



Prudential plc

2017 Full Year Results

14 March 2018

This document may contain 'forward-looking statements' with respect to certain of Prudential's plans and its goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements that are not historical facts, including statements about Prudential's beliefs and expectations and including, without limitation, statements containing the words 'may', 'will', 'should', 'continue', 'aims', 'estimates', 'projects', 'believes', 'intends', 'expects', 'plans', 'seeks' and 'anticipates', and words of similar meaning, are forward-looking statements. These statements are based on plans, estimates and projections as at the time they are made, and therefore undue reliance should not be placed on them. By their nature, all forward-looking statements involve risk and uncertainty. A number of important factors could cause Prudential's actual future financial condition or performance or other indicated results to differ materially from those indicated in any forward-looking statement. Such factors include, but are not limited to, the timing, costs and successful implementation of the demerger described herein; the future trading value of the shares of Prudential plc and the trading value and liquidity of the shares of the to-be-listed M&G Prudential business following such demerger; future market conditions, including fluctuations in interest rates and exchange rates the potential for a sustained low-interest rate environment, and the performance of financial markets generally; the policies and actions of regulatory authorities, including, for example, new government initiatives; the political, legal and economic effects of the UK's decision to leave the European Union; the impact of continuing designation as a Global Systemically Important Insurer or 'G-SII'; the impact of competition, economic uncertainty, inflation and deflation; the effect on Prudential's business and results from, in particular, mortality and morbidity trends, lapse rates and policy renewal rates; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; the impact of internal projects and other strategic actions failing to meet their objectives; disruption to the availability, confidentiality or integrity of Prudential's IT systems (or those of its suppliers); the impact of changes in capital, solvency standards, accounting standards or relevant regulatory frameworks, and tax and other legislation and regulations in the jurisdictions in which Prudential and its affiliates operate; and the impact of legal and regulatory actions, investigations and disputes. These and other important factors may, for example, result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. Further discussion of these and other important factors that could cause Prudential's actual future financial condition or performance or other indicated results to differ, possibly materially, from those anticipated in Prudential's forward-looking statements can be found under the 'Risk Factors' heading in Prudential's Full Year 2017 Results Regulatory News Release and the 'Risk Factors' heading in its most recent Annual Report and the 'Risk Factors' heading of Prudential's most recent annual report on Form 20-F filed with the U.S. Securities and Exchange Commission, as well as under the 'Risk Factors' heading of any subsequent Prudential Half Year Financial Report. Prudential's most recent Annual Report, Form 20-F and any subsequent Half Year Financial Report are available on its website at www.prudential.co.uk.

Any forward-looking statements contained in this document speak only as of the date on which they are made. Prudential expressly disclaims any obligation to update any of the forward-looking statements contained in this document or any other forward-looking statements it may make, whether as a result of future events, new information or otherwise except as required pursuant to the UK Prospectus Rules, the UK Listing Rules, the UK Disclosure and Transparency Rules, the Hong Kong Listing Rules, the SGX-ST listing rules or other applicable laws and regulations.

Agenda ●

Introduction

Paul Manduca, Group Chairman

Headline Results & Strategic Update

Mike Wells, Group CEO

FY17 Financial Performance

Mark FitzPatrick, Group CFO

Wrap-Up

Mike Wells, Group CEO

Agenda ●

Introduction

Paul Manduca, Group Chairman

Headline Results & Strategic Update

Mike Wells, Group CEO

FY17 Financial Performance

Mark FitzPatrick, Group CFO

Wrap-Up

Mike Wells, Group CEO

Group

Headline results

Growth

+12%

New business profit 2017 vs. 2016 CER¹

Cash

£3.6 bn

2017 Net free surplus generation

Embedded value

£45 bn

2017 Embedded value +15% vs. 2016 AER²

Earnings

£4.7 bn

2017 IFRS operating profit

Dividend

+8%

Growth on prior year to 47 pence per share

Capital

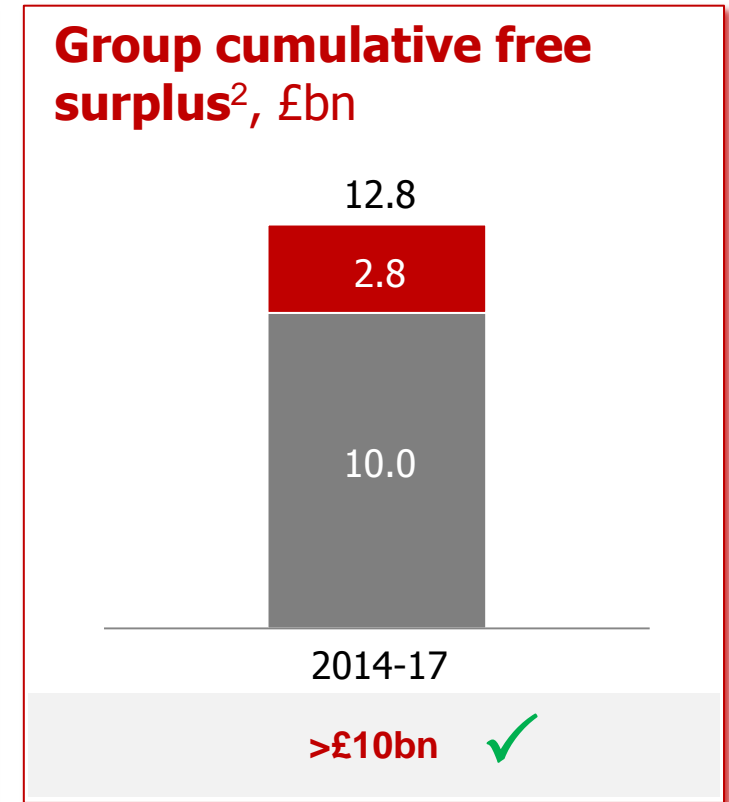
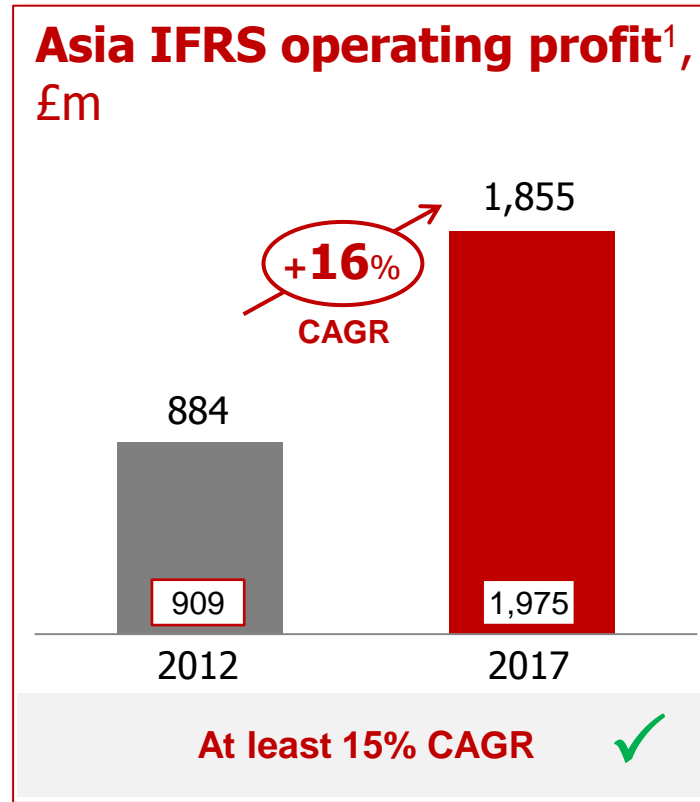
202%

FY17 Solvency II ratio

1. Defined as constant exchange rate
2. Defined as actual exchange rate

Group

All 2017 objectives achieved

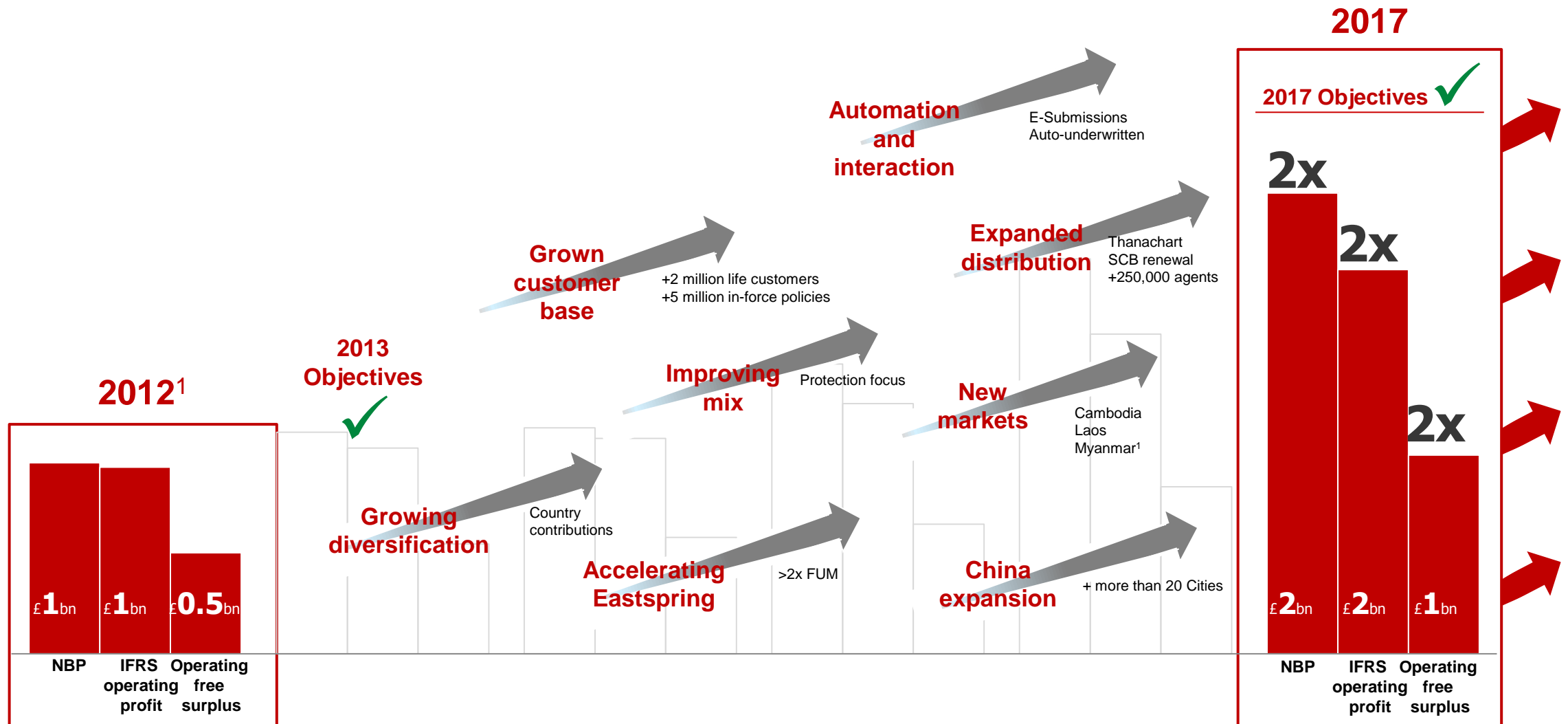


XX As reported
XX Expressed at December 2013 FX rates

1. All amounts presented (including the objectives) exclude contributions from Korea Life which was sold in 2017. 2012 comparative amounts include the one-off gain on sale of stake in China Life of Taiwan of £51 million.
2. For the purpose of the Group Objective, cumulative underlying free surplus generation includes the free surplus relating to Prudential Capital.

Group

Asia: 2017 objectives achieved, improving quality and positive momentum



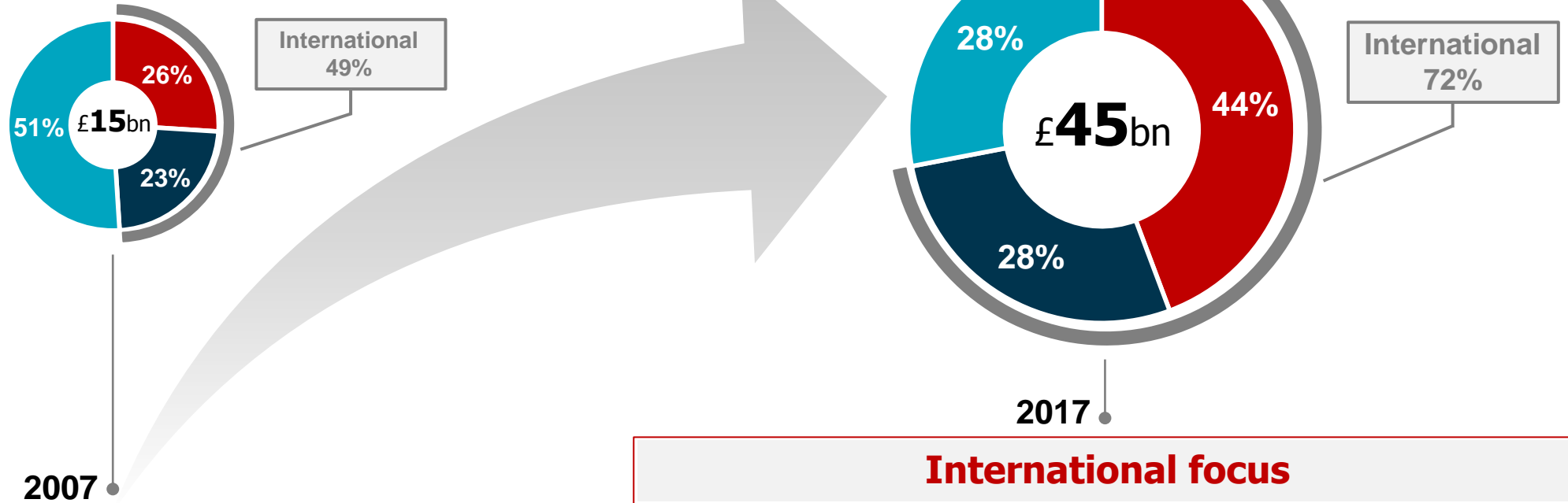
1. As disclosed on an RER basis
2. Myanmar rep office only

Group

Continued transformation of Group portfolio

Evolution of mix

EEV shareholders' funds¹,
%



UK centric

- Emerging Asia business reliant on Group funding
- US business yet to define a strategic focus
- Pru UK wrote 1 in 4 of the country's individual annuities

International focus

- Leading Pan-regional Asia business delivering expansive growth with 15m Life customers
- Market leading US retirement business
- Integrated UK savings platform generating significant cash flows
- UK annuity sale accelerates capital efficient transition

1. Mix percentages exclude Other operations and are based on reported numbers.

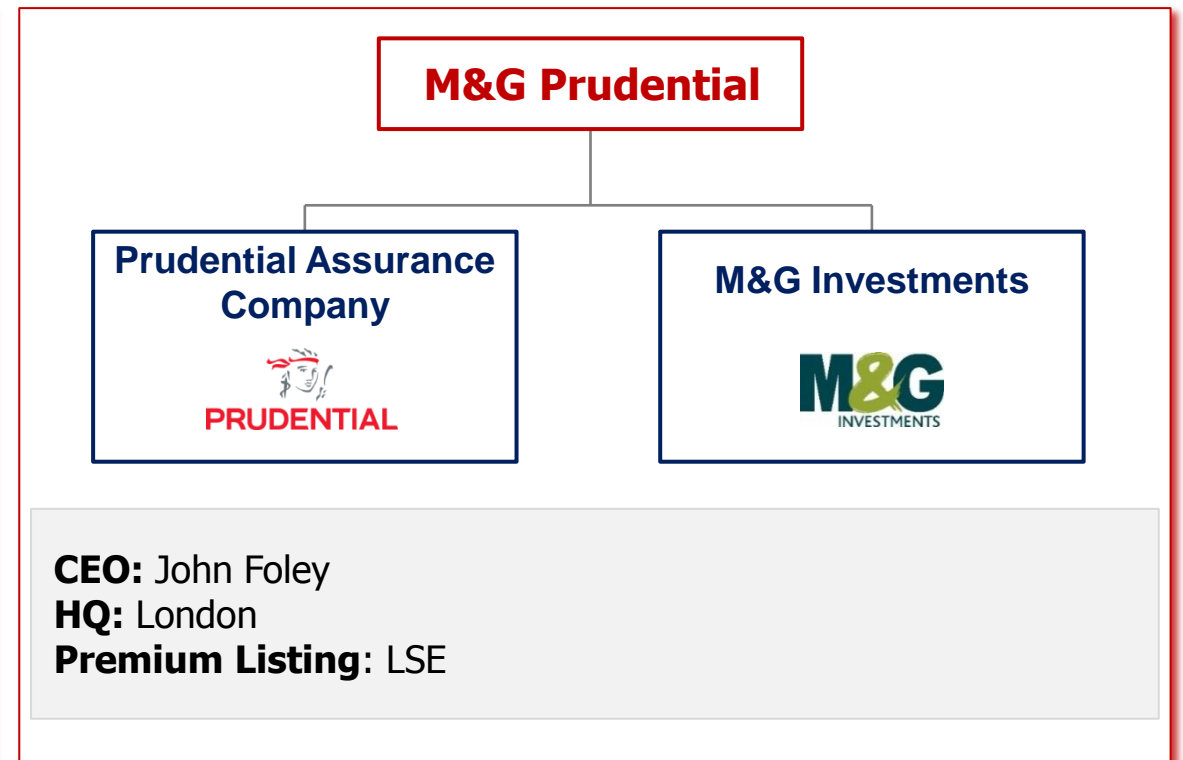
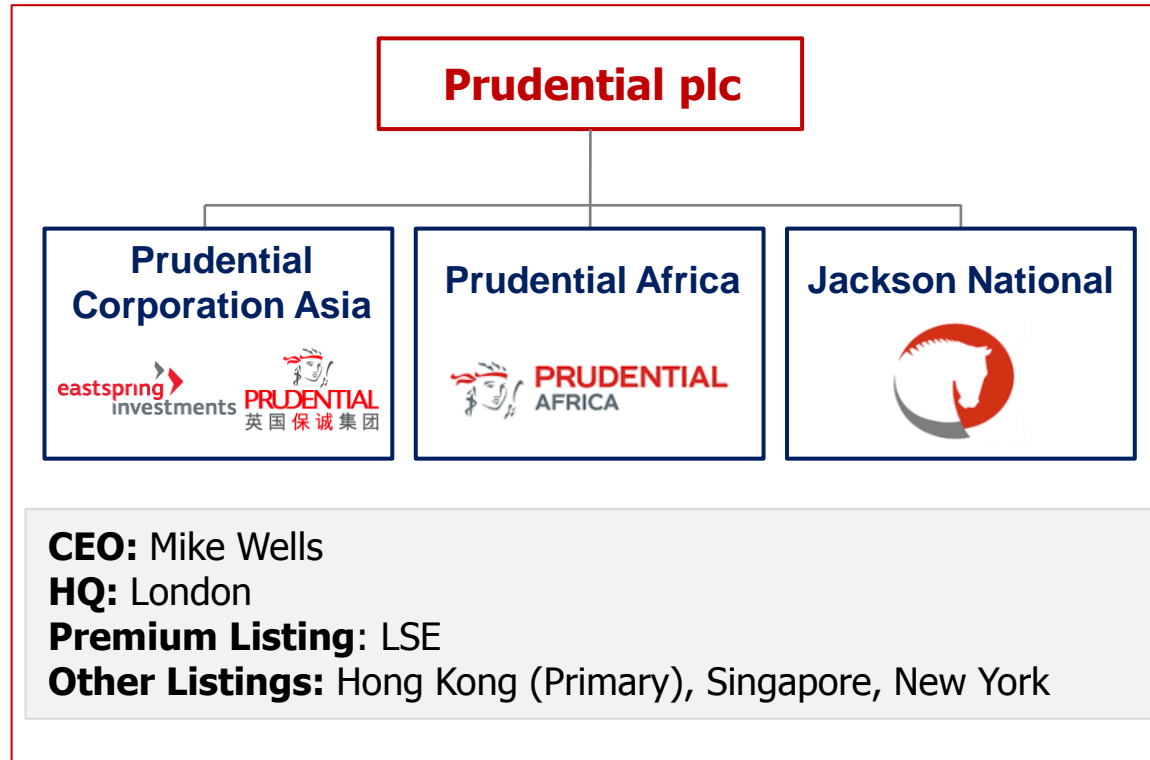
Group

Intention to demerge M&G Prudential from Prudential plc



Group

Target structure: two separately listed companies with distinct investment prospects

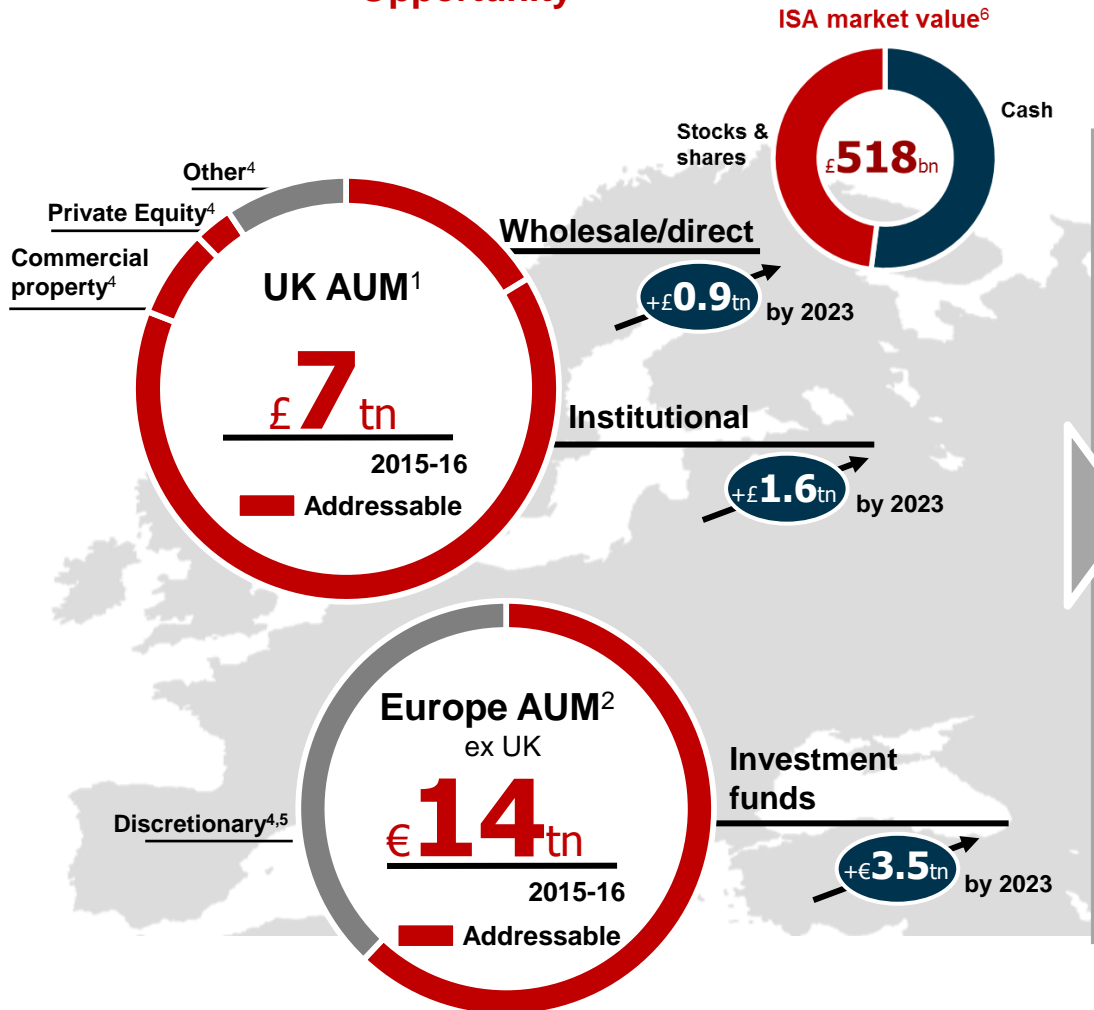


Dividend policy unchanged through the separation process

M&G Prudential

Creating a market leading savings and investments business

Opportunity^{1,2,3}



Better alignment

Enhanced execution

Value creation



Accelerate current initiatives; better placed to capture distinct opportunity sets



Appropriate capital allocation and enhanced focus



Value created by broader opportunity set and better execution

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

M&G Prudential

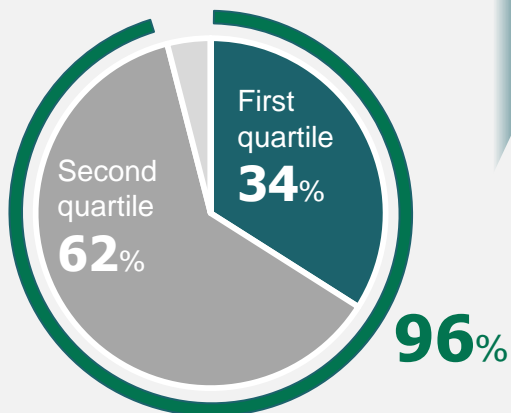
Attracting strong net flows

Wholesale/direct:

- ▶ Net flows £11bn
- ▶ 64% wholesale and direct funds above median²

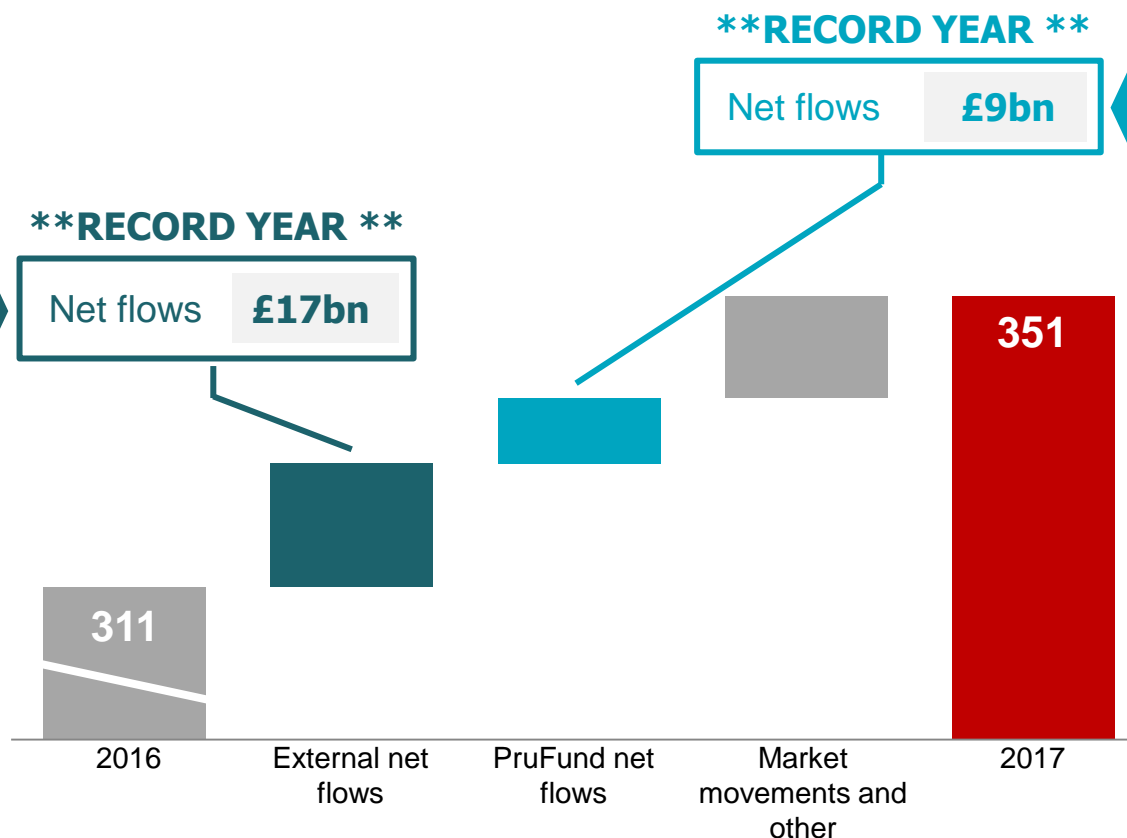
Institutional:

- ▶ Net flows £6bn

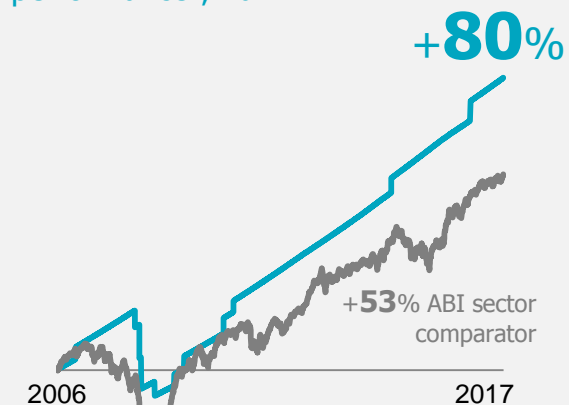


Institutional performance 3 years to December 2017¹

M&G Prudential Funds under management (£bn)



PruFund growth investment performance³, %



Earnings

+10%

Increase in 2017 IFRS operating profit

1. Represents £29.3bn (35%) of total Institutional AUM as at end December 2017 for mandates measured gross of fees.

2. On a 1 and 3 year view to December 2017. Performance quartile ranking based on ranking of the fund's representative share class, net of fees, within their respective Investment Association or Morningstar sectors. Closed funds excluded. Total mutual fund AUM as at 31 December 2017 was £79.7bn, representing 23% of the total M&G Prudential AUM. 1 year figures represent £78.1bn AUM, 3 year figures represent £76.1bn AUM. Performance figures in GBP, bid to bid, net income reinvested. Source: M&G Prudential, IA and Morningstar Inc. combined UK and Pan-European peer groups as at 31 December 2017.

3. ABI Mixed Investment 20 per cent – 60 per cent Shares (performance is net of charge). PruFund returns are also net of charge (0.65 per cent).

M&G Prudential

Merger & transformation progress

Merger sprints and transformation to deliver
£145m of shareholder cost reduction by 2022

UK Savings



In-Force Modernisation



Investment Operating Model



European Funds Platform



Finance & Shared Services



Distribution & Proposition



Regulatory



Culture



August 2017

Merger announced

Shared services combination

New partnership announced with TCS – capability and experience upgrade for 4m in-force policies

Brexit: CSSF authorisation of Luxembourg Super ManCo and MiFID firm

PPMG (asset allocator) on Aladdin and M&G funds to complete in 2018

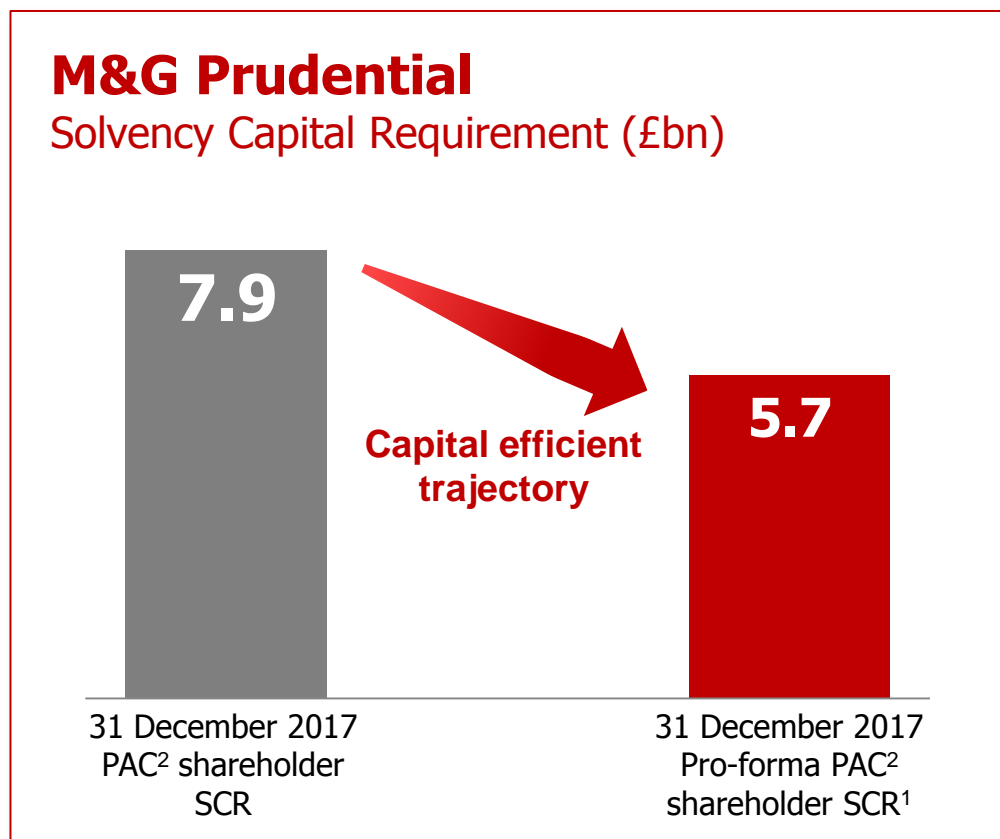
Intermediary joint business development goes live

March 2018

£12bn annuity liabilities sold

M&G Prudential

Capital profile of standalone business



- Transfer of Hong Kong to align with new structure³
- £12bn UK shareholder annuities transferred to Rothesay Life, reinsurance arrangement signed
- Part VII legal ownership transfer
- Capital benefit retained to support demerger process

1. The pro-forma estimate assumes that the partial sale of the UK annuity portfolio and the transfer of Prudential plc's Hong Kong subsidiaries to Asia had both been completed as at 31 December 2017. In relation to the sale of the UK annuity portfolio, this estimate includes a £1.3 billion reduction in the SCR and a £0.2 billion decrease in Own Funds, resulting in an increase in capital surplus of £1.1 billion, of which £0.6 billion is expected to be recognised in the UK capital position as at 30 June 2018 under the reinsurance agreement.

2. Prudential Assurance Company Limited

3. Prudential plc intends to transfer the legal ownership of its Hong Kong insurance subsidiaries from The Prudential Assurance Company Limited (M&G Prudential's UK regulated insurance entity) to Prudential Corporation Asia Limited, which is expected to complete by the end of 2019.

Prudential plc

A pre-eminent global insurer, capturing structural growth

Asian growth

+1 million

People entering the working population every month^{1,2}

US wealth

More than

\$15 trillion³

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 profit¹ +12%

IFRS operating profit¹ +15%

Free surplus generation¹ +19%

IFRS

8 Countries with at least double digit growth

4 Countries generating >£150m IFRS

✓ Eastspring IFRS >£150m

IFRS contribution by entity² (inc Eastspring)

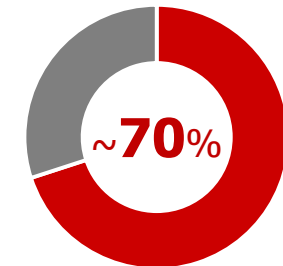
£'m	2013	2015	2017
>350		●	●
250-350	●		●●
150-250	●	●●	●●
50-150	●●●●●	●●●●●	●●●●●
<50	●●●●	●●●●	●●

NBP

NBP (ex HK)¹ +20%

H&P NBP¹ +26%

Health & Protection % NBP



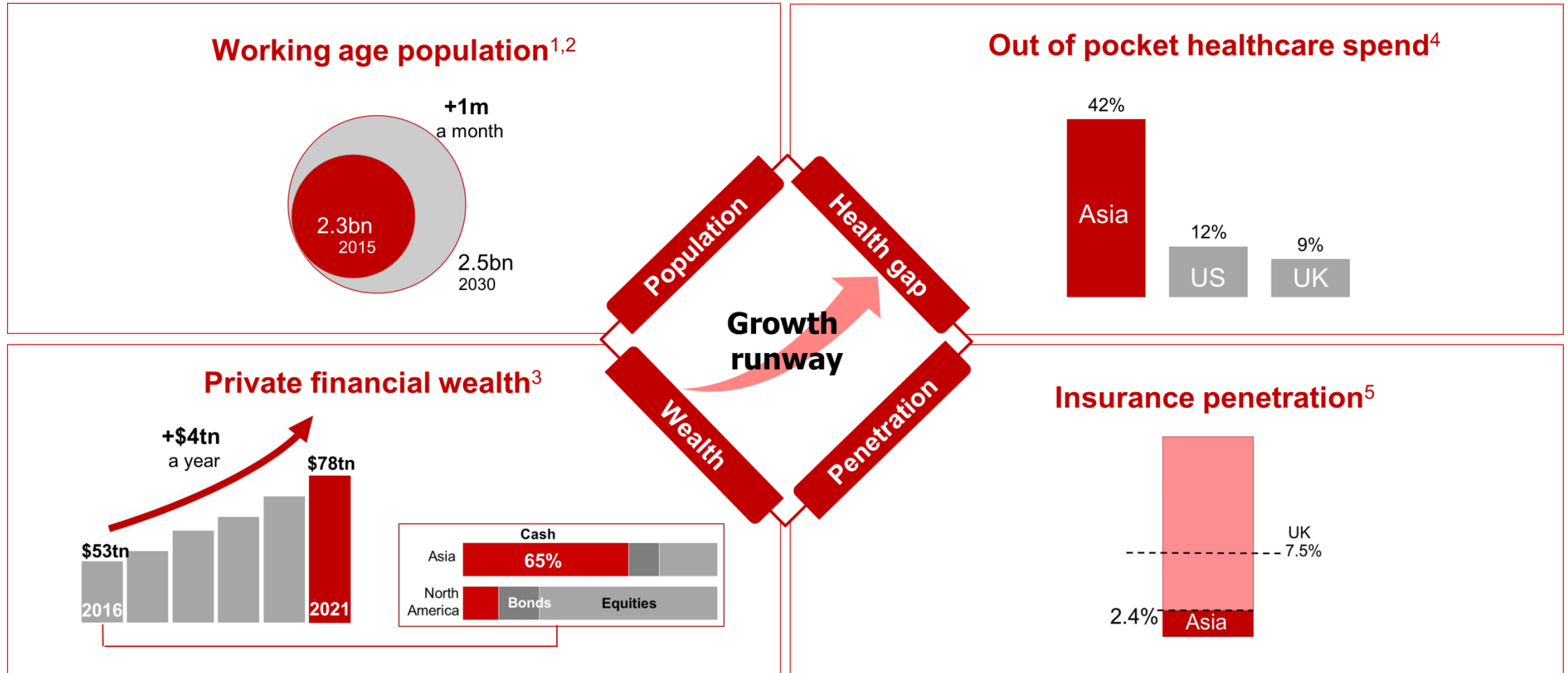
NBP Margin 62%

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

2. Presentation consistent with the 'IFRS Operating profit by territory' disclosure. Excludes Korea and non-recurring items. 'Other' is shown as a separate item and includes India, Cambodia and Laos. As reported (RER basis).

Asia

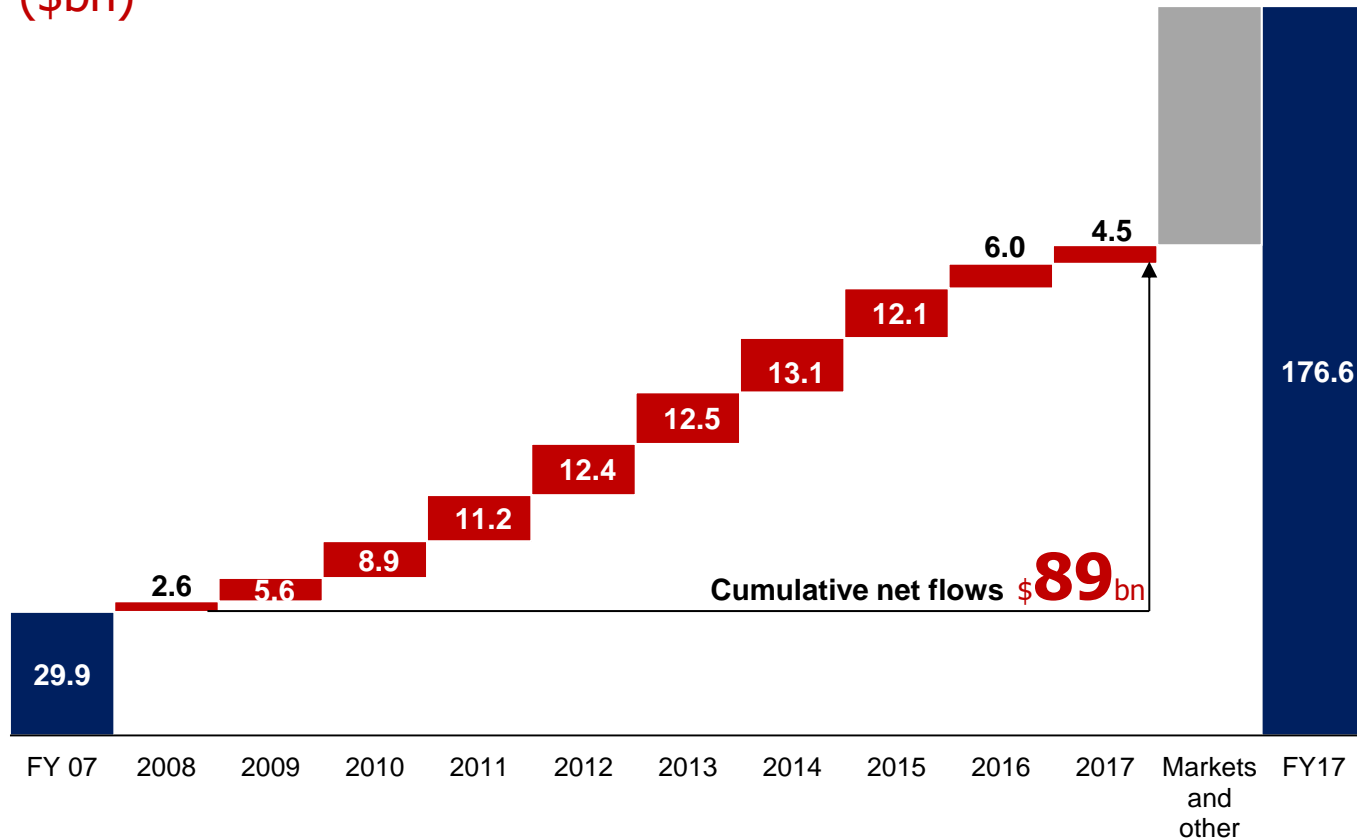
Significant long term growth opportunity



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. Source BCG Global Wealth 2017. Navigating the New Client Landscape
 4. World Health Organisation - Global Health Observatory data repository (2013). Out of pocket as % of Total Health Expenditure. Asia calculated as average out of pocket
 5. Insurance penetration source Swiss Re Sigma 2015. Insurance penetration calculated as premiums in % of GDP. Asia penetration calculated on a weighted population basis

Superior customer proposition, generating high quality earnings

Movement in separate account (\$bn)



Quality sources of income

+ **15%** \rightarrow **£2.3bn**
 FY17 Increase in fee income (CER)

Superior customer proposition

42 Jackson LGWB funds with 7% or greater 3 year annualised performance

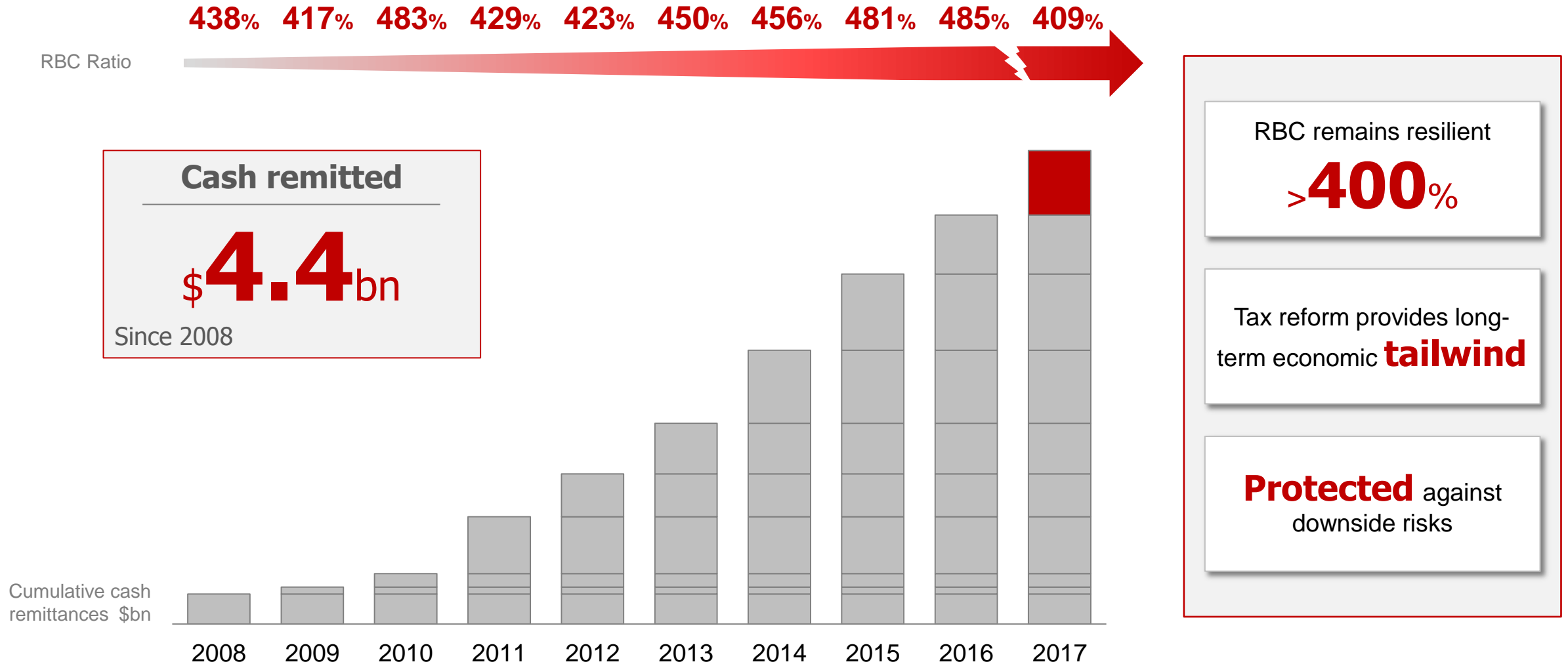
Adapting to change

113

Number of firms with fee based VA selling agreements.

US

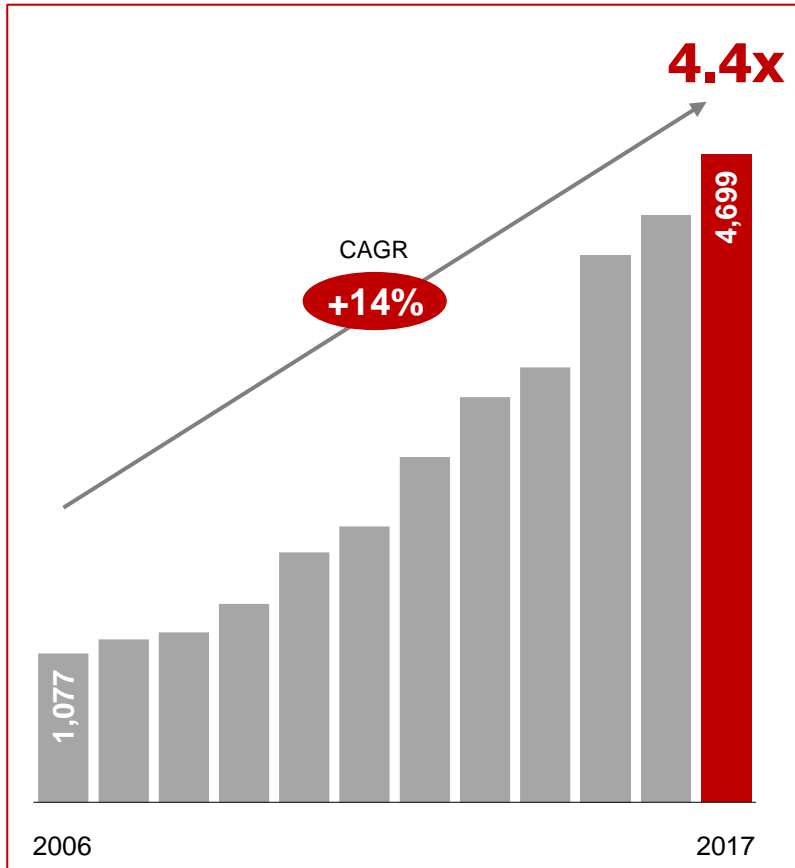
Delivery and resilience



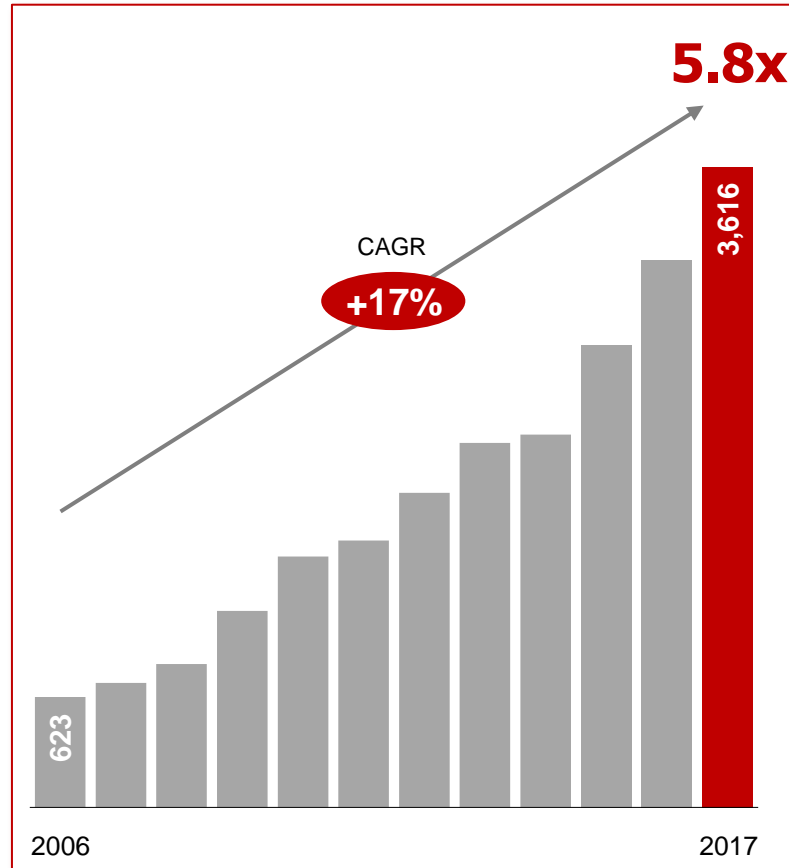
Group

Long-term track record

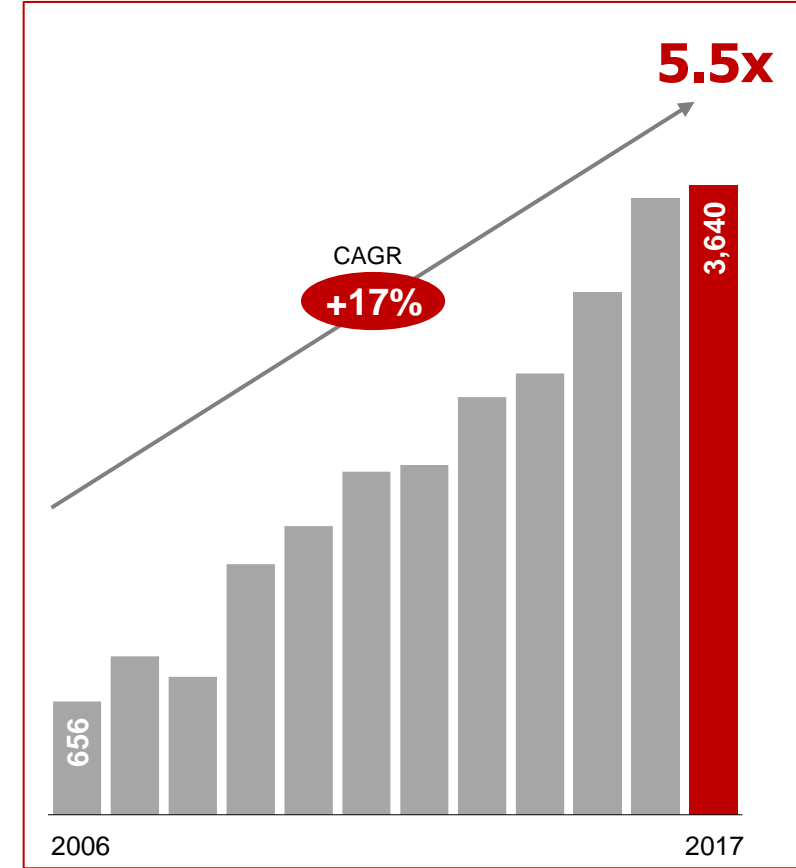
IFRS operating profit^{1,2}, £m



New business profit^{1,2}, £m



Free surplus generation^{1,2,3,4}, £m



1. Comparatives have been stated on an actual exchange rate basis
2. Comparatives are adjusted for new and amended accounting standards and excludes 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

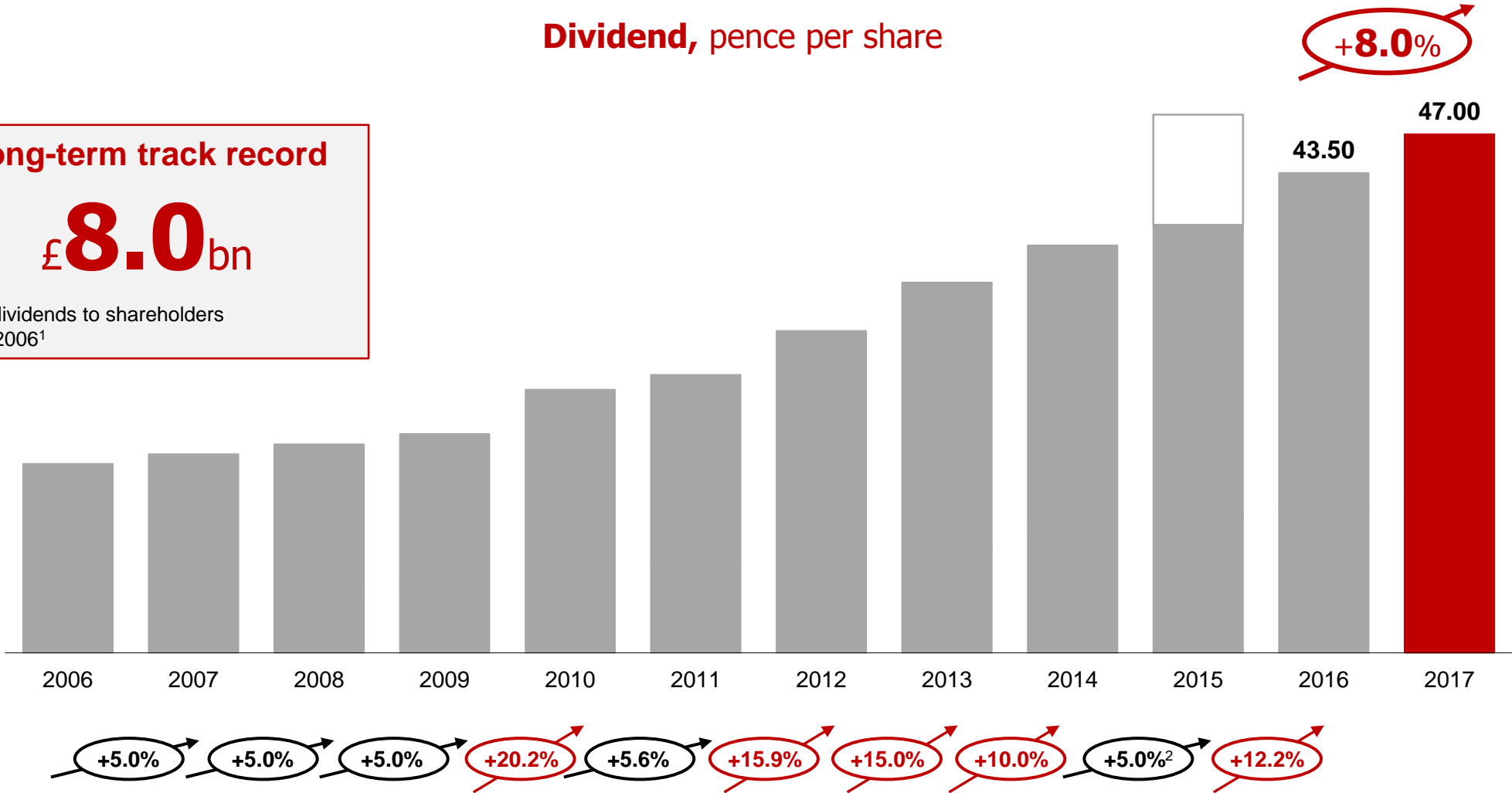
Delivering cash

Dividend, pence per share

Long-term track record

£8.0bn

Total dividends to shareholders since 2006¹



1. Amounts paid between 2006 and 2010 are net of scrip dividends
 2. Growth rate of ordinary dividend. Excludes impact of special

Special dividend

Agenda ●

Introduction

Paul Manduca, Group Chairman

Headline Results & Strategic Update

Mike Wells, Group CEO

FY17 Financial Performance

Mark FitzPatrick, Group CFO

Wrap-Up

Mike Wells, Group CEO

Group FY17 results

Key financial highlights

		FY17 vs FY16			
	£m	FY16	FY17	AER ¹	CER ¹
Growth	IFRS operating profit	4,256	4,699	+10%	+6%
	New business profit	3,088	3,616	+17%	+12%
	EEV operating profit	5,497	6,598	+20%	+15%
Cash	Free surplus generation	3,566	3,640	+2%	(1)%
	Remittances	1,718	1,788	+4%	n/a
	Ordinary dividend per share (pence)	43.50	47.00	+8%	n/a
		FY16	FY17	FY17 vs FY16	
Capital	Solvency II surplus^{2,3} (£bn)	12.5	13.3	+0.8	n/a
	EEV per share (pence)⁴	1,510	1,728	+14%	n/a

¹ AER: Actual exchange rates. CER: Constant exchange rates

² Before allowing for the 2017 second interim ordinary dividend (FY16: before allowing for the 2016 second interim ordinary dividend)

³ The Group Shareholder position excludes the contribution to the Group Own Funds and the Solvency Capital Requirement of ring fenced With-Profit Funds and staff pension schemes in surplus. The solvency positions include management's estimates of UK transitional measures reflecting operating and market conditions at each valuation date. An application to recalculate the transitional measures as at 31 December 2017 has been approved by the Prudential Regulation Authority

⁴ Includes goodwill

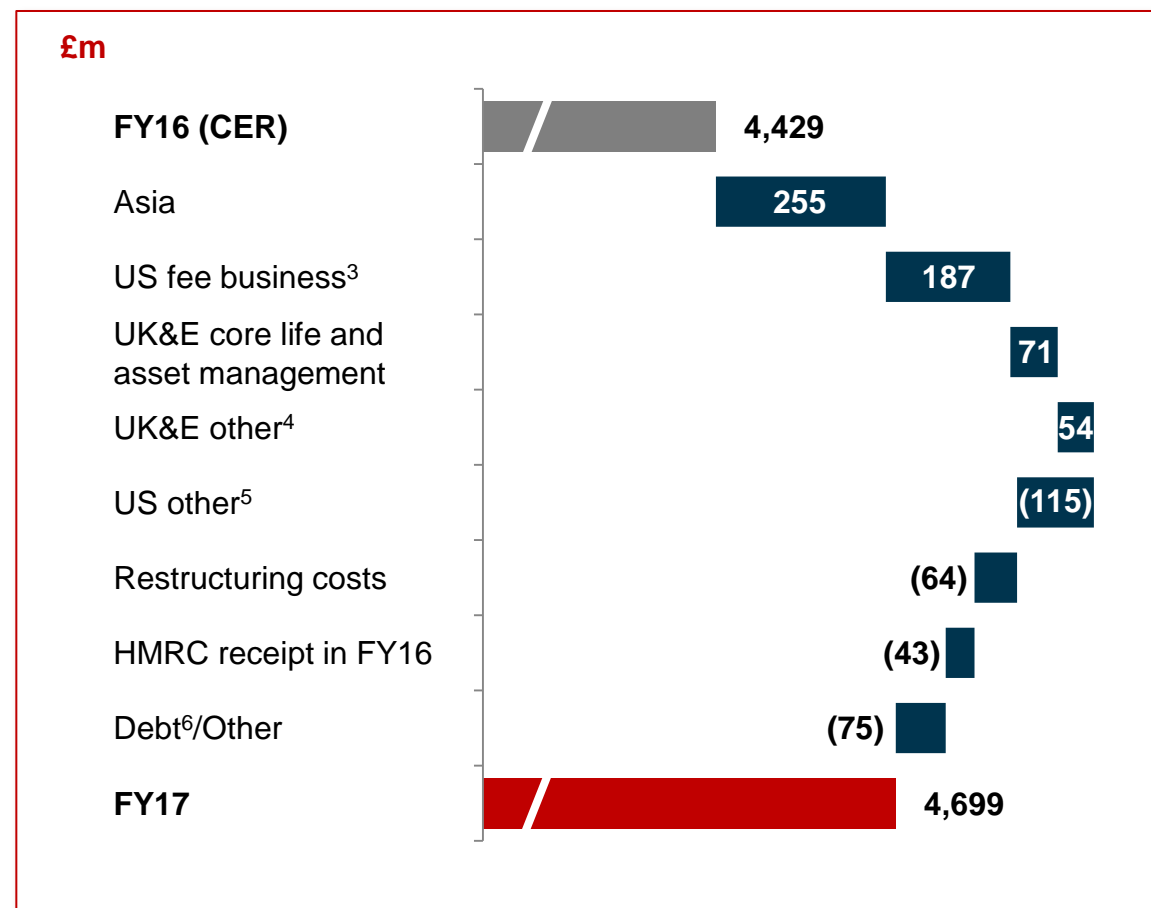
Group IFRS

Key drivers of earnings momentum

Group IFRS operating profit

£m	FY16 ¹	FY17	Change (CER)
Asia	1,644	1,975	+15%
US	2,048	2,224	+3%
UK&E	1,253	1,378	+10%
Central	(694)	(775)	+11%
Other ²	5	(103)	n/a
Total	4,256	4,699	+6%

Group IFRS operating profit



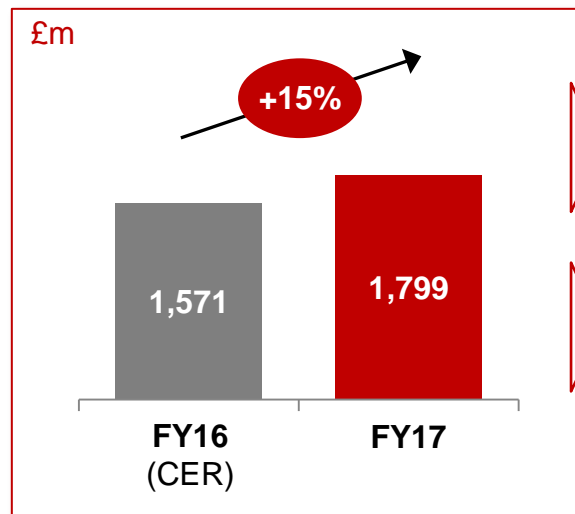
1. On an actual exchange rate basis
 2. Other includes restructuring costs of £(103)m in 2017 and £(38)m in 2016. 2016 also includes £43m of interest received from an HMRC tax settlement
 3. Fee business represents profits from variable annuity products. As well as fee income, revenue for this product line includes spread income from investments directed to the general account and other variable annuity fees included in insurance margin

4. Includes amounts relating to UK & Europe management actions relating to shareholder-backed annuity new business of £9m (2016: £41m), GI commission of £17m (2016: £29m), longevity reinsurance of £31m (2016: £197m), other optimisation actions of £245m (2016: £135m), changes in longevity assumptions £204m (2016: £nil) and provision for the cost of undertaking a review of past non-advised annuity sales practices and related potential redress of £(225)m (2016: £(175)m)
 5. Includes spread business operating profit for fixed annuity, fixed indexed annuity and Guaranteed Investment Contracts and largely comprises spread income less costs, and life and other business.
 6. Includes increase in debt costs of £65m from £360m in FY16 to £425m in FY17

Asia IFRS

Strong and consistent growth

Life IFRS operating profit



Renewal premiums

£11.6bn

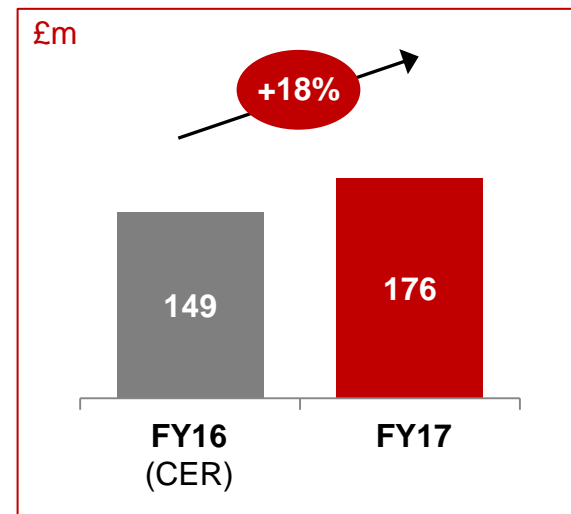
+22%

Insurance income

£1.3bn

+21%

Asset management IFRS operating profit



Average AUM¹

£128bn

+20%

External net inflows

vs £1.8bn
2016

£3.1bn

➤ Improved result in all countries, with 8 growing by more than 10%

➤ IFRS operating profit up 15%, driven by:

- Hong Kong +38%
- Singapore +10%
- China +38%
- Malaysia +15%
- Vietnam +15%

➤ Underlying profits² +12%

- Revenue +13%; revenue margin 33bp (FY16 35bp)
- Cost / income ratio 56% (FY16 56%)

➤ Closing AUM³ +18% to £139bn

- External AUM^{3,4} +22% to £47bn

¹ Percentage change shown on a constant exchange rate basis

² Excludes performance-related fees of £17m (2016: £7m)

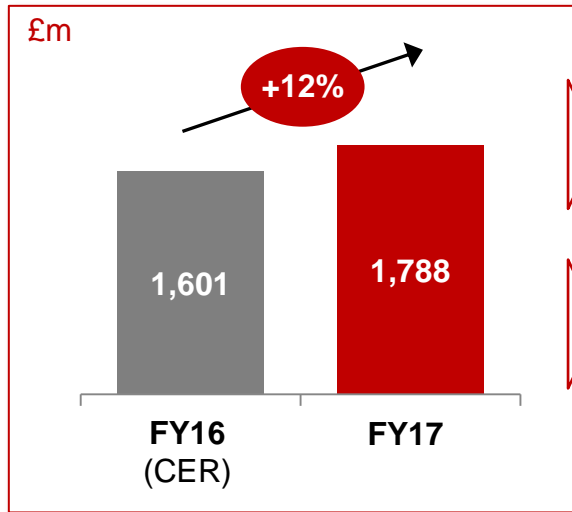
³ Percentage change shown on an actual exchange rate basis

⁴ Excludes Money Market Funds of £9.3bn (2016: £7.7bn)

US IFRS

Driven by fee earnings from VA business

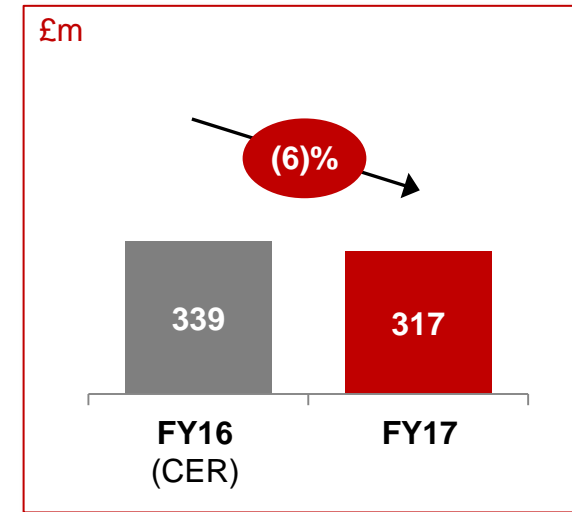
Fee-based¹ IFRS operating profit



Av. separate
account AUM **+17%**
£125bn

Fee
margin **(3)bp**
187bp

Spread-based² IFRS operating profit



Spread
margin **(24)bp**
193bp

- Higher separate account assets driving revenue growth
 - Net flows remain strongly positive
 - Favourable market movements
- Stable fee margins
- Higher levels of asset-based trail commission

- Ongoing decline in spread margin
 - Lower reinvestment yields
 - Reducing contribution from swaps
- Fixed annuity portfolio 23% of total av. liabilities (2016: 25%)

¹ 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 Spread business is the net operating profit for fixed annuity, fixed indexed annuity and Guaranteed Investment Contracts and largely comprises spread income less costs

Impact of US tax reform

Net positive long-term impact

- Materially lower US corporate effective tax rate expected to enhance Jackson's future earnings and capital generation from 2018
- US effective tax rate expected to be c.18% compared to c.28% previously
- Group effective tax rate expected to reduce to between 16% and 18%

Immediate balance sheet impacts are manageable

- YE17 US Statutory RBC ratio >400%
- YE17 Group Solvency II cover ratio >200%

IFRS

- **YE17:** reduction in net DTA of £(311)m, recognised in:
 - Post-tax profit of £(445)m
 - Comprehensive income of £134m
- **Longer-term outlook:** lower effective tax rate expected to enhance post-tax earnings

EEV

- **YE17:** Non-operating gain of £390m, reflecting:
 - Gain on value of in-force
 - Reduction in net DTA / DRD benefit
- **FY17:** new business profit cash flows from 2018 onward, recognise a lower tax rate

Capital

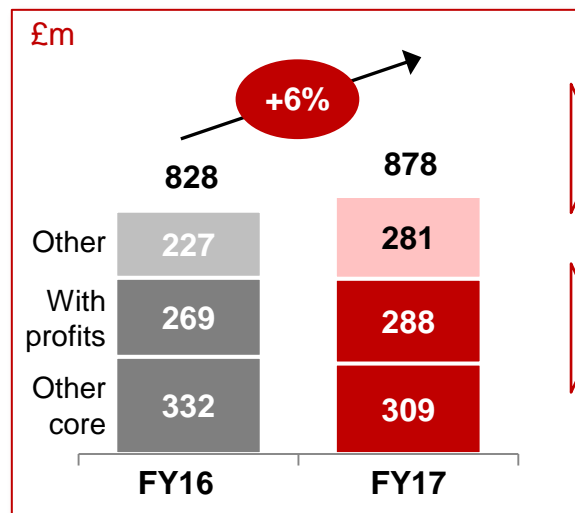
- **YE17:** £(628)m reduction in US Statutory Total Available Capital due to impact on net DTA of lower corporate tax rate and loss of NOL¹ carryback
- **YE17:** Group Solvency II cover ratio (5)ppts
- **Longer-term outlook:** lower effective tax rate expected to enhance capital generation

¹ NOL - Net operating losses

UK & Europe IFRS

Stable core life profits and strong asset management growth

Insurance IFRS operating profit



**Core¹
earnings**

£597m

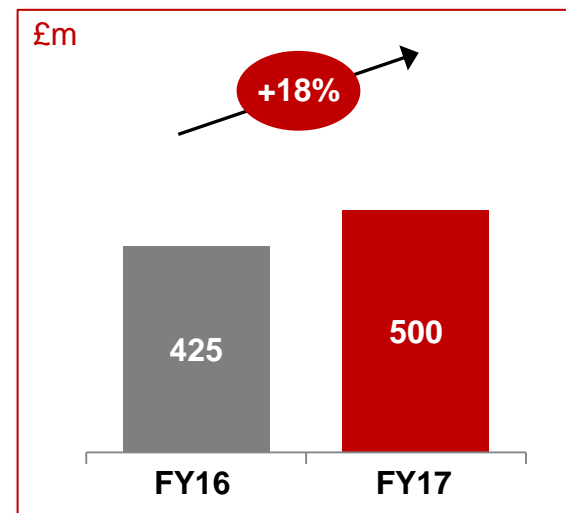
(1)%

**With profits
transfer**

£288m

+7%

Asset management IFRS operating profit



**Average
external AUM³**

£144bn

+15%

**External net
inflows**

£17bn
vs £(8)bn
2016

£17bn

- Stable level of core life earnings c.£600m
 - Includes PruFund transfer £42m (2016: £28m)
- Other movements include:
 - Management actions² £276m
 - Mortality assumptions change £204m
 - Provision for review of past annuity sales £(225)m

- Underlying profits⁴ +14%
 - Revenue +12%; revenue margin 37bp (FY16 37bp)
 - Cost / income ratio 58% (FY16 59%)
- Closing external AUM +20% to £164bn
 - Equating to 55% of total AUM (FY16 52%)
 - European AUM £42bn, up 57%
- Multi-billion Institutional capital queue

¹ UK Life core IFRS operating profit refers to the underlying profit of the UK & Europe business excluding the effect of, for example, management actions to improve solvency and material assumption changes
² Relates to specific asset and liability management actions taken in 2016 and 2017 to improve the solvency position of our UK life businesses and further mitigate market risk
³ Excludes South Africa
⁴ Excludes performance related fees of £53m (2016: £33m) and share of associate's results of £15m (2016: £13m)

Equity shareholders' funds

Operating profit remains key driver of growth

£m	IFRS Pre-tax	EEV Post-tax
Operating profit	4,699	6,598
Investment variance and other	(1,404)	2,152
Tax ¹	(906)	-
Net income	2,389	8,750
Unrealised gain on AFS ¹	486	n/a
Currency movements	(470)	(2,045)
Dividend	(1,159)	(1,159)
Other movements	175	184
Increase in shareholders' equity	1,421	5,730
Opening shareholders' equity	14,666	38,968
Closing shareholders' equity	16,087	44,698
	+10%	+15%

IFRS

Operating profit

- Includes M&G Prudential merger and transformation costs of £44m
- Debt costs up £65m due to debt issued in 2016 and FX effects

Investment variance and other

- Investment variance driven by negative marks on US VA hedges protecting against downside equity market risks
- Gain on sale of NPH of £162m before tax

EEV

Investment variance and other

- Investment variance reflects benefit of future fees on higher US separate account balances
- Also includes impact of lower yields on Asia and UK fixed income securities

Currency movements

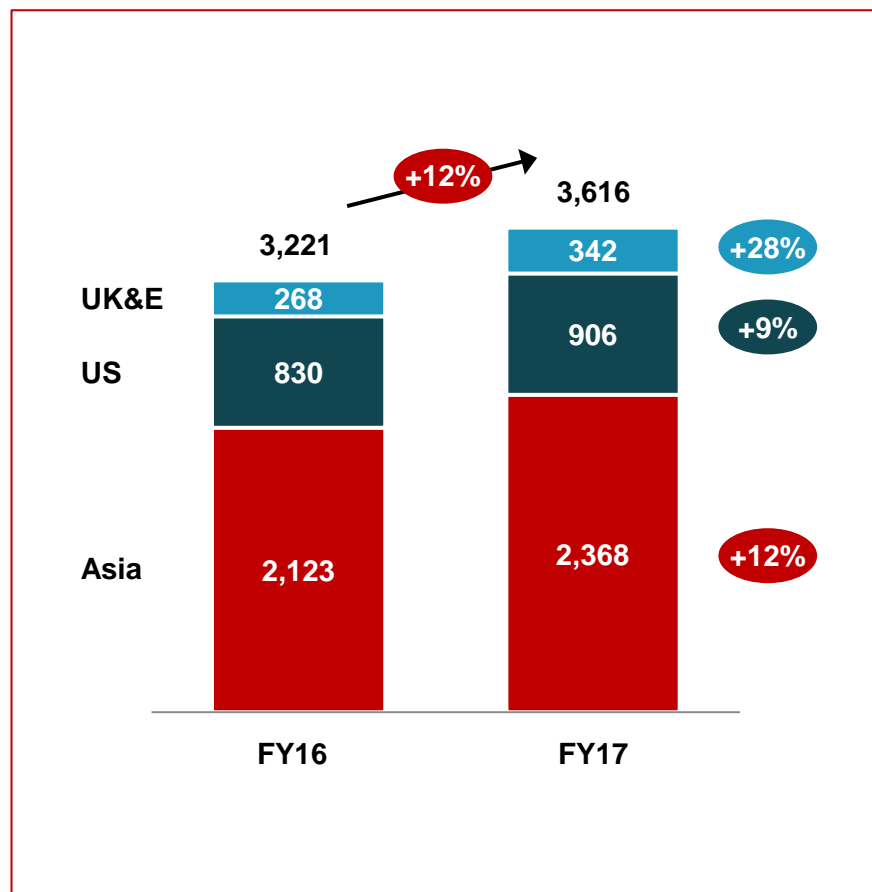
- FX impact primarily reflects weaker USD (down 9% vs GBP)

¹ Includes a charge of £(445)m in post tax income and a benefit of £134m in unrealised gains on AFS in relation to the impact of the US tax reform

Group new business profit

Focus on value driving higher quality new business

New business profit, £m (CER)



¹ Growth rates based on comparatives on a constant exchange rate basis

Group

- Broad mix of growth in NBP across all businesses
- Benefit from economic assumptions is minor given modest movement in yields over 2017

Asia¹

- Prioritisation of higher margin H&P underpins overall growth in NBP
 - H&P: NBP +26%; APE of £1,044m, accounting for 27% of total APE (2016: 24%)
 - Hong Kong: NBP +8% despite lower headline APE
- Outside Hong Kong: NBP +20%, on APE growth of 17%, driven by China, Singapore and Taiwan

US¹

- VA NBP +9%, with growth in NBP driven by benefit of US tax reforms
- Strongly positive separate account net flows of £3.5bn

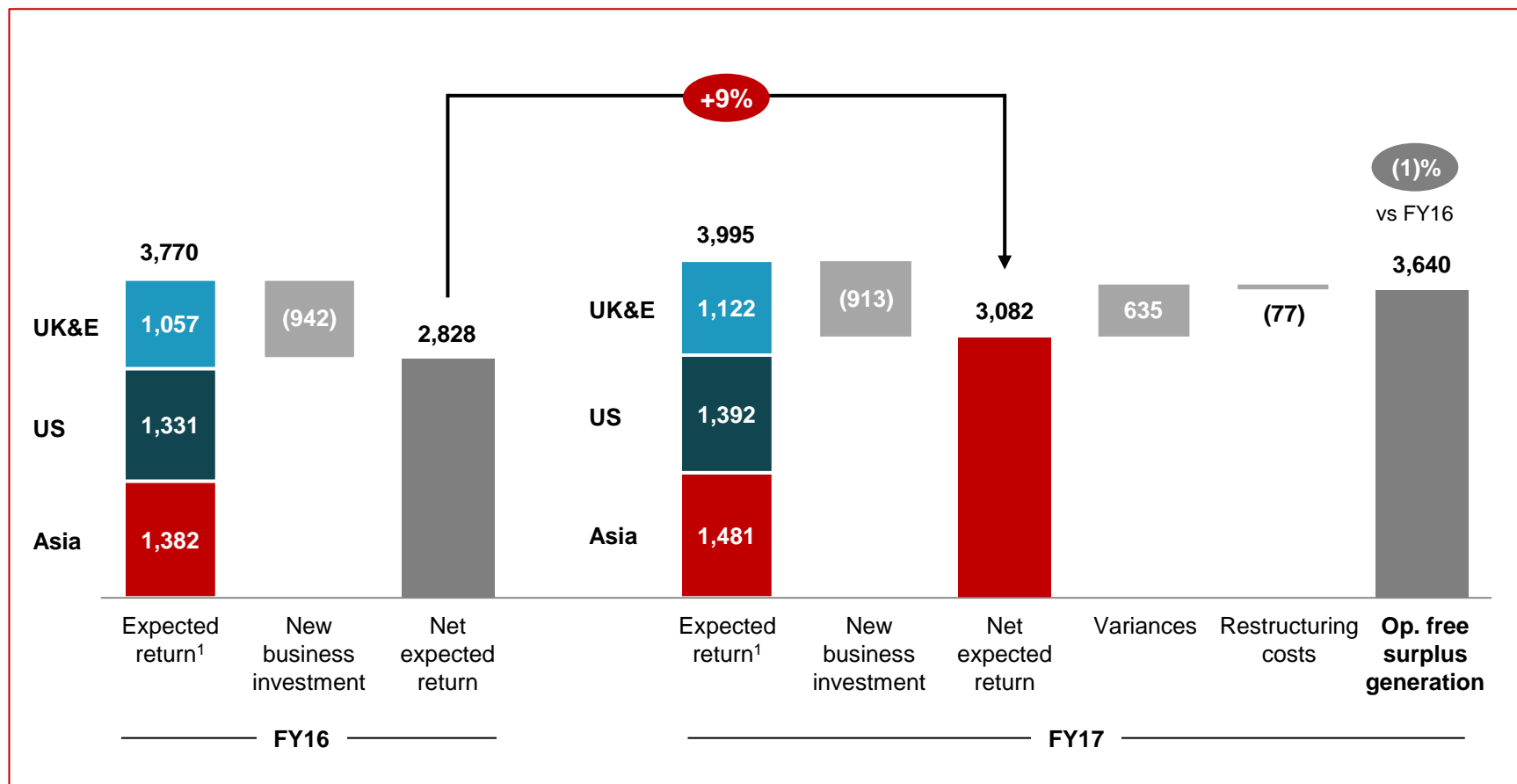
UK&E

- Continued strong growth in NBP driven by sales of individual pensions and income drawdown
- Products offering the PruFund investment option underpin performance, with APE +36%

Group free surplus generation

Growing contributions from in-force life portfolios and asset management

Operating free surplus generation, £m (CER)



Variations

£m	FY16	FY17
US reserve financing ²	247	-
Other variations	632	635
	879	635

New business investment

£m	FY16	FY17
Asia	500	484
US	313	254
UK&E	129	175
	942	913

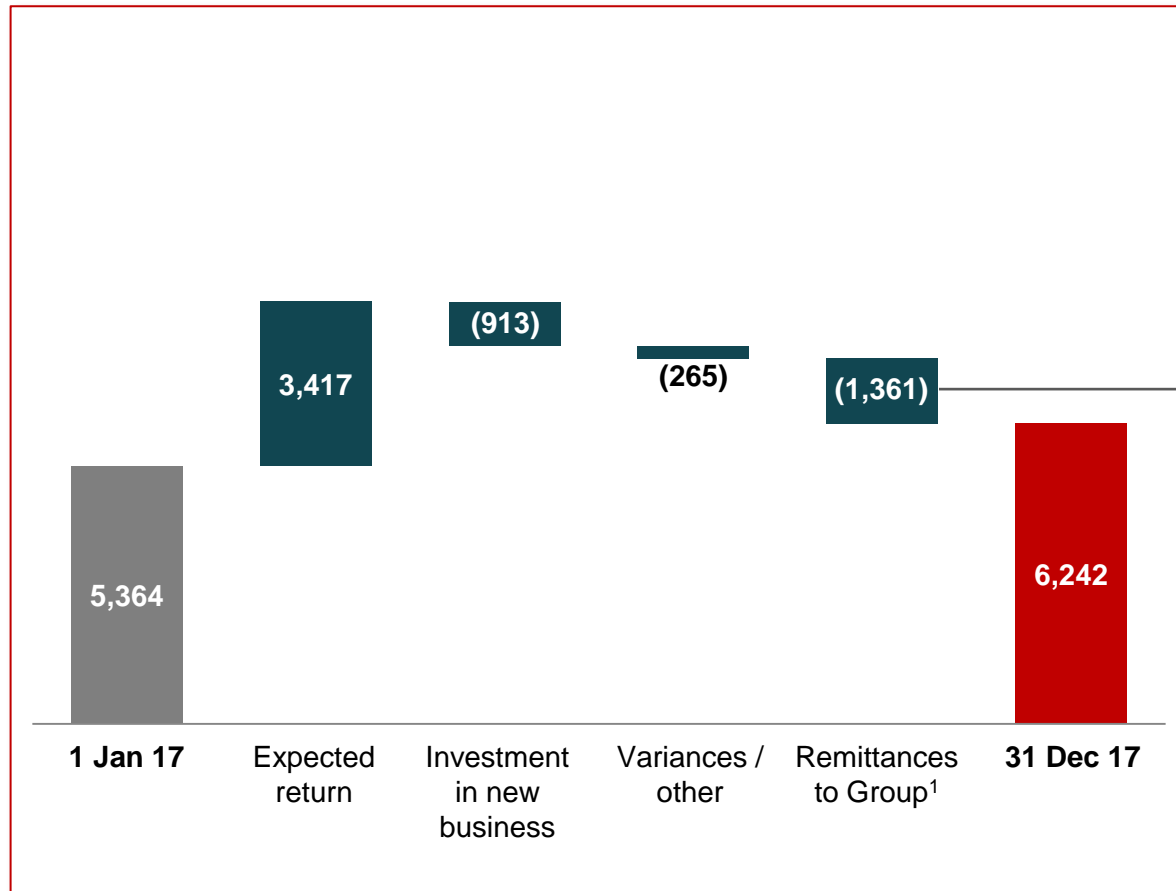
¹ For life: expected transfer from in-force to free surplus and expected return on opening free surplus; for asset management and other: post-tax IFRS profit for the period.

² Contingent financing transaction on specific US statutory life reserves

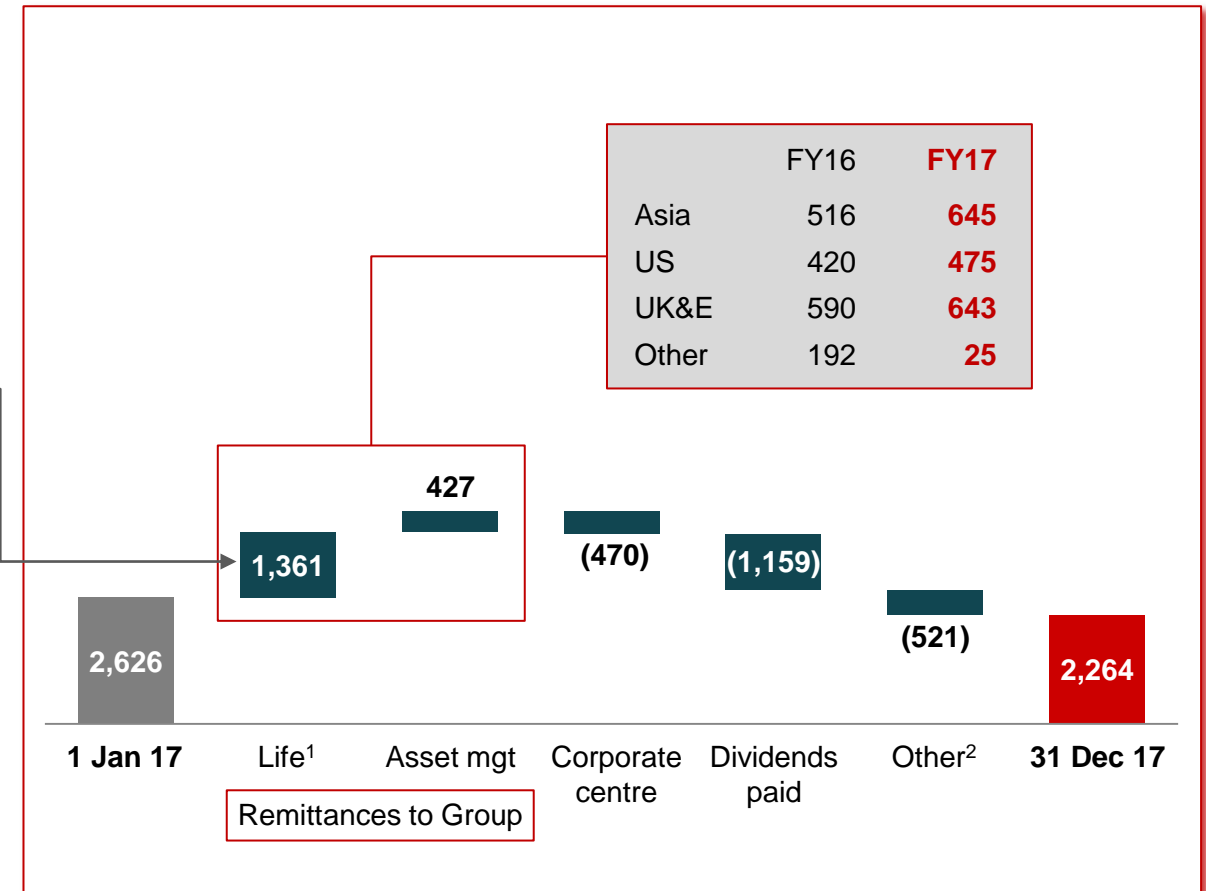
Holding company cash

Growing contributions to cash from business units

Movement in life free surplus, £m



Movement in holding company cash, £m



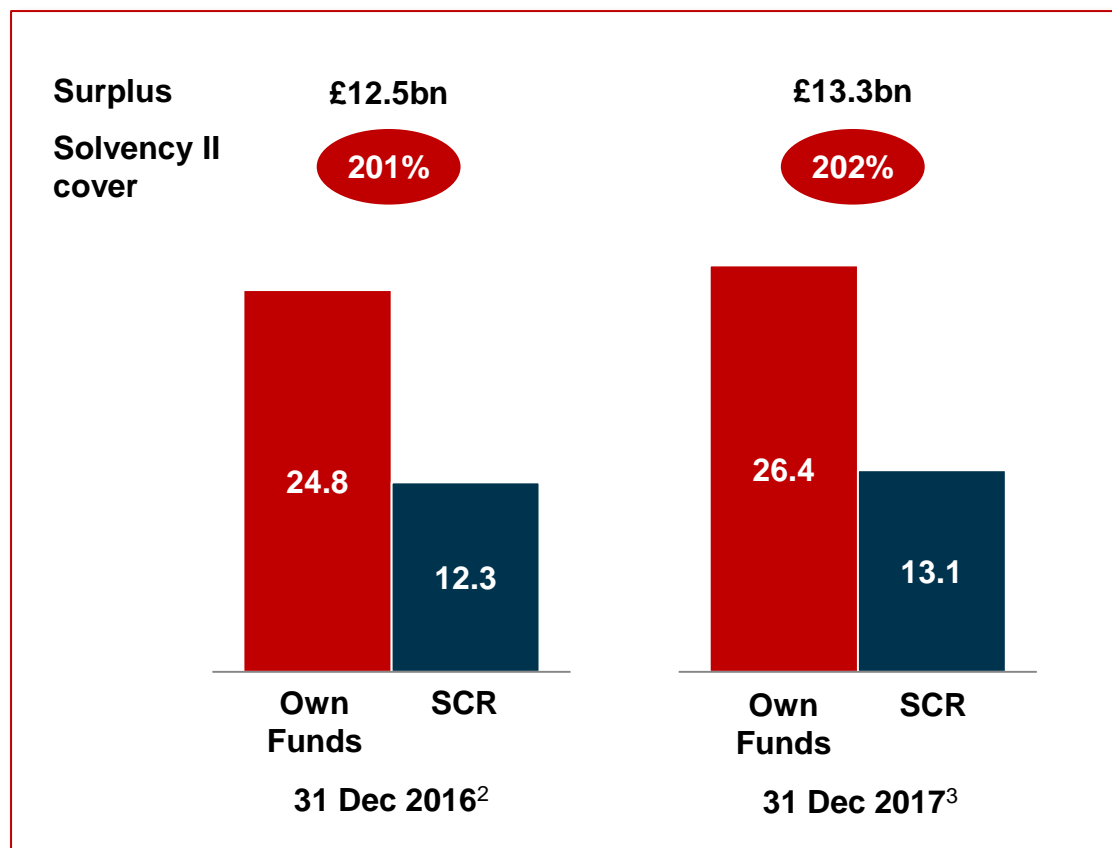
¹ Includes Prudential Capital remittances of £25m

² Other items principally relates to the repayment of subordinated debt net of proceeds from that issued in the year, payments for distribution rights and acquisition of subsidiaries and foreign exchange rate movements

Solvency II

Strong solvency capital position

Group Shareholder Solvency II capital position¹, £bn



Local solvency capital position

	2016	2017
Asia⁴ <i>Local regulatory basis</i>	251%	244%
US⁵ <i>Risk Based Capital</i>	485%	409%
excl Permitted Practice	524%	454%
UK&E <i>Solvency II</i>		
Shareholder-backed ⁶	163%	178%
With-profits	179%	201%

¹ The Group Shareholder position excludes the contribution to the Group Own Funds and the Solvency Capital Requirement of ring-fenced With-Profit Funds and staff pension schemes in surplus. The solvency positions include management's estimates of UK transitional measures reflecting operating and market conditions at each valuation date. An application to recalculate the transitional measures as at 31 December 2017 has been approved by the Prudential Regulation Authority

² Before allowing for the 2016 second interim ordinary dividend and special dividend

³ Before allowing for the 2017 second interim ordinary dividend

⁴ 2017 based on estimated total available capital over total minimum capital requirements across Asian life businesses. 2016 based on actuals and excludes Korea.

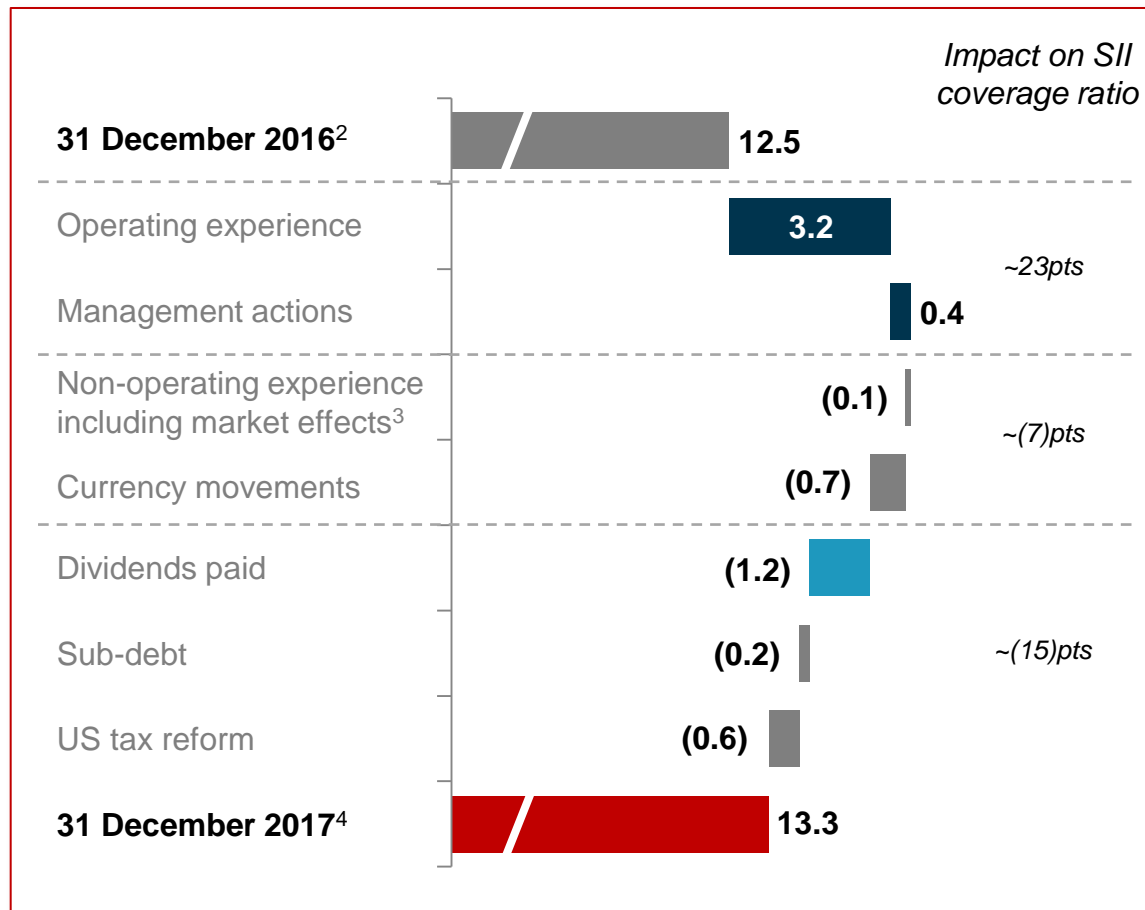
⁵ Relates to Jackson National Life

⁶ Relates to PAC Ltd

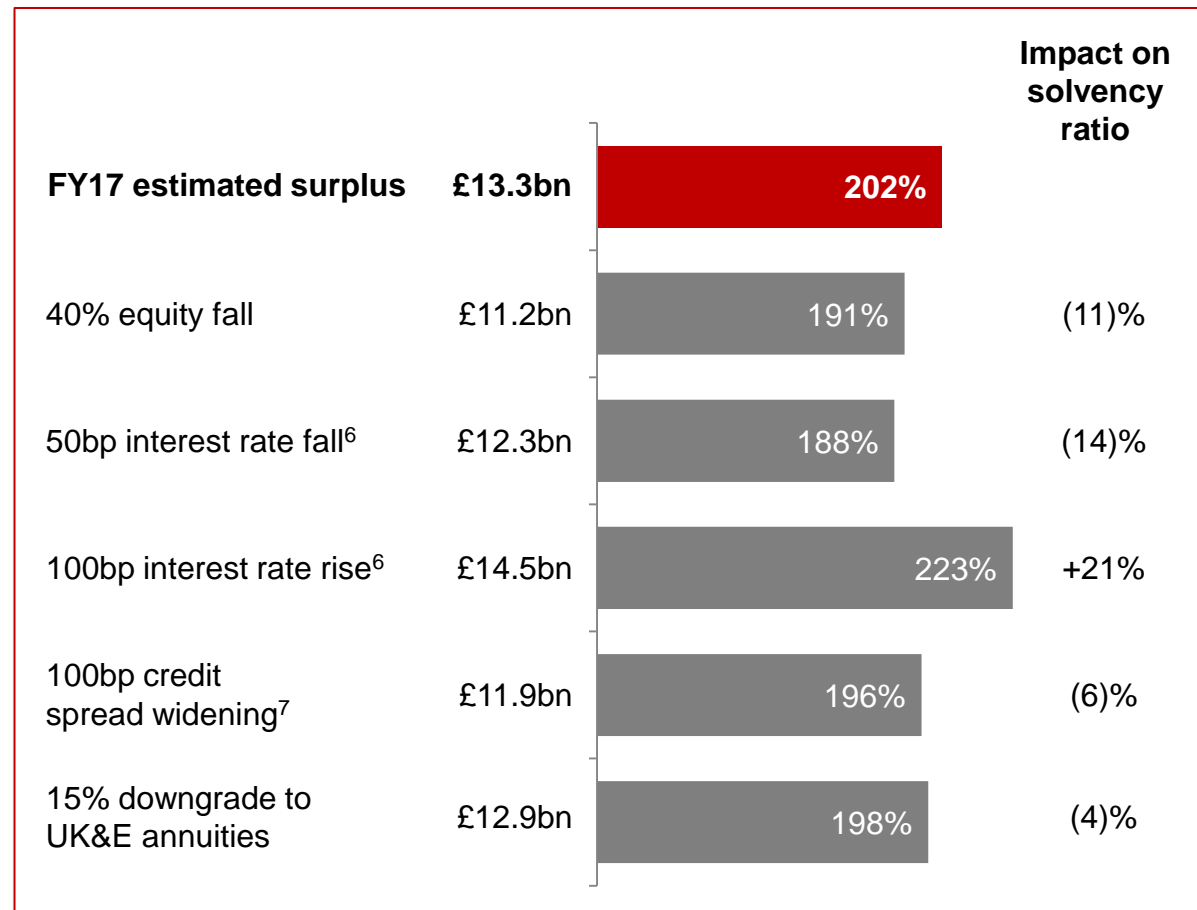
Solvency II

Underpinned by organic capital generation

FY17 movement in Solvency II capital¹, £bn



Solvency II surplus estimated sensitivities^{1,3,5}



¹ The Group Shareholder position excludes the contribution to the Group Own Funds and the Solvency Capital Requirement of ring-fenced With-Profit Funds and staff pension schemes in surplus. The solvency positions include management's estimates of UK transitional measures reflecting operating and market conditions at each valuation date. An application to recalculate the transitional measures as at 31 December 2017 has been approved by the Prudential Regulation Authority

² Before allowing for 2016 second interim ordinary and special dividend

³ Includes an impact of model refinements of £(0.1)bn and the completion of the sale of the Korea life business and the US broker-dealer network in 2017 of £0.1bn

⁴ Before allowing for 2017 second interim ordinary dividend

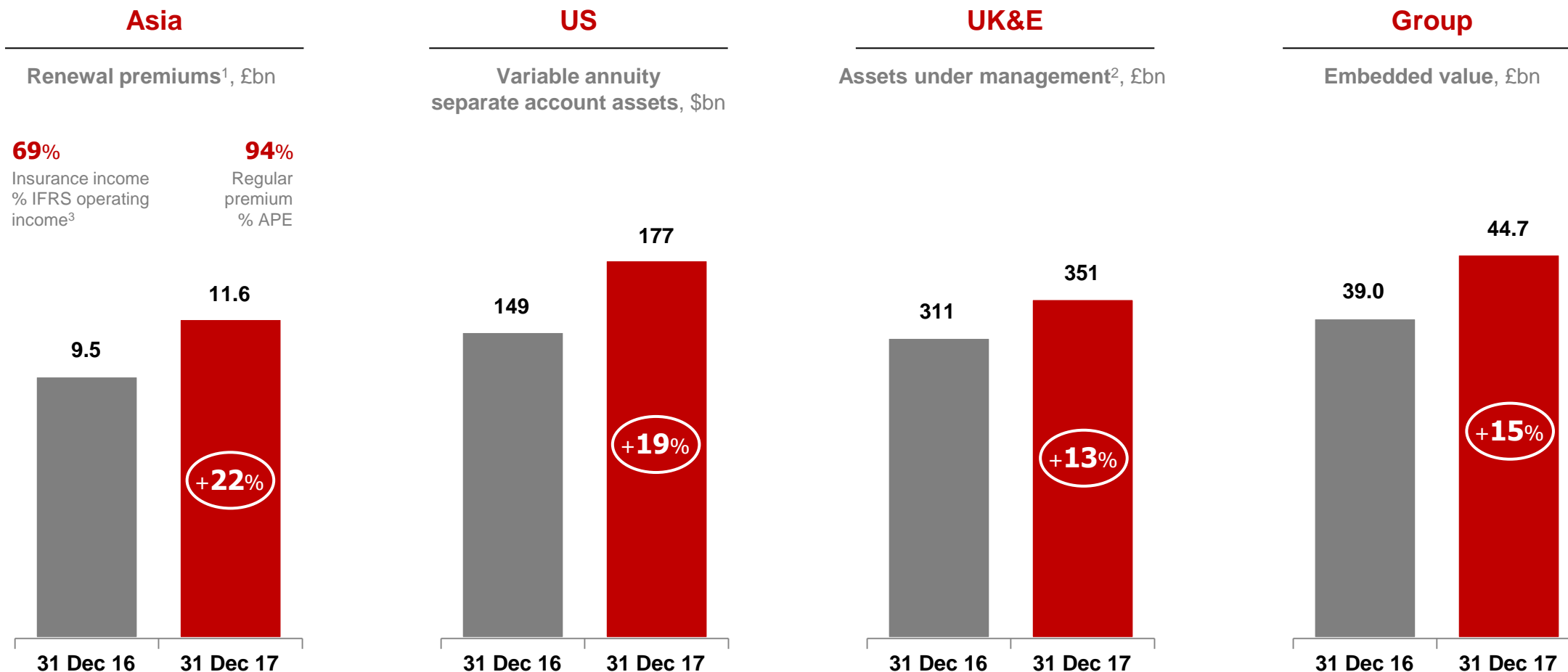
⁵ Before the impact of the partial sale of the UK annuity portfolio announced on 14 March 2018

⁶ Allowing for further transitional recalculation after the interest rate stress

⁷ For Jackson, includes credit defaults of 10 times the expected level

Financial profile

Increasing scale and quality of long-term value drivers



¹ Growth rates based on comparatives on a constant exchange rate basis

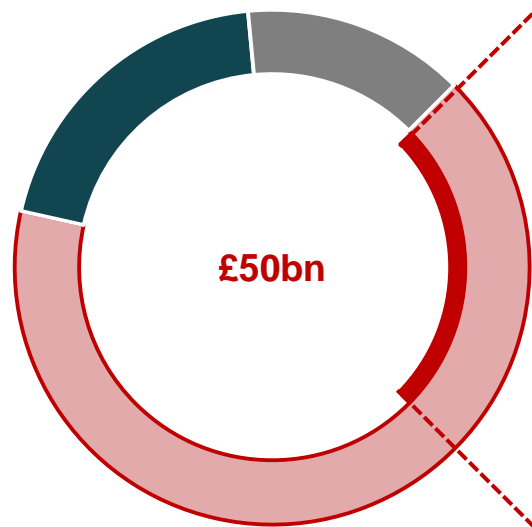
² FUM includes external FUM of £163.9bn (2016: £136.8bn) and internal FUM including PruFund backed products of £186.8bn (2016: £174.0bn)

³ IFRS operating income includes insurance income, spread income, fee income, with-profits income and expected returns on shareholder assets and excludes margin on revenues

UK annuity sale

De-risking shareholder annuity exposure

UK IFRS annuity liabilities



£33bn	Shareholder-backed
£11bn	With-profits (non-participating)
£6bn	With-profits (participating)

- Sale of £12.0bn UK annuity liabilities to Rothesay
- 37% of UK shareholder backed annuity portfolio
- 31% reduction in UK credit exposure
- Two-step process
 - i. Reinsured to Rothesay
 - ii. Part VII transfer

Estimated proforma shareholder Solvency II impact on PAC Ltd¹

Own Funds	↓ £0.2bn	• Premium > SII BEL
SCR	↓ £1.3bn	• Portfolio de-risking
Surplus	↑ £1.1bn	
➤ Capital benefit retained to support demerger process		

IFRS impact

- IFRS pre-tax loss of approximately £500m
- Annuities being sold contributed around £140m towards UK&E Life core IFRS² operating profit of £597m in FY17

EEV impact

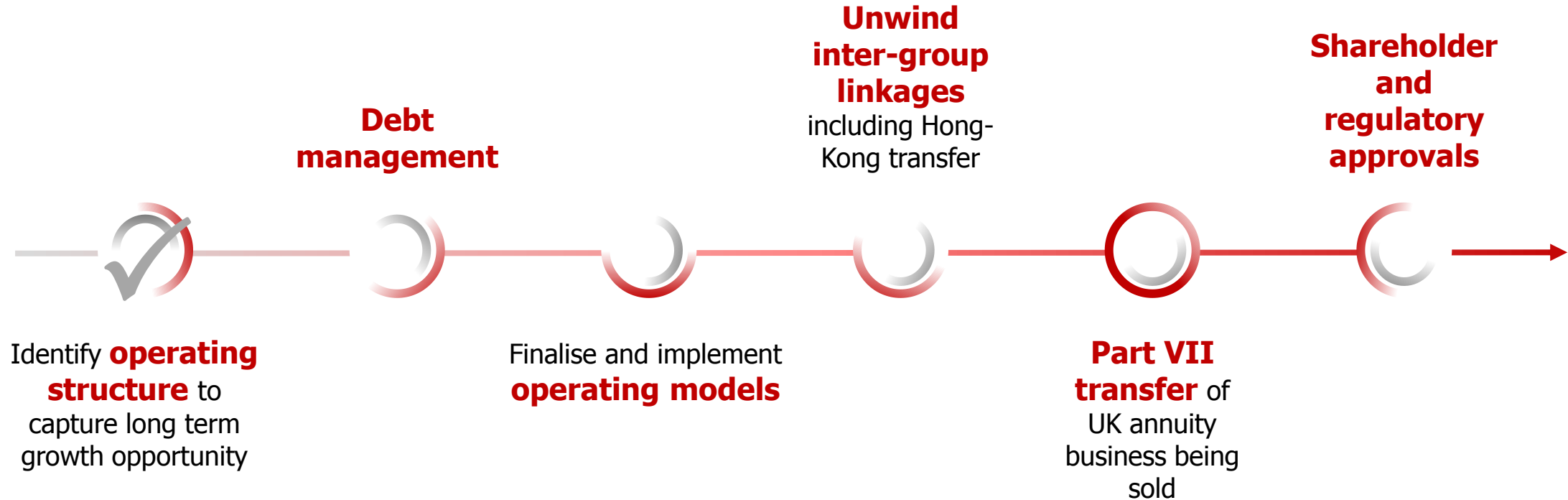
- Group EEV of £44.7bn expected to reduce by c.£300m

¹ The proforma estimate assumes that the partial sale of the UK annuity portfolio and the transfer of Prudential plc's Hong Kong subsidiaries to Asia had both completed as at 31 December 2017. The estimated proforma impact of both of these actions as at 31 December 2017 is to reduce the PAC Solvency II surplus from £6.1bn to £2.8bn.

² UK&E Life core IFRS operating profit refers to the underlying profit of the UK and Europe business excluding the effect of, for example, management actions to improve solvency and material assumption changes

M&G Prudential demerger

Separation process – next steps



FY17 results

Summary

- ✚ Continued delivery of growth and cash
- ✚ Sustained momentum in earnings drivers underpins positive outlook
- ✚ Well capitalised with defensive balance sheet
- ✚ 8% increase in 2017 full year ordinary dividend
- ✚ Demerging M&G Prudential from a position of financial strength

Agenda ●

Introduction

Paul Manduca, Group Chairman

Headline Results & Strategic Update

Mike Wells, Group CEO

FY17 Financial Performance

Mark FitzPatrick, Group CFO

Wrap-Up

Mike Wells, Group CEO

Group

Wrap-up

- ✚ 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



2018 Investor Conference, Singapore

14 - 15 November 2018

Appendix

2017 Full Year Results

Contents:

Share information and contact details	43
Strategic overview and headline financials:	
▶ Group	44
▶ Asia	51
▶ US	56
▶ Africa	64
▶ UK	65
Solvency II	67
Invested asset exposures	70
Currency translation sensitivities	74

Prudential

Share information and contact details

Share information

London Stock Exchange:	PRU.L
Hong Kong Stock Exchange:	2378
New York Stock Exchange – American Depositary Receipt (ADR)	PUK.N
Singapore Stock Exchange:	K65
Number of issued ordinary shares of five pence each fully paid-up at 31 Dec 2017	2,587,175,445

Trading information

Country Code	GB
Country of Register	Great Britain (UK)
ISIN	GB0007099541
SEDOL	0709954
Segment	SET1
Normal market size	150000
Sub-sector	Life Assurance

Dividend information

Second interim dividend of 32.50 pence per share

Ex-dividend date:

- 29 March 2018 (UK, Ireland, Singapore and Hong Kong)

Record date:

- 3 April 2018 (UK, Ireland, Singapore, Hong Kong and ADRs)

Payment of dividend:

- 18 May 2018 (UK, Ireland and Hong Kong)
- On or about 25 May 2018 (Singapore and ADR holders)

Contact information

Shareholder enquiries

For enquiries about shareholdings, including dividends and lost share certificates, please contact the Company Registrars:

By post

Equiniti Limited, Aspect House
Spencer Road, Lancing
West Sussex BN99 6DA

By telephone

Tel 0871 384 2035
Fax 0871 384 2100
Textel 0871 384 2255
(for hard of hearing)

Prudential plc

Laurence Pountney Hill
London EC4R 0HH
Tel +44 (0)20 7220 7588

Institutional Analyst and Investor enquiries

Tel +44 (0)20 7548 3300
E-mail investor.relations@prudential.co.uk

Media enquiries

Tel +44 (0)20 7548 3559
E-mail media.relations@prudential.co.uk

UK Register Private Shareholder enquiries

Tel 0871 384 2035
International shareholders
Tel +44 (0) 371 384 2035

Irish Branch Register Private Shareholder enquiries

Tel +353 1 553 0050

Hong Kong Branch Register Private Shareholder enquiries

Tel +852 2862 8555

US American Depositary Receipts Holder enquiries

Tel +1 651 453 2128

The Central Depository (Pte) Limited Shareholder enquiries

Tel +65 6535 7511

Prudential Group history

Providing financial
security since

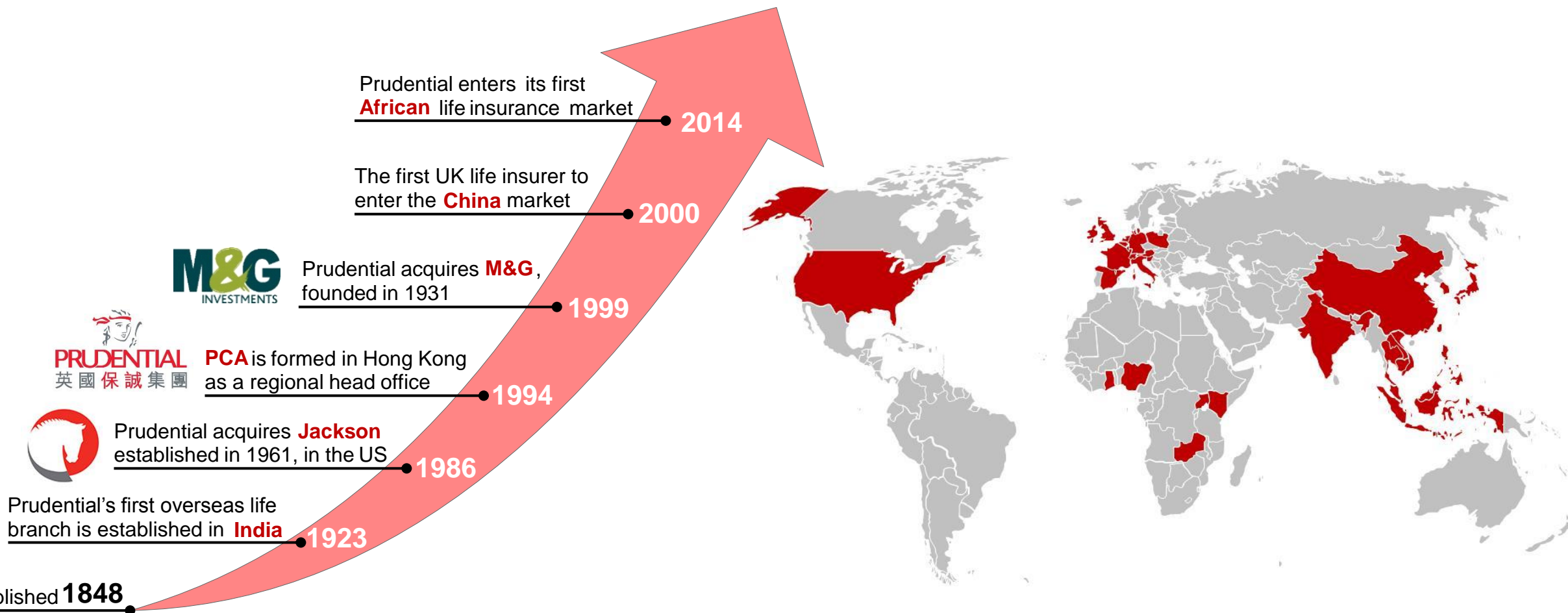
1848

Life insurance customers
worldwide

26_m

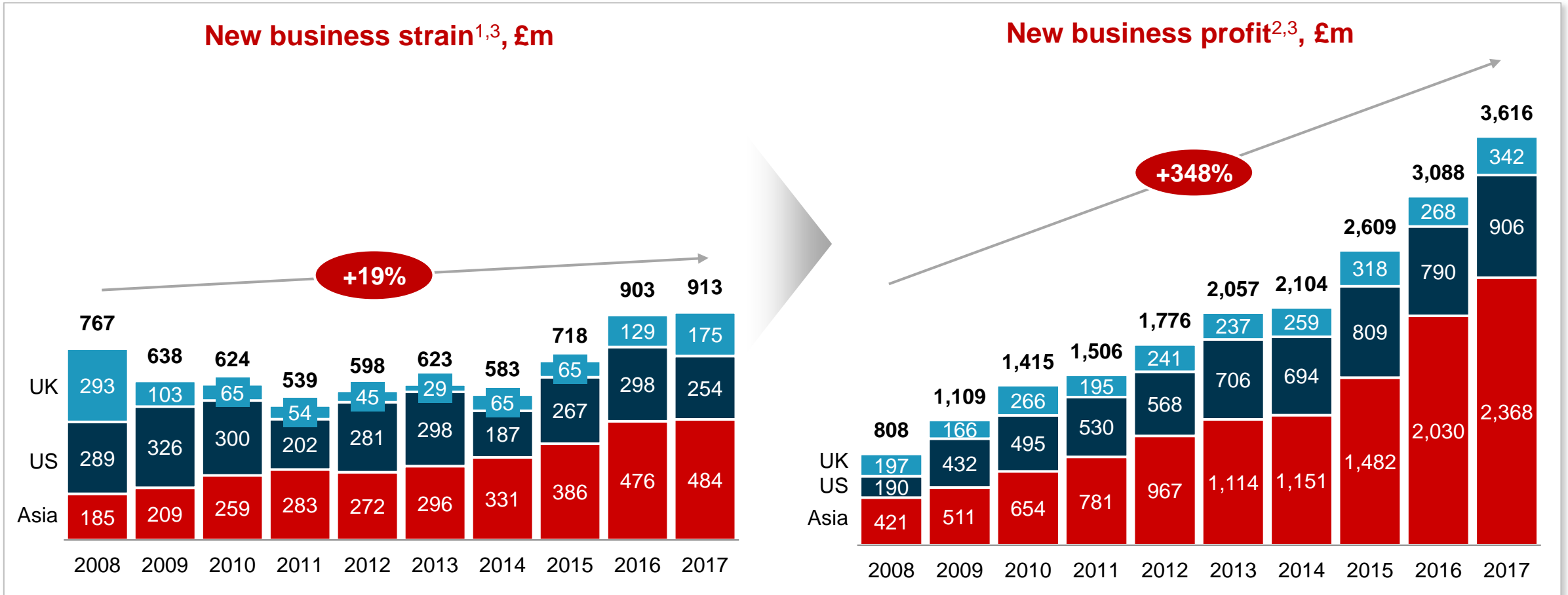
Total funds under
management

£ **669_{bn}**



Group

New business capital allocation and returns



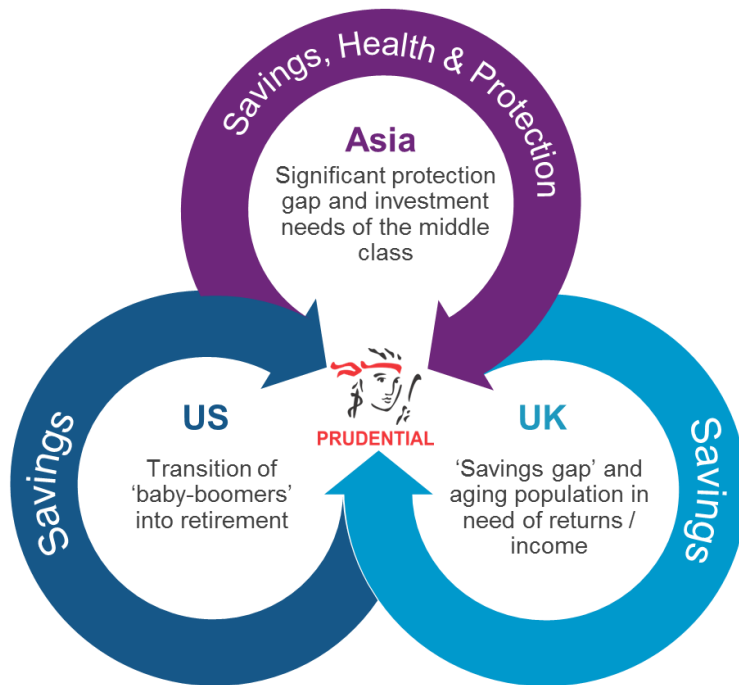
1 Free surplus invested in new business.

2 On a post tax basis.

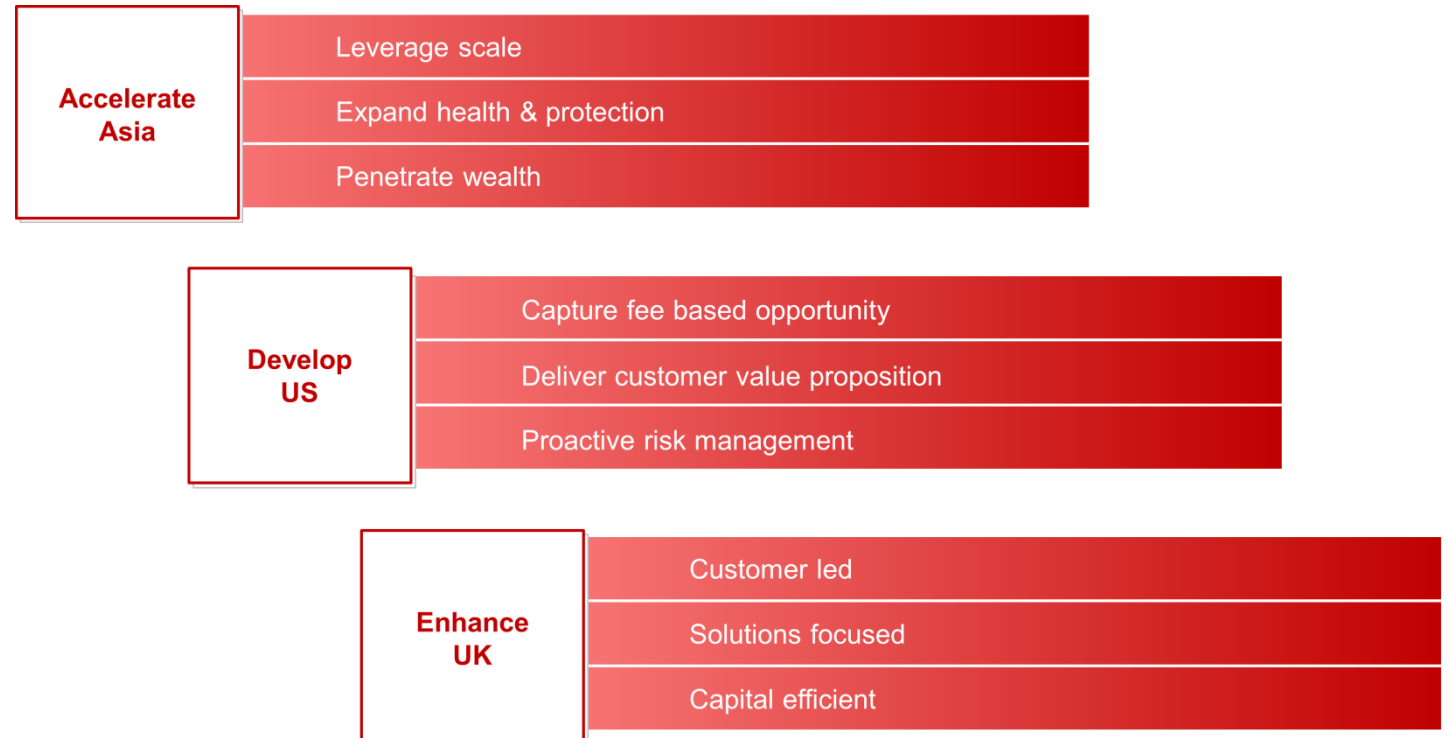
3 Comparatives back to 2008 have been restated to exclude the contribution from the held for sale Korea Life insurance business. FY2014 comparatives have been restated to exclude the contribution from the sold PruHealth and PruProtect businesses. FY2008 to FY2013 comparatives include the results of PruHealth and PruProtect. Excludes Japan Life and Taiwan agency. As reported (RER)

Prudential Group strategy

Clear strategy

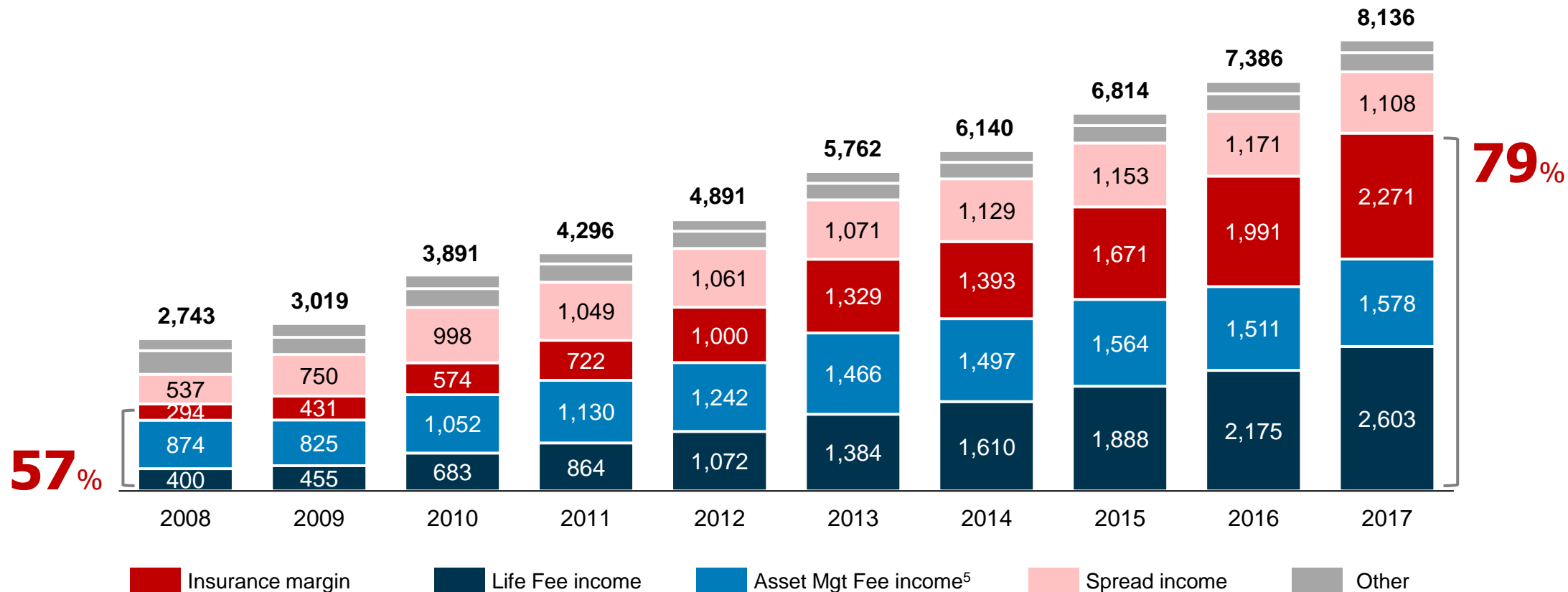


Strategic priorities



Group Sources of earnings

Sources of IFRS operating income^{1,2,3,4}, £m



1. Comparatives adjusted for new and amended accounting standards.

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

3. Excludes Japan Life and Taiwan agency. All comparatives have been restated to exclude the contribution from the held for sale Korea Life insurance business. FY2014 comparatives have been restated to exclude the contribution from the sold PruHealth and PruProtect businesses. FY2008 to FY2013 comparatives include the results of PruHealth and PruProtect.

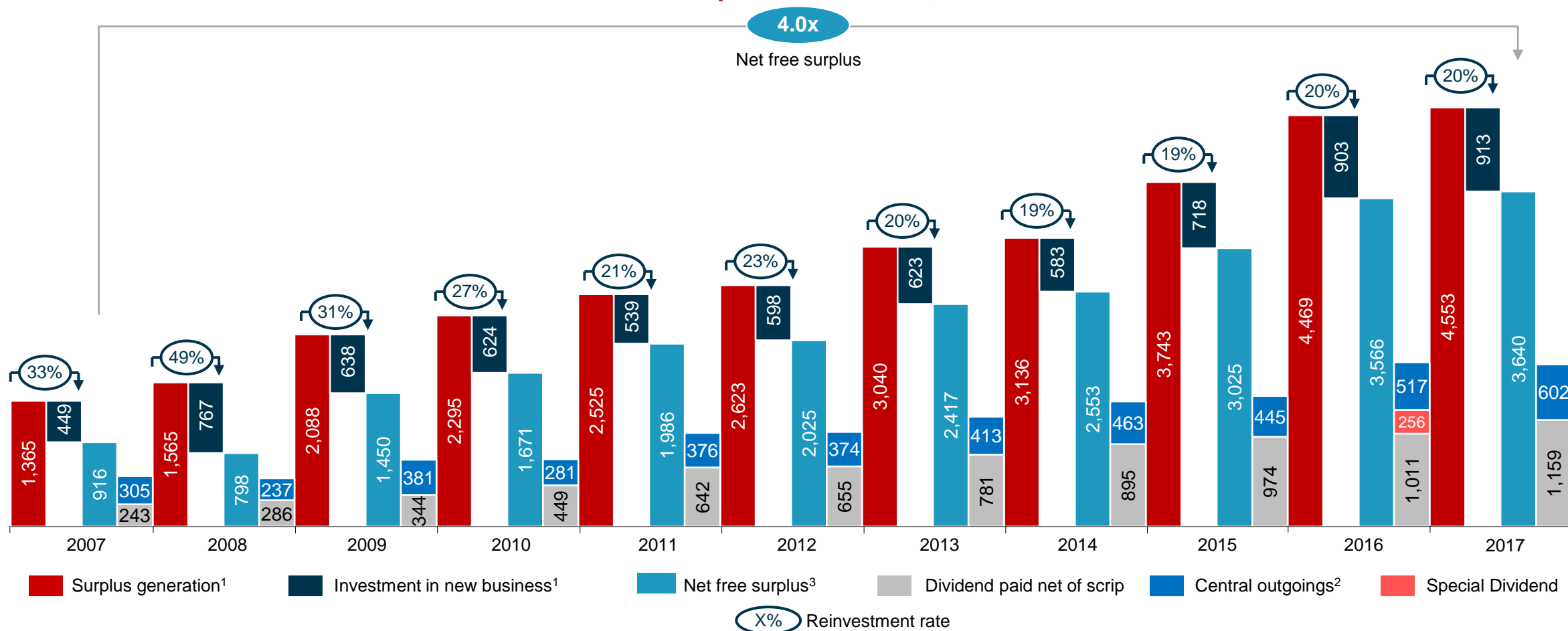
4. Excludes longevity reinsurance and other management actions to improve solvency of FY17: £276m (FY16: £332m). Mortality assumption change of FY17: £204m (FY16: nil), and provision for the review of past annuity sales FY17: £(225)m (FY16: £(175)m).

5. 2017 Asset management excludes contribution from PruCap. All historic comparatives have been restated to exclude the contribution from PruCap.

Group

Free surplus generation

Free surplus and dividend, £m

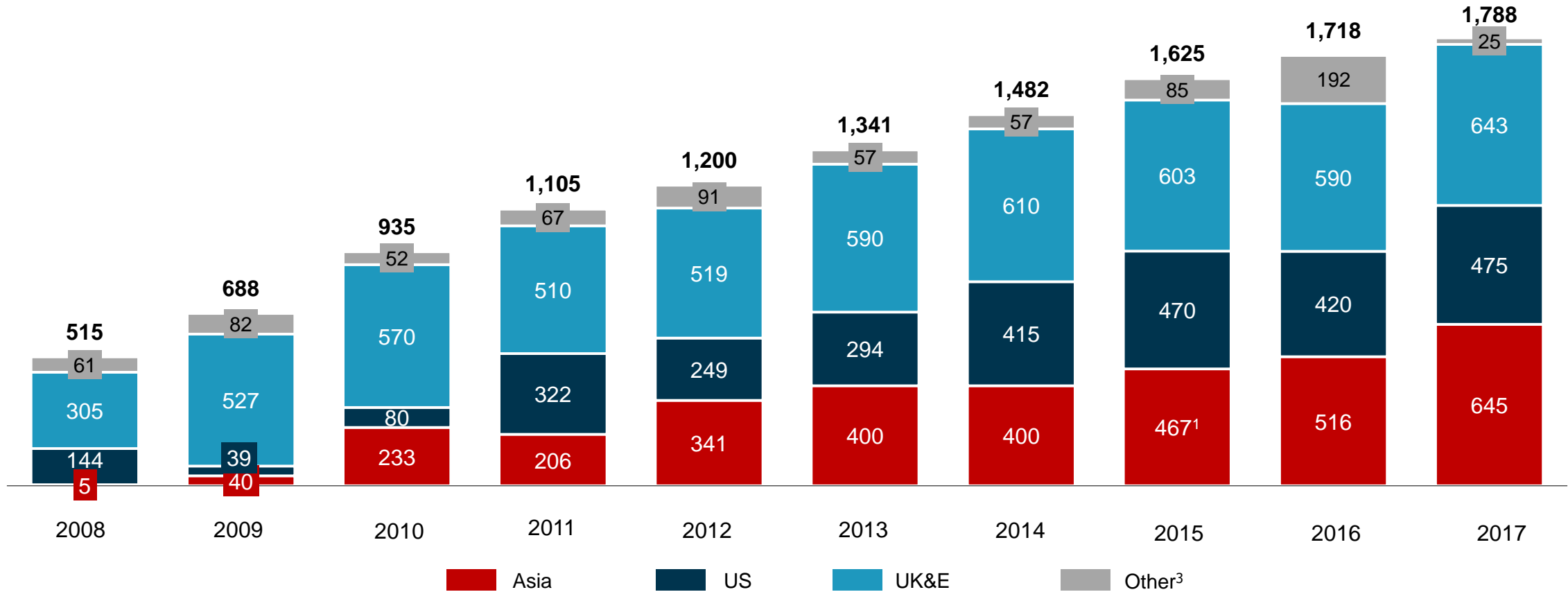


1. Excludes Japan Life and Taiwan agency. All comparative surplus generation and investment in new business figures have been adjusted to exclude the contribution from the sold Korea life. FY2014 comparatives have been restated to exclude the contribution from the sold PruHealth and PruProtect businesses. FY2007 to FY2013 comparatives include the results of PruHealth and PruProtect. As reported (RER).
 2. Central outgoings include Asia RHO costs.
 3. 2012 to 2016 restated to exclude contribution from PruCap. 2011 and prior includes contribution from PruCap.

Group

Cash remittances to Group

Business unit net remittances², £m



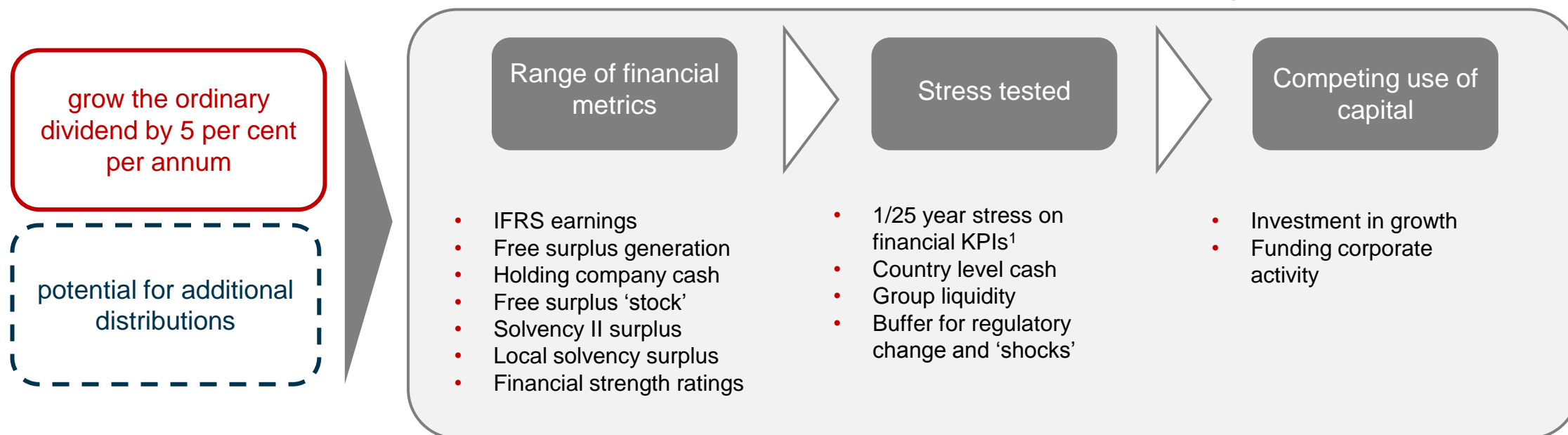
1. Includes £42 million of proceeds from the sale of Japan
 2. As reported RER
 3. Includes remittances from Prudential Capital

Group

Dividend policy

The Board will maintain its focus on delivering a growing ordinary dividend. In line with this policy, Prudential aims to grow the ordinary dividend by 5 per cent per annum. The potential for additional distributions will continue to be determined after taking into account the Group's financial flexibility across a broad range of financial metrics and our assessment of opportunities to generate attractive returns by investing in specific areas of the business.

Assessment of dividend affordability unchanged



1. 1/25 year stress is equivalent to a Group-wide scenario with movements in all risks including a fall in equity levels, a fall in long-term interest rates and spreads widening in both A-rated and BBB-rated credit.

Asia

Regional footprint

15m

Pru life customers

Access to:

3.3 billion

Population

Top 3

Position in 9 of 12 life markets¹

 Cambodia (2013)	1st	 Malaysia (1924)	1st
 China (2000) ²	4th	 Philippines (1996)	3rd
 Hong Kong (1964)	2nd	 Singapore (1931)	2nd
 India (2000) ³	1st	 Taiwan (1999)	12th
 Indonesia (1995)	1st	 Thailand (1995)	10th
 Laos (2015)	3rd	 Vietnam (1999)	2nd

(YYYY) Operations start date













#1 Asian Retail Fund Manager

As at June 2017⁴

1. Source: Based on formal (competitors' results release, local regulators and insurance associations) and informal (industry exchange) market share data. Ranking based on new business (APE or weighted FYP depending on availability of data)
 2. Total JV / foreign players only
 3. Ranking among private players, share among all players on fiscal year basis
 4. Retail Fund Manager - based on assets sourced from the region at June 2017. Excludes Japan, Australia and New Zealand. Source: Asia Asset Management, September 2017. Ranked according to participating regional players only.

Asia

Favourable dynamics

	Population ² (m)	Market penetration ² (%)	GDP ¹ (\$bn)	GDP growth ¹ (%)
 Cambodia (2013)	16	0.1%	21	6.9%
 China (2000)	1,383	2.3%	11,795	6.6%
 Hong Kong (1964)	7	16.2%	332	2.4%
 India (2000)	1,329	2.7%	2,454	7.2%
 Indonesia (1995)	261	1.6%	1,021	5.1%
 Laos (2015)	7	-	15	6.8%
 Malaysia (1924)	31	3.1%	310	4.5%
 Philippines (1996)	102	1.2%	330	6.8%
 Singapore (1931)	6	5.5%	292	2.2%
 Taiwan (1999)	24	16.6%	567	1.7%
 Thailand (1995)	68	3.7%	433	3.0%
 Vietnam (1999)	94	1.0%	216	6.5%

1. Source: IMF 2017 forecast data. Published April 2017
 2. Market penetration: Swiss Re (Sigma) – based on insurance premiums as a percentage of GDP in 2016 (estimated)

(YYYY) Operations start date

Asia

Capability set

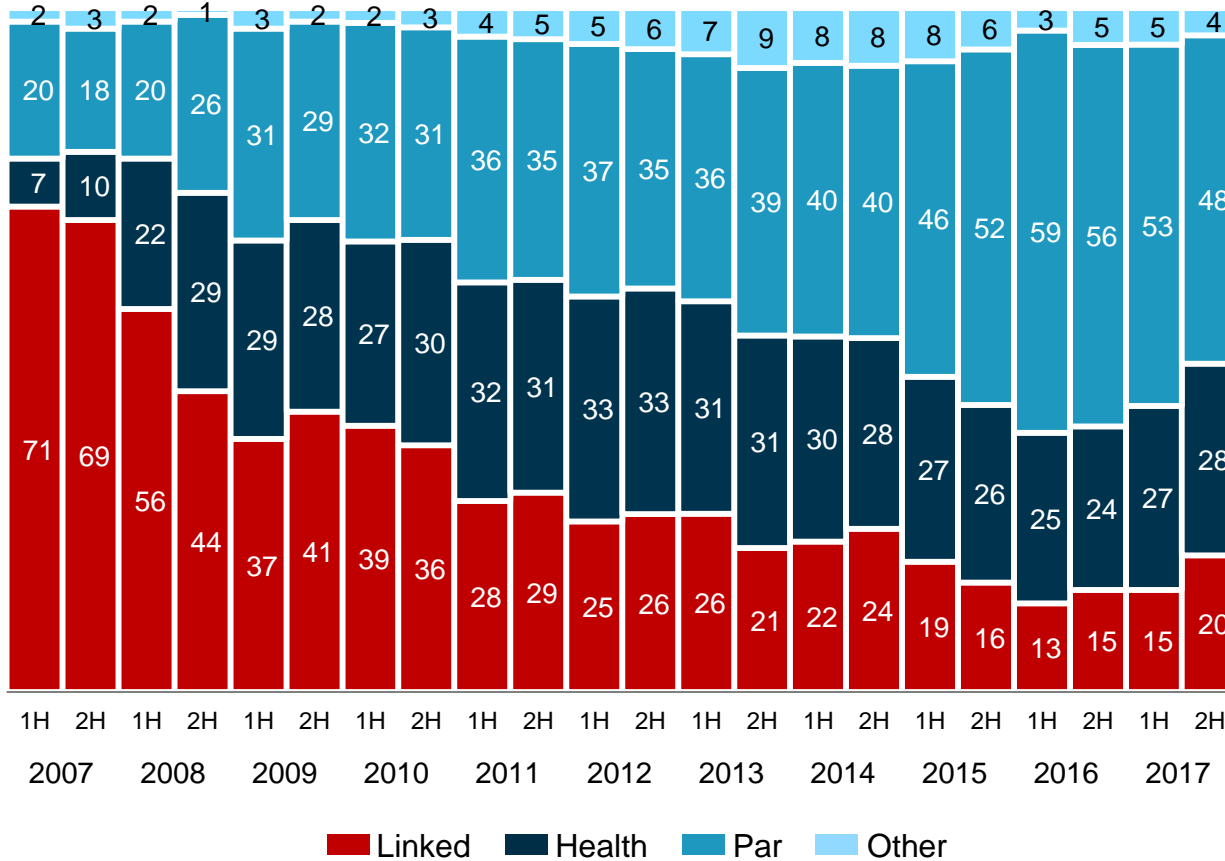


1. Top 3 in 9 of 12 countries
 Source: Based on formal (Competitors' results release, local regulators and insurance associations) and informal (industry exchange) market share data. Ranking based on new business (APE or weighted FYP depending on the availability of data).

Asia

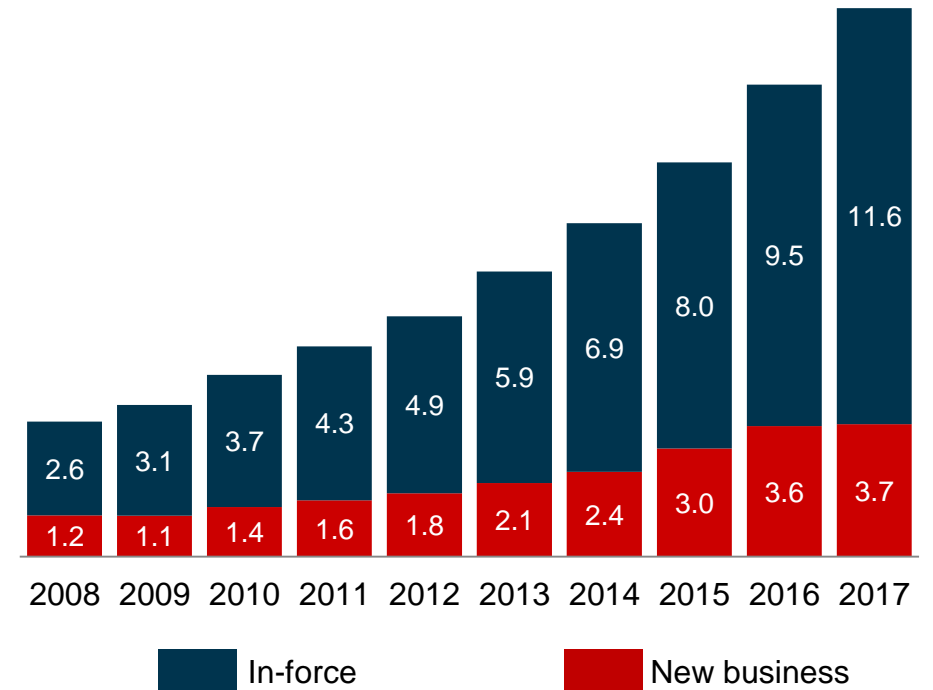
Product mix

Asia Life APE sales by product¹, %



High quality, regular premium focus

Life weighted premium income^{2,3}, £bn CER

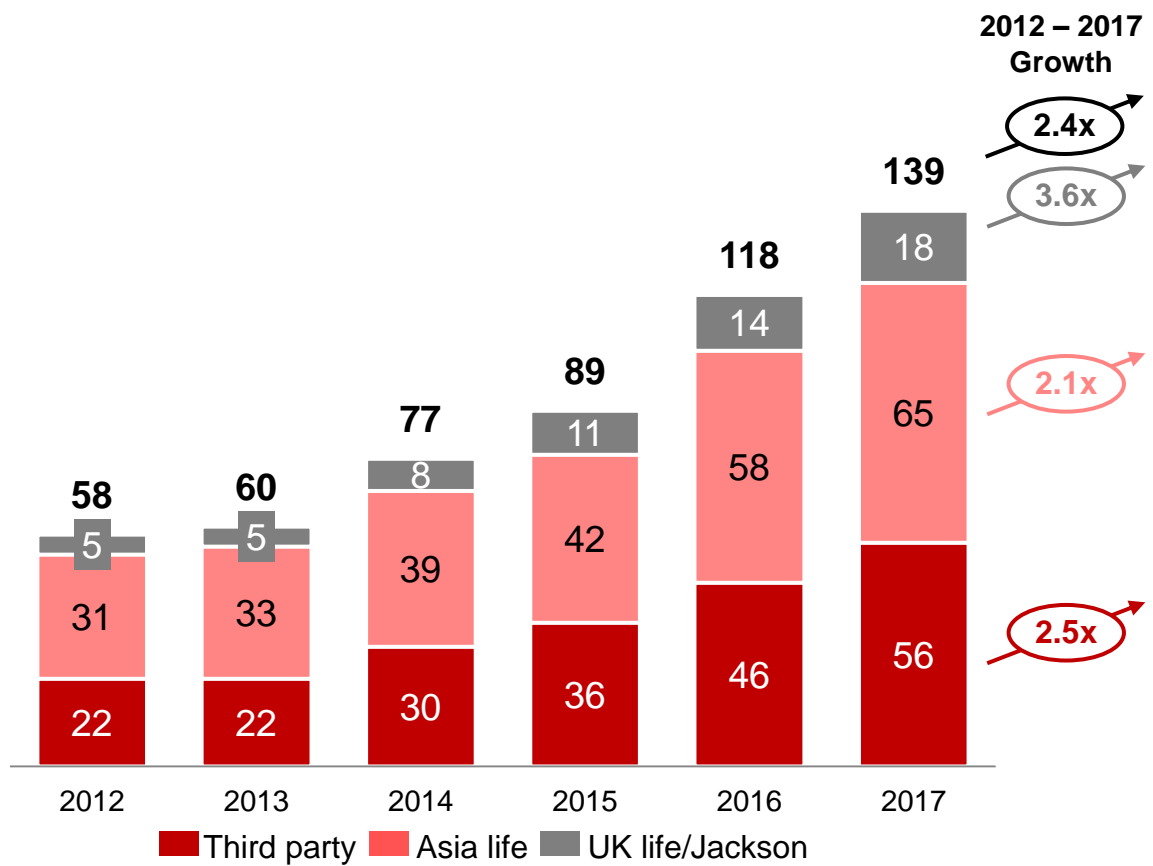


1. All comparatives restated to exclude Korea life
 2. Weighted premium income comprises gross earned premiums at 100% of renewal premiums, 100% of first year premiums and 10% of single premiums
 3. 2014 excluding intra-group reinsurance contracts between the UK and Asia with-profits businesses

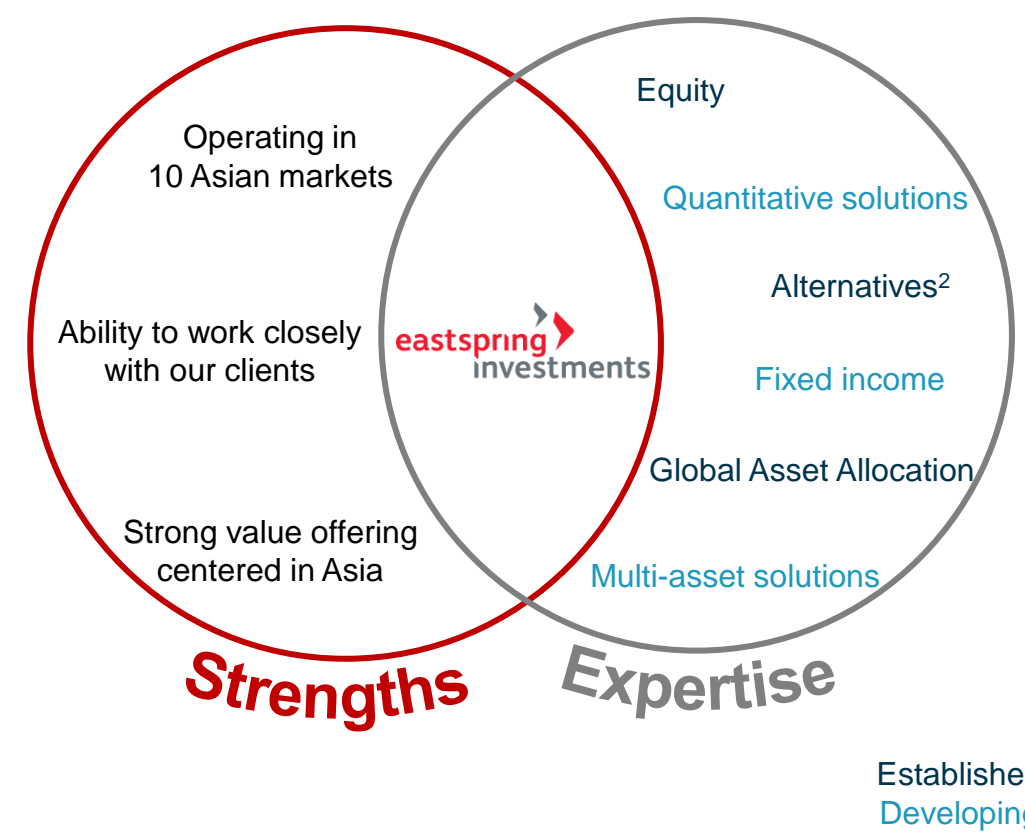
Asia

Eastspring Investments

Funds under management^{1,3}, £bn



Capabilities

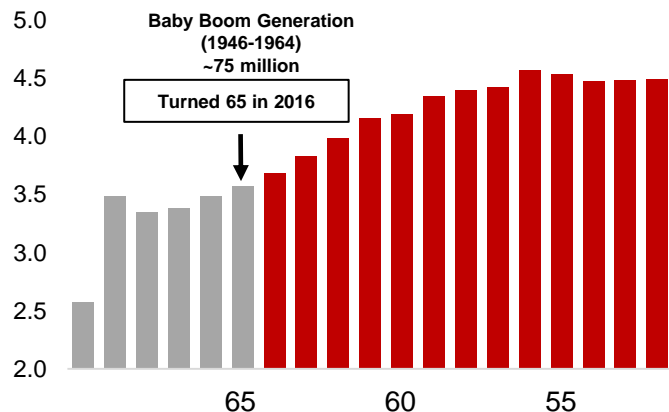


1. As reported (RER)
 2. Infrastructure, private equity, syndicated loans
 3. Eastspring funds under management presented includes Money Market Funds (MMF).

US US retirement opportunity

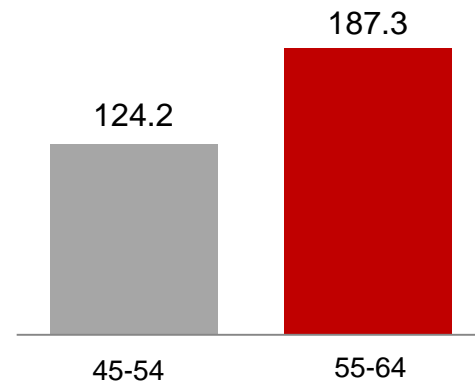
Retirement wave

Baby Boomer population by age¹



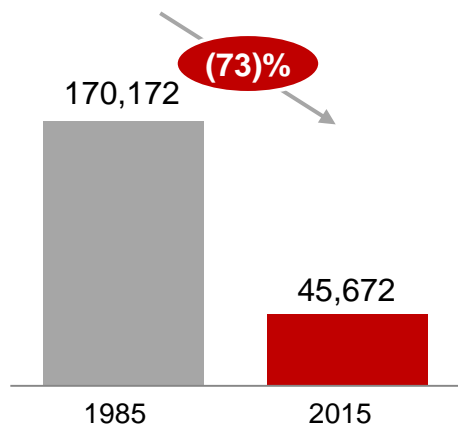
Under-saved

Median Net Worth² (\$ thousands)



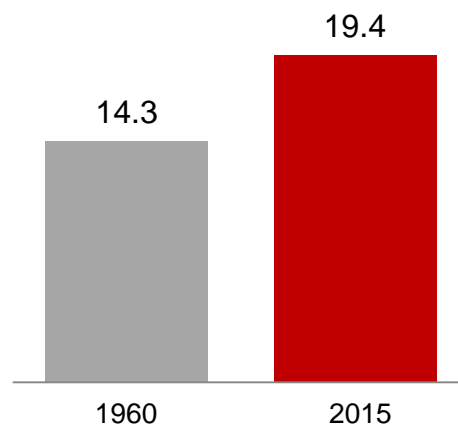
Declining pensions

of defined benefit pension plans³



Increased longevity

Life expectancy at 65⁴



Jackson National Life



▶ **Market Leading** retirement income provider

▶ **6.8x** premium growth since 1995

▶ **4 million** life customers

1. U.S. Census Bureau, Population Division, 2014 estimate of population. Generations as defined by Pew Research Center, 2014.
 2. 2016 Federal Reserve Board's Triennial Survey of Consumer Finances.
 3. U.S. Department of Labor, "Private Pension Plan Bulletin Historical Tables and Graphs 1975 - 2015." February 2018
 4. U.S. Department of Health and Human Services, "Health, United States 2016".

Segmentation of opportunity

US advisor distributed assets¹,
15.2 US\$tn

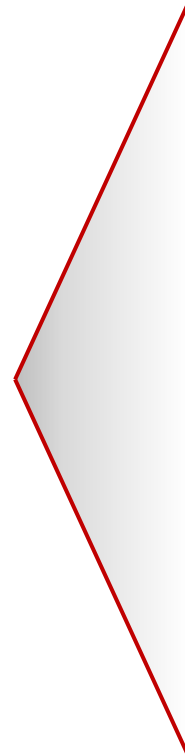
Investable assets:

Includes (financial assets):

- Mutual funds
- Checking accounts
- Managed accounts
- Defined Contribution

Excludes:

- Real estate
- Business interests
- Vehicles



Total advisor distributed assets

- Ages - All
- Investable Assets – All levels

Expanded opportunity

- Ages 40 – 80
- Investable Assets of \$100k - \$5m

Core opportunity

- Ages 48 – 72
- Investable Assets of \$100k - \$2m

(All values net of existing annuity assets)

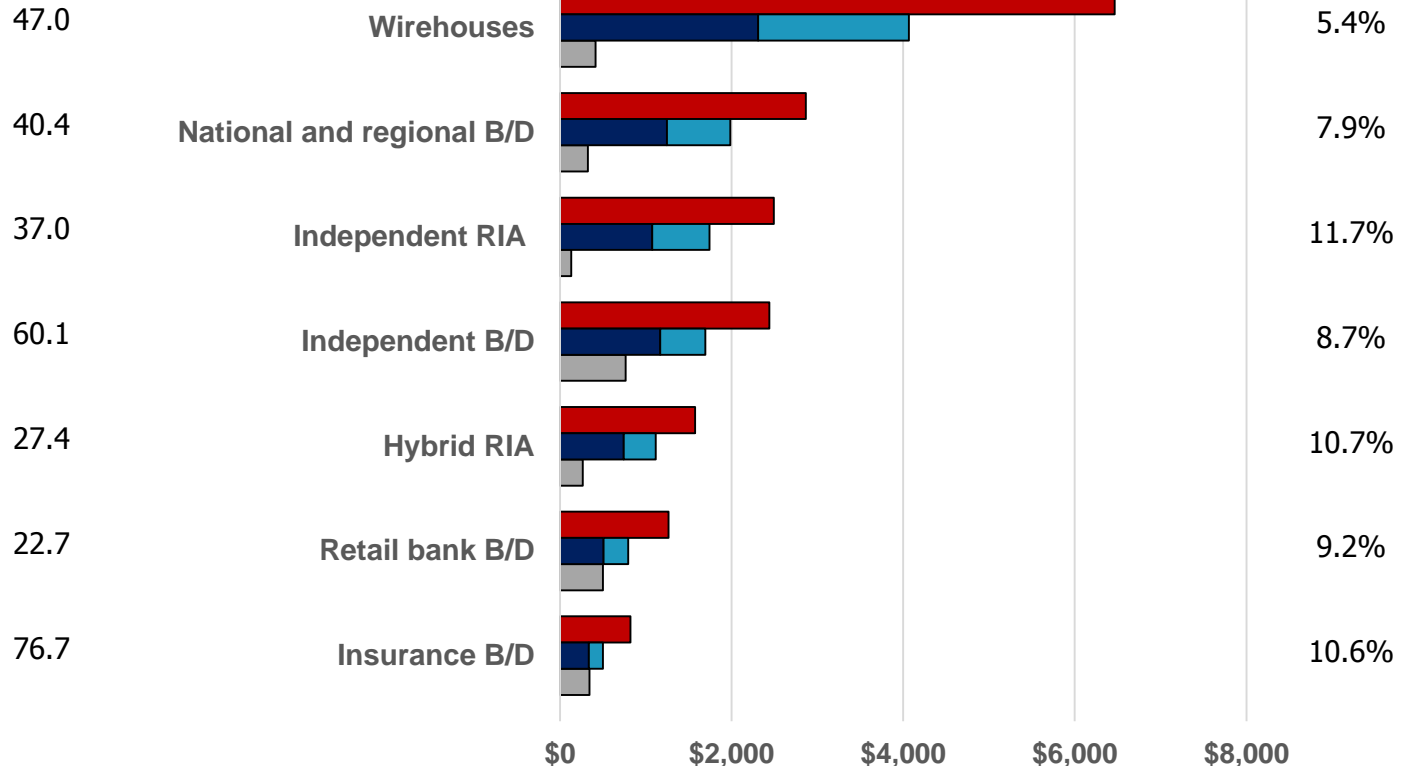
1. The 2017 Cerulli reports, IRI Fact Book, Federal Reserve – 2016 Survey of Consumer Finances.

US Opportunity by channel

US advisor Distributed Assets¹ (US\$tn)

Advisor count ('000)

Assets 5 year CAGR



■ Advisor managed assets ■ Existing annuity assets
■ Core opportunity ■ Expanded opportunity

▶ Top **5** ranking in all target variable annuity distribution channels²

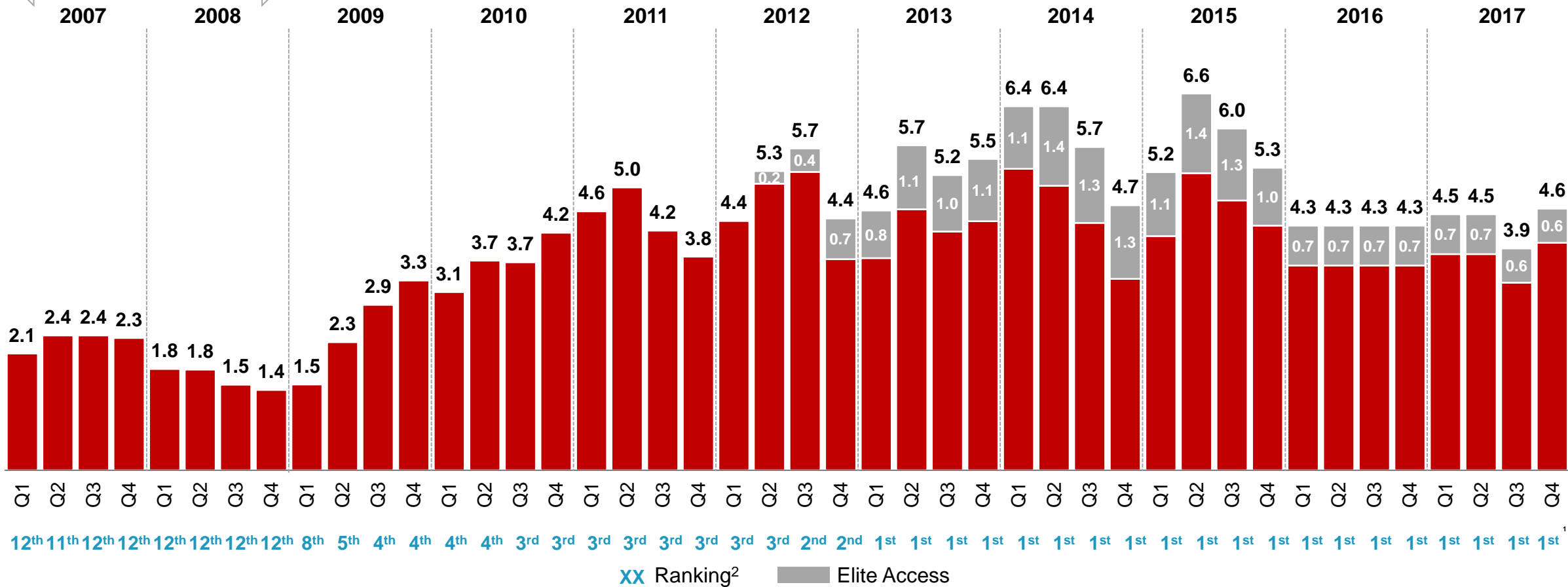
▶ **627** Broker-dealer selling agreements

▶ Covering **226,000** US financial advisors (~3/4 of total)³

▶ Largest and most productive variable annuity wholesaling force⁴

1. The 2017 Cerulli reports, IRI Fact Book, Federal Reserve – 2016 Survey of Consumer Finances
 2. Copyright Morningstar Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Morningstar www.annuityintel.com Total sales by company and channel 3Q YTD 2017. Jackson ranks #1 out of 25 companies in the independent NASD channel. #1 out of 14 companies in the Wirehouse channel, and #2 out of 19 companies in the Regional Firms channel.
 3. The Cerulli Report Adviser Metrics 2017 and Jackson Research
 4. Independent Research and Market Metrics, a Strategic Insight Business

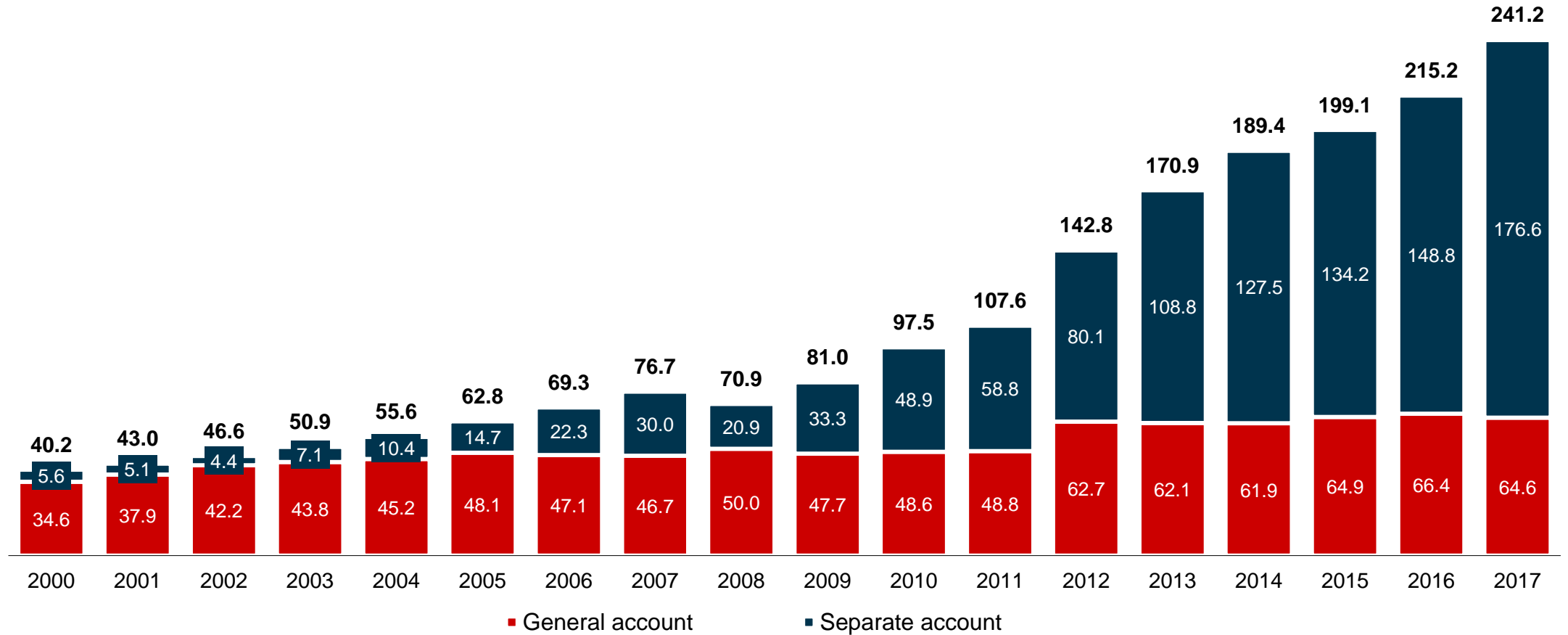
Jackson VA sales volumes by quarter, US\$bn



1. Estimated
2. Morningstar Annuity Research Center

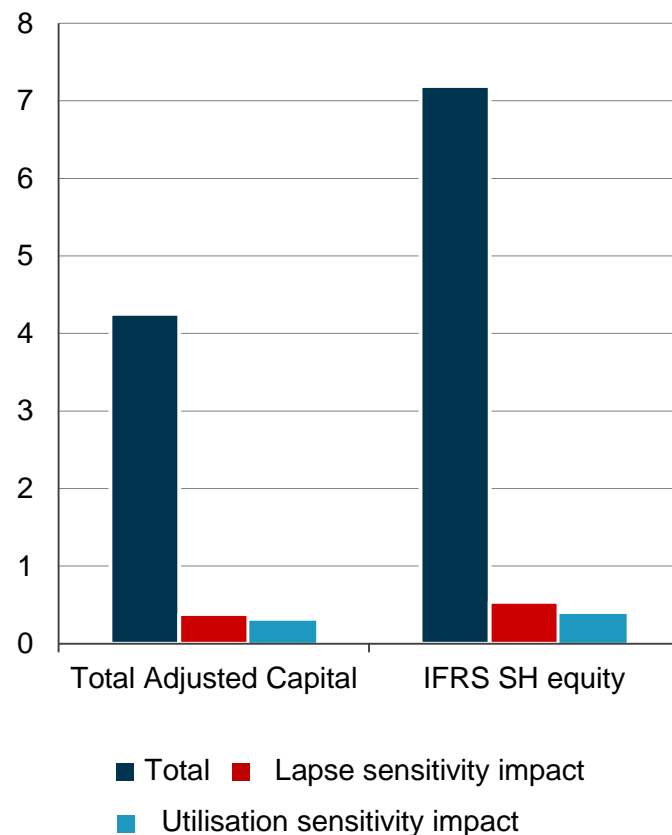
US Asset growth

Jackson growth in statutory admitted assets, US\$bn



GMWB policyholder behaviour sensitivities

Jackson GMWB policyholder behaviour sensitivities, 31 December 2017 US\$bn



- Policyholder behaviour experience is continuously monitored and a comprehensive study is conducted on an annual basis.
- For IFRS and Statutory accounting purposes, assumptions are set at the conservative end of the plausible range (i.e. best estimate with an explicit margin for conservatism). For example;
 - Lapse - Lifetime GMWB ultimate lapse assumptions at significantly ITM levels are less than 2.4% for utilising policyholder (subject to lapse cap of 1.5% when funds are significantly depleted)
 - Utilisation – Lifetime GMWB utilisation assumptions at attained ages 65+ are 53-92% (with special provisions for benefits with incentives to delay withdrawals)
- To measure the sensitivity to these assumptions, IFRS Equity and Statutory Total Adjusted Capital (TAC) were computed under severe shocks to these already conservative assumptions. The shocks were as follows:
 - Lapse - lapse rates for ITM policies were reduced to two-thirds of the assumed levels, resulting in ultimate lapse rates of approximately 1.5% for utilising policyholders
 - Utilisation - utilisation rates beyond the bonus period, if applicable, were increased by 10% (i.e. 110% of the best estimate assumption).

US

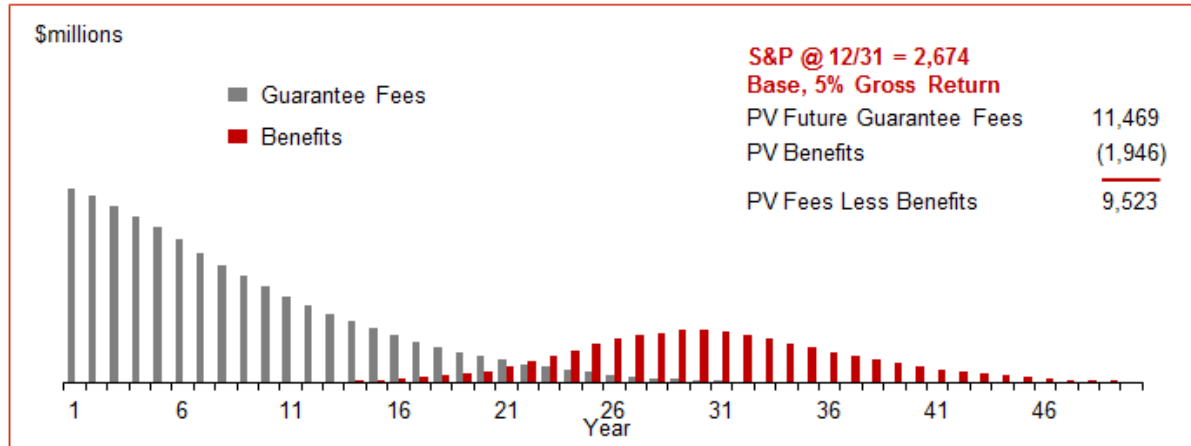
Statutory capital

	Jackson total adjusted capital
	US\$bn
31 December 2016	5.3
Operating profit	1.1
Dividend	(0.6)
Reserves net of hedging and other effects	(0.4)
Change in DTA / other	(1.1)
31 December 2017	4.3

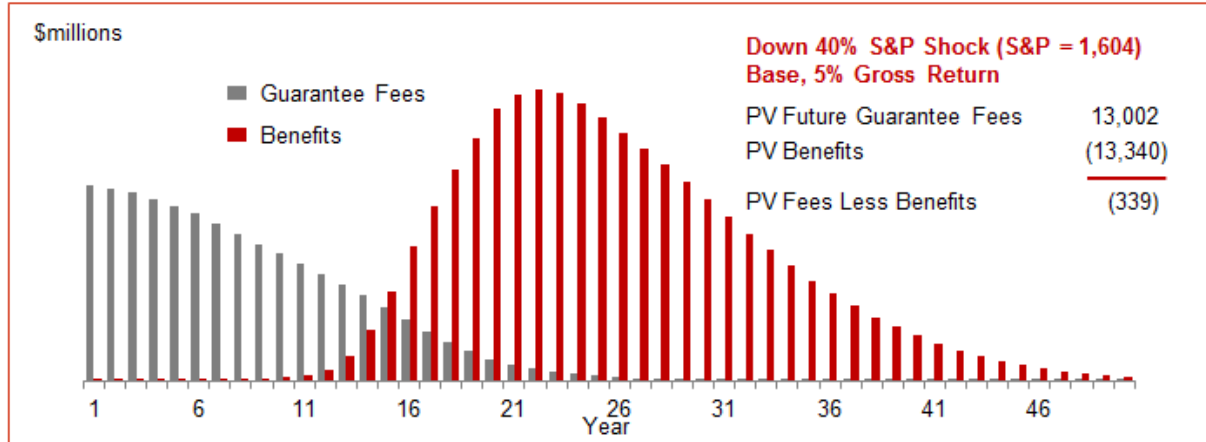
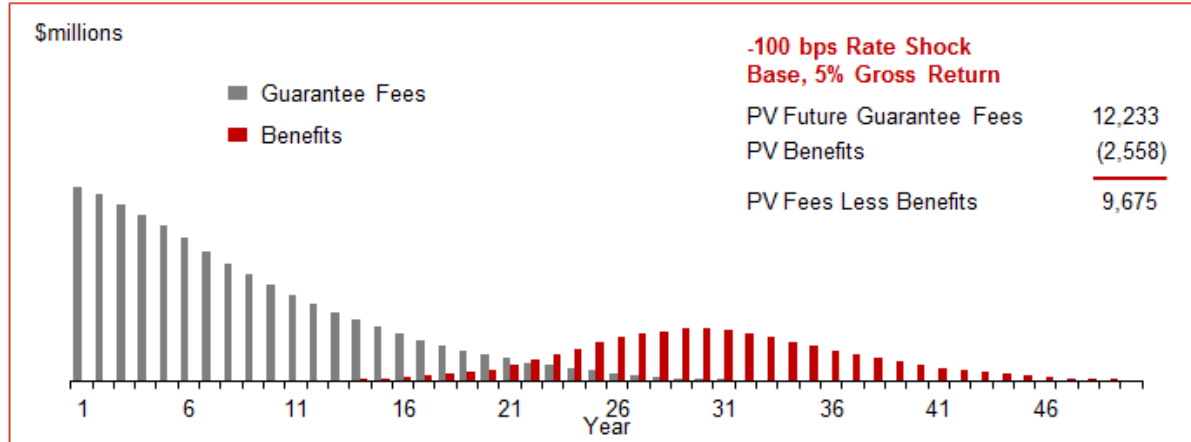
- ▶ Hedging programme continues to effectively mitigate risks
- ▶ Earned guarantee fees of 126 bps per annum
- ▶ Equity allocations remain below our 83% pricing assumption
- ▶ Total adjusted capital excludes:
 - ▶ Gains on interest rate swaps: \$480m net of tax at 31 December 2017 (31 December 2016: gain of \$413m)
- ▶ Change in DTA / other includes \$(0.8)bn from tax reform

Unhedged economic profile of GMWB guarantees

Jackson unhedged GMWB cash flow exposure, as at 31 December 2017



- Includes guarantee fees only
- Uses prudent best estimate assumptions (AG43, C3P2)
- 5% gross return is well below historical average market return
- Ignores guarantee fees collected to date as well as reserves
- PV of future GMWB fees exceeds PV of benefits over a wide range of market shocks
- Negative cash flow is far into future even in bad scenarios
- No material strain on liquidity in any given year
- Under the base scenario, the net PV increased by \$1.6bn from 2016 to 2017. If we include the full VA cash flows in the analysis, the base scenario net PV increased by \$3.6bn from 2016 to 2017.



Africa

Regional footprint

1 billion people

Population of Sub-Saharan Africa¹

2.7 billion people

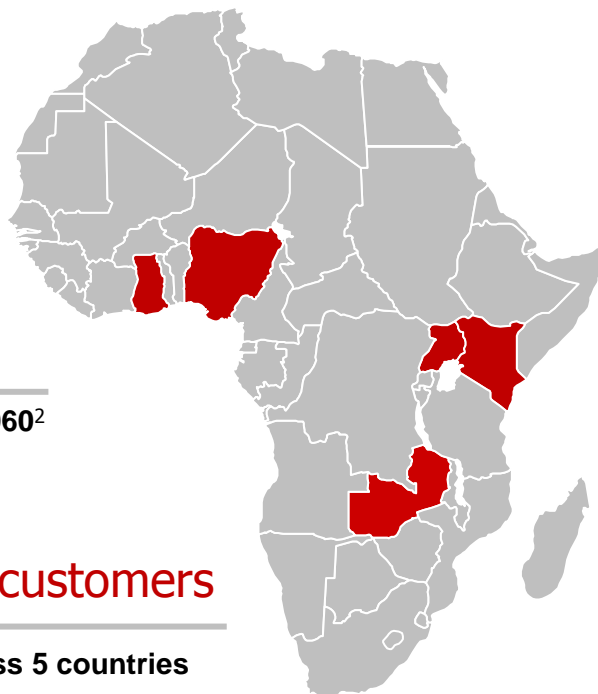
Population forecast by 2060²

~700 thousand Prudential customers

Across 5 countries

£23 million of APE sales

In 2017



Ghana 2014

- Acquisition of Express Life
- 2015: Distribution partnership with Societe Generale
- 2015: Distribution partnership with Fidelity Bank
- 2016: Distribution partnership with CAL Bank

Kenya 2014

- Acquisition of Shield Assurance
- 2015: Distribution partnership with Standard Chartered

Uganda 2015

- Acquisition of Goldstar Life Assurance

Zambia 2016

- Acquisition of Professional Life Assurance

Nigeria 2017

- Acquisition of majority stake in Zenith Life of Nigeria
- 2017: Distribution partnership with Zenith Life

1. Source: "World Population Prospects: The 2017 Revision". As of 2015.
2. Source: The World Bank. '7 facts about population in Sub-Saharan Africa', 2015.



Established
1931

International asset manager with more than 85 years' experience

Acquired
1999

Offer funds across diverse geographies, asset classes and investment strategies

Provides investment strategies to meet Institutional clients' long-term needs

M&G Prudential



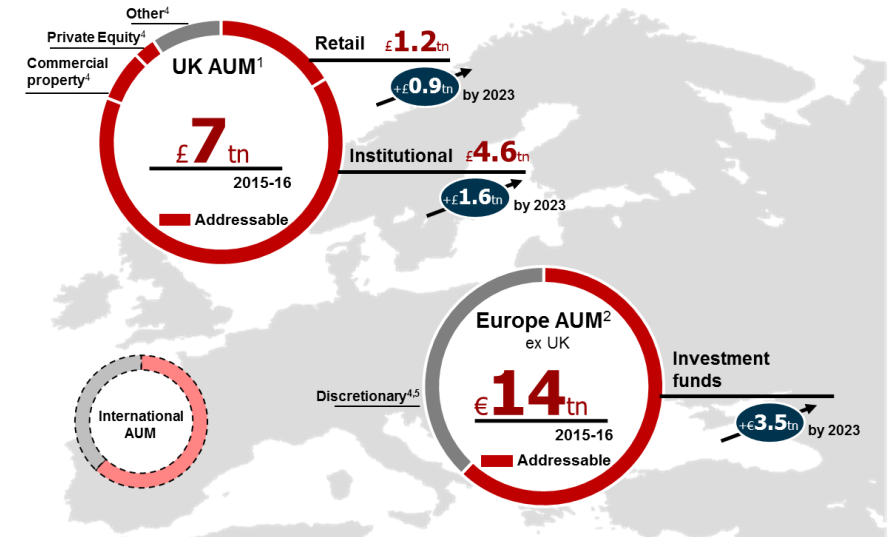
Established
1848

Leading provider of savings and retirement income products

Core strengths in with-profits and retirement

Expertise in areas such as longevity, risk management and multi-asset investment

Market Context^{1,2,3}



Market trends

Self-reliance for savings, investment and retirement

Convergent insurance and asset management business models

Customer demand for one stop shop solutions from trusted, scale players

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

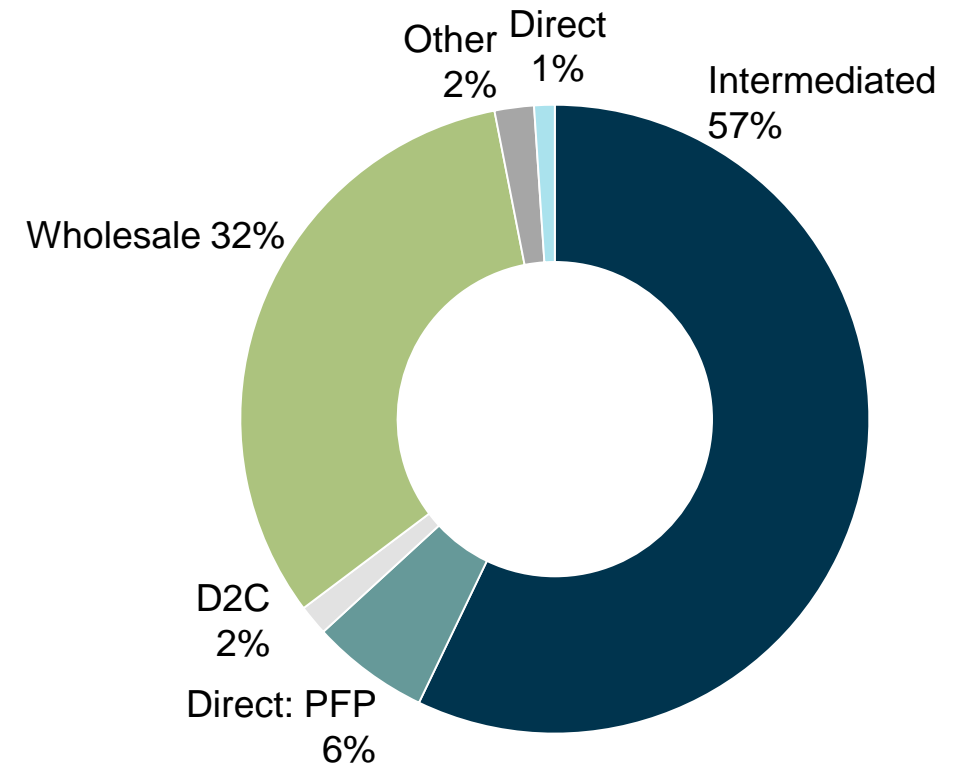
UK

Distribution mix

Distribution channel (UK Customers)

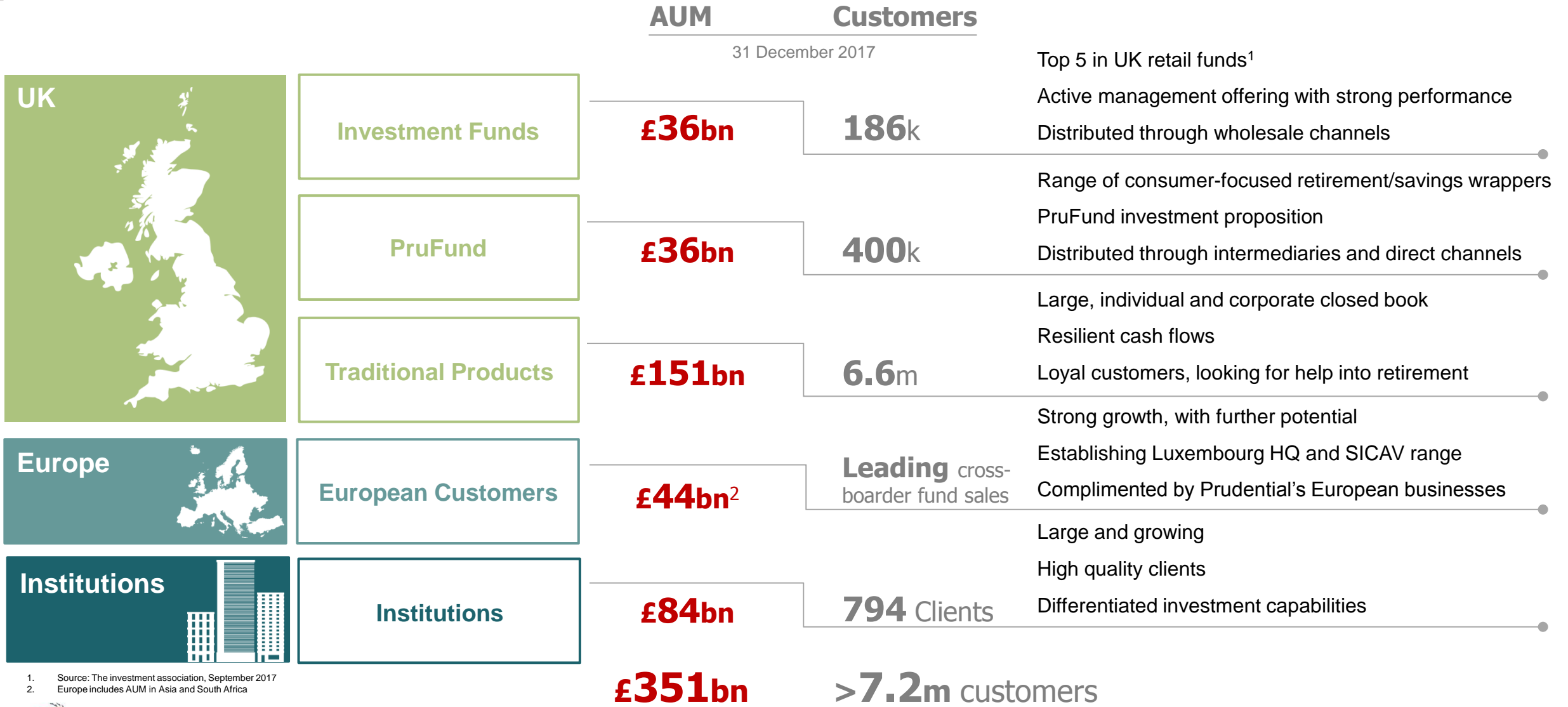
Wholesale	Advisers via platforms, wealth managers and banks	Individual funds within adviser portfolios
	Working directly with Independent and Restricted advisers	Customer solutions for advisers leveraging unique investment capability
Direct to customer	SRS & M&G	Customer solutions addressing financial needs
	Advised (PFP)	

Channel Mix (UK Customers, 31 December 2017)



UK

Products and customers

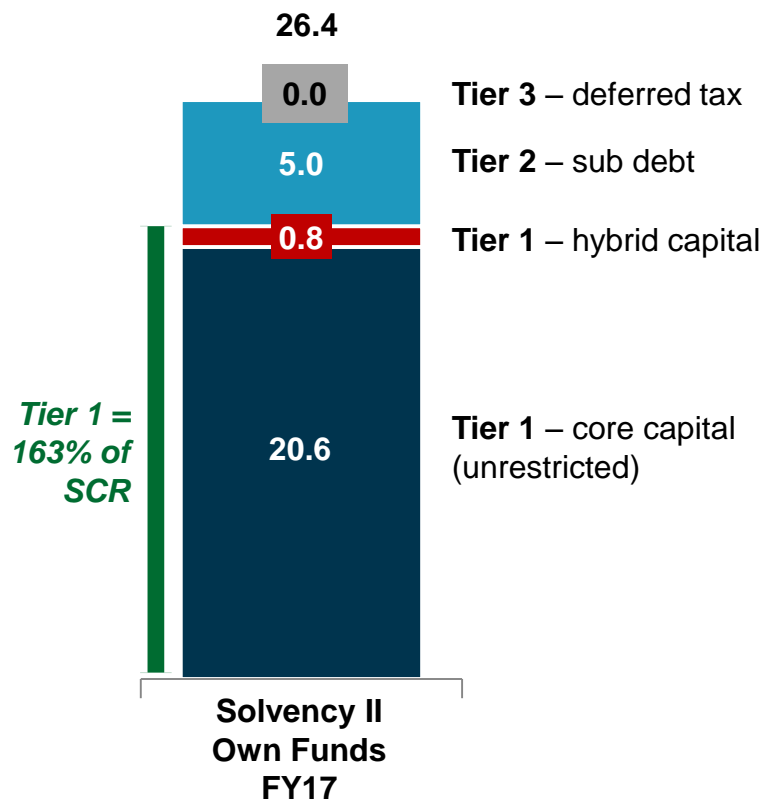


1. Source: The investment association, September 2017
 2. Europe includes AUM in Asia and South Africa

Solvency II

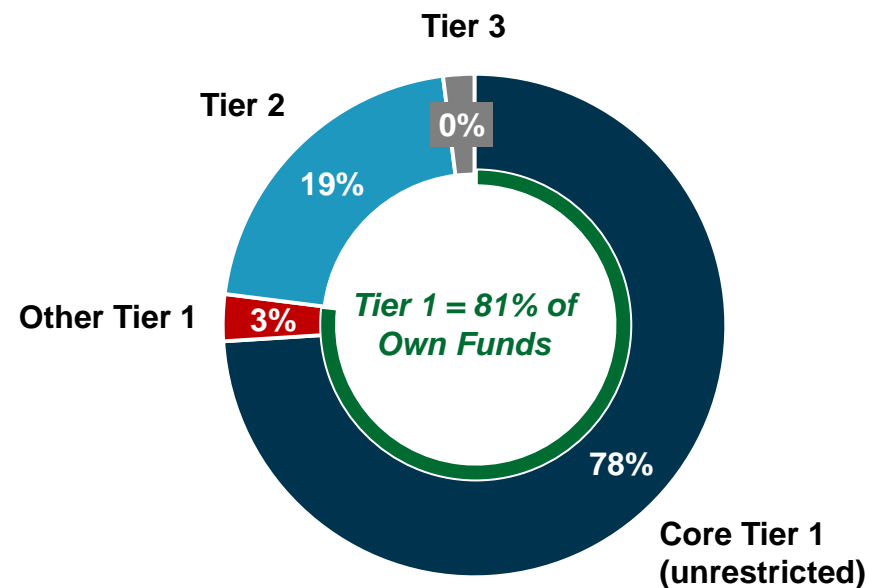
Capital quality

Solvency II Own Funds by capital tier^{1,2,3}



Share of Solvency II Own Funds by capital tier^{1,2,3}

FY17, 100% = £26.4bn



1. The Group shareholder position excludes the contribution to the Group Own Funds and the Solvency Capital Requirement of ring fenced With-Profit Funds and staff pension schemes in surplus
 2. The Group shareholder position includes management's estimate of transitional measures reflecting operating and market conditions at the valuation date
 3. Before allowing for the 2017 second interim dividend

Solvency II

SII treatment of hybrid capital classification

Hybrid capital outstanding, 31 December 2017

Issue Date	Amount	Coupon	Maturity Date	1st Call Date	SII Classification
19-Dec-01	GBP 435m	6.125%	19-Dec-31	None	Tier 2*
10-Jul-03	EUR 20m	20 yr CMS rate	10-Jul-23	None	Tier 2*
30-Jul-04	USD 250m	6.75%	Perp	23-Sep-09	Tier 1*
12-Jul-05	USD 300m	6.50%	Perp	23-Sep-10	Tier 1*
29-May-09	GBP 400m	11.375%	29-May-39	29-May-19	Tier 2*
21-Jan-11	USD 550m	7.75%	Perp	23-Jun-16	Tier 1*
15-Jan-13	USD 700m	5.25%	Perp	23-Mar-18	Tier 2
16-Dec-13	GBP 700m	5.70%	19-Dec-63	19-Dec-43	Tier 2*
09-Jun-15	GBP 600m	5.00%	20-Jul-55	20-Jul-35	Tier 2
07-Jun-16	USD 1,000m	5.25%	Perp	20-Jul-21	Tier 2
13-Sept-16	USD 725m	4.375%	Perp	20-Oct-21	Tier 2
24-Oct-17	USD 750m	4.875%	Perp	20-Jan-23	Tier 2

*Grandfathered under Solvency II transitional provisions until 31 December 2025.

Invested assets

Group asset portfolio

Breakdown of invested assets¹, FY17, £bn

	Total Group	PAR funds	Unit linked	Shareholder-backed				Total
				Asia Life	US Life	UK Life	Other	
Debt	171.4	75.1	10.2	13.0	35.4	35.3	2.4	86.1
Equity	223.4	62.2	159.1	1.8	0.1	0.0	0.2	2.1
Property	16.5	14.2	0.6	0.0	0.0	1.7	0.0	1.7
Mortgage	10.5	2.4	0.0	0.2	6.2	1.7	0.0	8.1
Deposits	11.2	7.4	1.6	0.5	0.0	1.2	0.5	2.2
Other loans	6.5	2.6	0.0	0.4	3.4	0.0	0.1	3.9
Other	11.8	7.7	0.0	0.8	2.5	0.5	0.3	4.1
Total	451.3	171.6	171.5	16.7	47.6	40.4	3.5	108.2

Shareholder debt portfolio, FY17, £bn

	Portfolio £bn	No. issuers	Holding by issuer		High yield % debt portfolio
			Av. £m	Max £m	
Sovereign debt	16.5	46	359	3,895	1.9%
Corporate debt					
Investment grade	67.6	1,729	39	505	n/a
High yield	2.0	269	7	128	2.3%
	69.6	1,998	35	505	n/a

- Conservative asset mix: ~97% credit portfolio is rated investment grade or sovereign
- Minimal default losses, and minimal impairments across all credit portfolios
- Additional cash and equivalents of £10.7bn, of which shareholder exposure is £5.0bn

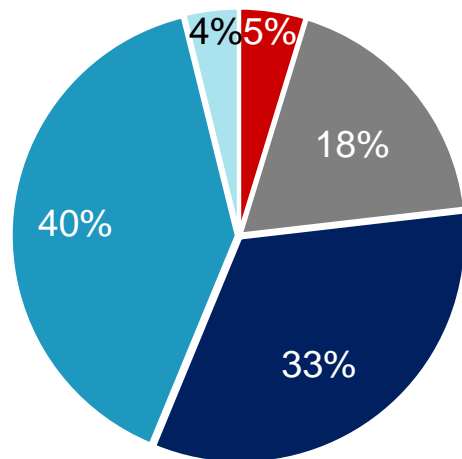
1. Excludes £1.4 billion of investments in joint ventures and associates accounted for using the equity method.

Invested assets

Shareholder total debt securities

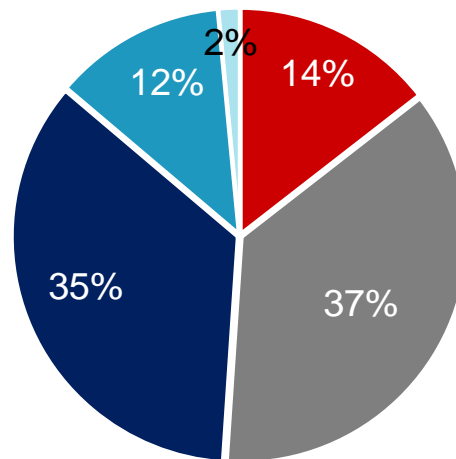
By credit rating

US



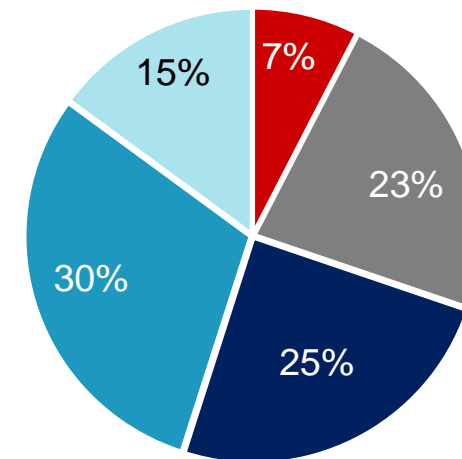
Total £35bn

UK



Total £35bn

Asia



Total £13bn

Rating:

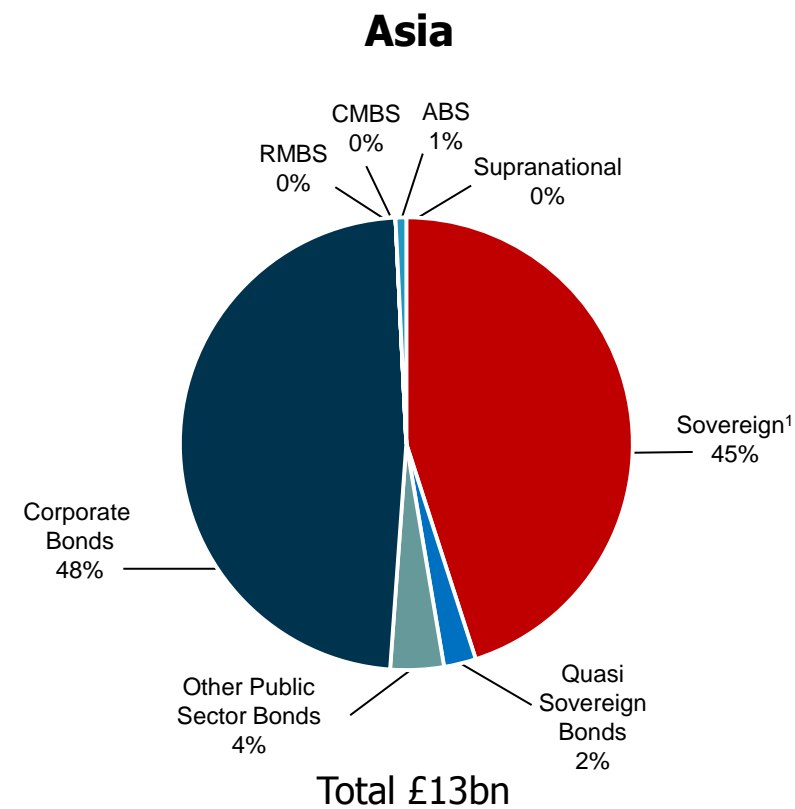
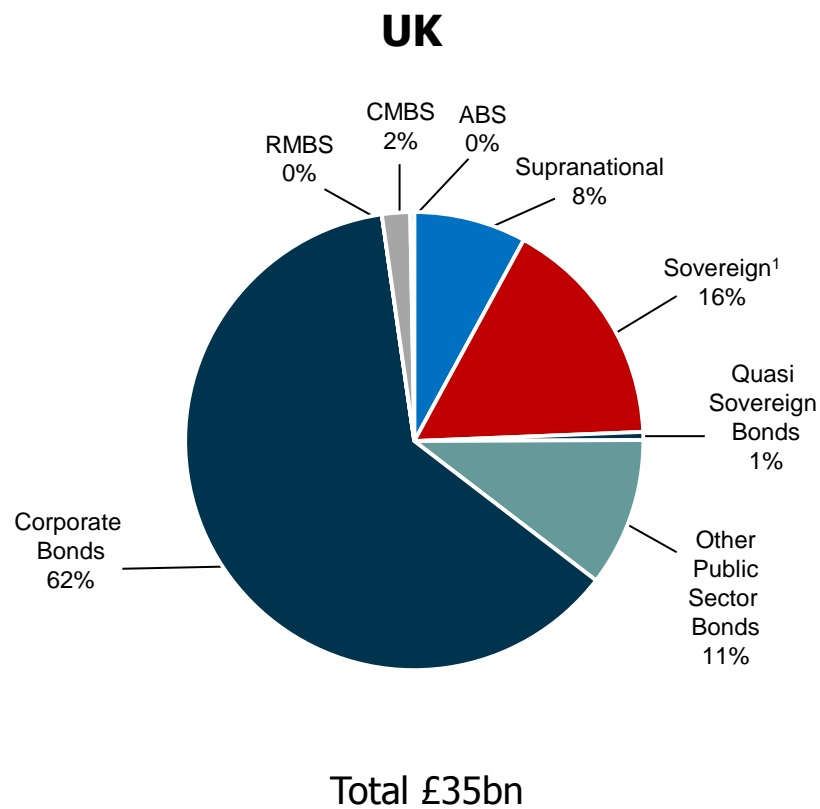
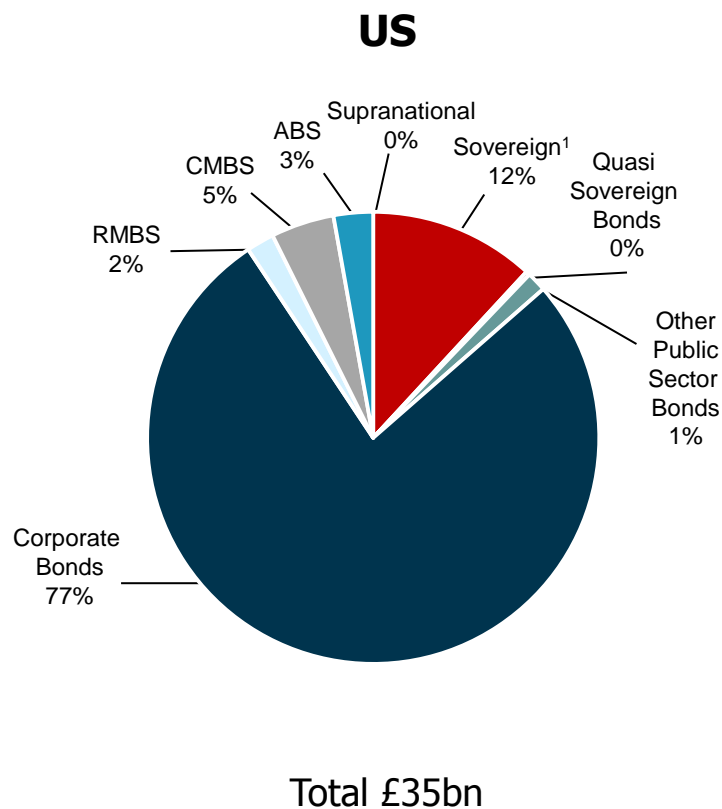


Note: Pie charts exclude other operations totalling £2.3bn, of which 32% AAA, 55% AA, 8% A, 3% BBB and 2% BB or below
Note: Based on hierarchy of Standard and Poor's Moody's and Fitch, where available and if unavailable, internal ratings have been used.

Invested assets

Shareholder total debt securities

By asset type



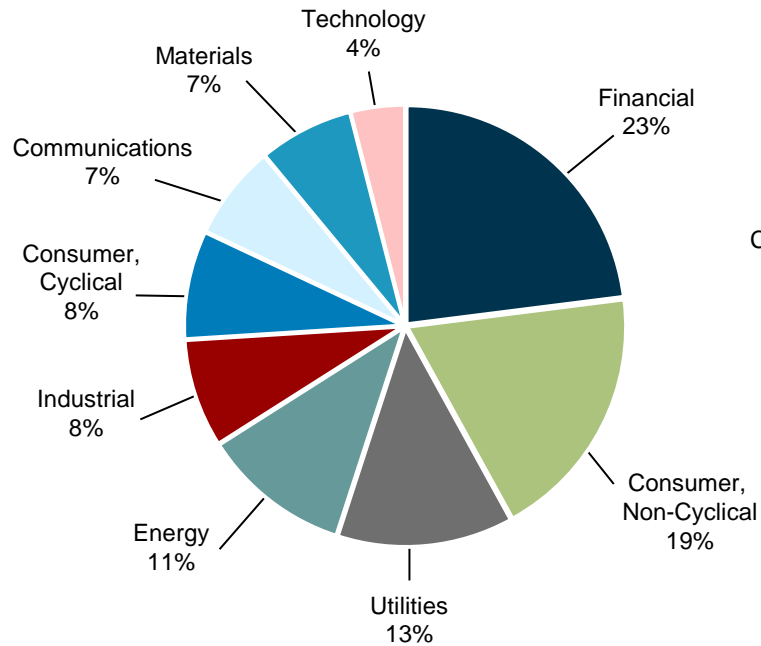
1. Sovereign includes OEICS. Pie charts exclude £2.3bn of debt securities within other operations.

Invested assets

Shareholder backed corporate debt exposures

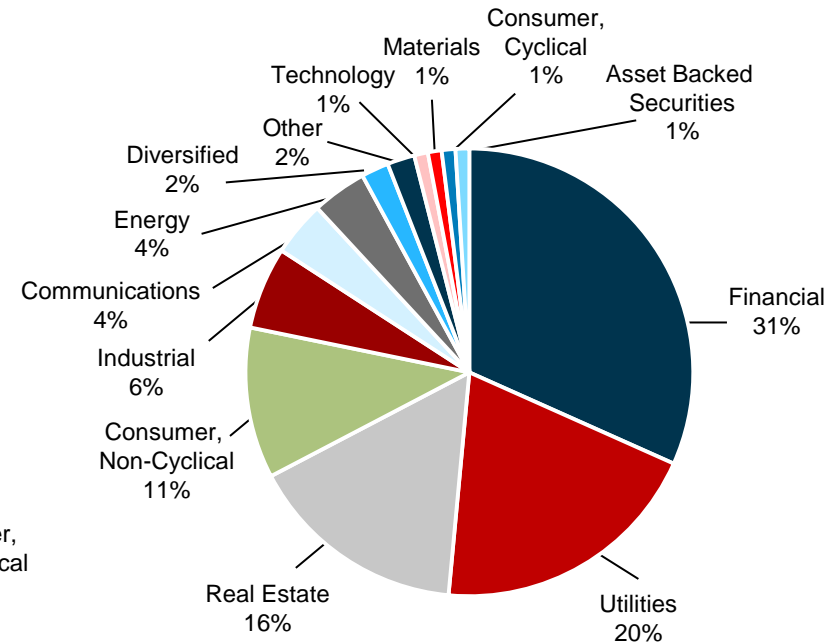
By sector

US



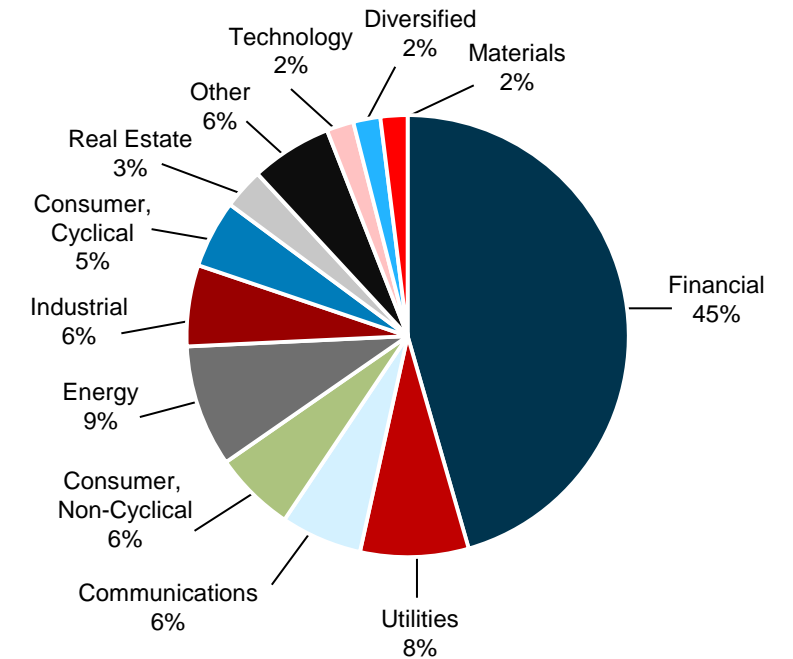
Total £27bn

UK



Total £22bn

Asia



Total £6bn

Note: Source of segmentation (in order) Bloomberg Sector, Bloomberg Group and Merrill Lynch. Anything that cannot be identified from the 3 sources noted is classified as other. Pie charts above exclude debt securities from other operations.

Currency mix

Translation sensitivities

IFRS operating profit, £m



New business profit, £m



Underlying free surplus generation, £m



EEV operating profit, £m

