



Prudential plc BOAML CEO Conference

“Low rates and evolving regulation: How to
deliver shareholder return”

1st October 2014

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, future market conditions, including fluctuations in interest rates and exchange rates and 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 related to the financial crisis and the effect of the European Union's 'Solvency II' requirements on Prudential's capital maintenance requirements; the impact of designation as a global systemically important insurer; the impact of competition, economic growth, inflation, and deflation; experience in particular with regard to 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 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 actions 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' found in the preliminary document.

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.



2014 half year financial headlines

Strong performance on all key metrics

	£m	HY 2014	HY 2013	Change CER ¹ (%)	Change AER ¹ (%)
Growth	IFRS operating profit	1,521	1,415	+17%	+7%
	New business profit²	1,015	913	+24%	+11%
	EEV operating profit	1,943	1,821	+18%	+7%
Cash	Free surplus generation	1,219	1,152	+13%	+6%
	Net remittance³	974	844	+15%	+15%
	Dividend per share³ (pence)	11.19	9.73	+15%	+15%
Capital	IGD (£bn)	4.1	3.9		
	EEV per share (pence)	1,009	958		+5%

1 AER: Actual Exchange Rate. CER: Constant Exchange Rate.

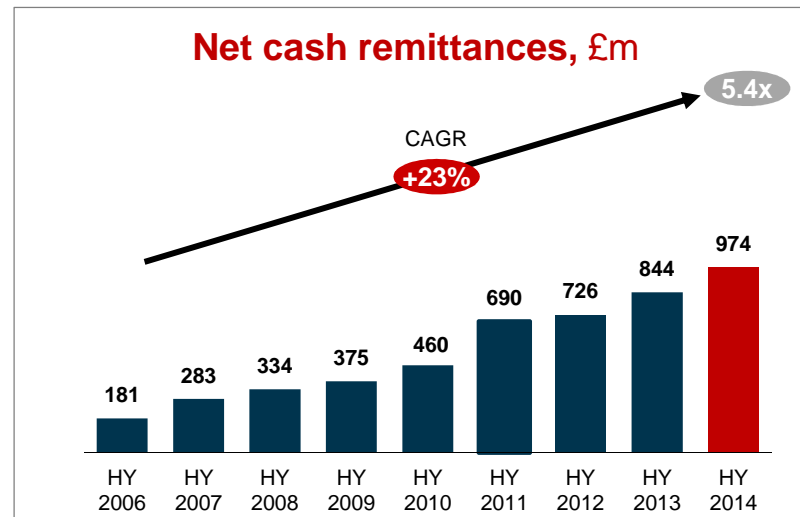
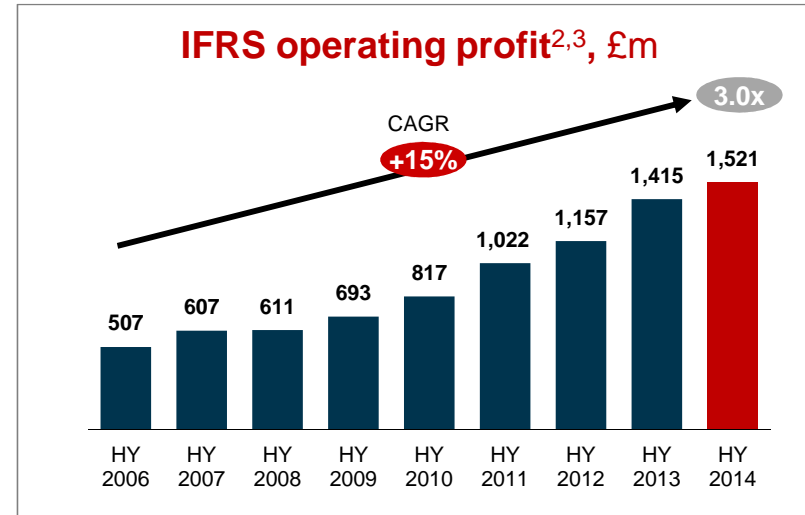
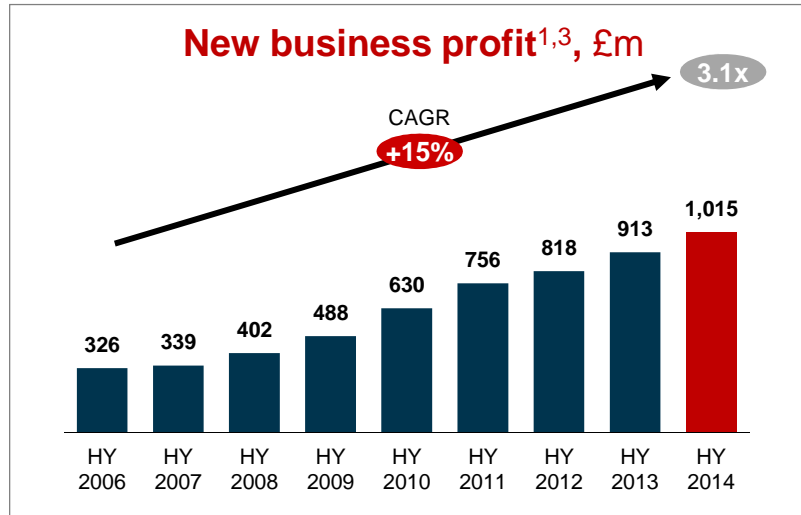
2 On a post tax basis.

3 Net remittance and Dividend per share stated on actual exchange rates.



Group

Continuation of a strong track record



x.x HY 2014 multiple over HY 2006

1 On a post tax basis and excludes Japan Life and Taiwan agency.

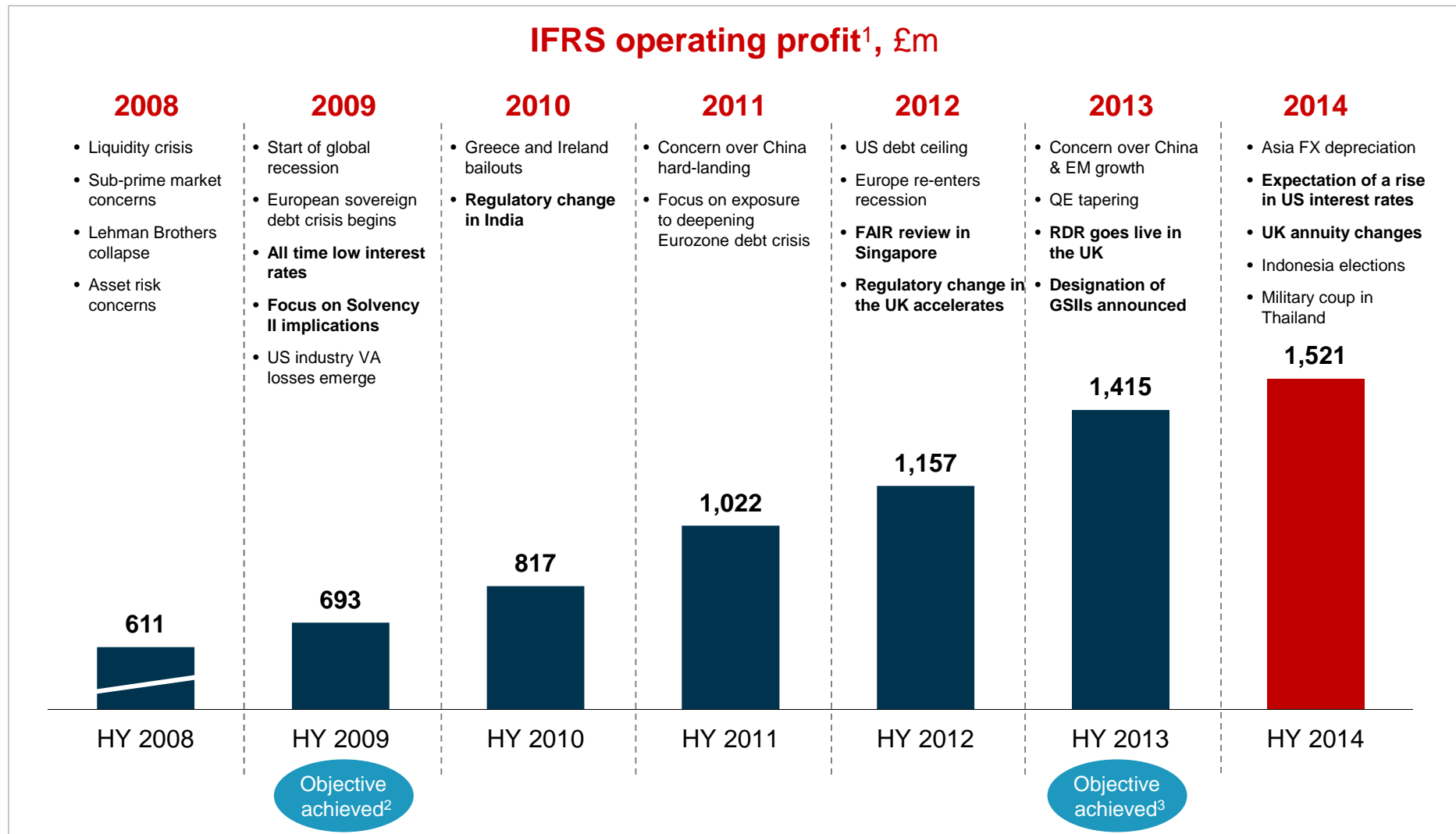
2 HY 2006 – HY 2007 as reported. HY 2008- HY 2014 adjusted for new and amended accounting standards and excludes Japan Life.

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



Group

Effective response to challenges



¹ Adjusted for new and amended accounting standards and excludes Japan Life.

² Objective of doubling 2005 Asia NBP.

³ 2013 Growth and Cash objectives.





Significant protection gap in Asia



Transition of US 'baby-boomers'
into retirement

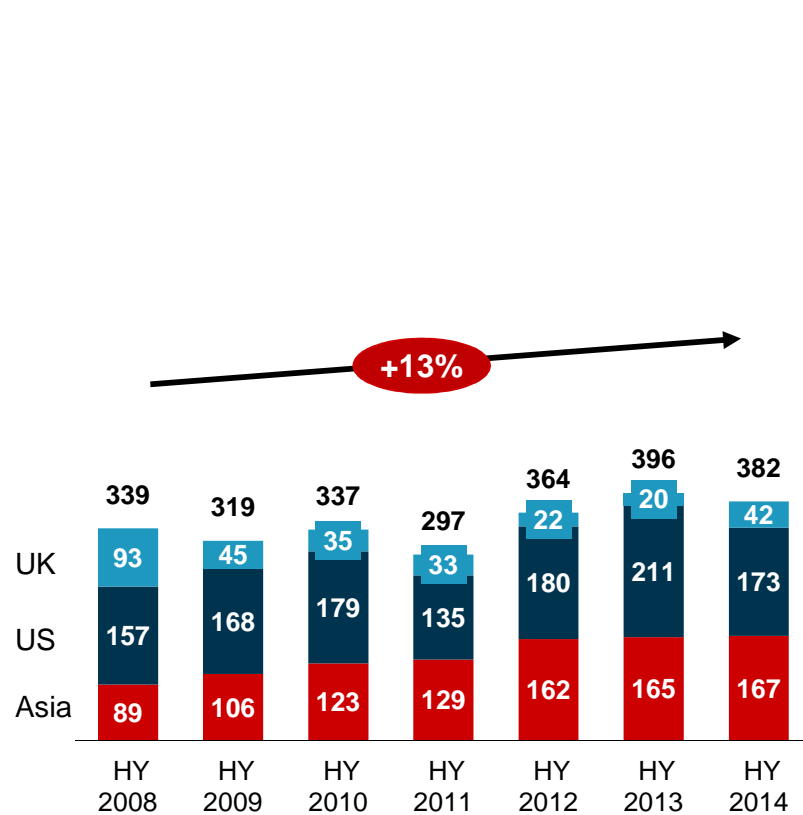


UK 'savings gap' and ageing population
in need of returns / income

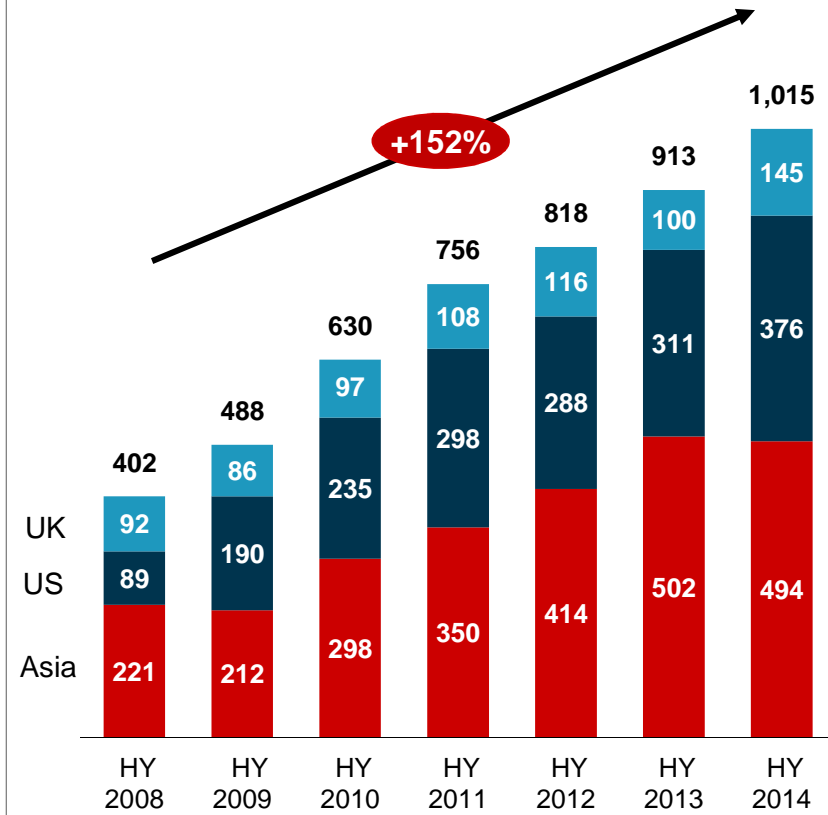
Group

Disciplined capital allocation

New business strain^{1,3}, £m



New business profit^{2,3}, £m

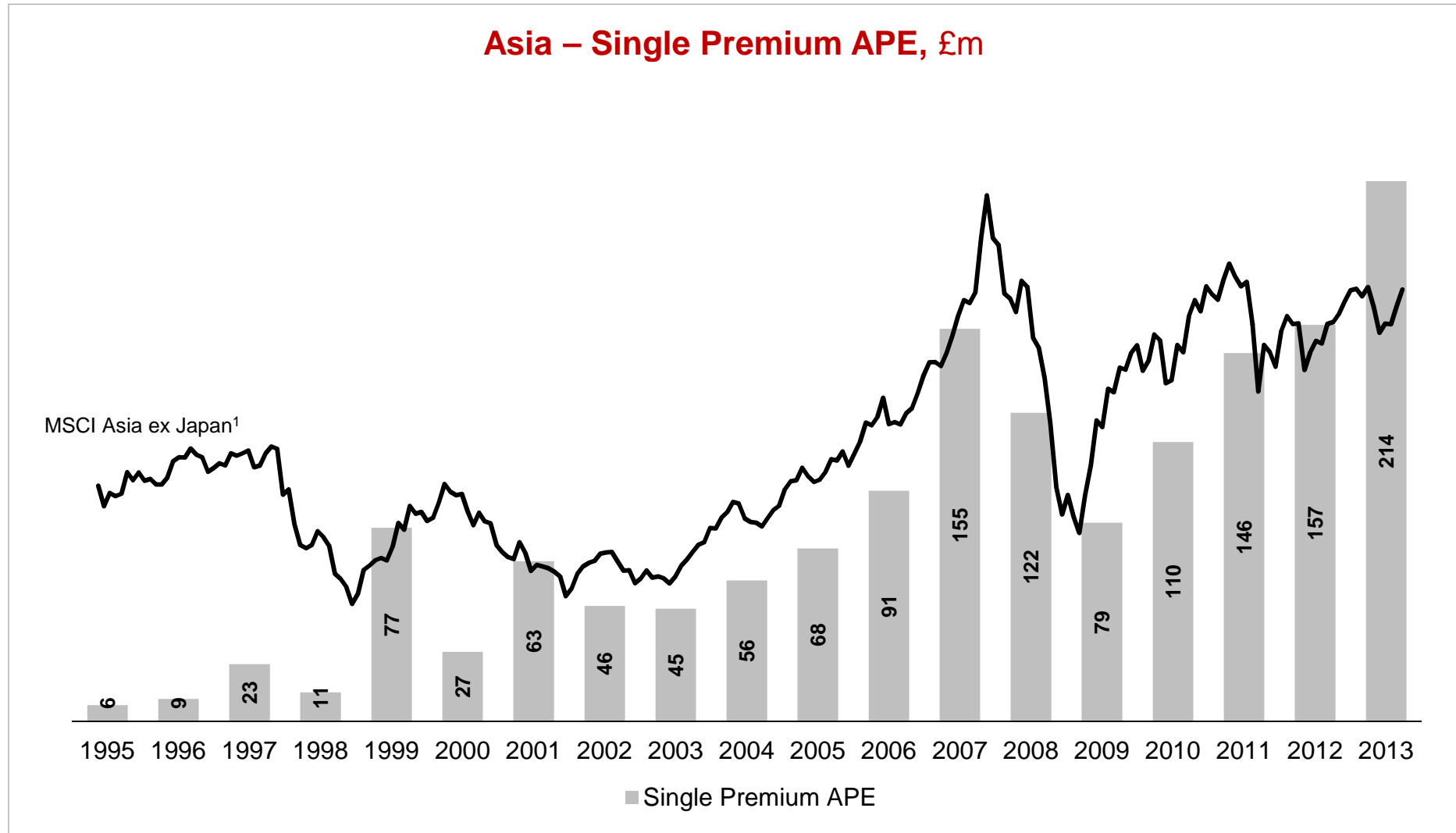


1 Free surplus invested in new business.
 2 On a post tax basis.
 3 Excludes Japan Life and Taiwan agency.



Asia

Single premium sales are sentiment led and volatile



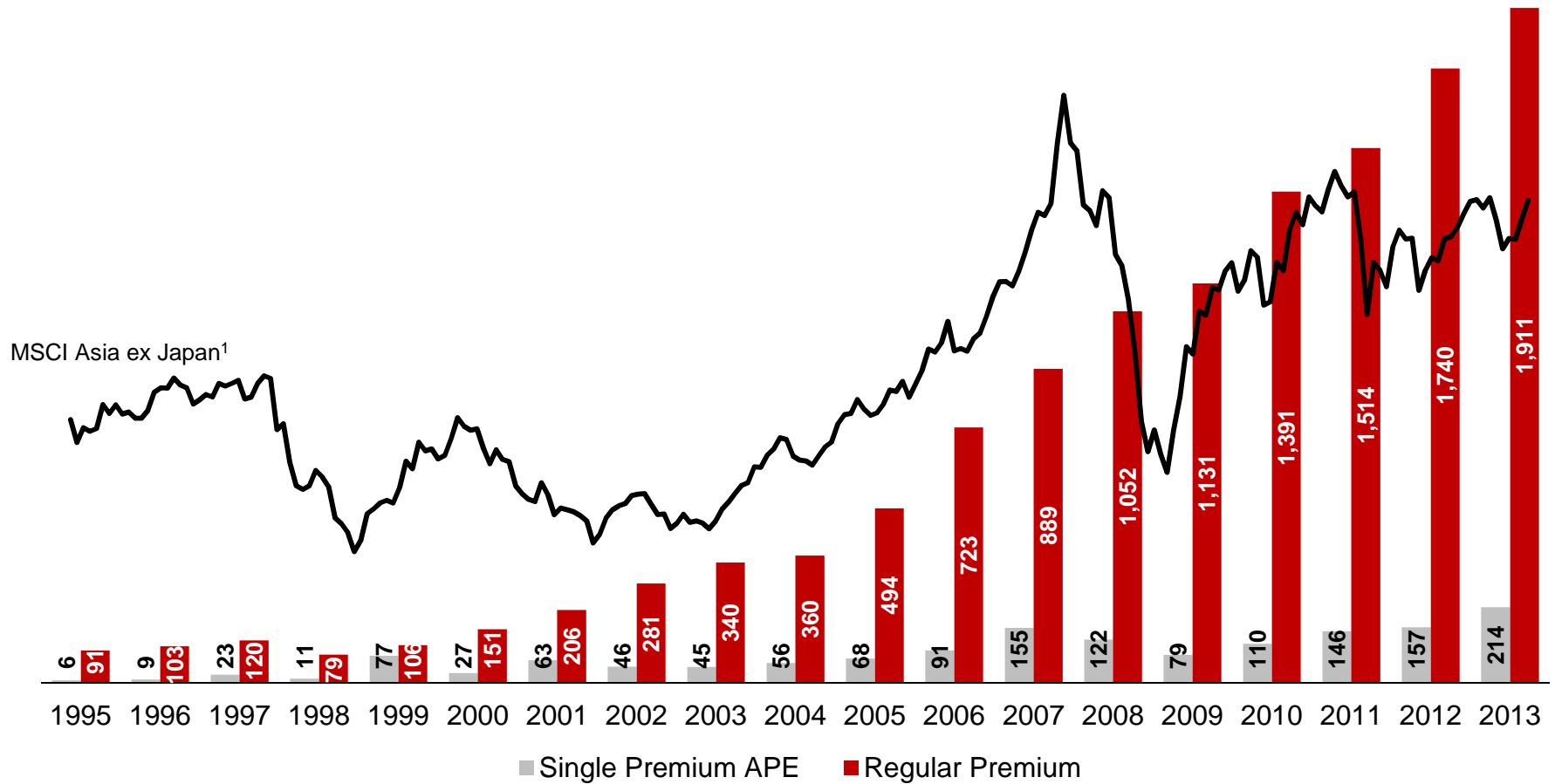
¹ Source: Datastream.



Asia

Regular premium focus drives resilient growth for PCA

Asia – Regular and Single Premium APE, £m

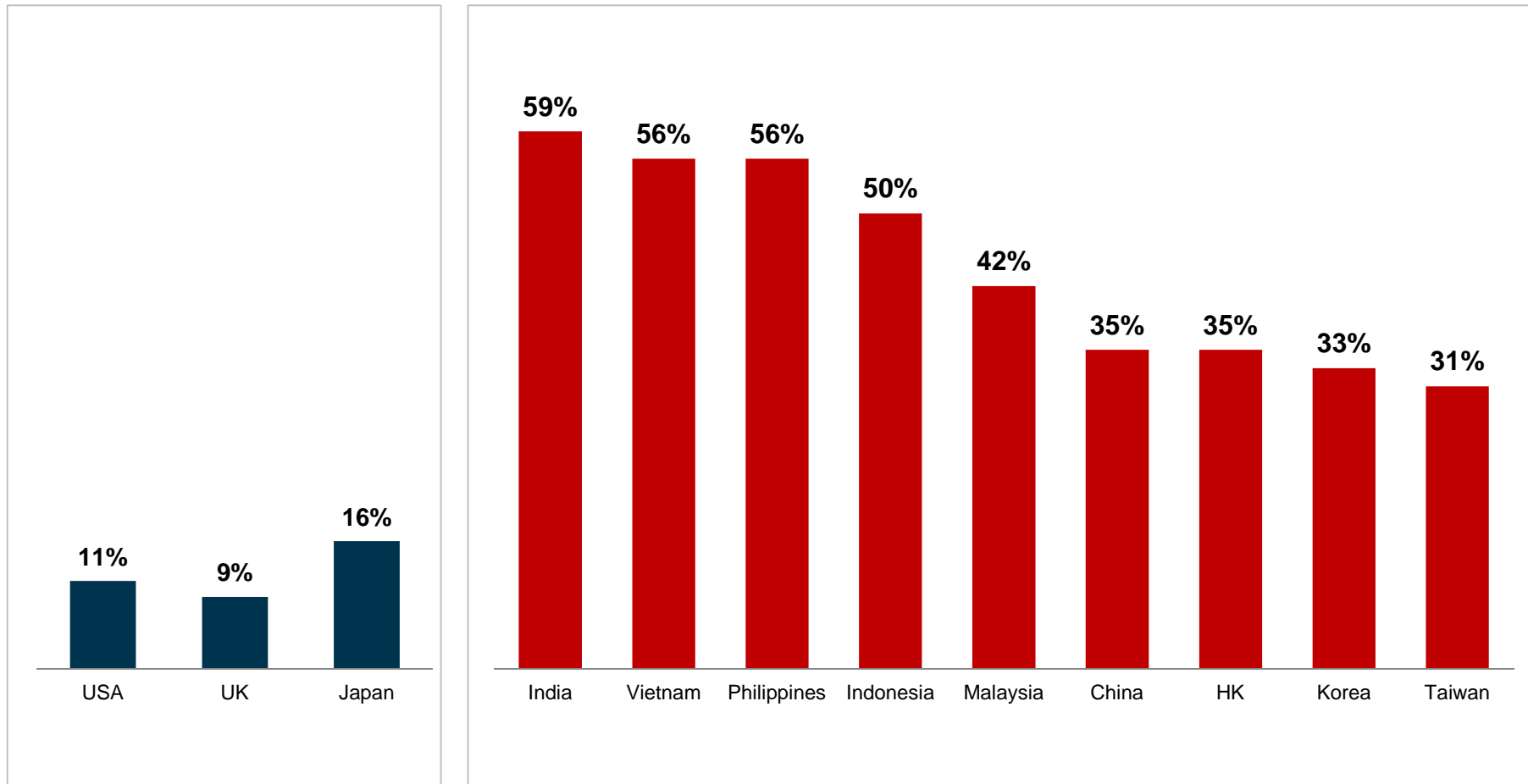


¹ Source: Datastream.

Asia

Significant protection gap in sweetspot markets

Share of medical expenses paid out-of-pocket¹, %

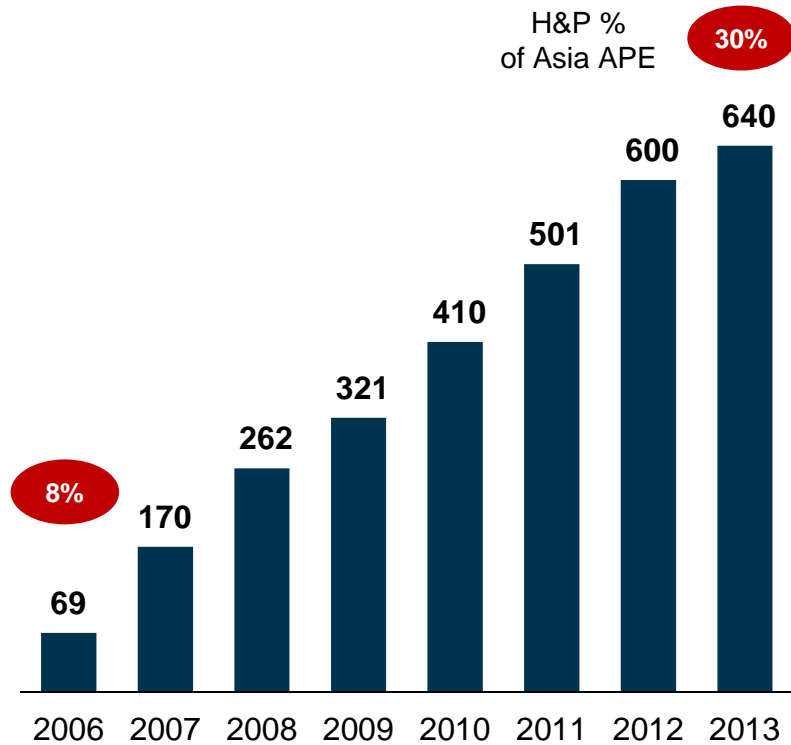


¹ World Health Organisation – Global Health Expenditure Database (2011). For Hong Kong – Food and Health Bureau, Government of Hong Kong (2010). For Taiwan data is for the year 2006.

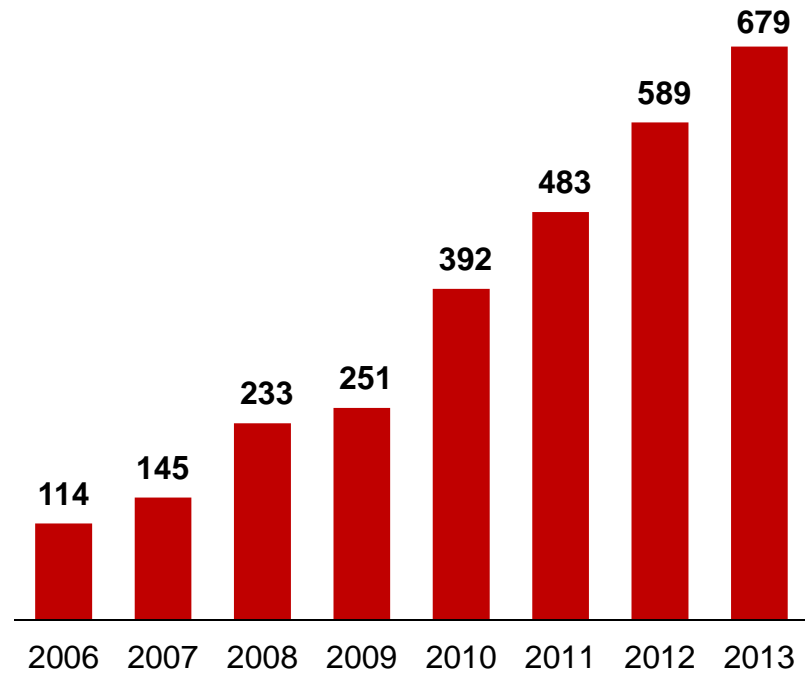
Asia

Disciplined capital allocation

Asia Health and Protection APE¹, £m



Asia insurance margin^{2,3}, £m



¹ Comparatives have been stated on an actual exchange rate basis. Excludes Japan and Taiwan agency. For FY06 and FY07, excludes Taiwan.

² Adjusted for new and amended accounting standards and excludes Japan Life. Figure for 2006 and 2007 data not collected, values are indicative estimates

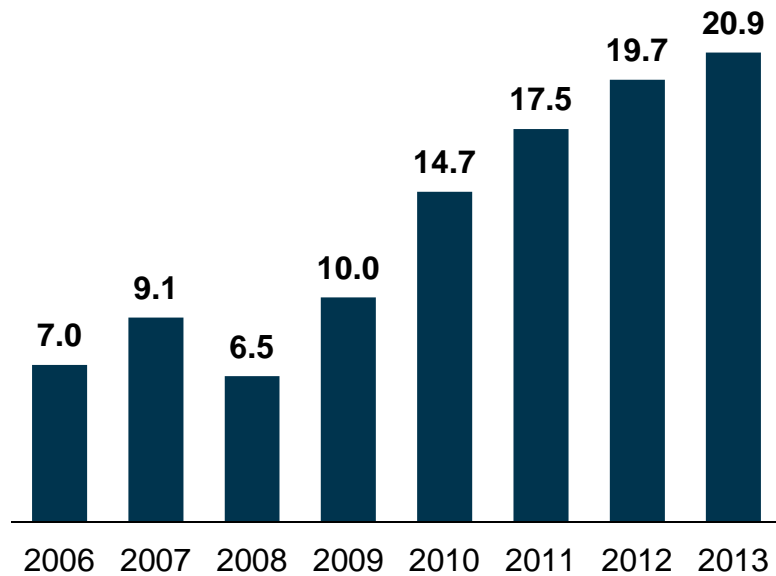
³ Comparatives have been stated on an actual exchange rate basis. Insurance margin includes new business and in-force.



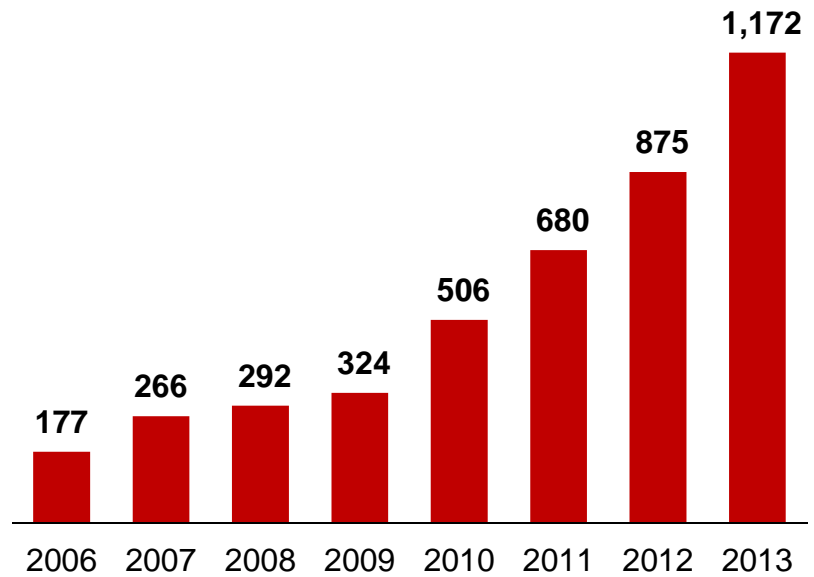
Jackson

Disciplined capital allocation

Jackson VA sales, \$bn



Jackson fee income¹, £m

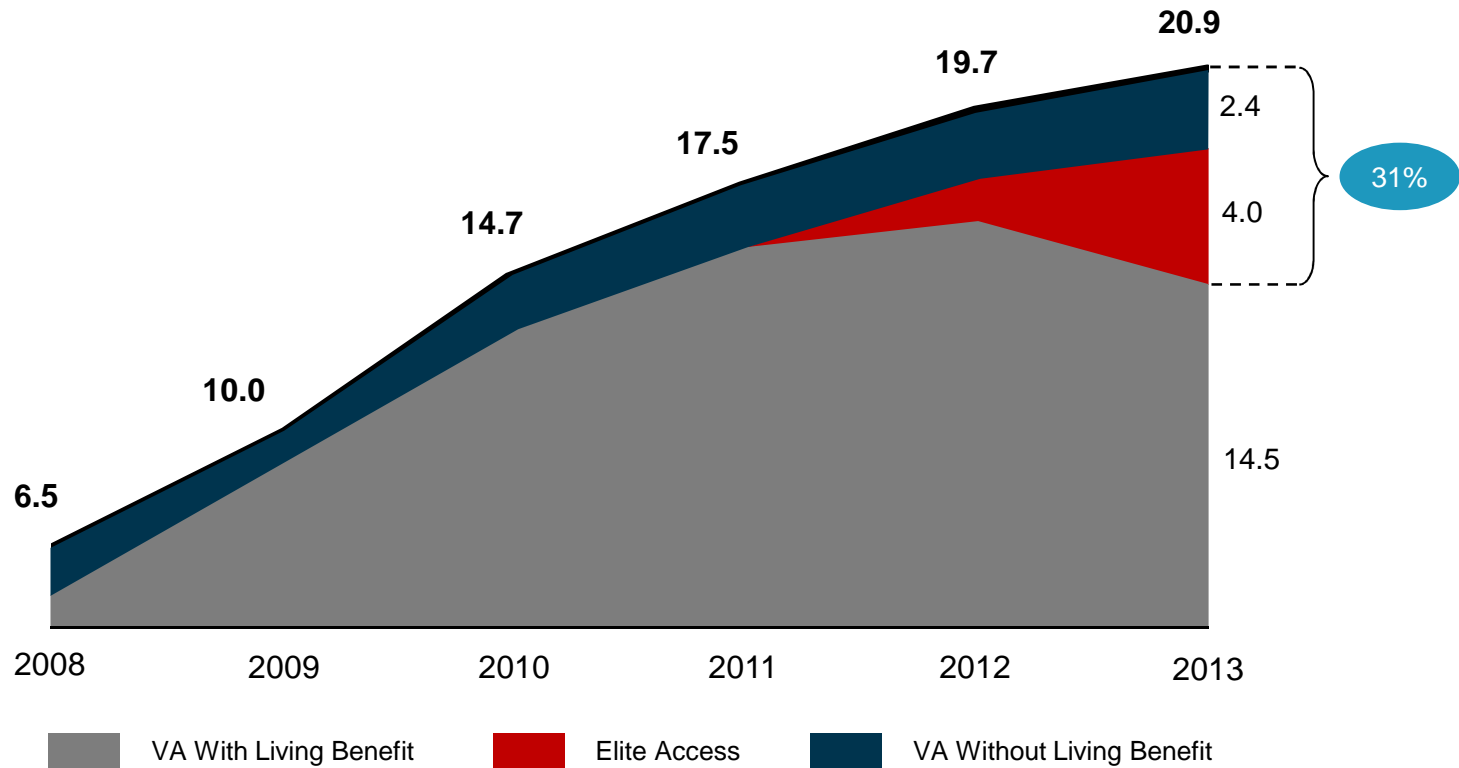


¹ Comparatives have been stated on an actual exchange rate basis

Jackson

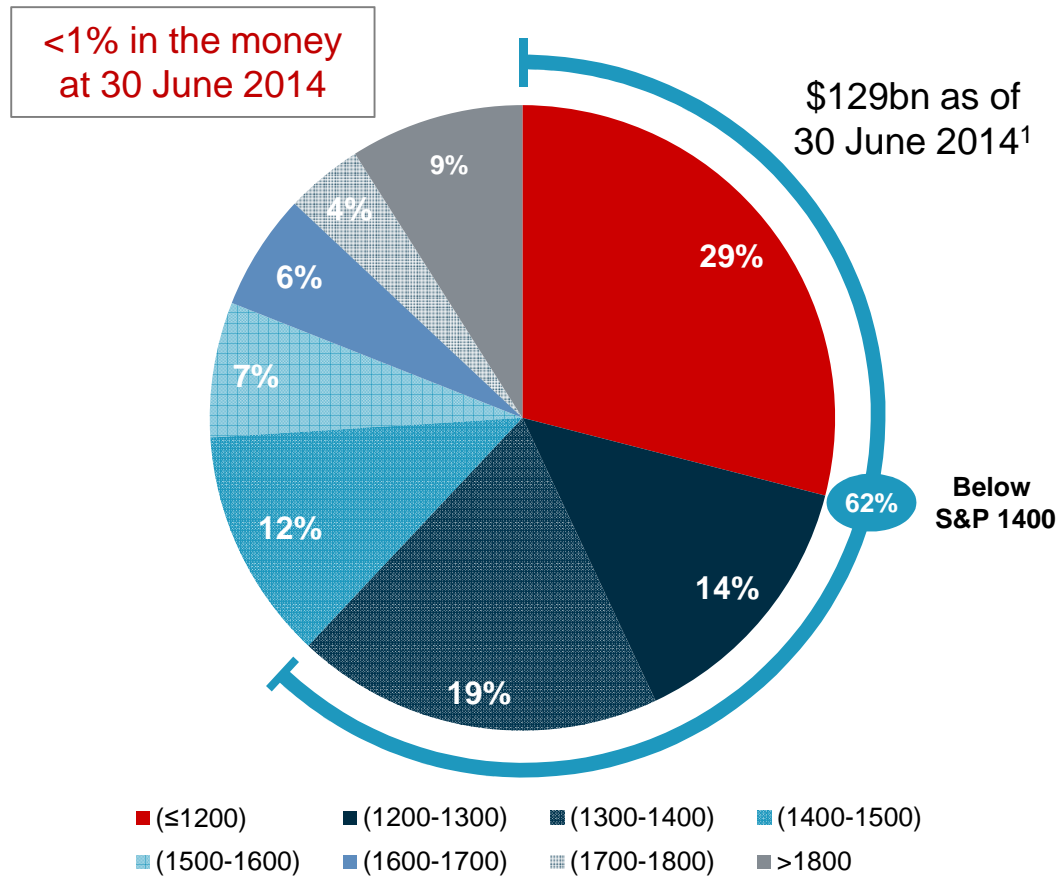
Proactive diversification

Jackson VA sales mix, \$bn



Jackson Healthy in-force

Separate account value by S&P 500 level at policy issue



¹ Includes VAs allocated to General Account.

Jackson

Successful execution

Cumulative cash remittances, \$m

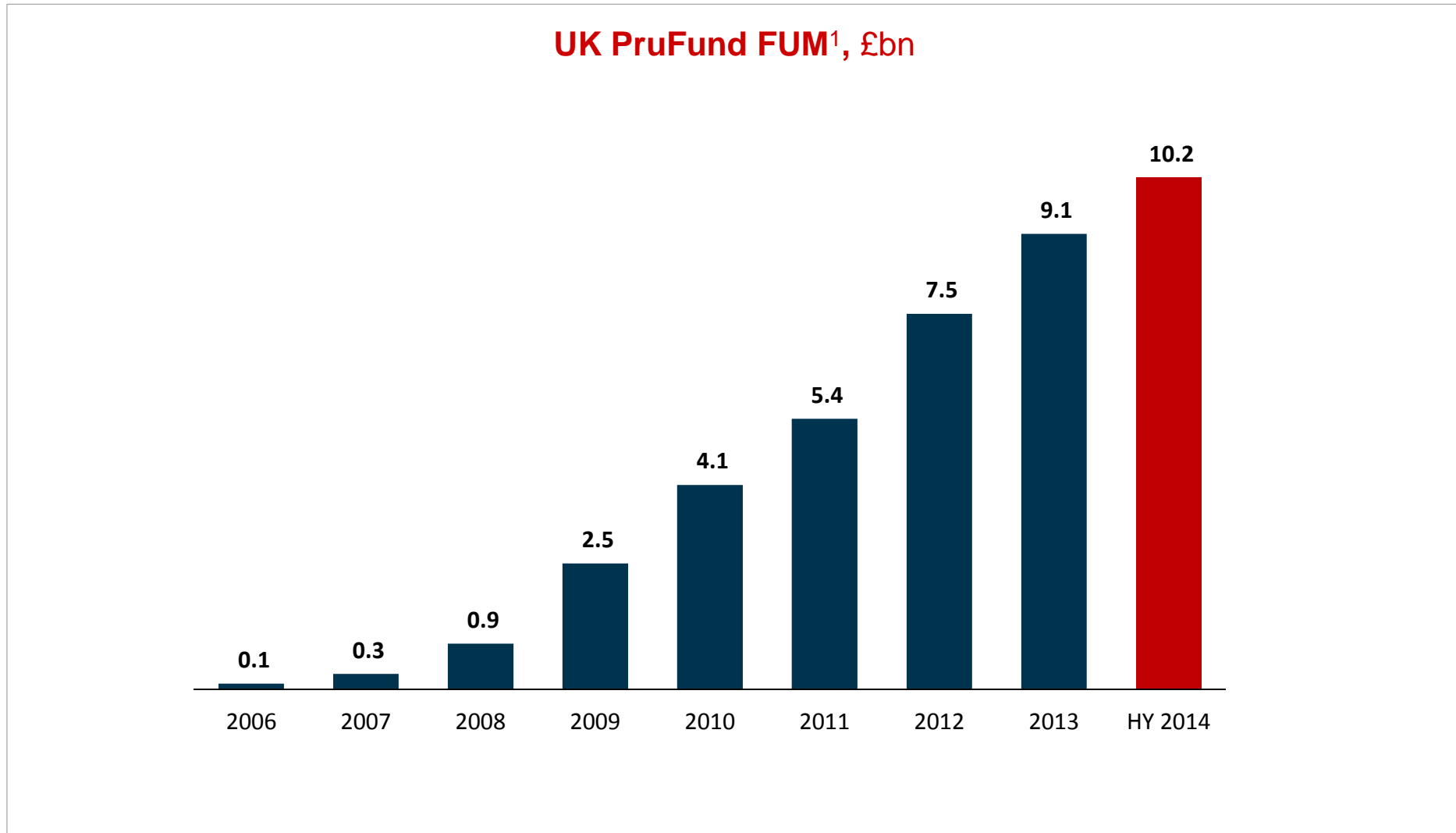
2008 - HY 2014

\$2,448m



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

UK Disciplined capital allocation



¹ Fund data uses the unsmoothed fund values

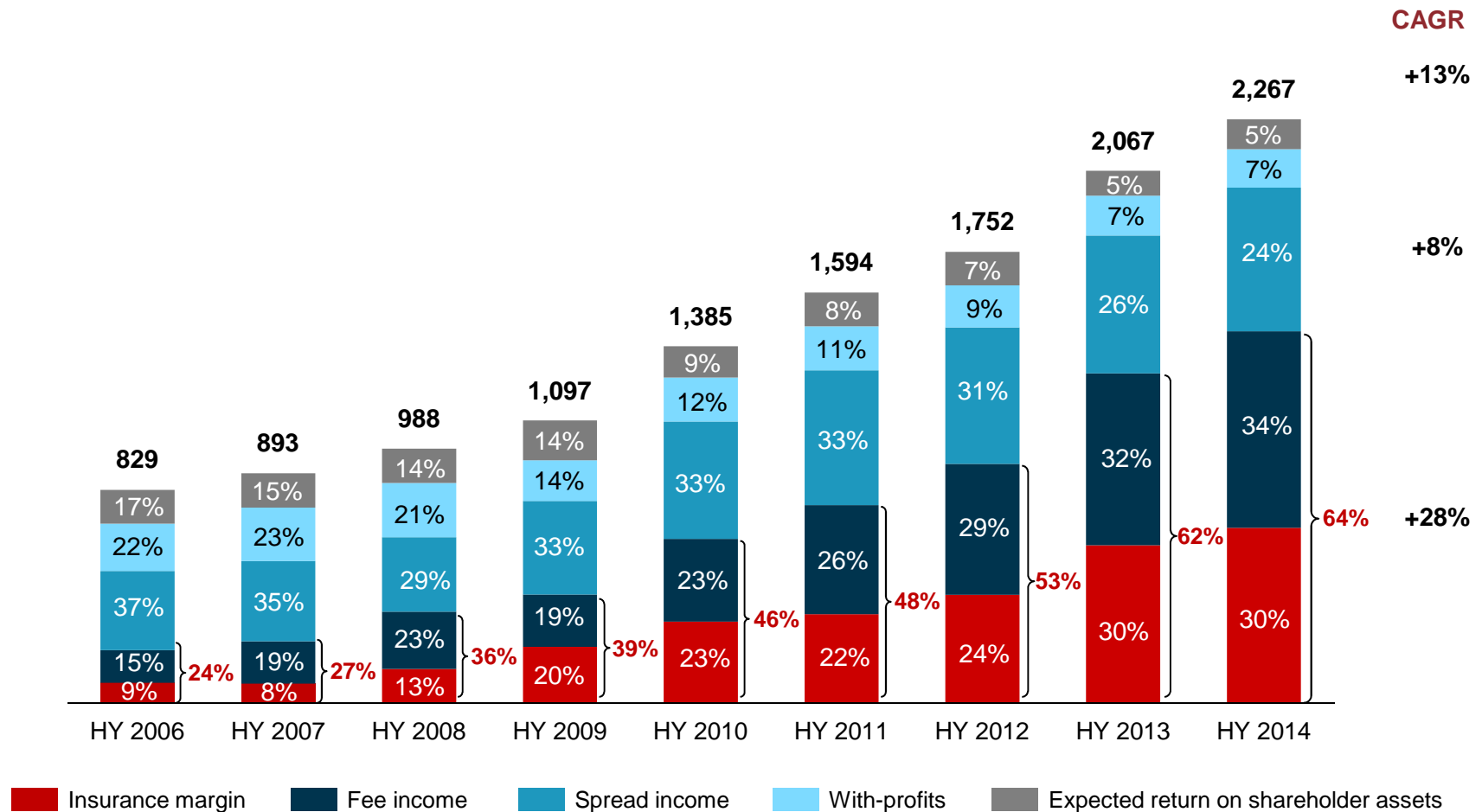
- High capital velocity and high return on capital
- Pro-active risk management
 - Low direct shareholder exposure to investment markets (£84bn out of £309bn)
 - Exit from Taiwan agency operations (2009)
 - Conservative asset mix with 96% of credit portfolio rated investment grade¹
- Strong capital adequacy
 - UK: Inherited estate at £7.5bn² (£5.4bn in 2008); £1.9bn credit default provision
 - US: RBC above 400% since 2008 crisis
 - Group: IGD surplus of £4.1bn equivalent to a cover of 2.3 times (HY2014); Economic capital surplus of £11.3bn (257% cover) at FY13
- Ongoing progress on Solvency II and GSII

¹ Shareholder backed business.

² Prudential re-domesticated the Hong Kong branch business of the PAC With-Profits fund, effective of 1 January 2014.

Group High quality earnings

Sources of IFRS operating income¹, £m

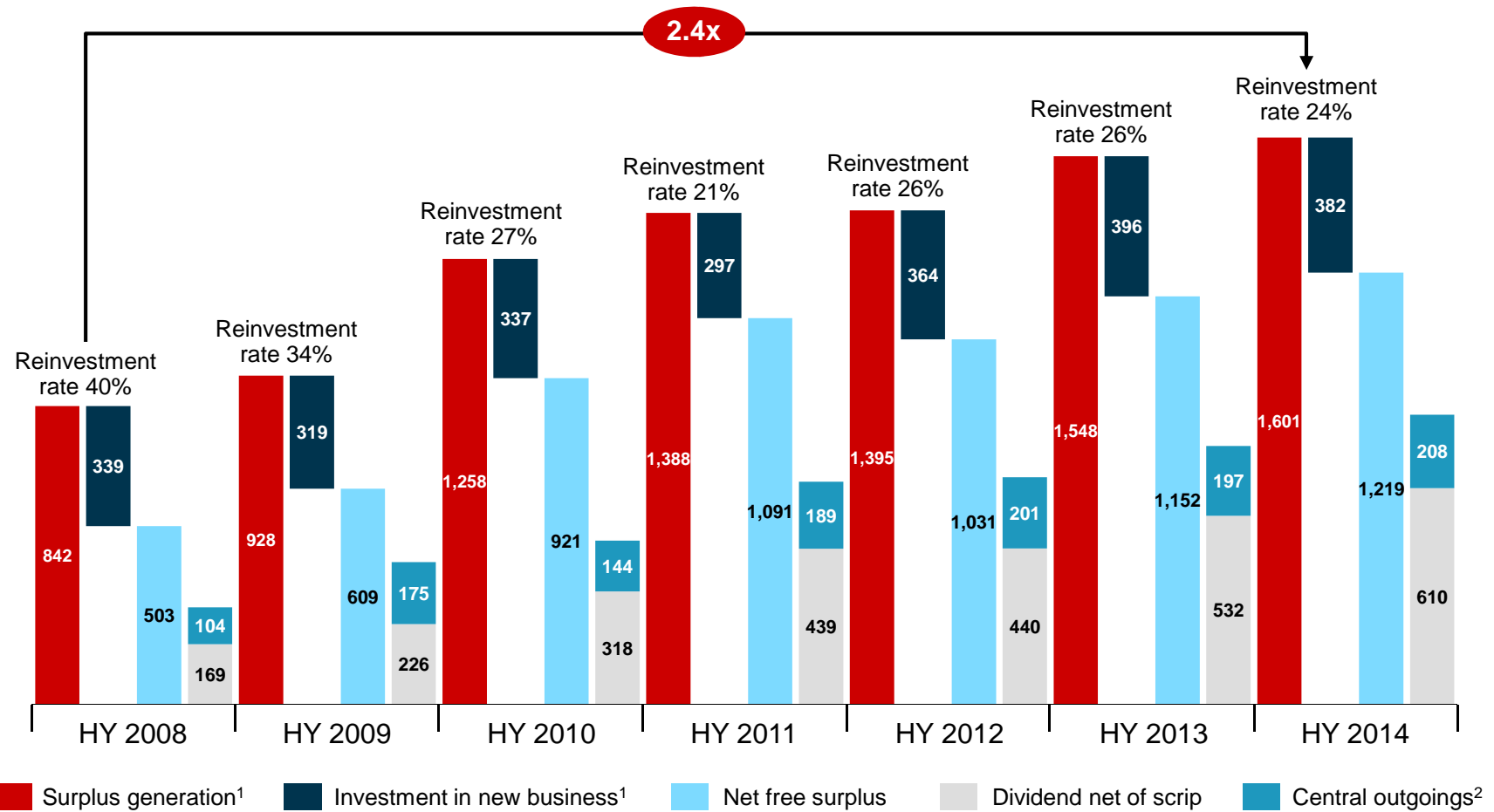


¹ Adjusted for new and amended accounting standards and excludes Japan Life. HY06 and HY 07 data not collected, values are indicative estimates.



Group Free surplus generation

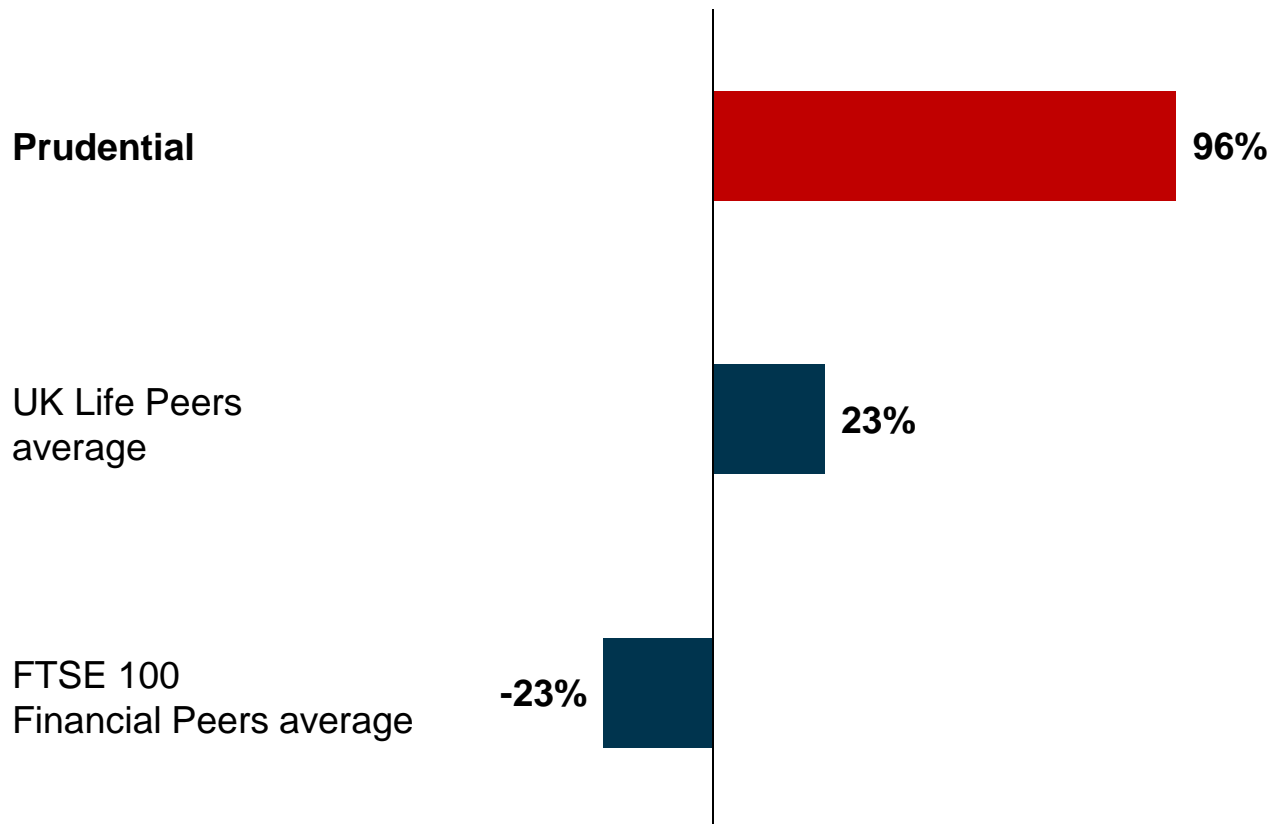
Free surplus and dividend, £m



¹ Comparatives adjusted for new and amended accounting standard and excludes Japan Life.
² Central outgoings includes RHO costs.

Group Relative performance

Growth in dividend per share¹ 2006 vs 2013



¹ Based on FTSE 100 as of 31 Dec 2013. Rebase of 100 set in 2006. Source FactSet and Prudential estimates.

Summary

- Delivering “Growth and Cash”
- Right strategy, right markets, right products
- Disciplined execution
- Well positioned to deliver long-term shareholder value



Prudential plc BOAML CEO Conference

“Low rates and evolving regulation: How to
deliver shareholder return”

1st October 2014