

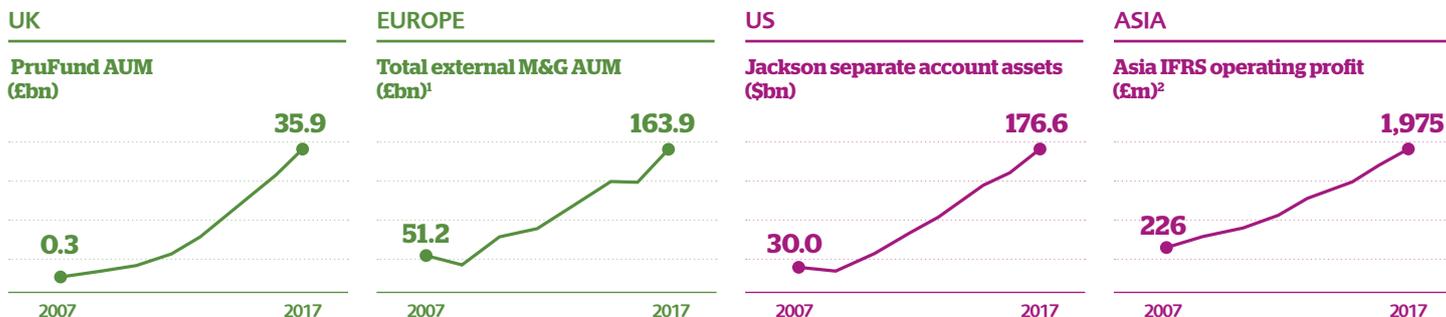


PRUDENTIAL

# WE PLAN TO DEMERGE OUR UK & EUROPE BUSINESS FROM PRUDENTIAL PLC TO CREATE TWO LEADING COMPANIES

Prudential's businesses help people take the financial risk out of life's big events to help them plan for the future with confidence

## Scale and capabilities transformed over the past decade



<sup>1</sup> Total external AUM comprises assets from UK, European and South African clients  
<sup>2</sup> Results restated to remove Korea Life business sold in 2017

## Compelling opportunities in each of our geographies

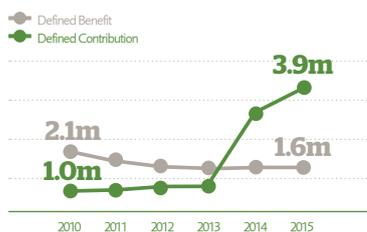
A UK & Europe business meeting customers' savings needs

An international business with leading positions in growing markets

### UK & EUROPE

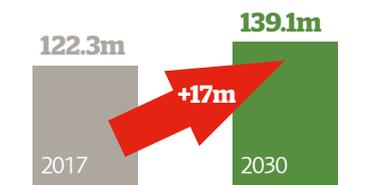
The move to defined contribution pension schemes puts more responsibility on the individual, creating a growing market opportunity

#### Active membership of private sector occupational pension schemes<sup>3</sup>

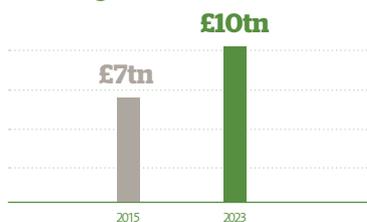


<sup>3</sup> Source: Occupational Pension Schemes Survey, UK: 2015

#### EU and UK population aged 55-75



#### UK AUM growth<sup>4</sup>

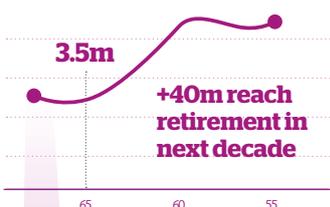


<sup>4</sup> UK assets under management, predicated growth in UK across the market

### US

American retirement wave is growing

#### Baby boomer population by age



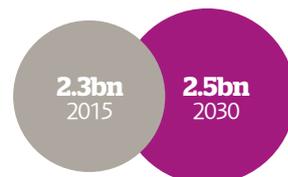
**US\$15tn**

US retirement adviser assets

### ASIA

Asian middle class is growing and under-protected

#### Asia working age population<sup>5,6</sup>



<sup>5</sup> United Nations, Department of Economic and Social Affairs, Population Division (2015). World Population Prospects: The 2015 Revision, DVD Edition. 15  
<sup>6</sup> Working age population: 15-64 years

#### Private financial wealth<sup>7</sup>



<sup>7</sup> Source BCG Global Wealth 2017. Navigating the New Client Landscape

#### Insurance penetration<sup>8</sup>



<sup>8</sup> Insurance penetration source Swiss Re Sigma 2015. Insurance penetration calculated as premiums in % of GDP. Asia penetration calculated on a weighted population basis



## Two companies underpinned by market-leading capabilities

### M&G Prudential

A new independent champion for the savings and retirement needs of people in the **UK and Europe**

#### UK & EUROPE

**7.2m**

Customers



**25,000**

Financial advisers



**18**

Markets across Europe



**£351bn**

Assets under management



**A comprehensive range of active fund management products for individuals and institutions**

OptimalFund performance

**+7%**

Annualised performance since inception, net of fees



With-profits fund performance

**76.5%**

10-year cumulative fund return, after tax



**19%**

Market share in UK life and pensions retail investments



Manage money for

**70%**

of the UK's top 50 pension schemes



### Prudential plc

Focused on developing our leadership positions in the growing markets of the **United States and Asia**

#### US

**4m+**

Policies



Highest share

**18%**

In variable annuity market



Perspective II

**No. 1**

selling variable annuity



Largest and most productive VA sales force.

Sales per wholesaler



**37% higher**

than nearest competitor

#### ASIA

**15m**

Life customers, growing at 112k per month



**>2m**

Customer interactions every month



Eastspring

**No. 1**

Asia retail fund manager<sup>9,10</sup>



**Top 3**

Positions in 9/12 Life markets<sup>11</sup>



**>600k**

Agents



<sup>9</sup> Retail Fund Manager - based on assets sourced from the region at June 2017. Excludes Japan, Australia and New Zealand

<sup>10</sup> Source: Asia Asset Management, September 2017. Ranked according to participating regional players only

<sup>11</sup> Based on formal and informal market share data. Ranking based on new business (APE or weighted FYP depending on the availability of data)

# CREATING THE FOUNDATIONS FOR LONG-TERM SUCCESS