



Prudential Financial, Inc.

Third Quarter 2019

Forward-Looking Statements and Non-GAAP Measures

Certain of the statements included in this presentation, including those under the headings “Key Priorities to Grow Earnings,” “High Quality Businesses with Attractive Growth Prospects,” and “Business Mix and Strategy Drive a Higher ROE and Growth Potential” constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “expects,” “believes,” “anticipates,” “includes,” “plans,” “assumes,” “estimates,” “projects,” “intends,” “should,” “will,” “shall,” or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Prudential Financial, Inc. and its subsidiaries. Prudential Financial, Inc.’s actual results may differ, possibly materially, from expectations or estimates reflected in such forward-looking statements. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the “Risk Factors” and “Forward-Looking Statements” sections included in Prudential Financial, Inc.’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Our growth and return prospects, financial targets, and “Key Priorities to Grow Earnings” are subject to the risk that we will be unable to execute our strategy because of economic, market, or competitive conditions or other factors. Prudential Financial, Inc. does not undertake to update any particular forward-looking statement included in this presentation.

This presentation includes references to adjusted operating income, adjusted book value, and adjusted operating return on equity, which is based on adjusted operating income and adjusted book value. Consolidated adjusted operating income and adjusted book value are not calculated based on accounting principles generally accepted in the United States of America (GAAP). For additional information about adjusted operating income, adjusted book value, and adjusted operating return on equity and the comparable GAAP measures, including reconciliations between the comparable measures, please refer to our quarterly results news releases, which are available on our website at www.investor.prudential.com. Reconciliations are also included as part of this presentation.

Prudential Financial, Inc. of the United States is not affiliated with Prudential plc which is headquartered in the United Kingdom.



Track Record of Delivering Superior Value

- Leader in financial wellness
- Positioned for organic business growth and acquisition opportunities
- Robust record of sustained buybacks and a decade of dividend growth

8%

5-yr Adjusted
EPS CAGR⁽¹⁾

10%

5-yr Adjusted
BVPS CAGR⁽²⁾

12.7%

Adjusted
Operating ROE⁽³⁾

(1) From 2013 to 2018. See Reconciliations for more information.

(2) From 2013 to 2018; based on adjusted book value. See Reconciliations for more information.

(3) Year-to-date as of 4Q18; based on annualized after-tax adjusted operating income and average adjusted book value. See Reconciliations for more information.



Purpose and Culture Are Fundamental to Execution



Our purpose

WE MAKE LIVES BETTER *by*

SOLVING *the* FINANCIAL CHALLENGES

***of our* CHANGING WORLD**

FORTUNE®

Named to 2019
Change The World®
List

ISS

1

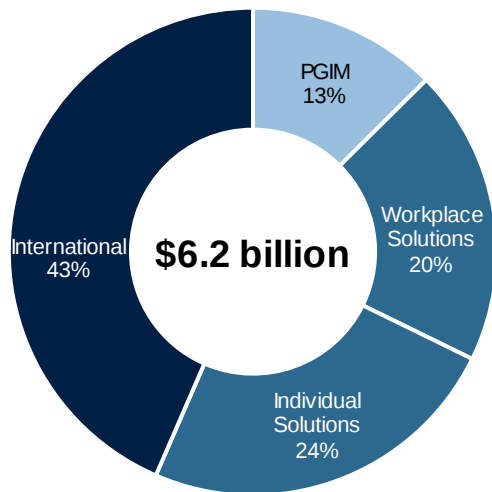
Environment,
Social, and
Governance
Quality Score

Note:

Fortune ranking as of August 2019. FORTUNE® and "Change the World®" are registered trademarks of Time Inc. "FORTUNE and Time Inc. are not affiliated with, and do not endorse products or services of Prudential Financial".
ISS ranking from 2019 Proxy Statement.



Scaled Businesses with Growth Potential



Pre-tax Adjusted Operating Income⁽¹⁾

U.S. Financial Wellness

Strong pillars underlying businesses

#1 PRT, **#4** Individual Life, **#5** VA, **Top 5** Group Life & Disability, **Top 10** DC Manager

PGIM

High quality global asset manager

Top 10 in AUM⁽²⁾, **Top 3** in Alternatives, Real Estate, and Investment Grade Credit

International

High quality Japan life insurer, with strategic investments in emerging markets

Top 3 in Japan for new business face amount

Note: See appendix for sources of rankings.

(1) Based on last twelve months of adjusted operating income through 3Q19. Pie chart excludes Corporate and Other Operations loss of \$1,357 million.

(2) \$1.4 trillion as of year-end 2018. Global AUM includes assets managed by PGIM and Prudential's non-proprietary AUM.

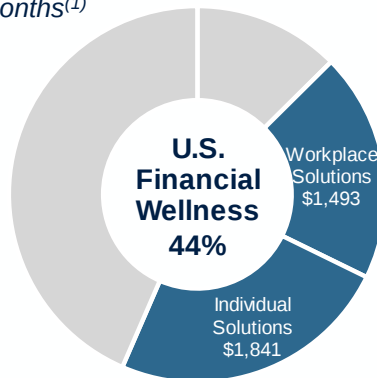


U.S. Financial Wellness

Expanding Addressable Market with Multi-Channel Product Offering and Broadening Distribution

Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)

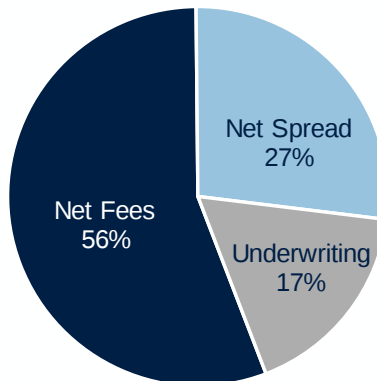


Key Priorities to Grow Earnings

- Drive institutional adoption of our differentiated financial wellness value proposition
- Engage and educate individuals about their workplace solutions to increase utilization of in-plan benefits
- Grow individual relationships and solutions that address broad financial wellness needs
- Accelerate the execution of growth initiatives

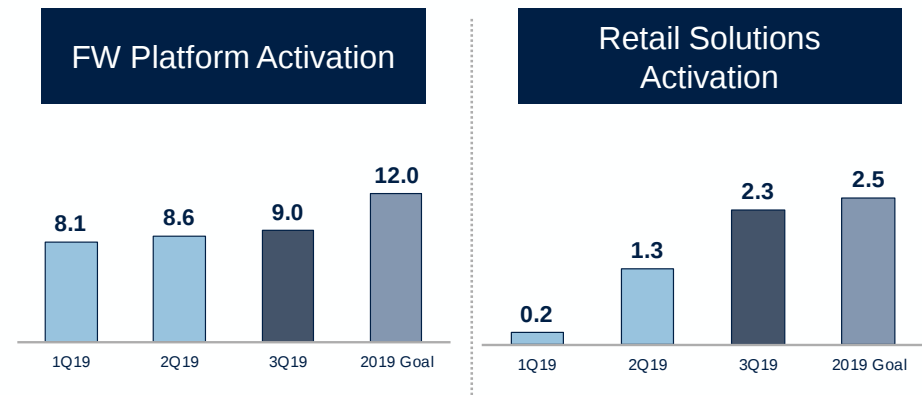
Diversified Sources of Earnings

Trailing twelve months⁽²⁾



Financial Wellness Metrics

(millions of people)



Note: See Appendix for segment results.

(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.

(2) Based on net fee income, net spread income, and underwriting margin and claims experience gross of expenses. Excludes actuarial assumptions and other refinements and market experience updates.

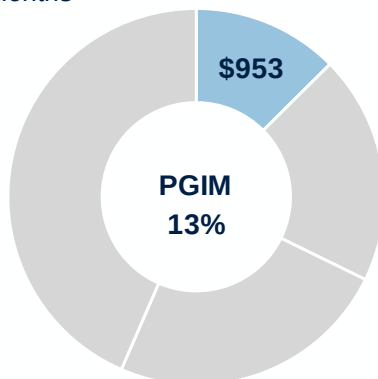


PGIM

Diversified Global Active Asset Manager with a Multi-Manager Model

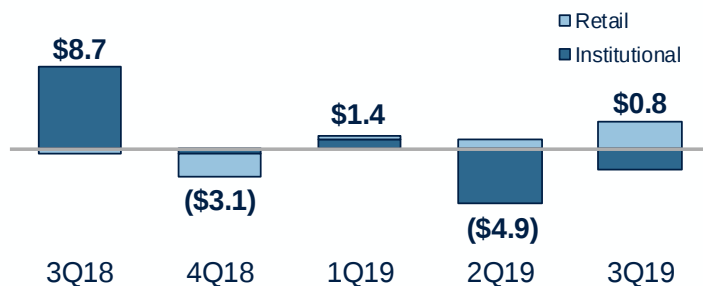
Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)



3rd Party Net Flows

(\$ billions)

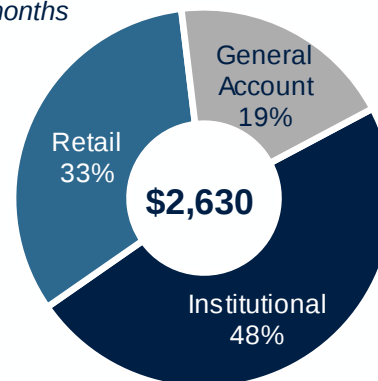


Key Priorities to Grow Earnings

- Maintain strong investment performance⁽²⁾
 - Percentage of AUM⁽³⁾ outperforming benchmark: 3 Year: 79%, 5 Year: 88%, 10 Year: 83%
- Leverage scale of \$1+ trillion multi-manager model and Prudential enterprise relationship
- Expand global footprint
- Continue to diversify products into high margin areas
- Selectively acquire new capabilities

Asset Management Fees

Trailing twelve months
(\$ millions)



(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.

(2) PGIM calculations as of September 30, 2019. Past performance is not a guarantee or reliable indicator of future results. All investments involve risk, including the possible loss of capital. Performance is defined as outperformance (gross of fees) relative to each individual strategy's respective benchmark(s).

(3) Represents PGIM's benchmarked AUM (77% of total third-party AUM is benchmarked over 3 years, 66% over 5 years, and 41% over 10 years respectively). This calculation does not include non-benchmarked assets (including general account assets and assets not managed by PGIM). Returns are calculated gross of investment management fees, which would reduce an investor's net return. Excess performance is based on all actively managed Fixed Income, Equity and Real Estate AUM for Jennison Associates, PGIM Fixed Income, Quantitative Management Associates, PGIM Real Estate, Prudential Private Capital, PGIM Global Partners and PGIM Real Estate Finance.

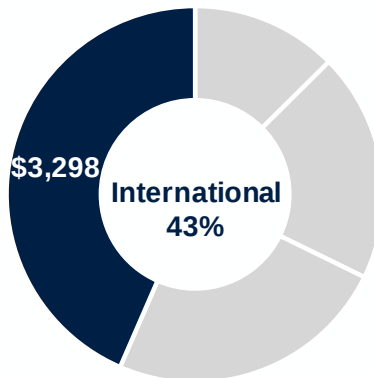


International

High Quality Distribution and Presence in Markets with Large Opportunities

Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)

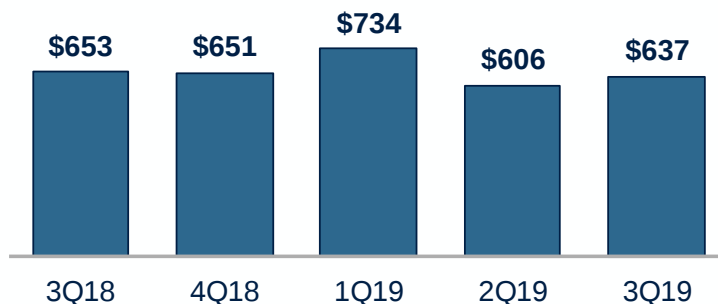


Key Priorities to Grow Earnings

- Grow high quality proprietary distribution
- Lead with protection solutions and innovate as client needs evolve
- Expand third-party distribution channels
- Build digital, mobile, and data analytics capabilities
- Further penetrate existing markets and complement with selective M&A opportunities

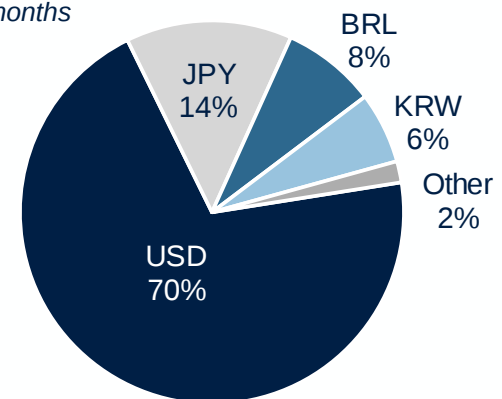
Sales⁽²⁾

(\$ millions)



Sales – Currency Mix⁽²⁾

Trailing twelve months



Note: See Appendix for Life Planner Operations and Gibraltar Life and Other Operations results.

(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.

(2) Constant exchange rate basis. Foreign denominated activity translated to U.S. Dollars (USD) at uniform exchange rates for all periods presented, including Japanese Yen (JPY) 105 per U.S. Dollar, Korean Won (KRW) 1,110 per U.S. Dollar, and Brazilian Real (BRL) 3.7 per U.S. Dollar. U.S. Dollar-denominated activity is included based on the amounts as transacted in U.S. Dollars. Sales represented by annualized new business premiums.



High Quality Businesses with Attractive Growth Prospects

PGIM

Mid-to-high single digit
intermediate term earnings
growth

Expanding global investment
and distribution capabilities

International

Mid-single digit
intermediate term earnings
growth

Expanding distribution in
proprietary and third-party
channels and strategic
investments in emerging markets

U.S. Financial Wellness

Mid-to-high single digit
intermediate term earnings
growth

Investing to increase
productivity as well as expand
distribution and solutions

Revenue growth and expanding margins in PGIM and U.S. Financial Wellness
with stable margins and growth in International

Note: Earnings growth based on pre-tax Adjusted Operating Income.



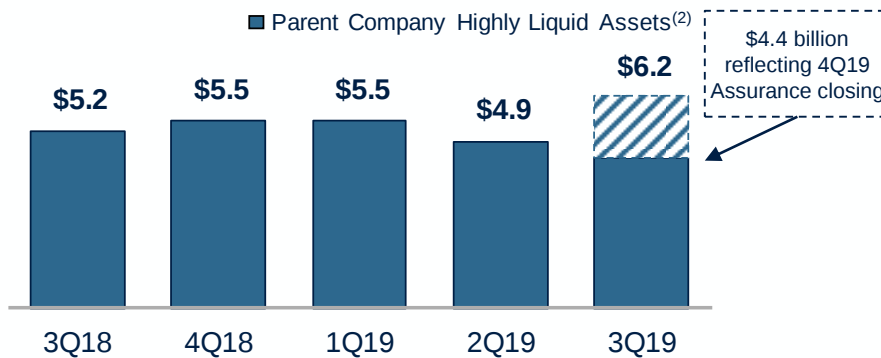
Robust Capital Position Supports Strong Distributions to Shareholders

Capital Position

Capital Deployment	- Capital returned: \$1.4 billion (Share repurchases of \$1 billion and dividends of \$412 million) \$1.00 dividend per share, a 4% yield on adjusted book value
Capital Level	Continue to hold capital above our AA financial strength levels
Leverage ⁽¹⁾	Financial leverage ratio less than 25%

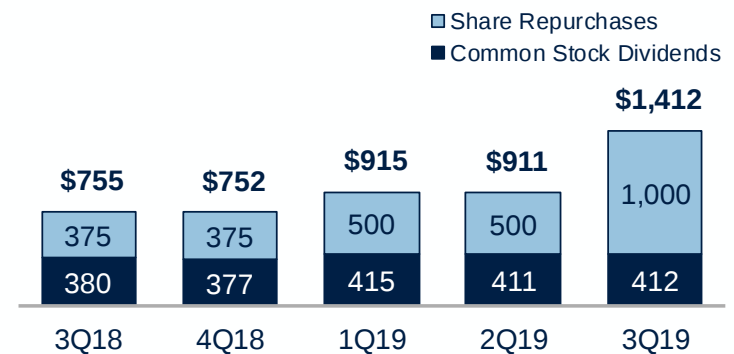
Liquidity Position

(\$ billions)



Shareholder Distributions

(\$ millions)



(1) Financial leverage ratio represents capital debt divided by sum of capital debt and equity. Junior subordinated debt treated as 25% equity, 75% capital debt for purposes of calculation. Equity excludes non-controlling interest, AOCI (except for pension and postretirement unrecognized costs), and the impact of foreign currency exchange rate remeasurement.

(2) Highly liquid assets predominantly include cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds.



Track Record of Delivering Superior Value

- Leader in financial wellness
- Positioned for organic business growth and acquisition opportunities
- Robust record of sustained buybacks and a decade of dividend growth

8%

5-yr Adjusted
EPS CAGR⁽¹⁾

10%

5-yr Adjusted
BVPS CAGR⁽²⁾

12.7%

Adjusted
Operating ROE⁽³⁾

(1) From 2013 to 2018. See Reconciliations for more information.

(2) From 2013 to 2018; based on adjusted book value. See Reconciliations for more information.

(3) Year-to-date as of 4Q18; based on annualized after-tax adjusted operating income and average adjusted book value. See Reconciliations for more information.





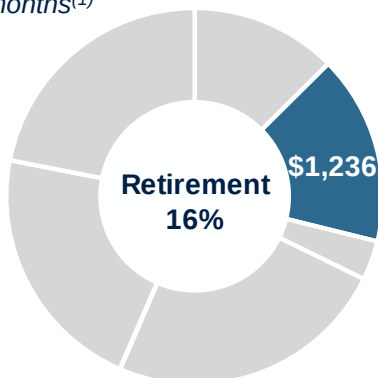
Appendix

Retirement

Differentiated Capabilities Drive Growth in PRT, Full Service, and Stable Value

Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)

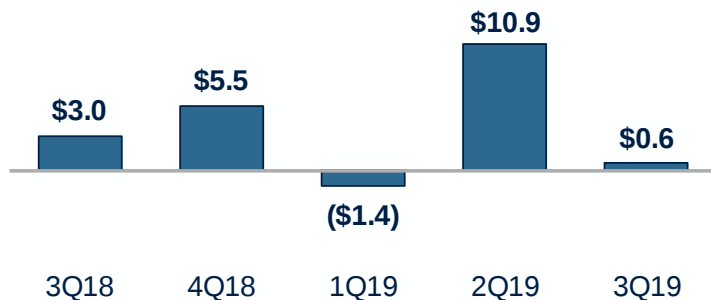


Key Priorities to Grow Earnings

- Leverage Prudential's broad capabilities to expand customer solutions, including Financial Wellness programs
- Grow in targeted Full Service retirement markets
- Continue to grow Institutional Investment Products through market leadership, innovation, and expansion into adjacent products and markets

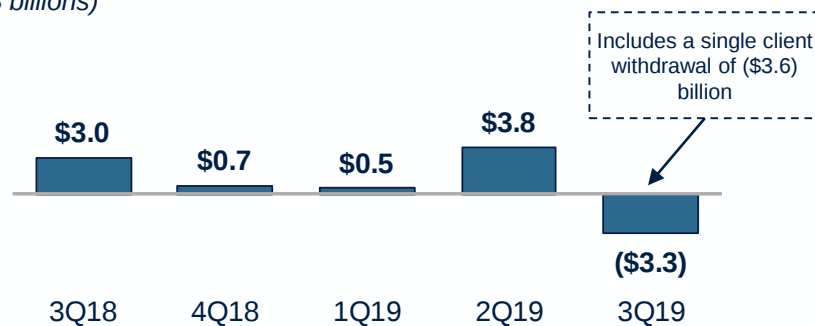
Institutional Investment Products Net Flows

(\$ billions)



Full Service Net Flows

(\$ billions)



(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.

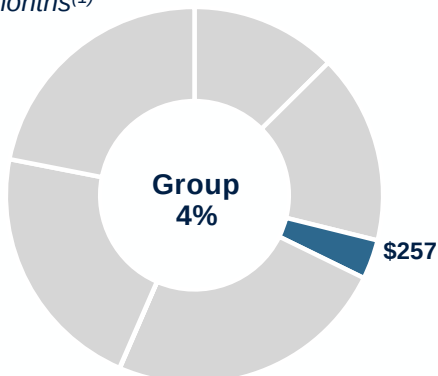


Group Insurance

Leading Group Benefits Provider with Opportunity to Further Diversify

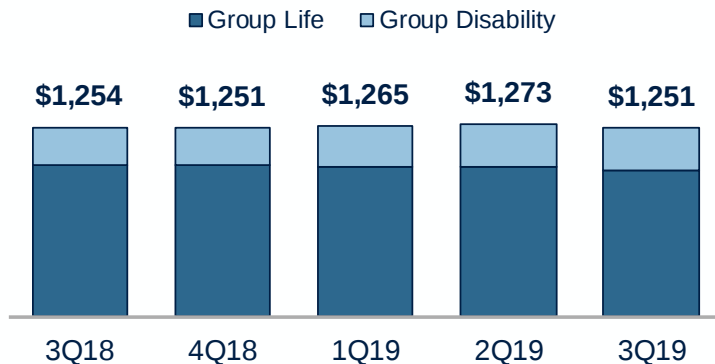
Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)



Earned Premiums & Fees

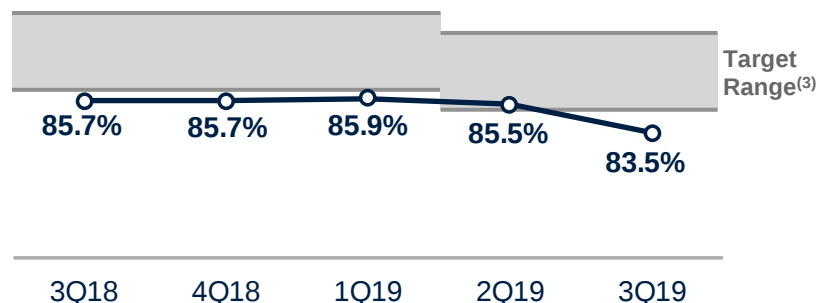
(\$ millions)



Key Priorities to Grow Earnings

- Deepen employer and participant relationships with Financial Wellness programs
- Execute on diversification strategy while maintaining pricing discipline
 - Maintain National segment share (>5,000 lives) and grow in Premier segment (100 to 5,000 employees)
 - Diversify further into Group Disability and Voluntary products
- Improve organizational and process efficiencies

Total Group Insurance Benefits Ratio⁽²⁾



(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.
 (2) Benefits ratios excluding the impact of the annual assumption update and other refinements.
 (3) Lowered targeted total benefit ratio range from 86% - 90% to 85% - 89% in 1Q19.

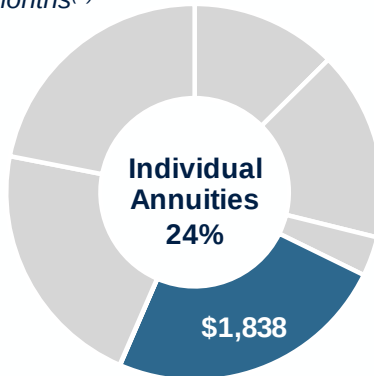


Individual Annuities

Steady Free Cash Flow Generation and Attractive Returns

Earnings Contribution to Prudential

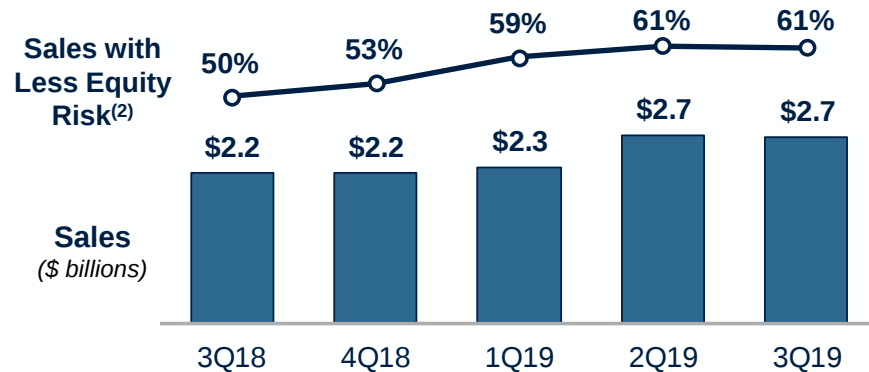
Trailing twelve months⁽¹⁾
(\$ millions)



Key Priorities to Grow Earnings

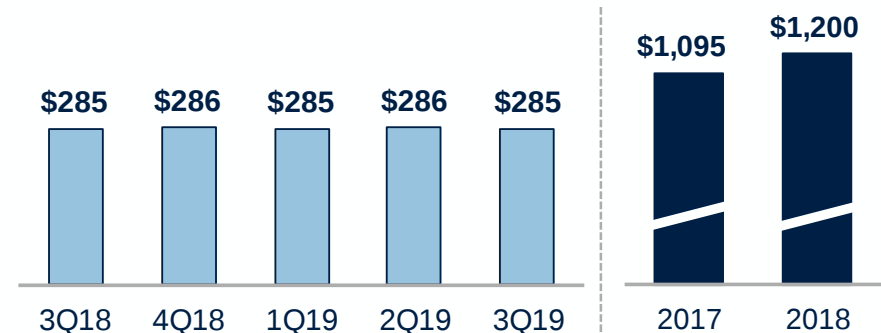
- Continue to grow sales and diversify mix
- Engage a larger addressable market via additional distribution channels
- Extend secure retirement income through Financial Wellness to workplace relationships

Sales



Prudential Annuities Life Assurance Co. Dividends to PFI⁽³⁾

(\$ millions)



(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.
 (2) Includes fixed annuities and other variable annuities. Excludes Highest Daily Suite.
 (3) Dividends include Prudential Annuities Holding Co. but does not include Prudential Insurance Company of America.

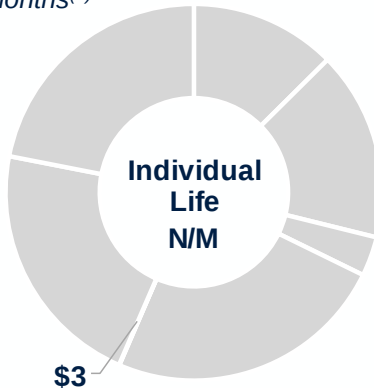


Individual Life

Broad Product Portfolio and Multi-Channel Distribution

Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)

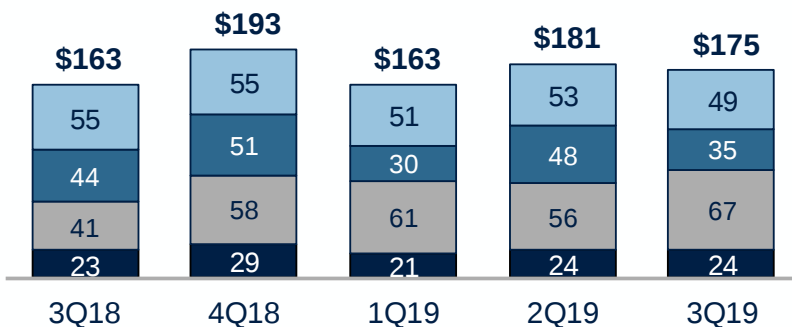


Key Priorities to Grow Earnings

- Explore opportunities to leverage Assurance's digital distribution and data science capabilities to distribute product and create expense savings
- Improve profitability through operating model transformation and continued expense discipline
- Optimize new business and inforce reinsurance coverage, balancing profitability with volatility and risk
- Deepen existing distribution relationships and deliver products to the marketplace in an innovative and cost efficient manner

Sales⁽²⁾ – Product Mix

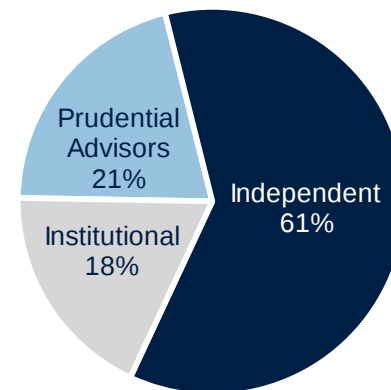
(\$ millions)



■ Guaranteed Universal Life ■ Variable Life ■ Other Universal Life ■ Term

Sales⁽²⁾ – Distribution Mix

Trailing twelve months



(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.

(2) Sales represented by annualized new business premiums.

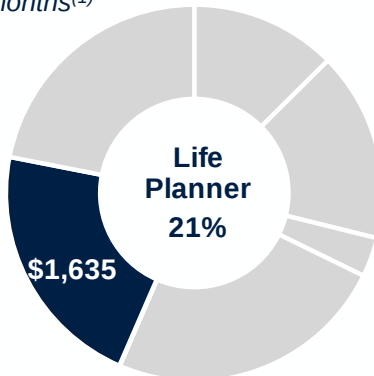


Life Planner Operations

High Quality Proprietary Distribution with Steady Long-term Growth Potential

Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)

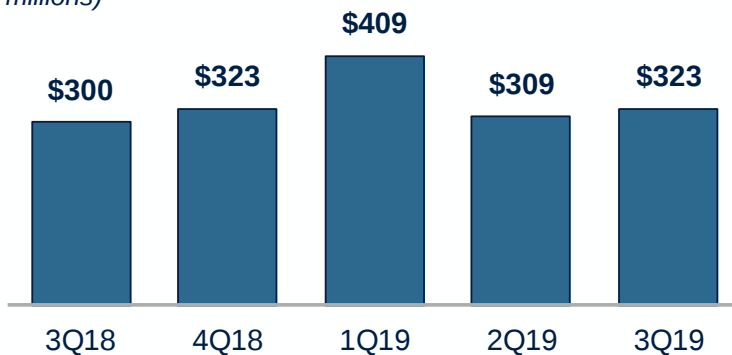


Key Priorities to Grow Earnings

- Lead with protection solutions and innovate as client needs evolve
- Grow Life Planners
- Build digital, mobile, and data analytics capabilities

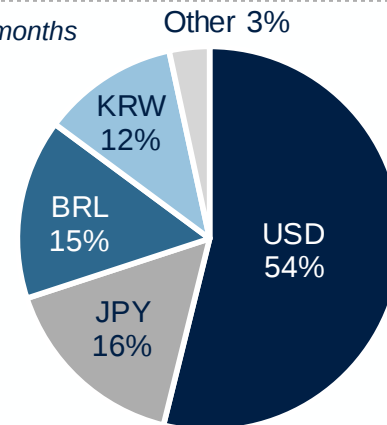
Sales⁽²⁾

(\$ millions)



Sales – Currency Mix⁽²⁾

Trailing twelve months



(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.

(2) Constant exchange rate basis. Foreign denominated activity translated to U.S. Dollars (USD) at uniform exchange rates for all periods presented, including Japanese Yen (JPY) 105 per U.S. Dollar, Korean Won (KRW) 1,110 per U.S. Dollar., and Brazilian Real (BRL) 3.7 per U.S. Dollar. U.S. Dollar-denominated activity is included based on the amounts as transacted in U.S. Dollars. Sales represented by annualized new business premiums.

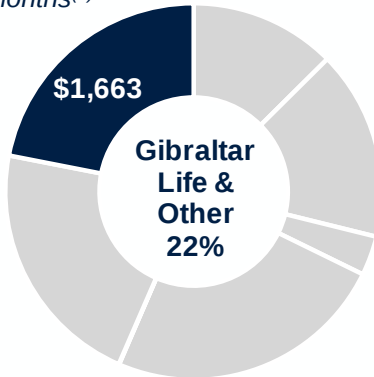


Gibraltar Life and Other

Meeting Client Needs Via Multiple Channels

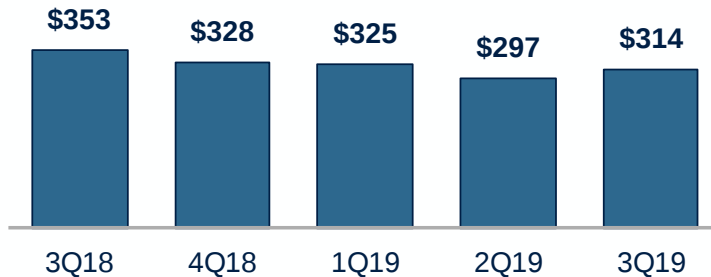
Earnings Contribution to Prudential

Trailing twelve months⁽¹⁾
(\$ millions)



Sales⁽²⁾

(\$ millions)

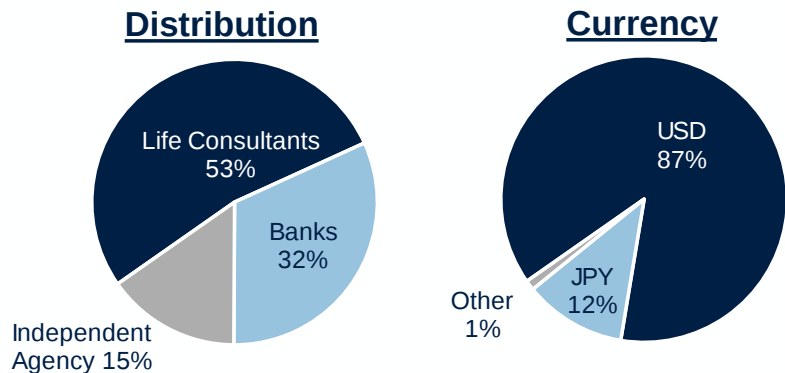


Key Priorities to Grow Earnings

- Lead with protection solutions and innovate as client needs evolve
- Optimize Life Consultant force through quality and productivity
- Strategically expand in Bank and Independent Agency channels
- Build digital, mobile, and data analytics capabilities

Sales Mix⁽²⁾

Trailing twelve months



(1) Based on pre-tax adjusted operating income excluding Corporate and Other Operations.

(2) Constant exchange rate basis. Foreign denominated activity translated to U.S. Dollars (USD) at uniform exchange rates for all periods presented, including Japanese Yen (JPY) 105 per U.S. Dollar. U.S. Dollar-denominated activity is included based on the amounts as transacted in U.S. Dollars. Sales represented by annualized new business premiums.



Source of Rankings

Business	Market Position	Source
U.S. Financial Wellness	#1 PRT Assets	Based on Total Assets, LIMRA 2Q 2019 U.S. Group Annuity Risk Transfer Survey.
	#4 Individual Life Sales	Based on new annualized premiums, LIMRA 2Q 2019 U.S. Individual Life Insurance Sales Survey.
	#5 VA Sales	Based on U.S. Variable Annuity advisor-sold sales, LIMRA 2Q 2019.
	Top 5 Group Life & Disability Sales	Based on new annualized premiums, LIMRA 2Q 2019.
	Top 10 Retirement DC Manager	Based on Defined Contribution Assets, Plansponsor, 2019 Recordkeeping Survey, July 2019.
PGIM	Top 10 Global AUM	Based on Pensions & Investments Largest Money Managers, May 27, 2019. AUM as of December 31, 2018.
	Top 3 Alternatives Asset Manager	Based on Willis Towers Watson Global Alternatives Survey, July 2017. AUM as of December 2016.
	Top 3 Real Estate Manager	IPE Real Assets, Real Estate Managers by Worldwide AUM as of June 30, 2018. Publication as of November/December 2018 issue.
	Top 3 Assets in Investment Grade Credit Strategies	Investment Grade Credit Manager Survey, IPE International Publishers Limited, March 2019. AUM as of December 31, 2018.
International	Top 3 New Business Face Amount in Japan	Market share data is based on Prudential estimates developed from publicly available data of Japanese insurance companies. Source: Life Insurance Association of Japan (LIAJ) Insurance Business in 2018 for the fiscal year ended March 31, 2019.





Reconciliations

Reconciliations between Adjusted Operating Income and the Comparable GAAP Measure⁽¹⁾

(\$ millions)

	Year Ended		Twelve Months Ended
	2018	2013	9/30/2019
Net income (loss) attributable to Prudential Financial, Inc.	\$ 4,074	\$ (713)	\$ 3,900
Income attributable to noncontrolling interests	14	107	49
Net income (loss)	4,088	(606)	3,949
Less: Income (loss) from discontinued operations, net of taxes	-	7	-
Income (loss) from continuing operations (after-tax)	4,088	(613)	3,949
Less: Earnings attributable to noncontrolling interests	14	107	49
Income (loss) attributable to Prudential Financial, Inc.	4,074	(720)	3,900
Less: Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	62	(48)	50
Income (loss) (after-tax) before equity in earnings of operating joint ventures	4,012	(672)	3,850
Less: Reconciling Items:			
Realized investment gains (losses), net, and related charges and adjustments	303	(8,149)	(1,193)
Market experience update ⁽²⁾	-	-	(522)
Investment gains (losses) on assets supporting experience-rated contractholder liabilities, net	(863)	(250)	555
Change in experience-rated contractholder liabilities due to asset value changes	710	227	(648)
Divested and Run-off Businesses:			
Closed Block Division	(62)	-	(35)
Other Divested and Run-off Businesses	(1,535)	29	492
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(87)	28	(83)
Total reconciling items, before income taxes	(1,534)	(8,115)	(1,434)
Less: Income taxes, not applicable to adjusted operating income	(527)	(2,857)	(354)
Total reconciling items, after income taxes	(1,007)	(5,258)	(1,080)
After-tax adjusted operating income	5,019	4,586	4,930
Income taxes, applicable to adjusted operating income	1,349	1,783	1,298
Adjusted operating income before income taxes	\$ 6,368	\$ 6,369	\$ 6,228
After-tax adjusted operating income per share	\$ 11.69	\$ 9.67	
Net Income Return on Equity ⁽¹⁾	8.2%	-2.0%	
Adjusted Operating Return on Equity ⁽¹⁾	12.7%	16.4%	

- (1) Represents results of Financial Services Businesses (FSB) for 2013. Net income return on equity based on year-to-date annualized after-tax net income and average GAAP equity of \$49,928 and \$35,154 as of year-end 2018 and 2013, respectively. Adjusted operating return on equity based on year-to-date annualized after-tax adjusted operating income and average adjusted book value excluding accumulated other comprehensive income and adjusted to remove amount included for remeasurement of foreign currency of \$39,492 and \$27,896 as of year-end 2018 and 2013, respectively.
- (2) Represents the immediate impacts in current period results from changes in current market conditions on estimates of profitability, which are excluded from adjusted operating income beginning with the second quarter of 2019. The Company has historically recognized these impacts in adjusted operating income.



Reconciliations for adjustments to Adjusted Operating Income Per Share Growth⁽¹⁾

	Year Ended	
	2018	2013
	Per Share	Per Share
After-tax adjusted operating income	\$11.69	\$9.67
• Annual review and update of actuarial assumptions and other refinements	(0.30)	0.24
• Updated estimates of profitability driven by market performance versus assumptions	(0.24)	0.53
• Returns on variable investment income above / (below) average expectations	(0.44)	0.22
Total adjustments	(\$0.98)	\$0.99

(1) Represents results of FSB for 2013.



Reconciliations between Adjusted Book Value and the Comparable GAAP Measure⁽¹⁾

(\$ millions, except per share data)

	December 31,	
	2018	2013
GAAP book value	\$ 48,617	\$ 33,885
Less: Accumulated other comprehensive income (AOCI)	10,906	8,586
GAAP book value excluding AOCI	37,711	25,299
Less: Cumulative effect of remeasurement of foreign currency	(2,344)	(2,818)
Adjusted book value	<u>\$ 40,055</u>	<u>\$ 28,117</u>
 Number of diluted shares	 422.2	 468.7
 GAAP book value per Common share - diluted ⁽¹⁾	 \$ 116.34	 \$ 72.30
GAAP book value excluding AOCI per Common share - diluted ⁽¹⁾	\$ 90.50	\$ 53.98
Adjusted book value per Common share - diluted ⁽¹⁾	\$ 96.06	\$ 59.99

(1) Represents results of FSB for 2013. As of December 31, 2018, exchangeable surplus notes are dilutive when book value per share is greater than \$82.16 (equivalent to an additional 6.1 million in diluted shares and an increase of \$500 million in equity). Book value per share as of December 31, 2013 excludes the impact of exchangeable surplus notes due to the anti-dilutive impact of conversion.

