



3Q20 Investor Update



Prudential
Bring Your Challenges®

Forward-Looking Statements and Non-GAAP Measures

Certain of the statements included in this presentation, including those relating to Prudential Financial, Inc.'s and its subsidiaries' financial strength, long-term growth prospects, ability to manage risk associated with equity market decline, pandemic insurance shock, interest rate shock, credit shock or currency shock, capital allocation strategy (including the payment of dividends, acquisitions, and repurchase of shares), our ability to complete the sale of Prudential of Taiwan and receive the proceeds therefrom, and expected cost savings, 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 financial strength, long-term growth prospects, ability to manage risk associated with equity market decline, pandemic insurance shock, interest rate shock, credit shock or currency shock, capital allocation strategy (including the payment of dividends, acquisitions, and repurchase of shares), our ability to complete the sale of Prudential of Taiwan and receive the proceeds therefrom, and expected cost savings are subject to the risk that we will be unable to execute our strategy because of economic, market, or competitive conditions or other factors, including the impact of the COVID-19 pandemic. 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 reconciliations of adjusted operating income, adjusted book value, and adjusted operating return on equity to the comparable GAAP measures, please refer to the Appendix.

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



Prudential Investment Thesis

ROCK SOLID

Demonstrated
financial strength

DIFFERENTIATED

Thoughtful strategies
and business design
produce differentiated
outcomes

DISCIPLINED

Positioned for
long-term growth

DRIVING SUSTAINABLE LONG-TERM VALUE FOR OUR STAKEHOLDERS

12%

Adjusted Operating ROE⁽¹⁾

13%

5-yr Annual Dividends Per Share CAGR⁽²⁾

9%

5-yr Adjusted BVPS CAGR⁽³⁾

(1) Based on 2019 after-tax adjusted operating income and average adjusted book value. See reconciliation in Appendix for more information.

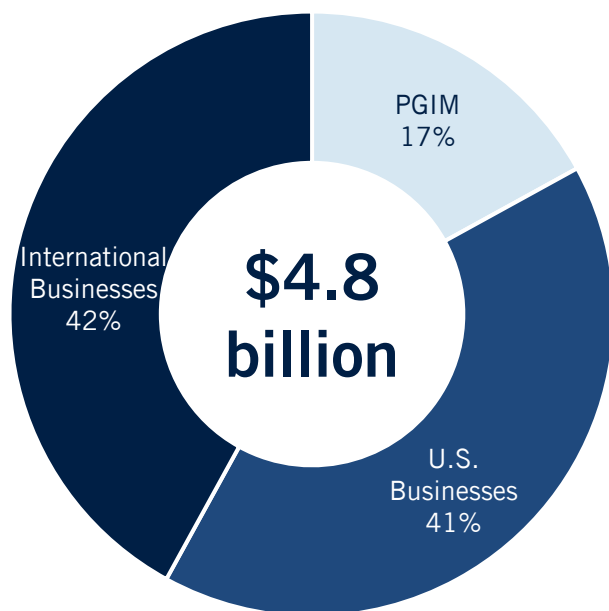
(2) From 2014 to 2019; based on annual dividend per share.

(3) From 2014 to 2019; based on adjusted book value. See reconciliation in Appendix for more information.



Complementary Businesses at Scale with Long-Term Growth Potential

Earnings Contribution⁽¹⁾



Key Statistics

Revenues⁽²⁾: \$56B

Adjusted Book Value Per Share⁽³⁾: \$94.36

Employees⁽⁴⁾: Approx. 50,000

Adjusted Dividend Yield⁽⁵⁾: 5%

Note: Prior periods restated for reclassification of results of Prudential Life Insurance Company of Taiwan Inc. ("POT"). Adjusted operating income reflects the reclassification of results of POT from International Businesses to Divested and Run-off Businesses in Corporate & Other. POT's results are excluded from adjusted operating income as a result of the operation being held for sale.

(1) Based on last twelve months of pre-tax adjusted operating income through 3Q20. Pie chart excludes Corporate & Other operations loss of \$2,076 million.

(2) Based on last twelve months of revenue through 3Q20.

(3) As of September 30, 2020. See reconciliation in Appendix for more information.

(4) As of December 31, 2019.

(5) Based on 3Q20 annualized dividend per share divided by adjusted book value per share.



Committed to Promoting Long-Term Sustainability

Purpose Driven

- We make lives better by solving the financial challenges of our changing world

Multi-Stakeholder

- Shareholders
- Employees
- Customers
- Society

Investment Strategy

- Global Environmental Commitment
- Investing to Mitigate Climate Change
- ESG-focused Investment Philosophy
- U.N. Principles for Responsible Investing

Governance & Transparency

- Task Force on Climate-related Financial Disclosures
- Sustainability Accounting Standards Board

First U.S. life insurer to issue green bond



A night-time photograph of Rockefeller Center in New York City. The central focus is the glass-clad 30 Rockefeller Plaza, which is brightly lit and reflects the surrounding city lights. To its right stands the older, dark-brick 60 Rockefeller Plaza, also illuminated. The foreground shows a circular plaza with a fountain, surrounded by trees and streetlights. The sky is a deep blue, and the overall scene conveys a sense of urban grandeur and stability.

ROCK SOLID

Demonstrated financial strength



Prudential
Bring Your Challenges®

Robust Approach to Capital & Liquidity Management

Financial Strength

“AA” standards
for capital

Liquidity

Significant resources
available

Risk Appetite Framework

Capitalized to remain
competitive under
stress scenarios



Demonstrated Financial Strength

Capital Position		Sources of Funding	
- Parent company liquid assets > 3x annual fixed charges - PICA RBC ratio > 375% - Japan solvency margin ratios > 700%		- Parent company highly liquid assets of \$6.1 billion⁽¹⁾ - Free cash flow⁽²⁾ ~65% of earnings over time	
Off-Balance Sheet Resources			
Resource		Capacity	Maturity Date
Credit Facility		\$4.0 billion	July 2022
Contingent Capital		\$1.5 billion \$1.5 billion	November 2023 May 2030
Prudential Holdings of Japan Facility		¥100 billion	September 2024

As of September 30, 2020.

(1) 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.

(2) Management view of free cash flow as a percentage of after-tax adjusted operating income includes dividends and returns of capital, net receipts from capital related intercompany loans, capital contributions to subsidiaries, and adjustments for M&A funding.



Preserving Balance Sheet Strength, as We Have Done for 140+ Years

Stress Parameters

Equity Market Decline

Pandemic Insurance Shock

Interest Rate Shock

Credit Shock

Currency Shock

Our Toolbox

- Disciplined ALM and hedging
- On balance sheet capital capacity
- Off-balance sheet resources
 - Credit facilities
 - Contingent capital
- Shift in our product mix
- Ability to adjust product pricing
- Reinsurance
- Prudent management

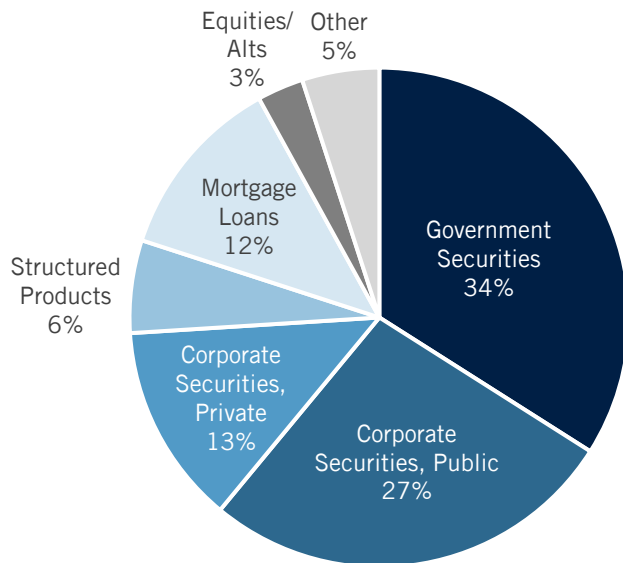
Outcomes

- Maintain appropriate and competitive regulatory capital levels at insurance companies
- Opportunistically pre-funded \$1.5 billion of 2020 and 2021 debt maturities
- Maintain adequate cash position at parent company
- Relatively resilient to equity market and interest rates declines
- Highly effective variable annuity hedging program



Broadly Diversified, High Quality Investment Portfolio

Portfolio Composition⁽¹⁾ \$450 billion



Highlights:

- High quality, defensively positioned portfolio with disciplined Asset Liability Management
- Favorable credit loss experience relative to peers
- Benefits of PGIM's expertise and direct origination capabilities
- Credit asset leverage lower than peer average at 7.2x⁽²⁾

Credit Migration:

- YTD 2020 credit migration and losses were favorable relative to our expectations, and 3Q20 credit losses were \$12 million

(1) General Account excluding the Closed Block Division and assets supporting experience-related contractholder liabilities (ASCL) as of September 30, 2020, on a U.S. GAAP carrying value basis. ASCL represents investment results that generally accrue to contractholders. Equities/Alts include equity securities, investments in LPs/LLCs, and real estate held through direct ownership. Structured products include commercial and residential mortgage-backed securities, collateralized loan obligations, and other asset-backed securities. Other includes policy loans, fixed maturities - trading, short-term investments, derivatives, and other miscellaneous assets.

(2) Asset leverage defined as (a) invested assets adjusted to isolate credit risk by including only Credit Bonds (fixed maturities including mortgage loans less government bonds), excluding the Closed Block Division and ASCL, divided by (b) equity excluding the portion of AOCI attributable to FX remeasurement and goodwill. Peer average includes AFL, AEL, AMP, ATH, BHF, CNO, EQH, LNC, MET, PFG, RGA, UNM, and VOYA. As of June 30, 2020 and sourced from Form 10-Q filings or quarterly financial supplements.



Balanced Approach to Capital Allocation

1. Maintain Strong Capital Position

2. Organic Growth at Attractive Returns

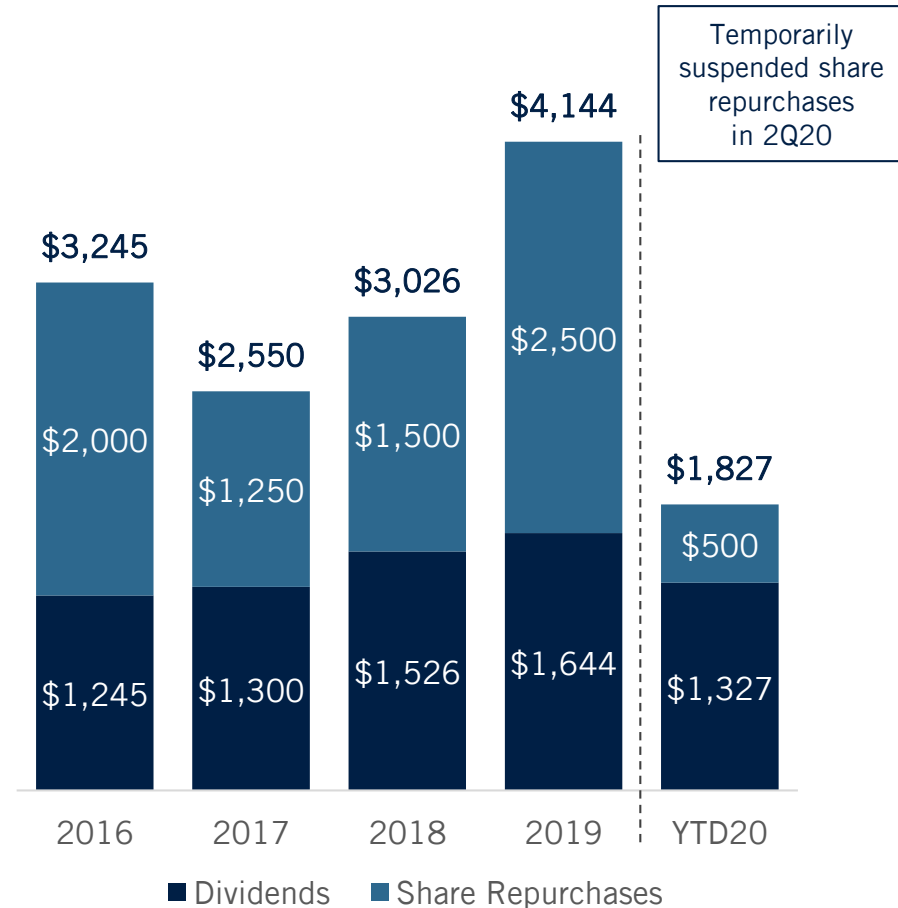
3. Sustainable and Growing Dividends

4. Acquisitions

5. Share Repurchases

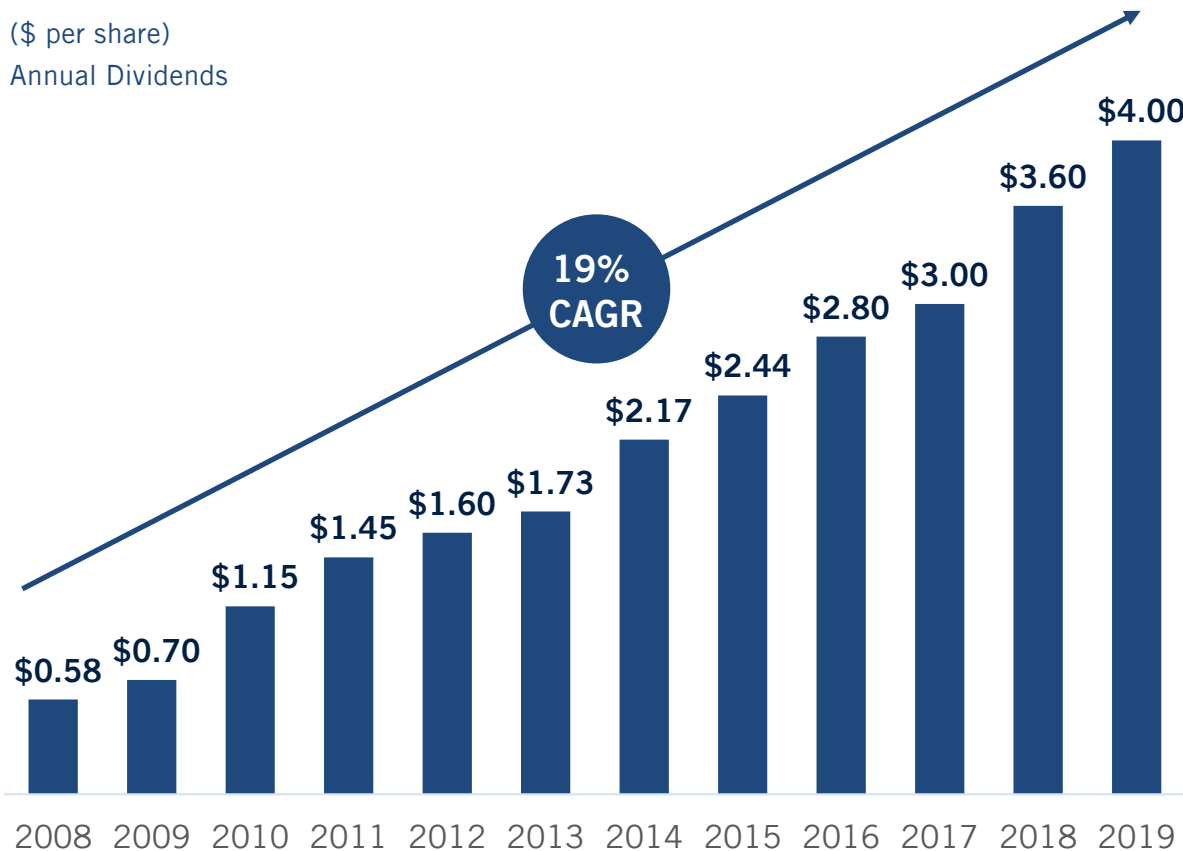
Shareholder Distributions

(\$ millions)



Double-Digit Dividend Growth Supported by Strong Earnings and Cash Flow Coverage

(\$ per share)
Annual Dividends



34%
2019 Dividend
Payout Ratio⁽¹⁾

(1) Based on annual dividend per share divided by annual after-tax adjusted operating income per share.





DIFFERENTIATED

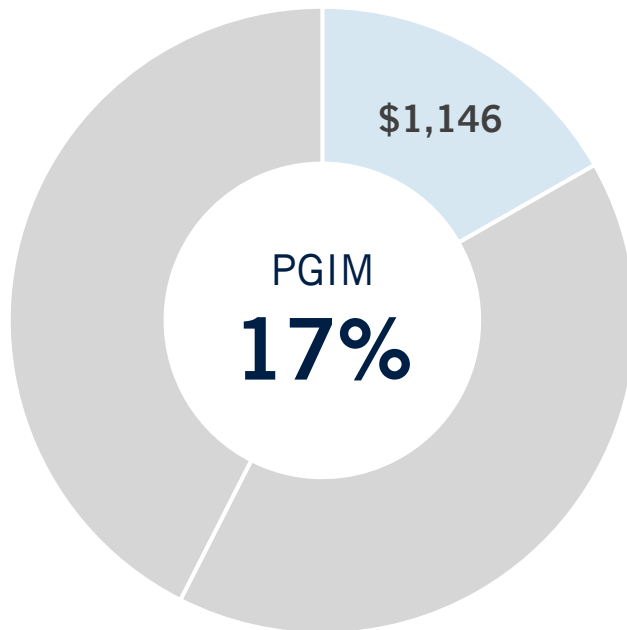
Thoughtful strategies and business design
produce differentiated outcomes



Prudential
Bring Your Challenges®

Diversified Top 10 Global Asset Manager with a Differentiated Active Multi-Manager Model

Earnings Contribution⁽¹⁾ (\$ millions)



Business Highlights:

- Diverse offering with scale – Attractive asset classes, client segments, and worldwide geographic presence
- Proven ability to capture industry flows and market share while preserving fee levels
- Alignment of incentive – Pay for performance model

Stable earnings, strong operating margin, and sustained cash flows to PFI

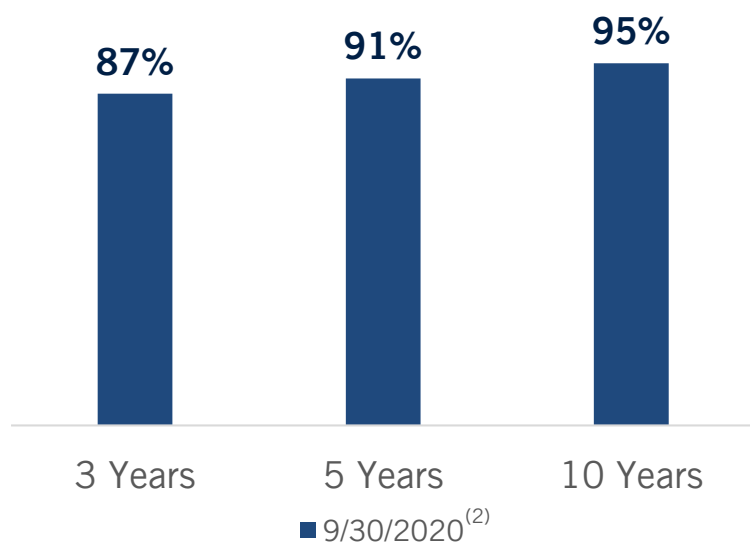
Note: See Appendix for sources of rankings.

(1) Based on last twelve months of pre-tax adjusted operating income through 3Q20 excluding Corporate & Other operations.

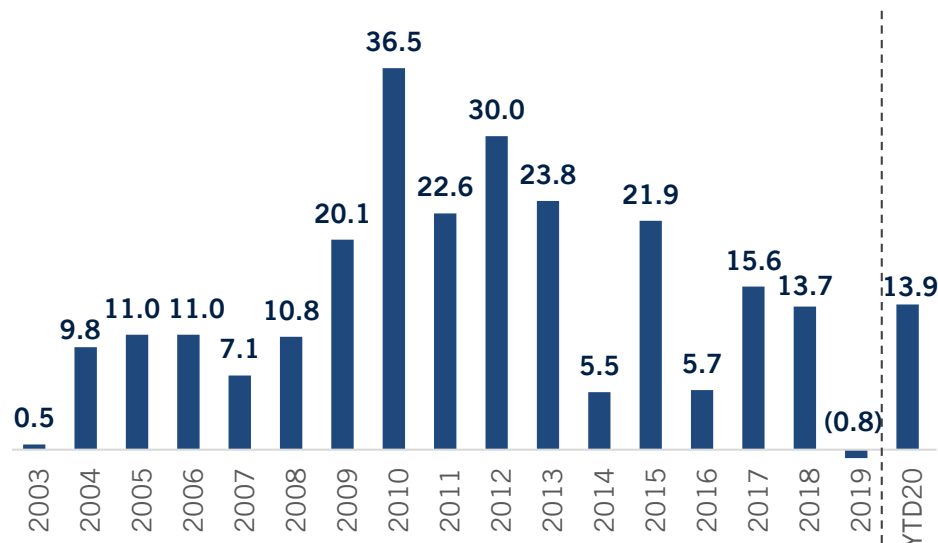


Strong Investment Performance Across Attractive Asset Classes Leads to Significant Organic Growth

Percentage of PGIM AUM⁽¹⁾ Outperforming Benchmark



Successful History with 16 out of 17 Years of Positive Third-Party Net Flows (\$ billions)

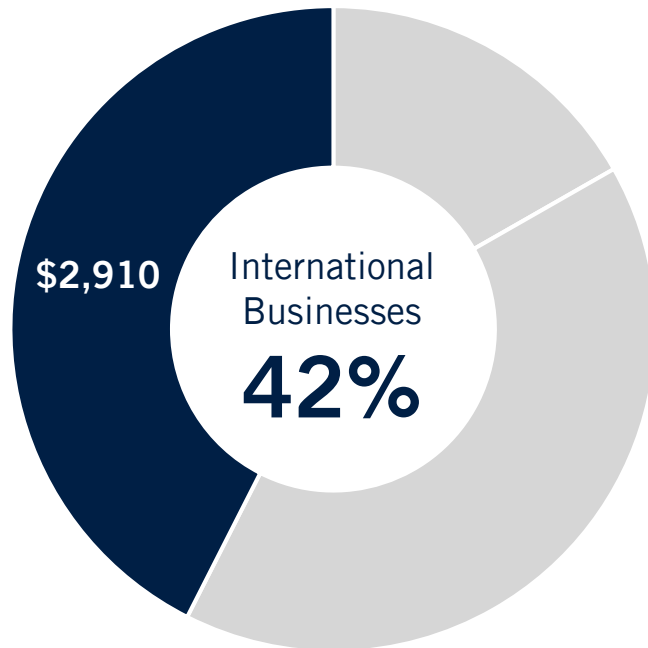


- (1) Represents PGIM's benchmarked AUM (77% of total third-party AUM is benchmarked over 3 years, 68% over 5 years, and 43% over 10 years respectively). This calculation does not include non-benchmarked assets (including general account assets and assets not managed by PGIM). Returns are calculated 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 (QMA), PGIM Real Estate, PGIM Private Capital, PGIM Global Partners, and PGIM Real Estate Finance.
- (2) PGIM calculations as of September 30, 2020 for \$821 billion of third-party AUM managed against public benchmarks. 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).



Highly Productive, Elite Proprietary Distribution and Expanding Presence in Growth Markets

Earnings Contribution⁽¹⁾
(\$ millions)



Business Highlights:

- Best in class, profitable Japanese franchise consistently taking market share
- Continuing rotation from mature to developing markets with greater growth prospects and favorable demographic trends
- Synergies with PGIM's investment expertise

**Stable earnings, high returns,
and sustained cash flows to PFI**

Note: See Appendix for earnings by business. Prior periods restated for reclassification of results of POT from International Businesses to Divested and Run-off Businesses in Corporate & Other.

(1) Based on last twelve months of pre-tax adjusted operating income through 3Q20 excluding Corporate & Other operations.



Attractive Mix of Developed and Emerging Markets Provide Long-term Growth

Developed: Japan

- Highly productive distribution system; world class captive agents, complemented by third-party channels
- Aging population provides opportunity for expanding product solutions
- Wealthy households with significant investable assets

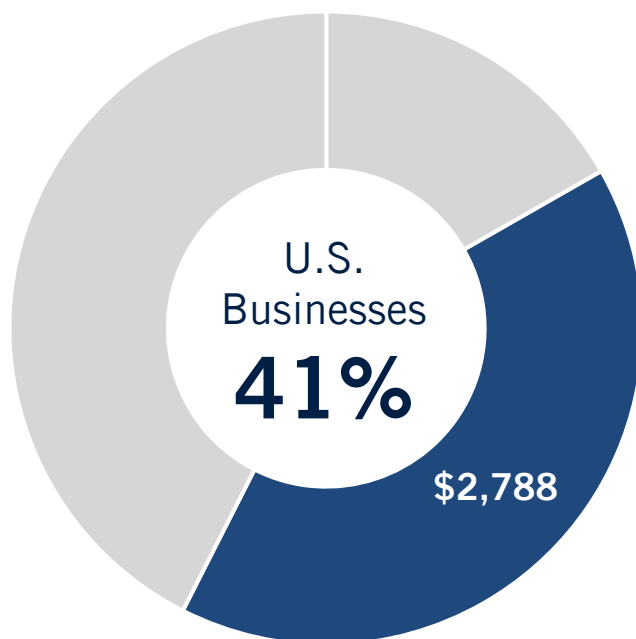
Emerging Markets

- Expanding economies and rising affluent and middle class: Latin America, China, Southeast Asia, Africa
- Low insurance penetration with growing demand for protection and savings products
- Thoughtful ownership approaches and business models tailored to local market dynamics and opportunities



Diversified Business Portfolio with Expanding Market Opportunities

Earnings Contribution⁽¹⁾
(\$ millions)



Business Highlights:

- Diversified customer base
- Broad set of complementary solutions
- Strong multi-channel distribution
- Synergies with PGIM's investment expertise

**Scaled and diversified businesses
with runway for growth**

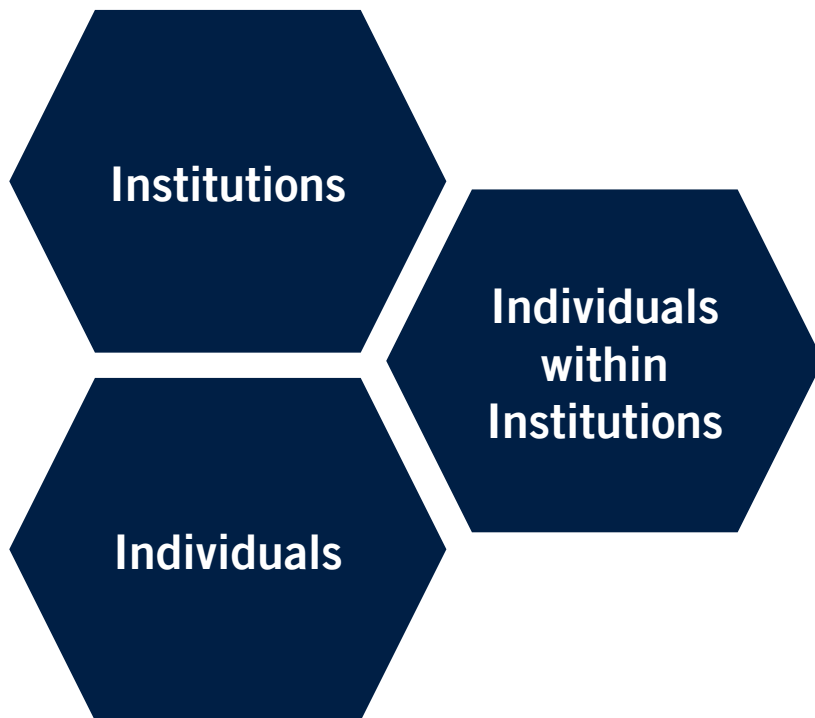
Note: See Appendix for earnings by business.

(1) Based on last twelve months of pre-tax adjusted operating income through 3Q20 excluding Corporate & Other operations. U.S. Businesses include Retirement, Group Insurance, Individual Annuities, Individual Life, and Assurance IQ.

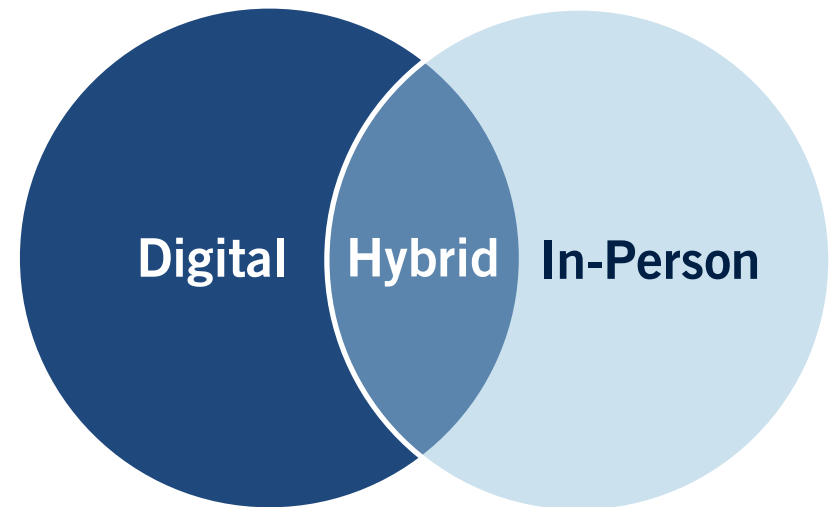


Broad, End-to-End Engagement Model

We Can Meet Customers...



... How and When They Want



Complementary Businesses Amplify Growth and Mitigate Risk

Competitive Synergies

- PGIM is the “investment engine” of Prudential – generates higher returning assets that enhance the competitiveness of U.S. and International Businesses
- U.S. and International Businesses significantly increase PGIM’s scale
- Individual businesses enhance Workplace value proposition

Risk Mitigation Synergies

- Diversification of earnings, capital, and risks
- Natural hedging
 - Mortality / Longevity
 - Offsetting equity exposure across businesses

← **Global Intelligence** — **Idea Sharing** — **Common Purpose** →





DISCIPLINED
Positioned for long-term growth



Prudential
Bring Your Challenges®

On Track with our 2020 Initiatives

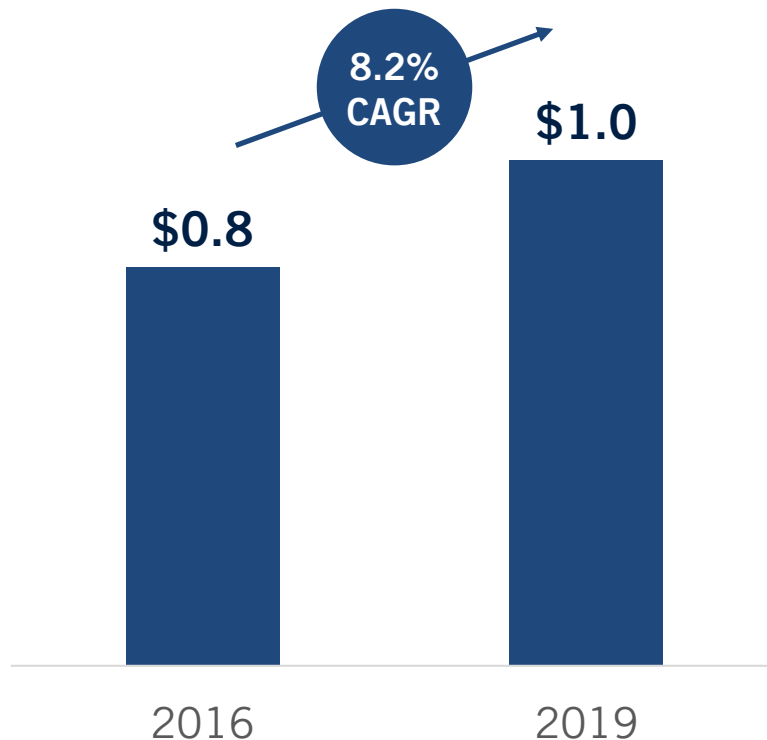
2020 Initiatives	Commentary	Status
Cost Savings Initiative	- Realized ~\$135 million of cost savings through 3Q20 - Increasing cost savings target to \$750 million by year-end 2023	Expanding Program
Rotate International Earnings Mix	- Closed sale of Prudential of Korea in August - Announced sale of Prudential of Taiwan in August	On Track
Actions to Mitigate Low Interest Rates	- Repricing products more quickly - Pivoting to less interest rate sensitive solutions	On Track



Earnings and Margin Continue to Expand

(\$ billions)
Pre-tax AOI

Earnings



Growth opportunities from:

- Alternatives
- International
- Retail

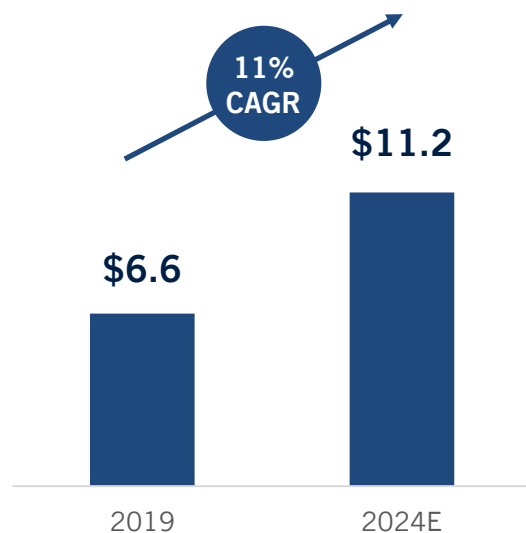
**Margin expansion from
positive operating leverage**



Growth in Alternatives

Market Opportunity⁽¹⁾

(\$ trillions)



PGIM's Positioning

Alternatives⁽²⁾ **\$243B**

Top 3 in Real Estate⁽²⁾ **\$182B**

Private Credit⁽²⁾ **\$98B**

Investments for Future Growth

- Building out private credit capabilities (e.g. mezzanine, direct lending)
- Entering the Private Equity Secondaries space
- Further scaling and broadening PGIM Fixed Income's suite of hedge funds
- Driving growth of QMA's global macro and managed futures strategies

Note: See Appendix for sources of rankings.

(1) Private markets AUM from Morgan Stanley Beyond the Bounce-Back, published 2020.

(2) Data reflects AUM as of September 30, 2020. Alternatives AUM represents hedge fund, mezzanine and other private credit, real asset, and infrastructure products across all PGIM businesses. Real Estate represents gross AUM and AUA of \$142B and \$40B, respectively, and net AUM is \$121B.



Significant Opportunity Outside the U.S.

Japan

~\$265B in Assets

- **Top 3** foreign manager of Japanese Institutional assets
- Generated a total of over **\$30B** in third-party net flows over the last 5 years
- Increased appetite for non-Japan assets

Europe

~\$82B in Assets

- AUM from European clients grew by **13% CAGR** over the last 5 years
- ~30 sales professionals covering EU institutions and intermediaries, tripled since 2013
- Entering Retail market

Emerging Markets

~\$35B in Assets

- China: **\$19B AUM JV** up from **\$5B** in 2010; deepening local coverage of top institutions
- Top 10 EM active manager with **\$44B⁽¹⁾** across public debt and equities strategies

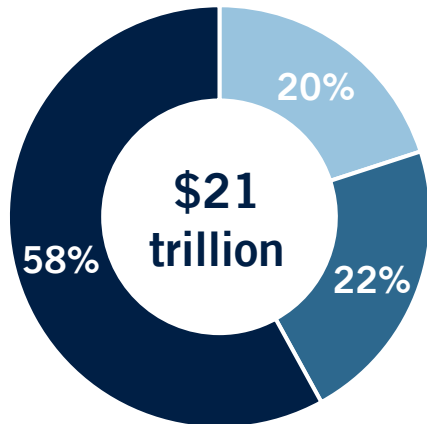
Note: See Appendix for sources of rankings. Data as of September 30, 2020, unless otherwise stated.

(1) As of June 30, 2020.



Momentum in U.S. Retail

Market Opportunity⁽¹⁾



- Passive MFs
- Passive ETFs
- Active MFs and ETFs

PGIM's Positioning

- #2 fastest growing U.S. mutual fund family YTD⁽²⁾
- Institutional approach to serving retail intermediaries
- Leading Fixed Income franchise meets investors' demand for yield

Investments for Future Growth

- Continue to build on strategic partner status (e.g. Edward Jones)
- Scale up suite of active ETFs and Retail Separate Accounts

Note: See Appendix for sources of rankings.

(1) Morningstar data as of September 30, 2020 (excludes money market funds and fund of funds).

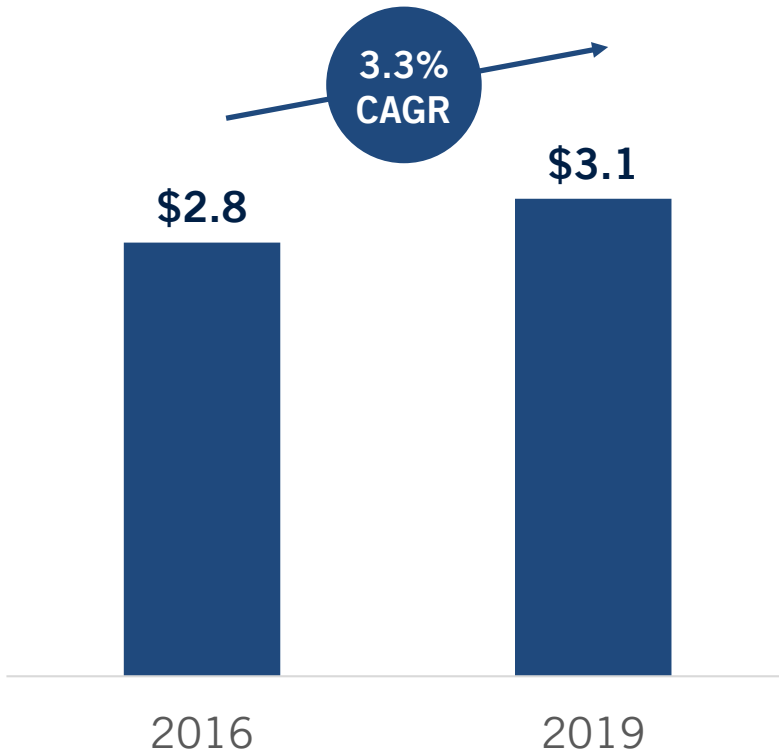
(2) Based on net sales for long-term mutual funds.



Earnings Expansion with Stable Margins

(\$ billions)
Pre-tax AOI

Earnings



Growth opportunities from:

- Continuing to outpace the market in Japan
- Expanding our presence in emerging markets

Note: See Appendix for earnings by business. Prior periods restated for reclassification of results of POT from International Businesses to Divested and Run-off Businesses in Corporate & Other.



Well Positioned for Continued Outperformance in Japan

**Market
Penetration
Beyond Tokyo**

**Highly Skilled
Distribution**

**Adept at
Product
Evolution**



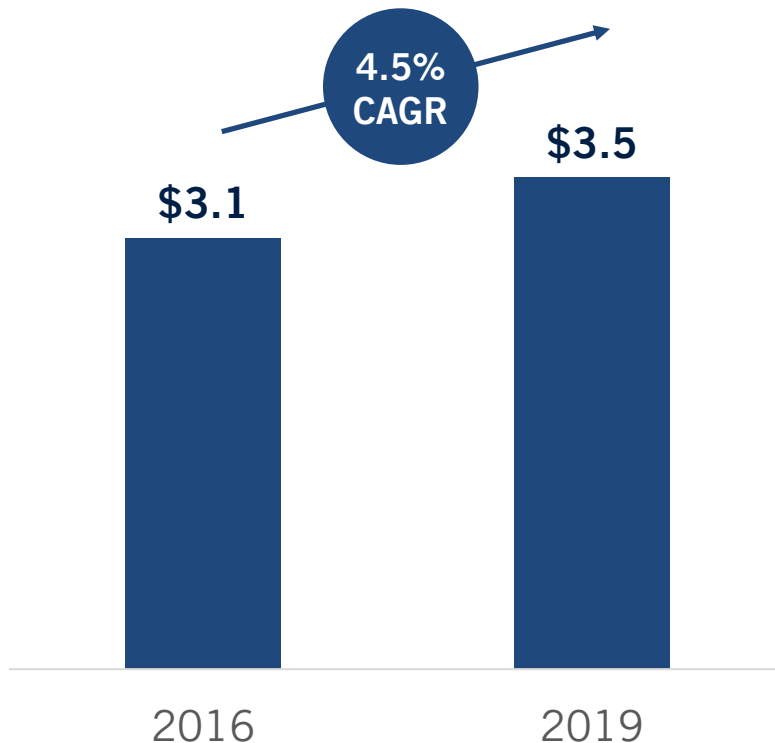
Delivering on Our Strategic Imperatives to Capture Growth in Emerging Markets



Executing Against Three Strategic Pillars

(\$ billions)
Pre-tax AOI

Earnings



Growth opportunities from:

- Strengthening our foundational businesses
- Transforming capabilities and efficiency
- Expanding addressable markets to accelerate growth

Note: See Appendix for earnings by business.



Strengthening Our Foundational Businesses

Retirement

- Enhance Full Service platform customer experience and competitiveness
 - Pursue disciplined growth in PRT
-

Group Insurance

- Expand in target customer segments
 - Enhance voluntary platform and products
-

Individual Annuities & Individual Life

- Expand in target distribution and customer segments
- Pivot to less interest rate sensitive solutions



Transforming Capabilities and Efficiency

Changing the way we work to improve the customer experience...

Call Center
Optimization

Process
Automation

Technology
Enablement
(Digital, Mobile)

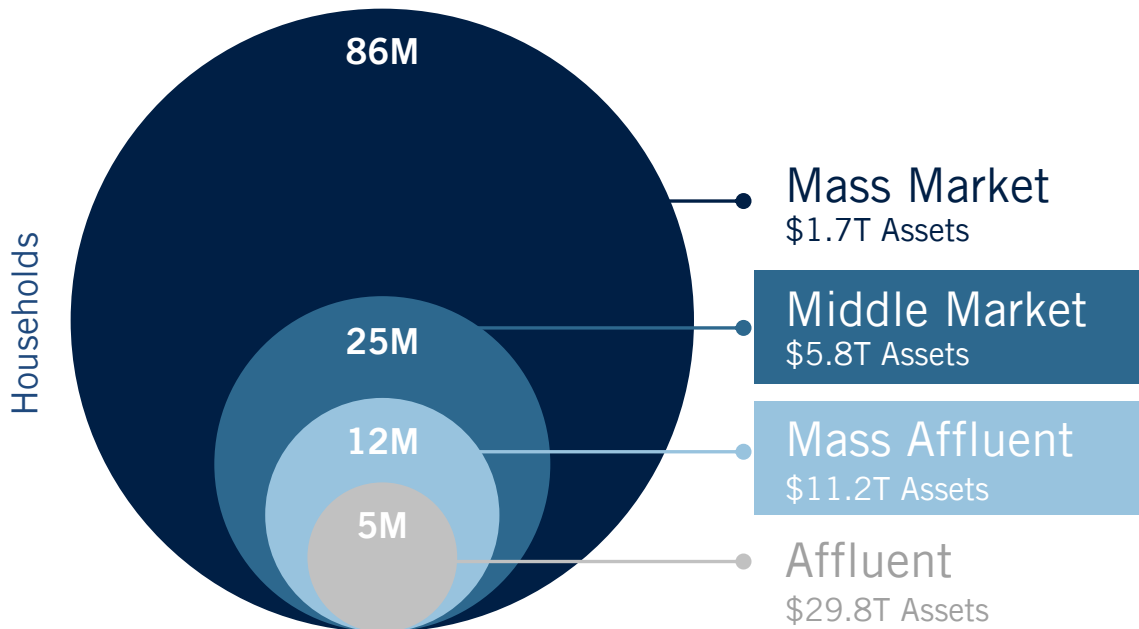
...resulting in ~\$750 million of annual run-rate cost savings by year-end 2023⁽¹⁾

(1) Run-rate at the end of the year. Earnings impact includes U.S. Businesses, PGIM, and Corporate & Other and is subject to timing.



Expanding Addressable Markets to Accelerate Growth

Opportunity to Accelerate Growth in Mass Affluent and Middle Market



Significant opportunity to expand and grow:

- Underserved markets with significant gaps for protection and retirement

How we make it happen:

- Simplified and affordable products
- Alternative distribution channels
 - Workplace Financial Wellness
 - Prudential Advisors
 - LINK/Hybrid Advisors
 - Assurance IQ

Sources: Cerulli 2018 Retail Asset Management Report; Prudential 2018 Financial Wellness Survey.



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Adjusted Operating ROE⁽¹⁾

13%

5-yr Annual Dividends Per Share CAGR⁽²⁾

9%

5-yr Adjusted BVPS CAGR⁽³⁾

(1) Based on 2019 after-tax adjusted operating income and average adjusted book value. See reconciliation in Appendix for more information.

(2) From 2014 to 2019; based on annual dividend per share.

(3) From 2014 to 2019; based on adjusted book value. See reconciliation in Appendix for more information.





APPENDIX



Prudential
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Sources of Rankings

Business	Market Position	Source
PGIM	Top 10 Global Asset Manager	Pensions & Investments Top Money Managers list, June 1, 2020; based on Prudential Financial, Inc. (PFI) total worldwide assets under management as of March 31, 2020.
	Top 3 Real Estate Manager	IPE Real Assets, Real Estate Managers by Worldwide AUM as of June 30, 2019. Publication as of November/December 2019 issue.
	Top 3 Foreign Manager of Japanese Institutional Assets	Nenkin Joho by R&I. AUM as of December 31, 2018. AUM ranking pertains to separate accounts and does not include AUM for institutional funds.
	Top 10 EM Active Manager	Based on eVestment data as of June 30, 2020.
	#2 Fastest Growing U.S. Mutual Fund Family	Strategic Insight/Simfund 3Q 2020 YTD. Ranking only references net sales for long-term mutual funds and excludes ETF and money markets. Results may differ from PGIM Investments (Strategic Insight/Simfund excludes Day One and private funds).



Earnings by Business

(\$ millions)

Adjusted operating income (loss) before income taxes

	Full Year		Twelve Months Ended
	2019	2016	9/30/2020
PGIM	\$ 998	\$ 787	\$ 1,146
U.S. Businesses:			
Retirement	1,301	1,012	1,179
Group Insurance	285	220	132
Individual Annuities	1,843	1,765	1,480
Individual Life	87	79	75
Assurance IQ	(9)	-	(78)
Total U.S. Businesses	3,507	3,076	2,788
International Businesses:			
Life Planner	1,433	1,249	1,423
Gibraltar Life & Other	1,679	1,578	1,487
Total International Businesses	3,112	2,827	2,910
Corporate & Other	(1,766)	(1,581)	(2,076)
Total adjusted operating income before income taxes	5,851	5,109	4,768
Income taxes, applicable to adjusted operating income	1,195	1,224	925
After-tax adjusted operating income	\$ 4,656	\$ 3,885	\$ 3,843

Note: Prior periods restated for reclassification of results of POT. Adjusted operating income reflects the reclassification of results of POT from International Businesses to Divested and Run-off Businesses in Corporate & Other. POT's results are excluded from adjusted operating income as a result of the operation being held for sale.



Reconciliations between Adjusted Operating Income and the Comparable GAAP Measure

(\$ millions, except per share data)

Net income (loss) attributable to Prudential Financial, Inc.

Income attributable to noncontrolling interests

Net income (loss)

Less: Earnings attributable to noncontrolling interests

Income (loss) attributable to Prudential Financial, Inc.

Less: Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests

Income (loss) (after-tax) before equity in earnings of operating joint ventures

Less: Reconciling Items:

Realized investment gains (losses), net, and related charges and adjustments⁽¹⁾

Market experience updates

Divested and Run-off Businesses:

Closed Block division

Other Divested and Run-off Businesses

Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests

Other adjustments⁽²⁾

Total reconciling items, before income taxes

Less: Income taxes, not applicable to adjusted operating income

Total reconciling items, after income taxes

After-tax adjusted operating income

Income taxes, applicable to adjusted operating income

Adjusted operating income before income taxes

After-tax adjusted operating income per share

Net Income Return on Equity

Adjusted Operating Return on Equity⁽³⁾

Full Year		Twelve Months Ended
2019	2016	9/30/2020
\$ 4,186	\$ 4,368	\$ (65)
52	51	35
4,238	4,419	(30)
52	51	35
4,186	4,368	(65)
48	(2)	42
4,138	4,370	(107)
(958)	504	(3,026)
(449)	-	(950)
36	(132)	16
756	229	(610)
(104)	(5)	(95)
(47)	-	18
(766)	596	(4,647)
(248)	111	(697)
(518)	485	(3,950)
4,656	3,885	3,843
1,195	1,224	925
\$ 5,851	\$ 5,109	\$ 4,768
\$ 11.24	\$ 8.64	
7.1%	8.8%	
11.6%	11.3%	

Note: Prior periods restated for reclassification of results of POT. Adjusted operating income reflects the reclassification of results of POT from International Businesses to Divested and Run-off Businesses in Corporate & Other. POT's results are excluded from adjusted operating income as a result of the operation being held for sale.

(1) Prior period amounts have been updated to conform to current period presentation.

(2) Represents adjustments not included in the above reconciling items. "Other adjustments" include certain components of the consideration for the Assurance IQ acquisition, which are recognized as compensation expense over the requisite service periods, as well as changes in the fair value of contingent consideration.

(3) Represents adjusted operating income after-tax, annualized for interim periods, divided by average Prudential Financial, Inc. equity excluding accumulated other comprehensive income and adjusted to remove amounts included for foreign currency exchange rate remeasurement.



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

(\$ millions, except per share data)

GAAP book value

Less: Accumulated other comprehensive income (AOCI)

GAAP book value excluding AOCI

Less: Cumulative effect of remeasurement of foreign currency

Adjusted book value

Number of diluted shares

GAAP book value per Common share - diluted⁽¹⁾

GAAP book value excluding AOCI per Common share - diluted⁽¹⁾

Adjusted book value per Common share - diluted⁽¹⁾

	December 31,		September 30,
	2019	2014	2020
GAAP book value	\$ 63,115	\$ 40,981	\$ 66,217
Less: Accumulated other comprehensive income (AOCI)	24,039	15,882	30,001
GAAP book value excluding AOCI	39,076	25,099	36,216
Less: Cumulative effect of remeasurement of foreign currency	(1,835)	(4,783)	(1,482)
Adjusted book value	<u>\$ 40,911</u>	<u>\$ 29,882</u>	<u>\$ 37,698</u>
Number of diluted shares	404.9	461.5	399.5
GAAP book value per Common share - diluted ⁽¹⁾	\$ 155.88	\$ 88.80	\$ 165.75
GAAP book value excluding AOCI per Common share - diluted ⁽¹⁾	\$ 96.51	\$ 54.39	\$ 90.65
Adjusted book value per Common share - diluted ⁽¹⁾	\$ 101.04	\$ 64.75	\$ 94.36

(1) Represents results of Financial Services Businesses for 2014. The \$500 million of exchangeable surplus notes were converted into 6.2 million shares of Common Stock in the third quarter of 2019. Book value per share as of December 31, 2014 excludes the impact of exchangeable surplus notes due to the anti-dilutive impact of conversion.

