



Prudential plc

Deutsche Bank Global Financials Conference

29 May 2018

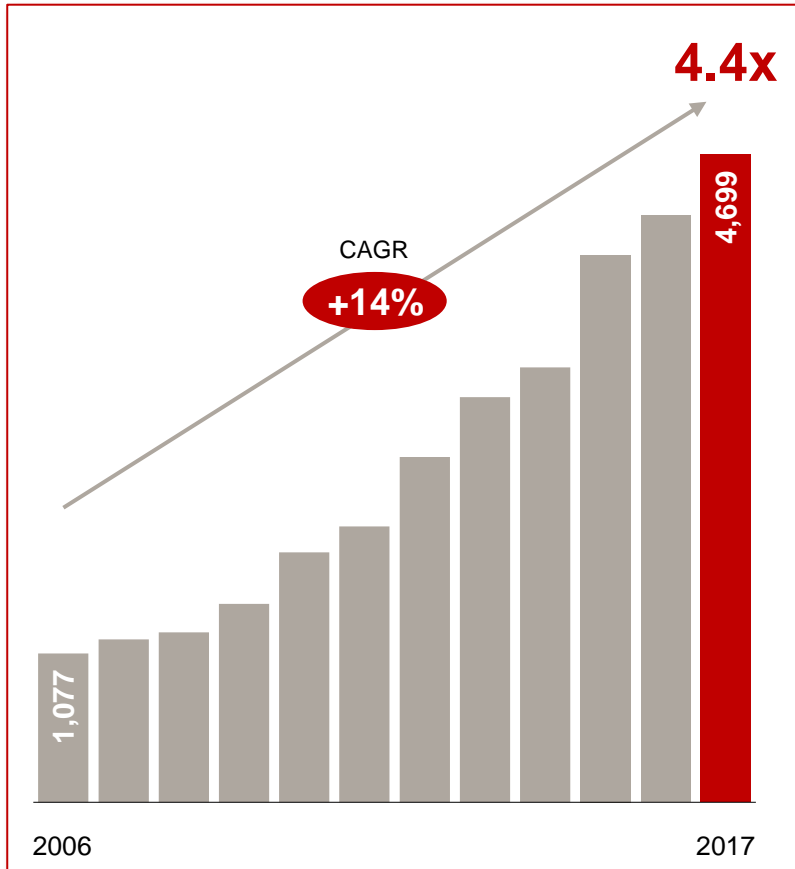
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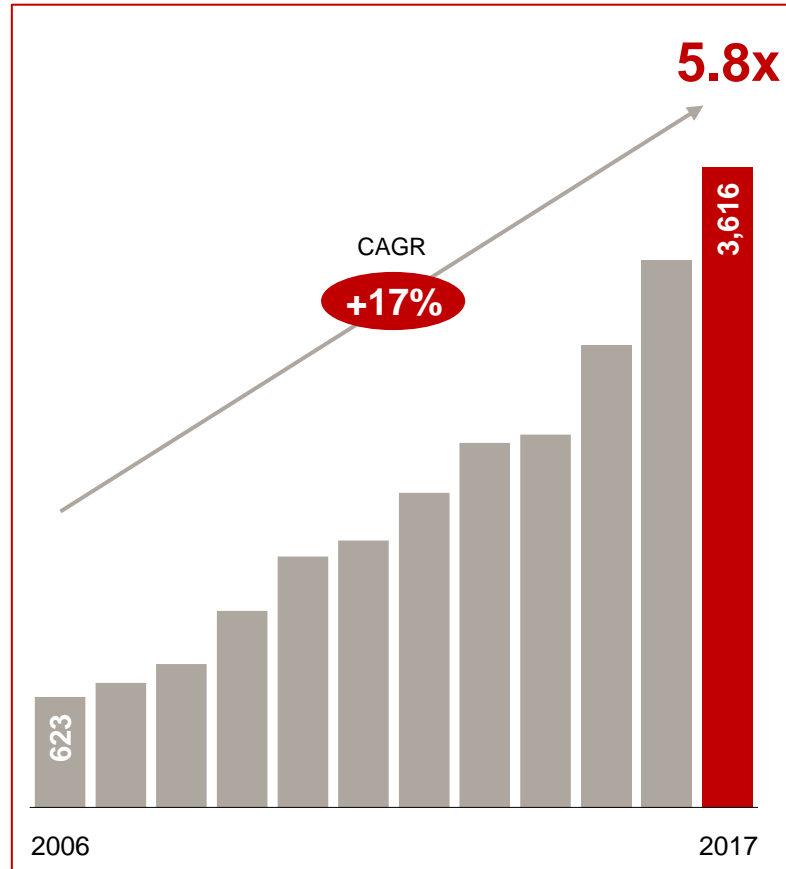
# Group

## Long-term track record

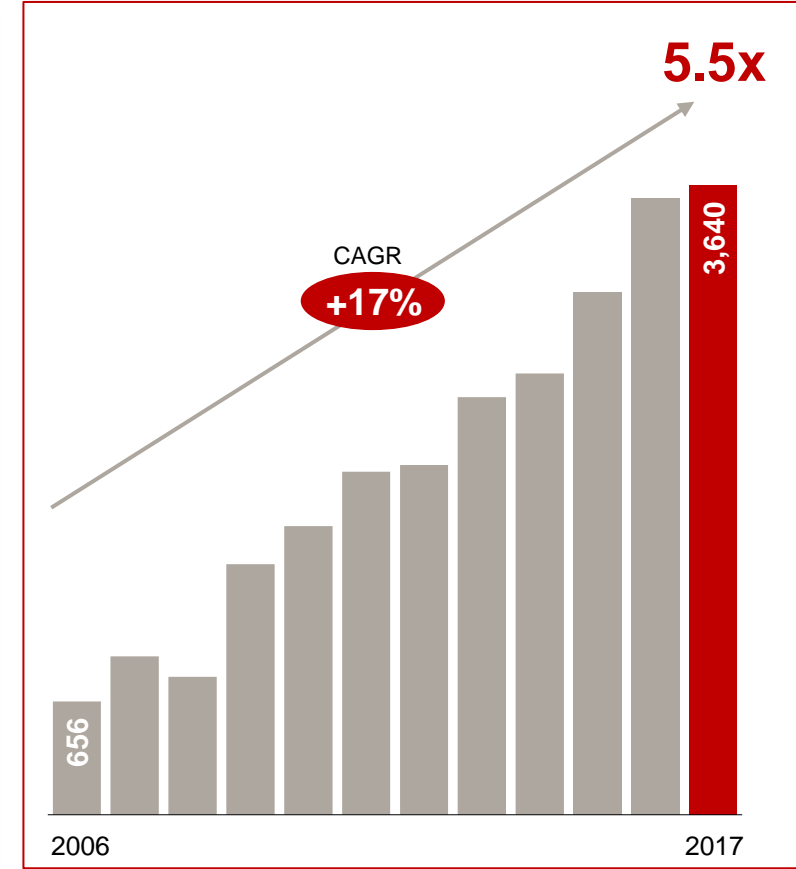
### IFRS operating profit<sup>1,2</sup>, £m



### New business profit<sup>1,2</sup>, £m



### Free surplus generation<sup>1,2,3,4</sup>, £m



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

2. Comparatives are adjusted for new and amended accounting standards and exclude Japan and Taiwan agency. Comparatives have also been restated to exclude the contribution from the held for sale Korea Life.

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

4. Note 2012 – 2017 excludes contribution from Prudential Capital. 2011 and prior includes contribution from Prudential Capital.

# Group

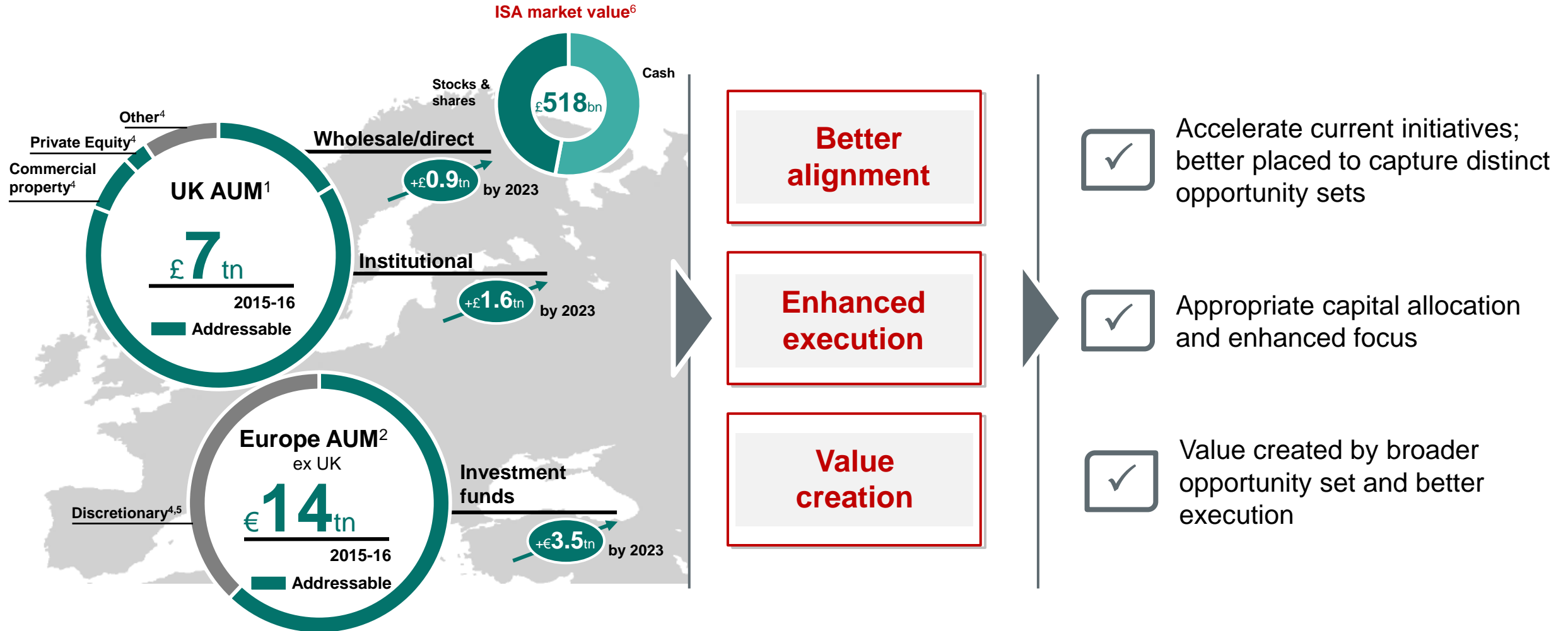
Intention to demerge M&G Prudential from Prudential plc



# M&G Prudential

## Creating a market-leading savings and investment business

Opportunity<sup>1,2,3</sup>



1. Source: The Investment Association – Asset management in the UK 2015-2016.

2. Source: EFAMA Asset Management report, data as at 2015.

3. Growth rates source: PWC Asset Management 2020, BCG and Prudential calculations. Retail growth rate sourced from BCG, Europe and remaining UK using PWC Europe forecast CAGR of 4.4%.

4. UK AUM consists of Commercial Property, Private Equity and Other of £1.3tn growing by £0.5tn by 2023. European AUM consists of Discretionary of Eur5.2tn growing by Eur2.0tn.

5. Discretionary includes mandates and could be included within M&G Institutional addressable market.

6. Source: HMRC – Individual Savings Account (ISA) Statistics April 2017. HMRC, BoE, ONS, ABI.

# Prudential plc

A pre-eminent global insurer, capturing structural growth

## Asian growth

**+1 million**

People entering the working population every month<sup>1,2</sup>

## US wealth

More than

**\$15 trillion<sup>3</sup>**

Total advisor-distributed assets

**Better alignment**

**Enhanced execution**

**Value creation**



Complementary operating markets, with ability to leverage experience and expertise



Diversification across risk characteristics - mortality, spread, longevity, investment, credit



Global operating profile and partner of choice, giving scale to invest in tech and R&D



Capability to deliver differentiated products at each stage of a customer's savings and investment journey

1. United Nations, Department of Economic and Social Affairs, Population Division (2015). World Population Prospects: The 2015 Revision, DVD Edition.15.

2. Working age population: 15-64 years.

3. The 2017 Cerulli reports, IRI Fact Book, Federal Reserve – 2016 Survey of Consumer Finances.

# Asia

## High-quality, diversified growth

Eighth consecutive year of double-digit growth

New business profit<sup>1</sup> **+12%**

IFRS operating profit<sup>1</sup> **+15%**

Free surplus generation<sup>1</sup> **+19%**

### IFRS

**8** countries with at least double digit growth

**4** countries generating >£150m IFRS

✓ Eastspring IFRS >£150m

### NBP

NBP (ex HK)<sup>1</sup>

H&P NBP<sup>1</sup>

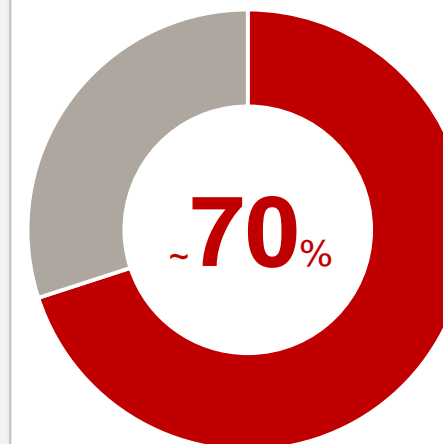
NBP Margin

**+20%**

**+26%**

**62%**

Health & Protection  
% NBP



1. Growth rates indicate variances against prior year on a constant exchange rate basis.

# US

## Delivery and resilience

438% 417% 483% 429% 423% 450% 456% 481% 485% 409%

RBC Ratio

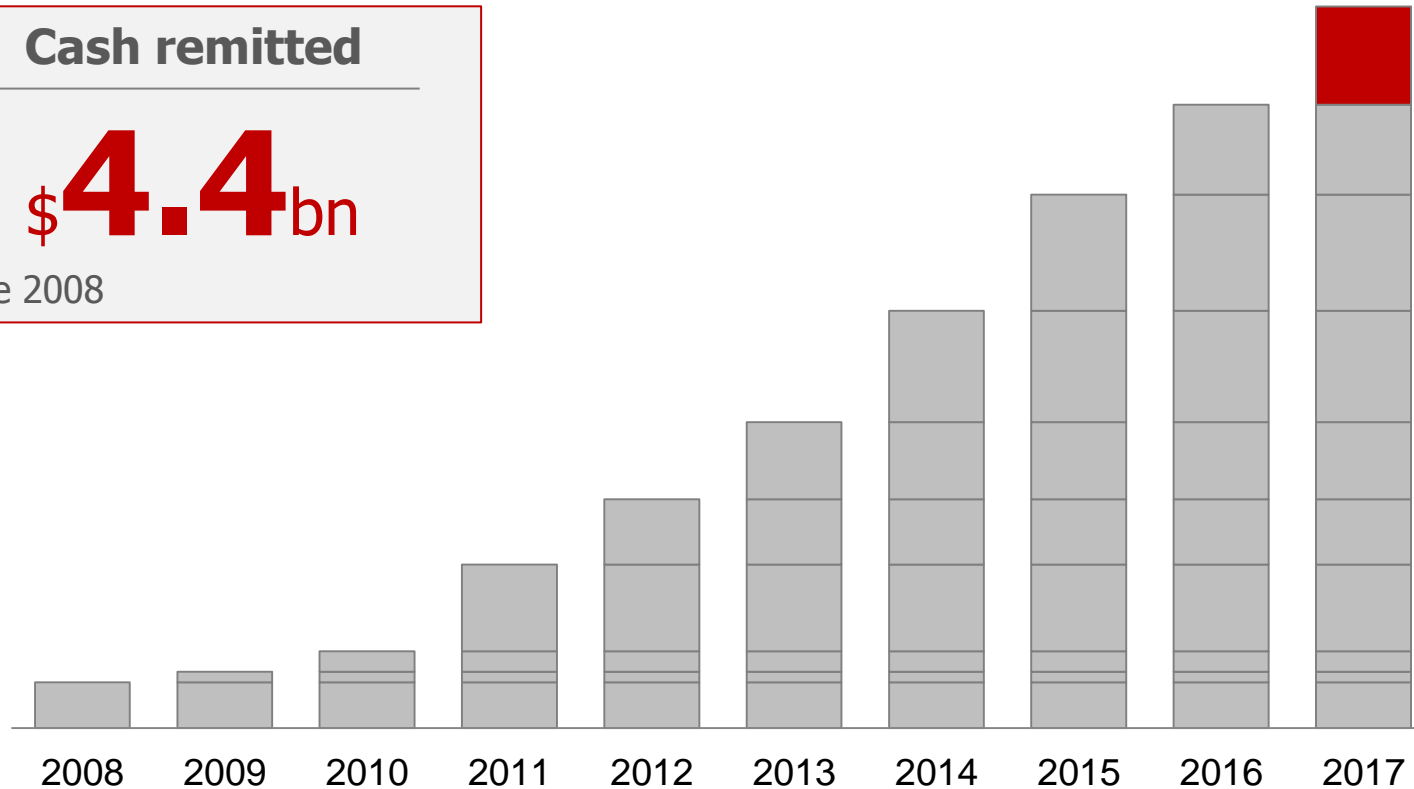


### Cash remitted

**\$4.4bn**

Since 2008

Cumulative cash remittances \$bn



RBC remains resilient

**>400%**

Tax reform provides long-term economic **tailwind**

**Protected** against downside risks



# Group Summary

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- Continued delivery of growth and cash
- Sustained momentum in earnings drivers underpins positive outlook
- Asia growth is broad-based and high-quality
- US continues to deliver, outperforming the peer group
- UK&E strong performance, underpinning rationale for capital-efficient strategy
- Adapting structure to maximise the opportunity for our businesses