# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d)**
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): June 4, 2014**

# PRUDENTIAL FINANCIAL, INC.
**(Exact name of registrant as specified in its charter)**

| New Jersey | 001-16707 | 22-3703799 |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

**751 Broad Street**
**Newark, New Jersey 07102**
**(Address of principal executive offices and zip code)**

**(973) 802-6000**
**(Registrant's telephone number, including area code)**

**Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):**

¨ **Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)**

¨ **Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)**

¨ **Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))**

¨ **Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))**

**Item 2.02 Results of Operations and Financial Condition.**

Prudential Financial, Inc., a New Jersey corporation (the "Company"), is furnishing a copy of slides being presented at its Investor Day conference on June 4, 2014, as Exhibit 99.1 hereto.

**Item 7.01 Regulation FD Disclosure.**

The response to Item 2.02 is hereby incorporated into this Item 7.01.

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits.**

99.1 Slide presentation of Prudential Financial, Inc. at its Investor Day conference on June 4, 2014 (furnished and not filed).

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 4, 2014

PRUDENTIAL FINANCIAL, INC.

| | |
|---|---|
| By: | /s/ Brian J. Morris |
| Name: | Brian J. Morris |
| Title: | Vice President and Assistant Secretary |

## Exhibit Index

| Exhibit No. | Description |
|---|---|
| 99.1 | Slide presentation of Prudential Financial, Inc. at its Investor Day conference on June 4, 2014 (furnished and not filed). |

Exhibit 99.1

Prudential

# PRUDENTIAL FINANCIAL, INC.
# INVESTOR DAY

June 4, 2014

Prudential

# PRUDENTIAL FINANCIAL, INC. INVESTOR DAY

**ERIC DURANT**
SENIOR VICE PRESIDENT
INVESTOR RELATIONS

# FORWARD-LOOKING STATEMENTS

Certain of the statements included in this presentation 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. There can be no assurance that future developments affecting Prudential Financial, Inc. and its subsidiaries will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including, among others: (1) general economic, market and political conditions, including the performance and fluctuations of fixed income, equity, real estate and other financial markets; (2) the availability and cost of additional debt or equity capital or external financing for our operations; (3) interest rate fluctuations or prolonged periods of low interest rates; (4) the degree to which we choose not to hedge risks, or the potential ineffectiveness or insufficiency of hedging or risk management strategies we do implement, with regard to variable annuity or other product guarantees; (5) any inability to access our credit facilities; (6) reestimates of our reserves for future policy benefits and claims; (7) differences between actual experience regarding mortality, longevity, morbidity, persistency, surrender experience, interest rates or market returns and the assumptions we use in pricing our products, establishing liabilities and reserves or for other purposes; (8) changes in our assumptions related to deferred policy acquisition costs, value of business acquired or goodwill; (9) changes in assumptions for retirement expense; (10) changes in our financial strength or credit ratings; (11) statutory reserve requirements associated with term and universal life insurance policies under Regulation XXX and Guideline AXXX; (12) investment losses, defaults and counterparty non-performance; (13) competition in our product lines and for personnel; (14) difficulties in marketing and distributing products through current or future distribution channels; (15) changes in tax law; (16) economic, political, currency and other risks relating to our international operations; (17) fluctuations in foreign currency exchange rates and foreign securities markets; (18) regulatory or legislative changes, including the Dodd-Frank Wall Street Reform and Consumer Protection Act; (19) inability to protect our intellectual property rights or claims of infringement of the intellectual property rights of others; (20) adverse determinations in litigation or regulatory matters and our exposure to contingent liabilities, including in connection with our divestiture or winding down of businesses; (21) domestic or international military actions, natural or man-made disasters including terrorist activities or pandemic disease, or other events resulting in catastrophic loss of life; (22) ineffectiveness of risk management policies and procedures in identifying, monitoring and managing risks; (23) effects of acquisitions, divestitures and restructurings, including possible difficulties in integrating and realizing projected results of acquisitions; (24) interruption in telecommunication, information technology or other operational systems or failure to maintain the security, confidentiality or privacy of sensitive data on such systems; (25) changes in statutory or U.S. GAAP accounting principles, practices or policies; (26) Prudential Financial, Inc.’s primary reliance, as a holding company, on dividends or distributions from its subsidiaries to meet debt payment obligations and the ability of the subsidiaries to pay such dividends or distributions in light of our ratings objectives and/or applicable regulatory restrictions; and (27) risks due to the lack of legal separation between our Financial Services Businesses and our Closed Block Business. Prudential Financial, Inc. does not intend, and is under no obligation, to update any particular forward-looking statement included in this presentation.

See “Risk Factors” included in Prudential Financial, Inc.’s Annual Report on Form 10-K for the year ended December 31, 2013 and Quarterly Report on Form 10-Q for the period ended March 31, 2014 for discussion of certain risks relating to our businesses and investment in our securities.

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

# NON–GAAP MEASURES

This presentation includes references to “adjusted operating income” or “AOI”. Adjusted operating income is a non-GAAP measure of performance of our Financial Services Businesses. Adjusted operating income excludes “Realized investment gains (losses), net,” as adjusted, and related charges and adjustments. A significant element of realized investment gains and losses are impairments and credit-related and interest rate-related gains and losses. Impairments and losses from sales of credit-impaired securities, the timing of which depends largely on market credit cycles, can vary considerably across periods. The timing of other sales that would result in gains or losses, such as interest rate-related gains or losses, is largely subject to our discretion and influenced by market opportunities as well as our tax and capital profile.

Realized investment gains (losses) within certain of our businesses for which such gains (losses) are a principal source of earnings, and those associated with terminating hedges of foreign currency earnings and current period yield adjustments are included in adjusted operating income. Adjusted operating income excludes realized investment gains and losses from products that contain embedded derivatives, and from associated derivative portfolios that are part of a hedging program related to the risk of those products. Adjusted operating income also excludes gains and losses from changes in value of certain assets and liabilities relating to foreign currency exchange movements that have been economically hedged or considered part of our capital funding strategies for our international subsidiaries, as well as gains and losses on certain investments that are classified as other trading account assets.

Adjusted operating income also excludes investment gains and losses on trading account assets supporting insurance liabilities and changes in experience-rated contractholder liabilities due to asset value changes, because these recorded changes in asset and liability values are expected to ultimately accrue to contractholders. Trends in the underlying profitability of our businesses can be more clearly identified without the fluctuating effects of these transactions. In addition, adjusted operating income excludes the results of divested businesses, which are not relevant to our ongoing operations. Discontinued operations, which is presented as a separate component of net income under GAAP, is also excluded from adjusted operating income.

We believe that the presentation of adjusted operating income as we measure it for management purposes enhances understanding of the results of operations of the Financial Services Businesses by highlighting the results from ongoing operations and the underlying profitability of our businesses. However, adjusted operating income is not a substitute for income determined in accordance with GAAP, and the adjustments made to derive adjusted operating income are important to an understanding of our overall results of operations. The schedules on the following pages provide a reconciliation of adjusted operating income for the Financial Services Businesses to income from continuing operations in accordance with GAAP.

The information referred to above, as well as the risks of our businesses described in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, should be considered by readers when reviewing forward-looking statements contained in this presentation. Additional historical information relating to our financial performance is located on our Web site at www.investor.prudential.com.

# RECONCILIATION BETWEEN ADJUSTED OPERATING INCOME AND THE COMPARABLE GAAP MEASURE

($ millions)

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|
| **Financial Services Businesses after-tax adjusted operating income** | $ 2,261 | $ 2,664 | $ 2,917 | $ 3,019 | $ 4,586 |
| Reconciling items: | | | | | |
| Realized investment gains (losses), net, and related charges and adjustments | (1,669) | (27) | 847 | (2,809) | (8,149) |
| Investment gains (losses) on trading account assets supporting insurance liabilities, net | 1,601 | 501 | 223 | 610 | (250) |
| Change in experience-rated contractholder liabilities due to asset value changes | (899) | (631) | (123) | (540) | 227 |
| Divested businesses | 2,101 | 1 | 90 | (615) | 29 |
| Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests | (2,387) | (87) | (227) | (29) | 28 |
| Total reconciling items, before income taxes | (1,253) | (243) | 810 | (3,383) | (8,115) |
| Income taxes, not applicable to adjusted operating income | (663) | 35 | 424 | (816) | (2,857) |
| Total reconciling items, after income taxes | (590) | (278) | 386 | (2,567) | (5,258) |
| **Income (loss) from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures** | 1,671 | 2,386 | 3,303 | 452 | (672) |
| Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests | 1,580 | 63 | 148 | 10 | (48) |
| **Income (loss) from continuing operations attributable to Prudential Financial, Inc.** | 3,251 | 2,449 | 3,451 | 462 | (720) |
| Earnings attributable to noncontrolling interests | (57) | 19 | 34 | 50 | 107 |
| **Income (loss) from continuing operations (after-tax) of Financial Services Businesses** | 3,194 | 2,468 | 3,485 | 512 | (613) |
| Income (loss) from discontinued operations, net of taxes | (19) | 32 | 35 | 17 | 7 |
| **Net income (loss) of Financial Services Businesses** | 3,175 | 2,500 | 3,520 | 529 | (606) |
| Less: Income attributable to noncontrolling interests | (57) | 19 | 34 | 50 | 107 |
| **Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.** | $ 3,232 | $ 2,481 | $ 3,486 | $ 479 | $ (713) |

# RECONCILIATION FOR EARNINGS PER SHARE EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS[1]

| Adjusted Operating Income basis: | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|
| **Earnings Per Share** | $ 5.64 | $ 5.97 | $ 6.40 | $ 9.67 |
| Reconciling items: | | | | |
| Unlockings and experience true-ups[2] | 0.52 | (0.27) | (0.03) | 0.77 |
| Gains on sales of businesses/investments[3] | 0.09 | 0.53 | 0.15 | 0.09 |
| Impact of earthquake in Japan | - | (0.09) | - | - |
| Integration costs[4] | - | (0.29) | (0.21) | (0.09) |
| Write off of bond issue costs | - | - | (0.04) | (0.03) |
| Other[5] | - | (0.16) | (0.17) | - |
| Sub-total | 0.61 | (0.28) | (0.30) | 0.74 |
| **Earnings Per Share - excluding market driven and discrete items** | $ 5.03 | $ 6.25 | $ 6.70 | $ 8.93 |

1) As disclosed in company earnings releases.
2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions, as well as annual reviews of actuarial assumptions and refinements of reserves, deferred policy acquisition and other costs.
3) Includes gains on sales of investments in China Pacific, Afore XXI, as well as impairments and gains on certain investments.
4) Includes acquisition and integration expenses related to Star and Edison, and the acquired in force from The Hartford Life.
5) Includes true ups for legal reserves, and employee benefit accruals, and impairments and write offs of intangible assets.

## RECONCILIATION FOR U.S. BUSINESSES PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS[1]

($ millions)

| | 2012 | 2013 |
|---|---|---|
| **U.S. Businesses pre-tax adjusted operating income** | $ 2,661 | $ 4,587 |
| Reconciling items: | | |
| Unlockings and experience true-ups[2] | 48 | 764 |
| Gains on sales of business/investments[3] | 44 | - |
| Integration costs for Hartford Life acquisition | (15) | (51) |
| Other[4] | (67) | - |
| Sub-total | 10 | 713 |
| **U.S. Businesses pre-tax adjusted operating income excluding market driven and discrete items** | $ 2,651 | $ 3,874 |

1) As disclosed in company earnings releases.
2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions, as well as annual reviews of actuarial assumptions and refinements of reserves, deferred policy acquisition and other costs.
3) Includes gain on sale of investment in Afore XXI, as well as an impairment and gains on certain other investments.
4) Includes true ups for legal reserves and impairments and write offs of intangible assets.

# RECONCILIATION FOR ASSET MANAGEMENT PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS [1]

($ millions)

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|
| **Asset Management pre-tax adjusted operating income** | $ 92 | $ 523 | $ 888 | $ 584 | $ 723 |
| Reconciling items: | | | | | |
| Gains/(losses) on sales of business/investments[2] | - | - | 157 | (34) | - |
| Sub-total | - | - | 157 | (34) | - |
| **Asset Management pre-tax adjusted operating income excluding market driven and discrete items** | $ 92 | $ 523 | $ 731 | $ 618 | $ 723 |

1) As disclosed in company earnings releases.
2) Includes gain on sale of an investment in Afore XXI, as well as an impairment and gains on sales of certain other investments.

# RECONCILIATION FOR INTERNATIONAL INSURANCE PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS[1]

($ millions)

| | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|
| **International Insurance pre-tax adjusted operating income** | $ 1,651 | $ 1,887 | $ 2,263 | $ 2,704 | $ 3,152 |
| Reconciling items: | | | | | |
| Annual review of actuarial assumptions and reserve refinements[2] | 14 | - | - | 20 | (190) |
| Gains on sales of indirect investment in China Pacific Group | - | 66 | 237 | 60 | 66 |
| Impact of earthquake in Japan | - | - | (69) | - | - |
| Star/Edison integration costs | - | - | (213) | (138) | (28) |
| Other[3] | 15 | - | - | - | - |
| Sub-total | 29 | 66 | (45) | (58) | (152) |
| **International Insurance pre-tax adjusted operating income excluding market driven and discrete items** | $ 1,622 | $ 1,821 | $ 2,308 | $ 2,762 | $ 3,304 |

1) As disclosed in company earnings releases.
2) Includes refinements of reserves and amortization of deferred policy acquisition and other costs.
3) Represents initial surrenders of policies following the restructuring of the acquired Yamato Life business.

# PRUDENTIAL FINANCIAL, INC.

JOHN STRANGFELD

CHAIRMAN & CEO

# PRUDENTIAL'S INVESTOR VALUE PROPOSITION

- Superior ROE
- Strong cash flow and capital deployment
- High value-added, solution-driven business models
- Conservatively managed balance sheet

# HOW WE DELIVER ON OUR VALUE PROPOSITION

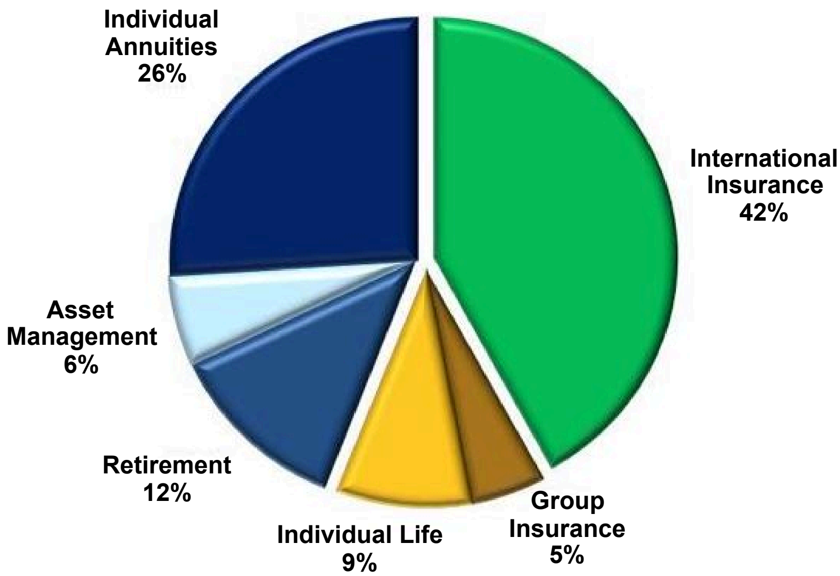
- Attractive mix of high quality businesses
- Talent and culture as a differentiator
- Seasoned management team
- Proven acquisition and integration track record
- Balanced approach to capital management
- Financial strength and brand

## WHAT WE MEAN BY ATTRACTIVE MIX OF HIGH QUALITY BUSINESSES

- Focus upon Life, Retirement and Asset Management
- Market leading businesses in the two largest markets in the world
  - U.S.
  - Japan
- Planting seeds in other markets
- Combination of growth and stability
- Balanced set of risks

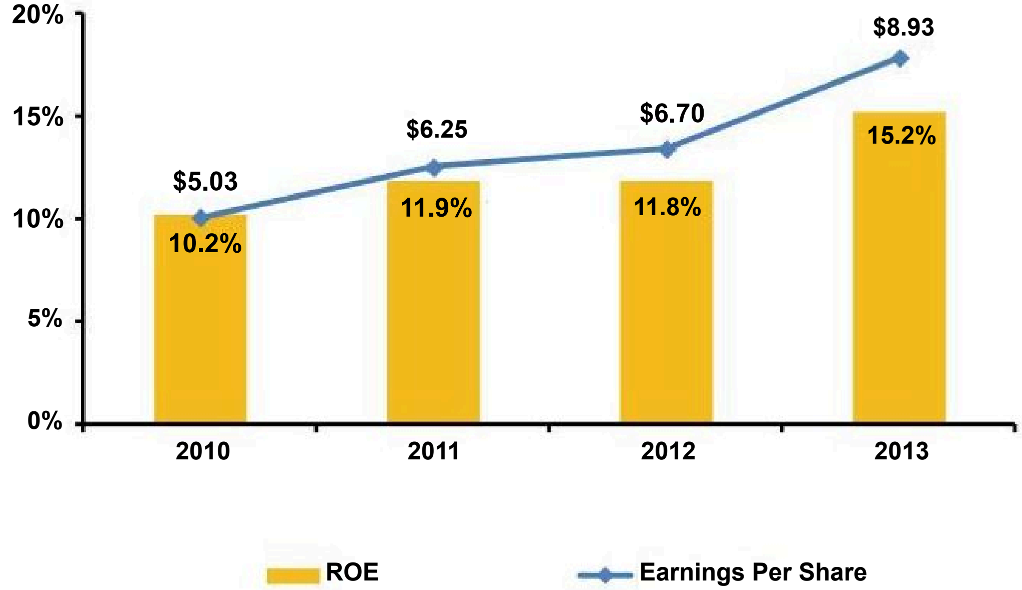
# SUPERIOR MIX OF HIGH QUALITY BUSINESSES WITH BALANCED RISKS

**March 31, 2014**
**Attributed Equity**
**$29.1 Billion[(1)]**




1) Attributed equity of Financial Services Businesses (FSB) as of March 31, 2014, excluding accumulated other comprehensive income (AOCI), and Corporate and Other Operations. Also excluding impact of foreign currency exchange rate remeasurement, which is attributed to International Insurance.

# ROE AND EPS GROWTH(1),(2)




1) EPS based on after-tax AOI of FSB excluding market driven and discrete items as disclosed in the company earnings releases; 2010 and 2011 market driven and discrete items have been restated for U.S. GAAP accounting standards applicable to deferred policy acquisition costs effective 1/1/12.
2) ROE based on AOI as adjusted herein and excludes accumulated other comprehensive income and the impact of foreign currency exchange rate remeasurement on attributed equity.

# TALENT AND CULTURE AS PERFORMANCE DRIVERS

- Strong technical skills – used independently and in combination
- Healthy blend of internally developed and external hires
- Environment of collaboration, teamwork and diversity
- Cross discipline engagement to drive innovation and execution
- Seasoned management team; orderly transitions

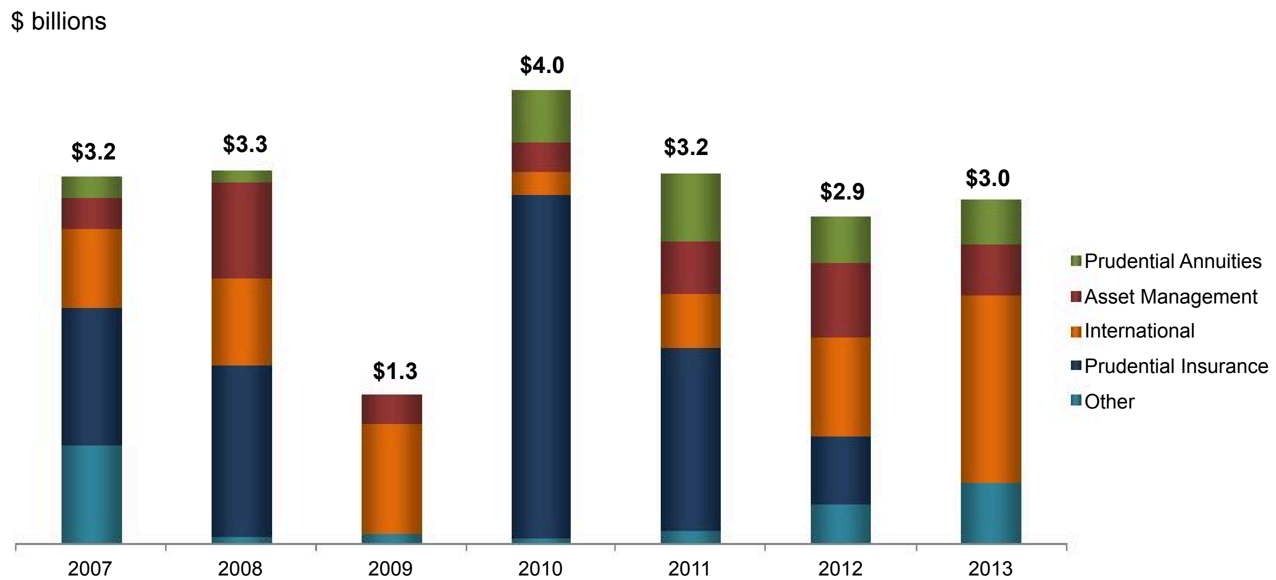
# PRUDENTIAL FINANCIAL, INC.

MARK GRIER
VICE CHAIRMAN

# AGENDA

- Regulatory update
- Risk management
- Capital management

# CASH FLOWS FROM SUBSIDIARIES[1]




1) Reflects dividends and returns of capital to Prudential Financial, Inc. (PFI).

# PRUDENTIAL'S U.S. BUSINESSES

STEPHEN PELLETIER

EXECUTIVE VICE PRESIDENT AND
CHIEF OPERATING OFFICER, U.S.

# TODAY'S DISCUSSION

- **Executive Summary**
- Prudential's U.S. Business Portfolio
- Review of U.S. Businesses
- Conclusion

# EXECUTIVE SUMMARY

- Prudential's U.S. business portfolio represents an attractive mix of businesses and risks
- Among the best positioned in the industry to participate in growth opportunities
  - Long term trends are putting money in motion
  - Established and emerging solutions directly address these opportunities
  - Superior and highly relevant set of capabilities, leveraged both within and across businesses
  - Access a broad set of institutional and individual customers through multiple distribution channels
- Sales are an outcome of our focus on:
  - Pursuing market opportunities
  - Achieving appropriate returns
  - Maintaining an attractive balance of risks
- Strong and sustainable financial performance by virtue of our business mix, operating leverage, and quality of earnings

# TODAY'S DISCUSSION

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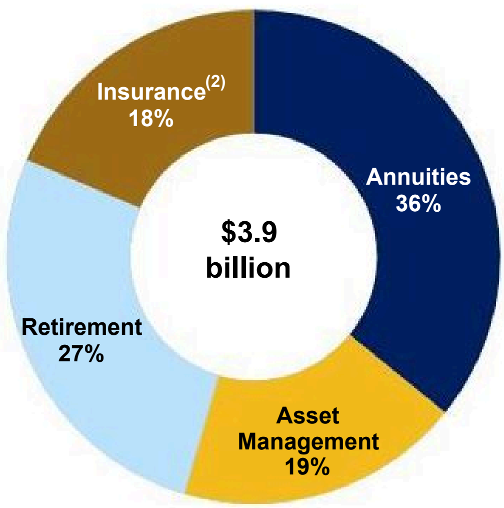
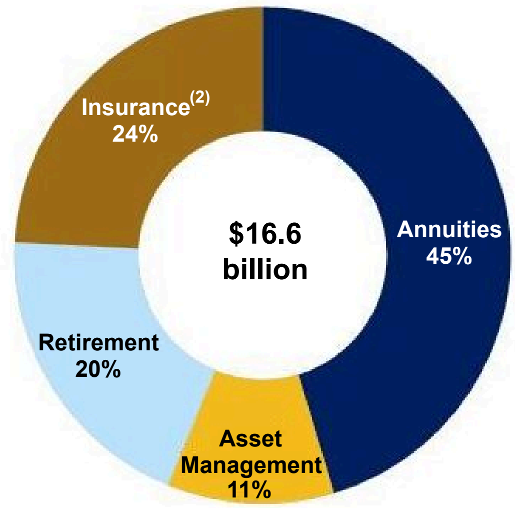
- Conclusion

# PRUDENTIAL'S U.S. BUSINESS PORTFOLIO REPRESENTS AN ATTRACTIVE MIX OF BUSINESSES AND RISKS

**2013**
**Pre-Tax AOI (1)**




**December 31, 2013**
**Attributed Equity (3)**




1) Adjusted Operating Income (AOI) excluding market-driven and discrete items, as disclosed in company earnings releases.
2) U.S. Individual Life and Group Insurance Division.
3) Attributed equity of the U.S. Businesses as of 12/31/2013, excluding accumulated other comprehensive income.

# WE ARE AMONG THE BEST POSITIONED IN THE INDUSTRY TO PARTICIPATE IN GROWTH OPPORTUNITIES

| Long term trends are putting money in motion | Our established and emerging solutions directly address these opportunities |
|---|---|
| **Aging population with growing pool of assets**<br>• Consumers age 46+ control 88% of financial assets – over $23 trillion[(1)] | **Growing retail investment business**<br>**Diversified annuity product portfolio**<br>**Innovative individual insurance products** |
| **Movement toward derisking in large Defined Benefit (DB) markets**[(2)]<br>• $3.0 trillion U.S.<br>• $1.9 trillion U.K.<br>• $1.3 trillion Canada | **Pension Risk Transfer**<br>**Longevity Reinsurance**<br>**Liability-Driven Investing** |
| **Growing need for more certain outcomes**<br>• $5.3 trillion Defined Contribution (DC) market[(3)]<br>• 69% of covered workers have DC plans only; 80% had DB plans 30 years ago[(4)] | **Stable Value Products**<br>**In-Plan Income Solutions**<br>**Outcome-Oriented DC Plans** |
| **Rapid growth of target date funds**[(5)]<br>• $618 billion in 401(k) assets<br>• 31% of 401(k) contributions; 63% by 2018 | **"Day One" Target Date Funds** |
| **Increasing consumer expenditures on healthcare**<br>• 5.8% annual growth over last 10 years[(6)] | **Voluntary Critical Illness Insurance**<br>**Chronic Illness Insurance Rider** |

1) LIMRA, Fact Book on Retirement Income 2014, based on 2010 Survey of Consumer Finances.
2) U.S. Investment Company Institute (U.S. – ICI); U.K. – Pension Protection Fund; Canada - Towers Watson Global Pension Assets Study 2014; year end 2013 estimates.
3) Cerulli Retirement Markets 2013. Data as of 2012.
4) Employee Benefit Research Institute; data from 1981-2011; among private-sector participants in an employment-based retirement plan.
5) Cerulli Retirement Markets 2013.
6) Bureau of Labor Statistics, Consumer Expenditure Survey, Oliver Wyman analysis; as of 2012.

# SUPERIOR AND HIGHLY RELEVANT SET OF CAPABILITIES, LEVERAGED BOTH WITHIN AND ACROSS BUSINESSES

- Strength in solution development and innovation
- Investment management expertise and performance
- Actuarial expertise
- Risk management expertise
- Strong client service and operational capabilities

## ACCESS A BROAD SET OF INSTITUTIONAL AND INDIVIDUAL CUSTOMERS THROUGH MULTIPLE DISTRIBUTION CHANNELS

Over **25,000**
Institutional Clients

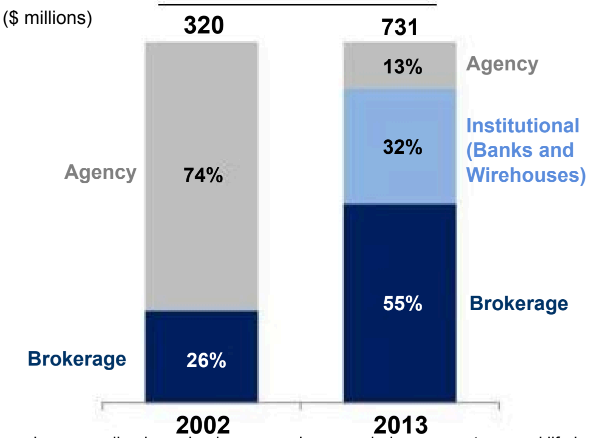
Over half of the Fortune 500

Over **30 million**
Individual Customers (1)

Over 9 million retirees and near-retirees (2)

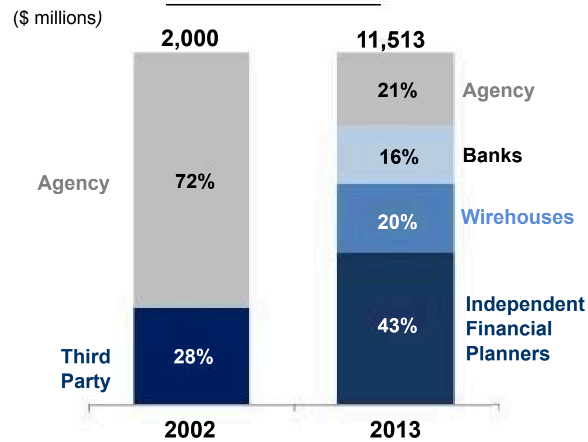
Over **125,000**
Financial Professionals selling our products(3)

### Individual Life Sales*




*Based on annualized new business premiums; excludes corporate owned life insurance. 2002 based on scheduled premiums from new sales on an annualized basis and first year excess premiums and deposits on a cash-received basis.

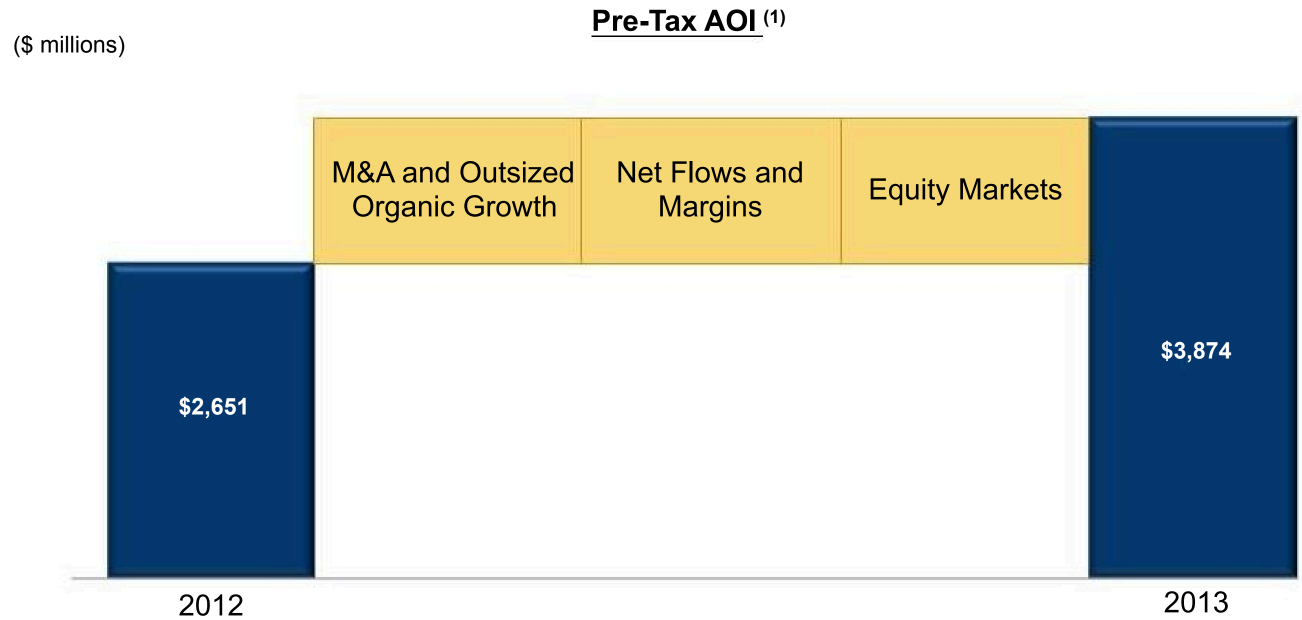
### Annuities Sales*




*Based on gross sales

1) Individual customers count based on a product-by-product basis as of December 2013, with the exception of Mutual Funds, which is as of December 2012.
2) Retirees and near-retirees count based on unique customers as of December 2012.
3) Third party financial professionals counted on a product-by-product basis.

# FINANCIAL PERFORMANCE REFLECTS EARNINGS GROWTH AND QUALITY




1) U.S. Businesses, AOI excluding market-driven and discrete items, as disclosed in company earnings releases.

# TODAY'S DISCUSSION

- Executive Summary
- Prudential's U.S. Business Portfolio
- **Review of U.S. Businesses**
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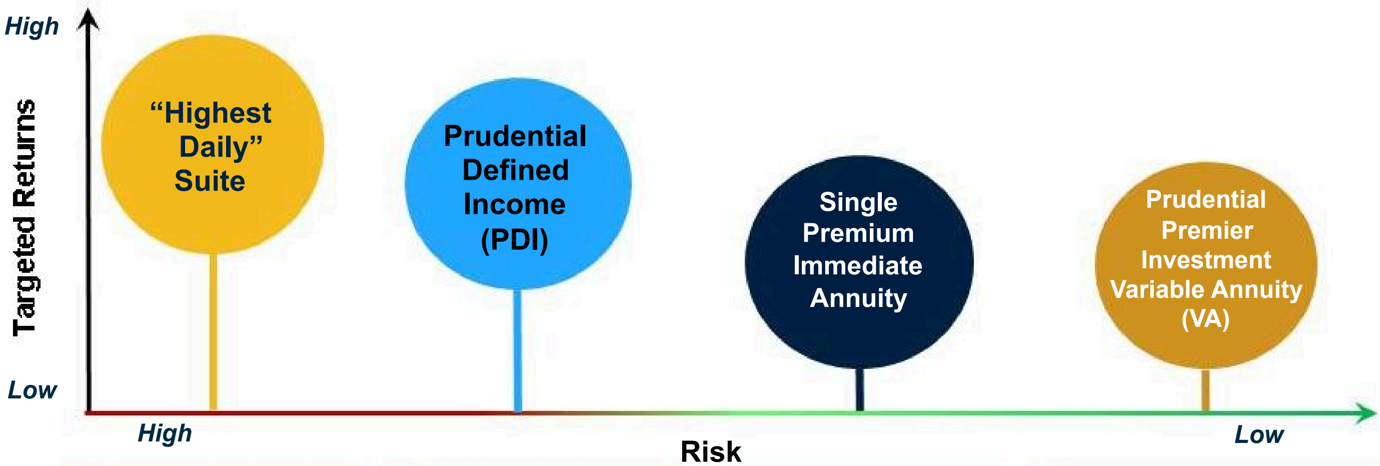
# ANNUITIES

- Value propositions address needs for secure retirement income
- Product diversification strategy improves our risk profile
- Positive cash flows expected over a wide range of scenarios
- Living benefits exposure has declined due to favorable capital markets

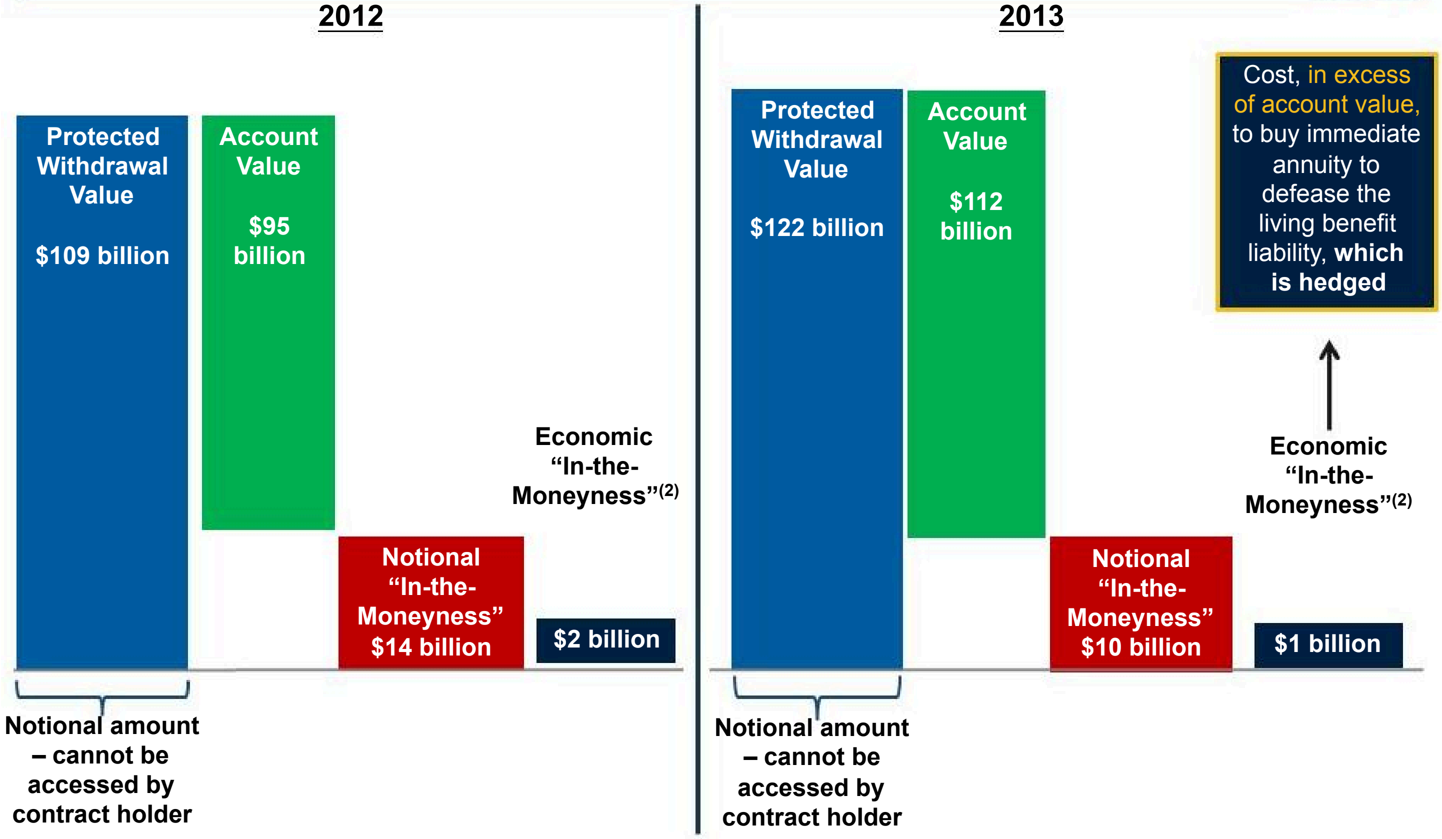
# ANNUITIES: PRODUCT DIVERSIFICATION STRATEGY

- Developing new products to meet market demand for a broad set of retirement income solutions
- Implementing product and design changes to reduce risk and manage volatility



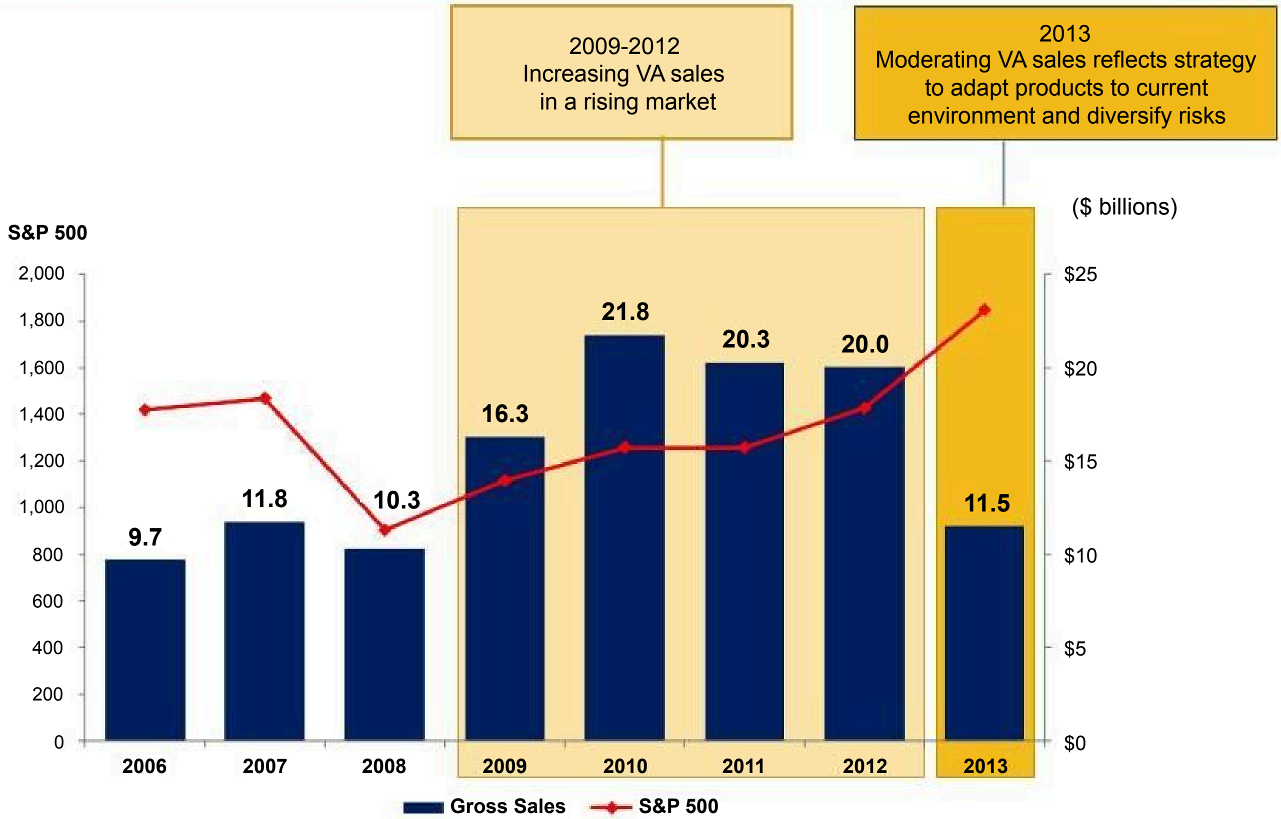

| "Highest Daily" Suite | Prudential Defined Income (PDI) | Single Premium Immediate Annuity | Prudential Premier Investment Variable Annuity (VA) |
|---|---|---|---|
| • Diversification of investments<br>• Living/Death benefit options<br>• Equity/Fixed income investments | • No equity exposure<br>• Bond fund only | • No cash value<br>• Payout Annuity | • Accumulation focused<br>• Greatest market upside potential<br>• No living benefit option<br>• Wide variety of funds including non-coupon investments |

# ANNUITIES: LIVING BENEFIT EXPOSURE(1)

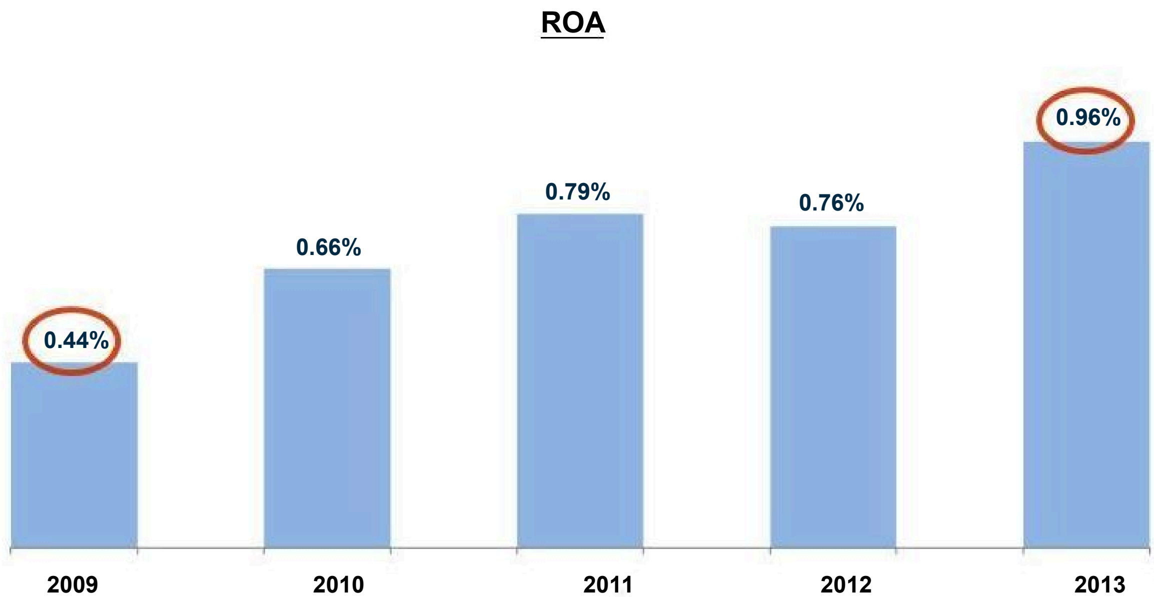



1) Represents products with guaranteed lifetime withdrawal benefits (GLWB), excluding PDI, as of end of period.
2) Represents our living benefit exposure, as of end of period, based upon policyholder's guaranteed lifetime annual income amount on that date.

# ANNUITIES: SALES AS AN OUTCOME



# ANNUITIES: RETURN ON ASSETS (ROA)[1]




1) Based on pre-tax AOI excluding market unlockings and experience true-ups, and impact of annual actuarial review as disclosed in company earnings releases, as percentage of average account value.

# RETIREMENT

- Market leader in Pension Risk Transfer (PRT)
  - PRT pipeline and market remain strong; pace of transactions will be lumpy
  - Foothold in U.K. longevity reinsurance market
- Investment Only Stable Value (IOSV) book exceeds $70 billion[1]
  - Filled post-crisis vacuum
  - Favorable risk profile
  - Increasing competition in market
- Investment in the Full Service business
  - Improved cost efficiency and pipeline; strong persistency
  - Solid value proposition focused on mid to large case market

1) As of 3/31/2014.

# RETIREMENT: DEMAND FOR PENSION RISK TRANSFER

- There are three key drivers of a vibrant market for pension risk transfer transactions.

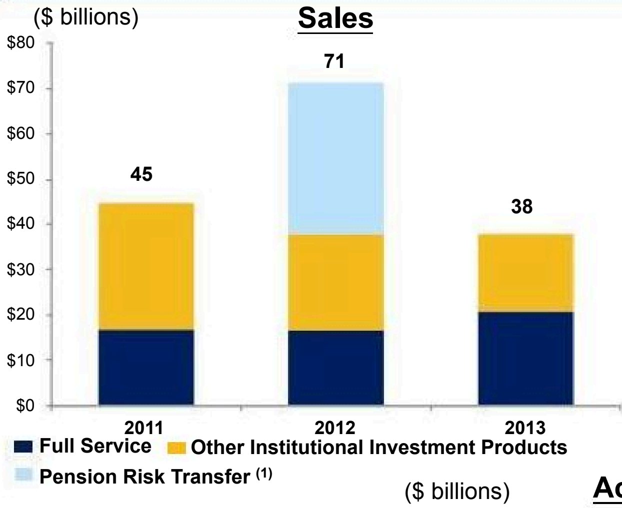
| Improved Pension Plan Funded Status | Heightened Awareness of Pension Plan Risk | Greater Comprehension of Risk Transfer Solutions |
|---|---|---|
| Driven by more stringent funding rules, increasing interest rates and surging equity markets | Resulting from increased external transparency and a deeper understanding of longevity and asset risk | Achieved by dispelling common misconceptions (i.e., too costly, too time-consuming, not viable in a low interest rate environment) |

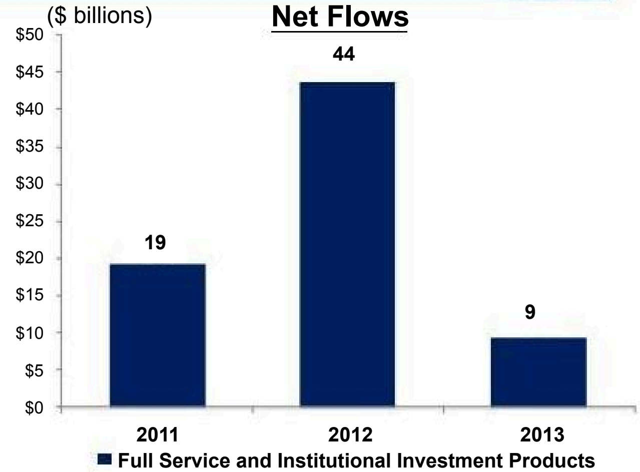
- The U.S., U.K. and Canada either have or are developing these drivers.
The size of the DB markets in these countries represents significant opportunities.

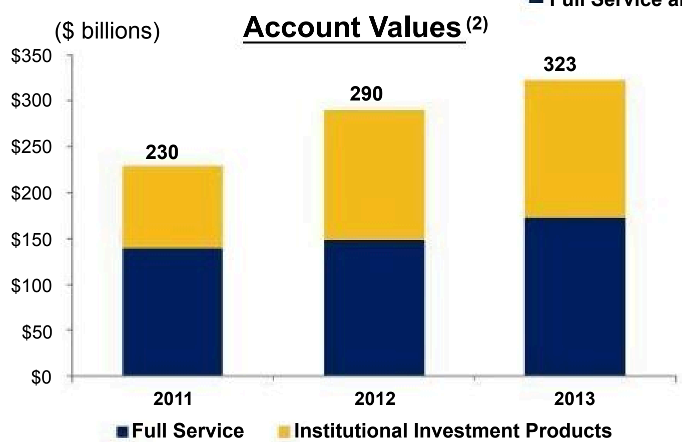
| U.S. | U.K. | Canada |
|---|---|---|
| **$3.0 Trillion** (1) | **$1.9 Trillion** (2) | **$1.4 Trillion** (3) |

DB market assets estimated in U.S. dollars, as of year end 2013.
1) Investment Company Institute.
2) Pension Protection Fund.
3) Towers Watson Global Pension Assets Study 2014.

# RETIREMENT: SALES, FLOWS, AND ACCOUNT VALUES



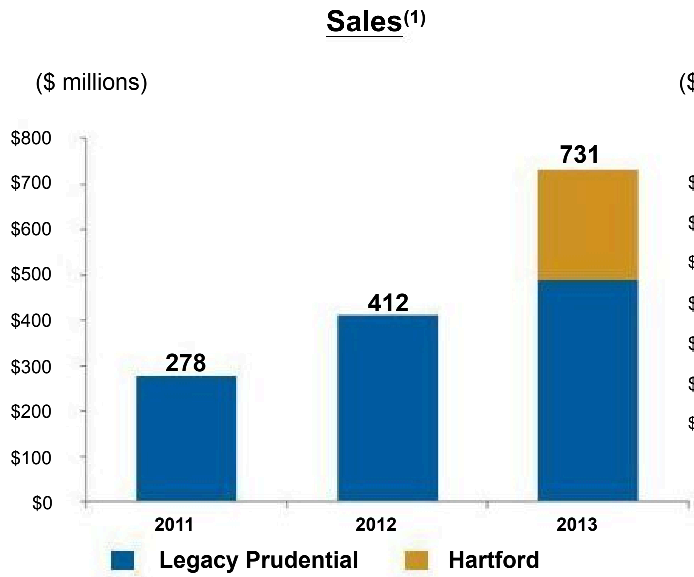



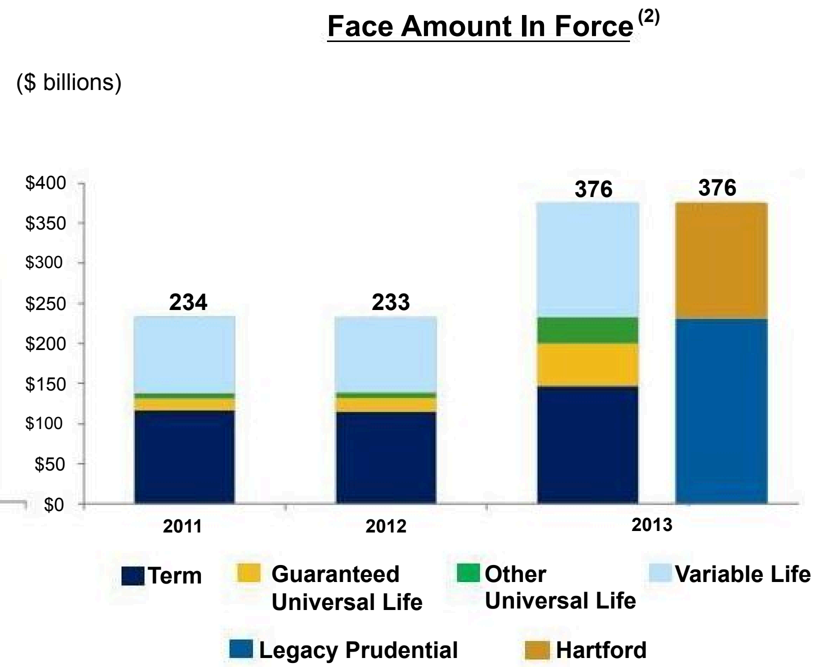

1) Represents significant transactions recorded in fourth quarter 2012.
2) At end of period.

# INDIVIDUAL LIFE

- Stable earnings contributor; balances interest rate and equity market sensitivity in other businesses
- Shifting product emphasis to maintain attractive risk profile
- Hartford integration on track and delivering product and distribution benefits
  - Back office integration, financial performance of acquired block, and synergies continue to track expectations
  - Unified, Prudential-branded product portfolio reflecting enhanced innovation
    - Chronic illness rider (BenefitAccess Rider)
    - Unique hybrid indexed universal life product (Founders Plus)
    - Unique variable universal life product (VUL Protector)
  - Integrated, multi-channel distribution strategy; significantly increased presence in Institutional (bank and wirehouse) channels

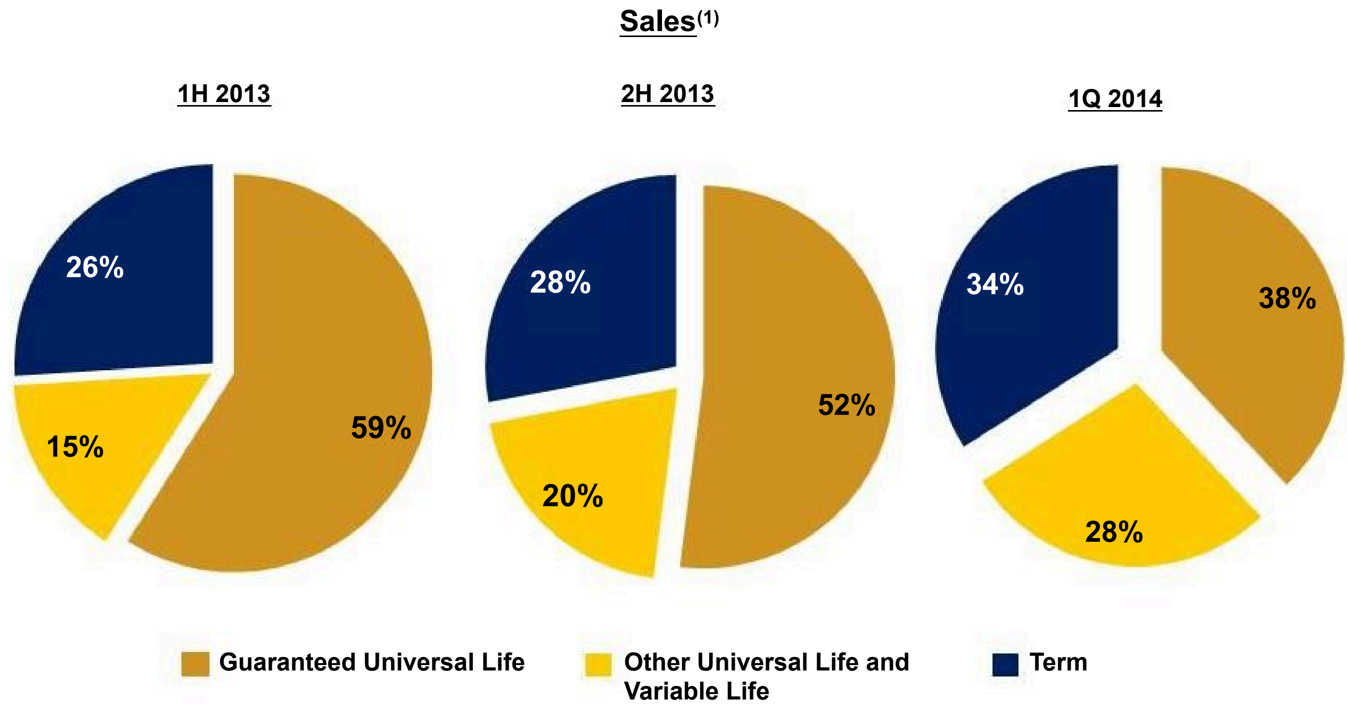
# INDIVIDUAL LIFE: NEW BUSINESS PREMIUMS AND IN FORCE




1) Annualized new business premiums, excludes corporate-owned life insurance.
2) As of end of period, net of reinsurance ceded.

# INDIVIDUAL LIFE: PRODUCT DIVERSIFICATION STRATEGY




1) Annualized new business premiums, excludes corporate-owned life insurance.

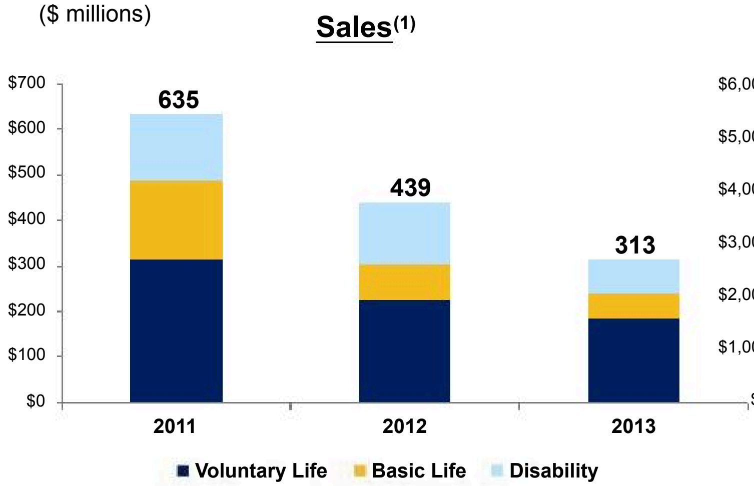
# GROUP INSURANCE

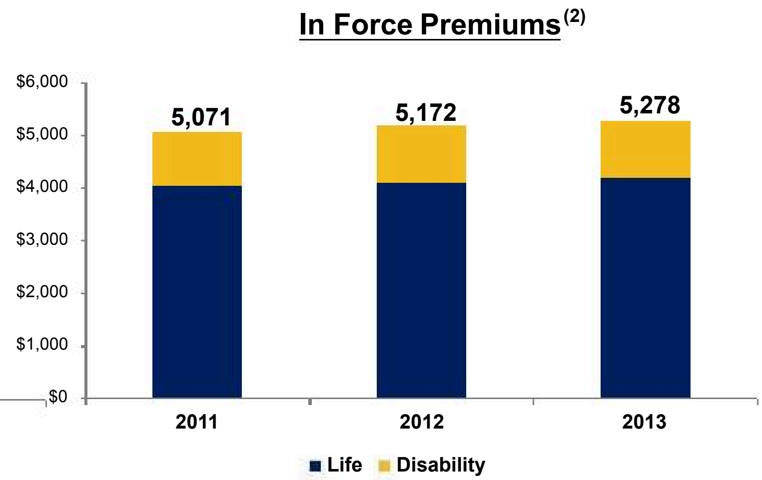
- Overall Business
  - Sales reflect focus on restoring appropriate returns
  - Investing in underwriting and technology
  - Emphasis on voluntary products
- Group Life
  - Dominant source of profitability for Group Insurance
  - Benefit ratios historically within expected ranges
  - Benefiting from strong demand for voluntary products; 76% of life sales in 2013
- Group Disability
  - 60% of the book has been repriced or lapsed over the past two years(1)
  - Significant investments in claims management
  - Progress will not be linear

1) For the years ended 12/31/2012 and 2013, including 1/1/2014 renewals.

# GROUP INSURANCE: SALES AND IN FORCE

($ millions)




1) Annualized new business premiums.
2) As of end of period; net of reinsurance.

# ASSET MANAGEMENT

- Leading global asset manager with a unique multi-manager model
  - Global top 10 asset manager[(1)]
  - Broad client base including many of the world's most sophisticated clients
  - Diversified product suite and broad range of investment capabilities

- Robust underlying fundamentals and attractive shareholder returns
  - Strong, consistent financial performance
  - 14% annual AUM growth over past 5 years[(2)]
  - Earnings driven primarily and increasingly by asset management fees

- Source of competitive advantage for the Prudential businesses
  - Culture of product innovation; collaborating with Annuities and Retirement to meet client needs

- Higher investment margins for the General Account

- Continuing to invest in the business and in its people to drive further growth

1) Based on *Pensions & Investments* Top Money Managers list for 2013 assets. Assets represent assets managed by Prudential Financial.
2) Assets managed by the Asset Management segment as of 12/31/2013.

# TODAY'S DISCUSSION

- Executive Summary
- Prudential's U.S. Business Portfolio
- Review of U.S. Businesses
- **Conclusion**

# CONCLUSION

- Prudential's U.S. businesses portfolio represents an attractive mix of businesses and risks
- Among the best positioned in the industry to participate in growth opportunities
  - Long term trends are putting money in motion
  - Established and emerging solutions directly address these opportunities
  - Superior and highly relevant set of capabilities, leveraged both within and across businesses
  - Access a broad set of institutional and individual customers through multiple distribution channels
- Sales are an outcome of our focus on:
  - Pursuing market opportunities
  - Achieving appropriate returns
  - Maintaining an attractive balance of risks
- Strong and sustainable financial performance by virtue of our business mix, operating leverage, and quality of earnings

Prudential

# ASSET MANAGEMENT

DAVID HUNT

PRESIDENT & CEO
PRUDENTIAL INVESTMENT MANAGEMENT

# OUR DISCUSSION TODAY

- **Prudential is a leading global asset manager with a distinct multi-manager model**

- The Asset Management business has robust underlying fundamentals and attractive shareholder returns

- Asset Management is a source of competitive advantage for the other Prudential businesses

- Prudential continues to invest in the Asset Management business and in its people to drive further growth

# LEADING GLOBAL ASSET MANAGER

- Global top 10 asset manager[(1)]
- Broad client base including many of the world's most sophisticated clients
- Diversified product suite and broad range of investment capabilities
- Global business model and presence
  - 30 offices on 5 continents[(2)]
  - 21% of third party AUM[(3)] from non-U.S. clients
- Distinct multi-manager model focused on delivering investment performance

1) Based on *Pensions & Investments (P&I)* Top Money Managers list for 2013 assets. Assets represent assets managed by Prudential Financial.
2) As of 3/31/2014.
3) Assets Under Management; as of 3/31/2014.

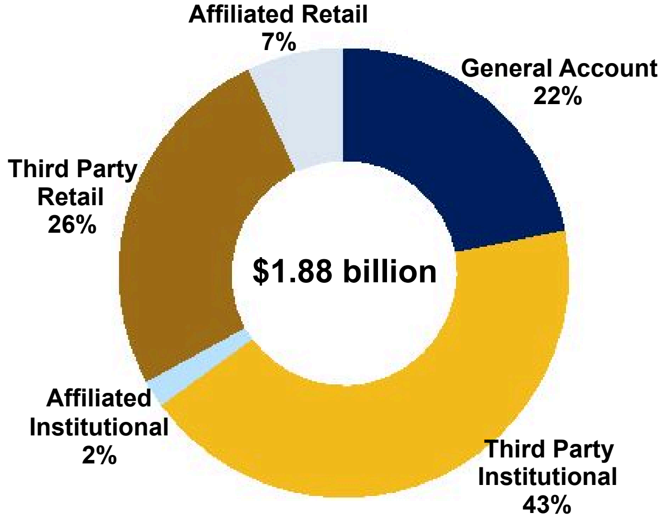
# PRUDENTIAL'S MARKET LEADING POSITION AS 10TH LARGEST ASSET MANAGER

| Top 10 Asset Managers [1] | 2013 Total Assets ($ billions) |
|---|---|
| 1. BlackRock | 4,324 |
| 2. Vanguard Group | 2,753 |
| 3. State Street Global Advisors | 2,345 |
| 4. Fidelity Investments | 2,160 |
| 5. J.P. Morgan Asset Management | 1,598 |
| 6. BNY Mellon Asset Management | 1,583 |
| 7. PIMCO | 1,535 |
| 8. Capital Group | 1,339 |
| 9. Deutsche Asset & Wealth Management | 1,289 |
| 10. Prudential Financial | 1,107 [2] |

1) *Pensions & Investments* Top Money Managers list.
2) Figure includes Prudential's Asset Management business of $870 billion and non-proprietary assets under management for Prudential Financial of $237 billion.

# REVENUES WELL-BALANCED ACROSS CLIENT GROUPS

**Asset Management Fees** (1)




- 78% of fee-based revenues from clients outside of the General Account
- Balanced revenue base across institutional, retail, and affiliated clients

1) Year ended 12/31/2013.

# ROBUST INSTITUTIONAL CLIENT BASE

- Over 1,100 third party clients(1)
- 60 third party clients with more than $1 billion invested with us(1)
  - 46 U.S. clients
  - 14 international clients
- 7 out of top 10 Fortune 500 companies(2)
- 24 out of largest 25 corporate U.S. pension plans(3)
- 24 out of largest 25 public U.S. pension plans(3)
- 116 out of largest 300 global pension funds(4)

1) As of 3/31/2014.
2) Based on CNN Money, Fortune 500 annual ranking of America's largest corporations as of 12/31/2013, published January 2014.
3) Based on U.S. Plan Sponsor rankings in *Pensions & Investments* as of 9/30/2013, published January 2014.
4) *P&I*/Towers Watson Top 300 Pension Funds ranking, as of 12/31/2012, published September 2013.

# DIVERSIFIED PRODUCT OFFERING

## PUBLIC FIXED INCOME

U.S. Broad Market: Core Conservative, Core, and Core Plus, and Absolute Return

U.S., European, and Global IG Corporate

Global Leveraged Finance

Global and Emerging Market Debt

Municipal Bonds

Short, Intermediate, and Long Duration

Liability Driven Investing

## PRIVATE FIXED INCOME

Privately Placed Debt

Commercial Mortgages

Agricultural Debt

## EQUITY

Large Cap Growth Equity

Large Cap Value Equity

Large Cap Core Equity

Global, Developed, and Emerging Markets

Small and Mid Cap Equity

Opportunistic Equity

Sector Strategies

Equity Indexing

Structured Equity

Fundamental and Quantitative

## REAL ESTATE

Core, Value Add, and Opportunistic

U.S., Europe, Latin America, Middle East, and Asia

Global Real Estate Securities

U.S. and European Real Estate Debt

Commercial Mortgages

## ALTERNATIVES

Long / Short Fixed Income

Emerging Markets Relative Value

Collateralized Loan Obligations

Bank Loans

Mezzanine

Global Tactical Asset Allocation

Equity Long / Short

Market Neutral

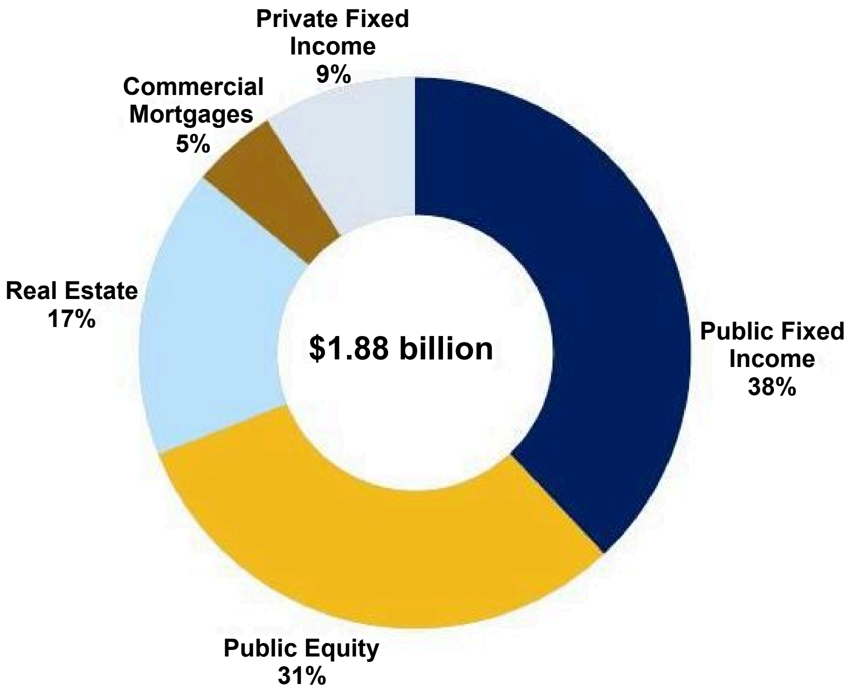
Multi-Asset Class (1)

- Broad range of investment capabilities tailored to evolving client needs
- Accessed through proven multi-manager model

1) Includes both traditional and alternative asset allocation products.

# ASSET CLASS MIX DIVERSIFIES FEE REVENUE

**Asset Management Fees** (1)




1) Year ended 12/31/2013. Alternatives included in relevant underlying asset classes.

# GLOBAL FOOTPRINT


- 30 offices on 5 continents[(1)]
- Broad global investment platform and client facing capability
- Building out Global Institutional Relations Group to deepen coverage of sovereign wealth funds and central banks – currently managing over $26 billion in assets[(1)]

1) As of 3/31/2014.
Note: Rio de Janeiro, Milan, and Shanghai are offices for joint ventures where Prudential has a minority stake.

# DISTINCT MULTI-MANAGER MODEL

- **Power of Focus**
- **Clarity of Accountability**
- **Strength of Diversification**

**Prudential Investment Management**

| Jennison Associates | Quantitative Management Associates | Prudential Fixed Income | Prudential Capital Group | Prudential Mortgage Capital Company | Prudential Real Estate Investors | Prudential International Investments | Prudential Investments |
|---|---|---|---|---|---|---|---|
| *Fundamental Equity and Fixed Income* | *Quantitative Equity and Asset Allocation* | *Public Fixed Income* | *Private Placement and Mezzanine Debt* | *Real Estate Debt* | *Real Estate Equity* | *Local market asset managers in Asia, Europe and Latin America* | *U.S. Mutual Fund Distribution and Research* |

- Autonomy of investment process and business decisions
- Product design done at affiliate level
- Talent, culture, and people decisions made at affiliate level

# OUR DISCUSSION TODAY

- Prudential is a leading global asset manager with a distinct multi-manager model

- **The Asset Management business has robust underlying fundamentals and attractive shareholder returns**

- Asset Management is a source of competitive advantage for the other Prudential businesses

- Prudential continues to invest in the Asset Management business and in its people to drive further growth

# ROBUST UNDERLYING FUNDAMENTALS


- Consistent, strong investment performance for clients
- Deep manager experience and robust investment processes drive Alpha generation

- 26 consecutive quarters of positive institutional net flows [1]
- Rapidly growing retail business, including mutual funds
- 14% annual AUM growth over past 5 years [2]

- Earnings driven primarily and increasingly by asset management fees
- Strong and attractive returns with improved quality of earnings

1) Through 3/31/2014.
2) Assets managed by the Asset Management segment as of 12/31/2013.

# STRONG INVESTMENT PERFORMANCE

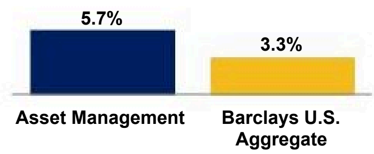
**% of AUM above Benchmark** [1]
Net of Fees, 3-Year Period

**Performance of Select Strategies** [2]
Net of Fees, 3-Year Period

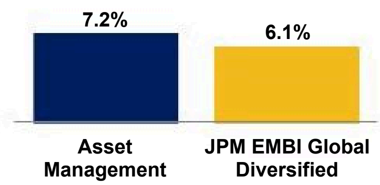
## Fixed Income

**82%**

**Core Plus**



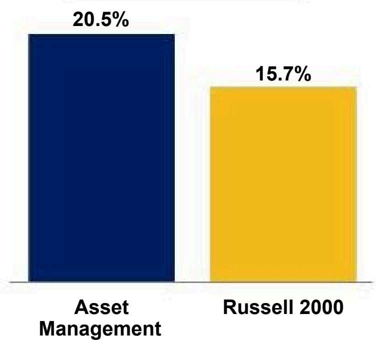

**Emerging Markets Debt**



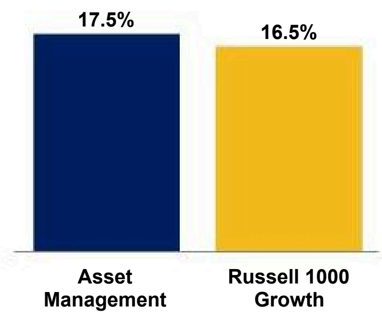

## Equity

**84%**

**U.S. Small Cap Core**




**Large Cap Growth**




1) Based on all actively managed Fixed Income and Equity AUM reported in eVestment for Jennison Associates, Prudential Fixed Income, and Quantitative Management Associates. Composite assets reported in eVestment assumed to represent full strategy AUM. As of 12/31/2013.
2) Performance reported in eVestment as of 12/31/2013. Core Plus and Emerging Markets Debt managed by Prudential Fixed Income, U.S. Small Cap Core managed by Quantitative Management Associates, and Large Cap Growth managed by Jennison Associates.

# DEEP MANAGER EXPERIENCE, STRONG INVESTMENT PROCESSES

- Deep, stable, and experienced investment talent base
  - Average manager tenure of 16 years with Prudential, 22 years in industry(1)
  - Established track records
  - Long-standing client relationships – over 100 clients for more than 20 years(1)

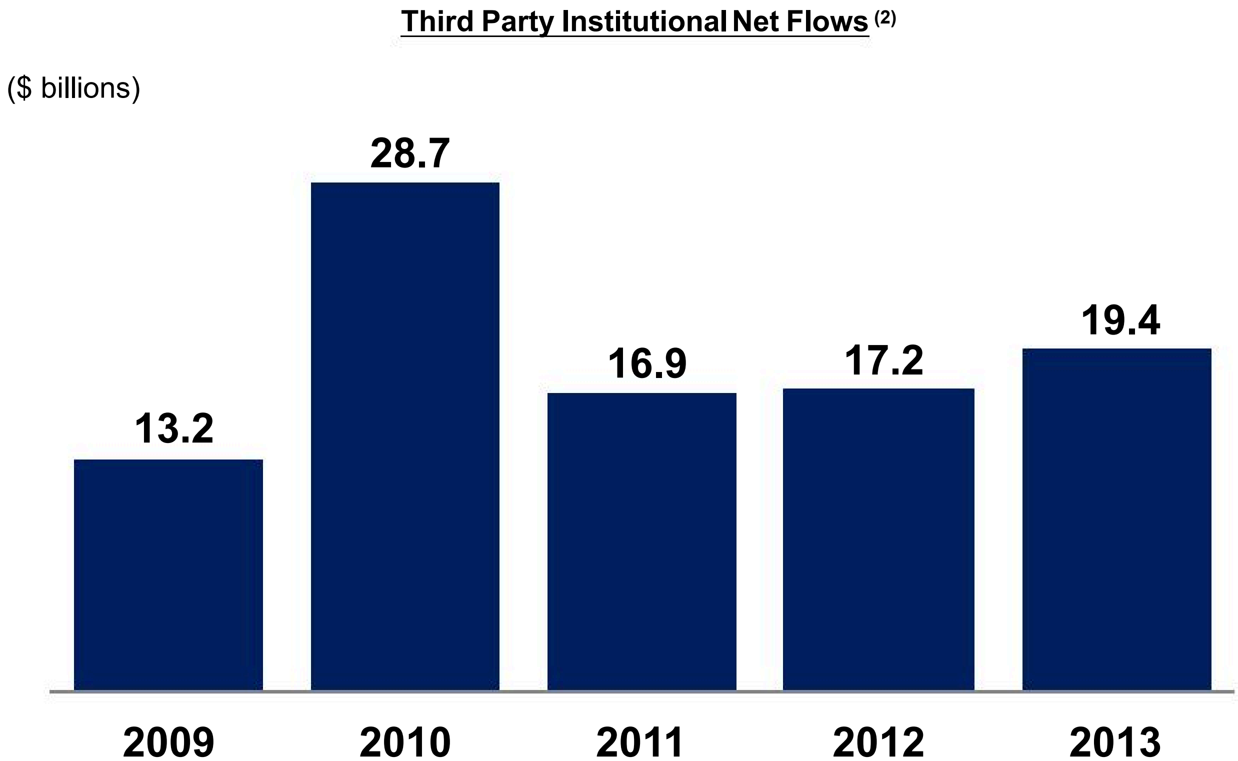
- Rigorous fundamental and quantitative research heritage

- Distinct, autonomous investment processes with key common elements:
  - Consistent and team based
  - Well-defined
  - Institutional-quality

- Robust risk management framework

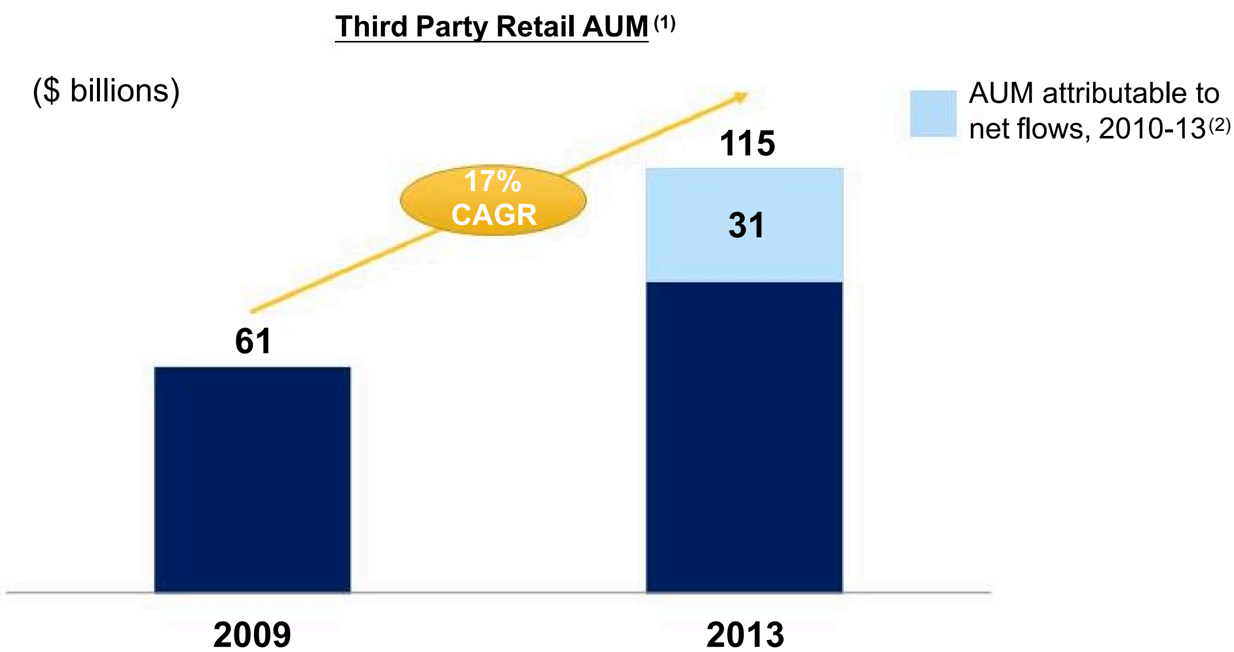
1) As of 3/31/2014.

# 26 CONSECUTIVE QUARTERS OF POSITIVE INSTITUTIONAL NET FLOWS (1)




1) Through 3/31/2014.
2) Excludes money market activity.

# FAST GROWING RETAIL BUSINESS DRIVEN BY NET FLOWS

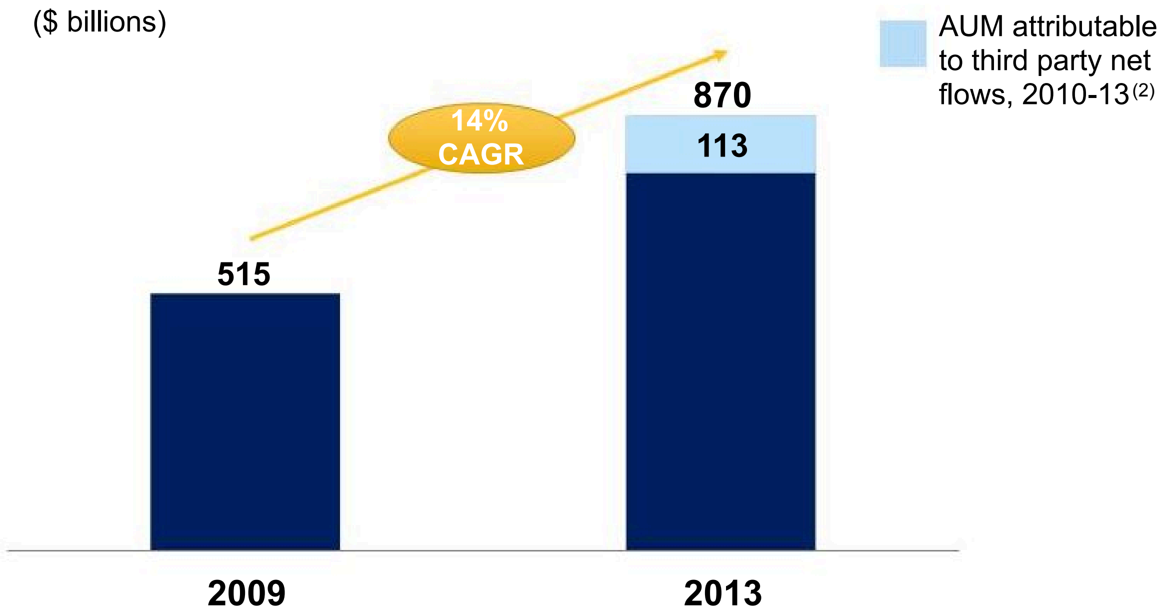



- Our retail business has grown organically over the last 5 years as we have strengthened and diversified our distribution capabilities and product line and realized strong investment performance

1) At end of period.
2) Excludes money market activity.

# STRONG ORGANIC GROWTH OVER THE LAST 5 YEARS

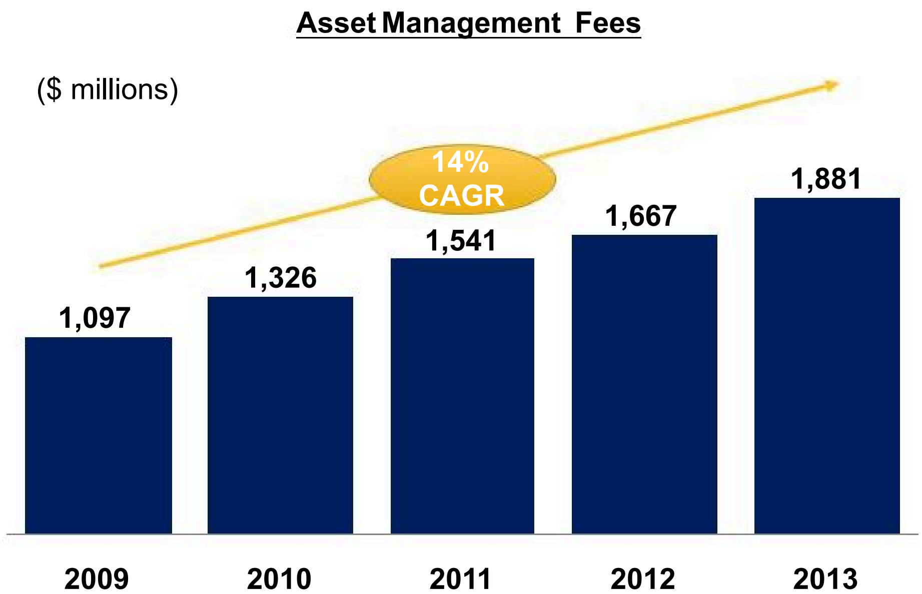
**Total AUM** [1]




| *P&I Ranking* [3] | *13* | *10* |
|---|---|---|

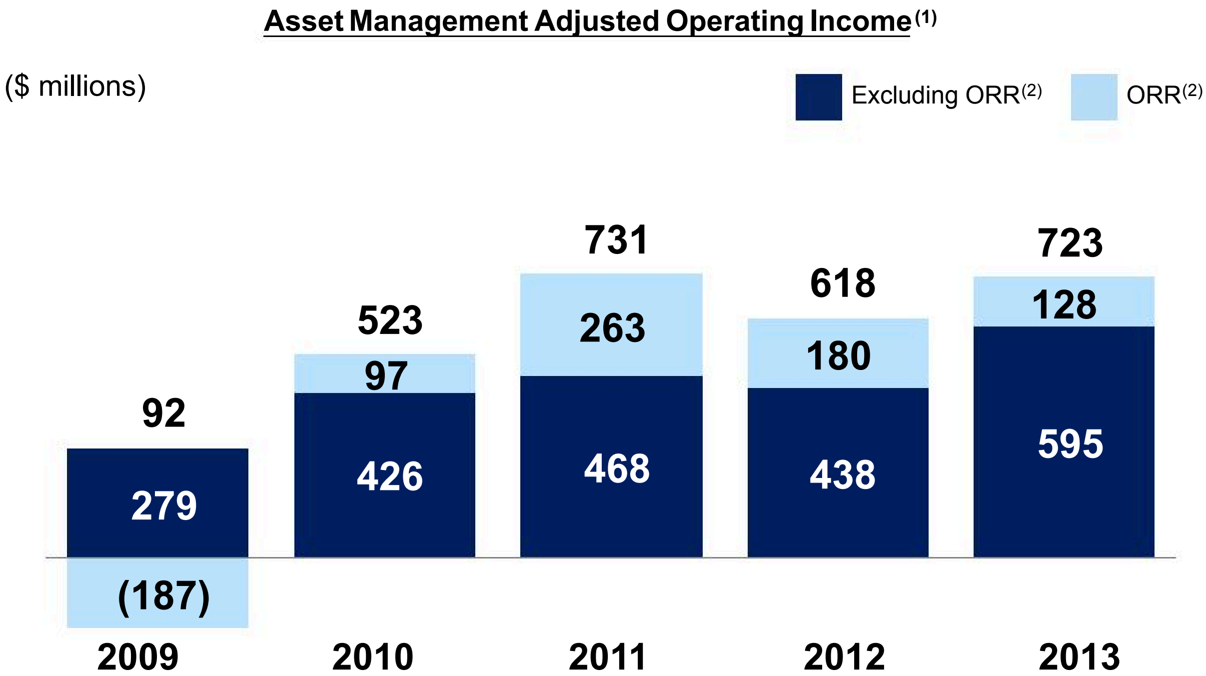
1) For Asset Management segment, at end of period.
2) Excludes money market activity.
3) *Pensions & Investments* Top Money Managers list.

# GROWING FEE BASE



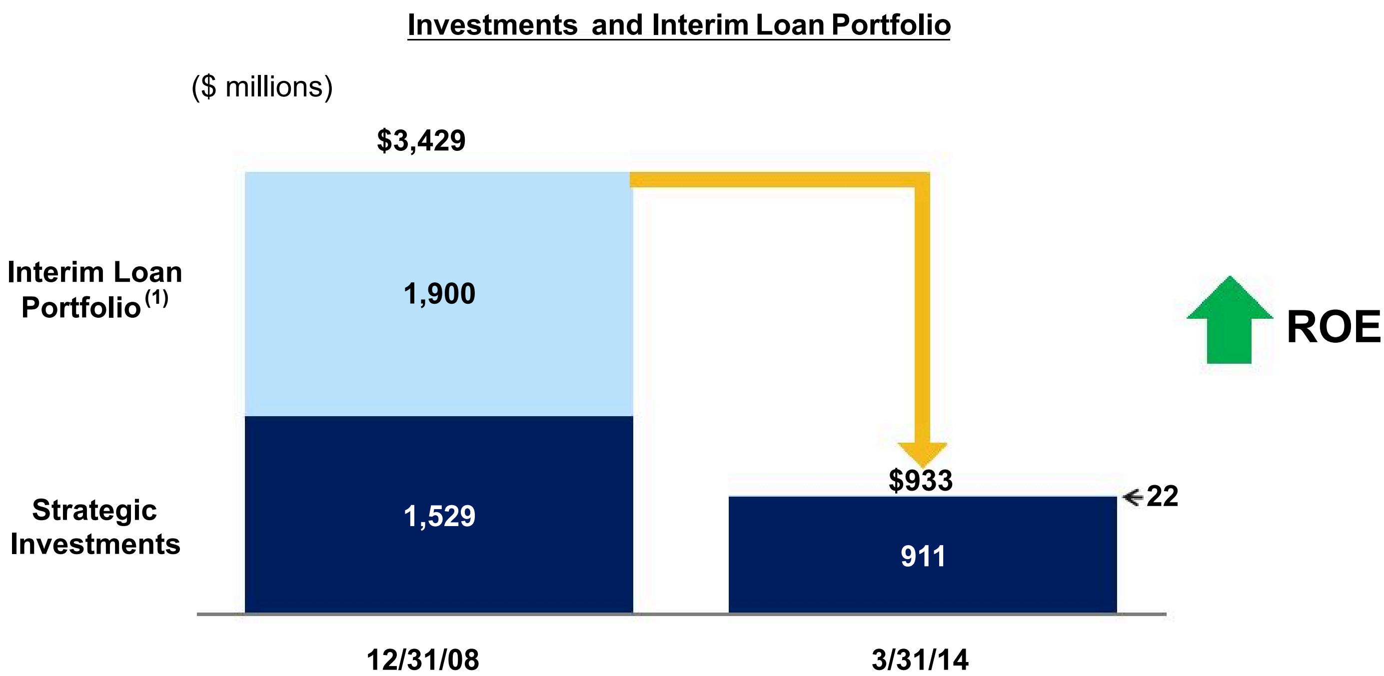

- Our consistent and strong investment performance, broad client base, and diversified product capabilities have led to strong net flows
- Net flows, combined with market appreciation, have led to consistently higher and stable fee-based revenues

# STRONG, STABLE, FEE-BASED CONTRIBUTION TO ENTERPRISE




1) Pre-tax; Adjusted Operating Income (AOI) excluding market driven and discrete items as disclosed in company earnings releases.
2) Other Related Revenue (ORR) on AOI basis, after associated direct costs; includes net incentive fees, net transaction fees, strategic investing AOI, and commercial mortgage revenue, excluding agency origination activities.

# IMPROVING RISK PROFILE CONTRIBUTES TO ROE PERFORMANCE




| | 12/31/08 | 3/31/14 |
|---|---|---|
| **Required Equity** | **$760** | **$420** |

1) Principal balance of outstanding loans.

# 2013 KEY FINANCIAL METRICS

| Metric | 2013 |
| --- | --- |
| **Asset Management Fees** ($ millions) | **$1,881** |
| **Pre-Tax AOI** ($ millions) | **$723** |
| **Operating Margin** | **27%** |
| **AUM** ($ billions)(1) | **$870** |

1) For Asset Management segment; as of 12/31/13.

# OUR DISCUSSION TODAY

- Prudential is a leading global asset manager with a distinct multi-manager model
- The Asset Management business has robust underlying fundamentals and attractive shareholder returns
- **Asset Management is a source of competitive advantage for the other Prudential businesses**
- Prudential continues to invest in the Asset Management business and in its people to drive further growth

# COLLABORATING WITH OUR AFFILIATES TO GENERATE ENTERPRISE VALUE

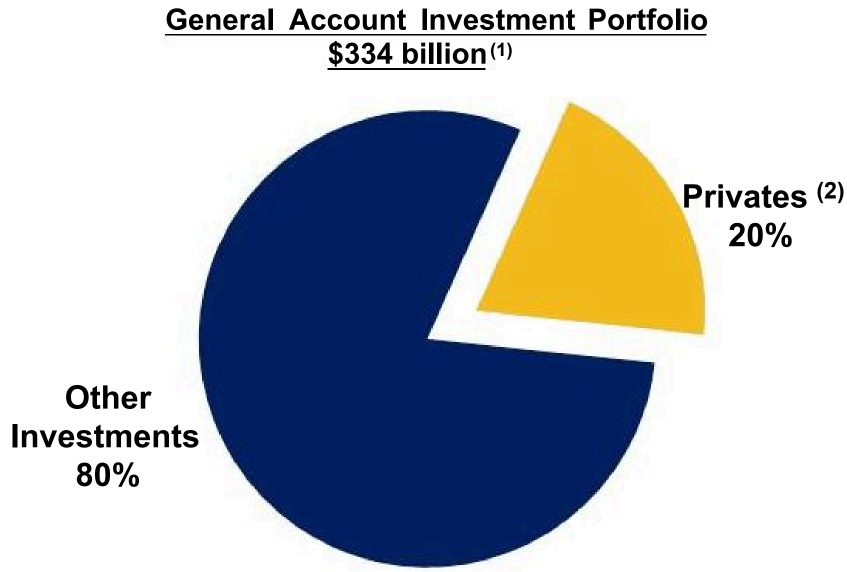
- Higher investment margins for the General Account
  - Private Fixed Income and Commercial Mortgages have historically led to higher returns

- Capacity to manage significant additional General Account assets with existing infrastructure

- Culture of product innovation, collaborating with Annuities and Retirement to meet client needs
  - **Annuities:** AST Investment Grade Bond Portfolio, AST Multi-Sector Fixed Income Portfolio
  - **Retirement:** Pension Risk Transfer, Stable Value

- Opportunity to compete on our affiliated Annuities and Retirement platforms

# PRIVATES IMPROVE INVESTMENT MARGIN FOR THE GENERAL ACCOUNT




- Asset Management capabilities and strengths in Private Fixed Income and Commercial Mortgage originations and underwriting provide a strategic advantage to the General Account
- Privates have historically led to higher returns for the General Account versus the comparable Public asset classes

1) General Account portfolio for the Financial Services Businesses; excludes (i) assets of our asset management operations, including assets managed for third parties, (ii) derivative operations and (iii) those assets classified as "Separate account assets" on our balance sheet. As of 3/31/2014; at balance sheet carrying amount.
2) Privates, totaling $65.1 billion, includes private debt managed by Prudential Capital Group and commercial mortgages managed by Prudential Mortgage Capital Company.

# OUR DISCUSSION TODAY

- Prudential is a leading global asset manager with a distinct multi-manager model

- The Asset Management business has robust underlying fundamentals and attractive shareholder returns

- Asset Management is a source of competitive advantage for the other Prudential businesses

- **Prudential continues to invest in the Asset Management business and in its people to drive further growth**

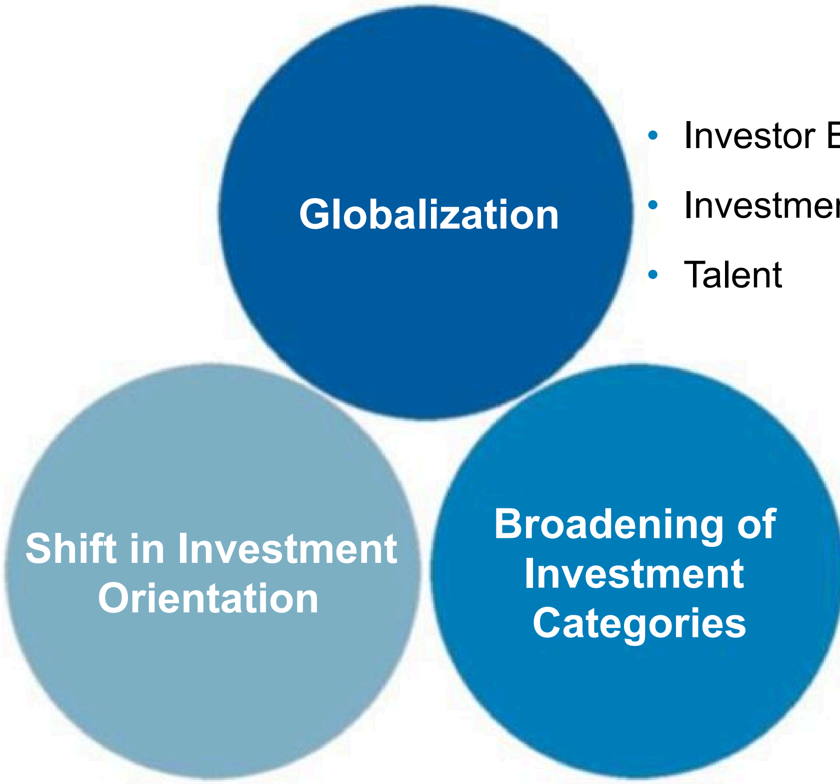
# STRATEGICALLY POSITIONED FOR GROWTH

- Prudential Investment Management has made targeted investments in our people, investment capabilities, and in other strategic areas
  - Over 50 new investment products and strategies launched since 2012
  - Over $400 million in focused seed capital committed at year-end 2013
  - Over 40 new middle and senior management positions created since 2013

- Globalization and investors' changing approach to asset allocation provide a foundation for Asset Management growth opportunities

- Prudential Investment Management is investing in new capabilities and talent to take advantage of market trends

## MARKET TRENDS PROVIDE THE BACKDROP FOR GROWTH




- Investor Base
- Investments
- Talent

- Solutions
- Liability Driven Investing
- De-Risking
- Outcomes

- Non-Correlated Alternatives
- Retirement Income
- Real Assets, Infrastructure
- Volatility Managed

# KEY STRATEGIC PRIORITIES

1. Continue to build a more resilient, diversified business portfolio
2. Continue to globalize our product and client footprint
3. Develop broader solutions capability
4. Evaluate disciplined team lift outs and bolt on acquisitions
5. Partner with other Prudential businesses to leverage enterprise capabilities

# CONCLUSION

- Prudential is a leading global asset manager with a distinct multi-manager model
- The Asset Management business has robust underlying fundamentals and attractive shareholder returns
- Asset Management is a source of competitive advantage for the other Prudential businesses
- Prudential continues to invest in the Asset Management business and in its people to drive further growth

Prudential

# PRUDENTIAL INTERNATIONAL INSURANCE

CHARLES LOWREY

EXECUTIVE VICE PRESIDENT AND
CHIEF OPERATING OFFICER
INTERNATIONAL

# KEY MESSAGES

- Proven, superior business model
- High ROE(1) and low volatility earnings primarily driven by stable mortality and expense margins
- Captive distribution provides sustainable competitive advantage
- Well-positioned in attractive Japanese insurance market
- Solid risk management
- Sustained capital generation and deployment

1) Return on equity.

# AGENDA

- **Proven, Superior Business Model**
- High ROE & Low Volatility Earnings
- Captive Distribution - Life Planner
- Captive Distribution - Life Consultant
- Supplemental Distribution Channels
- Well-Positioned in Attractive Japanese Insurance Market
- Risk Management, Capital Generation and Deployment

# THE LIFE PLANNER MODEL
# FOUNDATION OF OUR SUCCESS

- Began in 1988
- Differentiated approach for the Japanese life insurance market
- Proprietary distribution through selective, high-quality sales force
- Emphasize protection products requiring analysis of client needs
- Target the affluent and mass affluent consumer; serve small business and professional markets

# EXPANSION THROUGH DIVERSIFICATION

- Life Consultants[1] expand proprietary distribution coverage to middle-market customers, and have strong affinity group relationships
- Supplemental distribution through banks and independent agents expands access to investible wealth, geographical coverage and business market
- Product diversification to meet clients' financial security needs over a lifetime
- Pursue opportunities in limited number of attractive countries outside Japan

**Maintain Discipline, Quality, Solid Execution; Guided by Life Planner Business Model Concepts**

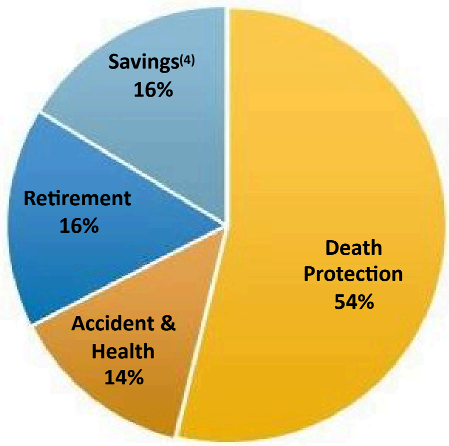
1) The formal name for Life Consultant is Life Plan Consultant.

# MEETING CUSTOMER NEEDS THROUGH PRODUCT AND CHANNEL EXPANSION

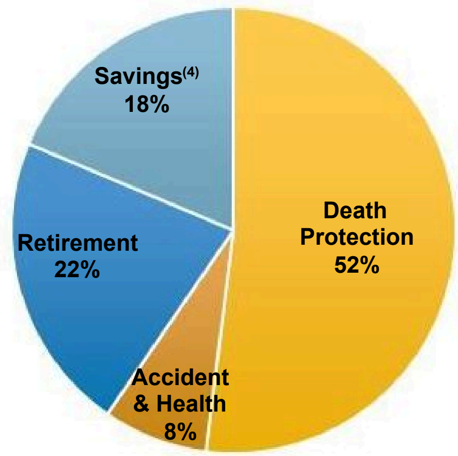
| Distribution | Captive Channels: Life Planner | Captive Channels: Life Consultant | Third Party Channels: Bank / Independent Agency |
|---|---|---|---|
| **Customer Segment** | Affluent<br>+ Mass affluent<br>+ Business and professional market | + Middle-market<br>+ Affinity groups | + Business and professional market<br>+ High net worth |
| **Primary Customer Needs** | Death protection<br>+ Retirement<br>+ Business planning | Death protection<br>+ Retirement | Death protection<br>+ Retirement<br>+ Business planning<br>+ Savings |
| **Product Solution** | Whole life & Term<br>+ Retirement income<br>+ USD products<br>+ Accident & Health | Whole life & Term<br>+ Retirement income<br>+ USD products<br>+ Accident & Health<br>+ Multi-currency fixed annuities | Whole life & Term<br>+ Retirement income<br>+ USD products<br>+ Accident & Health<br>+ Multi-currency fixed annuities |

# EMPHASIS ON PROTECTION PRODUCTS

**Premiums In Force**(1),(2)

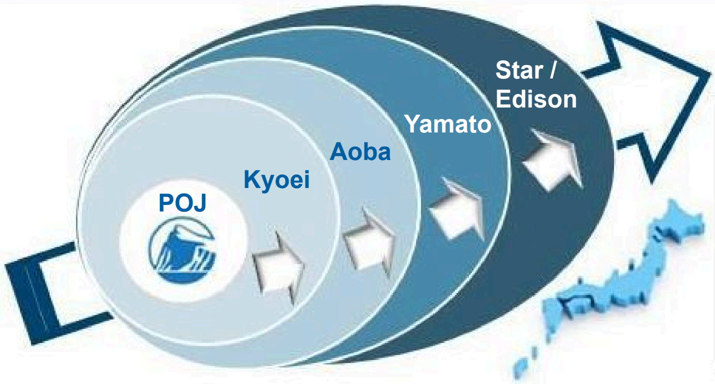



**Annualized New Business Premiums**(2),(3)

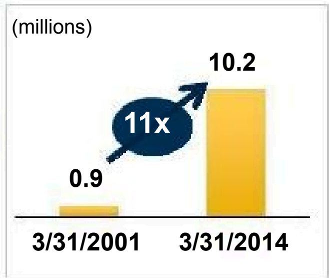



1) As of 12/31/2013. Annualized premiums in force, including paid-up policies and 10% of single premium. Japan only.
2) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented; including Japanese yen 82 per U.S. dollar. U.S. dollar denominated activity is included based on the amounts as transacted in U.S. dollars.
3) For the year ended 12/31/2013. Japan only.
4) Includes annuities and yen based bank channel single premium whole life.

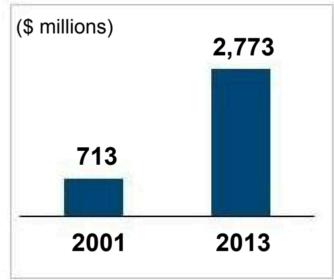
# SUCCESSFUL TRACK RECORD OF ACQUISITIONS AND BUSINESS INTEGRATIONS




**Number of In Force Policies**[1]




**Annualized New Business Premiums**[1],[2]




| Timeline | Acquisitions |
| --- | --- |
| **2001** | • Kyoei Life, Japan – acquired in bankruptcy<br>• Predecessor of today's Gibraltar Life |
| **2004** | • Aoba Life, Japan<br>• Integrated into Prudential of Japan |
| **2009** | • Yamato Life, Japan<br>• Integrated into Gibraltar Life |
| **2011** | • AIG Star Life & AIG Edison Life, Japan<br>• Merged into Gibraltar Life |

1) Japan only.

2) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented; Japanese yen 82 per U.S. dollar.

# STAR/EDISON INTEGRATION SUBSTANTIALLY COMPLETE

| | |
|---|---|
| **Integration Costs** | • Incurred $340 million through 2013; total expected approximately $400 million, down $100 million from original estimate |
| **Cost Savings** | • Substantially achieved targeted $250 million annualized cost savings as of fourth quarter 2013 |
| **More Productive Sales Force** | • Implemented agent training program, productivity standards and variable compensation |
| **Integrated Product Portfolio** | • Replaced lower margin product portfolio with higher margin products |
| **De-risked Investment Portfolio** | • Investment portfolio composition aligned with Prudential quality standards |

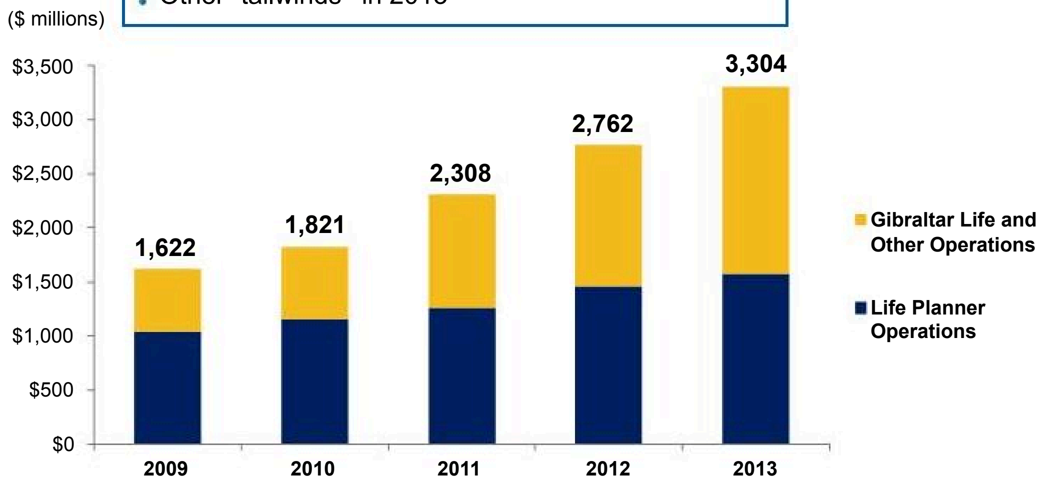
# AGENDA

- Proven, Superior Business Model
- **High ROE & Low Volatility Earnings**
- Captive Distribution - Life Planner
- Captive Distribution - Life Consultant
- Supplemental Distribution Channels
- Well-Positioned in Attractive Japanese Insurance Market
- Risk Management, Capital Generation and Deployment

# SUSTAINED EARNINGS GROWTH

**Pre-Tax Adjusted Operating Income** [1]

- Organic growth
- Star/Edison acquisition
- Favorable hedged currency trend through 2013
- Other "tailwinds" in 2013




| | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|
| AOI FX Rate [2] | 106 | 99 | 92 | 85 | 80 |

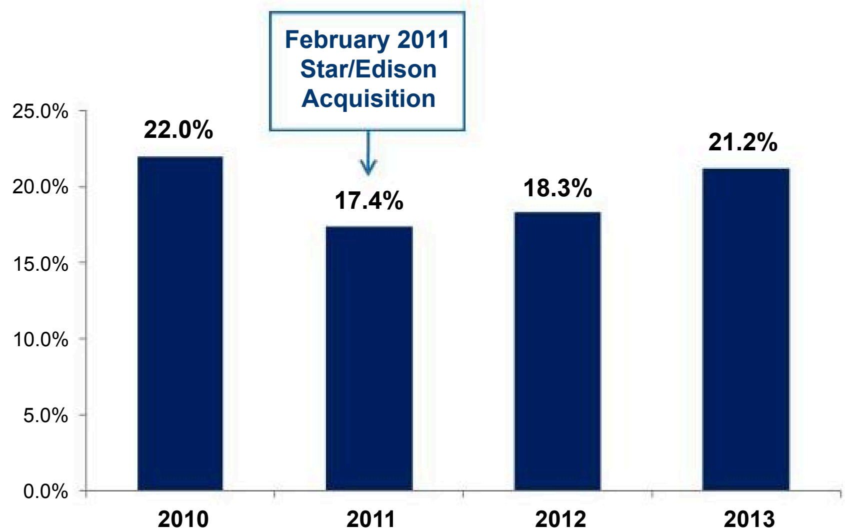
1) Pre-tax adjusted operating income (AOI) excludes market driven and discrete items as disclosed in company earnings releases.

2) Hedged foreign currency exchange rate for Japanese yen per U.S. dollar.

# HIGH RETURN ON EQUITY DRIVEN BY FUNDAMENTALS

- ROE has improved including Star/Edison business integration following 2011 acquisition

**Return on Equity** (1)




1) Based on after-tax AOI of our International Insurance operations, excluding market driven and discrete items as disclosed in company earnings releases, using overall effective tax rate for the Financial Services Businesses, and associated attributed equity excluding accumulated other comprehensive income and the impact of foreign currency exchange rate remeasurement.

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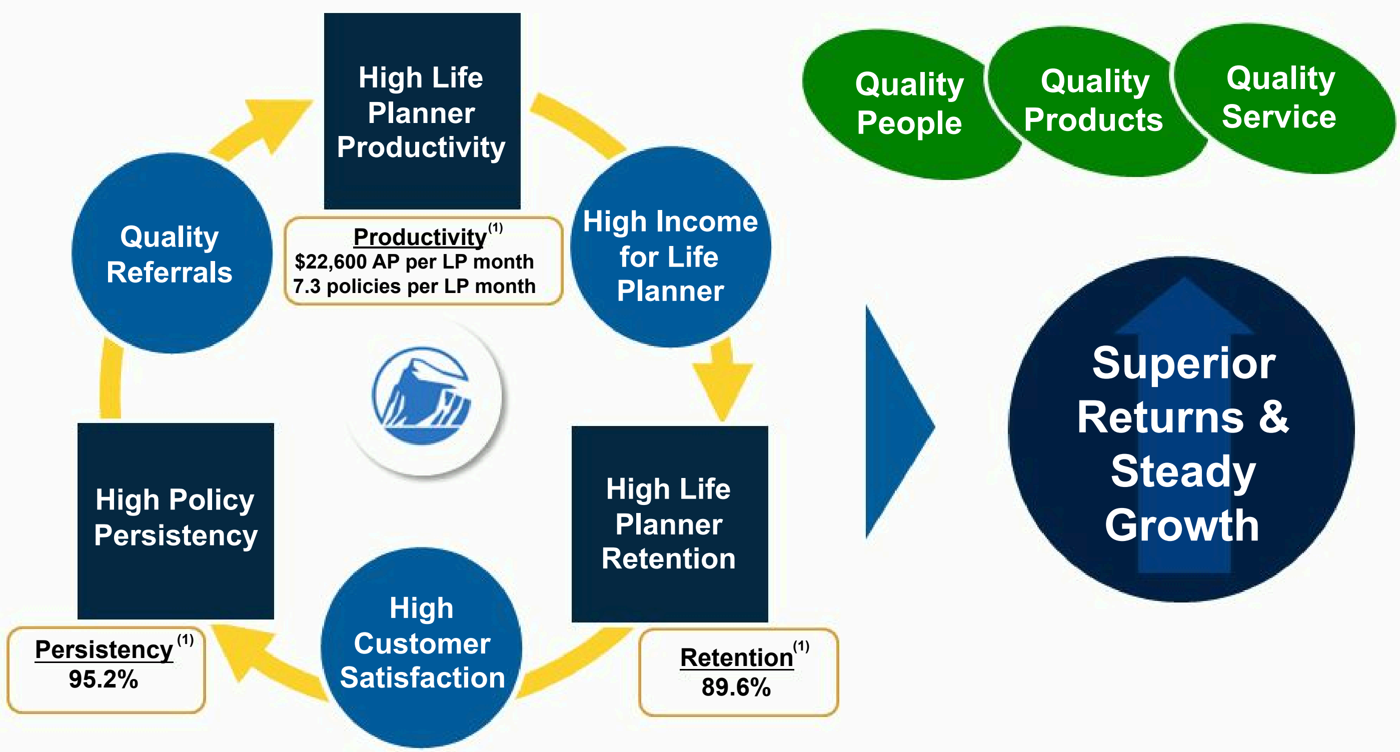
# CAPTIVE DISTRIBUTION PROVIDES SUSTAINABLE COMPETITIVE ADVANTAGE

| | | |
|---|---|---|
| **Prudential of Japan** | **Life Planner** | • Affluent and mass affluent consumers<br>• Business and professional market |
| **Gibraltar Life** | **Life Consultant** | • Mass middle-market<br>• Affinity group relationships<br>• Broad geographical coverage |

# BENEFICIAL CYCLE OF LIFE PLANNER MODEL

- Providing financial security over customers' lifetime drives our beneficial cycle



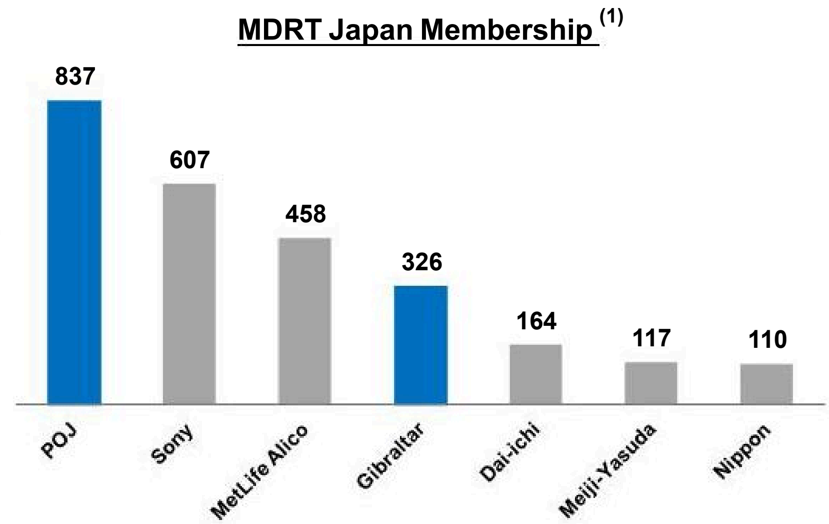

1) Data based on 2013 Prudential of Japan (POJ). Annualized new business premiums (AP) produced by each Life Planner (LP) in a month; foreign denominated activity translated to U.S. dollars at uniform exchange rate, Japanese yen 82 per U.S. dollar. Number of new policies sold per LP per month, including medical policies. Total retention for agents in all service years. 13 month policy persistency measured based on face amount, 12 month rolling average data for 2013.

# QUALITY PEOPLE

- Industry leading Million Dollar Round Table memberships
- Prudential of Japan has the highest number of MDRT members in the Japanese industry for 17 consecutive years(1)

MDRT The Premier Association of Financial Professionals®

**24% of POJ Life Planners are MDRT members(1)**




1) Source: Million Dollar Round Table Association, Japan - membership data as of 4/14/2014.

# QUALITY PRODUCTS OVER A LIFETIME

- Needs-based selling over customer's life cycle

| Age | Client Life Cycle | Financial Risk Protection Needs | Prudential Solutions |
|---|---|---|---|
| 30's | Young household, early professional career | • Premature death income replacement | • Term insurance |
| 40's | | • Income loss and expenses due to accident or sickness | • Accident and health policies and riders |
| 50's | Mid career, pre-retirement | • Accumulation of funds for retirement | • Whole life insurance |
| 60's | Retirement | • Lifetime retirement income | • Life insurance based retirement income products |

Note: Specific needs and solutions will vary by customer

# QUALITY SERVICE

- According to J.D. Power Asia Pacific, Prudential of Japan is the highest in customer satisfaction[(1)] for four years in a row
- Satisfied customers drive high policy persistency

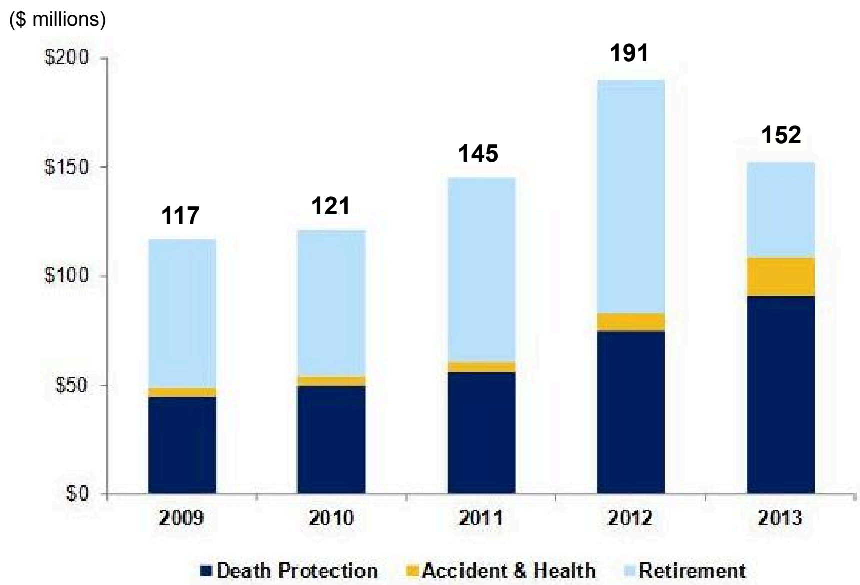
| Customer Satisfaction[(1)] | | | | POJ Policy Persistency[(2)] |
|---|---|---|---|---|
| 2011 | 2012 | 2013 | 2014 | |
| #1 | #1 | #1 | #1 | 95% |

1) Life Support Insurance segment of J.D. Power Asia Pacific 2011 - 2014 Japan Life Insurance Contract Customer Satisfaction Studies[SM]. Contract Customer Satisfaction Study based on a total of 4,647 life insurance policyholders who purchased or renewed coverage during the past year. japan.jdpower.com

2) 13 month policy persistency measured based on face amount, 12 month rolling average data for 2013.

# LIFETIME CLIENT RELATIONSHIPS DRIVE SUBSEQUENT SALES OPPORTUNITIES

**Annualized New Business Premiums[1]**
**POJ Second Sales to Existing Customers**

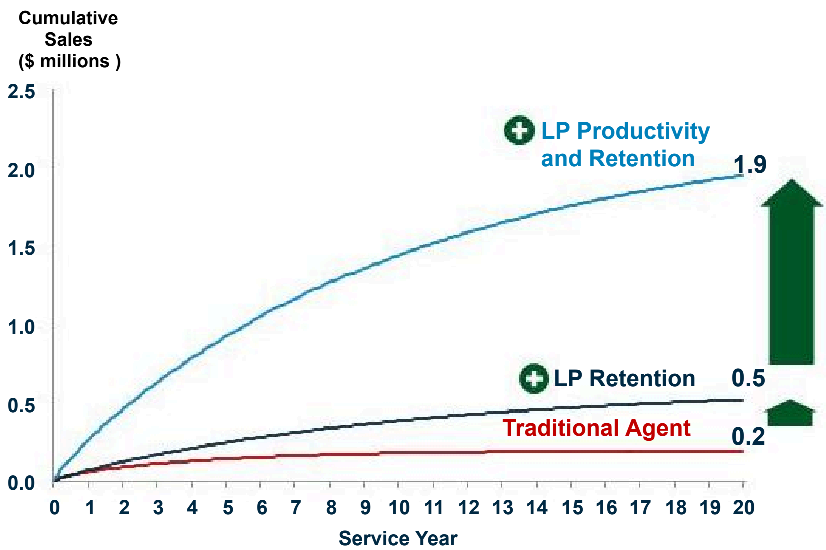



1) Data based on Prudential of Japan sales to individual market; foreign denominated activity translated to U.S. dollars at uniform exchange rates; Japanese yen 82 per U.S. dollar.

# PAYOFF FROM QUALITY

- Superior business drivers of Life Planner model significantly increase the lifetime production of agents

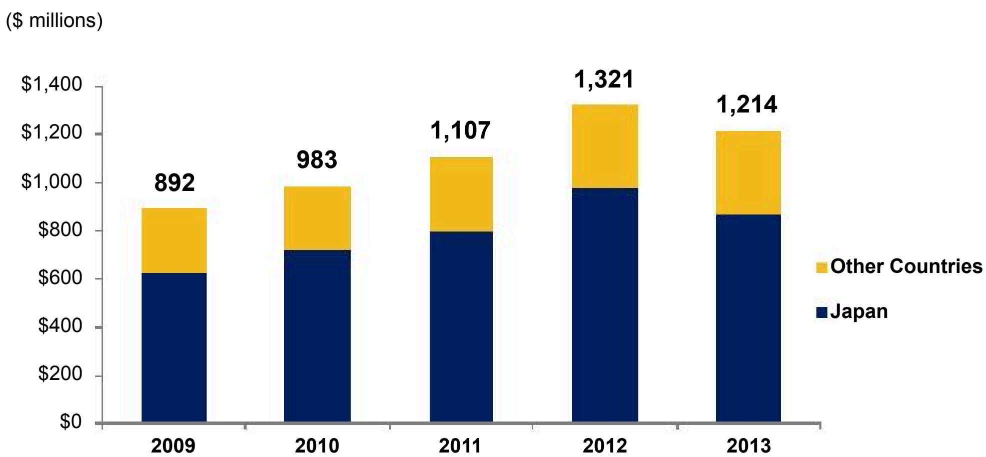
**Lifetime Sales of Agents**[1]




1) Sales represent annualized new business premiums. Assumptions for traditional agent: AP Productivity = $6,000 per month; Agent Retention (Year 1/ Year 2/ Year 3+) = 55%/ 60%/ 80%; POJ Life Planner: AP Productivity = $22,600 per month; Agent Retention (Year 1/ Year 2/ Year 3+) = 83%/ 82%/ 90%.

# LIFE PLANNER OPERATIONS – ANNUALIZED NEW BUSINESS PREMIUMS

## Annualized New Business Premiums(1)




| | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|
| Life Planner Count(2) | 6,609 | 6,565 | 6,792 | 7,058 | 7,248 |

1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented; including Japanese yen 82 per U.S. dollar, Korean won 1,150 per U.S. dollar.

2) As of end of period.

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# CAPTIVE DISTRIBUTION
# PROVIDES SUSTAINABLE COMPETITIVE ADVANTAGE

**Prudential of Japan** → **Life Planner**

- Affluent and mass affluent consumers
- Business and professional market

**Gibraltar Life** → **Life Consultant**

- Mass middle-market
- Affinity group relationships
- Broad geographical coverage

# LIFE CONSULTANT DISTRIBUTION - BROAD MARKET COVERAGE WITH ACCESS TO NEARLY ALL OF JAPANESE POPULATION

- Branch offices established in substantially all prefectures
- Prudential training supports emphasis on death protection products and needs-based selling
- Serving expanding need for retirement income security products
- Teachers Association and other affinity group relationships provide recurring sources of new business


1) As of 4/1/2014.

# LIFE CONSULTANT DISTRIBUTION - TEACHERS MARKET

**Japanese Educational Mutual Aid Association of Welfare Foundation (Teachers Association)**

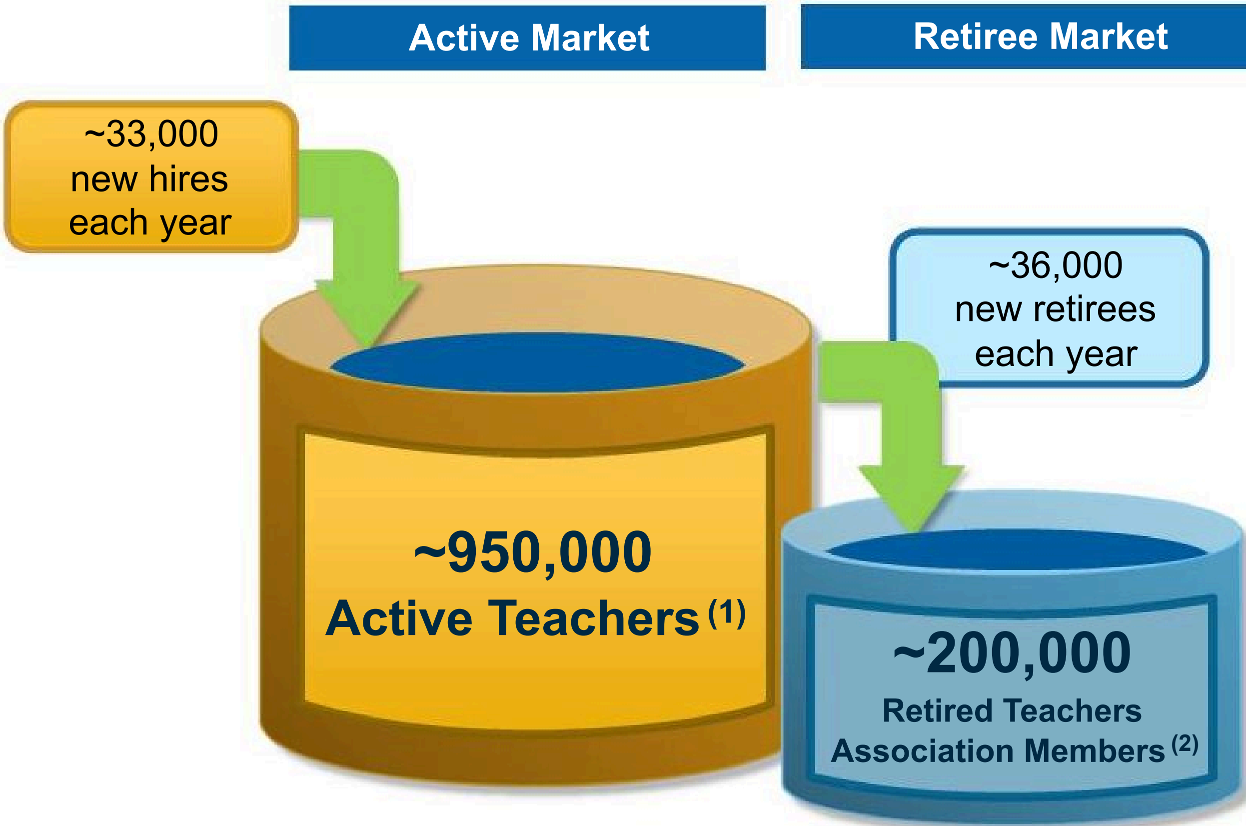
- Relationship since 1952
- Access to approximately 950,000[1] active teachers and support employees of public schools through 47 prefectural (local) associations and 35,000 schools[1]

**Member eligibility:**
Public school teachers and support employees

- Life Consultants serve teachers' financial security needs
  - Annualized new business premiums[2]: $216 million, 25% of Life Consultant sales
  - Out of $216 million, ~12% of sales were from retiring teachers[3]

1) As of 5/1/2013, based on the latest annual data published.
2) For 2013. Foreign denominated activity translated to U.S. dollars at uniform exchange rate; Japanese yen 82 per U.S. dollar.
3) For those teachers who retired in March 2013 and purchased our single premium products during April – June 2013 period.

# TEACHERS ASSOCIATION: PERENNIAL SALES OPPORTUNITIES

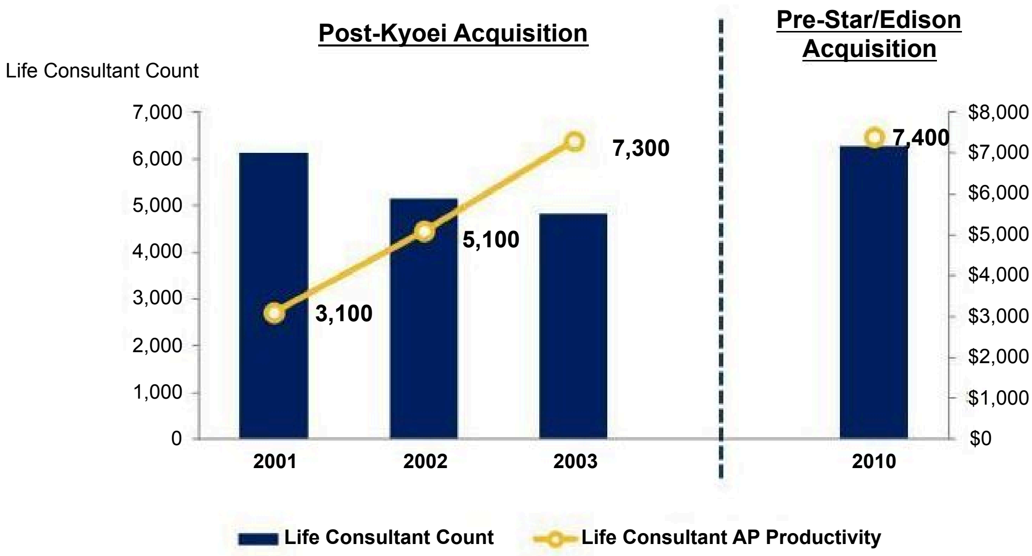



1) As of 5/1/2013, based on the latest annual data published. Includes support employees of public schools.
2) As of 5/1/2014.

# GIBRALTAR LIFE – POST KYOEI ACQUISITION

- Acquired Kyoei Life in 2001 – Life Consultant count reduced while productivity grew

**Historical Life Consultant Count & AP Productivity(1)**

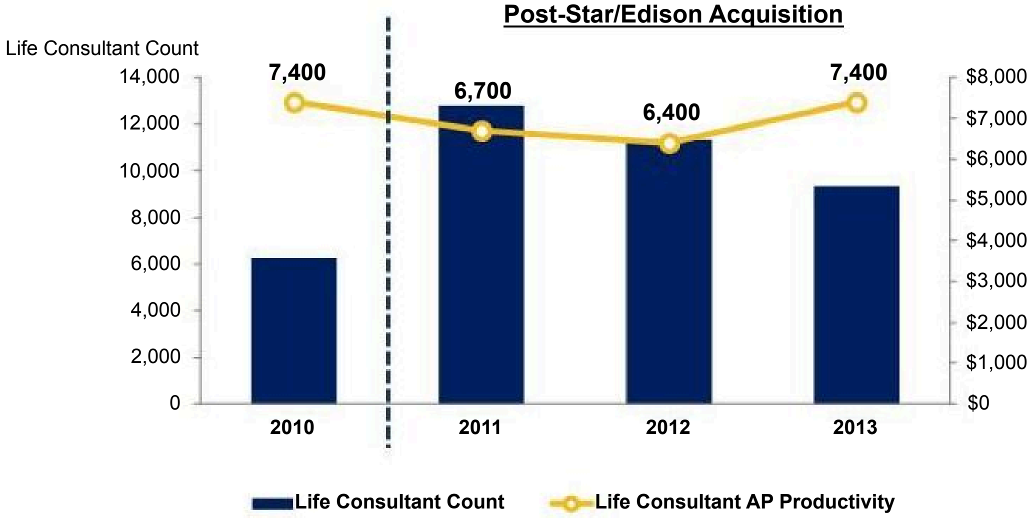



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented; Japanese yen 82 per U.S. dollar. Annualized new business premium per Life Consultant per month.

# GIBRALTAR LIFE – POST STAR/EDISON ACQUISITION

- Acquired Star and Edison in 2011, added 7,300 agents upon acquisition

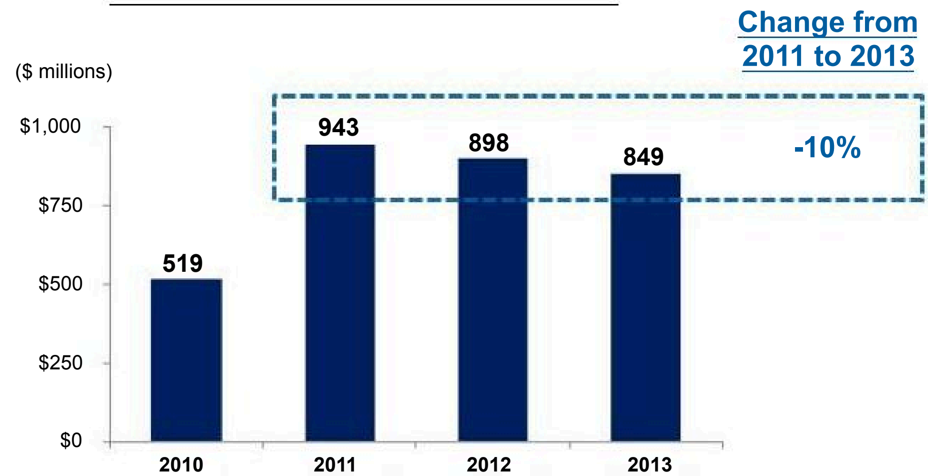
**Life Consultant Count & AP Productivity(1)**




1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented; Japanese yen 82 per U.S. dollar. Annualized new business premium per Life Consultant per month.

# LIFE CONSULTANT DISTRIBUTION – ANNUALIZED NEW BUSINESS PREMIUMS

**Annualized New Business Premiums**(1)




| Life Consultant Count(2) | 2010 | 2011 | 2012 | 2013 | Change from 2011 to 2013 |
|---|---|---|---|---|---|
| | 6,281 | 12,791 | 11,333 | 9,327 | -27% |

1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented; including Japanese yen 82 per U.S. dollar.

2) As of end of period.

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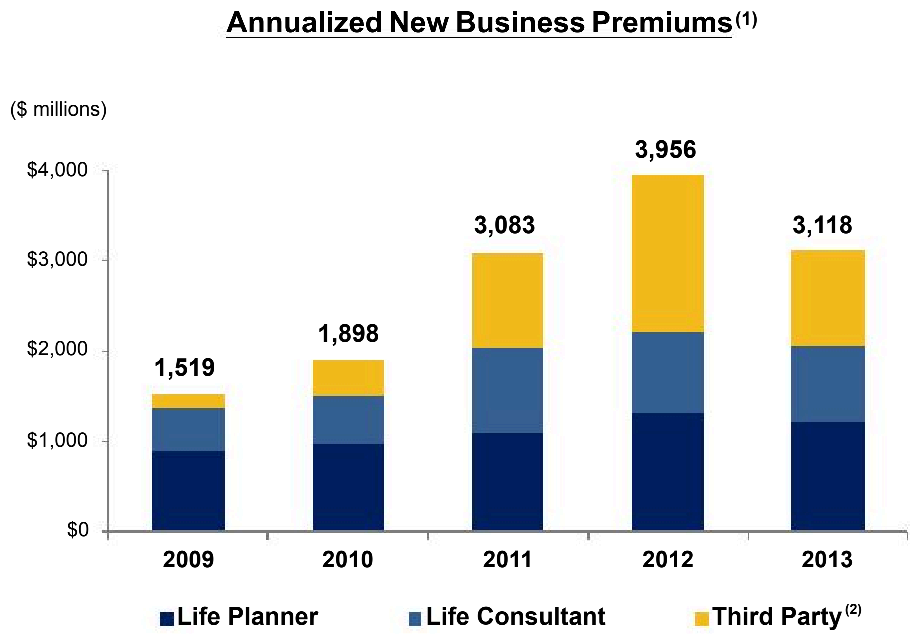
- Risk Management, Capital Generation and Deployment

# BANK AND INDEPENDENT AGENCY DISTRIBUTION BRINGS GROWTH OPPORTUNITIES AND CHALLENGES

| Advantages | Challenges |
| --- | --- |
| • Enhances access to expanded customer base and investable wealth<br>• Growth potential through development of distribution relationships<br>• Competitive product portfolio meets customer needs<br>• Strong brand name attracts security focused customers<br>• Leverages infrastructure costs | • Sales can be volatile due to changes in interest rates and competitor actions<br>• Less influence over distribution<br>• Profitability can vary with changes in product mix<br>• Manage to bottom line, not top line<br>• Balance profitability and business mix |

# SUPPLEMENTAL DISTRIBUTION CHANNELS EXPAND MARKET ACCESS, CONTRIBUTE OPPORTUNISTIC SALES




1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 82 per U.S. dollar, Korean won 1,150 per U.S. dollar.

2) Represents Bank and Independent Agency distribution.

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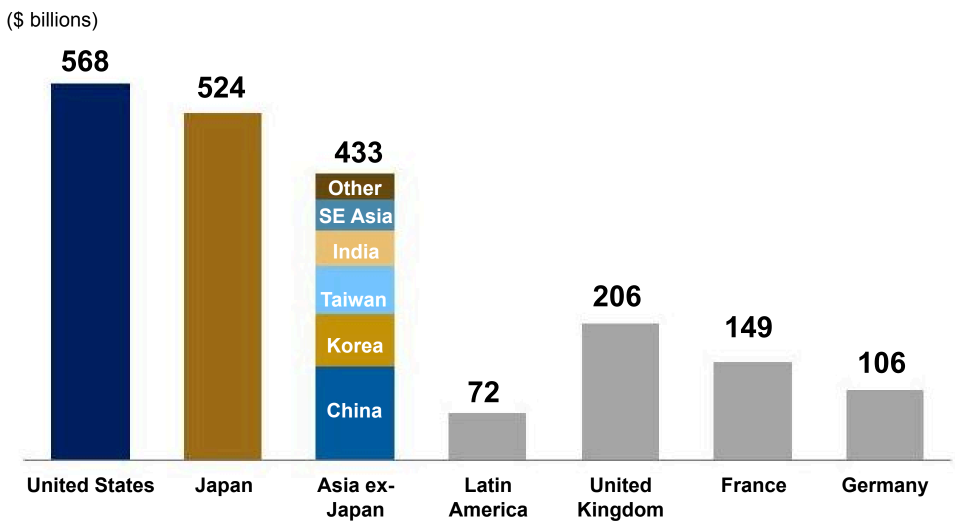
# WORLD LIFE INSURANCE MARKETS

- Japan is the second largest market in the world
- Southeast Asia is growing fast, but the market size is still small (< 2% of world)

**2012 Life Insurance Premiums** (1)




1) Source: Swiss Re. Based on 2012 life premium volume, foreign denominated activity translated to U.S. dollars at average exchange rates for 2012. World total life premiums are $2,621 billion. This chart is not inclusive of the remainder of Europe, Africa, Oceania and Canada.

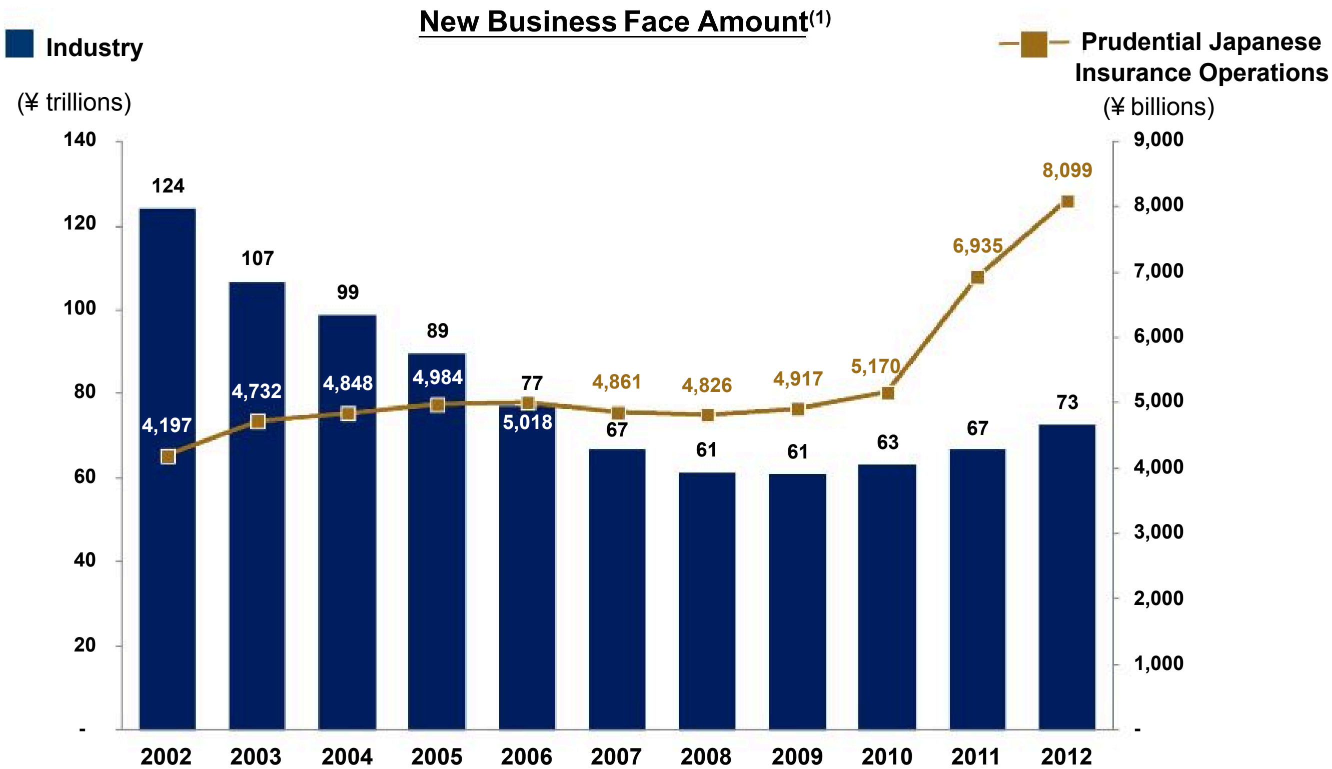
# JAPAN: SUBSTANTIAL GROWTH OPPORTUNITIES IN AN ATTRACTIVE MARKET

| | Market Context |
|---|---|
| **Market Size** | • World's second largest life insurance market: Life premiums $524 billion (1) |
| **Household Wealth** | • Household sector wealth ¥1,645 trillion ($15.6 trillion)(2) |
| **Investable Asset Pool** | • ¥874 trillion ($8.3 trillion) household pool of currency and deposits is among the world's largest (2) |
| **Retirement Market** | • Expanding retirement market driven by aging population, increased emphasis on individual responsibility for financial security |
| **Product Trend** | • Customers prefer insurance products to equities for savings and investments |
| **Distribution Trend** | • Growing distribution opportunities include banks and independent distributors |

1) Source: Swiss Re - World Insurance in 2012, based on 2012 life insurance premiums.

2) Based on 12/31/2013 data; Sources: Bank of Japan, Oanda. Yen to the U.S. dollar translation at the spot currency FX rate as of 12/31/2013.

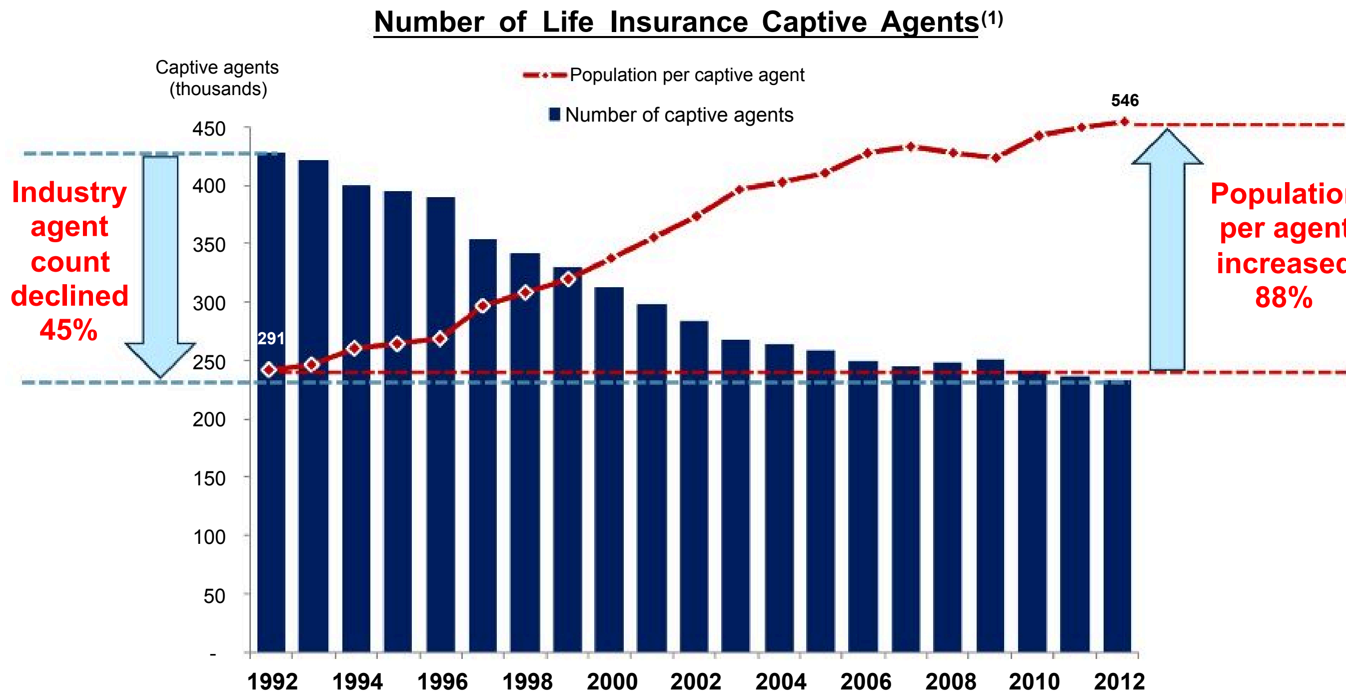
# PRUDENTIAL'S GROWTH IN JAPAN CONTRASTS TO INDUSTRY TREND




1) Source: The Life Insurance Association of Japan. Fiscal year starting April 1. Industry data excludes Japan Post Insurance; includes policy conversions.

# JAPAN INDUSTRY – NUMBER OF CAPTIVE AGENTS

- Fewer captive agents to meet customer needs



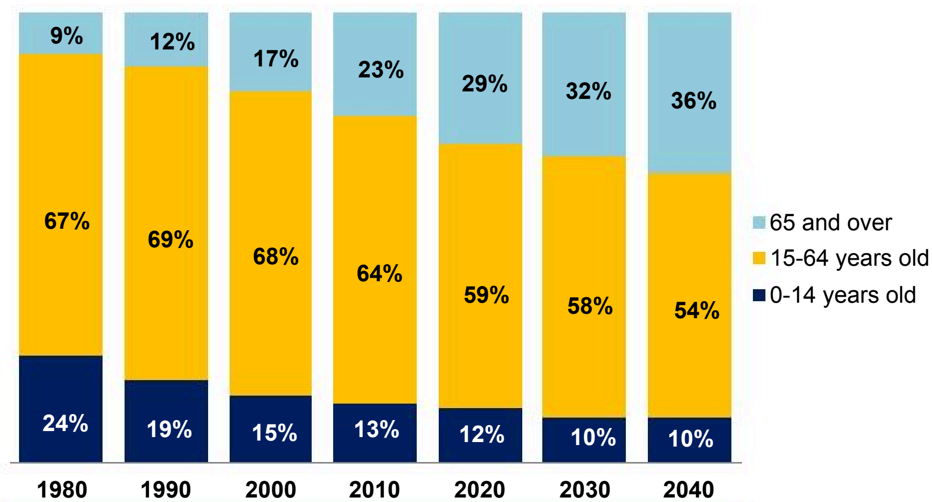

1) Source: Japan Institute of Life Insurance. Data as of fiscal year end March 31. Some former captive agents continue their career in life insurance industry as independent sales agents.

# JAPAN DEMOGRAPHIC CHANGE – CUSTOMERS' CHANGE OF NEEDS BY DEMOGRAPHIC SHIFT

- Retirement income needs
- Healthcare needs
- Inheritance needs

**We have experienced agents who can help customers meet their evolving needs**

**Japan Demographics** (1)




| Population (in millions) | 118 | 124 | 127 | 128 | 124 | 117 | 107 |
|---|---|---|---|---|---|---|---|

1) Source: Japan Statistics Bureau, as of January, 2012.

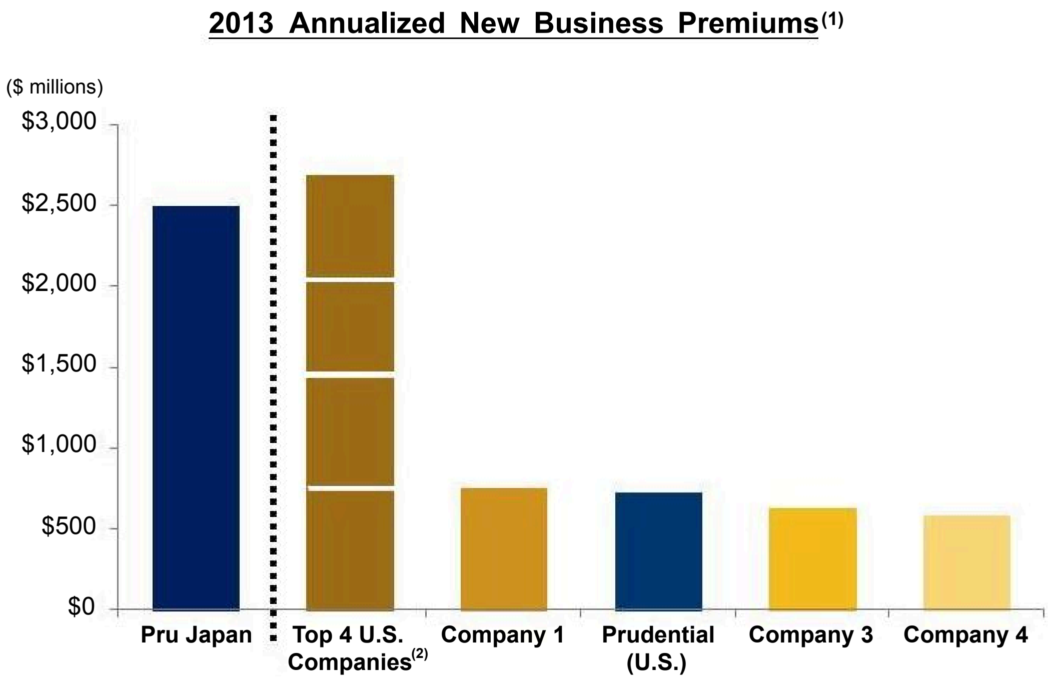
# LEADING POSITION IN ATTRACTIVE MARKET

## Prudential is a leading life insurer in Japan

| Ranking Category | Rank (1) | Market Share (1) |
|---|---|---|
| • New business face amount | #3 | 10.1% |
| • Annualized new business premiums | #5 | 7.8% |
| • In force face amount | #5 | 7.4% |
| • Premium income (2) | #5 | 6.9% |
| • Total assets | #6 | 5.3% |

1) Source: Company data published in individual company websites. Industry / market share data excludes Japan Post Insurance. Nine months ended 12/31/2013.
2) Prudential's premium income amount was adjusted down for internal reinsurance transactions.

# PRUDENTIAL SALES IN JAPAN VS. U.S. LIFE INSURERS SALES IN U.S.




1) U.S. individual insurance sales (annualized premium with 10% excess premium) based on LIMRA; Prudential Japan foreign currency denominated activity translated to U.S. dollars at uniform exchange rates; Japanese yen 82 per U.S. dollar. Annuities excluded.

2) The combined Top 4 U.S. companies include Northwestern Mutual, Prudential (U.S.), New York Life and Lincoln National.

# PURSUING OPPORTUNITIES IN LIMITED NUMBER OF ATTRACTIVE COUNTRIES OUTSIDE JAPAN

- Well established operation in Korea
  - Annualized new business premiums, $167 million[(1)]
  - Approximately 1,800 Life Planners[(2)]
  - Adjusted operating income, $251 million[(1)]
- Cultivating Life Planner operation in Brazil
  - Annualized new business premiums, $83 million[(1)]
  - Approximately 850 Life Planners[(2)]
- Joint Ventures: Footholds of future potential opportunities
  - India, China, Malaysia

1) For the year ended 12/31/2013.
2) As of 3/31/2014.

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- **Risk Management, Capital Generation and Deployment**

# FOREIGN CURRENCY RISK MANAGEMENT

| Potential Exposure | Risk Management |
|---|---|
| **Accounting Remeasurement** | **Non-Economic Noise** |
| **Asset-Liability Management** | **Well Matched FX** |
| **Shareholder Value in US$**<br>• Income and Cash Flow<br>• Equity Value | **Comprehensive Hedging Program** |

# JAPANESE YEN INCOME HEDGE

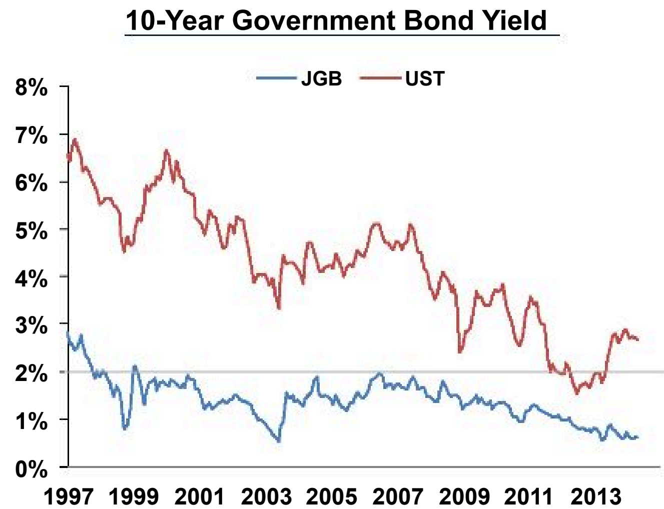
- Roughly 50% of Japan's AOI is Yen-based [1]
- Yen-based AOI is hedged over a 36 month rolling period using a series of FX forwards with laddered maturities
- The Yen plan rate is derived from the weighted average hedged rate
- Hedging Yen-based AOI protects the USD value of Japan capital repatriation

| Income Hedges | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|
| **% of Yen AOI Hedged[2]** | 100% | 88% | 37% | 3% |
| **Plan Rates (¥/$)** | ¥82 | | | |

1) For 2013.
2) Percentage of expected yen-based AOI hedged as of 3/31/2014.

# INTEREST RATE ENVIRONMENT

- Interest rates have been low in Japan for more than fifteen years
  - Majority of POJ's in force business was written in a low rate environment
  - Rehabilitation measures lowered crediting rates of legacy business of Gibraltar
- High-quality long duration investment portfolio
- Repriced products to maintain profitability
- Protection products provide stable earnings from mortality and expense margins
- Fixed annuity products designed to mitigate interest rate risk
  - Pricing updates bi-weekly
  - Early surrenders subject to market value adjustments (MVA)



# SOLVENCY MARGIN RATIO

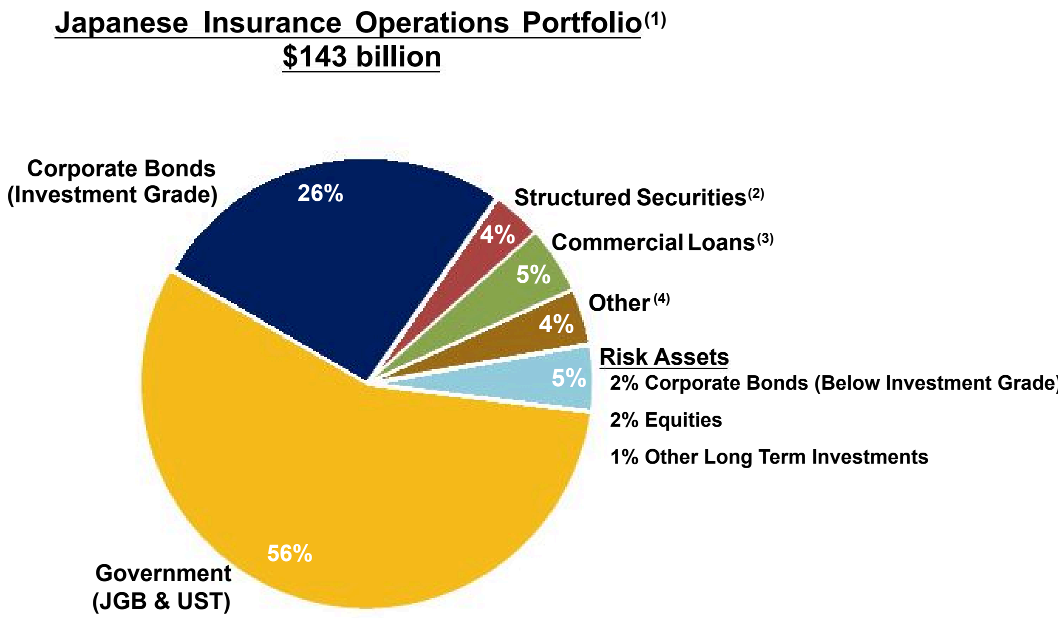
- Solvency margin position of Prudential's Japanese companies – well capitalized and financially secure

| SMR | March 31, 2014 | Stressed Scenario |
|---|---|---|
| Prudential of Japan | 777% | ~680% |
| Gibraltar Life[(1)] | 955% | ~800% |

| Stressed Scenario[(2)] | |
|---|---|
| Japan Equity | Down 55% |
| Real Estate | Down 35% |
| USD & AUD Exchange Rates | Strengthening 20% |
| Interest Rates | Up 100 bps |

1) Gibraltar Life consolidated basis.
2) Represents indicated change applied to asset valuation as of 3/31/14.

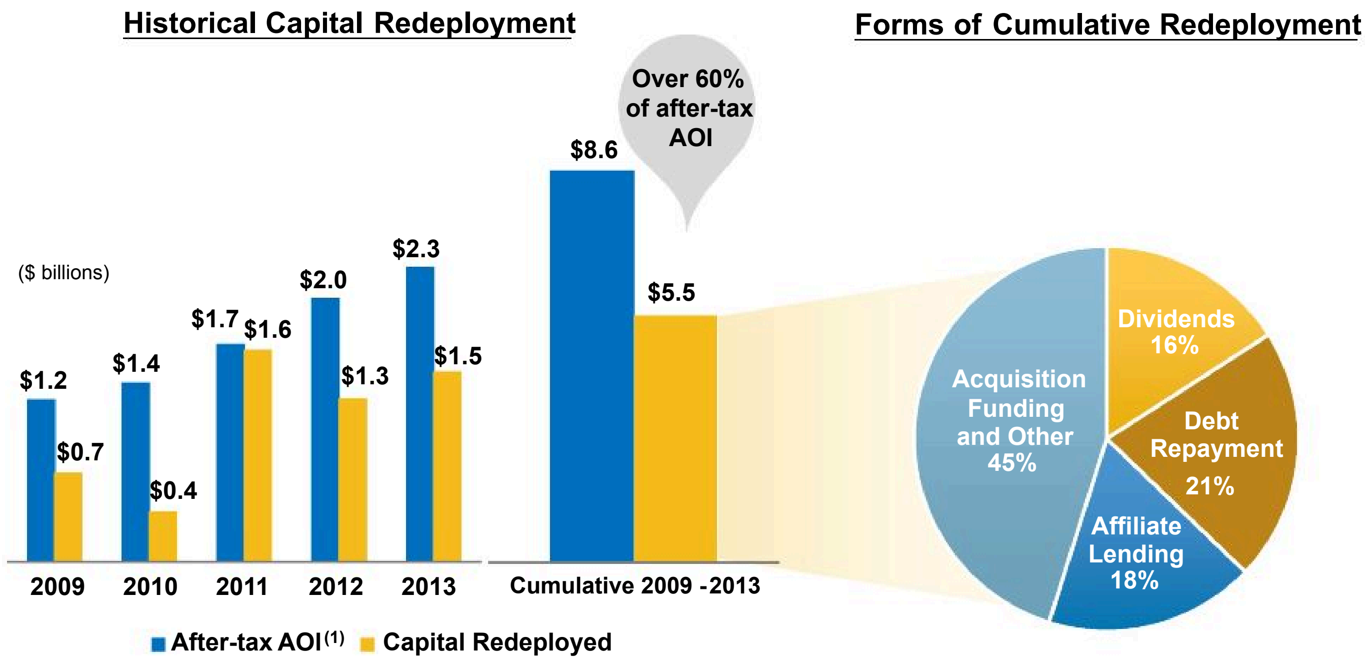
# HIGH QUALITY INVESTMENT PORTFOLIO




1) As of 3/31/2014, at balance sheet carrying amount.
2) Includes commercial/residential mortgage-backed securities and asset-backed securities.
3) Includes commercial/residential mortgage loans.
4) Includes trading account assets supporting insurance liabilities, policy loans, other trading account assets and short-term investments.

# HISTORICAL CAPITAL REDEPLOYMENT

- International Insurance operations have redeployed excess capital of more than 60% of after-tax AOI since 2009




1) Years 2009 – 2011 have been restated for U.S. GAAP accounting standards applicable to deferred policy acquisition costs (DAC) effective 1/1/2012. After-tax AOI is based on overall FSB effective tax rates.

## KEY TAKEAWAYS

- Proven, superior business model
- High ROE & low volatility earnings primarily driven by stable mortality and expense margins
- Captive distribution provides sustainable competitive advantage
- Well-positioned in attractive Japanese insurance market
- Solid risk management
- Sustained capital generation and deployment