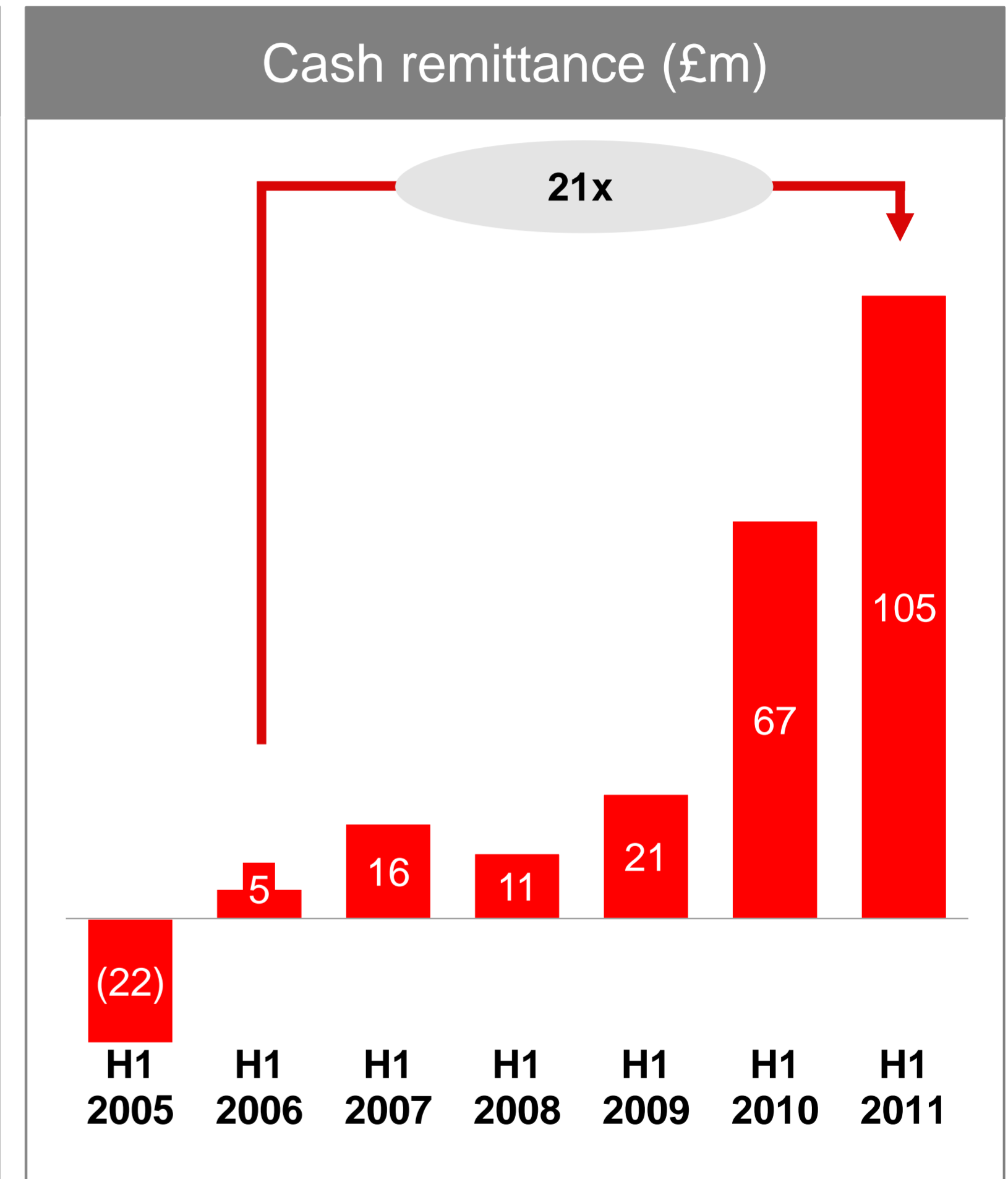
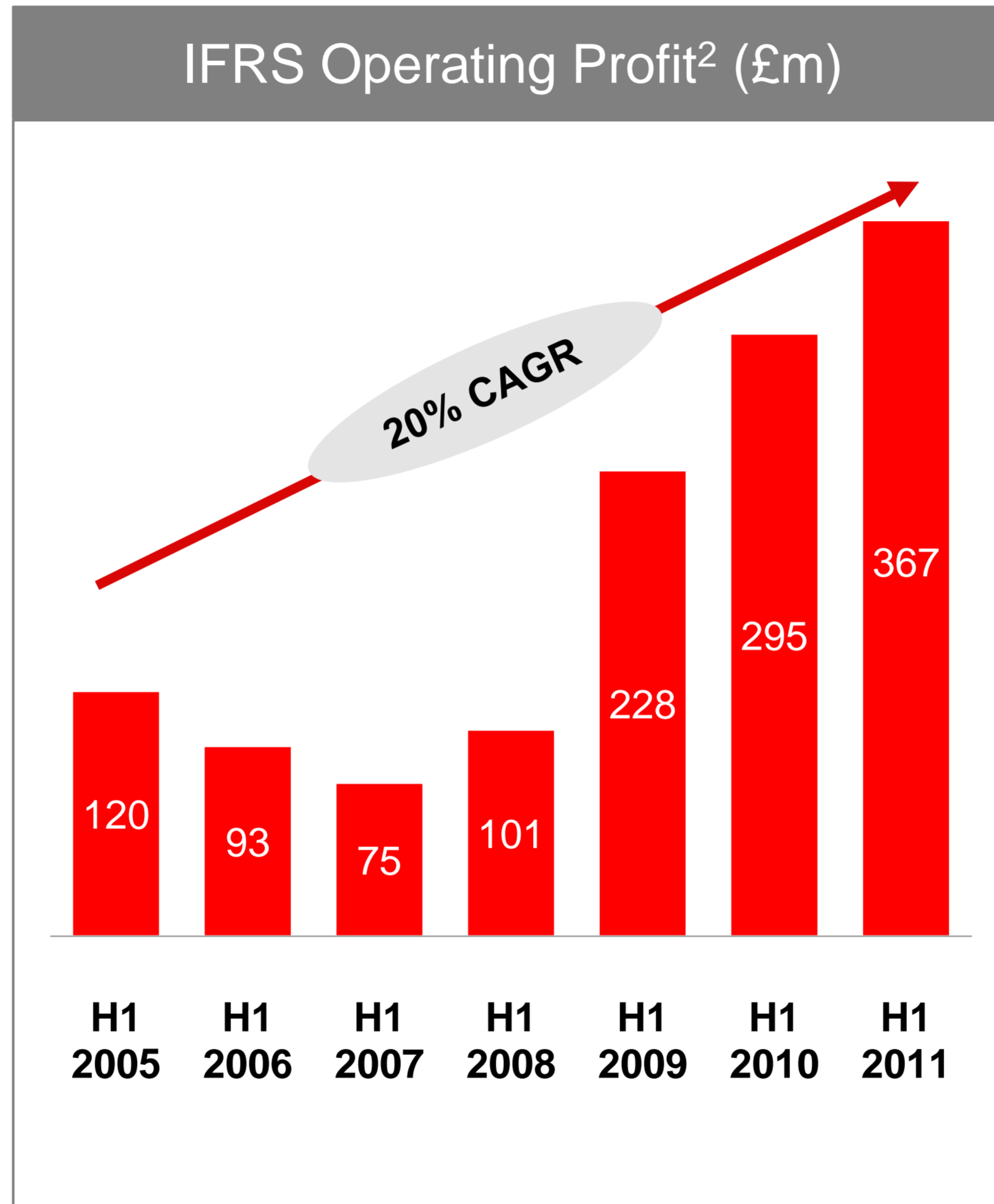
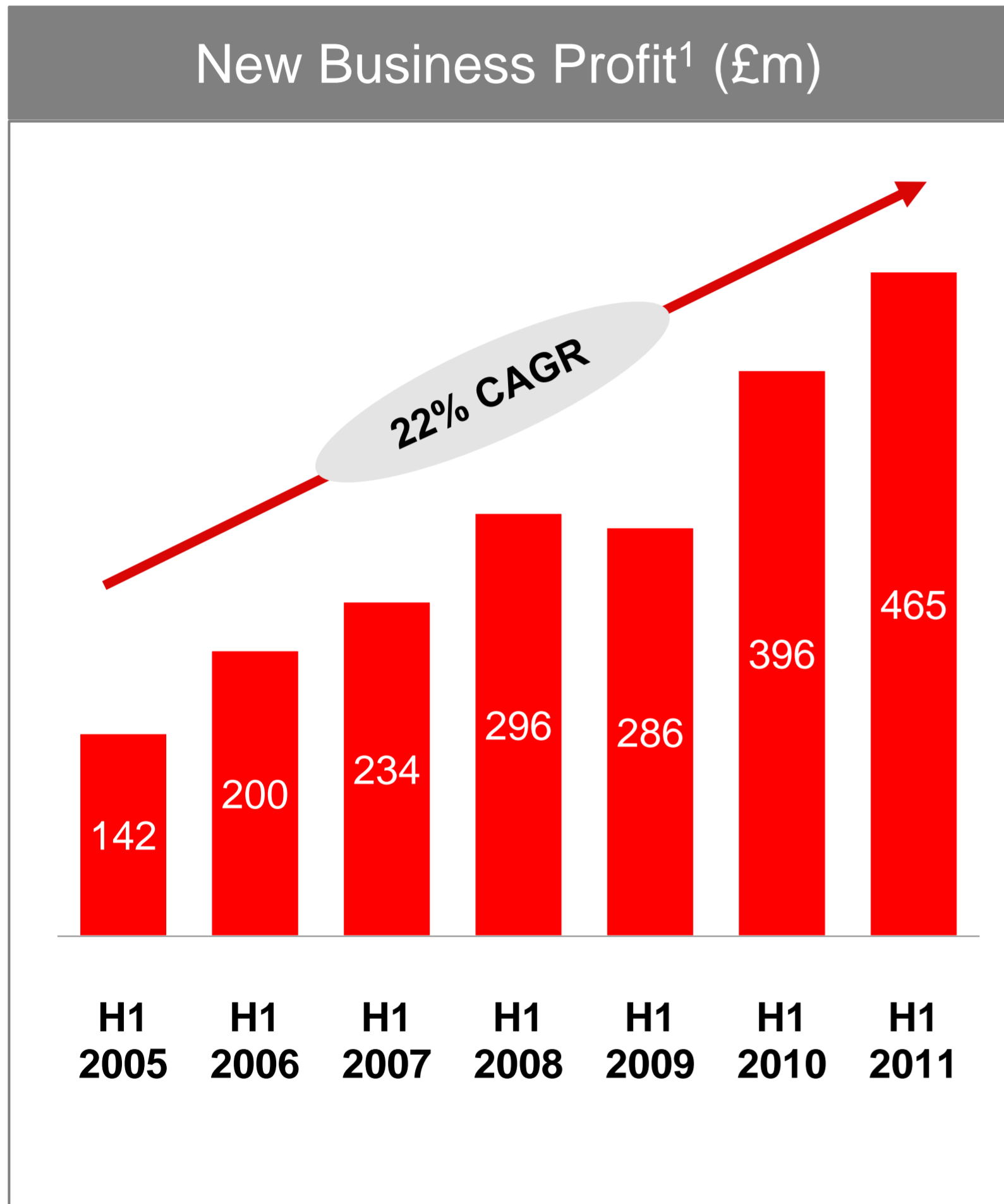


Delivering Shareholder Value

Adrian O'Connor
Chief Financial Officer
Prudential Corporation Asia

16 November 2011

Asia is Delivering across All Key Metrics



1. Excludes Taiwan agency business (sold in Q1 2009) and Japan Life (ceased writing new business in Q1 2010)

2. In respect of Insurance (excludes Taiwan agency, H1 2005-07 exclude Taiwan) and asset management operations only. Net of development expenses

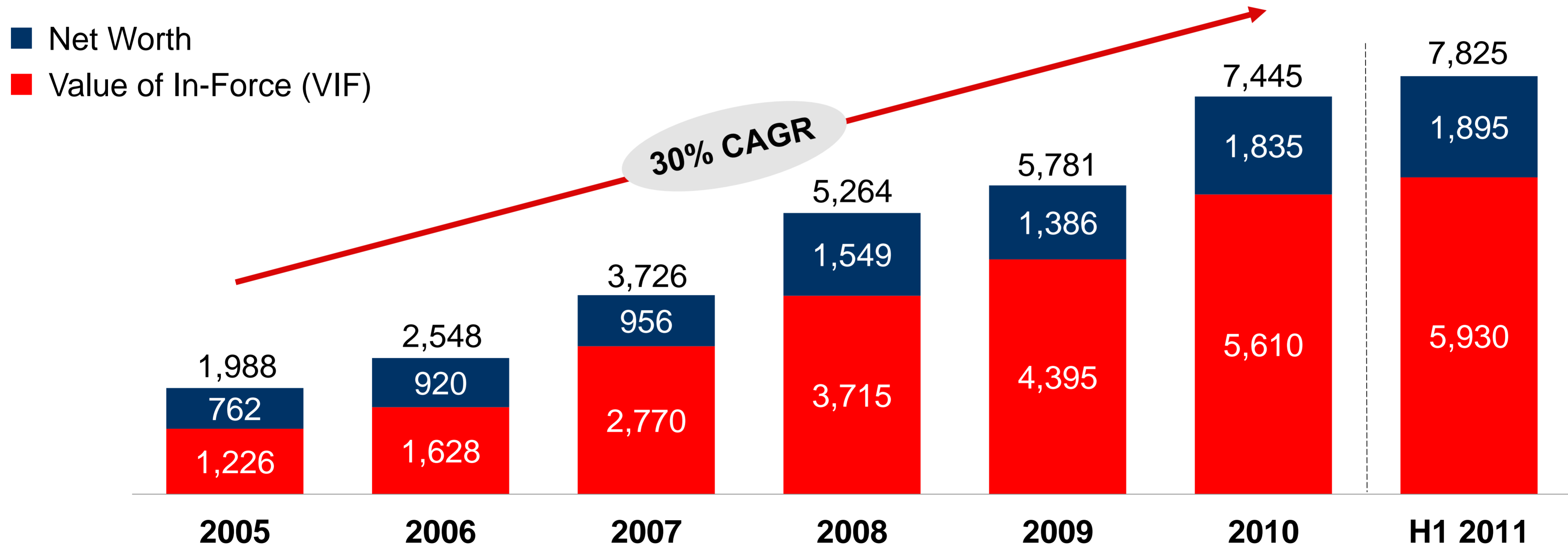
Content

- New Business Quality
- Product Profit Profiles
- EEV Robustness
- Free Surplus Generation, IFRS and Cash

Embedded Value

Embedded Value has increased by £5.8bn or almost 4-fold since 2005

Embedded Value (£m, AER)

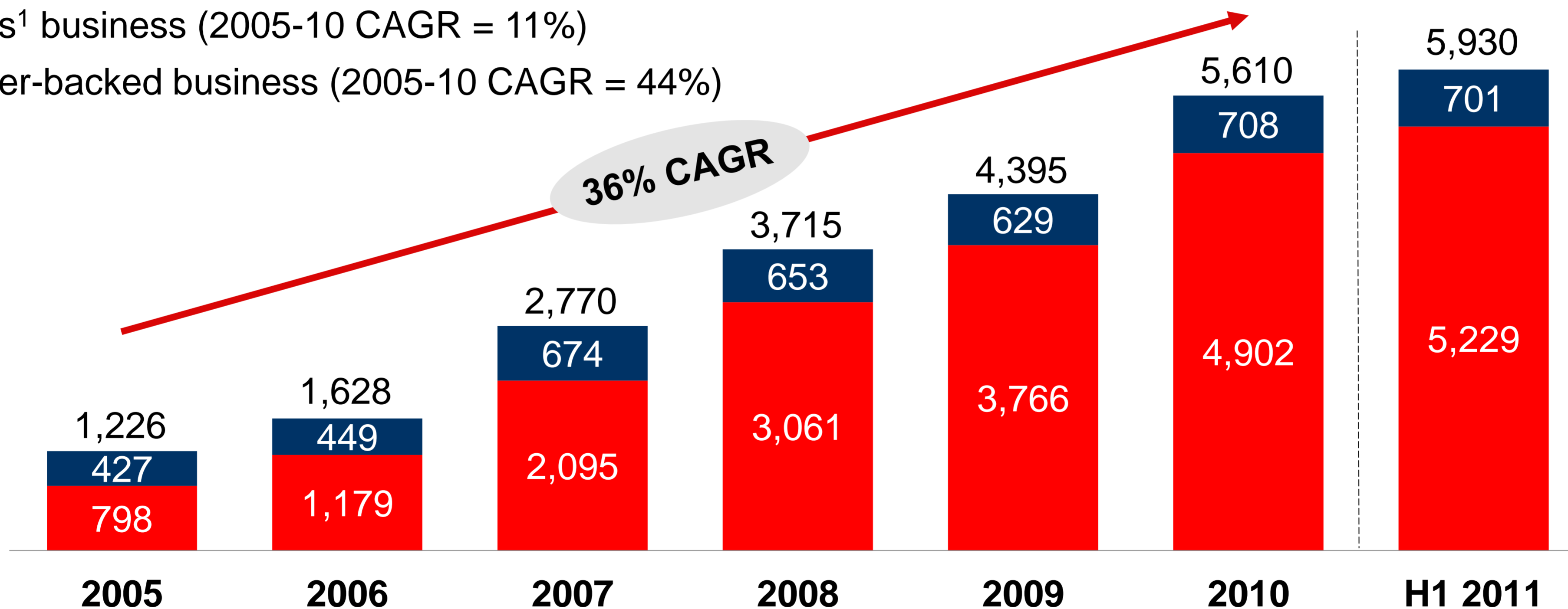


Value of In-Force

Overall proportion of with-profits is low, but significant in certain key markets

Value of In-Force by Business Mix (£m, AER)

- With-profits¹ business (2005-10 CAGR = 11%)
- Shareholder-backed business (2005-10 CAGR = 44%)



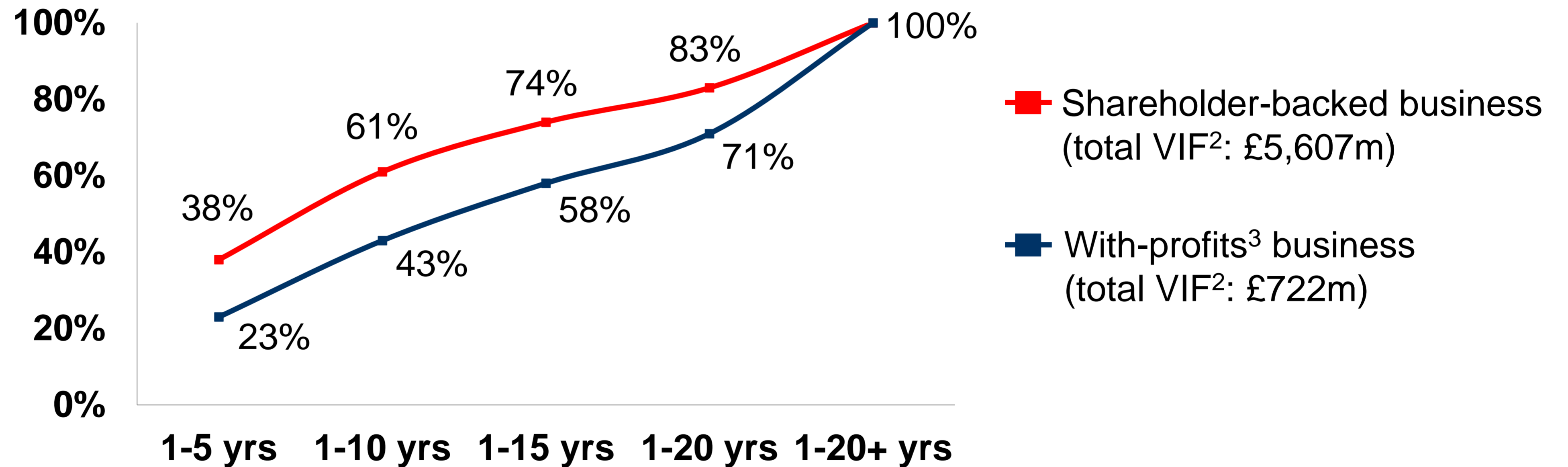
1. Traditional UK style with-profits business only

VIF Monetization

With-profits monetizes more slowly and is more back-end weighted

Profiles of Monetization¹ Rate from 2010 Life In-force

Cumulative % Monetized



1. Discounted

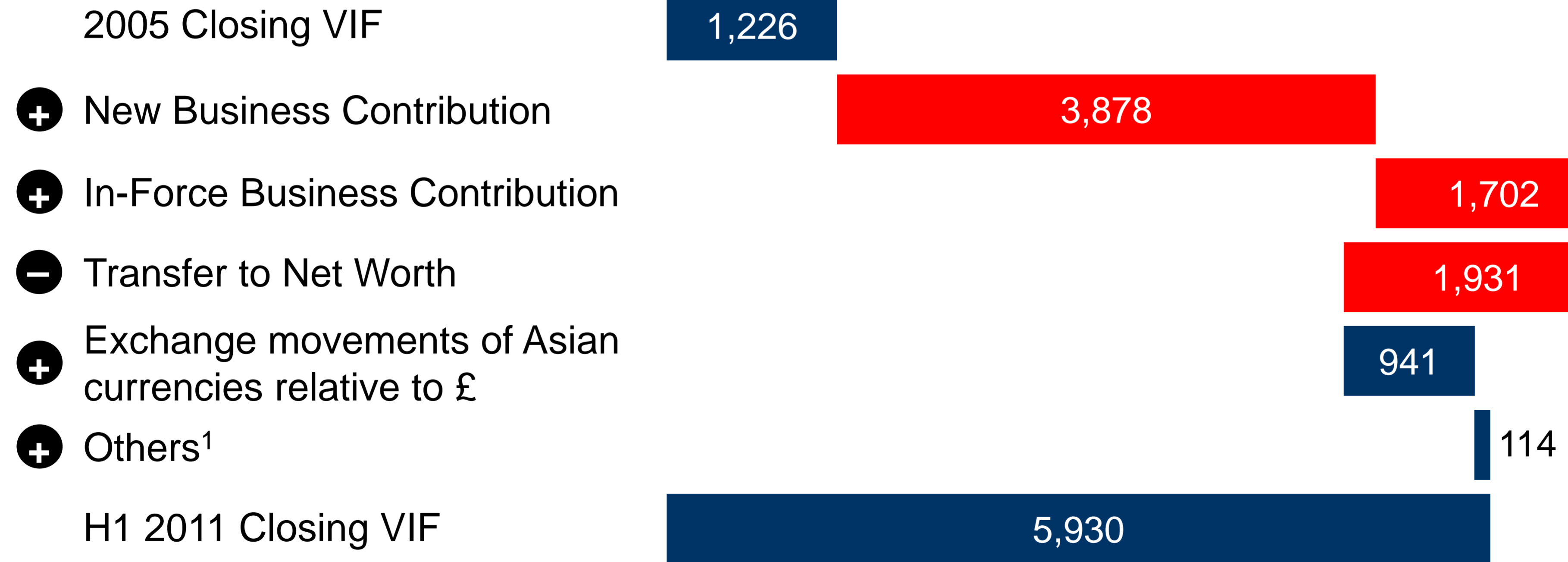
2. Total discounted value of 2010 in-force business and required capital

3. Traditional UK style with-profits business only

Value of In-Force

**New Business is our key growth driver.
Preservation and monetization of VIF underpins profit and cash delivery**

£m, AER



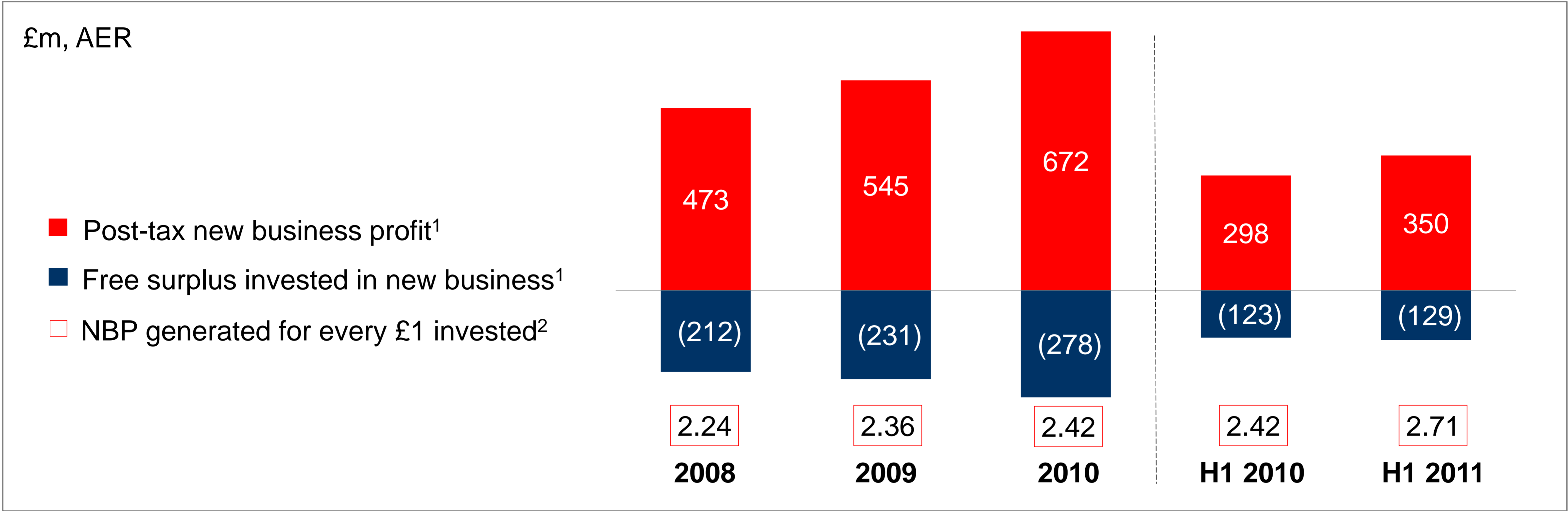
1. Include non-operating variances, divestment (Taiwan agency), acquisition (UOB Life), intra-group dividends and other transfers from net worth

Content

- New Business Quality
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Highly Capital Efficient

More than £2 new business value for every £1 invested, reflecting continued 'value over volume' discipline



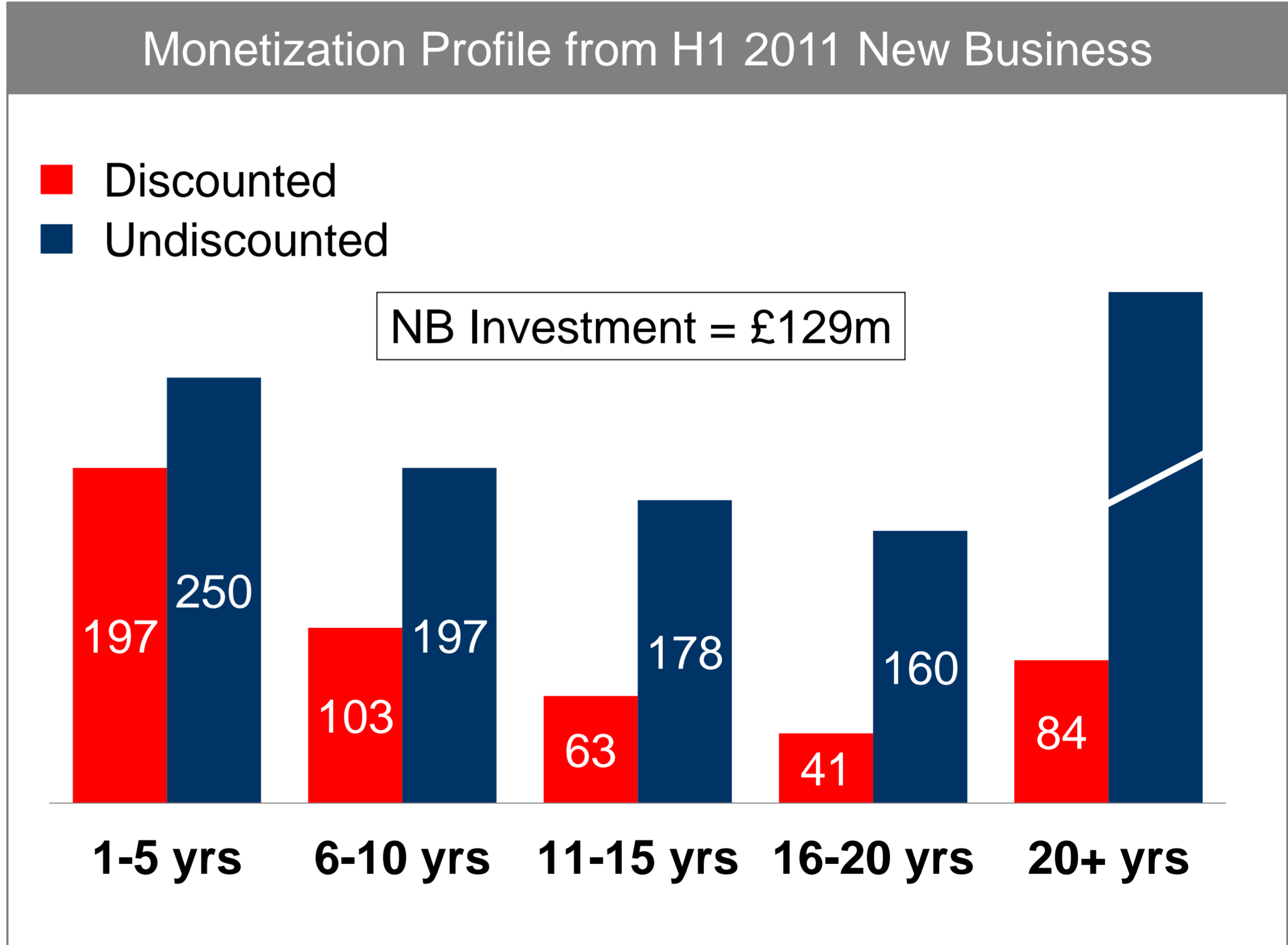
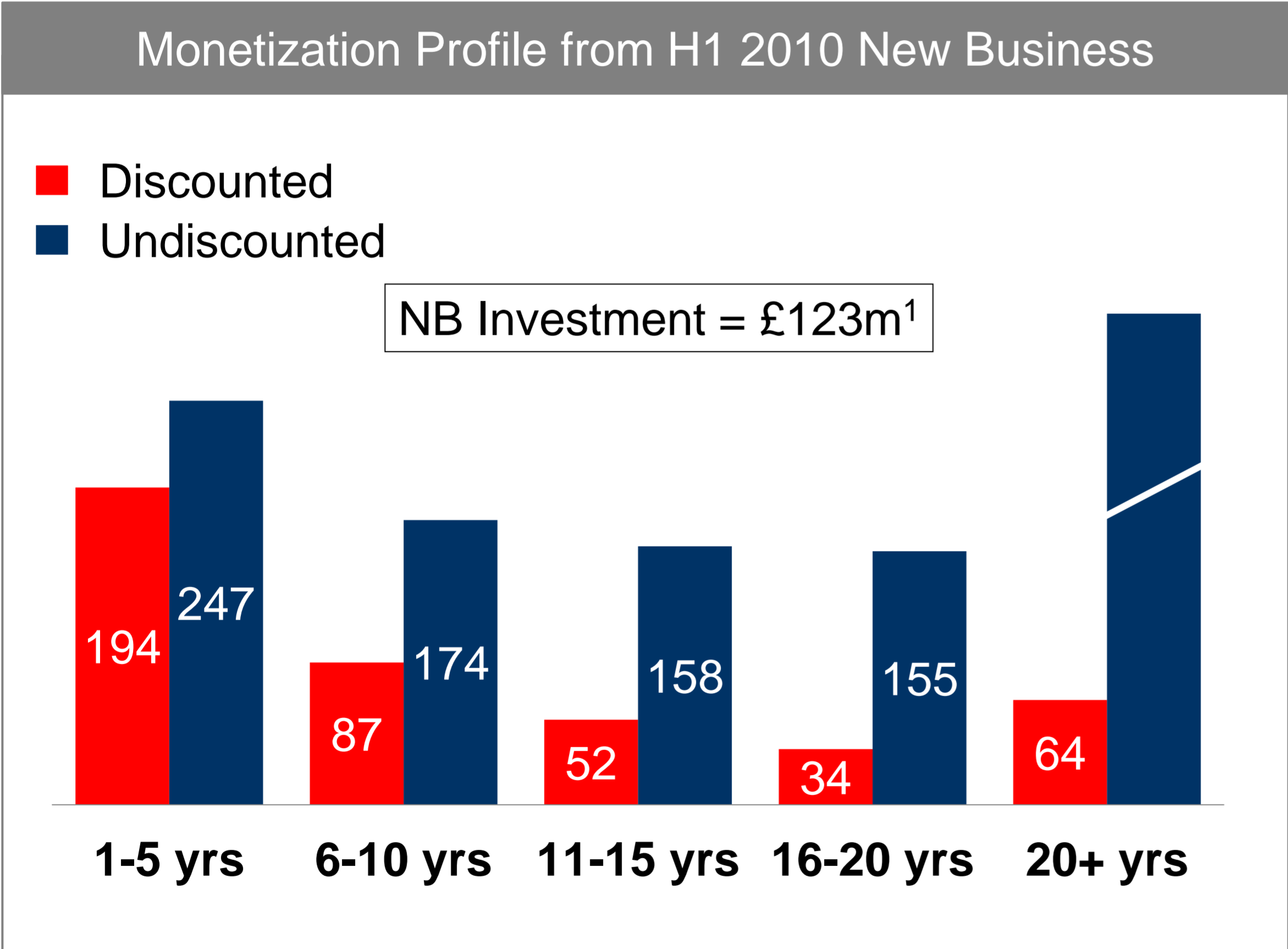
1. Excludes Taiwan agency business (sold in Q1 2009) and Japan Life (ceased writing new business in Q1 2010)

2. Calculated as post-tax new business profits divided by free surplus invested in new business (post-tax)

Good Capital Velocity



We continue to recycle capital quickly with proactive management of product mix



1. Excludes Japan which ceased writing new business in Q1 2010

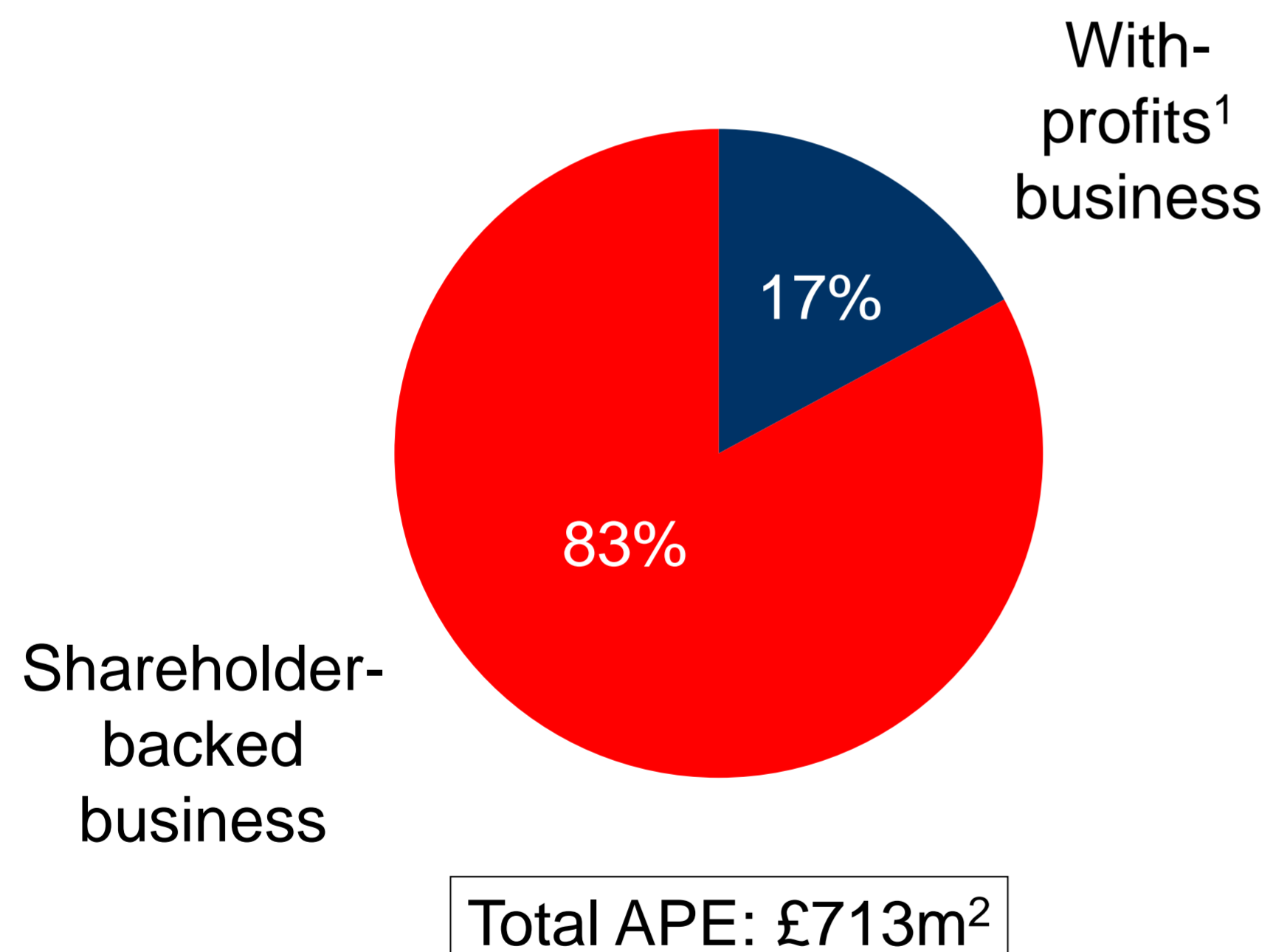
Content

- New Business Quality
- Product Profit Profiles
- EEV Robustness
- Free Surplus Generation, IFRS and Cash

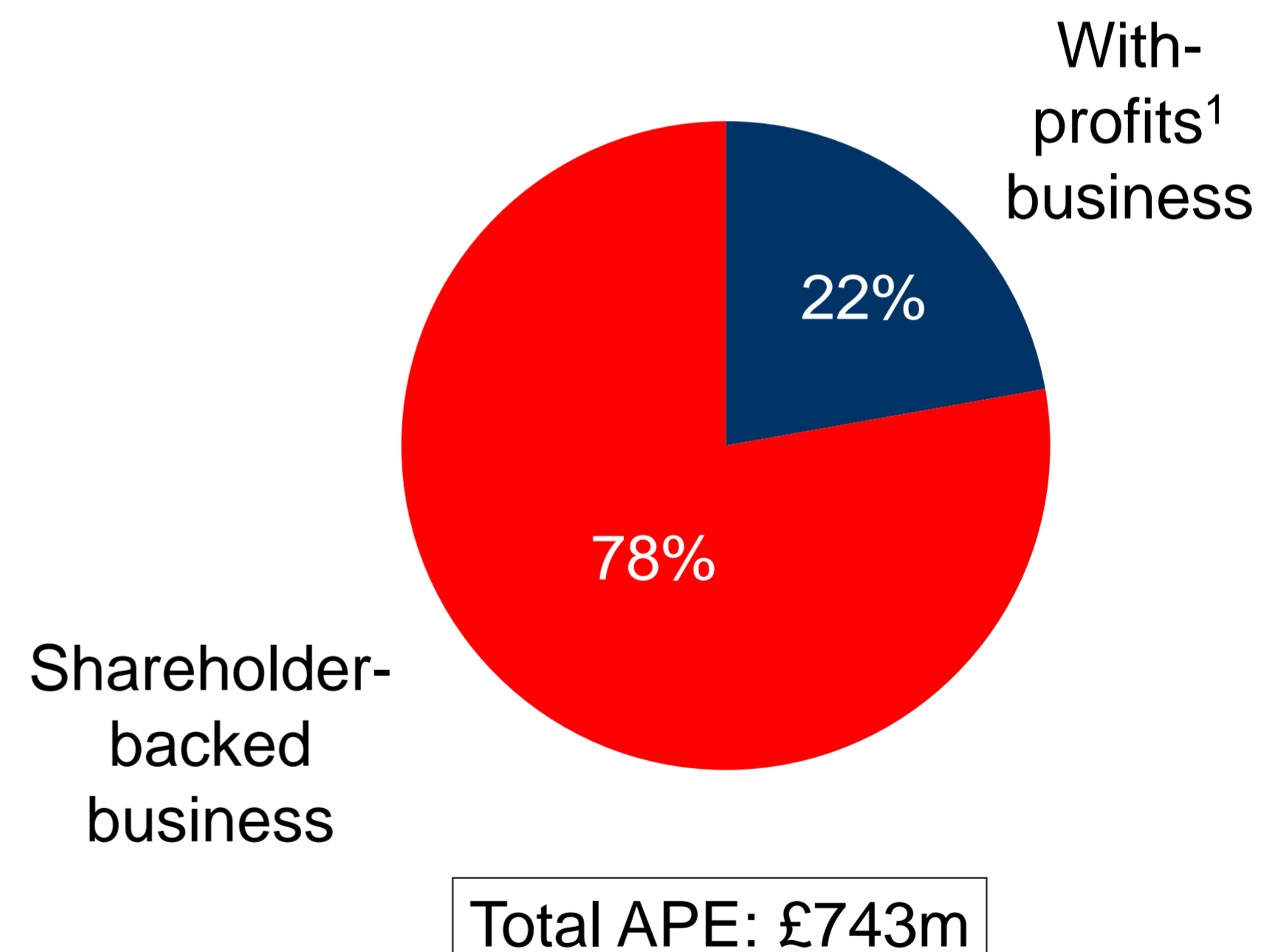
Product Mix

Two broad product groupings affect our financials at the macro level

H1 2010 New Business Mix



H1 2011 New Business Mix



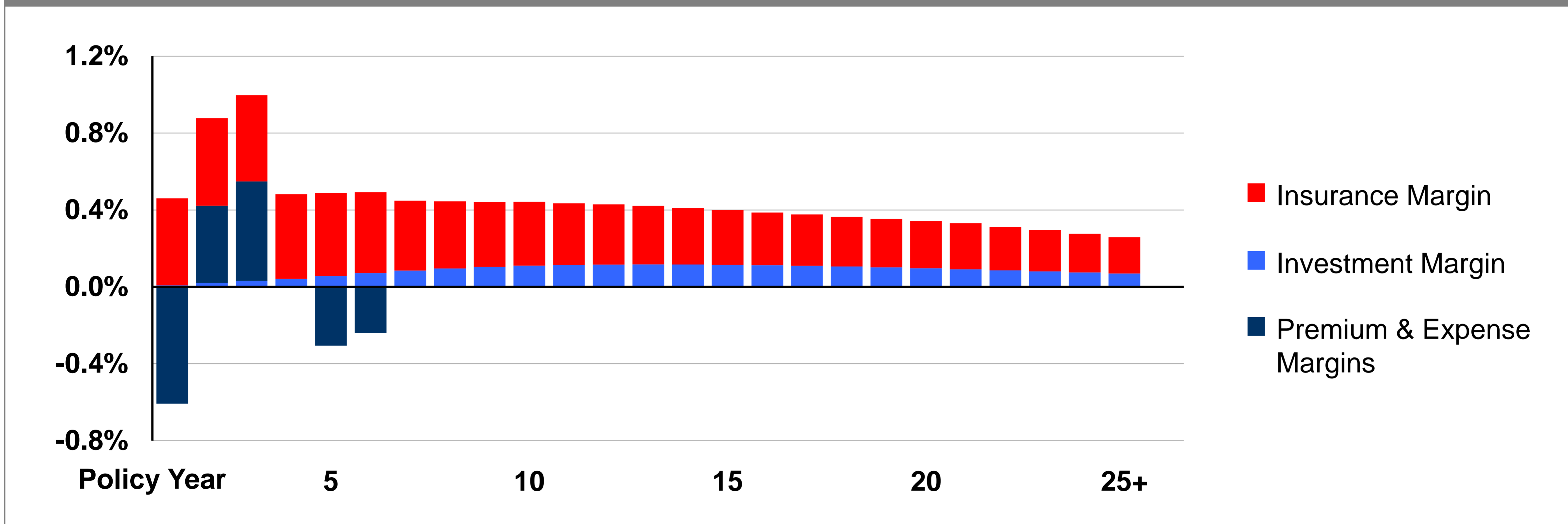
1. Traditional UK style with-profits business only

2. Excludes Japan which ceased writing new business in Q1 2010

Profit Profile of Cohort of Typical Unit-linked with Riders

Insurance margin makes up two-thirds of the profits

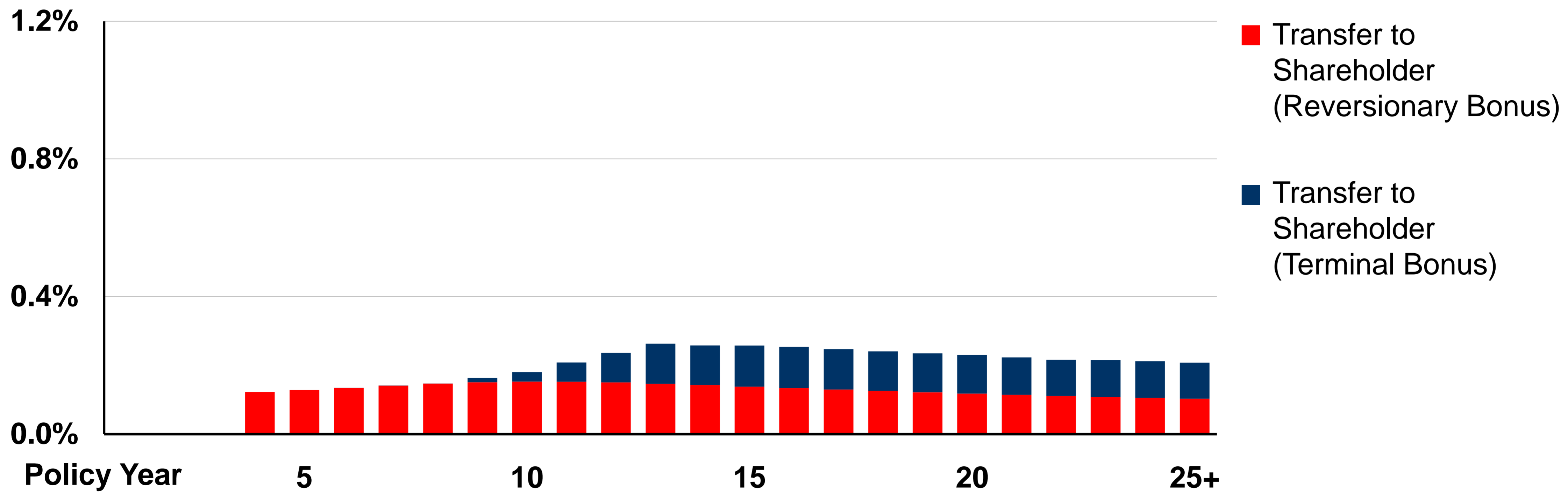
Discounted Profits as % of Present Value of Future Premiums



Profit Profile of Cohort of Typical With-Profits Policy

Profit emerges more slowly than the unit-linked counterpart

Discounted Profits as % of Present Value of Future Premiums



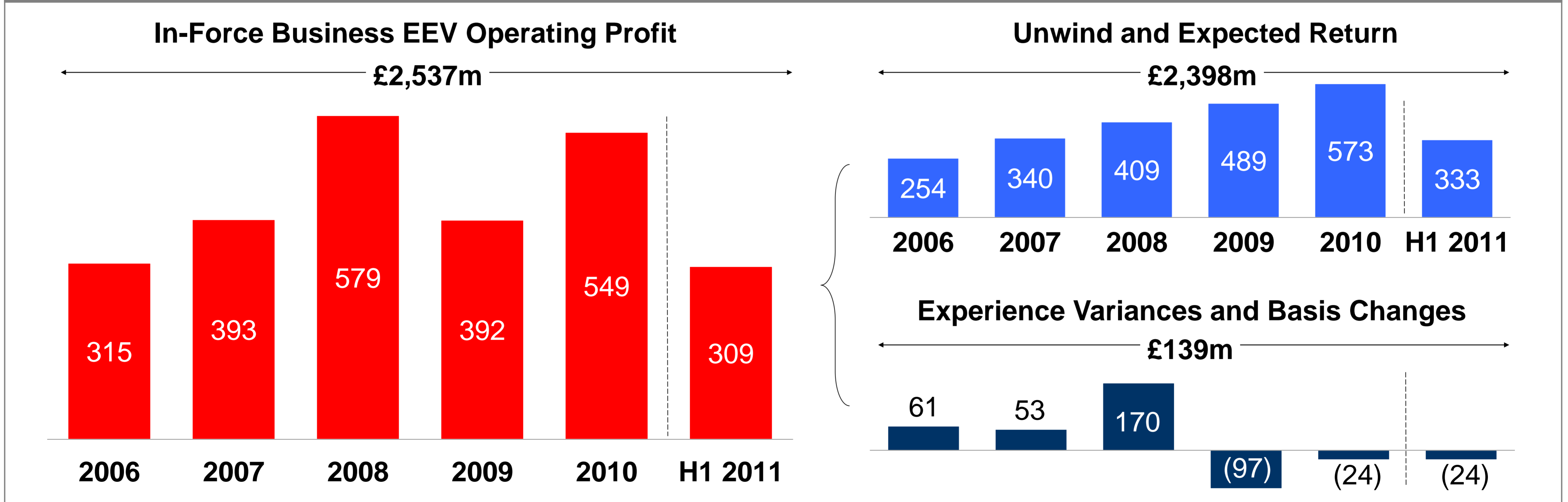
Content

- New Business Quality
- Product Profit Profiles
- **EEV Robustness**
- Free Surplus Generation, IFRS and Cash

In-Force Business Contribution

In-force business has contributed £2.5bn in operating profit (2006-H1 2011), including £139m experience variances and basis changes

History of In-Force Business EEV Operating Profit (£m, AER)

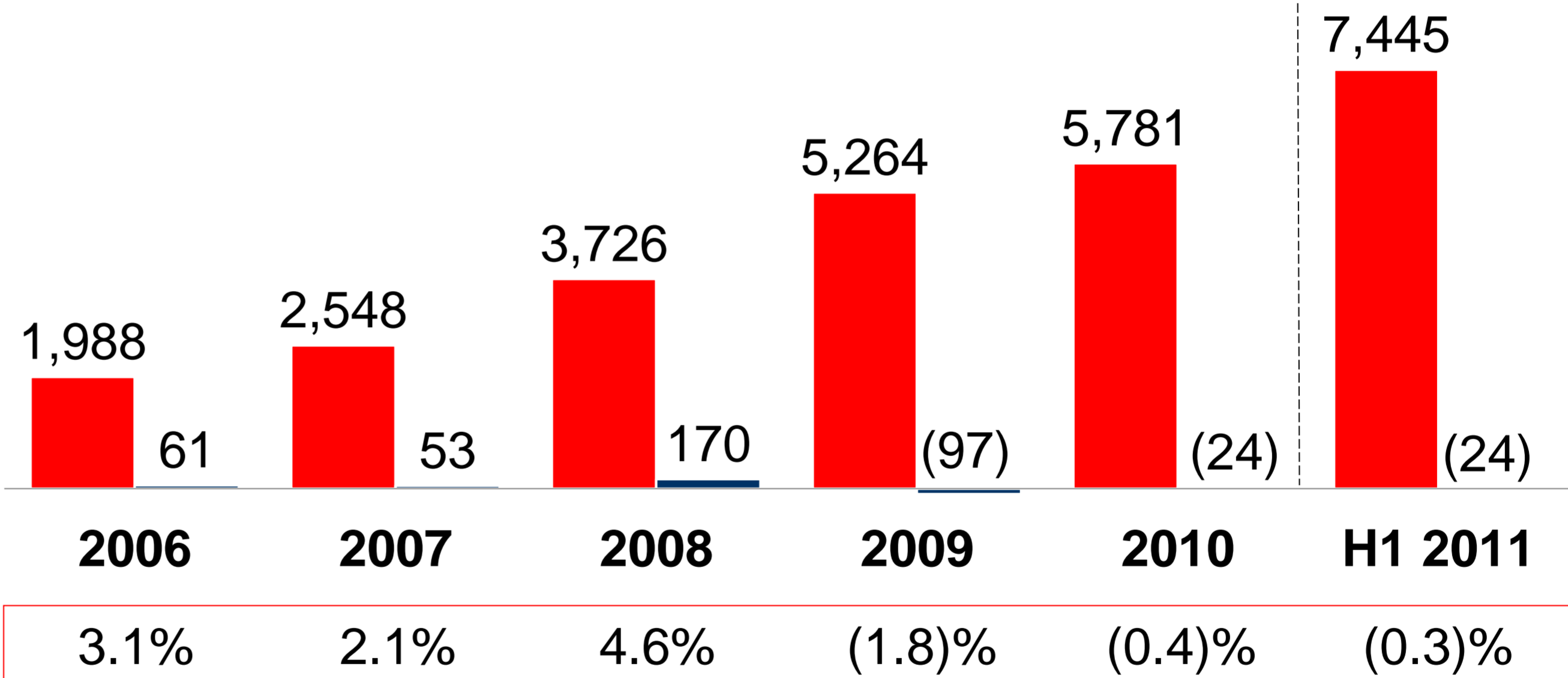


Operating Experience

Operating experience variances and basis changes averaged only 0.5% of opening EEV (2006-H1 2011)

Operating Experience Variances and Basis Changes relative to Embedded Value (£m, AER)

- Opening Embedded Value
- Experience variances and basis changes (2006–H1 2011: £139m)
- Experience variances and basis changes as % of opening EEV



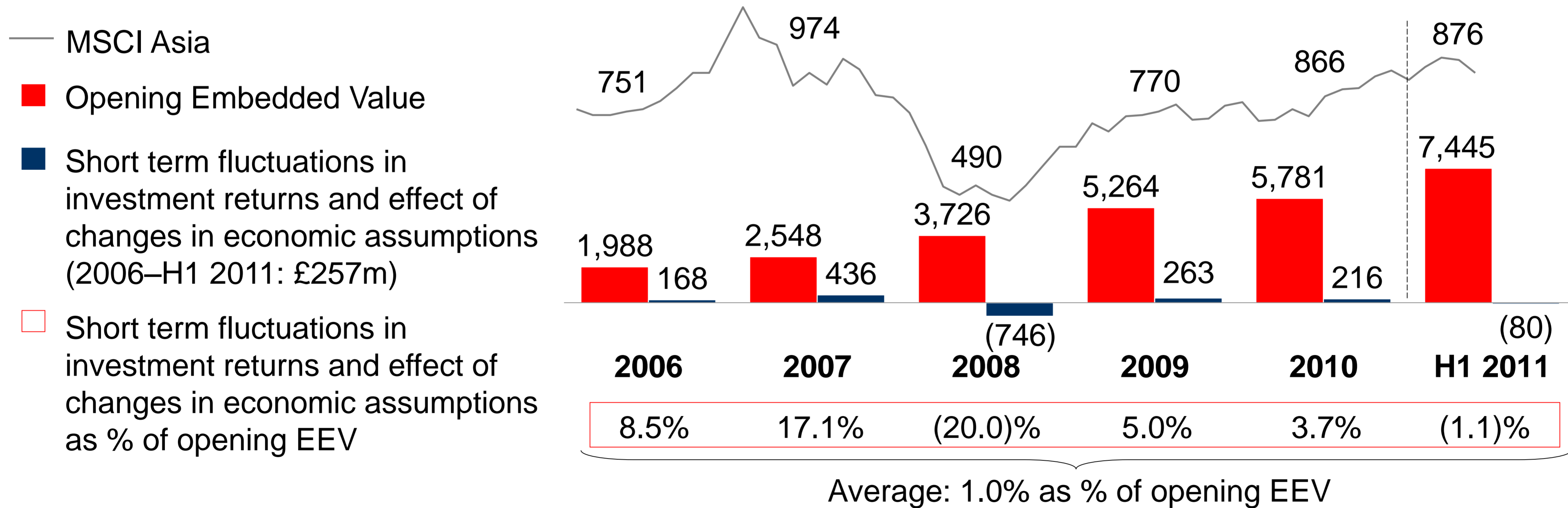
Average: 0.5% as % of opening EEV

2008 experience variances and basis changes exclude Taiwan agency business (sold in Q1 2009)

Non-operating Experience

Impact of short term fluctuations has been relatively small, even in volatile market conditions

Short Term Fluctuations in Investment Returns and Effect of Changes in Economic Assumptions Relative to Embedded Value (£m, AER)



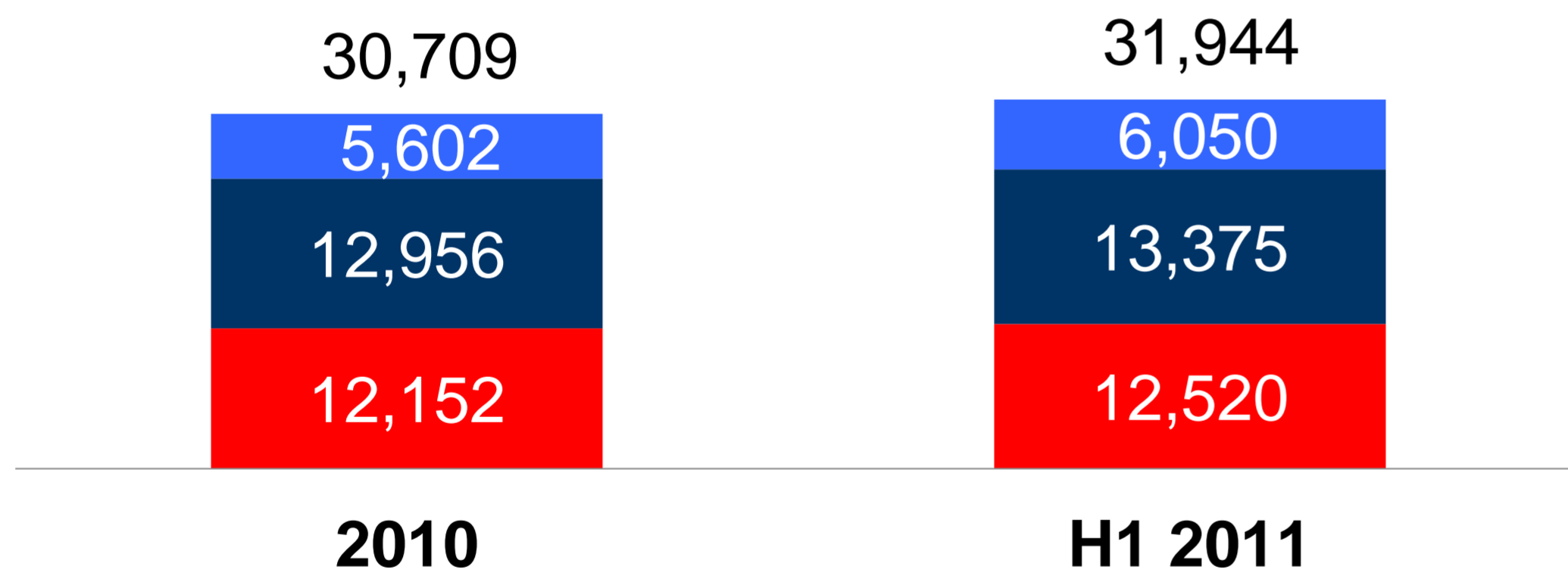
2008 short term fluctuations in investment returns and effect of changes in economic assumptions exclude Taiwan agency business (sold in Q1 2009)

Equity Market Exposure

Limited shareholder exposure to equity markets

Funds Under Management by Business Type (£m, AER)

- Other (shareholder-backed)
- Unit-linked/separate account assets
- With-profits



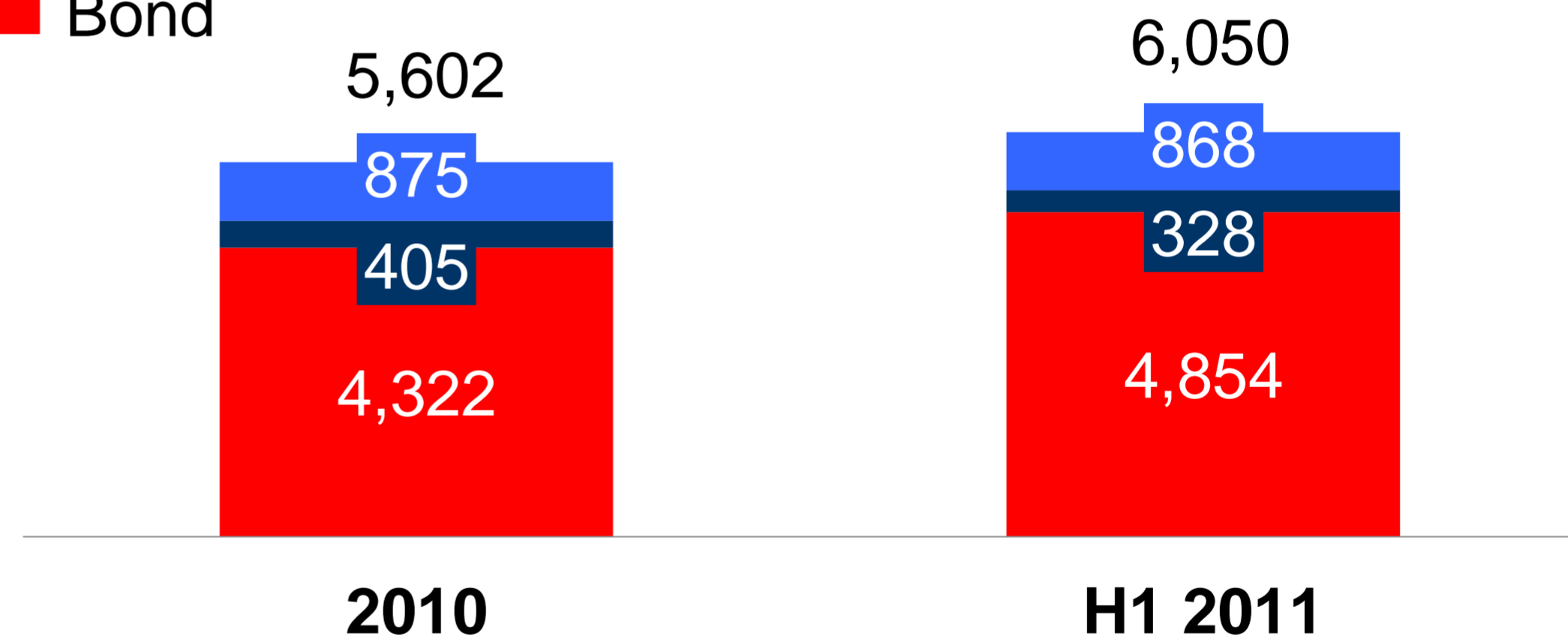
Shareholder-backed business as % of total Life FUM

18.2%

18.9%

Shareholder-backed Business by Asset Type (£m, AER)

- Others (deposits, mortgage loan, policy loan, etc.)
- Equity
- Bond



Equity as % of shareholder-backed business FUM

7.2%

5.4%

In respect of Life insurance operations only

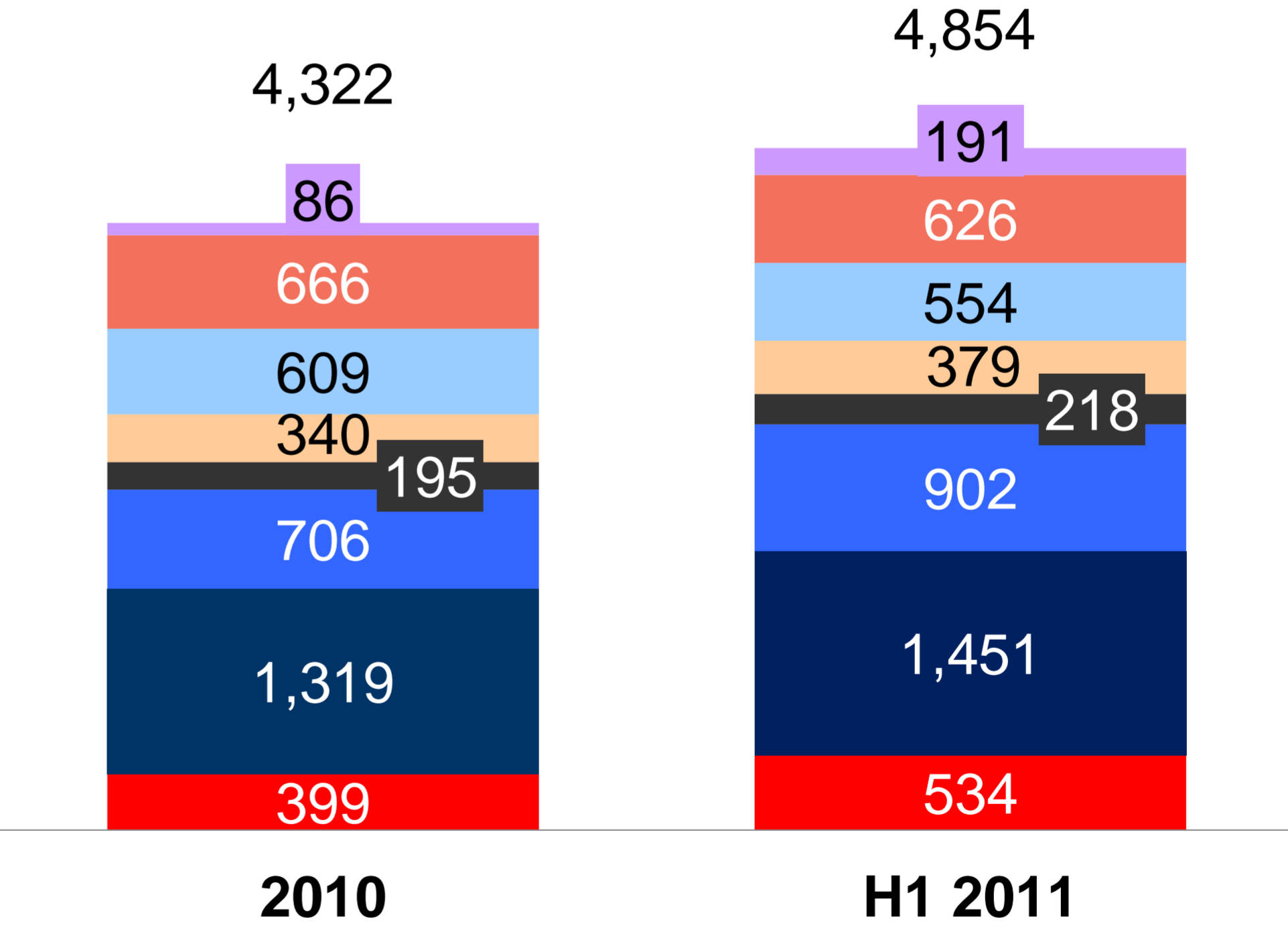
Credit Exposure



Limited shareholder exposure to credit risks

Bond Portfolio by Rating in Shareholder-backed Business (£m, AER)

- Others
- Locally rated investment-grade corporate bonds
- Government bonds of non investment-grade countries
- Government bonds of investment-grade countries
- (S&P, Moody's, Fitch) BBB
- (S&P, Moody's, Fitch) A
- (S&P, Moody's, Fitch) AA
- (S&P, Moody's, Fitch) AAA



In respect of Life insurance operations only

Content

- New Business Quality
- Product Profit Profiles
- EEV Robustness
- Free Surplus Generation, IFRS and Cash



Free Surplus Generation

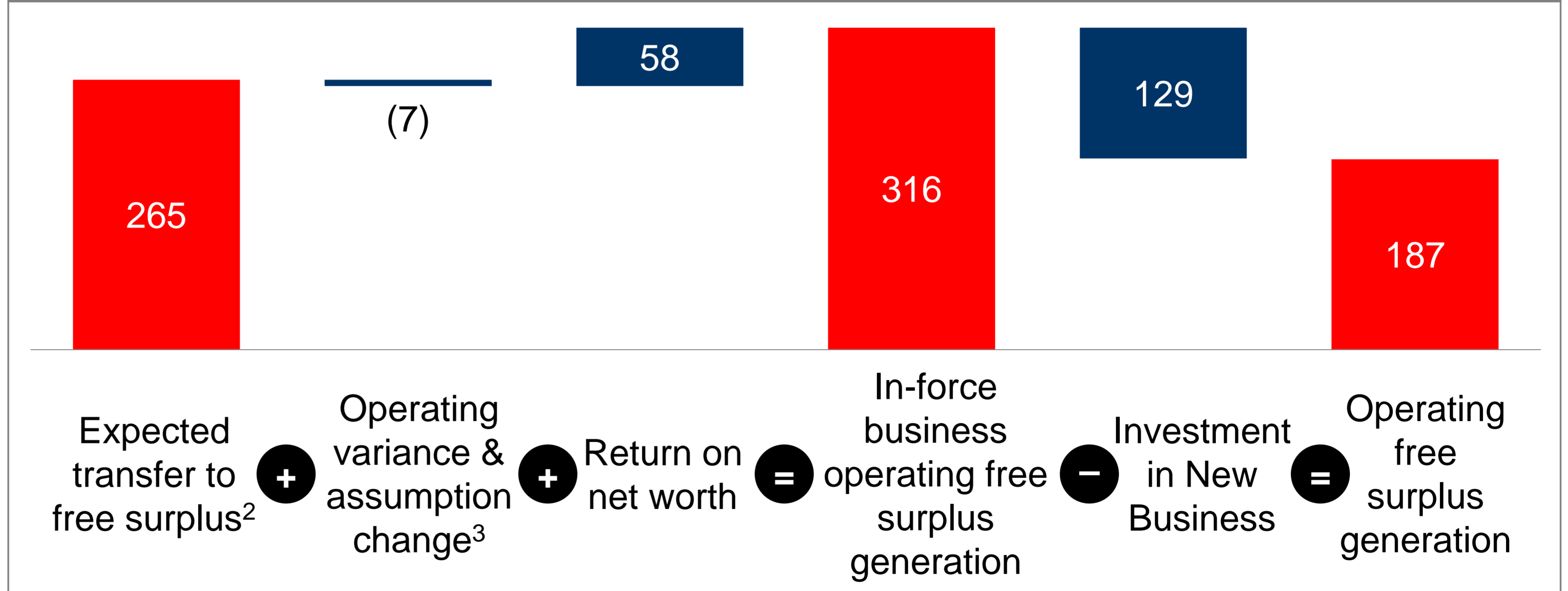
Expected VIF monetization provides guidance on quantum of operating free surplus generation of in-force book

Expected 2011 transfer to free surplus¹, £m



635¹

From Expected Transfer to Operating Free Surplus Generation H1 2011 (£m)



1. Transfer of value of in-force (VIF) and required capital to free surplus expected to emerge in 2011 (page 71 of Annual Report 2010)

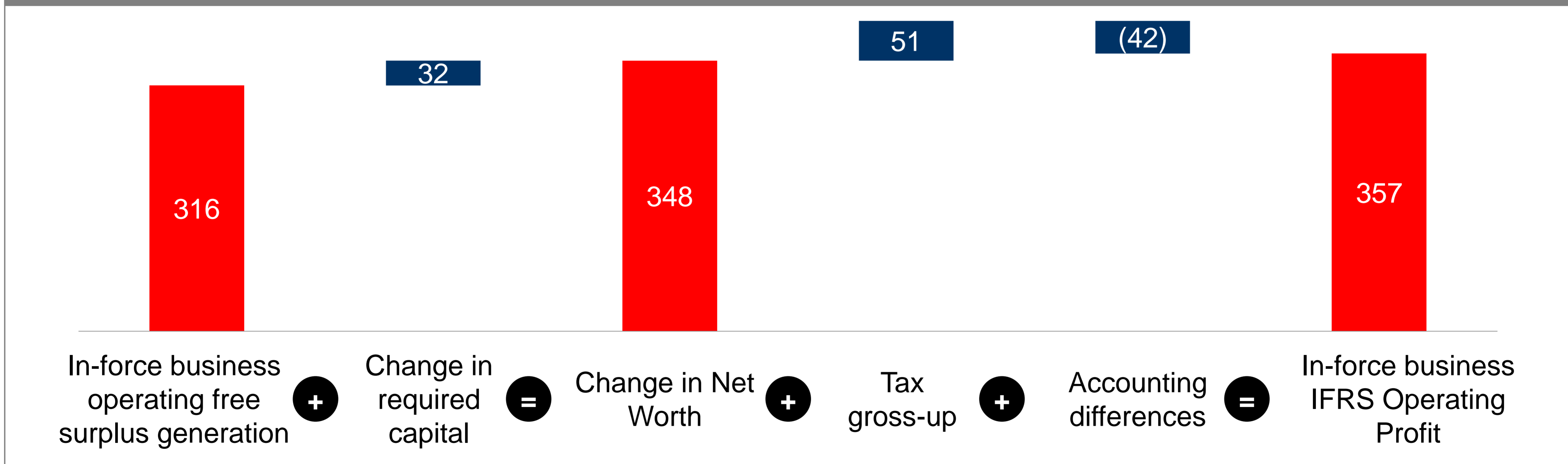
2. Net of one-off adjustments to required capital

3. Exclude one-off items associated with changes in required capital

IFRS Operating Profit

Operating free surplus generation from in-force book is approximately 90% of in-force IFRS operating profit

From In-Force Business Operating Free Surplus Generation¹ to IFRS Operating Profit² (£m)

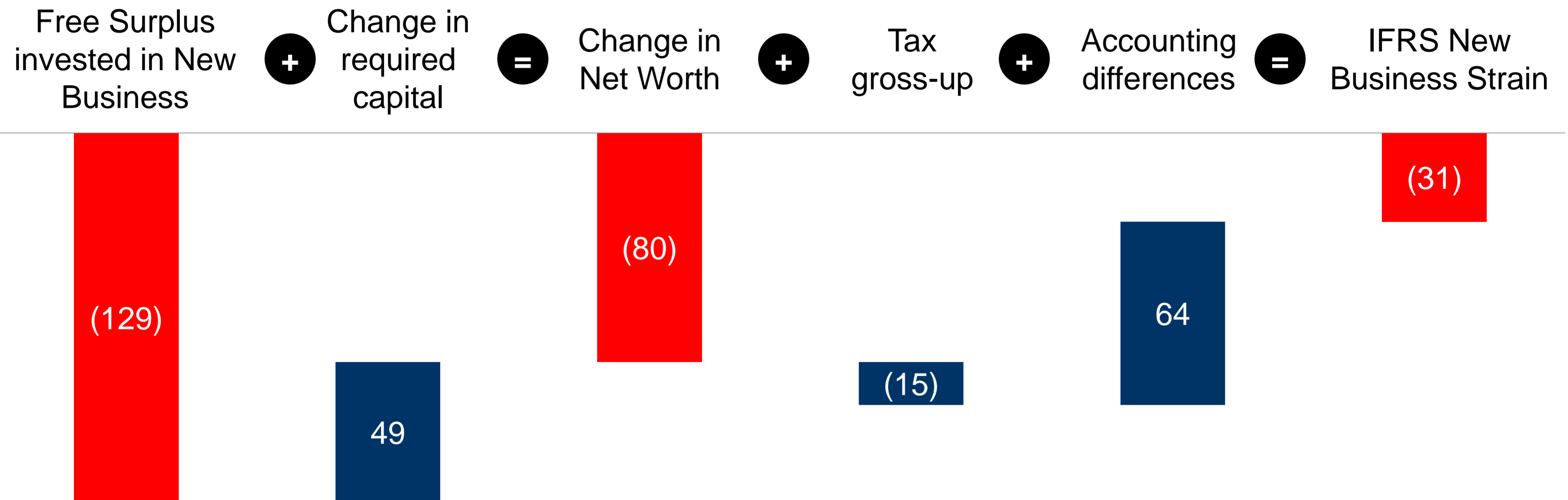


1. Post-tax
2. Pre-tax

IFRS Operating Profit

Impact of writing new business smoothed over time under IFRS

From Free Surplus invested in New Business¹ to IFRS New Business Strain² (£m)



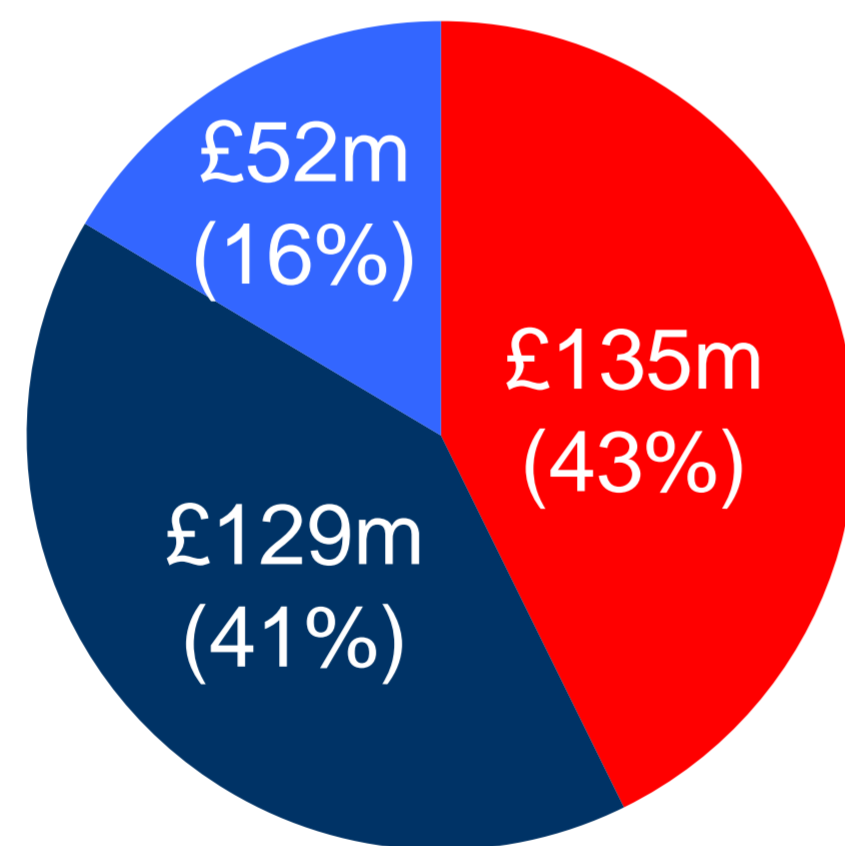
1. Post-tax
2. Pre-tax

Cash Remittance

**Insurance operations are key driver of Asia cash remittance.
43% of operating free surplus remitted in H1 2011, 41% invested to write new business**

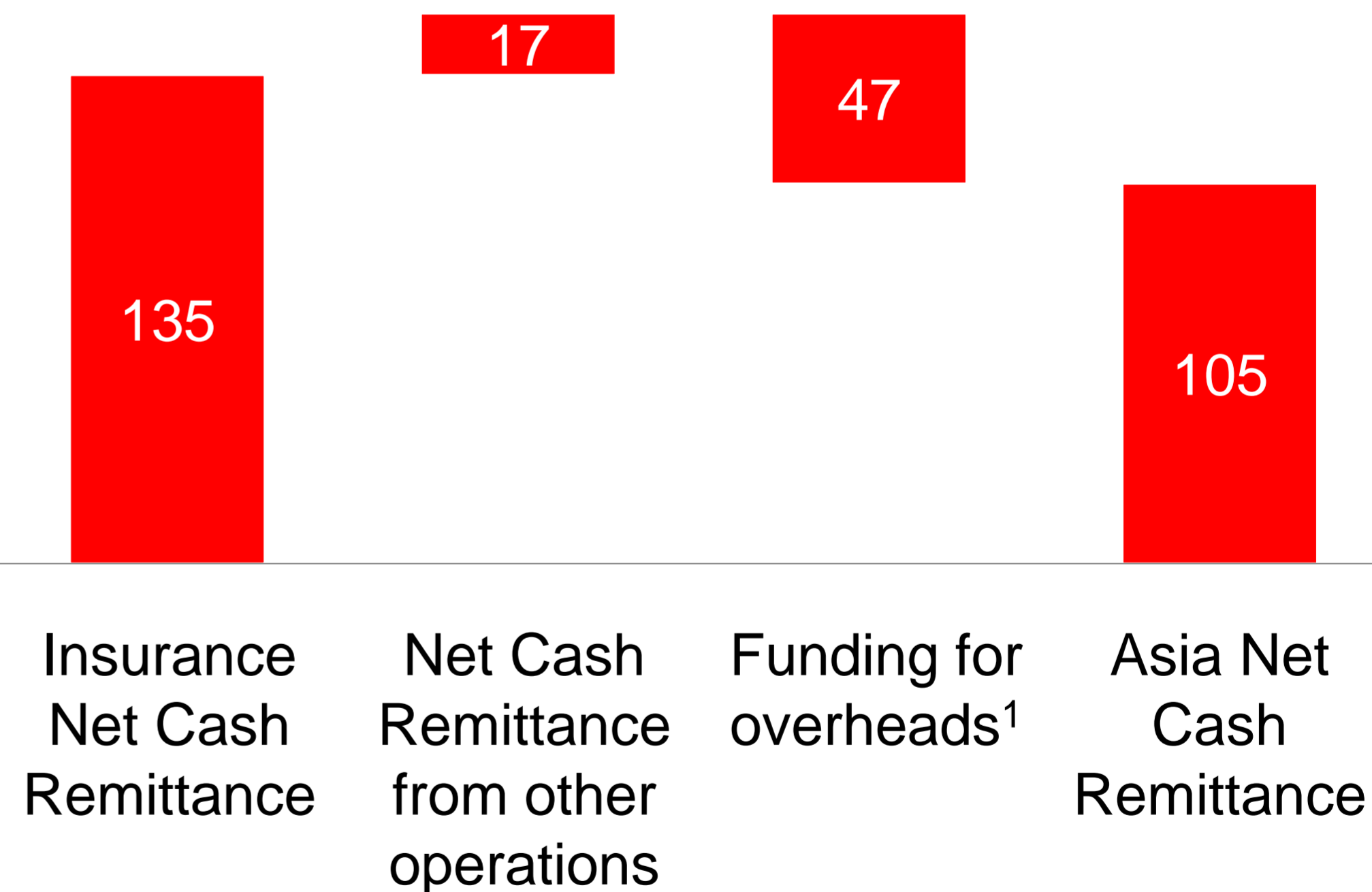
Operating Free Surplus Generation (OFSG)
H1 2011 from Insurance Operations

- Net Cash Remittance
- Investment in New Business
- Retained



Total In-force Insurance OFSG = £316m

Asia Net Cash Remittance
H1 2011 (£m)

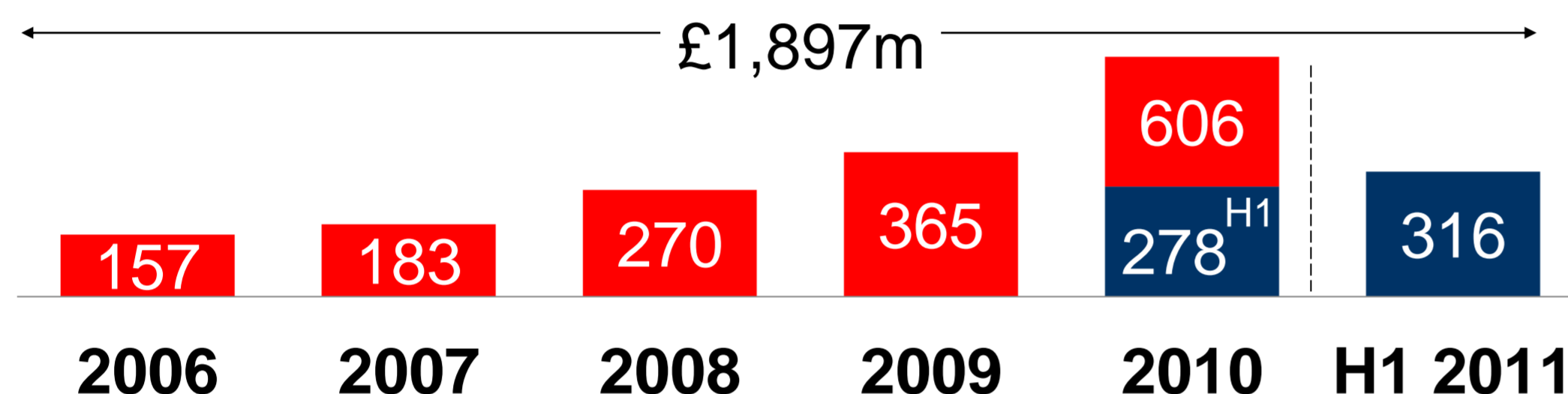


1. Regional Head Office costs were £30m in the first half of 2011

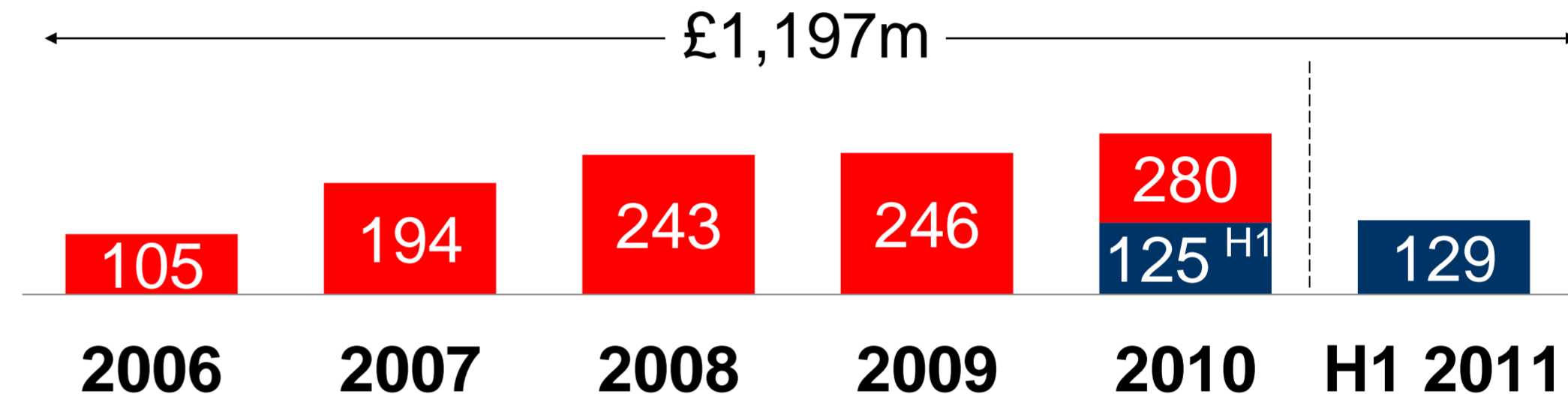
Summary

Insurance operations have generated £1.9bn operating free surplus from in-force book and invested £1.2bn (63%) to write £3.0bn new business profit

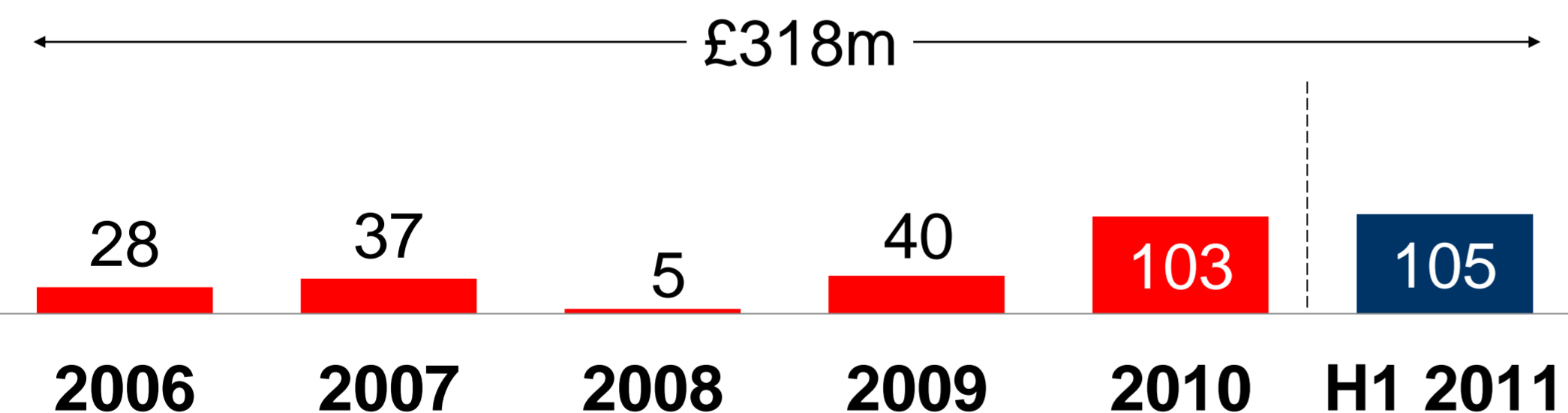
Operating Free Surplus Generation from In-Force Business¹



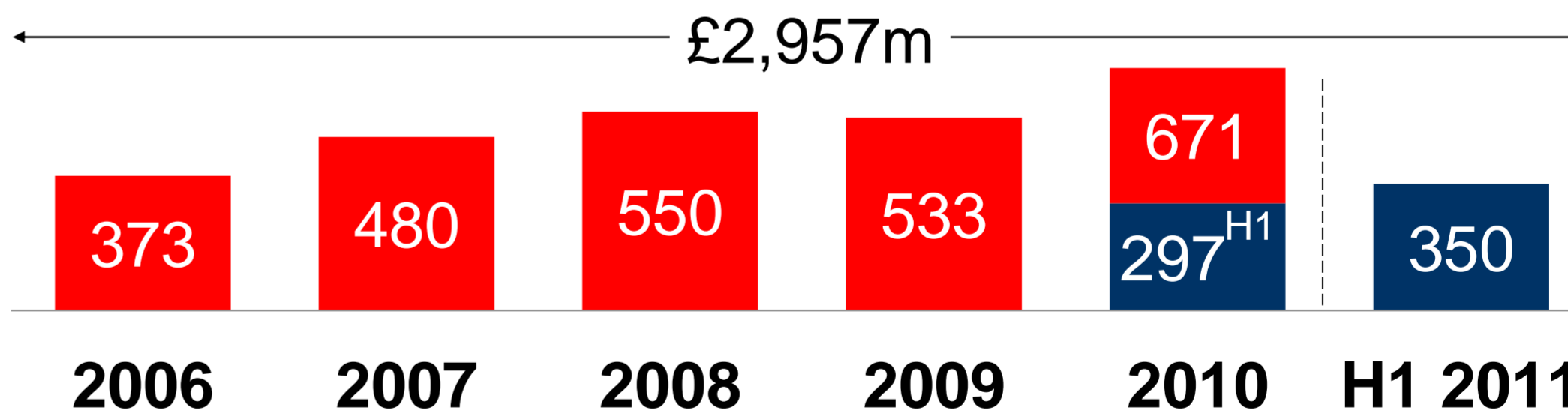
Free Surplus Invested in New Business¹



Asia Net Cash Remittance to Group²



New Business Contribution¹ (post tax)



1. As published. In respect of insurance operations only

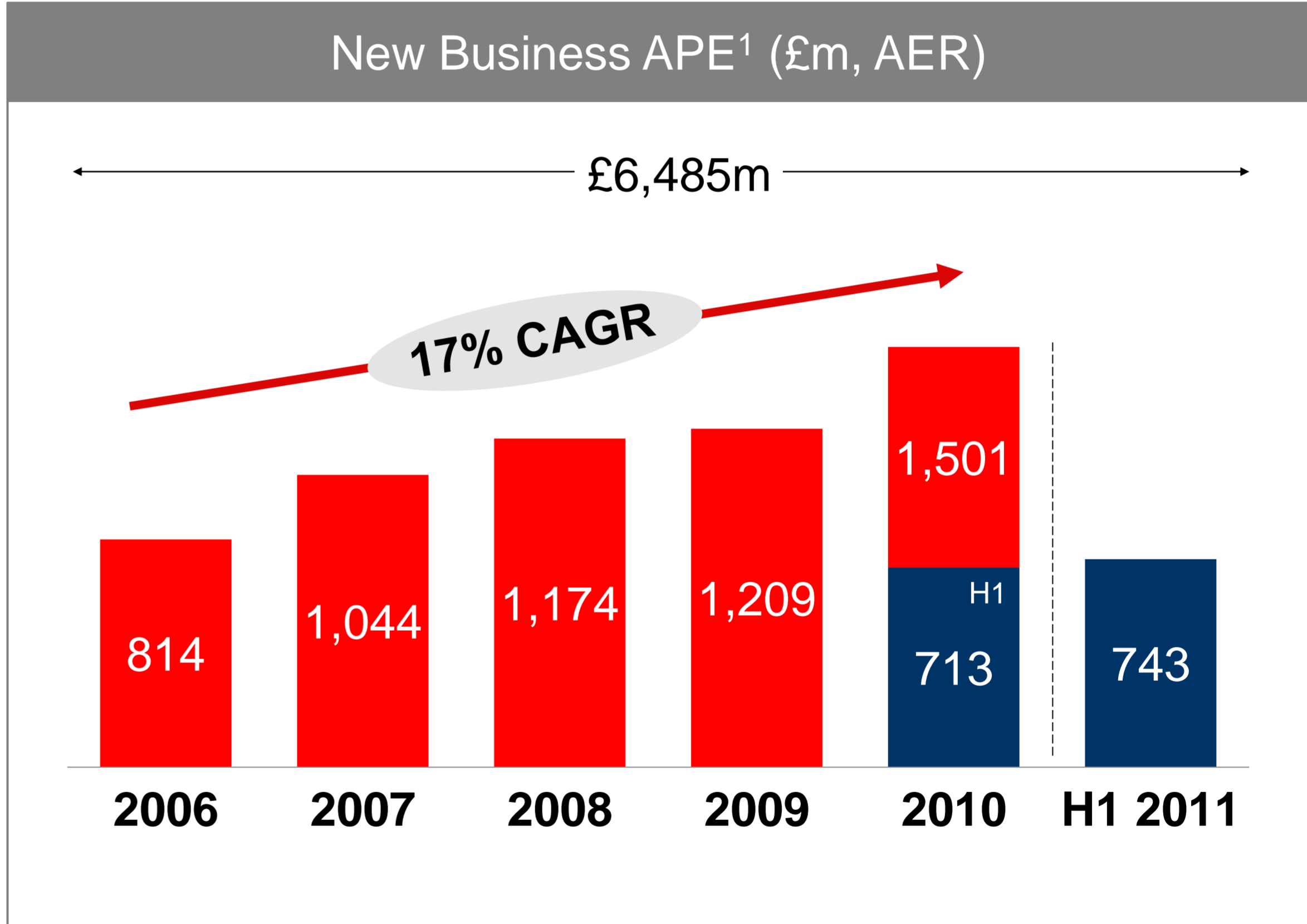
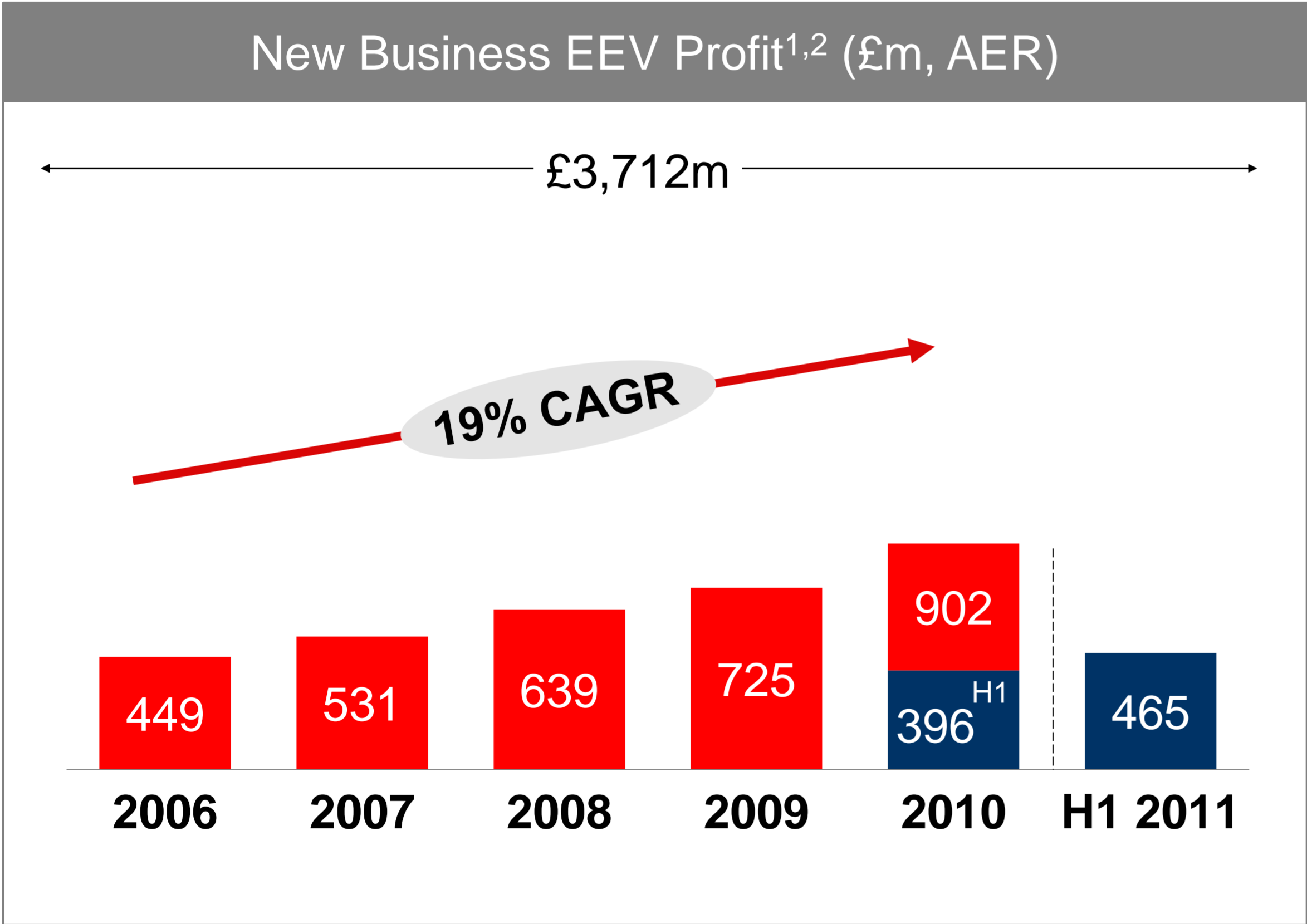
2. Includes net cash remittance from other operations and funding for overheads. £103m in 2010 excludes a one-off remittance of £130m from Malaysia



Appendix

New Business Contribution

Impact of writing new business smoothed over time under IFRS



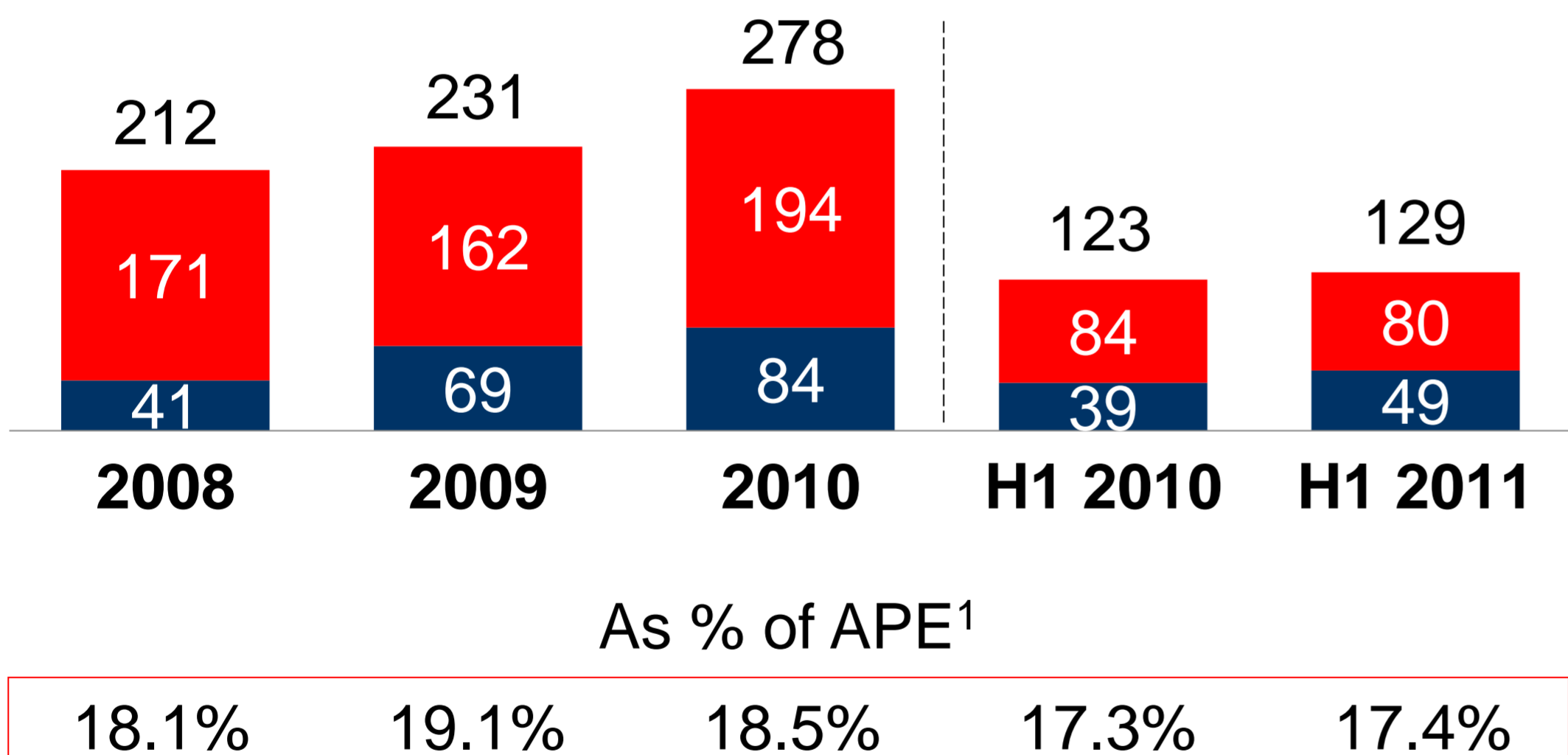
1. Excludes Taiwan agency business (sold in Q1 2009) and Japan Life (ceased writing new business in Q1 2010)
 2. Pre-tax

New Business Strain and Deferred Acquisition Costs

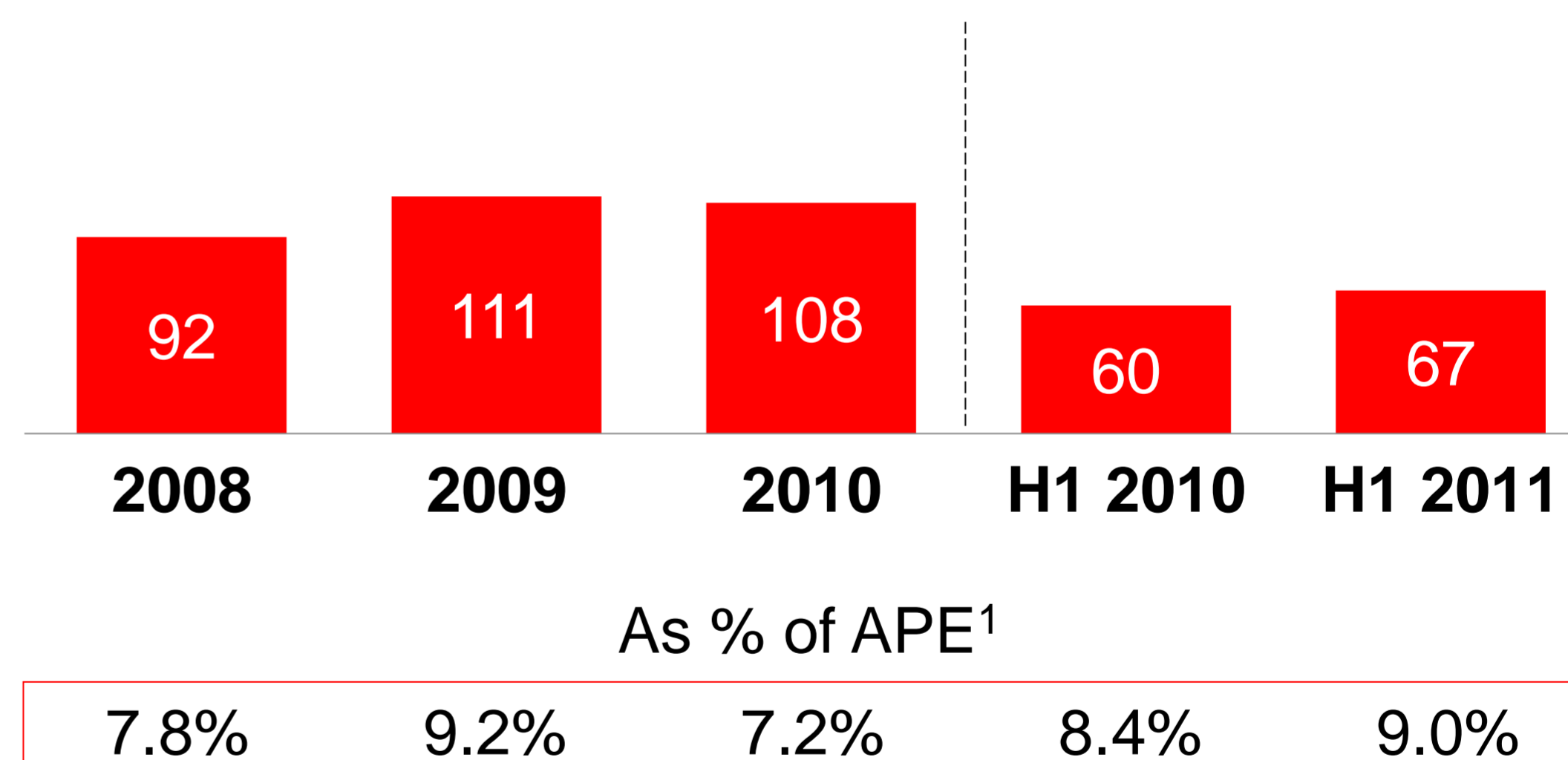
New Business Strain and DAC as percentage of APE have been relatively stable

Free Surplus Invested in New Business^{1,2} (£m, AER)

- Change in net worth (cash and reserving strain)
- Change in required capital (capital strain)



IFRS New Business Deferred Acquisition Costs^{1,3} (£m, AER)



1. Excludes Taiwan agency business (sold in Q1 2009) and Japan Life (ceased writing new business in Q1 2010)

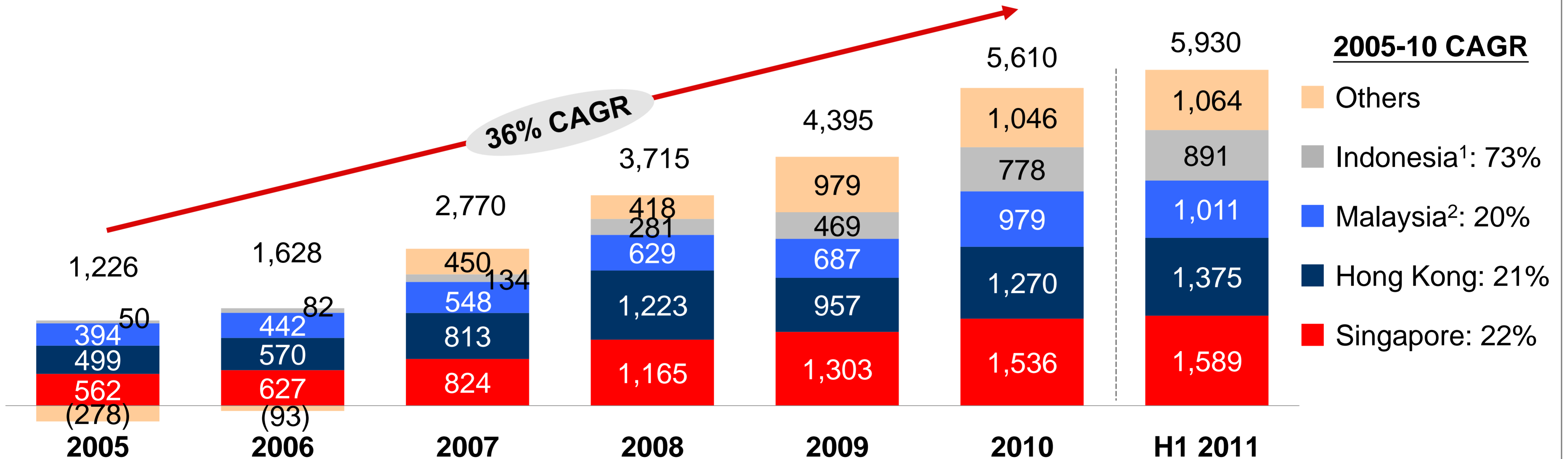
2. Post-tax

3. Pre-tax

Value of In-Force

A portfolio fuelled by new business and will continue to grow

Value of In-Force by Country (£m, AER)



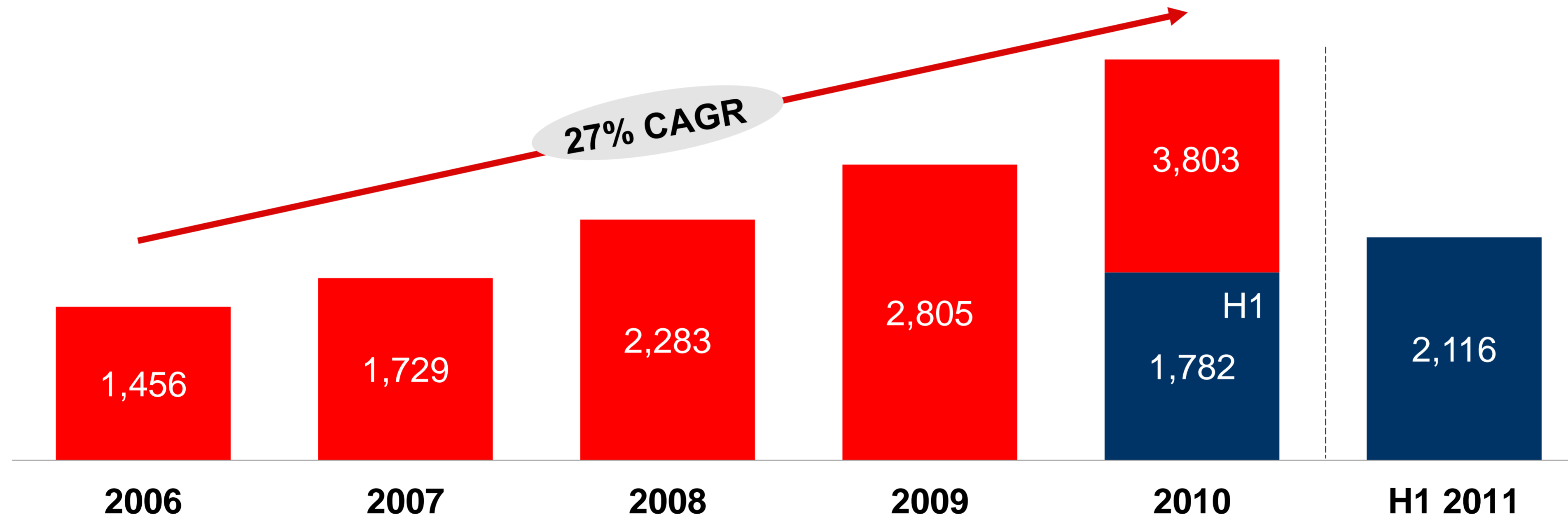
1. Indonesia's VIF in 2007 has been adjusted for a one-off item of £8m

2. Includes Takaful life operation in Malaysia. Takaful was previously included in the 'Others' category

Renewal Premiums

Robust momentum in renewal premiums, reflecting policyholders' continued belief in the preservation of their insurance contracts with Prudential

Renewal Premiums (£m, AER)

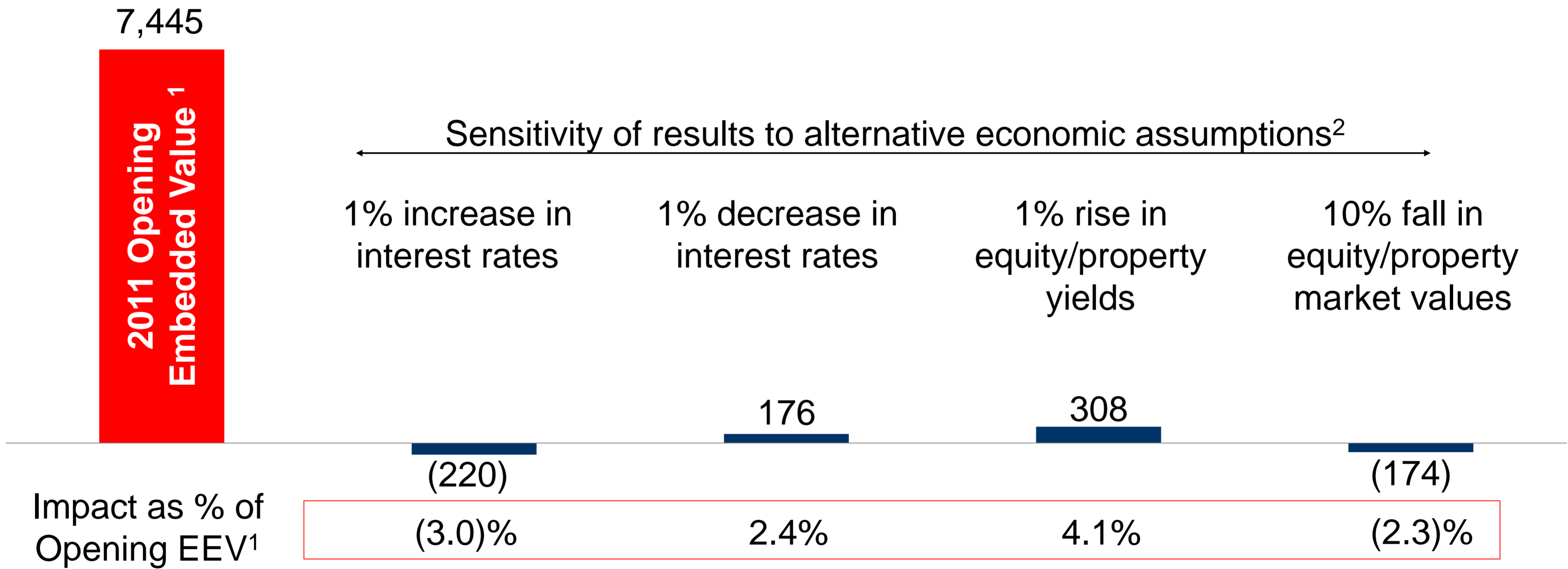


Exclude Taiwan agency business (sold in Q1 2009) and Japan Life (ceased writing new business in Q1 2010)

Sensitivities to Market Movements

Guidance on EEV sensitivities to market movements provided annually

Sensitivity of EEV to Market Movements (£m)



1. Embedded Value at 31 December 2010
 2. Sensitivity analysis from page 423 of Annual Report 2010