
**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): September 14, 2016

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

New Jersey
(State or other jurisdiction
of incorporation)

001-16707
(Commission
File Number)

22-3703799
(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 7.01 Regulation FD Disclosure.

Prudential Financial, Inc. is furnishing a copy of slides being presented at its Investor Day conference in Tokyo on September 15, 2016, as Exhibit 99.1 hereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Slide presentation of Prudential Financial, Inc. at its Investor Day conference in Tokyo on September 15, 2016 (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: September 14, 2016

PRUDENTIAL FINANCIAL, INC.

By: /s/ Andrew Hughes

Name: Andrew Hughes

Title: Vice President and Assistant Secretary

Exhibit Index

Exhibit No.

Description

99.1

Slide presentation of Prudential Financial, Inc. at its Investor Day conference in Tokyo on September 15, 2016 (furnished and not filed).



PRUDENTIAL FINANCIAL, INC. TOKYO INVESTOR DAY

SEPTEMBER 15, 2016



PRUDENTIAL FINANCIAL, INC.

TOKYO INVESTOR DAY

MARK FINKELSTEIN

SENIOR VICE PRESIDENT
INVESTOR RELATIONS

FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURE



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. 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” section included in Prudential Financial, Inc.’s Annual Report on Form 10-K for the year ended December 31, 2015. Prudential Financial, Inc. does not intend, and is under no obligation, to update any particular forward-looking statement included in this presentation.

This presentation also includes references to “adjusted operating income” and return on equity, which is based on adjusted operating income. Adjusted operating income is a measure of performance that is not calculated based on accounting principles generally accepted in the United States of America (GAAP). For additional information about adjusted operating income and the comparable GAAP measure, including a reconciliation between the two, please refer to our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are available on our Web site at www.investor.prudential.com. A reconciliation is also included as part of this presentation.

In this presentation annualized new business premiums may be presented on a constant currency basis. For historical annualized new business premiums, refer to the foregoing reports.

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

RECONCILIATIONS BETWEEN ADJUSTED OPERATING INCOME AND THE COMPARABLE GAAP MEASURE



(\$ millions)

	2011	2012	2013	2014	2015	Year to Date	
	\$ 2,917	\$ 3,019	\$ 4,586	\$ 4,355	\$ 4,649	2Q15	2Q16
After-tax adjusted operating income (AOI)⁽¹⁾						\$ 2,648	\$ 1,826
Reconciling items:							
Realized investment gains (losses), net, and related charges and adjustments	847	(2,809)	(8,149)	(4,130)	1,579	1,337	698
Investment gains (losses) on trading account assets supporting insurance liabilities, net	223	610	(250)	339	(524)	(137)	324
Change in experience-rated contractholder liabilities due to asset value changes	(123)	(540)	227	(294)	433	37	(263)
Divested businesses:							
Closed Block division	-	-	-	-	58	30	(105)
Other divested businesses	90	(615)	29	167	(66)	(34)	20
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(227)	(29)	28	44	58	58	17
Total reconciling items, before income taxes	810	(3,383)	(8,115)	(3,874)	1,538	1,291	691
Income taxes, not applicable to adjusted operating income	424	(816)	(2,857)	(1,082)	490	440	243
Total reconciling items, after income taxes	386	(2,567)	(5,258)	(2,792)	1,048	851	448
Income (loss) from continuing operations (after-tax)							
before equity in earnings of operating joint ventures	3,303	452	(672)	1,563	5,697	3,499	2,274
Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	148	10	(48)	(41)	(55)	(57)	(17)
Income (loss) from continuing operations attributable to Prudential Financial, Inc.	3,451	462	(720)	1,522	5,642	3,442	2,257
Earnings attributable to noncontrolling interests	34	50	107	57	70	63	37
Income (loss) from continuing operations (after-tax)	3,485	512	(613)	1,579	5,712	3,505	2,294
Income from discontinued operations, net of taxes	35	17	7	11	-	-	-
Net income (loss)	3,520	529	(606)	1,590	5,712	3,505	2,294
Less: Income attributable to noncontrolling interests	34	50	107	57	70	63	37
Net income (loss) attributable to Prudential Financial, Inc.	\$ 3,486	\$ 479	\$ (713)	\$ 1,533	\$ 5,642	\$ 3,442	\$ 2,257

1) Represents results of the former Financial Services Businesses for periods prior to 2015.

RECONCILIATION FOR INTERNATIONAL INSURANCE PRE-TAX AOI EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2011	2012	2013	2014	2015	Year to Date 2Q16
International Insurance pre-tax AOI	\$ 2,263	\$ 2,704	\$ 3,152	\$ 3,252	\$ 3,226	\$ 1,582
Reconciling items:						
Annual review of actuarial assumptions and reserve refinements ⁽²⁾	-	20	(190)	(95)	(21)	(72)
Gains on sales of indirect investment in China Pacific Group	237	60	66	-	-	-
Impact of earthquake in Japan	(69)	-	-	-	-	-
Star/Edison integration costs	(213)	(138)	(28)	-	-	-
Sub-total	(45)	(58)	(152)	(95)	(21)	(72)
International Insurance pre-tax AOI excluding market driven and discrete items	\$ 2,308	\$ 2,762	\$ 3,304	\$ 3,347	\$ 3,247	\$ 1,654

1) As disclosed in company earnings releases.

2) Includes refinements of reserves and amortization of deferred policy acquisition and other costs.



PRUDENTIAL FINANCIAL, INC. 2016 TOKYO INVESTOR DAY

CHARLES F. LOWREY

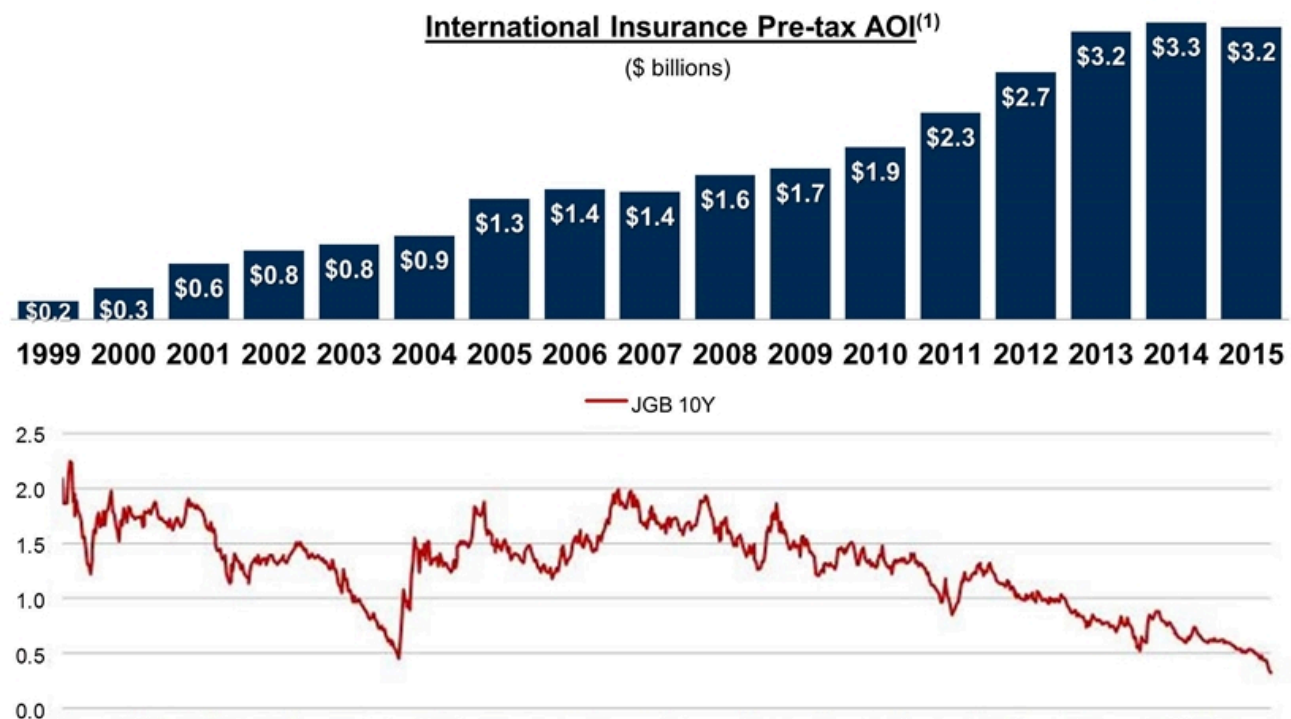
EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER
INTERNATIONAL BUSINESSES

FOUR STRATEGIC IMPERATIVES FOR PII



HISTORY OF GROWTH

- Sustained earnings growth despite market challenges, including declining interest rates

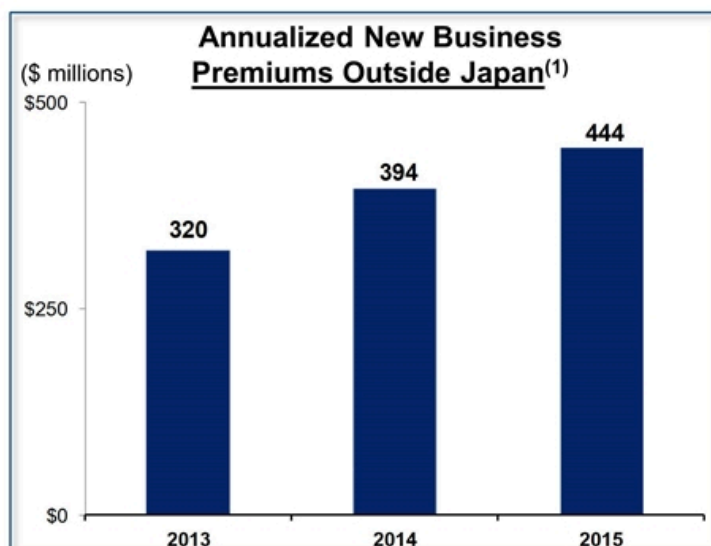


1) Adjusted operating income (AOI) not adjusted for market driven and discrete items.

BUSINESS DEVELOPMENT OUTSIDE JAPAN



- Strategic approach
- Selective markets with attractive growth opportunities, good fit for our proven business models
- Prudent evaluation of prospective returns



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented. Excludes annualized new business premiums of joint ventures.

2) As of 6/30/16.

Recent Highlights



Brazil

- Life Planner insurance business modeled on successful Japanese operation
- Needs-based selling concepts
- Early signs of success: surpassed 1,100 Life Planner count⁽²⁾, strong sales productivity and retention



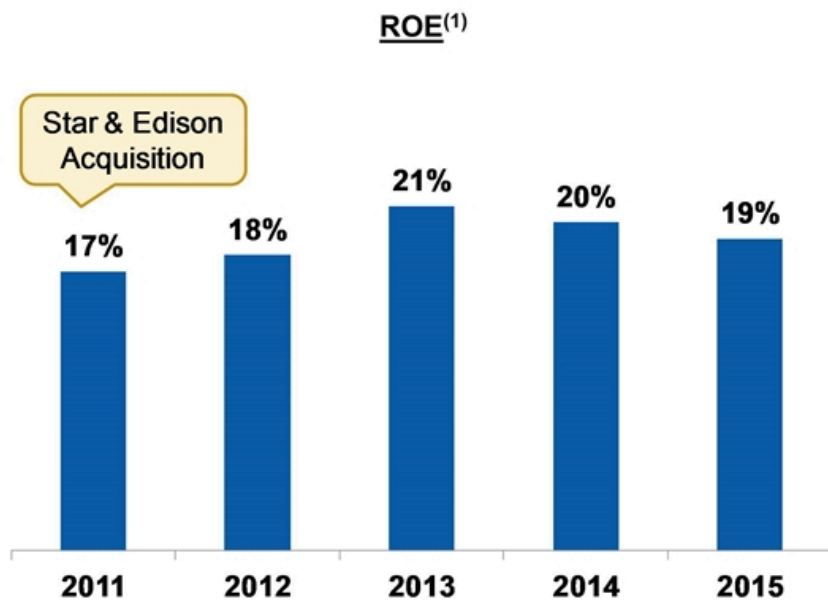
Chile

- Acquisition of 40% stake in AFP Habitat in March 2016 expands footprint in Latin America
- #2 ranked mandatory pension administrator in attractive market
- Lowest fees among top players, supported by efficient cost structure

HIGH RETURN BUSINESS



- International Insurance operations generate sustainable high ROE



1) Return on equity (ROE) based on after-tax AOI using the effective tax rate applicable to Prudential's overall adjusted operating income for 2015 and that of the former Financial Services Businesses for earlier periods. Based on average attributed equity excluding accumulated other comprehensive income and adjusted to remove the impact of foreign currency exchange rate remeasurement.

JAPAN REMAINS A HIGHLY ATTRACTIVE MARKET FOR PRUDENTIAL



- High returns driven by mortality and expense margins
- History of growth across economic landscapes through distribution expansion, selective acquisitions and operating efficiencies
- Strong cash flow from Japanese operations; historically redeployed excess capital of more than 60% of after-tax AOI since 2009⁽¹⁾
- Positioned to navigate increasingly challenging environment
 - Significant product and distribution actions, including product discontinuations, pricing adjustments and commission reductions
 - Impact of sustained low interest rates on returns emerges over a multi-year time frame
 - Opportunities to mitigate interest rate impacts through extending asset durations and leveraging PGIM's sourcing capabilities

1) Through 2015.

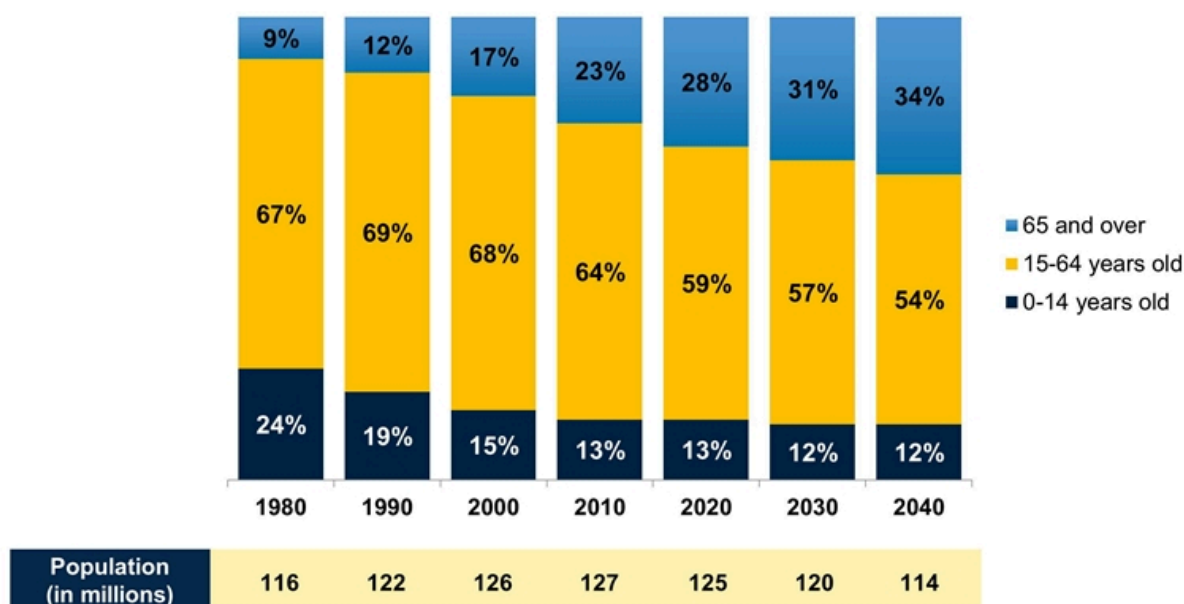
JAPAN DEMOGRAPHIC CHANGE DRIVES GROWTH OPPORTUNITIES FOR PRUDENTIAL



- Retirement income needs
- Intergenerational wealth transfer needs
- Funding of health care expenses

We have an experienced agent force poised for steady growth that can help customers meet their evolving needs

Japan Demographics⁽¹⁾



1) Source: United Nations: World Population Prospects, 2015.

GROWTH OPPORTUNITIES AND CHALLENGES



Opportunities

- Distribution expansion
 - Growth in Life Planner count
 - Life Consultant force stabilized, positioned for growth
 - Further development of complementary third-party channels
- Retirement and estate planning
- Multi-currency products

Challenges

- Terminated sales of certain savings-oriented yen products
- Repricing actions on yen-based protection products
- Discount rate changes and new mortality tables could necessitate further actions



JAPANESE INSURANCE OPERATIONS

MITSUO KURASHIGE

**CHIEF EXECUTIVE OFFICER
JAPAN LIFE INSURANCE OPERATIONS**

DESPITE CURRENT ENVIRONMENT, JAPAN REMAINS AN ATTRACTIVE MARKET



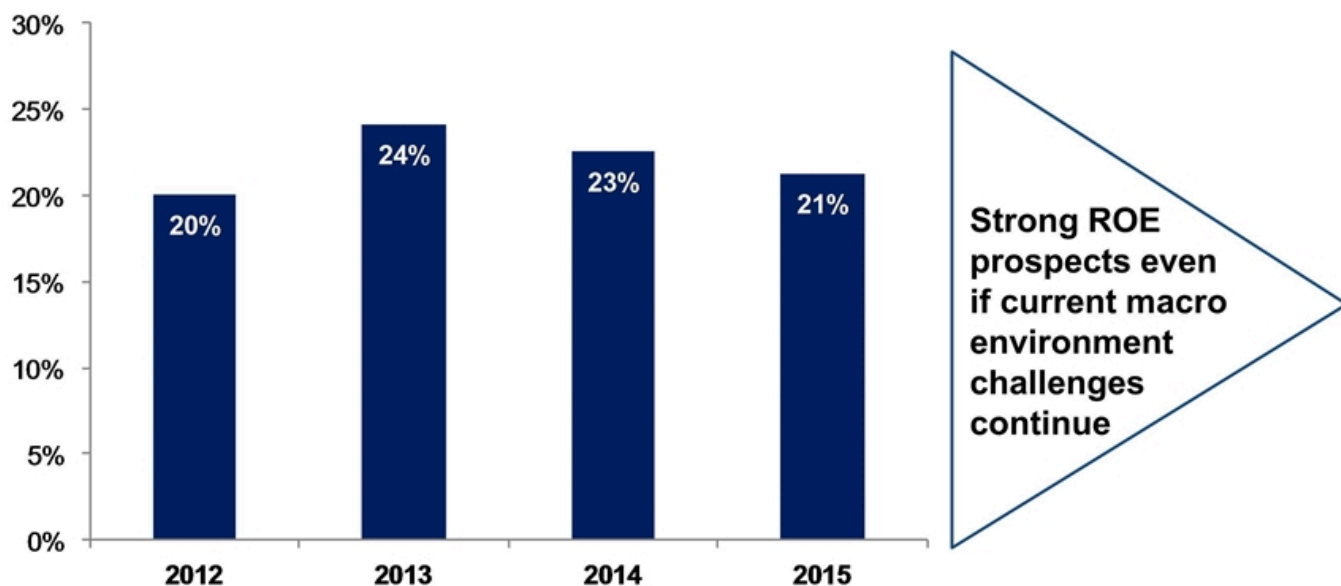
Opportunities	Challenges
• Differentiated business model facilitates higher margins • Expanding distribution – Life Planner growth – Life Consultant count stabilized, poised for growth – Selective growth in third party channels • Multi-currency products • Retirement / estate planning market driven by aging population • Ongoing need for death protection products	• Historically low / negative interest rates impact investment margins • Current environment necessitates product and pricing actions, limiting availability and impacting attractiveness to customers • Impact of discount rate changes and new mortality tables • Long-term demographics • Continued investment in infrastructure and systems • Potential growing competition in third party channels

PRODUCT ACTIONS IN 2016



- Reduced guaranteed interest rates and commissions on single premium yen products
- Subsequently discontinued sales of all general account single premium yen products
- Reduced crediting rates on yen-based advanced premiums, suspended acceptance of advanced premiums on some products
- Expanded U.S. dollar product portfolio including:
 - Gibraltar low cash value USD whole life product emphasizing death protection coverage
 - Expansion of sales of 15 year USD Multi-Currency Whole Life product to Gibraltar
 - New USD products for both Gibraltar and POJ in development with release expected in late 2016 and early 2017

ROE OF JAPANESE BUSINESS REMAINS HIGHLY ATTRACTIVE⁽¹⁾

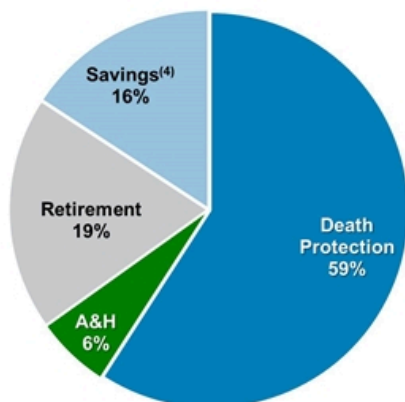


1) Return on Equity (ROE) represents estimates for Japanese Insurance operations on a stand-alone basis after allocation of Division level costs. ROE is based on after-tax adjusted operating income (AOI) excluding market driven and discrete items and reflects an overall effective tax rate for Prudential's ongoing operations for 2015 and former Financial Services Businesses for earlier periods. The average attributed equity excludes accumulated other comprehensive income and is adjusted to remove the impact of foreign currency exchange rate remeasurement.

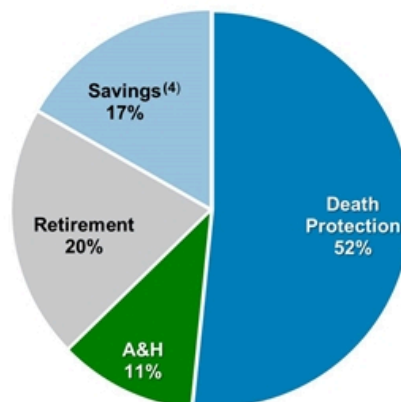
FOCUS ON DEATH PROTECTION PRODUCTS CONTRIBUTES TO MARGIN STABILITY



Annualized New Business Premiums⁽¹⁾⁽²⁾



Annualized Premiums In Force⁽¹⁾⁽³⁾



- Strong mortality and expense margins
- Excellent persistency
- Limited customer behavior risk

1) Japan only. Foreign denominated activity translated to U.S. dollars at uniform exchange rate; including Japanese yen 106 per U.S. dollar. U.S. dollar denominated activity is included based on the amounts as transacted in U.S. dollars.

2) For the year ended 12/31/15.

3) As of 12/31/15. Annualized premiums in force, including paid-up policies and 10% of single premium. Percentages approximate.

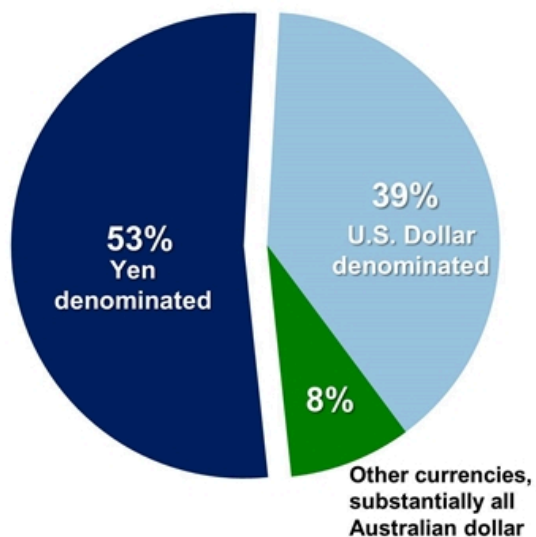
4) Savings includes annuities and yen-based bank channel single premium whole life. Sales of yen-based bank channel single premium whole life were discontinued in 2013.

INCREASED DEMAND FOR MULTI-CURRENCY PRODUCTS

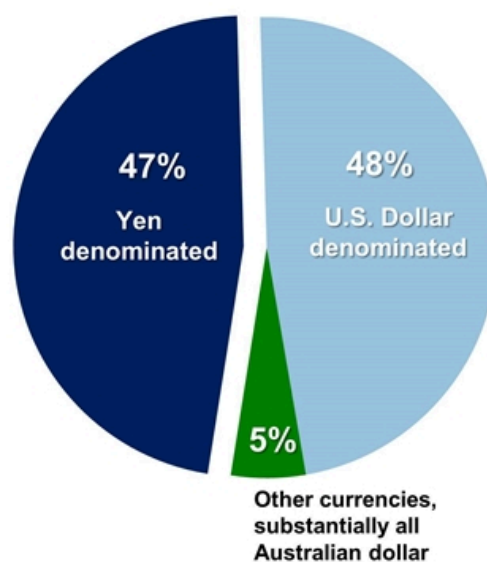


Annualized New Business Premiums⁽¹⁾

2011



First Half 2016

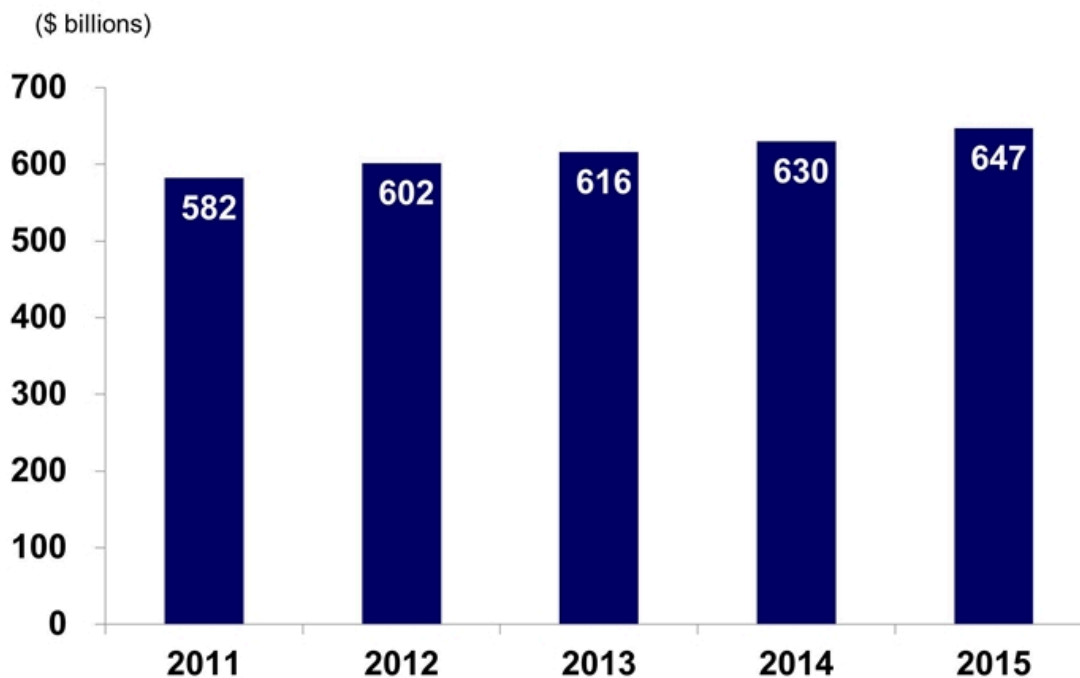


1) Japan only. Foreign denominated activity translated to U.S. dollars at uniform exchange rate; including Japanese yen 106 per U.S. dollar. U.S. dollar denominated activity is included based on the amounts as transacted in U.S. dollars.

HISTORY OF GROWTH IN JAPAN



Face Amount of Individual Policies in Force⁽¹⁾⁽²⁾



1) At end of period. Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 106 per U.S. dollar.

2) Includes Prudential of Japan and Gibraltar Life and Other operations.

LEADING POSITION IN ATTRACTIVE MARKET



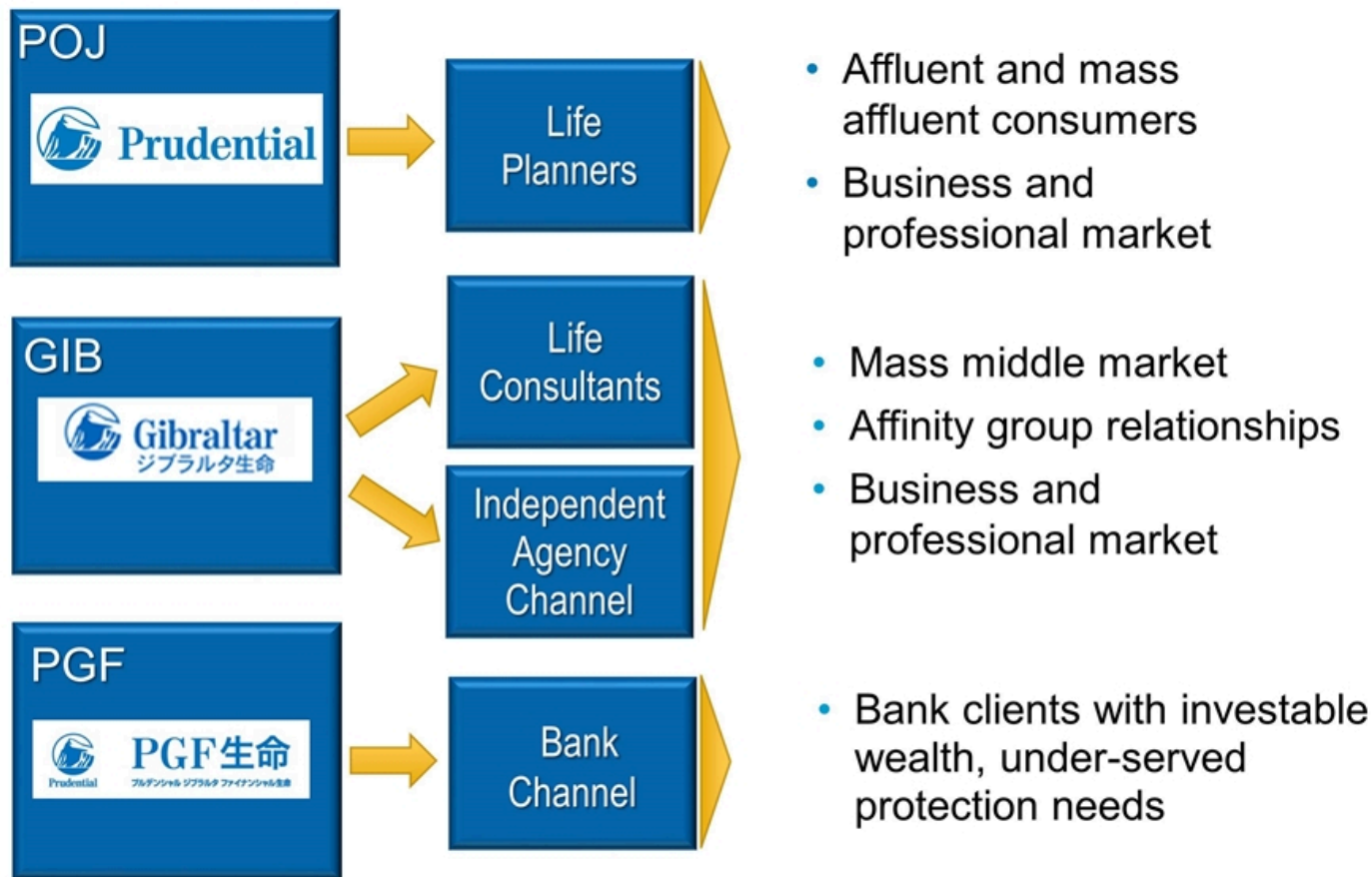
Prudential is a leading life insurer in Japan

Ranking Category	Rank ⁽¹⁾	Market Share ⁽²⁾
• New business face amount	#2	10.5%
• Annualized new business premiums	#5	5.9%
• In force face amount	#5	7.5%
• Premium income	#6	5.5%
• Total assets	#6	4.2%

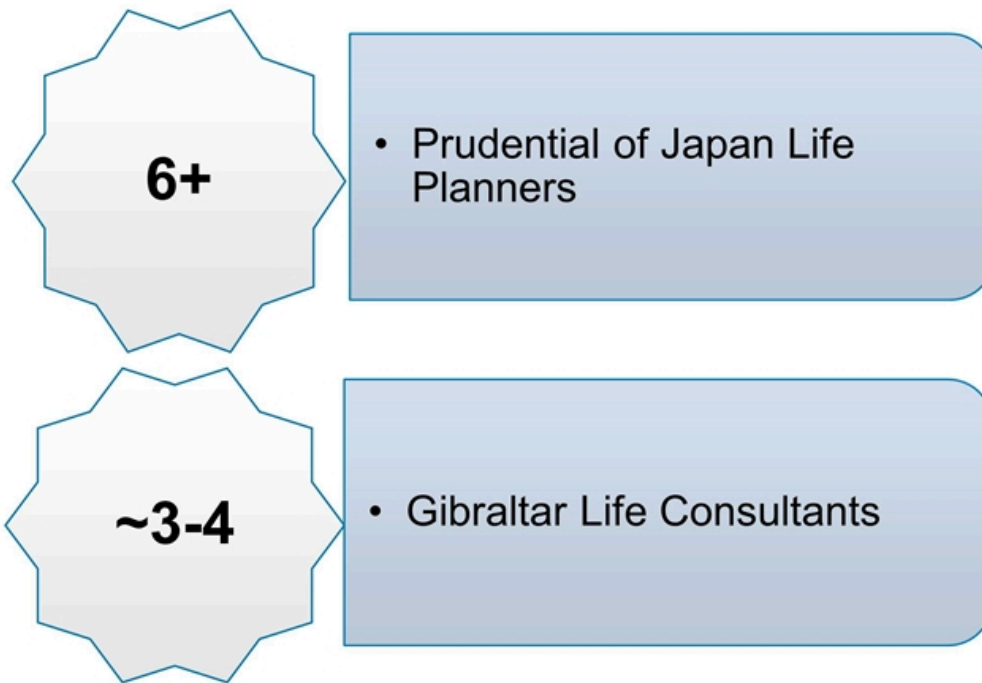
1) Source: Life Insurance Association of Japan, Insurance Business in 2014. Twelve months ended March 31, 2015.

2) Market share data is based on Prudential estimates developed from publicly available data of Japanese insurance companies; Prudential's premium income was adjusted down for internal reinsurance transactions.

TARGETED DISTRIBUTION SERVING THE JAPANESE MARKET



PRODUCTIVITY⁽¹⁾ OF DISTRIBUTION CHANNELS



1) Average policies sold per agent, per month, over multiple years.

QUALITY PEOPLE

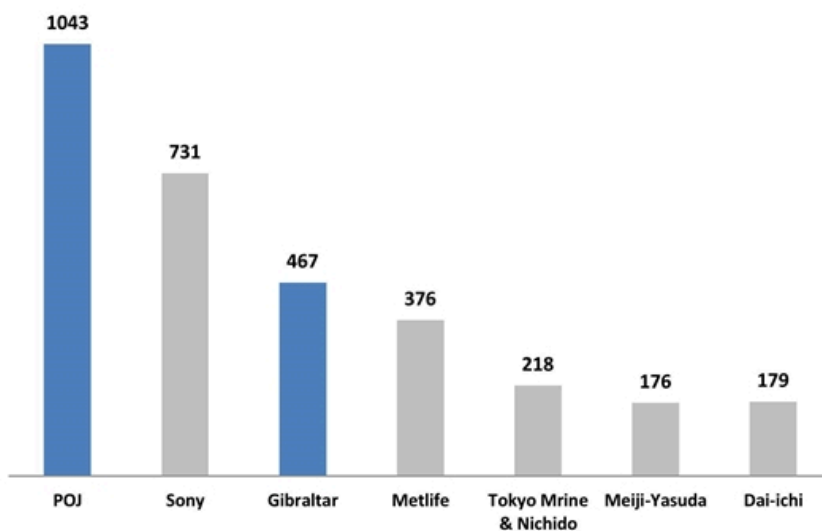


- Industry leading Million Dollar Round Table memberships
- Prudential of Japan has the highest number of MDRT members in the Japanese industry for 19 consecutive years⁽¹⁾



**~ One Third of all
MDRT members in Japan
are from
POJ and Gibraltar⁽¹⁾**

MDRT Japan Membership⁽¹⁾



1) Source: Million Dollar Round Table Association, Japan - membership data as of April 1, 2016. Total membership 4,417.

THIRD PARTY DISTRIBUTION CHANNELS



Advantages

- Enhances access to expanded customer base and investable wealth
- Expands access to estate planning market
- Growth potential through development of distribution relationships
- Differentiated needs-based sales approach
- Competitive product portfolio meets customer needs
- Strong brand name attracts security focused customers
- Leverages infrastructure costs

Challenges

- Sales can be volatile due to changes in interest rates and competitor actions
 - Less influence over distribution
 - Profitability can vary with changes in product mix
- 
- Manage to bottom line, not top line – accept sales volatility
 - Aggressive product and pricing actions
 - Balance profitability and business mix

SUMMARY



- Adapting proactively to current market environment
- Strong margins sustainable with differentiated model and focus on sound asset/liability management
- Growth opportunities through expanding distribution, leveraging product capabilities, and lifetime customer relationships



PRUDENTIAL OF JAPAN

SHOICHIRO ICHITANI

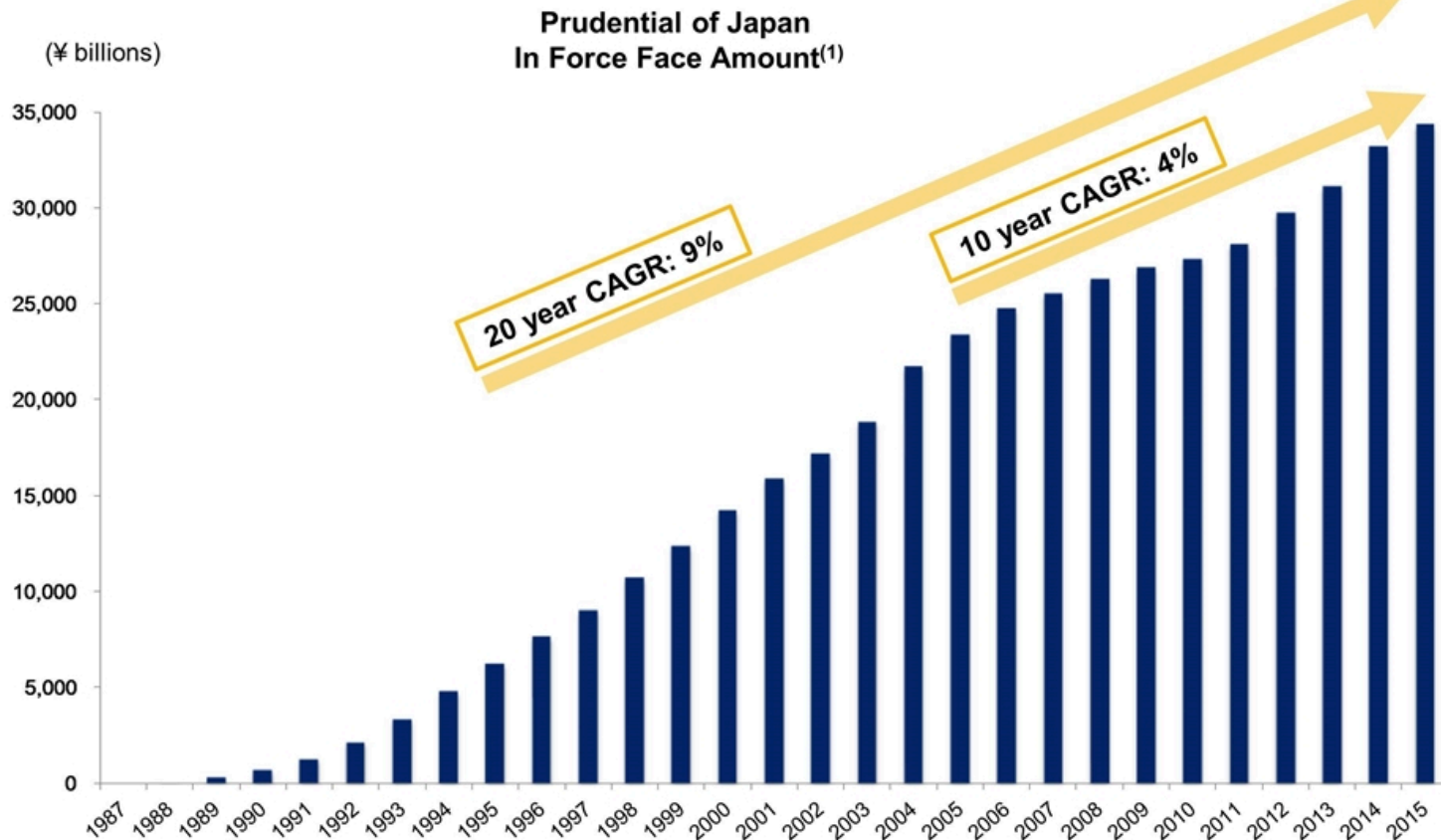
PRESIDENT AND
CHIEF EXECUTIVE OFFICER
PRUDENTIAL OF JAPAN



Differentiated Business Model Drives Sustained Track Record of Success and Strong Prospects

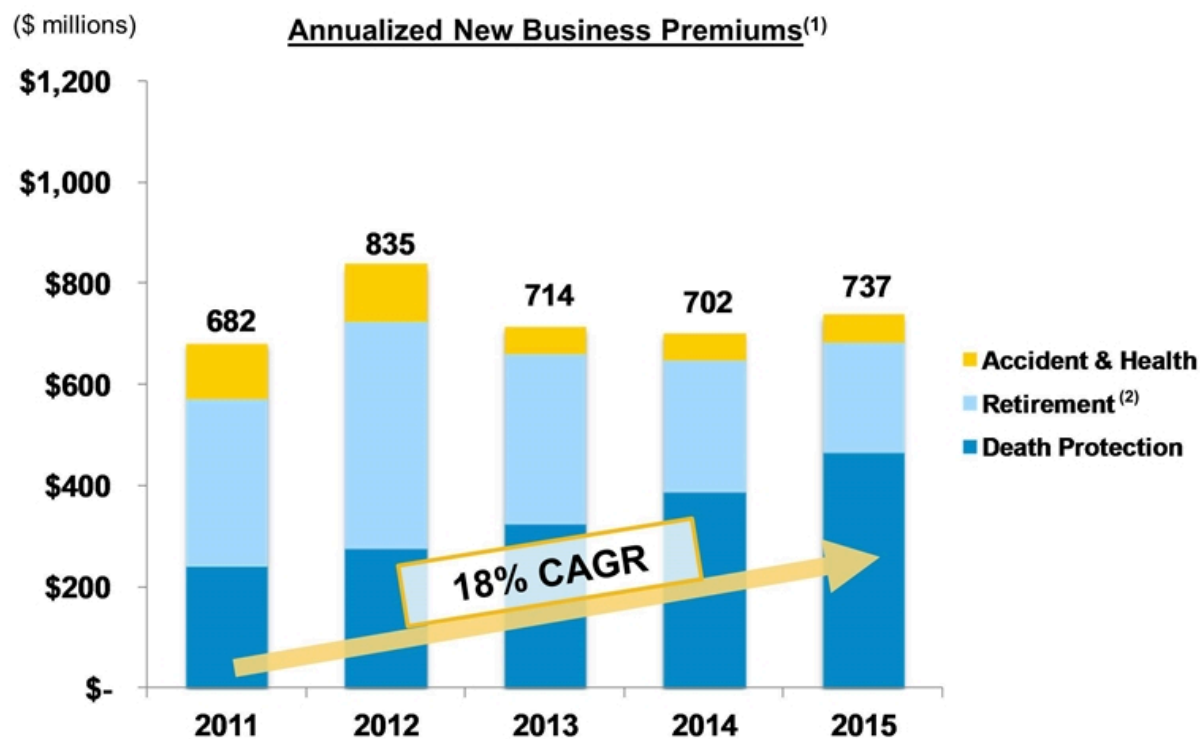
- Strong sales and in force growth over three decades
- Steady growth in Life Planner count driven by solid selective recruitment and strong retention
- Superior Life Planner productivity
- Focus on needs-based selling of death protection products, operating efficiencies, and effective asset/liability management produces strong persistency and differentiated margins
- Continuing growth opportunities

DECADES OF SUSTAINED IN FORCE GROWTH



1) As of March 31 (fiscal year end for Japanese statutory reporting); in-force face amount for U.S. dollar business is translated at spot rate at end of each fiscal year.

PRUDENTIAL OF JAPAN SALES TRACK RECORD DRIVEN BY GROWTH IN DEATH PROTECTION PRODUCTS



- 1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, Japanese yen 106 per U.S. dollar.
2) Includes insignificant amount of savings products.

KEY DRIVERS



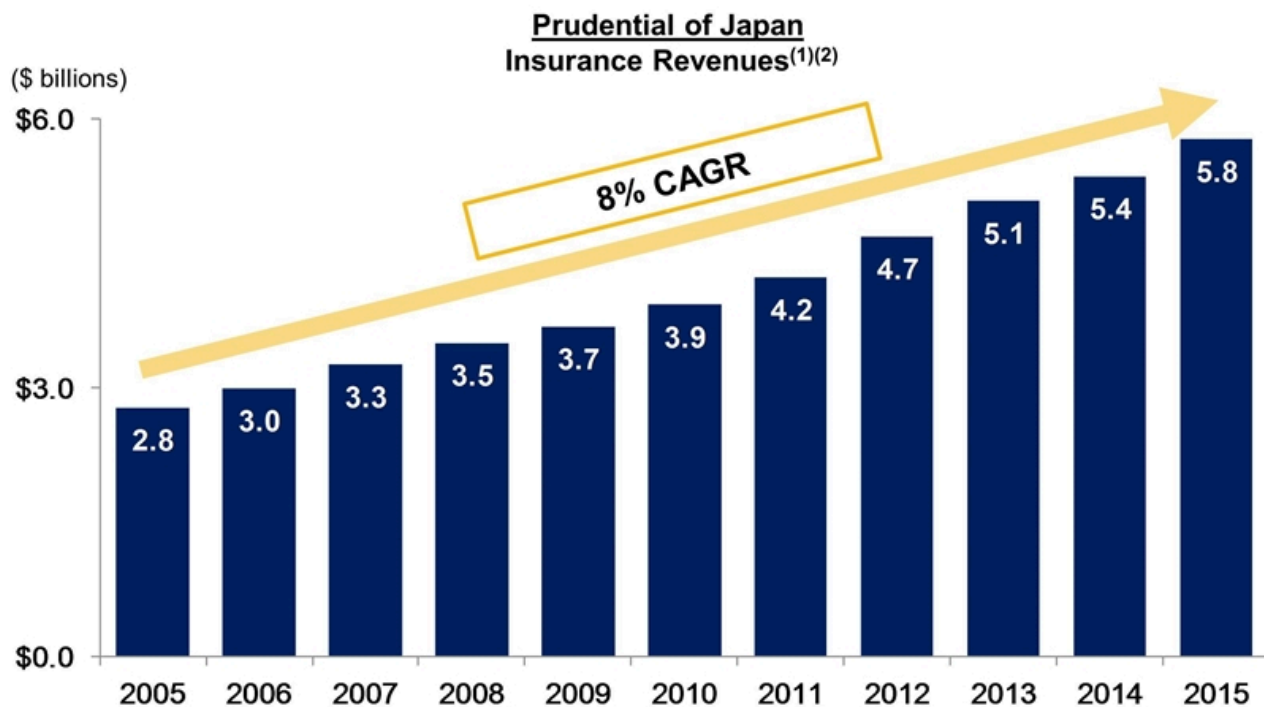
	2011	2012	2013	2014	2015
Number of Life Planners⁽¹⁾	3,137	3,216	3,258	3,328	3,528
Annualized Premium Productivity⁽²⁾	\$18,469	\$22,468	\$18,617	\$18,285	\$18,308
Policy Count Productivity⁽³⁾	6+ 				

1) As of end of each year.

2) Annualized new business premiums per month for each Prudential of Japan (POJ) Life Planner; foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, Japanese yen 106 per U.S. dollar.

3) Number of policies sold per POJ Life Planner, per month; includes accident and health policies.

STEADY GROWTH ACROSS MARKETS

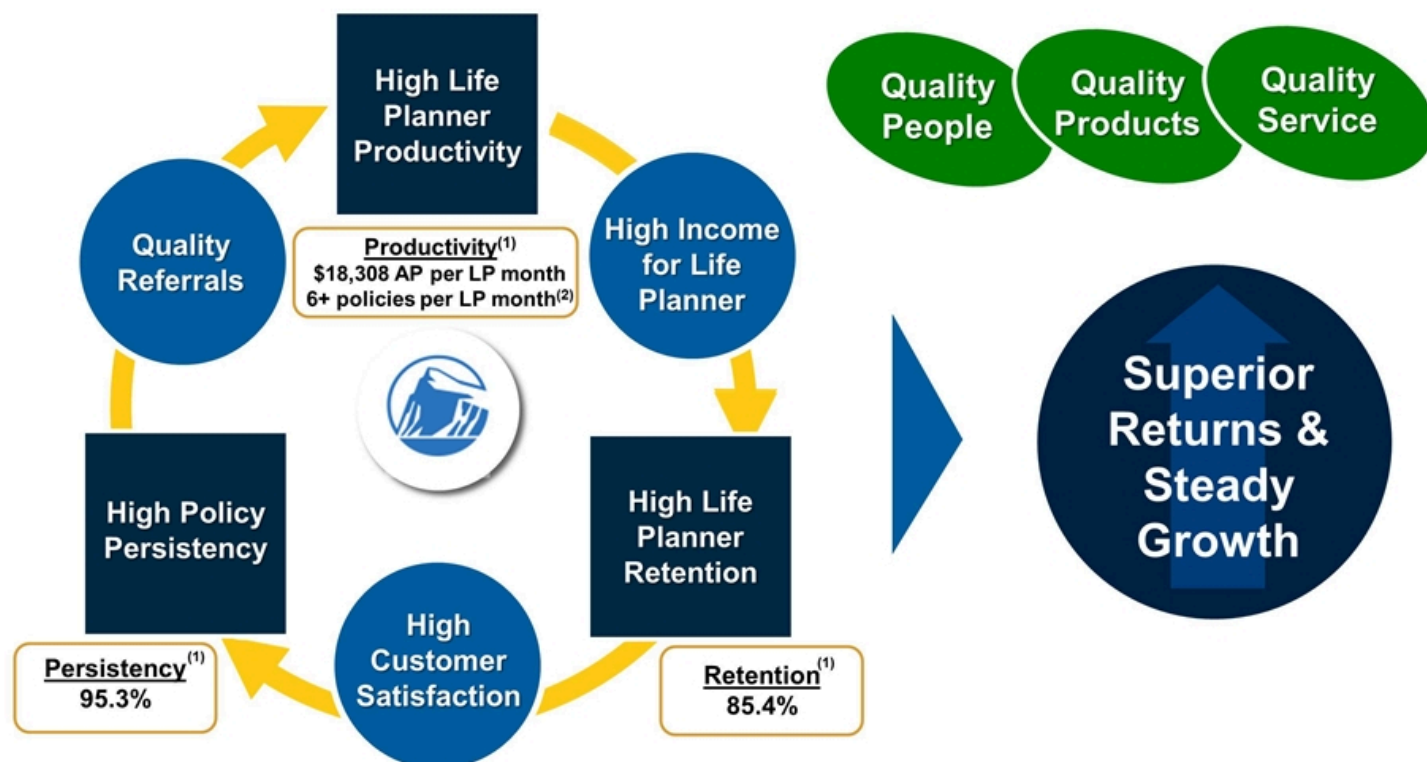


1) Net premiums, policy charges and fee income; foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 106 per U.S. dollar.

2) Amounts for 2006 and 2005 are calculated based on estimated currency breakdowns.

LIFE PLANNER MODEL SUSTAINABLE COMPETITIVE ADVANTAGE DRIVEN BY DISTRIBUTION

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



1) Data based on 2015 POJ. Annualized new business premiums (AP) produced by each Life Planner in a month; foreign denominated activity translated to U.S. dollars at uniform exchange rate, Japanese yen 106 per U.S. dollar. Productivity represents number of new policies sold per Life Planner per month, including accident and health policies. Retention for Life Planners remaining at end of period hired 12 months earlier, rolling average for 2015. 13 month policy persistency measured based on face amount, 12 month rolling average data for 2015.

2) For each of the five years ended December 31, 2015.

RECOGNIZED LEADER IN QUALITY SERVICE



- Prudential of Japan consistently earns highest customer satisfaction rankings according to J.D. Power⁽¹⁾
- Satisfied customers drive high policy persistency

	2012	2013	2014	2015	2016
Customer Satisfaction⁽¹⁾ < Contract >	#1	#1	#1	#3	#2
Customer Satisfaction⁽²⁾ < Claim >	#1	#1	#2	#1	#1
Customer Satisfaction⁽³⁾ < Conservation >	—	—	—	—	#1
POJ Policy Persistency⁽⁴⁾	95%	95%	95%	95%	95% (as of June 30)

- 1) Life Support Insurance segment 2012 - 2014 and All segment 2015 - 2016 of J.D. Power Asia Pacific Japan Life Insurance Contract Customer Satisfaction StudiesSM. Contract Customer Satisfaction Study based on life insurance policyholders who purchased or renewed coverage during the past year. <http://japan.jdpower.com>
- 2) Medical benefit segment 2012 - 2014 and All segment 2015 - 2016 of J.D. Power Asia Pacific Japan Life Insurance Contract Customer Satisfaction StudiesSM.
- 3) All segment of J.D. Power Asia Pacific Japan Life Insurance Contract Customer Satisfaction StudiesSM; survey commencing 2016 targeting customers who purchased their policies over 2 years ago, or those who have not renewed or made a claim within the past year. <http://japan.jdpower.com>
- 4) 13 month policy persistency measured based on face amount. Rolling average of 12 months experience ending at December 31, 2012 - 2015.

CONTINUING GROWTH OPPORTUNITIES



- Continued growth in Life Planner count
 - Solid, selective recruiting by growing sales manager force
 - Highly attractive career for entrepreneurial professionals – approximately 3 of 100 applicants accepted
 - High agent retention rates
- Lifetime relationships promote “Second Sales”
 - Evolving needs as client moves through life cycle
 - Life Planner offers age / status appropriate solutions as trusted adviser
- Retirement and estate planning opportunities
- Life Planners experienced in offering U.S. dollar products, with growing market demand; recurring premium emphasis

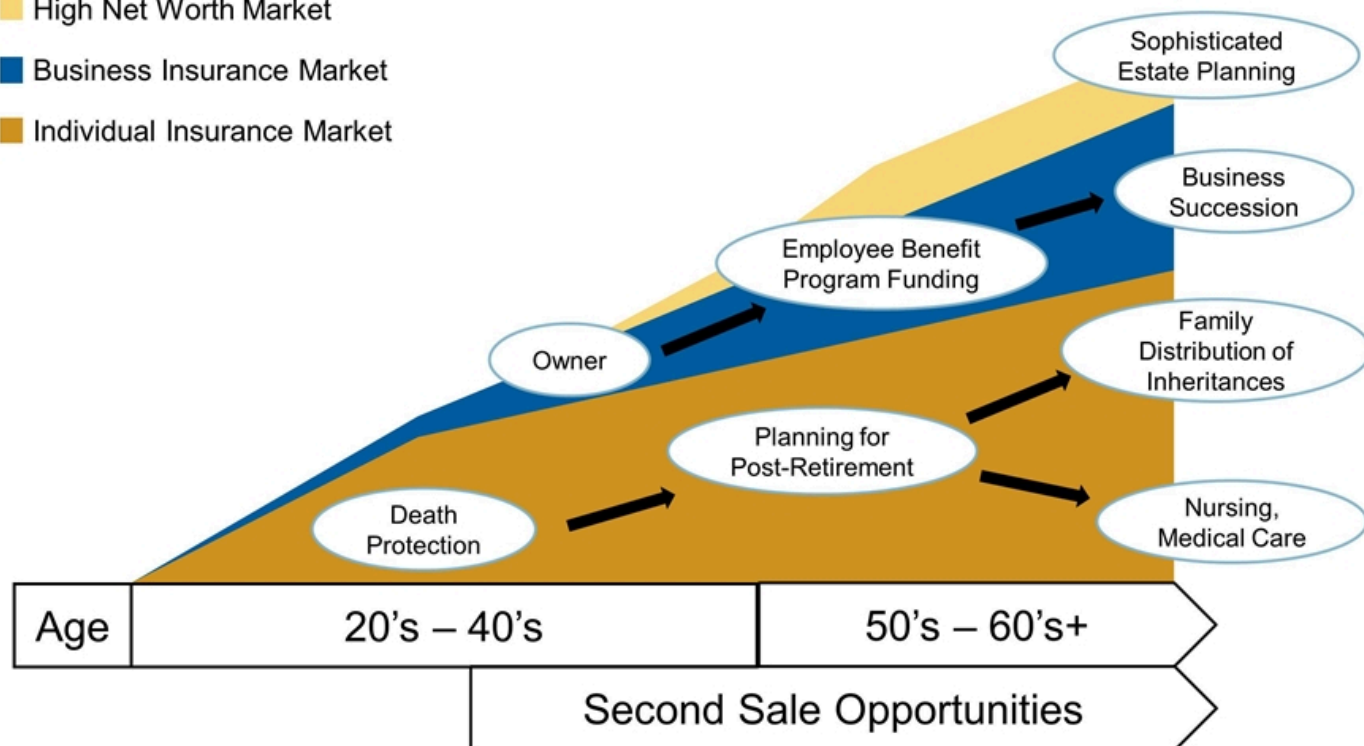
QUALITY PRODUCTS MEETING FINANCIAL SECURITY NEEDS OVER A LIFETIME



■ High Net Worth Market

■ Business Insurance Market

■ Individual Insurance Market

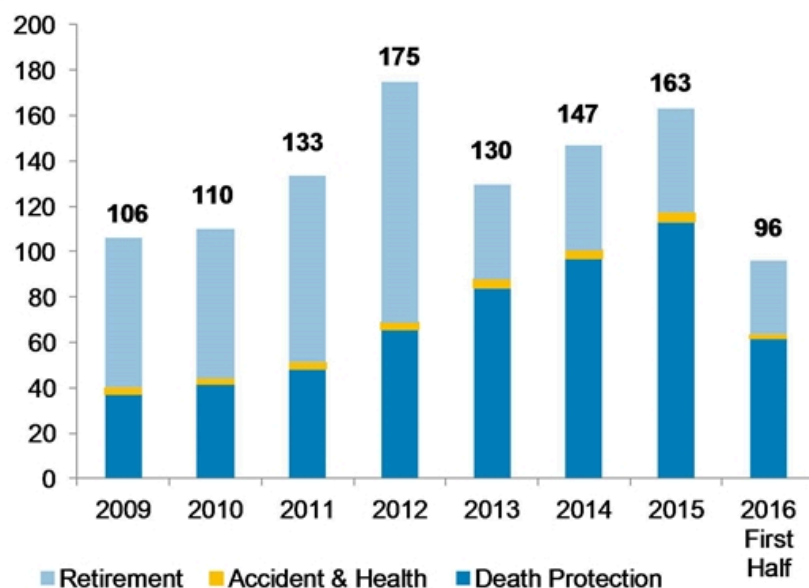


LIFETIME CLIENT RELATIONSHIPS DRIVE SUBSEQUENT SALES OPPORTUNITIES



Annualized New Business Premiums⁽¹⁾ POJ Subsequent Sales to Existing Customers

(\$ millions)



Experienced Agent Profile

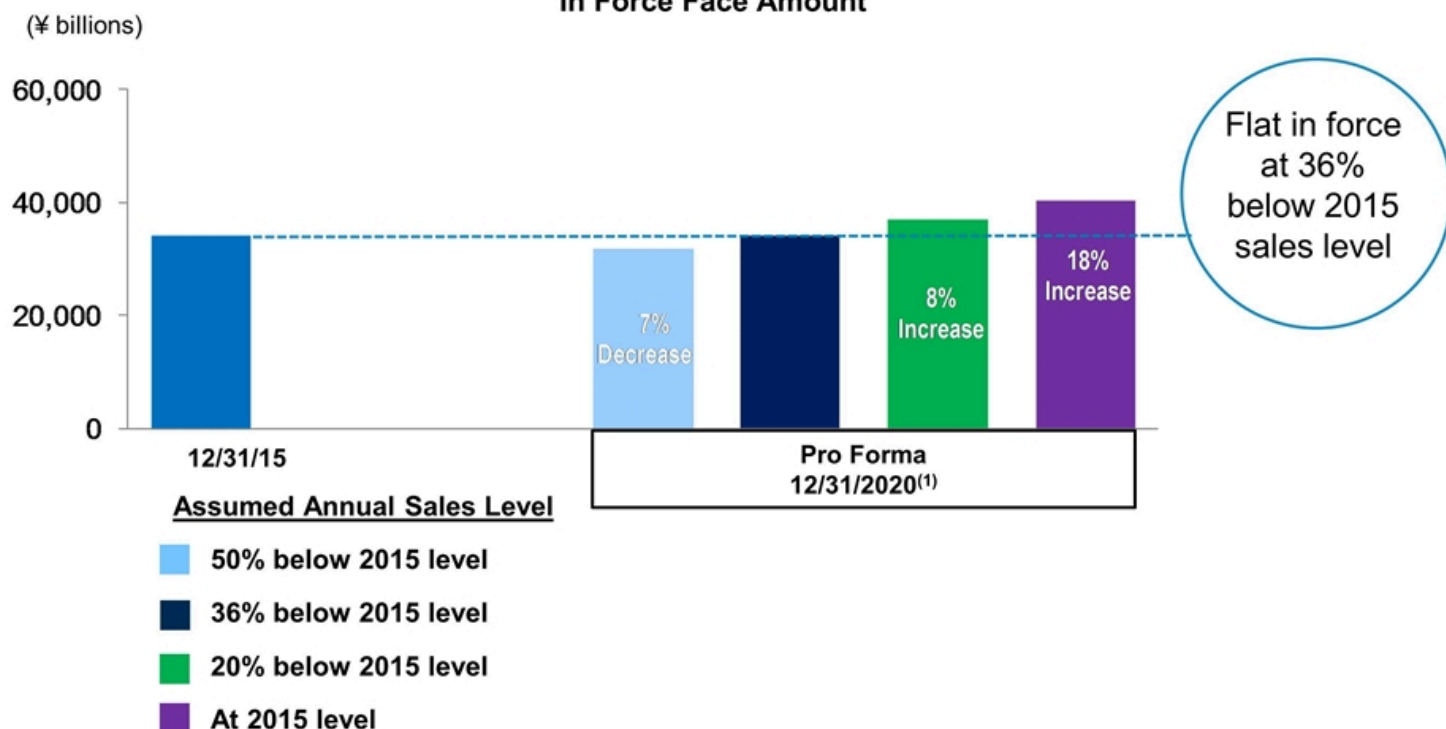
Number of Life Planners with 15+ years experience	Average Number of Clients	Average Relationship Length
783	433	10.3 years

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 106 per U.S. dollar.

IN FORCE GROWTH SENSITIVITY



Prudential of Japan In Force Face Amount



1) Assuming same sales mix, currency exchange rates for non-yen business including Japanese yen 113 per U.S. dollar, persistency and other assumptions as year ended December 31, 2015. Represents impact of sales levels for years subsequent to 2015, held constant through 2020, at indicated levels in relation to annual 2015 sales, upon resulting year end 2020 in force amount.



- Focus on recurring premium death protection products with returns primarily driven by mortality and expense margins
- Increased sales of U.S. dollar products
- Product actions
 - Suspended sales of single premium yen products, effective April 2016
 - Reduced crediting rates for advance premiums on yen business, to be effective November 2016
- Strong asset/liability management reduces reinvestment requirements, mitigating impact of spread compression on margins

SUMMARY



- **Superior Life Planner Productivity**
- **Strong Agent Retention**
- **Life Planner Growth Through Steady and Selective Recruitment**
- **High Policy Persistency**
- **Effective Product and ALM Strategies**



**Superior
Returns
and
Steady
Growth**



GIBRALTAR LIFE

KAZUHIRO YAMAUCHI

PRESIDENT AND CHIEF EXECUTIVE OFFICER
GIBRALTAR LIFE



Solid Return In Force Business with Broad Distribution Reach

- Effective acquisition model with well integrated businesses provides stable block of highly profitable business
- Life Consultant count stabilized following Star / Edison acquisition and integration; positioned for growth
- Distinctive affinity distribution through long-standing relationship with Japanese Teachers Association
- Additive Independent Agency distribution focused on protection products
- Broader focus on protection, U.S. dollar and other non-yen products, and strong asset-liability management mitigates impact of current low interest rate environment
- Active management of product offerings to maintain appropriate returns: suspended sales of yen-based fixed annuities, single premium whole life⁽¹⁾

1) Certain products suspended February 2016, others July 2016.

GIBRALTAR LIFE OVERVIEW



Consolidated Gibraltar Life

Gibraltar Life

Distribution

- Life Consultant⁽¹⁾ Channel
- Independent Agency Channel

PGFL⁽²⁾

Distribution

- Bank Channel



1) Formal name is "Life Plan Consultant".

2) Prudential Gibraltar Financial Life.

DISTRIBUTION CHANNEL STRATEGY

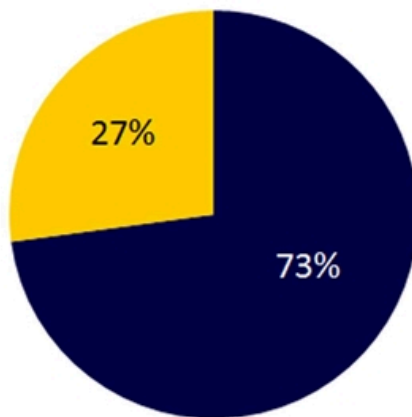


Distribution	Life Consultant Channel	Independent Agency Channel
Common Basic Strategy	Needs-based selling focusing on death protection	
Customer Segment	Middle-market Affinity groups	Upper middle-market Business and professional market
Primary Customer Needs	Death protection Retirement	Death protection Retirement Business planning
Product Solution	Whole life & Term USD Whole life & Retirement income Accident & Health Multi-currency fixed annuities	Whole life & Term USD Whole life & Retirement income Accident & Health Multi-currency fixed annuities

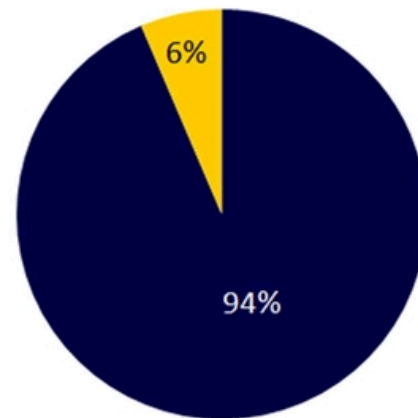
CHANNEL PRODUCT MIX



2015 Sales⁽¹⁾⁽²⁾
\$918 million



2015 Number of Policies In Force⁽³⁾
6.5 million



■ Life Consultants

■ Independent Agencies

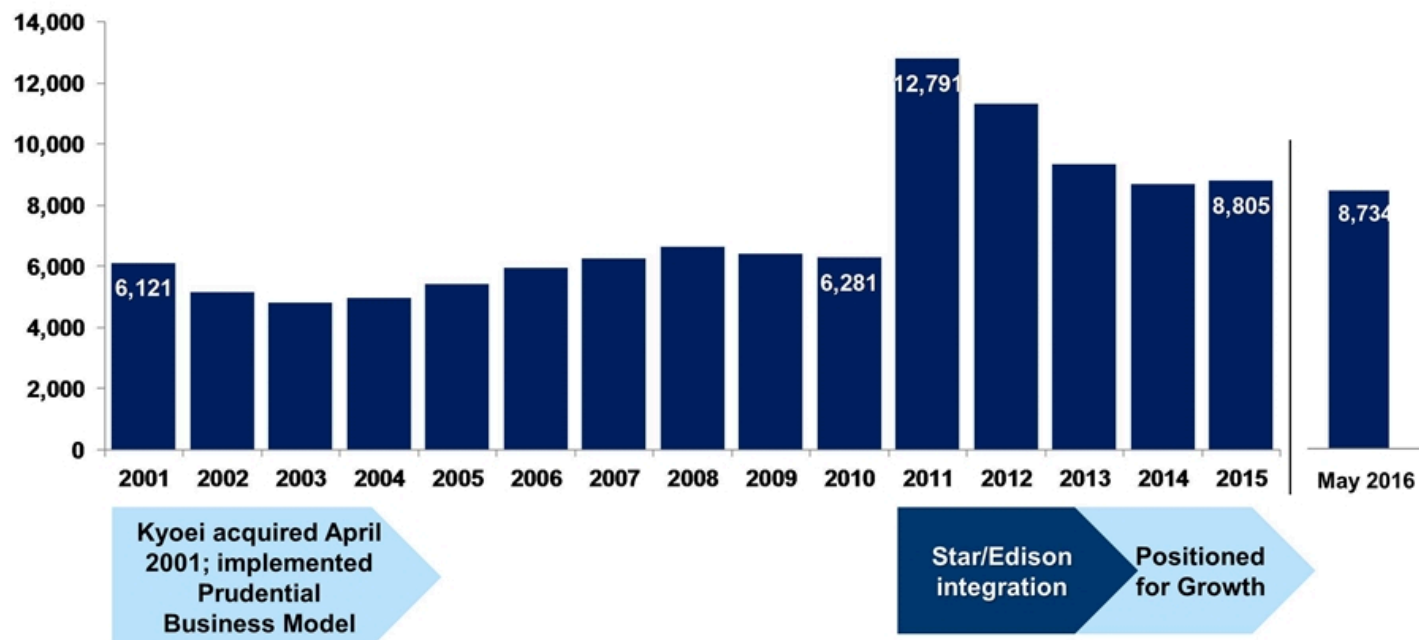
1) Annualized new business premiums; excluding Bank Channel.

2) Foreign denominated activity translated to U.S. dollars at uniform exchange rate; Japanese yen 106 per U.S. dollar.

3) As of end of period; excluding Bank Channel.

LIFE CONSULTANT COUNT⁽¹⁾

STABILIZED POST STAR/EDISON ACQUISITION AND POSITIONED FOR GROWTH

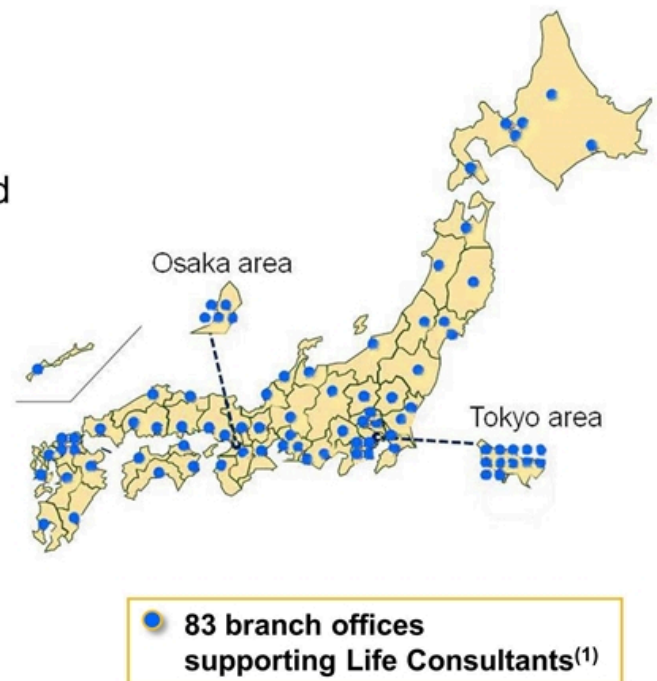


1) At end of period.

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



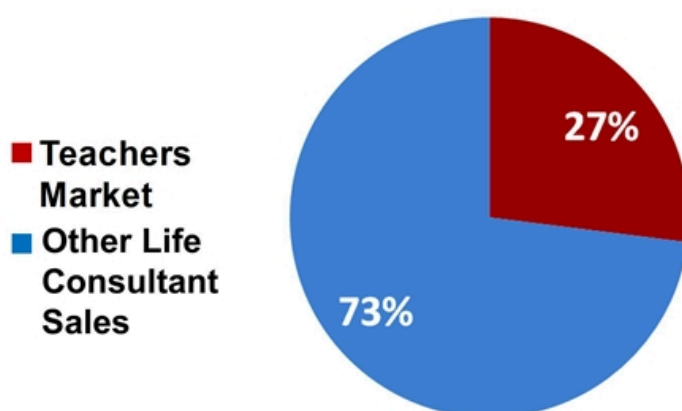
1) As of July 1, 2016.

LIFE CONSULTANT CHANNEL KEY DRIVER – TEACHERS MARKET



- Teachers market remains a primary and stable source of business for Gibraltar
- Approximately one-quarter of Life Consultant channel new business is derived from this market
- Perennial source of sales through teacher career spans
 - Protection products to entering and active teachers
 - Retirement products for lump-sum recipients

2015 Annualized New Business Premiums⁽¹⁾



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates; Japanese yen 106 per U.S. dollar.

LIFE CONSULTANT CHANNEL KEY DRIVER – TEACHERS MARKET

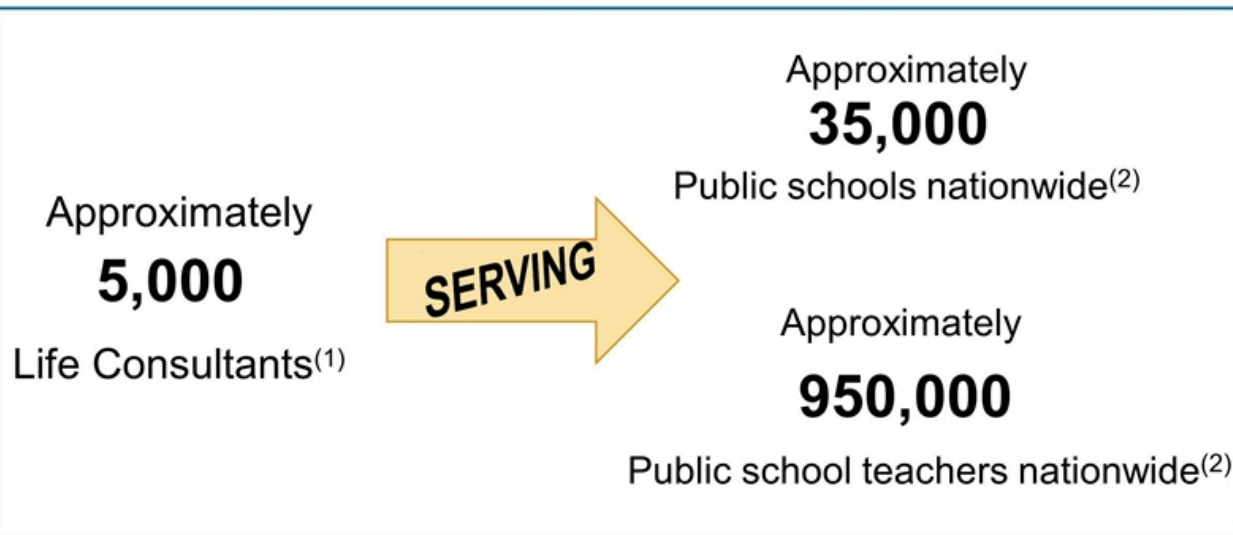


Japanese Educational Mutual Aid
Association of Welfare Foundation



公益財団法人 日本教育公務員弘済会

- Relationship since 1952
- Membership eligibility:
Public school teachers and
support employees



1) As of January 1, 2016.

2) As of May 1, 2015, Source: Japan Ministry of Education, Culture, Sports, Science and Technology, and Japanese Educational Mutual Aid Association of Welfare Foundation. Includes support employees of public schools.

INDEPENDENT AGENCY CHANNEL A DIFFERENTIATED STRATEGY

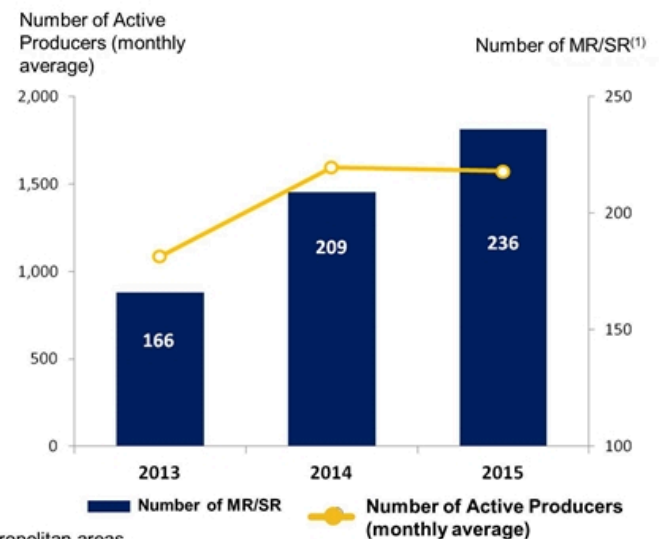


Key strategies

- Focus on “Quality” not just top-line growth; price competition not key to winning sales
- Deeper relationships with fewer agencies post Star/Edison integration
- Strong partnership with high performing agencies

Key success factors

- Develop highly-motivated agencies and producers who subscribe to our business approach
- Develop and train qualified marketing representatives to work with agencies



1) MR: Marketing Representatives providing face to face support for agencies, mainly in metropolitan areas.
SR: Sales Representatives providing non-face to face support to agencies mainly in remote areas.

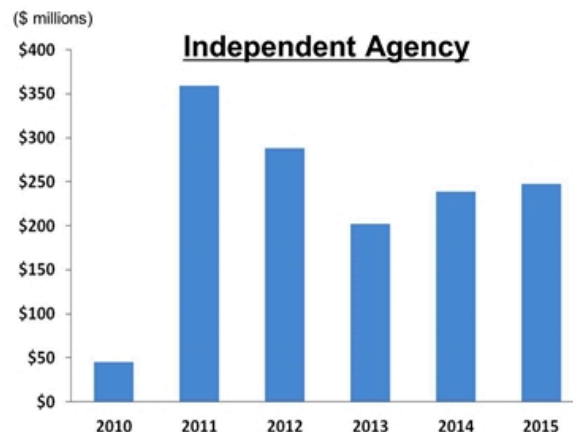
SUCCESSFUL DISTRIBUTION CHANNEL DEVELOPMENT STRATEGIES



Annualized New Business Premiums⁽¹⁾



- Steady growth through 2010 reflects successful rehabilitation of Kyoei, following April 2001 acquisition
- Sales jump in 2011 reflects addition of ~7,000 agents from February acquisition of Star / Edison. Subsequent decline reflects sales force rationalization.
- Integration of Star / Edison substantially complete in 2013
- Achieved more efficient operations platform; productivity returned to pre-acquisition levels by 2014⁽²⁾



- Star / Edison acquisition added over 4,000 Independent Agency relationships
- Independent Agency model rationalized with deeper relationships and fewer agencies
- 2,643 Independent Agency relationships at May 31, 2016

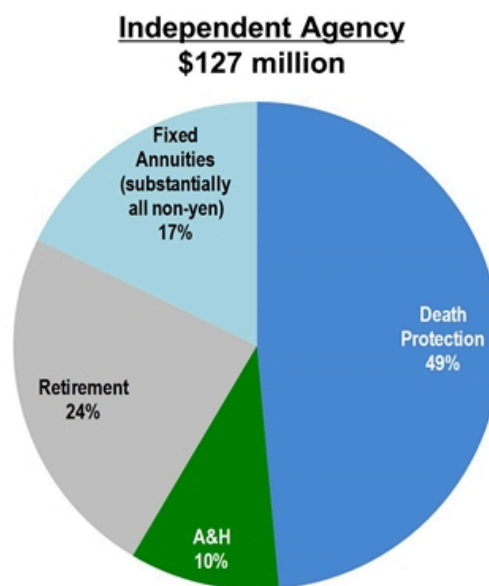
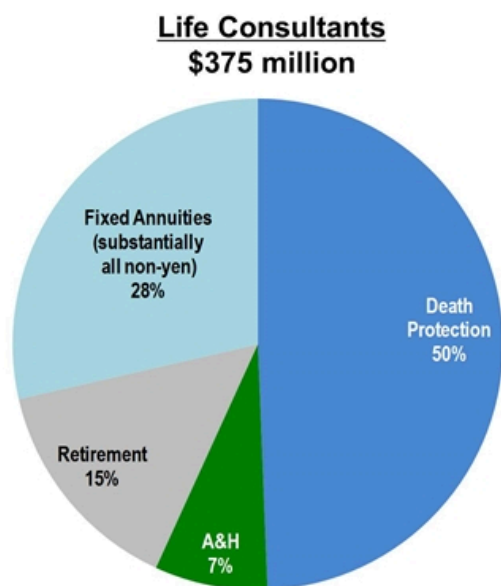
1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates; Japanese yen 106 per U.S. dollar.

2) Average policies sold per Life Consultant, per month.

EMPHASIS ON PROTECTION PRODUCTS

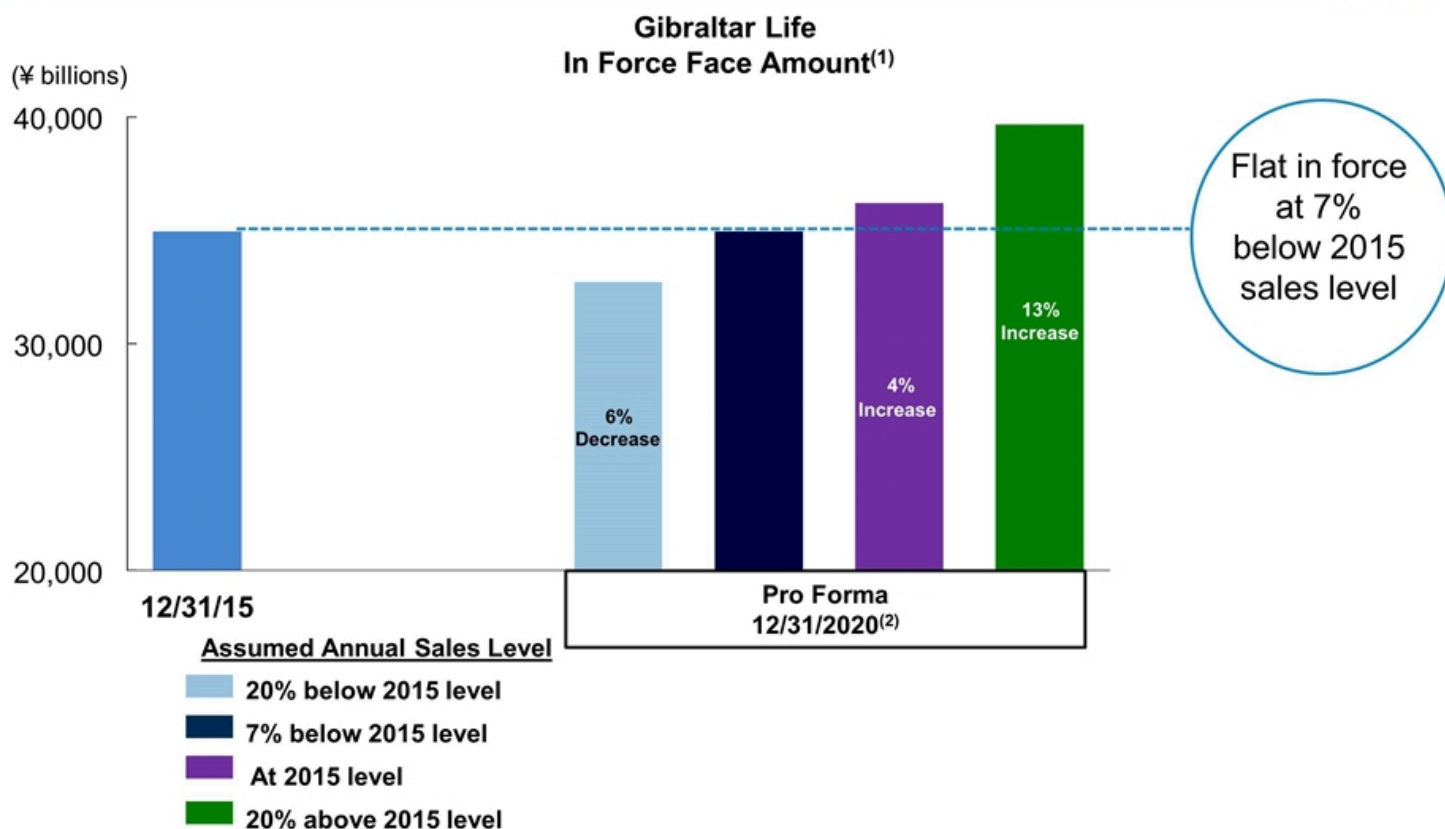


Annualized New Business Premiums First Half 2016⁽¹⁾



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates; Japanese yen 106 per U.S. dollar.

IN FORCE GROWTH SENSITIVITY



1) Excludes Bank channel.

2) Assuming same sales mix, currency exchange rates for non-yen business, and persistency as year ended December 31, 2015. Represents impact of sales levels for years subsequent to 2015, held constant through 2020, at indicated levels in relation to actual 2015 sales, upon resulting year end 2020 in force amount.

PRODUCTIVITY



Life Consultant	2011	2012	2013	2014	2015
Number of Life Consultants ⁽¹⁾	12,791	11,333	9,327	8,707	8,805
Annualized Premium Productivity ⁽²⁾	\$5,637	\$5,403	\$6,072	\$6,413	\$6,605
Policy Count Productivity ⁽³⁾	3.5	3.1	3.6	3.6	3.8

Independent Agency	2011	2012	2013	2014	2015
Number of Independent Agencies ⁽¹⁾	-	3,393	2,646	2,517	2,598
Number of Active Producers (monthly average)	-	1,126	1,088	1,595	1,573

1) As of end of each year; 2011 independent agency data and producer count is not meaningful due to the initial phase of the Star / Edison integration.

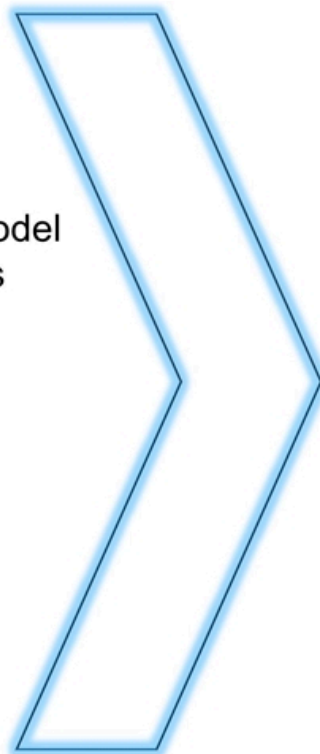
2) Annualized new business premiums per month for each Gibraltar Life Consultant; foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, Japanese yen 106 per U.S. dollar.

3) Number of policies sold per agent, per month; includes accident and health policies.

SUMMARY



- Solid earnings base from stable block of high quality business with strong persistency
- Successful proprietary distribution concepts adapted from Life Planner model to support protection product emphasis in middle-market across Japan
- Broad national distribution coverage with opportunities for growth through long-term steady building of Life Consultant count and increased penetration in chosen agencies
- Product strategies and strong asset/liability management mitigate impact of challenging environment



**Continued
Strong
Prospects
for
Solid Margins,
Returns and
Growth**



BANCASSURANCE IN JAPAN

TAKESHI SOEDA

PRESIDENT AND CHIEF EXECUTIVE OFFICER
PRUDENTIAL GIBRALTAR FINANCIAL LIFE



Proven Differentiated Approach to Japanese Bank Distribution Drives Growth of High Quality Business Emphasizing Mortality-Based Margins

- Focus on death protection products; recurring premium emphasis
- “Seconded” Life Planners and skilled wholesalers enhance value proposition and sales quality
- Broad suite of non-yen products emphasizing U.S. dollar life insurance attractive to bank customers with substantial deposit funds
- Active management of product offerings, pricing and cost structure to maintain appropriate expected returns

BANCASSURANCE MARKET IN JAPAN



- Concentration of Japanese household financial assets among age 50+ population with substantial bank balances
- High volume of maturing annuity contracts, in addition to trillions of dollars of fixed deposits held by bank customers, are developing an attractive sales opportunity for life insurance business

Substantial Wealth Concentration among Banks' Primary Customers		
Demographic Structure of Japan ⁽¹⁾ (Total population: 127 million)		Household financial assets ⁽²⁾ (\$15.9 trillion)
Aged 50 years old and over	58 million (46%)	\$13.5 trillion (85%)
Aged less than 50 years old	69 million (54%)	\$ 2.4 trillion (15%)

Banks' main customers

1) Source: "Population Estimates (as of December 1, 2015)" released by the Statistics Bureau of the Ministry of Internal Affairs and Communications.

2) Compiled by Prudential based on the balance as of the end of September in Bank of Japan's "the data on Flow of Funds Accounts" (preliminary report) (for the 3rd quarter in 2015) and "Family Income and Expenditure Survey (from July to September in 2015)" by the Statistics Bureau of the Ministry of Internal Affairs and Communications. Japanese yen translated to U.S. dollars at 106 yen per U.S. dollar.

BANK CHANNEL RELATIONSHIPS PROVIDE BROAD NATIONAL COVERAGE



**Established Distribution Relationships with all of Japan's
Mega Banks and Major Trust Banks (7 Banks in Total)**

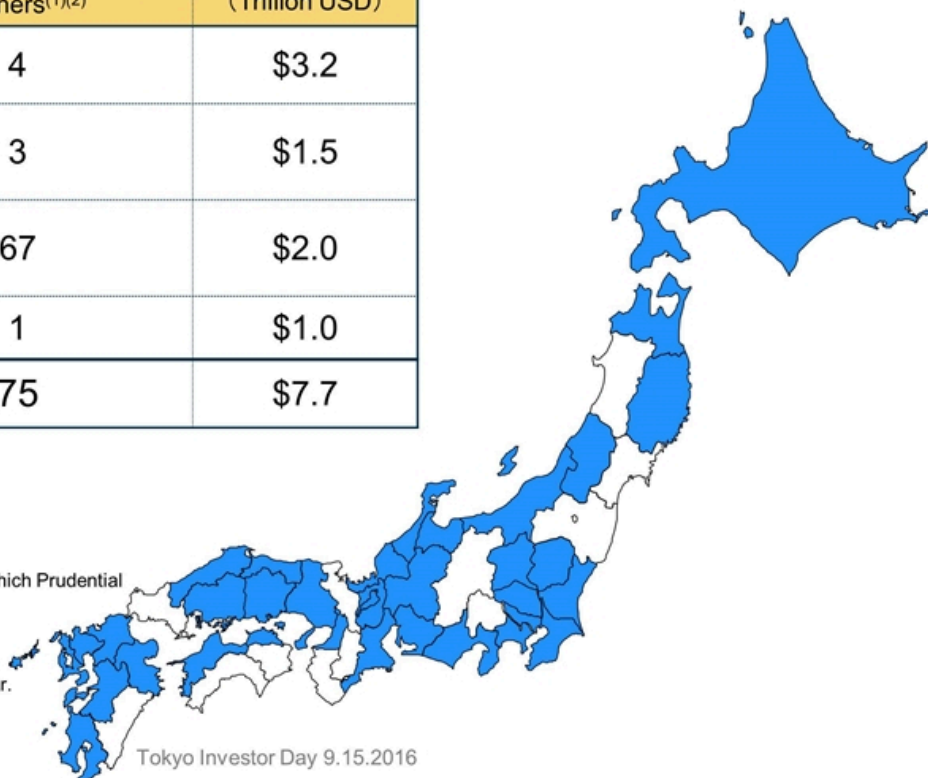
	Prudential Distribution Partners ⁽¹⁾⁽²⁾	Deposits, etc. ⁽³⁾ (Trillion USD)
Mega Bank ⁽⁴⁾	4	\$3.2
Major Trust Bank	3	\$1.5
Regional bank, etc.	67	\$2.0
Brokerage firm	1	\$1.0
Total	75	\$7.7

1) As of December 1, 2015.

2) The number of banks/financial institutions in which Prudential products are offered.

3) As of September 30, 2015.
Based on data published by institutions.
Translated at Japanese yen 106 per U.S. dollar.

4) Includes Resona Bank.

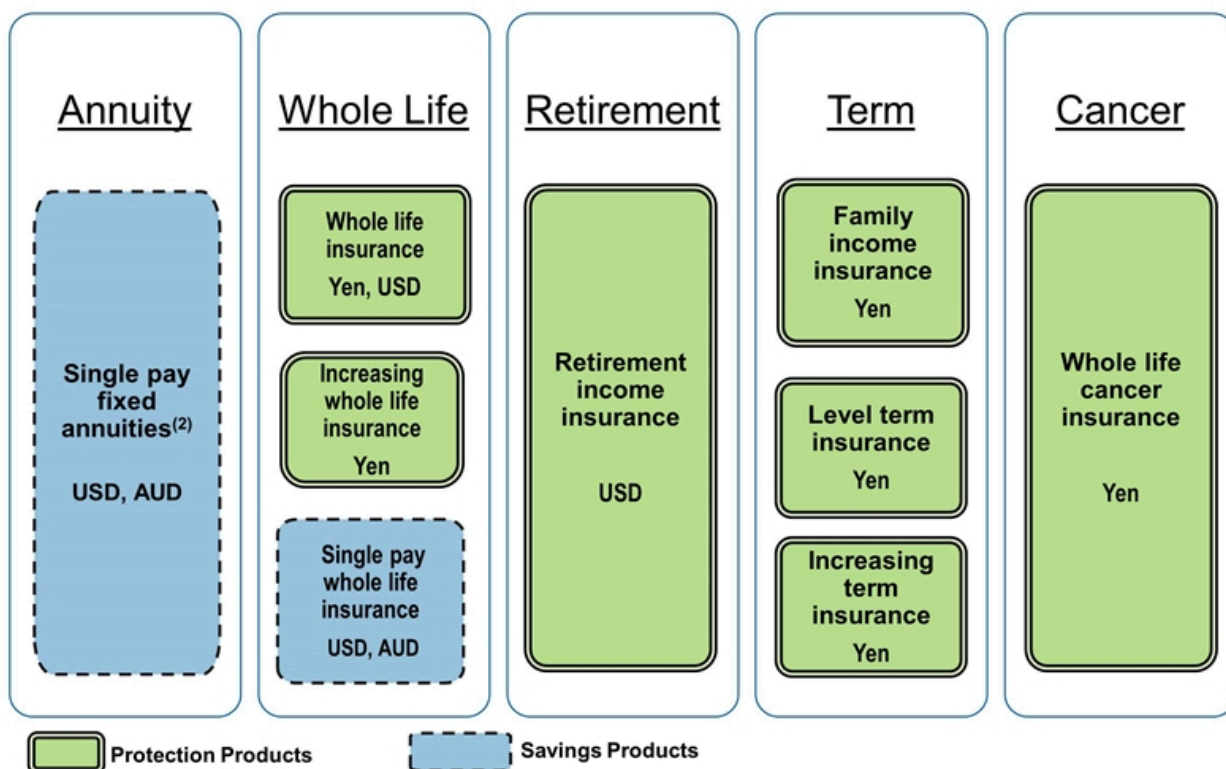


Tokyo Investor Day 9.15.2016

COMPREHENSIVE PRODUCT PORTFOLIO EMPHASIZES PROTECTION PRODUCTS



Bank Channel Product Portfolio⁽¹⁾



1) Product portfolio as of June 30, 2016.

2) U.S. Dollar variable annuities also available in portfolio; insignificant sales.

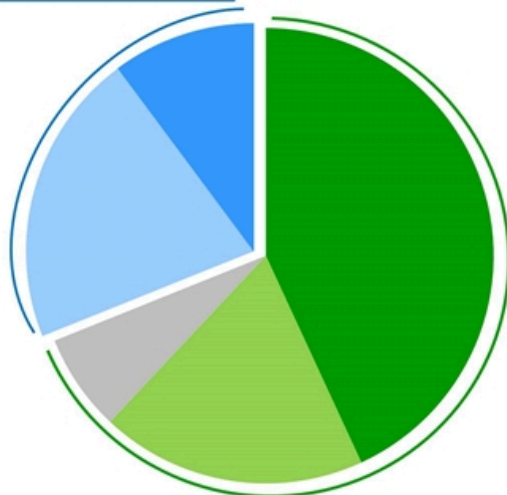
BANK CHANNEL SALES FOCUSED ON RECURRING PREMIUM PROTECTION AND NON-YEN PRODUCTS



Annualized New Business Premiums⁽¹⁾

Year ended December 31, 2015
\$701 million

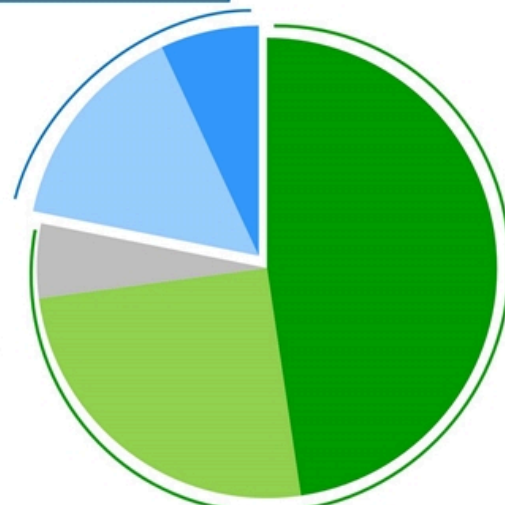
Yen-Based
Products **31%**



U.S. Dollar and Other
Non-Yen Products **69%**

First Half 2016
\$376 million

Yen-Based
Products **22%**



U.S. Dollar and Other
Non-Yen Products **78%**

Yen - Recurring
Premium death
Protection
Yen - Other products
USD - Recurring
Premium death
Protection
USD - Other products
Multi-currency - Other
products

1) Foreign denominated activity translated to U.S. dollars of uniform exchange rates for all periods presented; Japanese yen 106 per U.S. dollar.

INTERGENERATIONAL WEALTH TRANSFER DRIVES ENHANCED BANK CHANNEL OPPORTUNITY

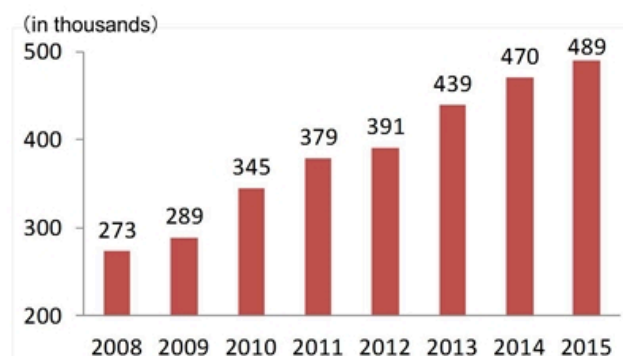


- Inheritance tax system revisions effective January 1, 2015 subjects more people to inheritance tax payments and increased rates
- Gift tax rates lowered to encourage wealth transfer during lifetime
- We believe Japanese consumers place high confidence in banks for these estate planning elements
- Life insurance products offer attractive inheritance solutions

Percentage of People Subject to Inheritance Tax Payment

	As of 2014 ⁽¹⁾	After the tax law revision ⁽²⁾ (January, 2015)
National Average	4.4%	nearly 6%
Tokyo	7.5%	nearly 20%

Gift Tax Filings⁽³⁾



1) National Tax Agency "State of inheritance tax return for 2014" and Tokyo Regional Taxation Bureau "State of inheritance tax return for 2014."

2) Survey by Legacy, tax accounting firm, published in 2013.

3) National Tax Agency, the Taxation System for Settlement at the Time of Inheritance is excluded.

BANK CHANNEL SALES SUPPORT PRUDENTIAL'S DIFFERENTIATED APPROACH



With more than 8 years since Japan's full deregulation of Bancassurance in 2007, Prudential has secured substantial marketing expertise and skilled human resources to serve the Bank Channel

Sales personnel	Role	Headcount ⁽¹⁾
Wholesaler	Provide sales support to bank employees	~130
Insurance Consultant (secondment)	Experienced former Life Planners: • Sell insurance products at banks where "seconded" • Provide training to bank employees	~240 ⁽²⁾

1) As of June 30, 2016.

2) At certain banks.

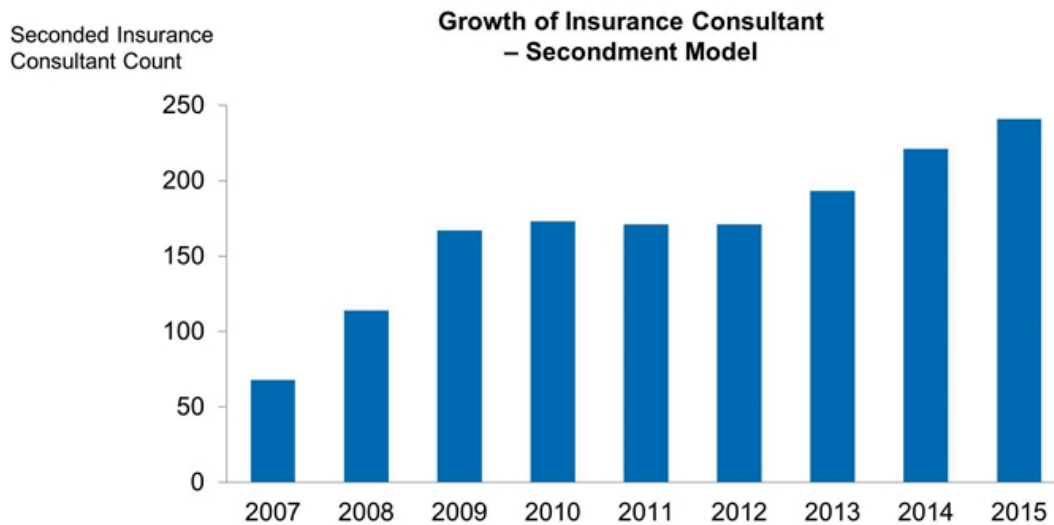
PRUDENTIAL'S INSURANCE CONSULTANT "SECONDMENT" MODEL



- Experienced Life Planners "seconded" as Insurance Consultants to partner with banks, directly bringing strength of Prudential's distribution model to bank channel⁽¹⁾

- Key Role of Insurance Consultant -

- Sell insurance policies directly to bank customers
- Train bank employees, including needs-based selling principles, so that they can independently conduct sales focused on death protection products

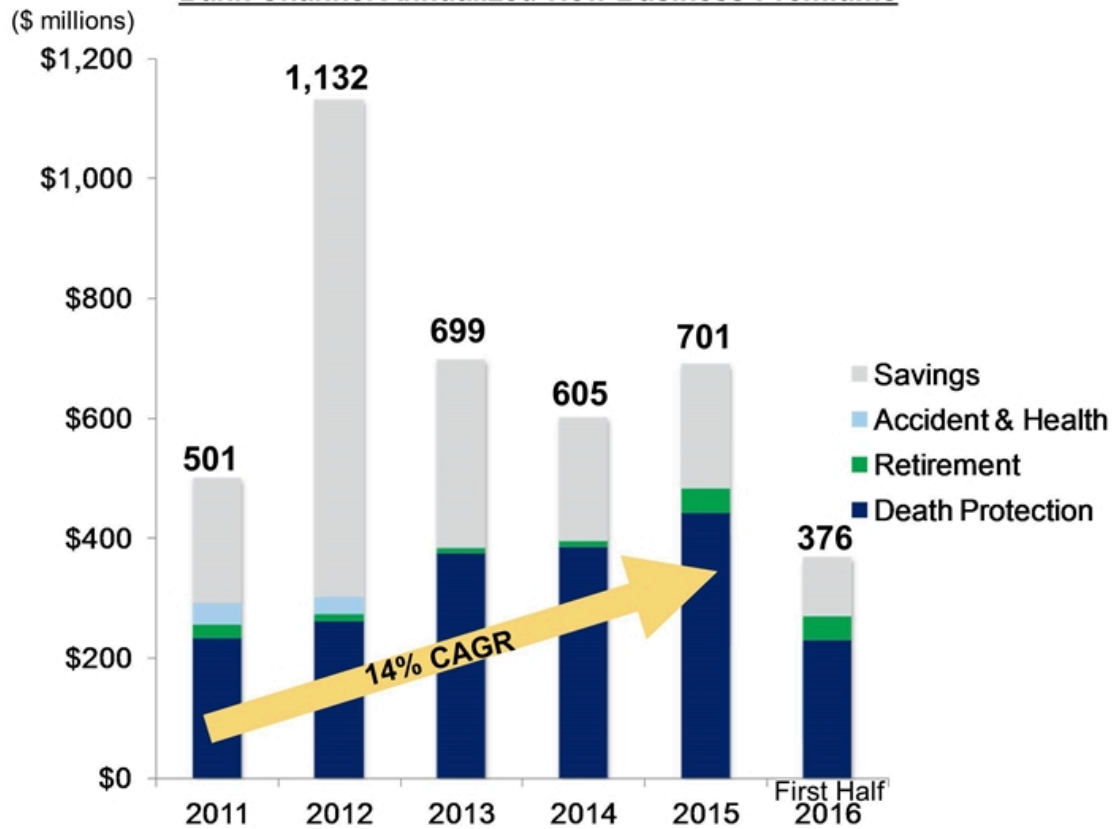


1) At certain banks; count data at the end of period.

BANK CHANNEL GROWTH DRIVEN BY DEATH PROTECTION PRODUCTS



Bank Channel Annualized New Business Premiums⁽¹⁾



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, Japanese yen 106 per U.S. dollar.

ACTIVE PRODUCT MANAGEMENT IN THE CURRENT ENVIRONMENT



- Suspended sales of yen-based single premium products, early 2016
- Reduced crediting rates for advance premiums on yen business, effective June 2016
- Suspended acceptance of full year advance premiums on yen-based increasing whole life, effective June 2016
- Increased sales of U.S. dollar products

SUMMARY



- Japan bancassurance offers attractive customer base, wealth concentration
- Unique bank channel approach applying Prudential's differentiated capabilities
- Focus on death protection coverage, emphasizing recurring premium products and U.S. dollar business
- Intergenerational wealth transfer market enhances opportunity set
- Active product management in the current environment



**Continued
Strong
Prospects for
Growth
of
Mortality Based
Business
with
Attractive
Returns**



INVESTMENTS AND ASSET-LIABILITY MANAGEMENT IN JAPAN

SCOTT SLEYSTER

SENIOR VICE PRESIDENT AND CHIEF INVESTMENT OFFICER
PRUDENTIAL FINANCIAL, INC.

MEETING INVESTMENT CHALLENGES IN JAPANESE MACRO ENVIRONMENT



Backdrop:

- Decades-long decline in Japanese interest rates
- Negative rates on certain benchmark Japanese government bonds follow Japan monetary stimulus strategies
- Limited availability of attractive long-dated Yen fixed income investments

Positioning

- Strong ALM focus
- Multi-currency business significantly reduces reliance on Yen-denominated investments
- Pace and mix of reinvestment flows reduce impact of current market conditions
- Diversified high quality investment portfolio
- Products emphasize mortality and expense margins

Strategies and Opportunities

- Leverage Prudential's global asset management capabilities
- Increased emphasis on U.S. dollar products
- Selective use of non-coupon asset classes to support long-dated liabilities
- Modest level of investment in U.S. dollar assets hedged to Yen
- Longer maturity Yen investments; not investing at negative yields
- Additional capacity to enhance yield through credit allocation

STRONG ASSET/LIABILITY MANAGEMENT DISCIPLINE



Disciplined ALM approach mitigates risks, including the impact of changes in interest rates

Globally Consistent Approach

- Domestic and International investment organizations share common ALM approach, framework and tools
 - Liability driven foundation for portfolio construction
- Deep understanding of liabilities
 - Asset/Liability Management teams are strongly aligned with businesses
- Well matched in investible space

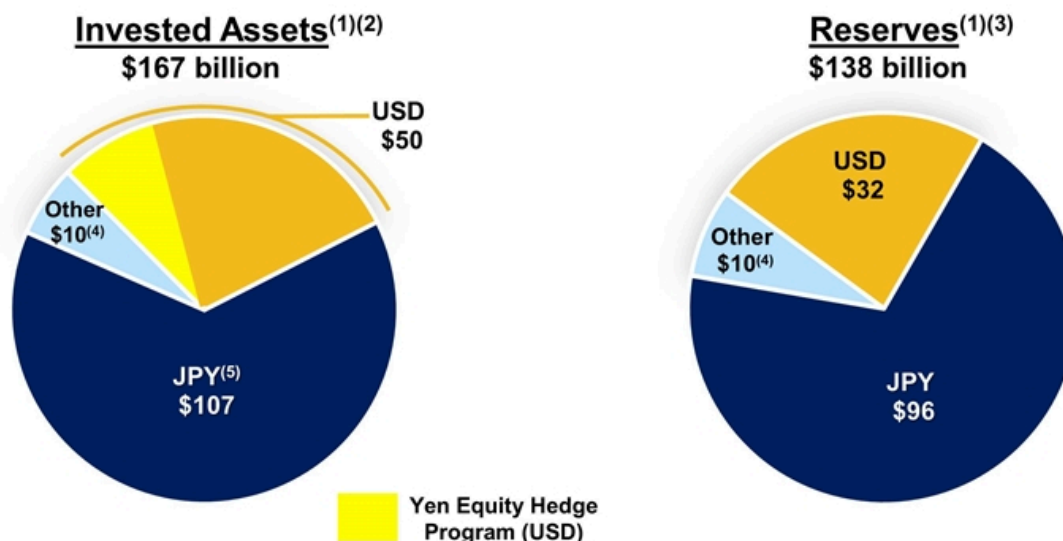
Japan ALM Positioning

- Long-duration assets are held to support insurance liabilities
- Key rate duration positions targeted to tolerance band
- Interest rate risk position managed by currency
- Strong ALM focus with tight asset and liability management in most liquid investable space (~30 years)

INVESTMENT PORTFOLIO DIVERSIFIED BY CURRENCY, SUPPORTING MULTI-CURRENCY PRODUCT OFFERINGS



- Japan business is diversified by currency, reducing reliance on Yen investments
- New and recurring cash flows denominated in USD, JPY and AUD
- Liabilities are supported by assets denominated in or hedged to same currency, or part of overall equity hedging program



1) As of June 30, 2016.

2) Invested assets presented on a U.S. GAAP carrying value basis. Includes a net unrealized gain of \$31 billion and excludes cash & equivalents of \$4 billion.

3) Insurance liability balances represent future policy benefits and policyholder account balances on a U.S. GAAP basis.

4) Primarily Australian dollar.

5) Includes approximately \$5 billion of USD assets hedged to Yen.

PACE AND MIX OF REINVESTMENT FLOWS REDUCE IMPACT OF CURRENT MARKET CONDITIONS



Investments Supporting Japanese Yen Liability Portfolio: \$97.1 billion⁽¹⁾⁽²⁾

(\$ billions)	Amortized Cost (in USD) ⁽²⁾⁽³⁾	Estimated Average Annual Runoff 2016-2018 ⁽⁴⁾	Weighted Average Book Yield ⁽⁵⁾
Prudential of Japan	\$33.2	\$0.5	2.5%
JPY Assets	\$28.1	\$0.1	
USD Assets	\$5.1	\$0.4	
Gibraltar Life	\$63.9	\$1.9	2.4%
JPY Assets	\$56.3	\$1.4	
USD Assets	\$7.6	\$0.5	

1) As of June 30, 2016. Portfolio based on currency of underlying products.

2) Based on amortized cost using exchange rate of JPY106 per USD.

3) JPY assets include \$4.5 billion of USD investments hedged to Yen; USD assets represent \$12.7 billion held in conjunction with the Yen Equity Hedge Program.

4) Includes scheduled maturities and estimated prepayments.

5) Weighted average yield calculated based on net investment income divided by average AUM related to Yen denominated liabilities.

PACE AND MIX OF REINVESTMENT FLOWS REDUCE IMPACT OF CURRENT MARKET CONDITIONS



Investments Supporting U.S. Dollar Liability Portfolio: \$32.5 billion⁽¹⁾⁽²⁾

(\$ billions)

	Amortized Cost ⁽³⁾	Estimated Average Annual Runoff 2016-2018 ⁽⁴⁾	Weighted Average Book Yield ⁽⁵⁾
Prudential of Japan	\$11.3	\$0.5	5.3%
Gibraltar Life	\$21.2	\$1.3	4.2%

1) As of June 30, 2016. Portfolio based on currency of underlying products.

2) Based on amortized cost.

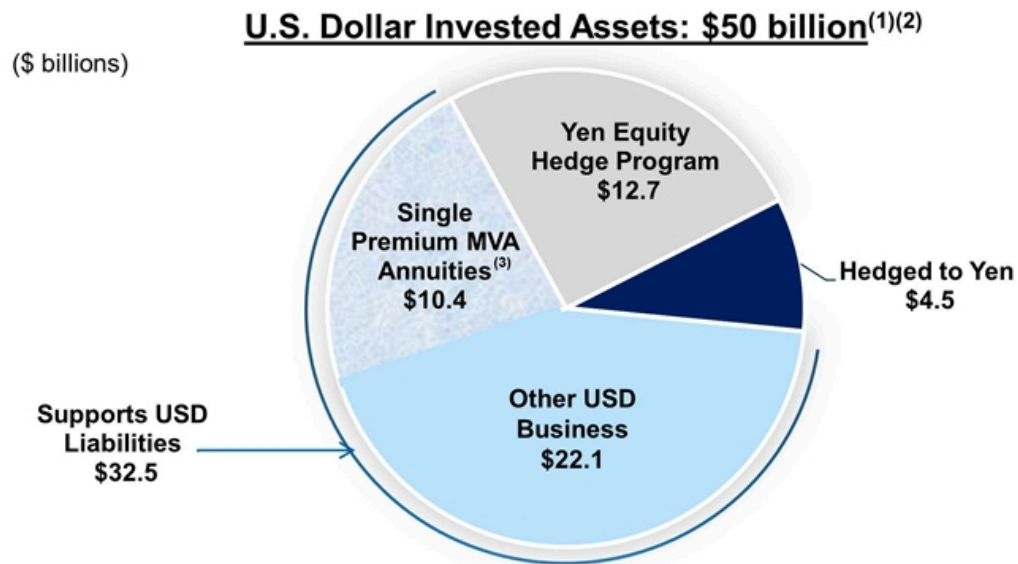
3) Excludes \$4.5 billion of USD investments hedged to Yen and \$12.7 billion of USD assets held in conjunction with the Yen Equity Hedge Program.

4) Includes scheduled maturities and estimated prepayments.

5) Weighted average yield calculated based on net investment income divided by average AUM related to USD denominated liabilities.

U.S. DOLLAR INVESTMENTS DEPLOYED TO SUPPORT LIABILITIES AND AS PART OF THE YEN EQUITY HEDGE PROGRAM

- U.S. Dollar investments exceed similarly denominated liabilities by approximately \$17.2 billion
 - Of this amount - \$12.7 billion supports the Yen Equity Hedge Program and \$4.5 billion is hedged to JPY to support JPY denominated liabilities



1) As of June 30, 2016.

2) Based on amortized cost.

3) Contracts subject to Market Value Adjustments in event of premature surrender.

MANAGEABLE EXPOSURE TO INVESTMENT OF NET INSURANCE CASH FLOWS



Annual Net Insurance Cash Flows⁽¹⁾

(\$ billions)

Japanese Yen ⁽²⁾	\$5.3
U.S. Dollar	\$2.3
Australian Dollar ⁽²⁾	\$2.0

- 1) For the year ended December 31, 2015, represents premiums, policy charges and fees and investment income, less policy benefits and expenses, on in-force and new business. Excludes investment portfolio maturities, prepayments and sales, derivative settlements and capital transactions.
- 2) Presented in USD based on average currency exchange rates.

JAPAN MORE FULLY LEVERAGING PRUDENTIAL'S GLOBAL ASSET MANAGEMENT CAPABILITIES



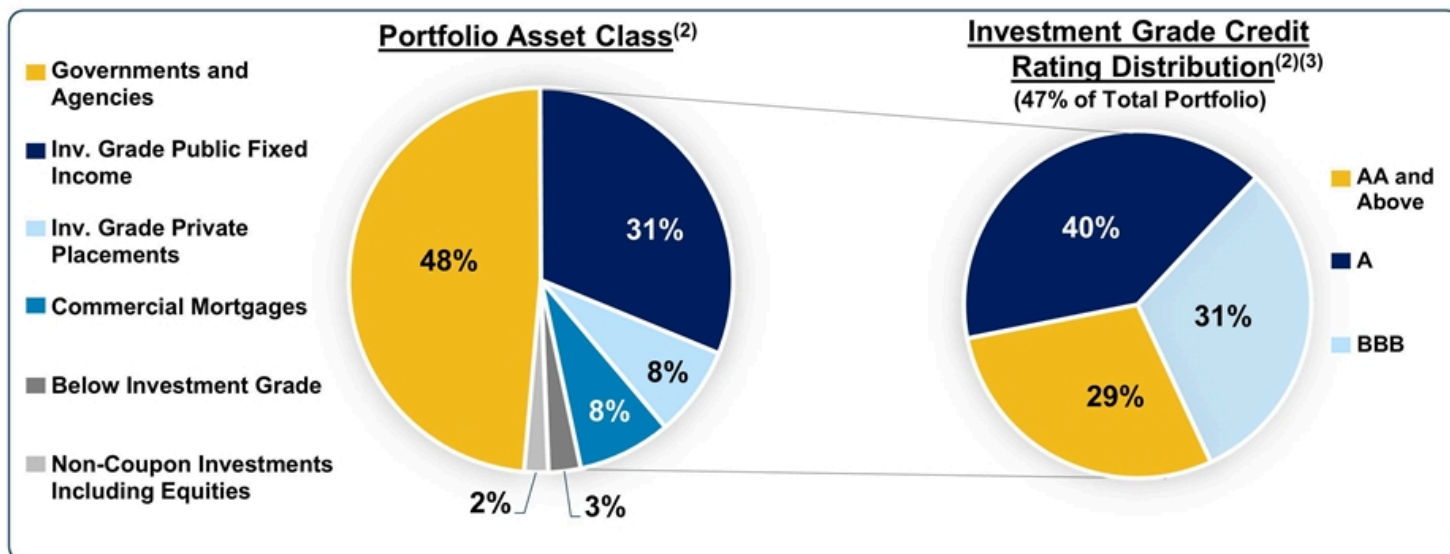
- Japan portfolios take advantage of Prudential's global asset management and private asset origination capabilities



DIVERSIFIED AND HIGH QUALITY ASSET PORTFOLIO⁽¹⁾



- The Japan investment portfolio holds 95% investment grade fixed income
 - The investment grade credit portfolio is high quality - 69% rated 'A' and above
- Risk assets represent only 5% of the portfolio
 - 3% in Below Investment Grade
 - 2% in Non-Coupon Investments Including Equities



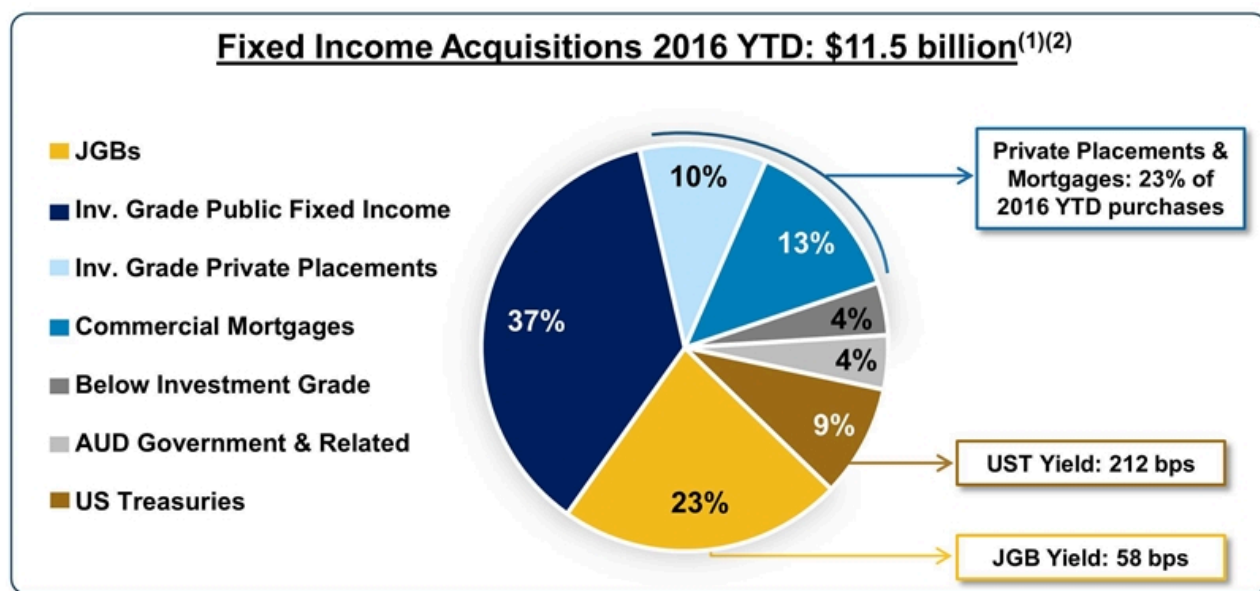
1) Includes fixed maturities, commercial mortgages and other loans, and non-coupon investments including equities.

2) As of June 30, 2016 based on amortized cost.

3) Includes public investment grade fixed income, private placements and commercial mortgages. Based on ratings assigned by nationally recognized rating agencies, or rating equivalents, or internally assigned ratings.

2016 YTD ASSET PURCHASES

- Higher proportion of acquisitions in credit assets compared to existing portfolio
- Significant acquisitions in attractive asset classes such as commercial mortgages and private placements
 - These efforts leverage PGIM sourcing capabilities



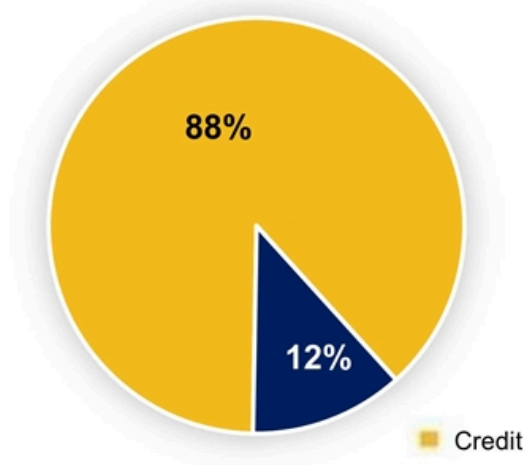
1) As of June 30, 2016 based on U.S. GAAP carrying value and book yield by currency of invested assets.

2) Converted to USD based on weighted average exchange rates.

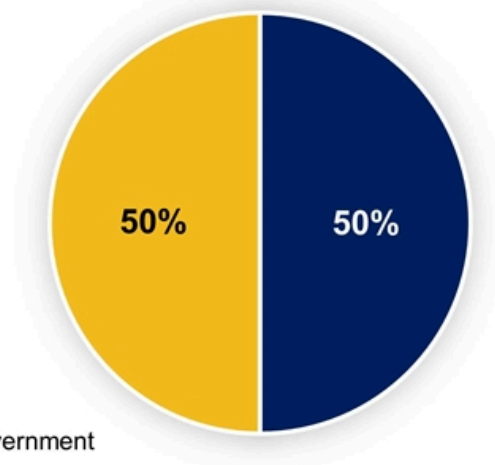
ADDITIONAL CAPACITY FOR CREDIT ALLOCATIONS IN JAPAN

- Japan portfolios have additional capacity for credit risk, which could be utilized to further enhance Net Investment Income (NII)
 - The ultimate size of this credit position would take capital and risk implications into account

PFI (ex. Closed Block Division & Japan Operations) Fixed Maturities:
Credit vs. Government Bonds⁽¹⁾



Japan Operations Portfolio Fixed Maturities:
Credit vs. Government Bonds⁽¹⁾



1) As of June 30, 2016 based on amortized cost. Credit includes public investment grade bonds, private placements, commercial mortgages, mortgage backed securities, structured products, below investment grade fixed income. Government bonds include government and agency fixed income.

CONCLUSION



- Strong ALM focus coupled with product portfolio currency mix and emphasis on mortality and expense margins limits exposure of overall returns to Yen investment yields
- Pace and mix of reinvestment flows reduce impact of current market conditions
- Diversified high quality investment portfolio
- Leveraging Prudential's strong global asset management capabilities
- Additional capacity to enhance yield by increased allocation to credit

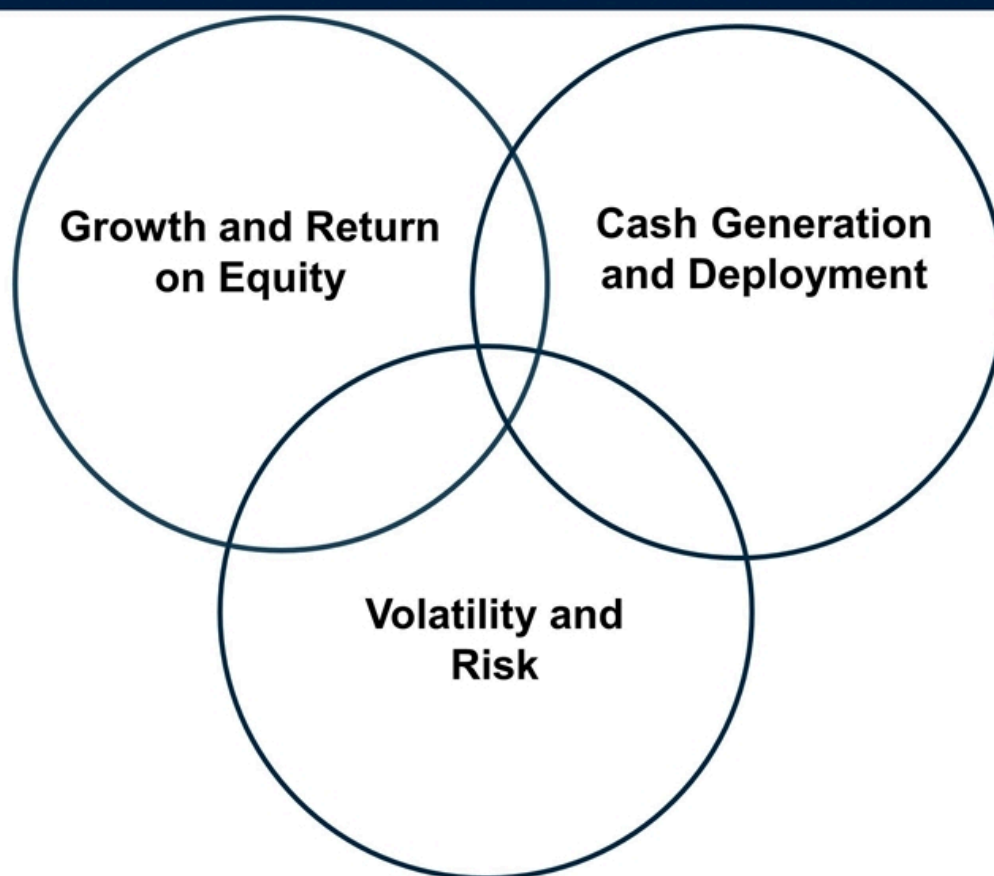


PRUDENTIAL INTERNATIONAL INSURANCE FINANCIAL OVERVIEW

ROB FALZON

EXECUTIVE VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER
PRUDENTIAL FINANCIAL, INC.

'THE BALANCING ACT' – OPERATING METRIC OBJECTIVES

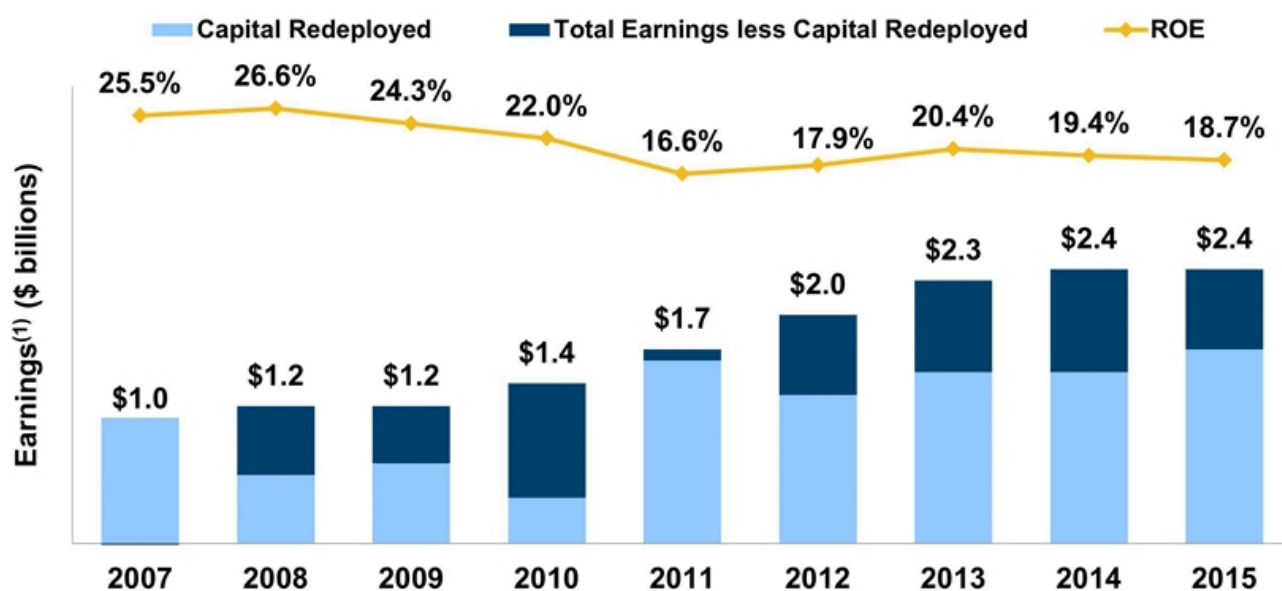


...All underpinned by balance sheet strength and stability

HIGH RETURN BUSINESS



International Insurance Historical Earnings⁽¹⁾ & ROE⁽²⁾



Avg. JPY/USD

FX Rate:	118	103	94	88	80	80	98	106	121
Avg. JGB 10 Yr:	1.68%	1.49%	1.35%	1.18%	1.12%	0.86%	0.71%	0.55%	0.36%
Ann. Nikkei % Δ:	(-1%)	(-42%)	+19%	(-3%)	(-17%)	+23%	+57%	+7%	+9%

1) Not adjusted for market driven and discrete items. Represents after-tax results based on pre-tax AOI tax effected using the overall effective tax rate of PFI for 2015 and the former FSB for periods prior to 2015.

2) Return on equity (ROE) based on after-tax AOI using an overall effective rate for Prudential Financial, Inc. (PFI) for 2015 and for the former Financial Services Businesses (FSB) for periods prior to 2015, based on average attributed equity excluding accumulated other comprehensive income and adjusted to remove the impact of foreign currency exchange rate remeasurement.

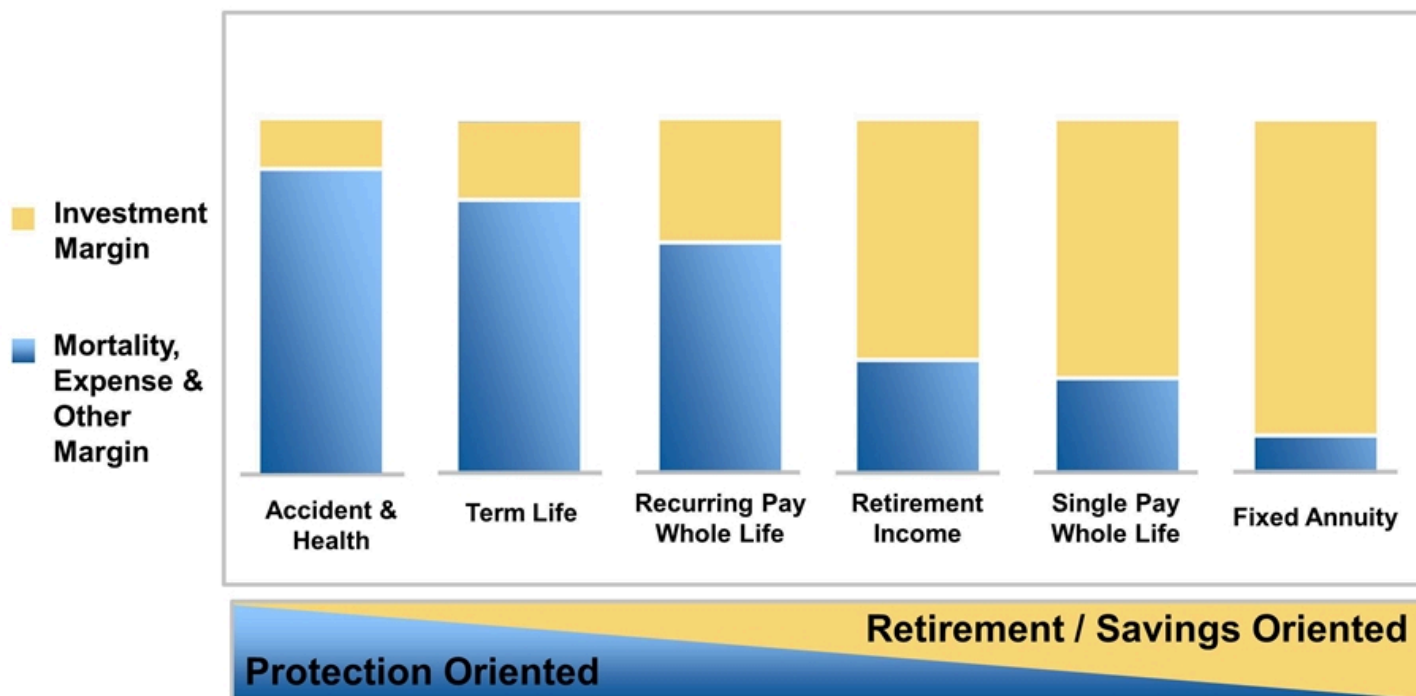


Tokyo Investor Day 9.15.2016

RETURNS PRIMARILY DERIVED FROM MORTALITY & EXPENSE MARGINS



International Insurance Source of Earnings⁽¹⁾

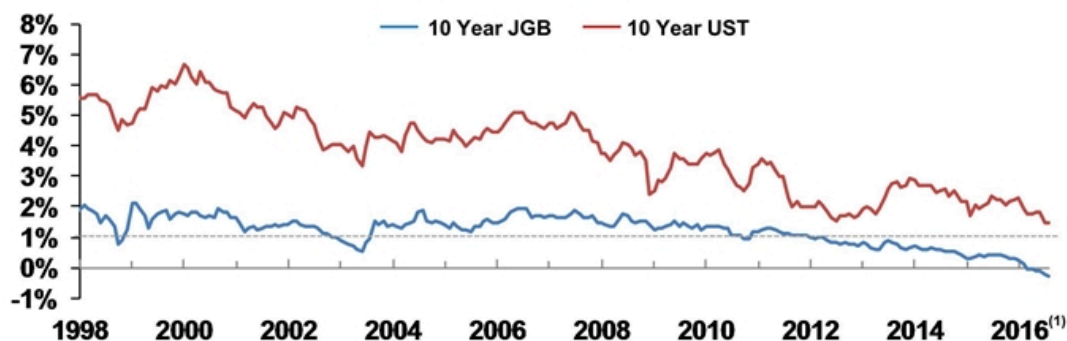


1) Conceptual illustration based on typical individual products with assumed profitability structure at time of sale; not intended to depict precise allocation of earnings sources.

KEY MITIGANTS FOR INTEREST RATE EXPOSURE



- Interest rates have been low in Japan for many years

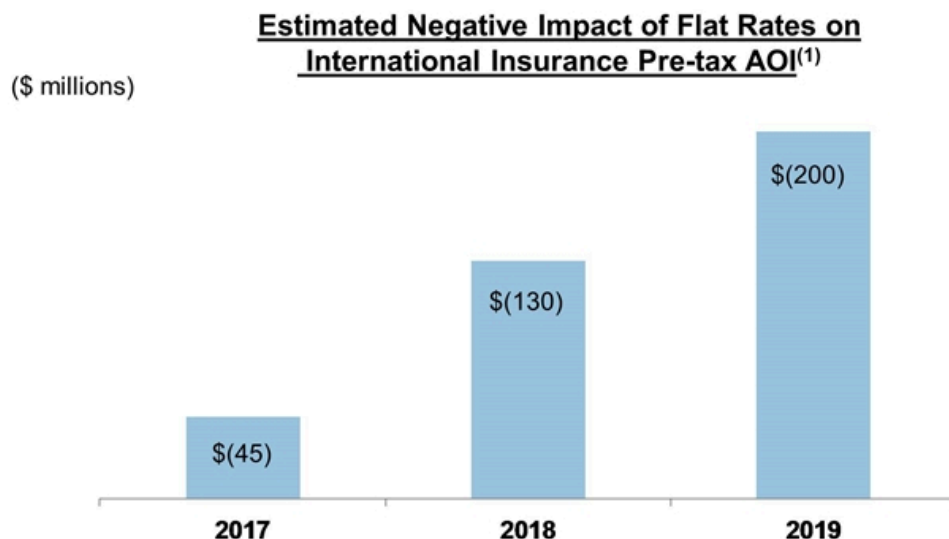


Key Mitigants

- Low portfolio turnover
- Strong asset/liability management, including investment asset classes supported by PGIM skills
- Emphasis on protection products – stable earnings from mortality and expense margins
- Pivot to greater emphasis on U.S. dollar products
- Reprice new business when appropriate to maintain margins
- Fixed annuity products designed to mitigate interest rate risk (i.e., bi-weekly repricing for new business, market value adjustments)

1) Through July 31.

HYPOTHETICAL IMPACT OF INTEREST RATES ON EARNINGS ASSUMING RATES STAY AT 6/30/16 LEVELS



Cumulative annual impact if rates stay at current levels
through 2019 is modest, ~\$(200) million pre-tax

- 1) Assumes profit drivers including mortality, persistency, expenses, and other assumptions, and mix of investments purchased, consistent with our base projection, with yields unchanged from June 30, 2016. Impact only from pro-forma investment income decline; excludes potential impact of U.S. GAAP unlockings of deferred policy acquisition costs and related items.

STATUTORY RESERVING INTEREST RATES RECENT DEVELOPMENTS IN JAPAN



- Standard reserve rates driven by formulas prescribed by the Financial Services Agency (FSA)
- Applicable only to new business for Yen-denominated products commencing at effective dates
- Standard rate reduced from 75bps to 25bps for **Single Pay Whole Life** in July 2016
- Standard rate expected to change for **Recurring Premium Whole Life** effective April 2017, with 75bps reduction likely
- Adaptive actions
 - Sales suspensions
 - Product repricings
 - Greater emphasis on U.S. dollar products

FOREIGN CURRENCY EXCHANGE RATE HEDGING OBJECTIVES



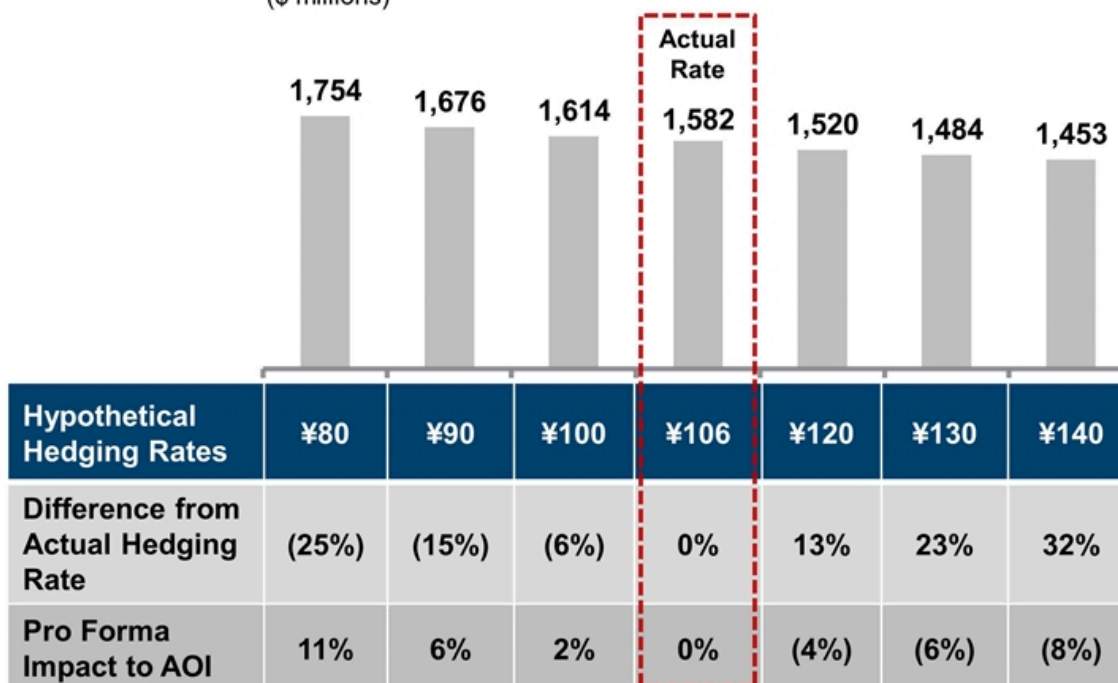
- Dampen Annual Reported Earnings Volatility due to Foreign Currency Exchange Rates
- Protect Enterprise Earnings and ROE
- Protect Long-term Value of Investment in Japanese Business
- Mitigate Currency Exchange Rate Impact on Solvency Margin Ratio (SMR)

CURRENCY SENSITIVITY

- During the first half of 2016, approximately 34% of International Insurance earnings are yen-based

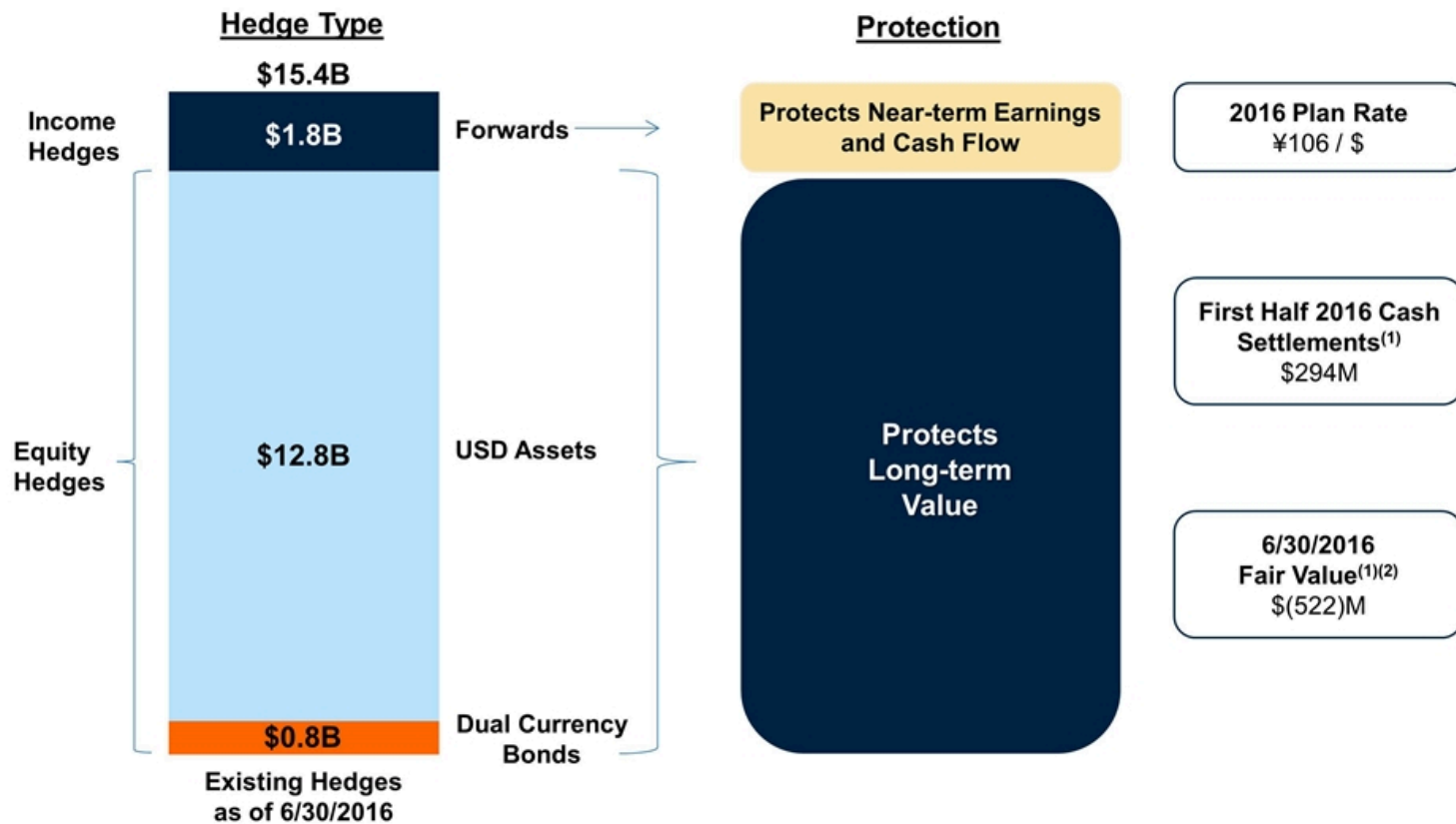
International Insurance First Half 2016 Earnings at Different Yen Hedging Rates⁽¹⁾

(\$ millions)



1) Based on actual and alternative assumed hedging rates for Japanese yen income to U.S. dollars.

YEN HEDGING STRATEGY – MITIGATES ROE DILUTION



1) For Internal and External equity hedges.

2) Break-even at June 30, 2016 is ¥107/ \$.

YEN EARNINGS HEDGE



- Expected yen-based AOI is hedged over a 36 month rolling period using a series of FX forwards with laddered maturities
- Each quarter's expected yen earnings are hedged over the preceding 9 quarters. The hedged rate is an average of these transactions.

Historical Yen Spot Rates vs. Hedging Rates



1) Through June 30, 2016.

YEN EQUITY HEDGE PROTECTS USD VALUE OF JAPAN OPERATIONS AND OVERALL PRUDENTIAL ROE FROM FX MOVEMENTS



- U.S. dollar investments in Japan support value of Yen-based business
- Cash flows to / from Japan on internal hedge reflect currency movements
 - Provides cash to holding company over time which, on redeployment, mitigates negative impact to earnings and ROEs in weakening Yen scenario
 - Creates “Yen-denominated” assets on Japanese books, mitigating solvency margin ratio volatility that would otherwise result from owning USD assets
 - Cash payments to / from holding company over multi-year period to help manage liquidity

		USD Asset Value	Hedge Cash Flows	Future USD Value of Dividends from Japan
~800% SMR	Weakening Yen	USD Assets Worth More ¥	Cash from Japan	Lower Future Dividend
~800% SMR	Stable Yen	USD Assets Worth Same ¥	No Cash Movement	No Change
~800% SMR	Strengthening Yen	USD Assets Worth Less ¥	Cash to Japan	Higher Future Dividend

FAIR VALUE OF YEN EQUITY HEDGE⁽¹⁾

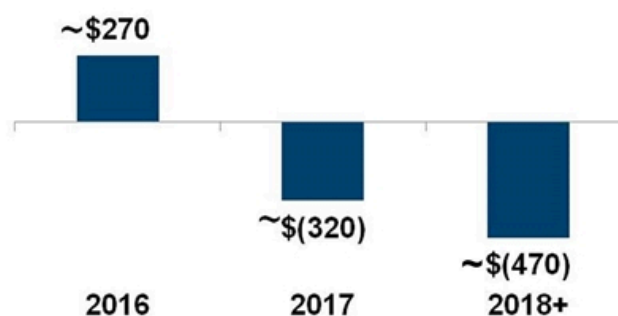


Equity Hedges

- \$13.6 billion “notional” value of yen exposure
 - \$(0.5) billion fair value of PFI hedges
 - Cash is realized over time as settlements occur

Equity Hedge FX Sensitivity	Spot Rate as of 6/30/16	10% JPY Appreciation	10% JPY Depreciation
USD/JPY Rate	¥103	¥92	¥113
Fair Value of Equity Hedges (\$ billions)	(0.5)	(2.0)	0.9

Maturity Profile of Equity Hedge Settlements (\$ millions)



1) As of June 30, 2016.

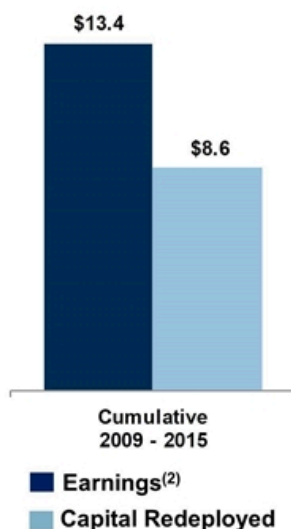
HISTORICAL CAPITAL GENERATION AND REDEPLOYMENT



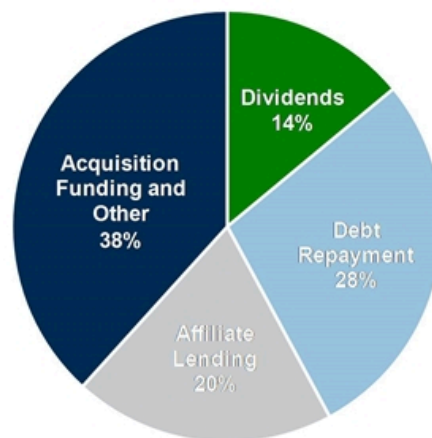
- Redeployed excess capital of ~65% of earnings since 2009⁽¹⁾
- Japan returns capital to the U.S. through diverse means and in accordance with regulatory standards

Historical Capital Redeployment

(\$ billions)



Forms of Cumulative Redeployment



1) Through December 31, 2015.

2) Represents after-tax results based on pre-tax AOI tax effected using the effective tax rate of PFI for 2015 and the former FSB for periods prior to 2015.

CAPITAL MANAGEMENT OPPORTUNITIES



- International Insurance operations redeploy capital through various methods

Redeployment Method	Description
Dividends	• In accordance with regulatory and solvency standards
Affiliated Debt Repayment	• Approximately \$0.9 billion outstanding on books of Prudential's Japanese insurance companies⁽¹⁾
Affiliated Lending	• In accordance with regulatory and solvency standards
Acquisition Funding and Other	• Local capital provides potential source for acquisition financing • Other opportunities consistent with regulatory standards

1) As of March 31, 2016 translated at Japanese yen 112 per U.S. dollar. Includes amounts relating to preferred stock issues.

SOLVENCY MARGIN RATIO



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

SMR	March 31, 2016 ⁽¹⁾	Stressed Scenario
Prudential of Japan	801%	Consistent with Target
Gibraltar Life	928%	Consistent with Target

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

1) Based on Japanese statutory accounting and risk management standards applicable to regulatory filing. On a consolidated basis.

2) Represents indicated change applied to asset valuation as of March 31, 2016.

KEY MESSAGES



- **Product Focus Drives Return Prospects**

- **Manageable Exposure to Macro-Environment Developments**

- **Robust Financial Position**

- **Strong Capital Generation and Deployment**