analysis, excludes protection
 4. Includes SPPs

Group

Absolute performance underlines intrinsic strengths

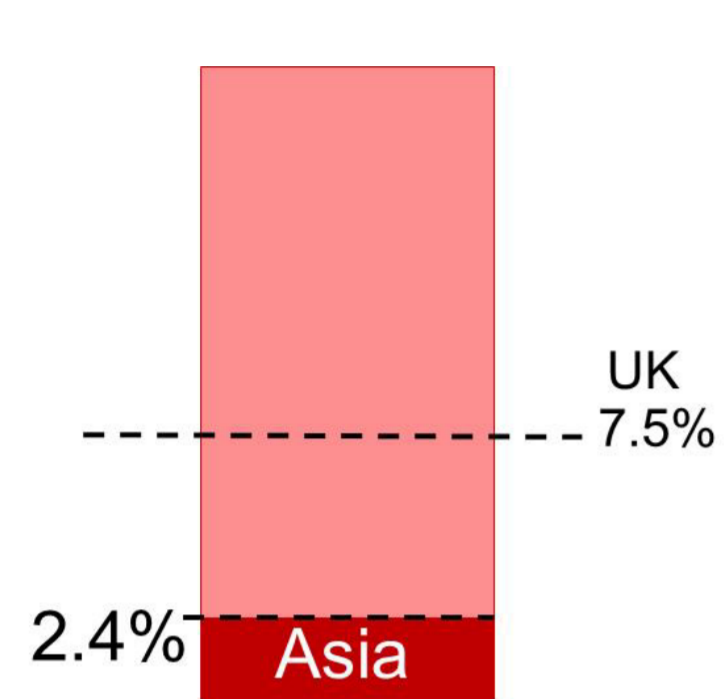


1. Growth rate based on reported exchange rate

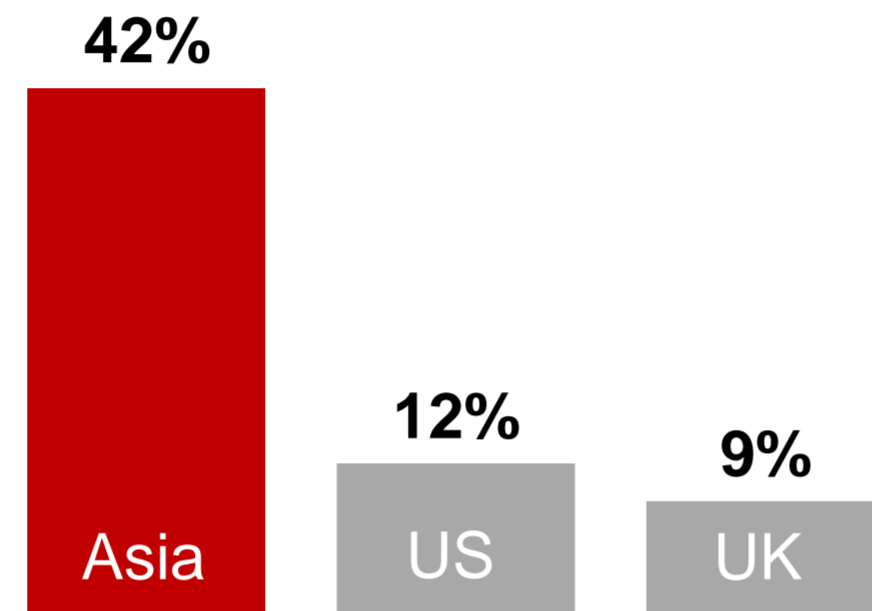
2. Underlying operating experience of £1.7bn plus management actions of £0.4bn

Asia

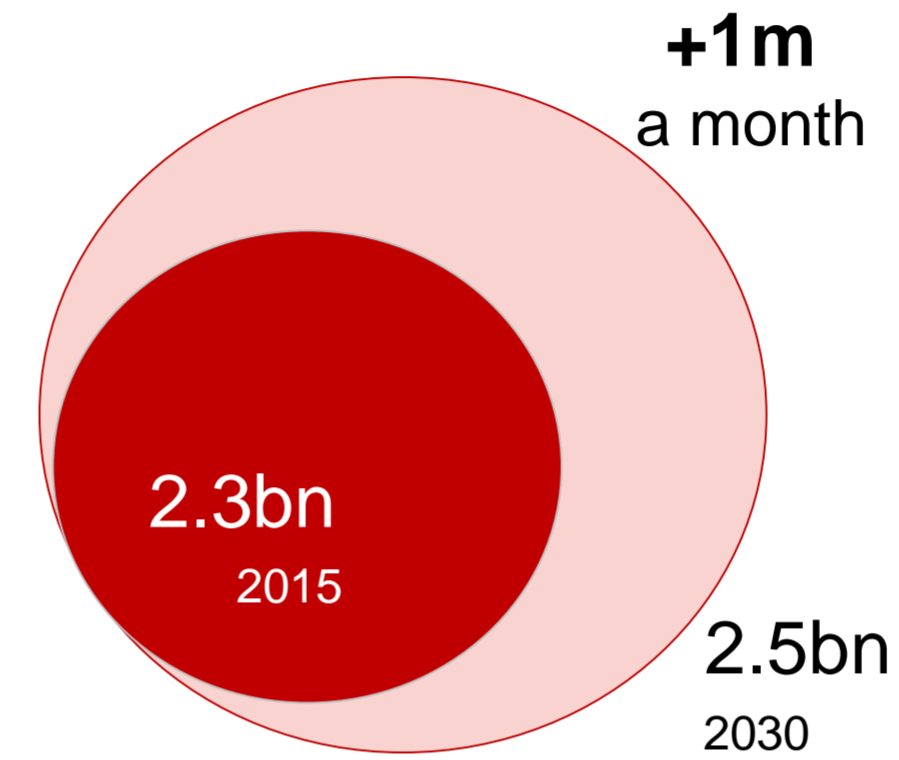
Significant growth runway



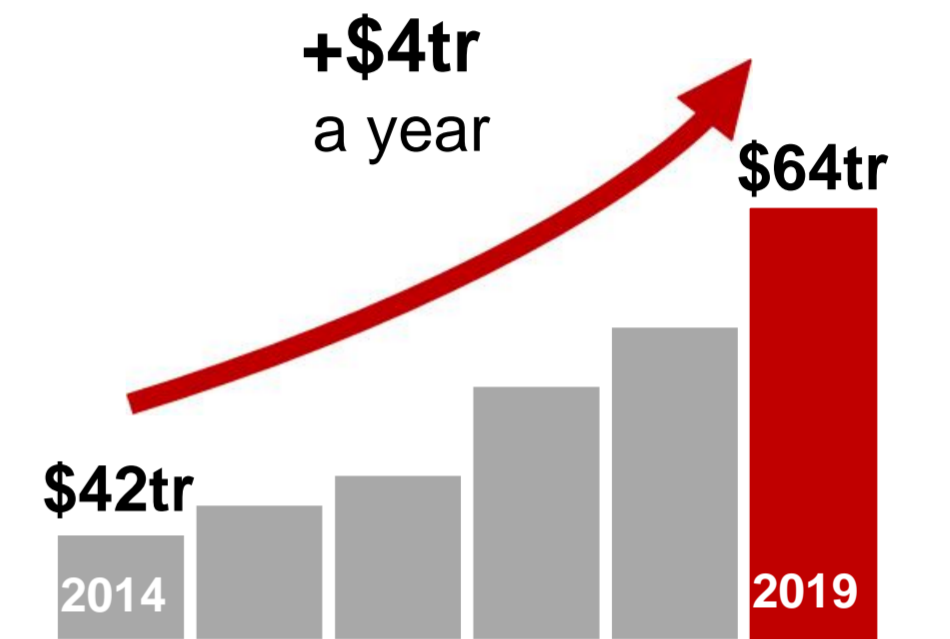
Insurance penetration¹



Out of pocket healthcare spend²



Working age population^{3,4}



Private financial wealth⁵



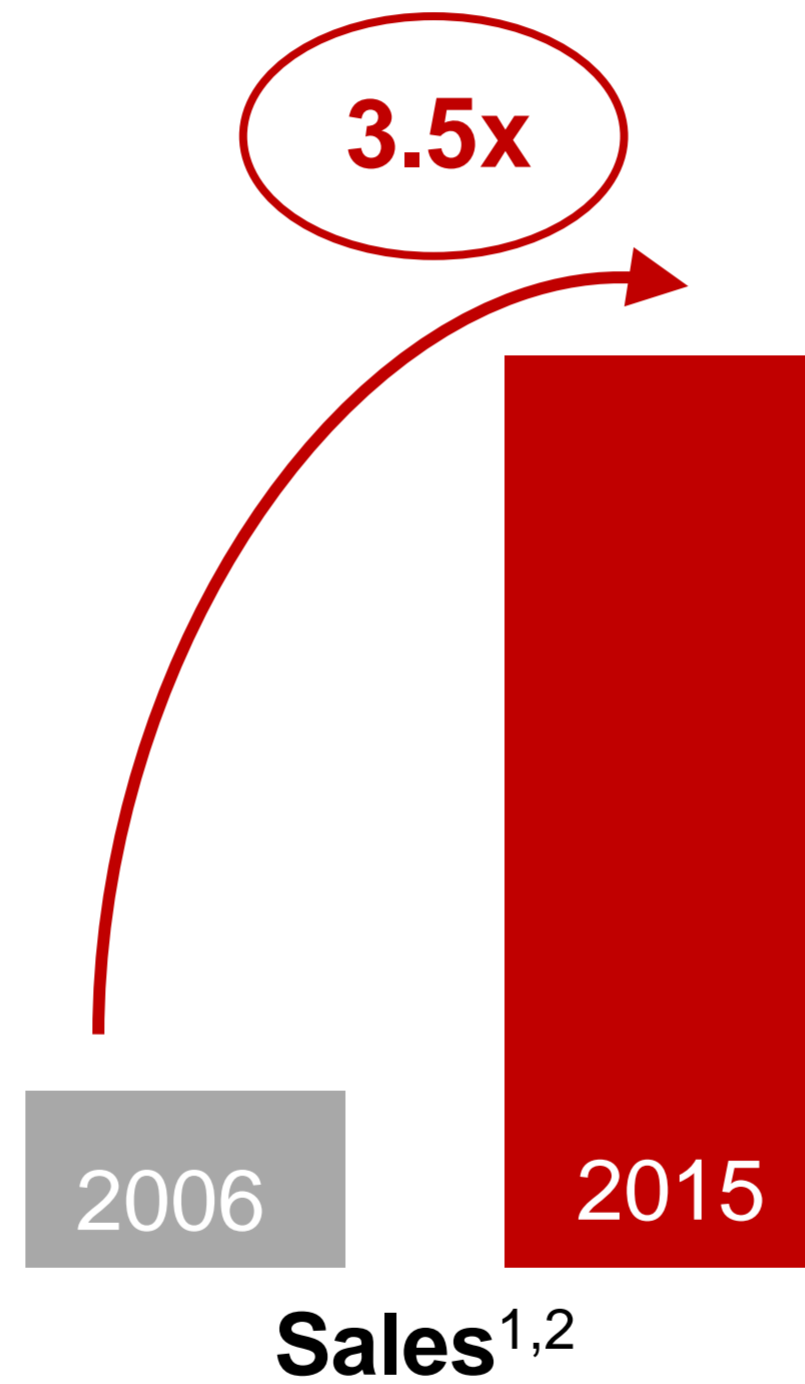
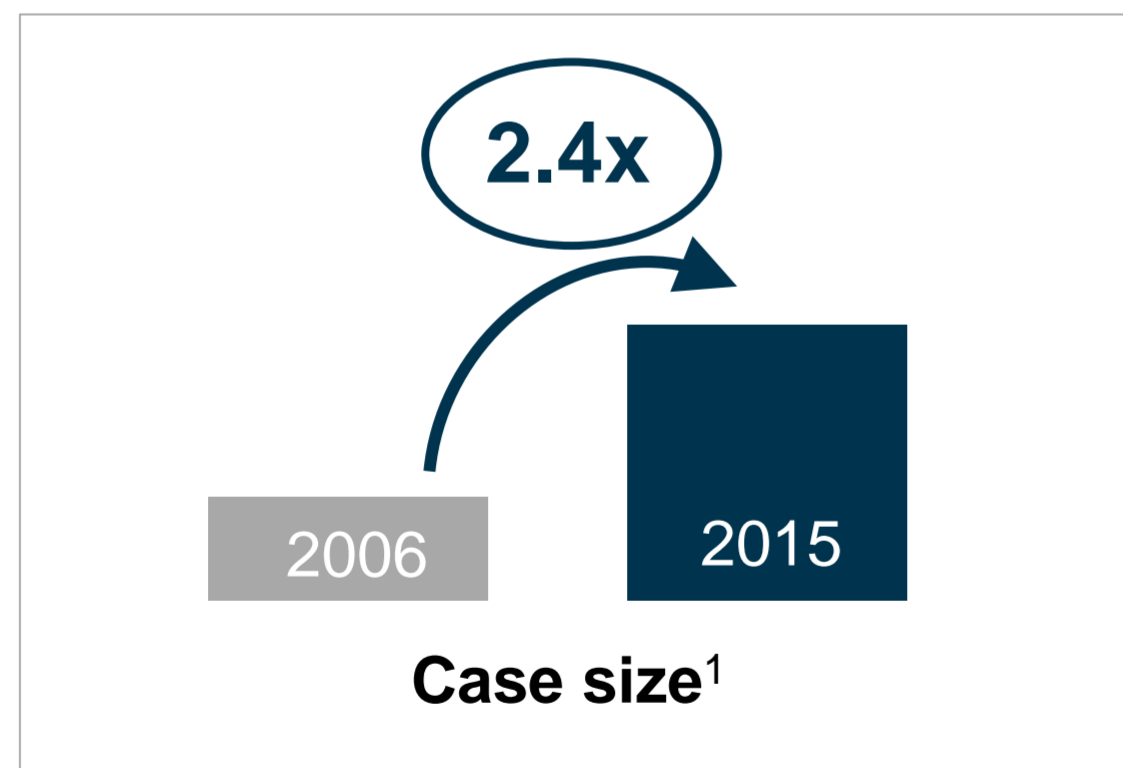
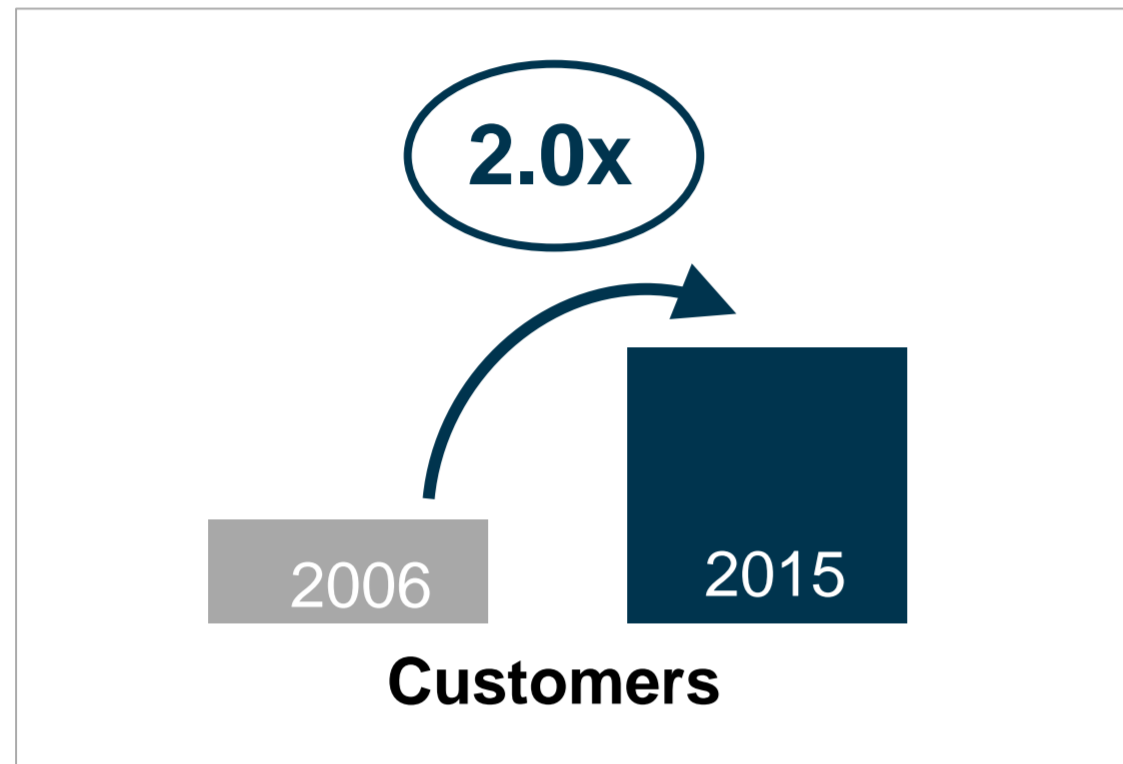
1. Insurance penetration source Swiss Re Sigma 2015. Insurance penetration calculated as premiums in % of GDP. Asia penetration calculated on a weighted population basis
2. World Health Organisation - Global Health Observatory data repository (2013). Out of pocket as % of Total Health Expenditure. Asia calculated as average out of pocket
3. United Nations, Department of Economic and Social Affairs, Population Division (2015). World Population Prospects: The 2015 Revision, DVD Edition.15
4. Working age population: 15-64 years
5. Source BCG Global Wealth 2015: Winning the growth game

Asia

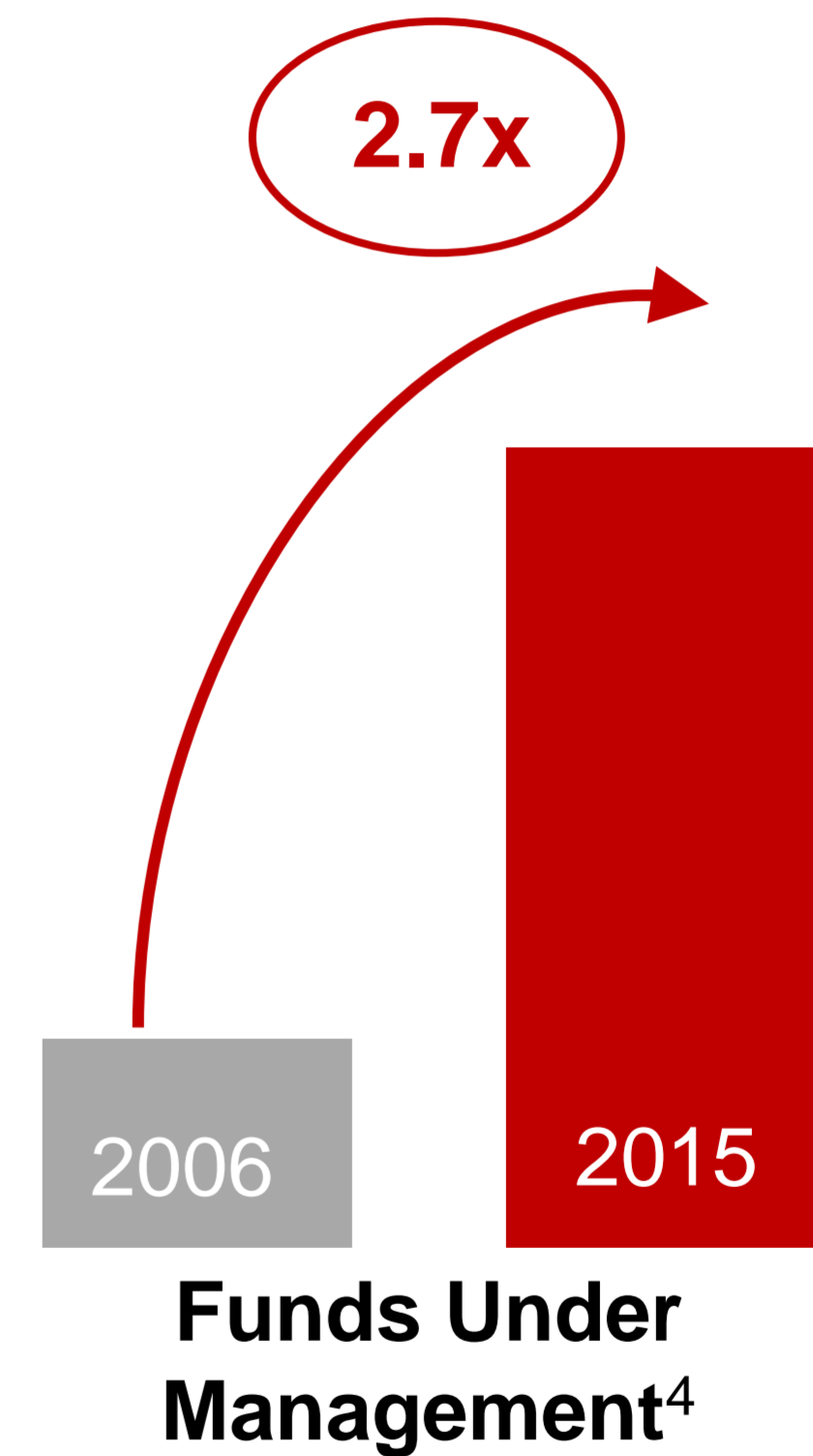
Compounding growth



Life



Asset management



17% average APE growth for **28** consecutive quarters³

1. Growth calculated on a reported exchange rate basis

2. Sales – APE

3. 17% year on year quarterly growth over 28 consecutive quarters from 4Q 2009. Based on a constant exchange rate basis

4. Eastspring Funds under management based on CER

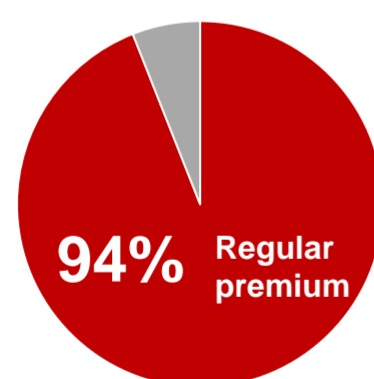
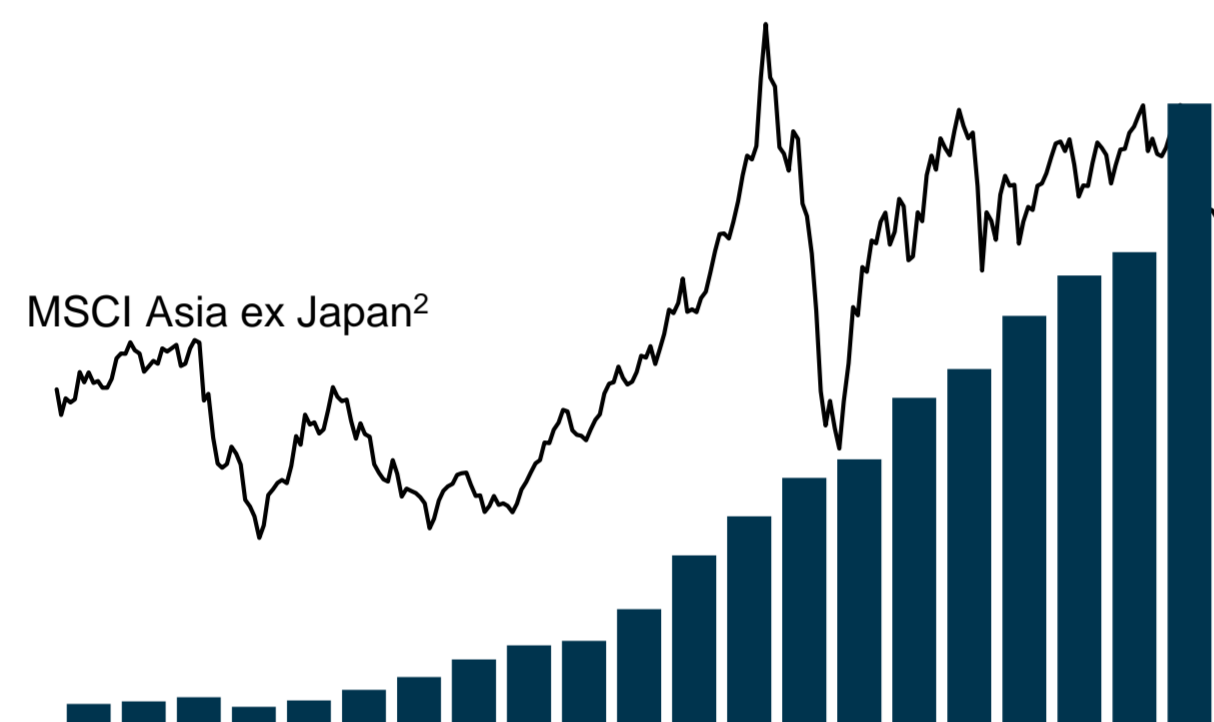
Asia

High quality resilient portfolio



Recurring premiums

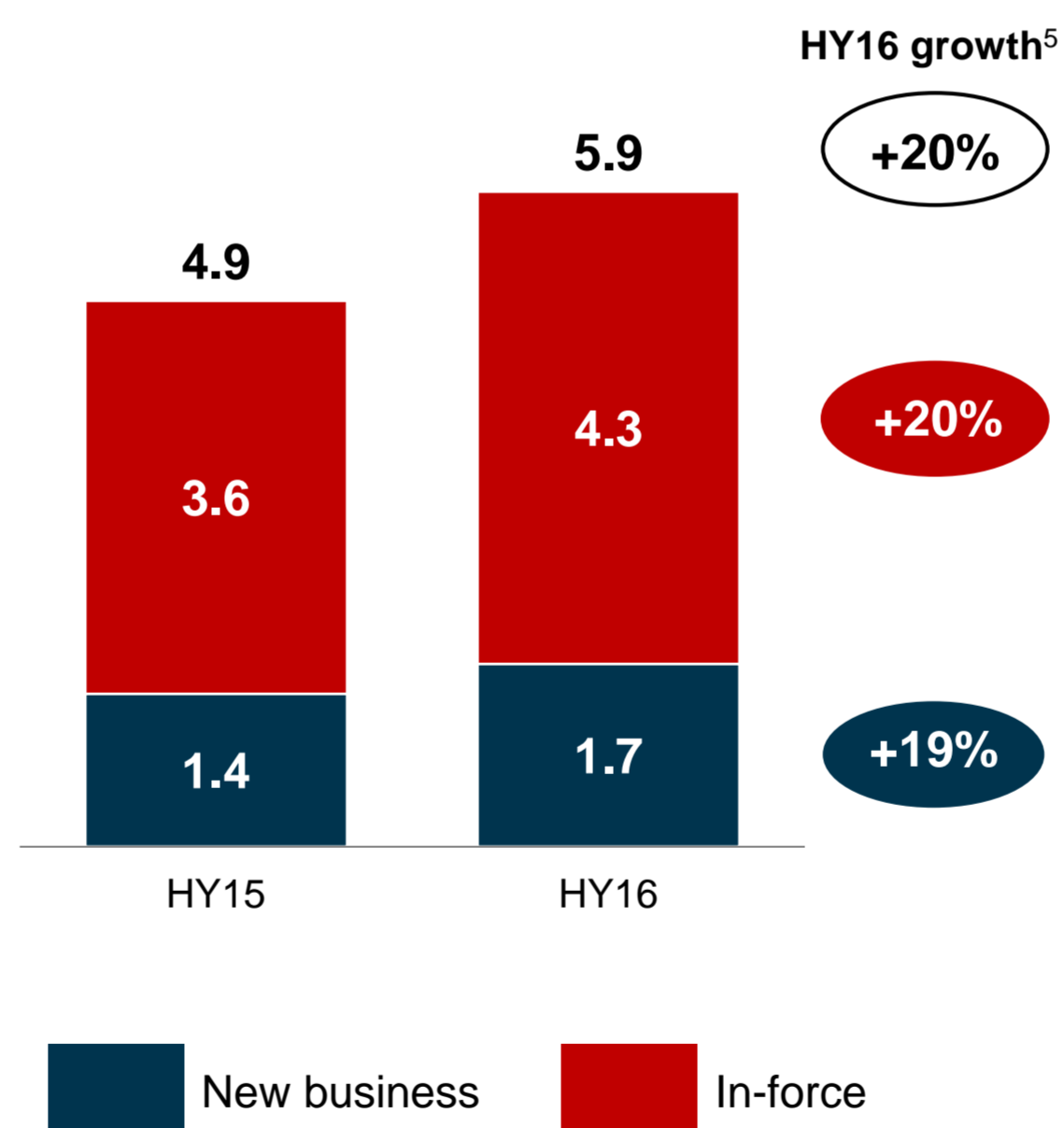
Regular premium APE¹



3Q 2016

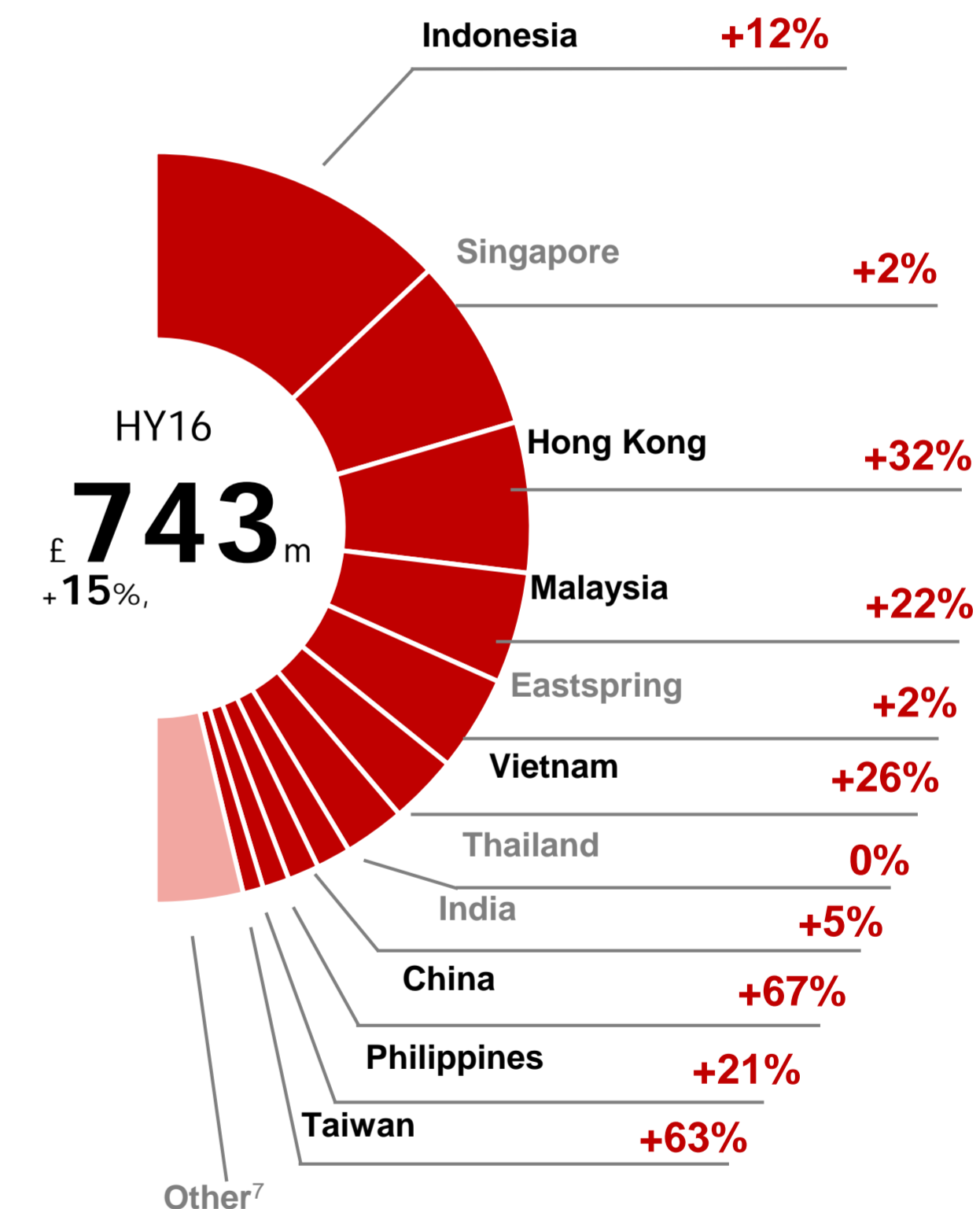
Growing in-force

Life weighted premium income^{3,4},
£bn CER



Diversification

IFRS operating profit^{6,7} £m



1. Comparatives have been stated on an actual exchange rate

2. Source: Datastream

3. Weighted premium income comprises gross earned premiums at 100% of renewal premiums, 100% of first year premiums and 10% of single premiums

4. 2014 excluding intra-group reinsurance contracts between the UK and Asia with-profits businesses

1. HY15 and HY16 values on an unrounded basis. Growth rates calculated on absolute values

2. Comparatives have been stated on a constant exchange rate

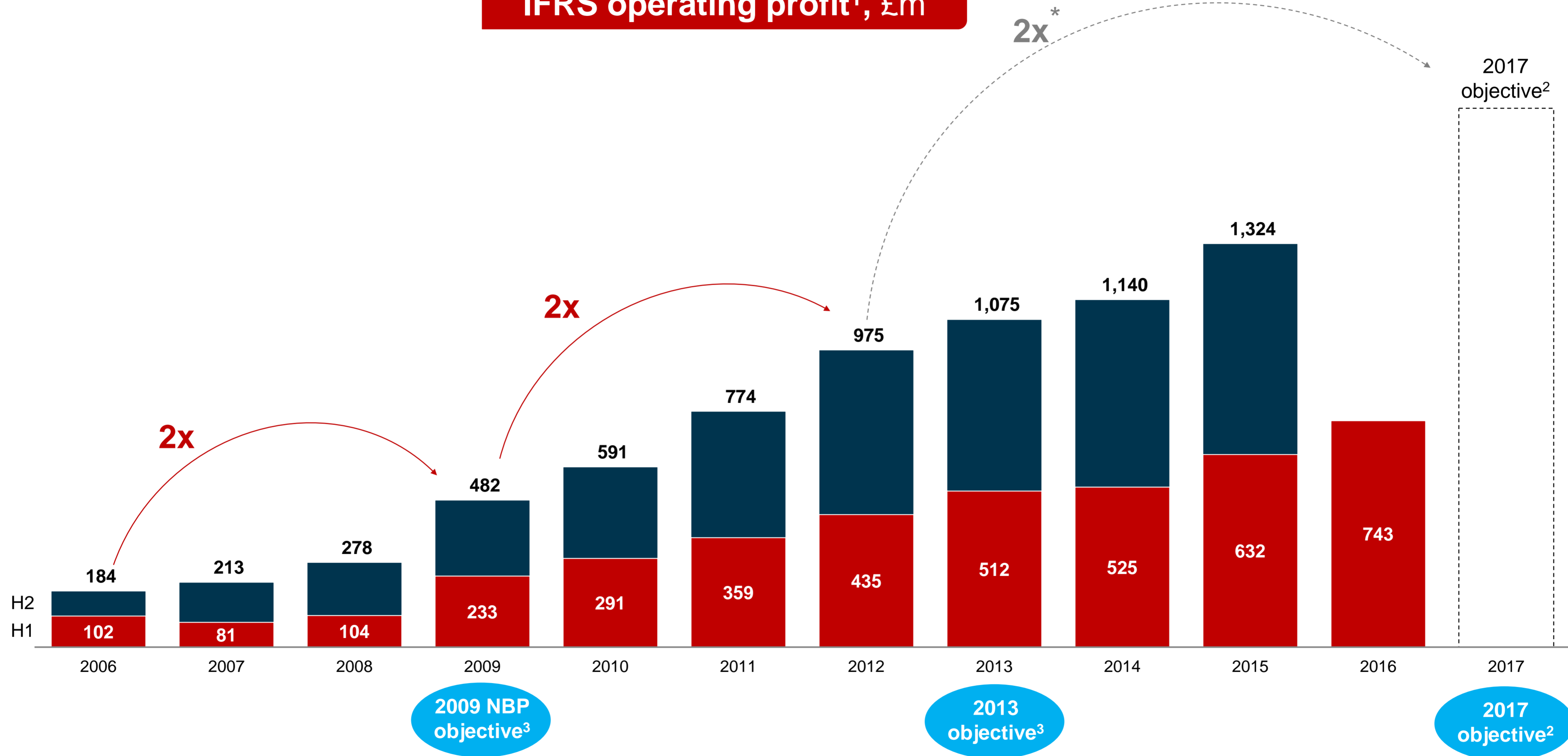
3. Other includes Korea of £15m, Other of £1m, development expenses – £2m and Non-recurrent items of £42m

Asia

Delivering profitable growth



IFRS operating profit¹, £m



1. Comparatives have been stated on an actual exchange rate. 2012 includes the one off gain on sale of stake in China Life of Taiwan of £51m. Data includes Korea Life business which is sold subject to regulatory approval
 2. 2017 objective is defined as at least 15% CAGR from 2012-17 based on an Asia 2012 IFRS operating profit of £924m (excluding one off of £51m) assuming exchange rates at December 2013
 3. 2009 objective based on doubling 2005 Asia NBP, 2013 objective based on doubling 2009 Asia IFRS profit 'Growth and Cash'
 * 2x based on implied multiple using 2012 IFRS operating profit of £924m increasing at a 15% CAGR to 2017

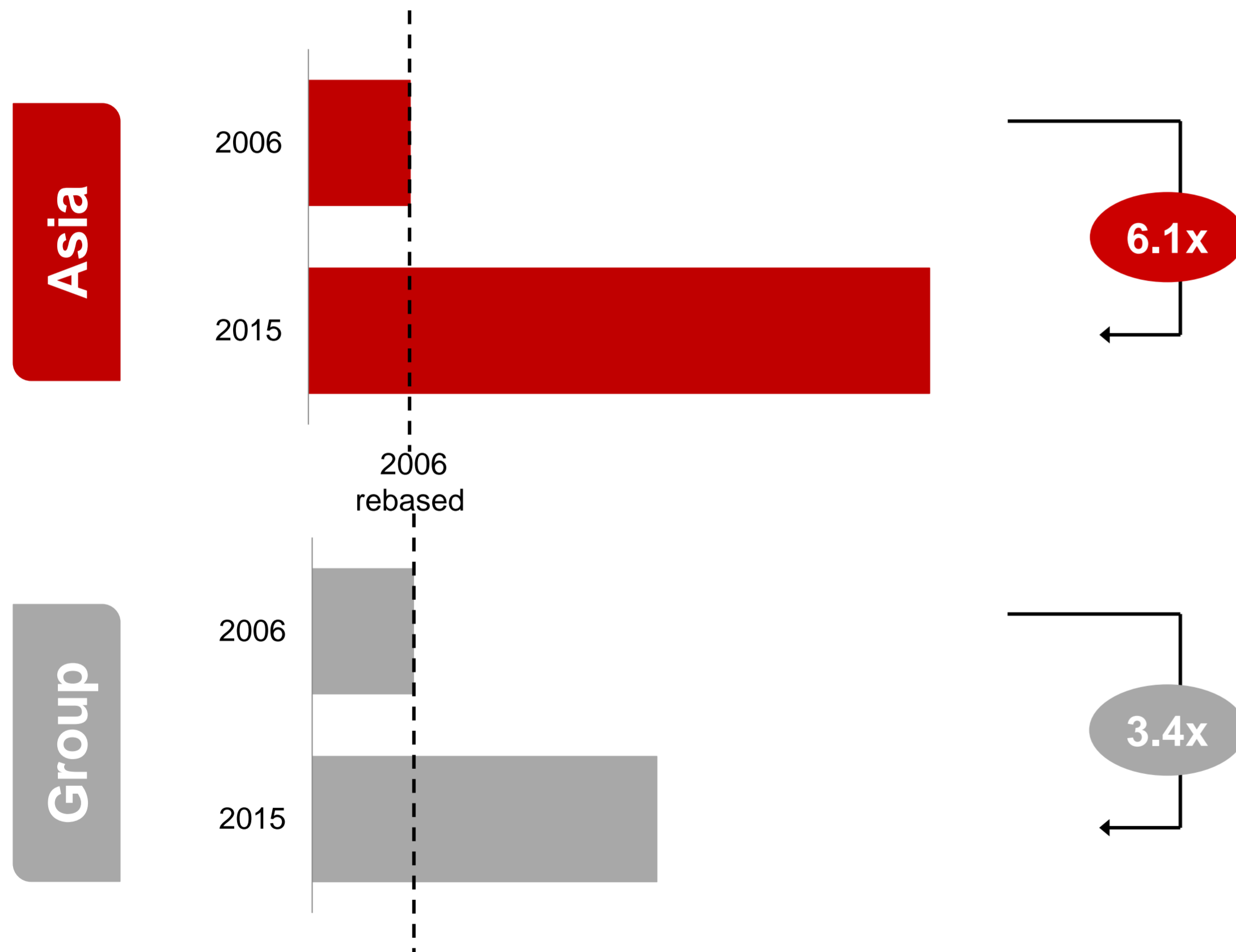
Asia

Central to Group prospects



Asia contribution to Group earnings

Operating profit^{1,2}, £m



Asia demand drivers

- ▶ Low insurance and mutual fund penetration
- ▶ Significant Health & Protection gap
- ▶ Growing working age population
- ▶ Increasing affluence

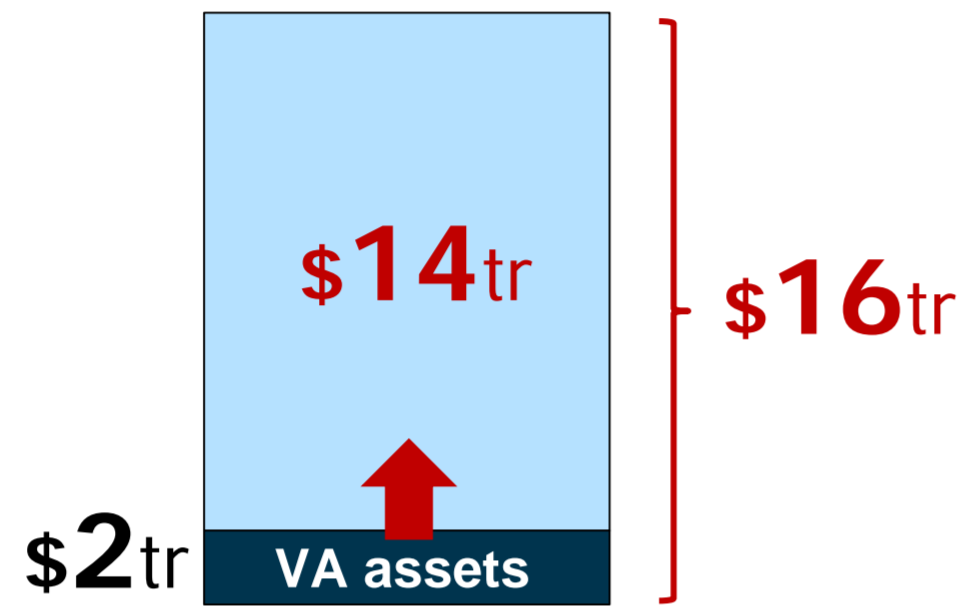
1. 2006-2013 adjusted for new and amended accounting standards and excludes Japan Life and Taiwan agency
2. Comparatives have been stated on a constant exchange rate basis

Capabilities aligned to significant opportunity



Significant retirement opportunity

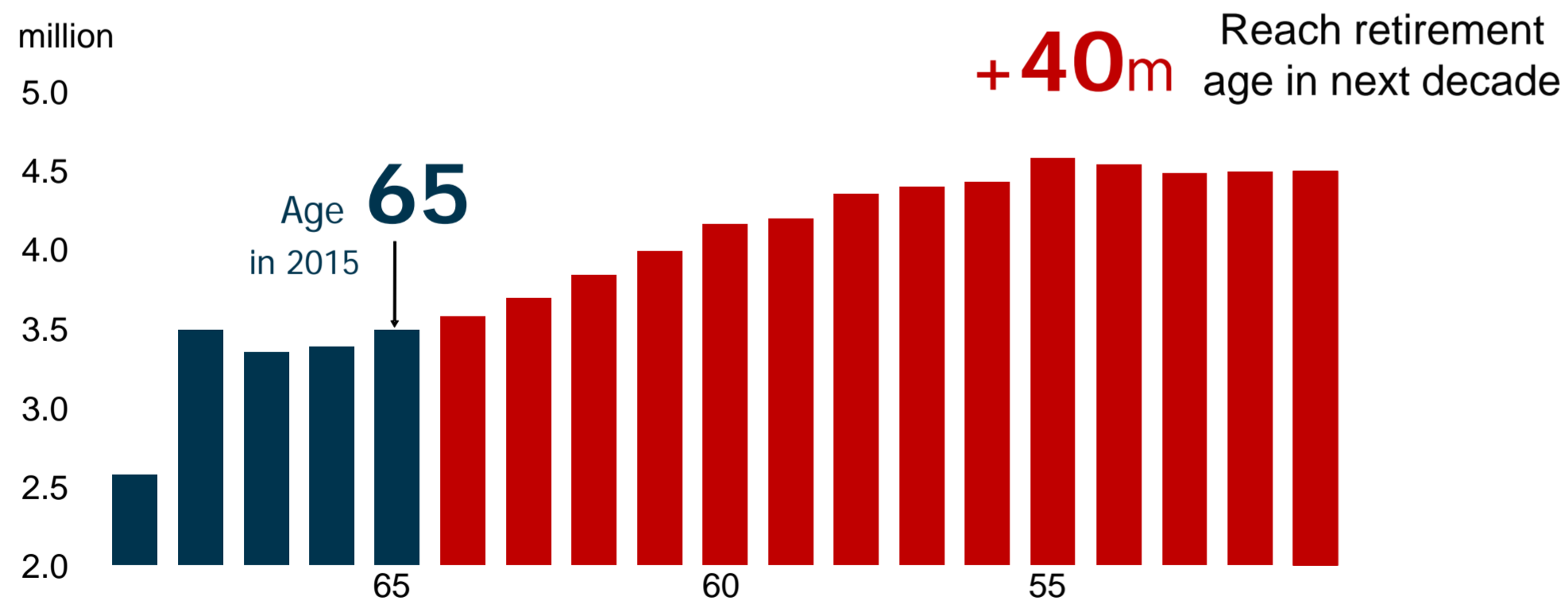
Penetration



Retirement advisor assets¹



Population



Baby boomer population by age²

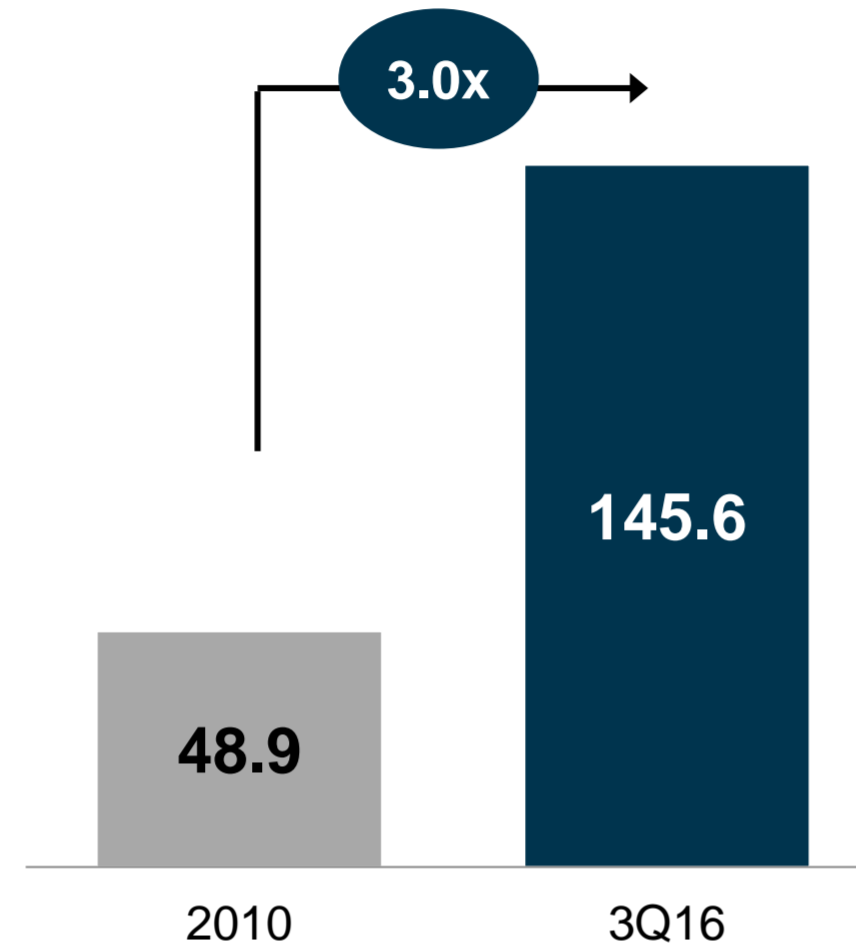
Capabilities

- ▶ Leading cost efficient player³ (32bps)
- ▶ Market leading fund performance & range⁴
- ▶ Largest & most efficient wholesale distribution⁵
- ▶ Strong product commercialisation skills (Elite access, Perspective Advisory)

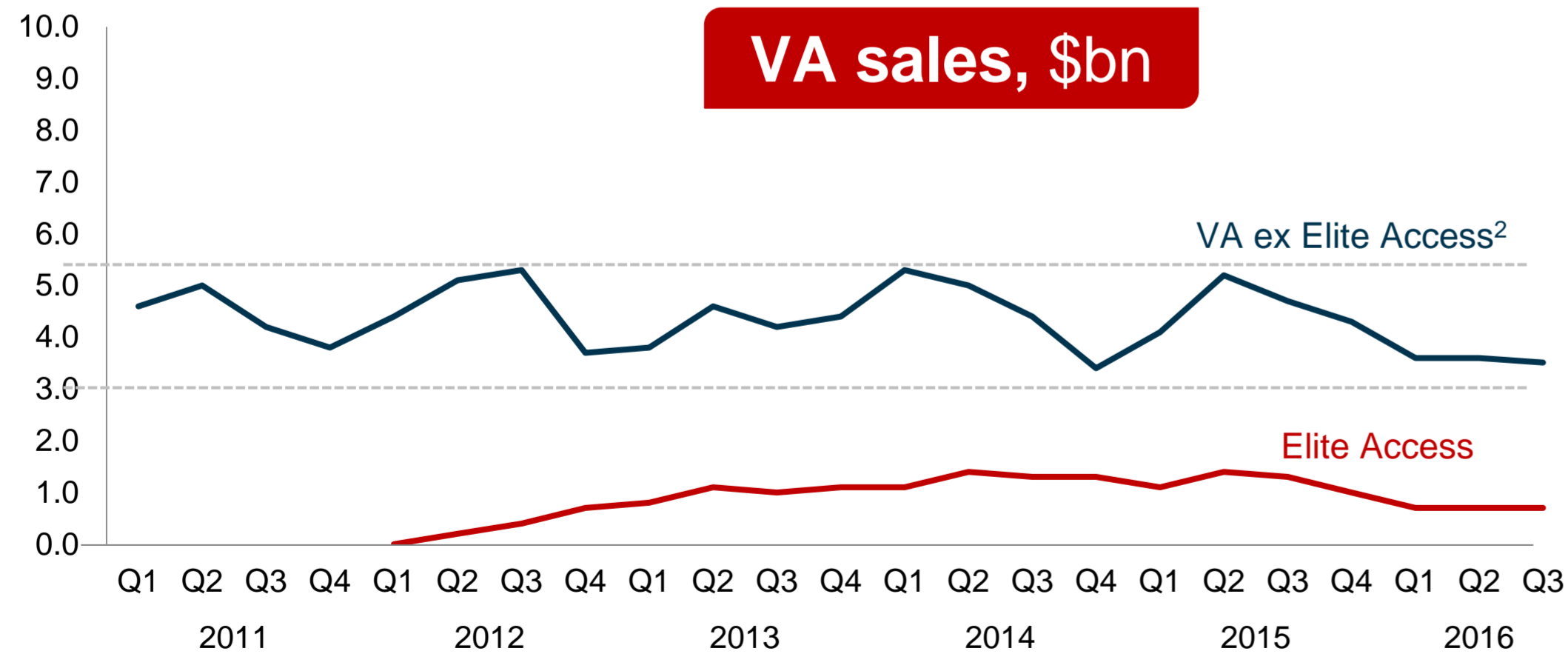
1. Source: Cerulli Associates – advisor metrics 2015
 2. Source: US Census Bureau Population division 2014 estimate of population
 3. Source: SNL Financial LC as at Q2 2016
 4. 2016 Morningstar, Inc. All Rights Reserved.
 5. Market Metrics, LLC. Data as of Q2 2016



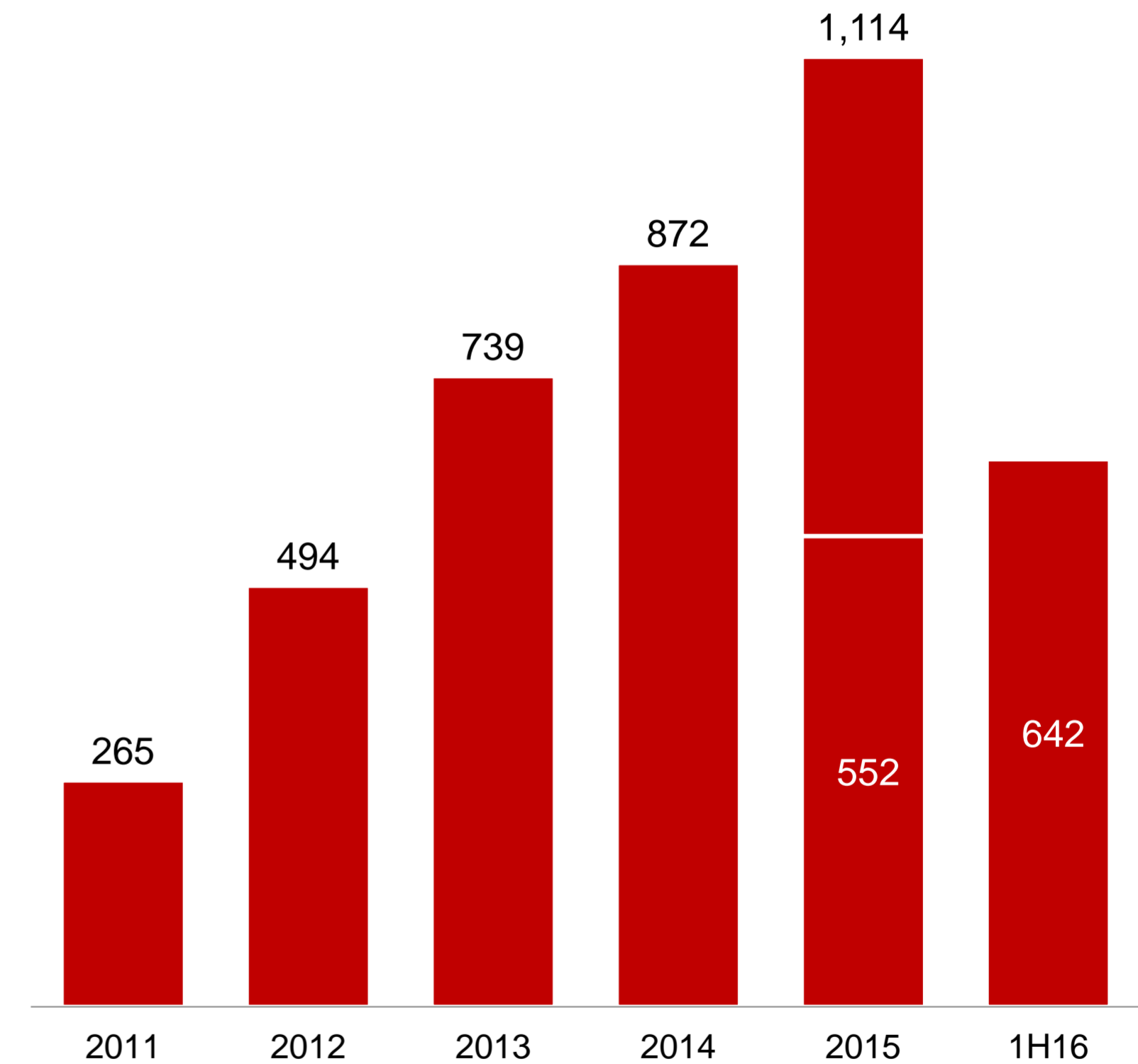
Separate account assets, \$bn



VA sales, \$bn



VA fee operating profit¹, £m



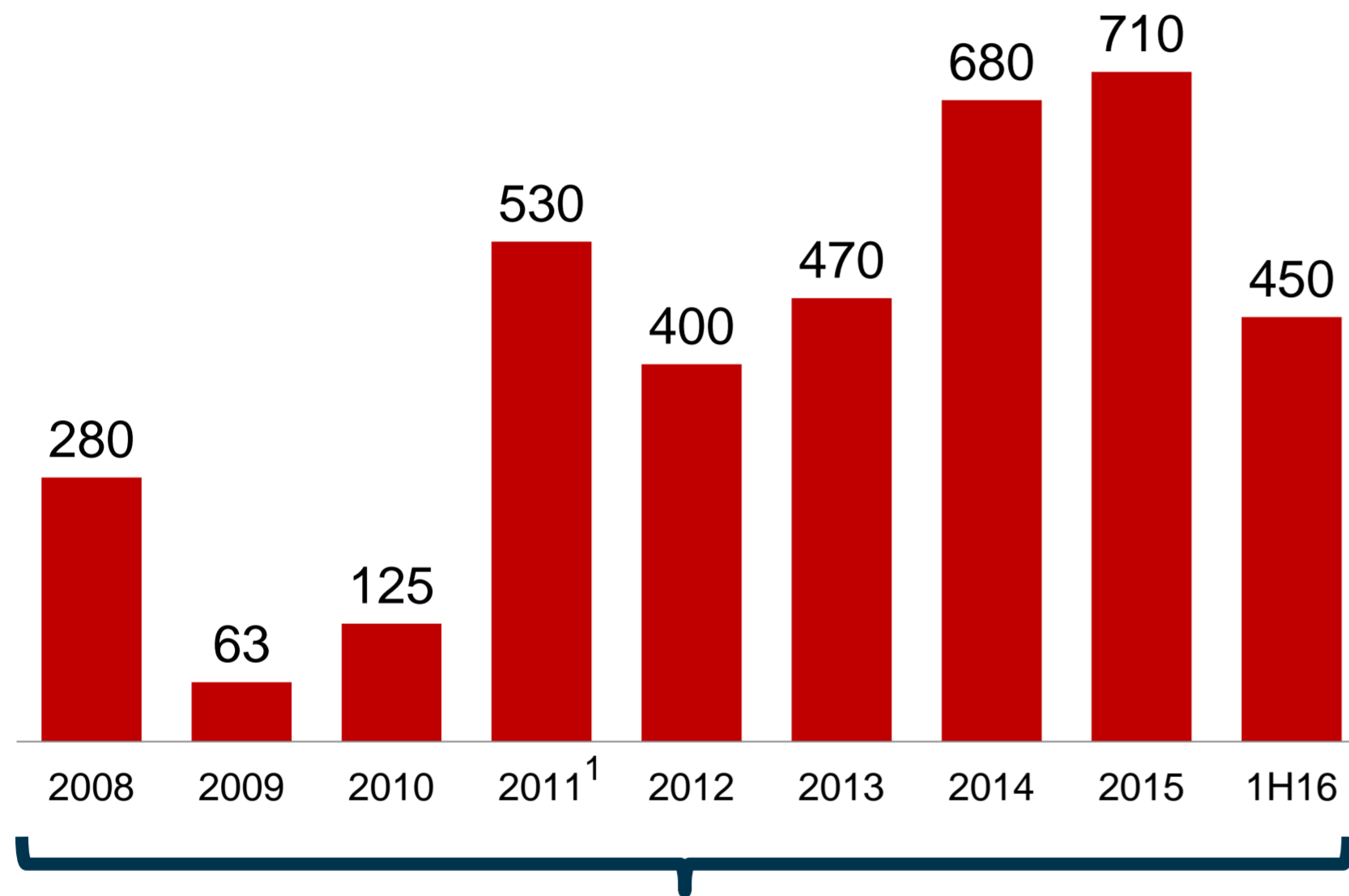
1. The analysis of operating profit for fee business represents the net profit generated by each line of business after allocation of costs. Fee business represents profits from variable annuity products. As well as fee income revenue for this product line includes spread income from investments directed to the general account and other variable annuity fees included in insurance margin

2. Comparatives have been stated on an actual exchange rate

3. VA ex Elite Access sales includes VA with living benefit and VA without living benefit



Cash remittance, \$m



Cash

Cumulative remittances

\$3,708m

Capital

Strong capital position

Capital and cash generative business

Track record of cash remittances

1. Net remittance from Jackson includes \$197m in 2011 representing release of excess surplus to the Group



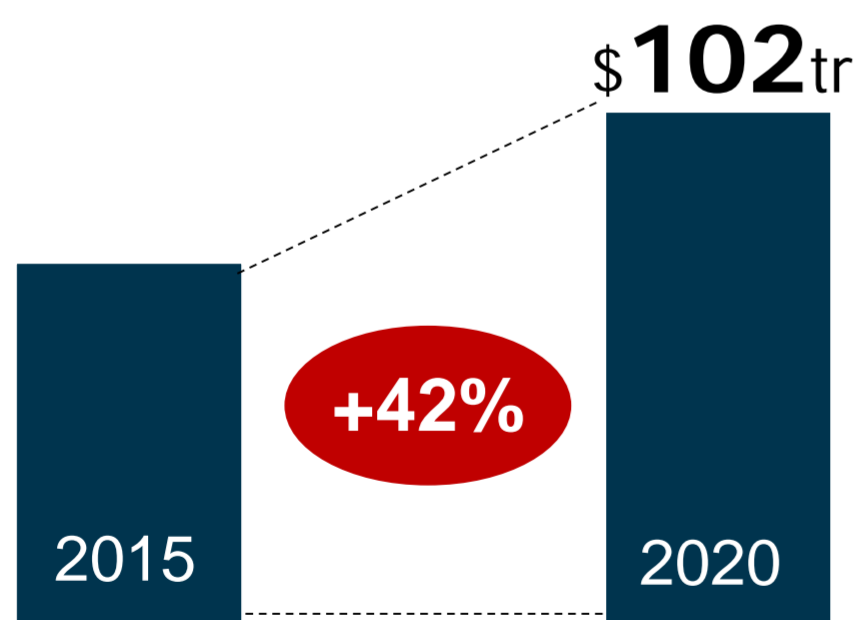
Savings & income opportunity

Life



Financial & pension wealth by age¹

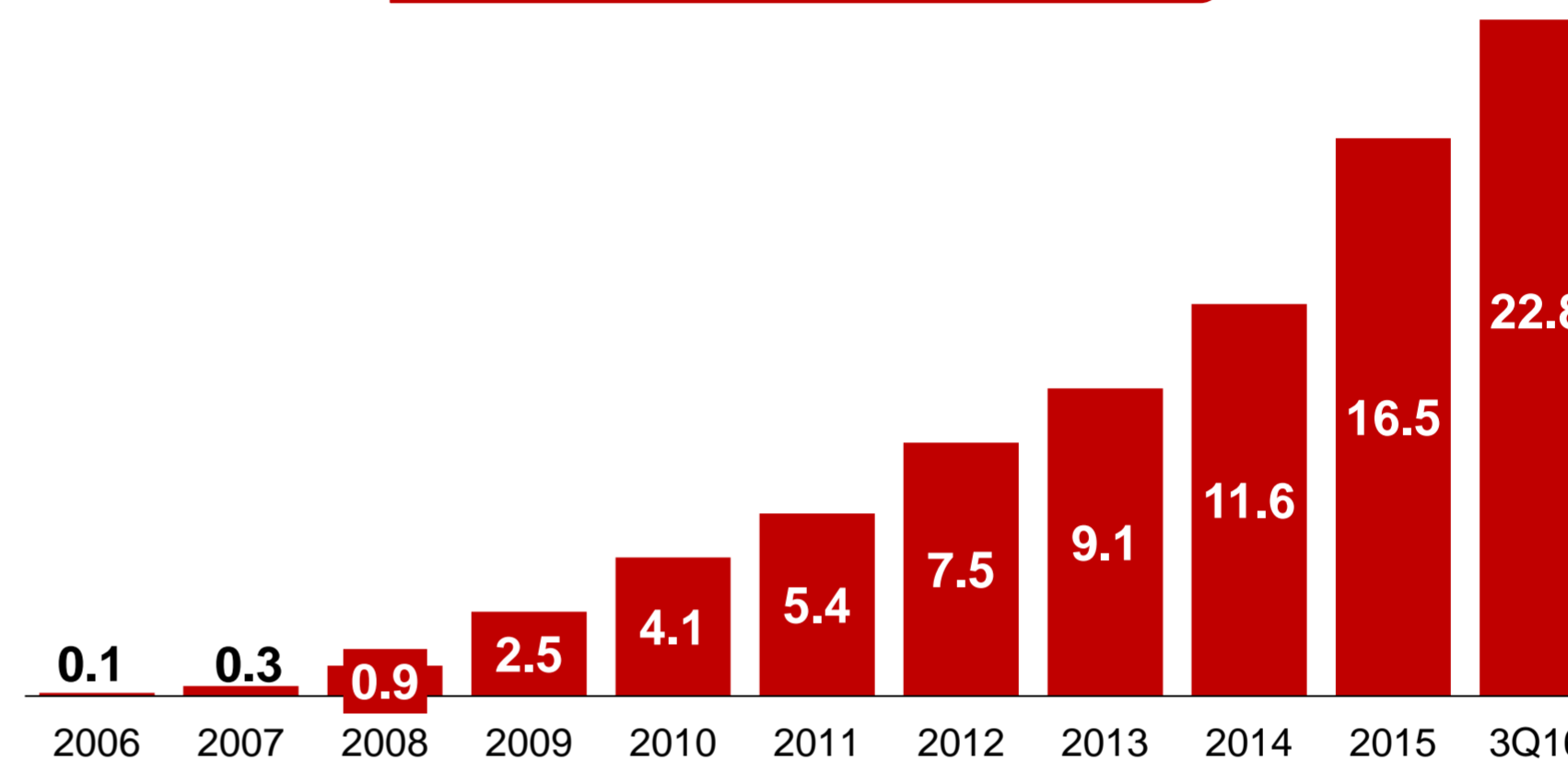
Asset management



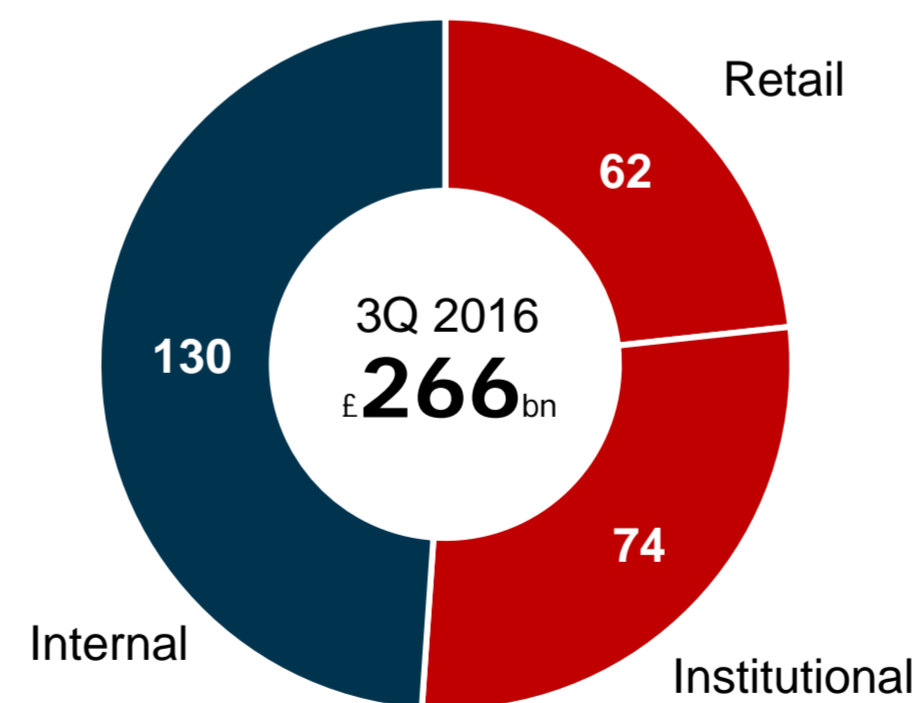
Global assets under management²

UK **2nd**
Largest Global asset management industry³

PruFund AuM, (£bn)



M&G



Cost / income ratio **below peer** average

62% of the UK's **Top 50** pension schemes invest with M&G

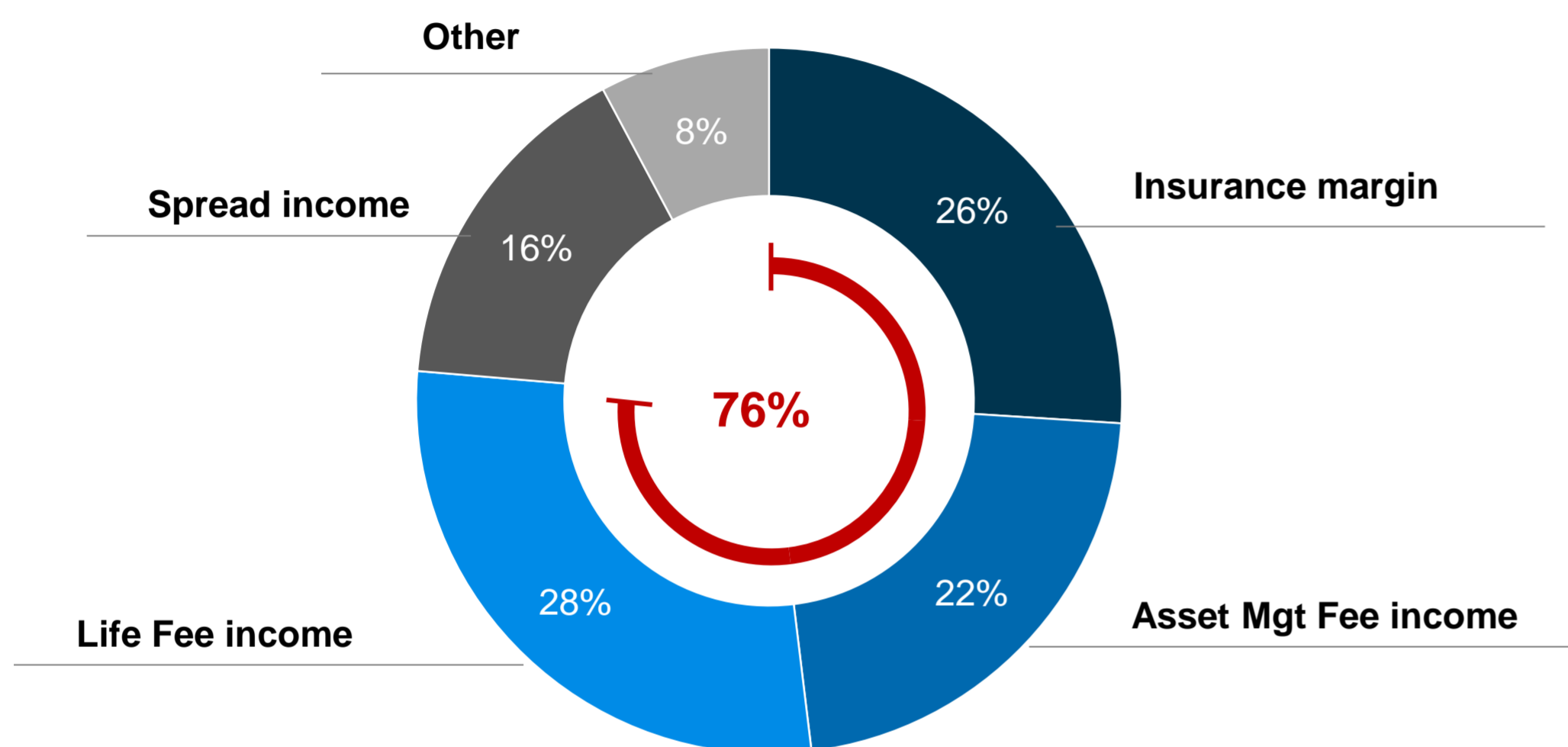
1. Annual flows into retail investment products. Individual investments (Mutual funds, individual pensions, bonds, SIPPs, drawdown), Workplace savings (Group pensions), Risk products (Annuities, protection)
 2. Source: PWC analysis 2014; BCG Global Asset Management Market Sizing Database 2016
 3. Source: The CityUK

Group

Well positioned to deliver across cycles

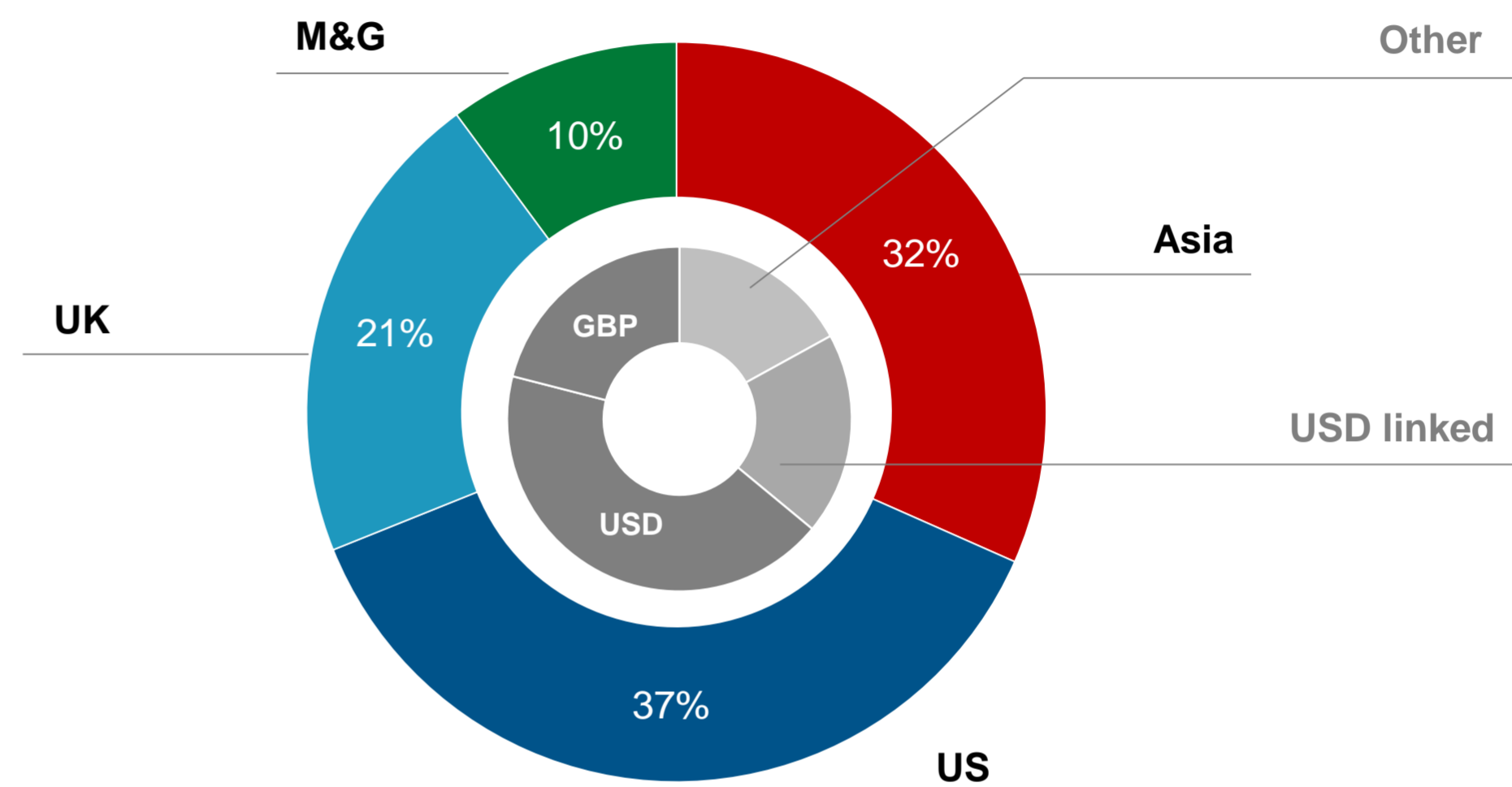


Earnings quality



IFRS income by revenue source¹, HY16 %

Earnings diversification



IFRS profit by business² & currency^{3,4,5}, HY16 %

In-force earnings growth

£1.9bn **CAGR*** **+13%**

In-force IFRS profit⁶, HY16

* HY11-HY16 CAGR

1. Income by revenue source excludes £140m of longevity reinsurance and other UK management actions for capital optimisation

2. Total operating profit excluding Other income and expenditure

3. USD linked includes Hong Kong and Vietnam where currencies are pegged to the USD, and Malaysia and Singapore where currencies are managed against a basket of currencies including the USD

4. Includes long-term, asset management business and other businesses

1. For operating profit UK sterling includes amounts in respect of central operations as well as UK insurance operations and M&G

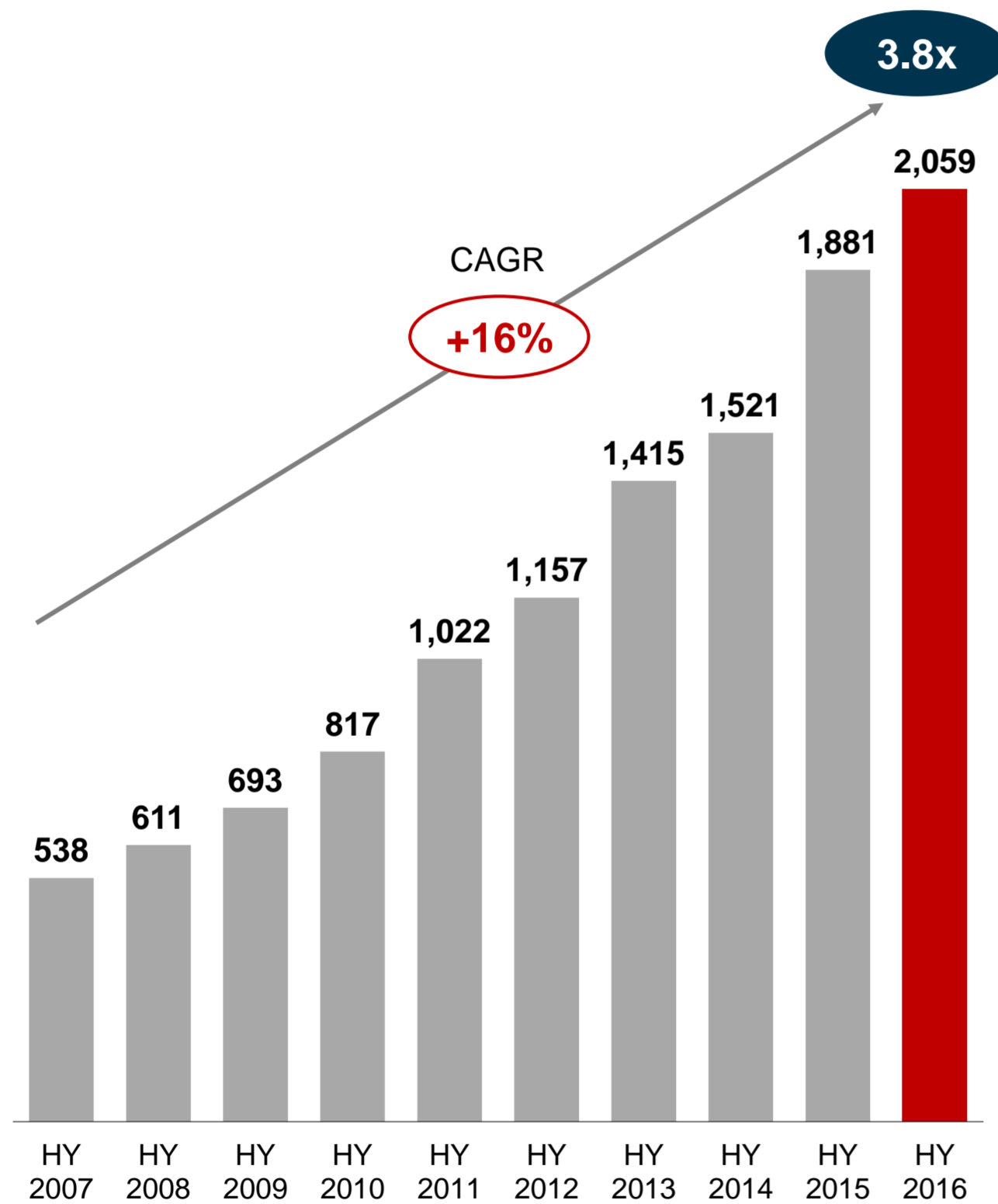
2. Operating profit comprises the following: Asia life as disclosed in note I(b)i of the 'additional financial information', after deducting development expenses. Jackson IFRS operating profit after adding back acquisition costs expensed (and not deferred) in the period of £92m. UK operating profit excluding both the new business profit of £27m arising on individual annuities sales in 2016 and £140m from management actions in 2016. GI business excluded. Asset management operating profit includes M&G, PruCap, Eastspring and US broker-dealer and asset management businesses

Group

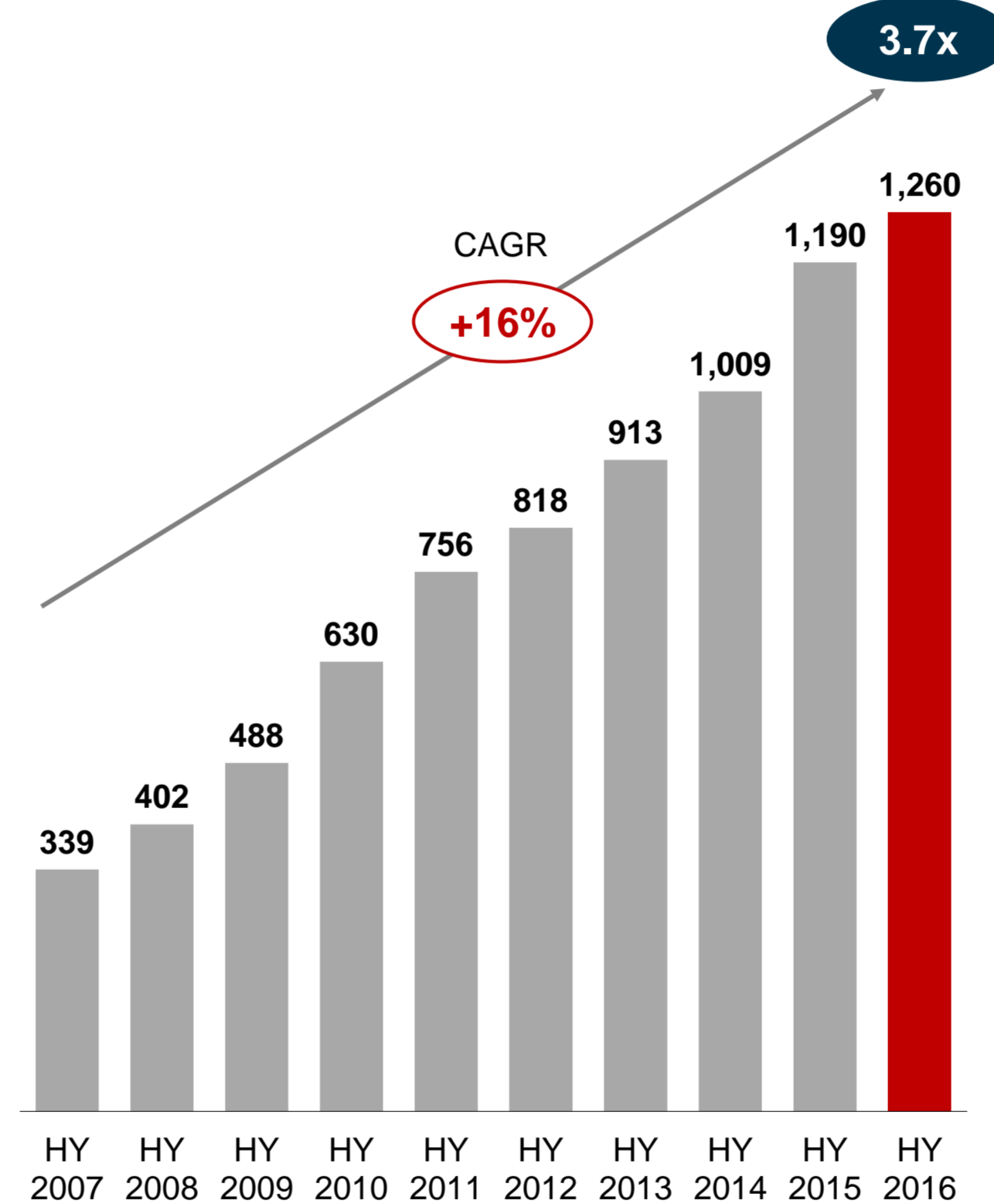
Long term track record



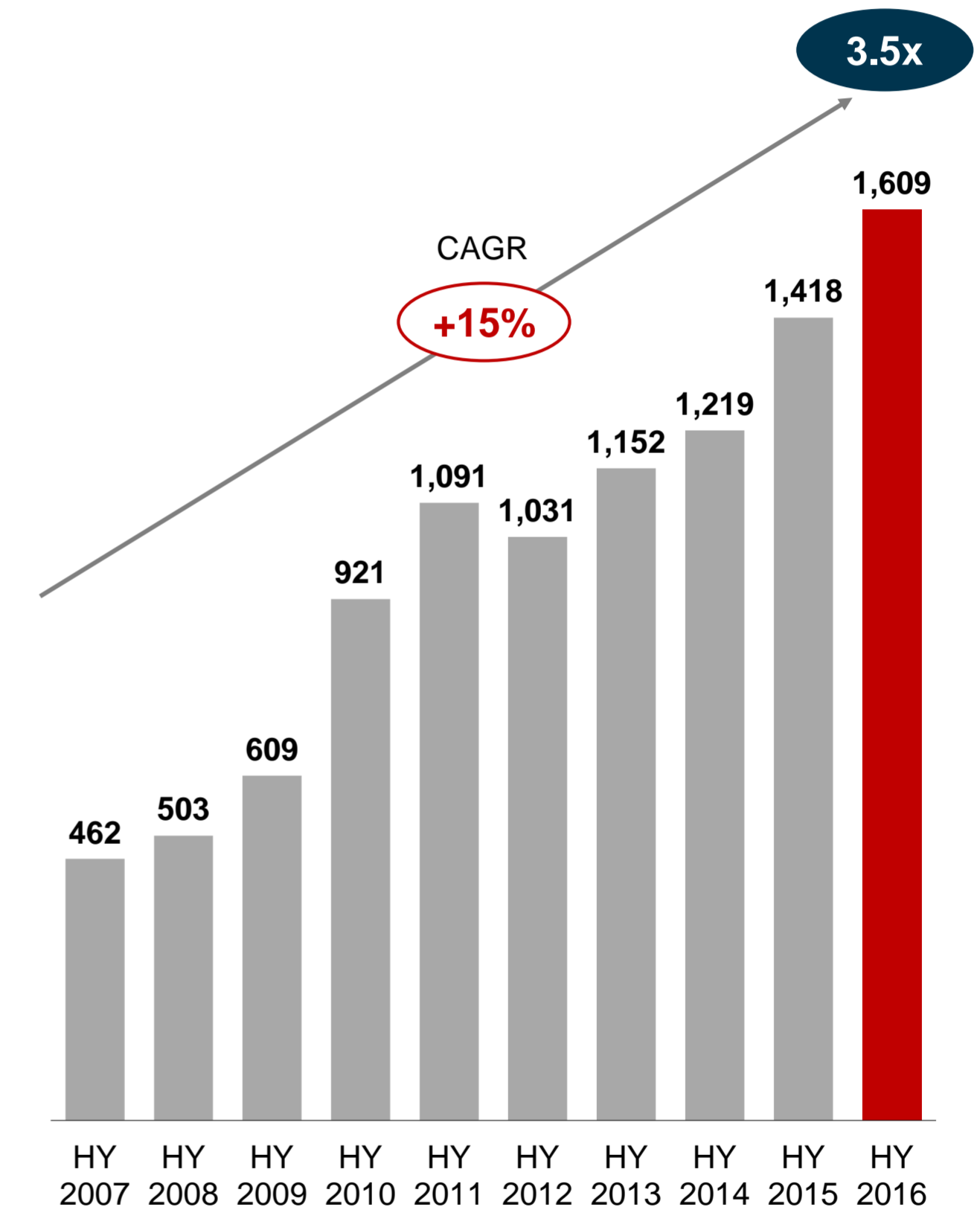
IFRS operating profit^{1,3}, £m



New business profit^{1,2}, £m



Free surplus generation^{1,3}, £m



1. Comparatives have been stated on an actual exchange rate basis

2. HY14 results have been restated to exclude contributions from Prudential's 25% equity stake in PruHealth / PruProtect, which was sold in November 2014

3. 2012 includes £51m gain from sale in China Life of Taiwan



- Clear strategy focused on significant structural growth opportunities
- Leadership positions and capabilities underpin peer / market outperformance
- Resilient operating model with clear value discipline
- Significant headroom from leveraging scale, efficiencies and skills
- Well positioned to deliver profitable growth

Agenda



08.30 – 09.10

Group

Introduction and Group overview
Group financial update

Mike Wells
Nic Nicandrou

09.10 – 10.30

Asia

Overview, financial & insurance
update, Eastspring
Q&A

Tony Wilkey
Adrian O'Connor, Lilian Ng
& Guy Strapp

Break

10.50 – 12.00

US

Overview
US distribution and DOL
update

Barry Stowe
Seth Harris, Alison Reed,
Drew Bowden

Lunch

13.00 – 14.45

US

US financials, capital and ALM
Q&A

Chad Myers

Break

15.05 – 16.45

UK

M&G update
UK Life update
Q&A

Anne Richards
John Foley & John Warburton

16.45 – 17.45

Final Q&A and wrap-up

Mike Wells & Management
team