
**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 6, 2017

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:

- ☐ 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure.

Prudential Financial, Inc., a New Jersey corporation (the “Company”), is furnishing a copy of slides being presented at its Investor Day and Financial Strength Symposium conferences on June 6, 2017, as Exhibit 99.1 and Exhibit 99.2, respectively, hereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 99.1 Slide presentation of Prudential Financial, Inc. at its Investor Day conference on June 6, 2017 (furnished and not filed).
- 99.2 Slide presentation of Prudential Financial, Inc. at its Financial Strength Symposium conference on June 6, 2017 (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 6, 2017

PRUDENTIAL FINANCIAL, INC.

By: /s/ Andrew Hughes

Name: Andrew Hughes

Title: Vice President and Assistant Secretary

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
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PRUDENTIAL FINANCIAL, INC. 2017 INVESTOR DAY

JUNE 6, 2017





PRUDENTIAL FINANCIAL, INC. 2017 INVESTOR DAY

MARK FINKELSTEIN
SENIOR VICE PRESIDENT
INVESTOR RELATIONS



FORWARD LOOKING STATEMENTS AND NON-GAAP MEASURES



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, 2016. 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 adjusted book value, as well as operating return on average equity, which is based on adjusted operating income and adjusted book value. Consolidated adjusted operating income and adjusted book value are not calculated based on accounting principles generally accepted in the United States of America (GAAP). For additional information about adjusted operating income, adjusted book value and the comparable GAAP measures, including a reconciliation between the comparable measures, please refer to our quarterly results news releases, which are available on our Web site at www.investor.prudential.com. Reconciliations are also included as part of this presentation.

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

PGIM DISCLOSURES



Consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus and summary prospectus contain this and other information about the fund. For more information about a fund, click on the prospectus or summary prospectus link above. Read them carefully before investing. Investing in mutual funds involves risk. The investment return and principal value will fluctuate, and shares, when sold, may be worth more or less than their original cost. Some investment products have more risk than others.

The risks associated with each fund are explained more fully in each fund's respective prospectus and summary prospectus. There is no guarantee that a Fund's objectives will be achieved. Class Q and Class Z shares are available to individual investors through certain retirement, mutual fund wrap and asset allocation programs, and to institutions at an investment minimum of \$5,000,000. Please see the current prospectus for more detailed information.

This information has been prepared by PGIM, Inc. ("PGIM"). PGIM is the primary asset management business of Prudential Financial, Inc. ("PFI") and is a registered investment advisor with the US Securities and Exchange Commission. PFI, a company with corporate headquarters in the US, is not affiliated in any manner with Prudential plc, a company incorporated in the United Kingdom.

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PGIM DISCLOSURES (CONT.)



The Morningstar Rating for funds, or "star rating", is calculated for mutual funds with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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Mutual funds are not insured by the FDIC or any federal government agency, are not a deposit of or guaranteed by any bank or any bank affiliate, and may lose value.

VARIABLE ANNUITIES CASH FLOW ASSUMPTIONS



- Present value of cash flows reflect total contract cash flows based upon the in force book of business and initial interest rates as of 12/31/16. Excludes any benefit from release of capital and excess reserves. Each scenario reflects impact of our dynamic lapse assumptions on policyholder behavior (lapse rates based upon in-the-moneyness and level of interest rates)
- Cash flows are shown on a present value basis, are discounted at projected U.S. Treasury rates, and reflect the results of hedging activity
- Baseline represents current assumptions based on GAAP best estimates as of 12/31/16. The Company updates its assumptions annually in connection with reporting second quarter financial results.
- Equity market return of 5.6% grading to 8.0% by year 6 and includes 2% dividend yield
- Interest rates assume a 10 year U.S. Treasury of 2.45% grading to 4.0% by year 10
- Policyholder behavior assumptions for guaranteed lifetime withdrawal benefit products only
- Cash Flows assume Living Benefit Liability is managed using an asset liability management strategy which includes fixed income instruments and derivatives

RECONCILIATIONS BETWEEN ADJUSTED OPERATING INCOME AND THE COMPARABLE GAAP MEASURE⁽¹⁾



(\$ millions)

	2011	2012	2013	2014	2015	2016
Net income (loss) attributable to Prudential Financial, Inc.	\$3,486	\$ 479	\$ (713)	\$1,533	\$5,642	\$4,368
Income attributable to noncontrolling interests	34	50	107	57	70	51
Net income (loss)	3,520	529	(606)	1,590	5,712	4,419
Less: Income from discontinued operations, net of taxes	35	17	7	11	-	-
Income (loss) from continuing operations (after-tax)	3,485	512	(613)	1,579	5,712	4,419
Less: Income attributable to noncontrolling interests	34	50	107	57	70	51
Income (loss) from continuing operations attributable to Prudential Financial, Inc.	3,451	462	(720)	1,522	5,642	4,368
Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	148	10	(48)	(41)	(55)	(2)
Income (loss) from continuing operations (after-tax) before equity in earnings of operating joint ventures	3,303	452	(672)	1,563	5,697	4,370
Reconciling items:						
Realized investment gains (losses), net, and related charges and adjustments	847	(2,809)	(8,149)	(4,130)	1,579	523
Investment gains (losses) on trading account assets supporting insurance liabilities, net	223	610	(250)	339	(524)	(17)
Change in experience-rated contractholder liabilities due to asset value changes	(123)	(540)	227	(294)	433	21
Divested businesses:						
Closed Block division	-	-	-	-	58	(132)
Other divested businesses	90	(615)	29	167	(66)	(84)
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(227)	(29)	28	44	58	(5)
Total reconciling items, before income taxes	810	(3,383)	(8,115)	(3,874)	1,538	306
Income taxes, not applicable to adjusted operating income	424	(816)	(2,857)	(1,082)	490	43
Total reconciling items, after income taxes	386	(2,567)	(5,258)	(2,792)	1,048	263
After-tax adjusted operating income	2,917	3,019	4,586	4,355	4,649	4,107
Income taxes, applicable to adjusted operating income	1,023	1,008	1,783	1,537	1,582	1,292
Adjusted operating income before income taxes	\$3,940	\$4,027	\$6,369	\$5,892	\$6,231	\$5,399

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

RECONCILIATIONS FOR PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2011	2012	2013	2014	2015	2016
Pre-tax adjusted operating income⁽¹⁾	\$ 3,940	\$ 4,027	\$ 6,369	\$ 5,892	\$ 6,231	\$ 5,399
Reconciling items:						
Unlockings and experience true-ups ⁽²⁾	(202)	(10)	574	(420)	220	(310)
Integration costs for Hartford Life	-	(15)	(51)	(32)	(17)	-
Gains on sales of business/investments ⁽³⁾	394	26	66	-	-	-
Impact of earthquake in Japan	(69)	-	-	-	-	-
Debt extinguishment costs	-	(31)	(27)	-	-	(36)
Integration costs for Star/Edison	(213)	(138)	(28)	-	-	-
Other ⁽⁴⁾	(119)	(43)	-	-	(80)	(14)
Sub-total	(209)	(211)	534	(452)	123	(360)
Pre-tax adjusted operating income excluding market driven and discrete items	\$ 4,149	\$ 4,238	\$ 5,835	\$ 6,344	\$ 6,108	\$ 5,759

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com. Represents results of FSB for periods prior to 2015.

2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period, as well as annual reviews of actuarial assumptions and refinements of reserves and amortization of deferred policy acquisition and other costs. Includes charge for potential contract cancellations in 2015.

3) Includes gain on sale of investment in Afore XXI, as well as an impairment and gains on certain other investments.

4) Includes charges related to the administration of certain separate account investments, true-up of legal reserves and employee benefit accruals, and impairments and write-offs of intangible assets.

RECONCILIATION FOR EARNINGS PER SHARE EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



Adjusted Operating Income basis:	2011	2016
Earnings Per Share	\$ 5.97	\$ 9.13
Reconciling items:		
Unlockings and experience true-ups ⁽²⁾	(0.27)	(0.45)
Debt extinguishment costs	-	(0.05)
Gains on sales of businesses/investments ⁽³⁾	0.53	-
Integration costs for Star/Edison	(0.29)	-
Impact of earthquake in Japan	(0.09)	-
Other ⁽⁴⁾	(0.16)	(0.02)
Sub-total	(0.28)	(0.52)
Earnings Per Share - excluding market driven and discrete items	\$ 6.25	\$ 9.65

- 1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com. Diluted; based on after-tax AOI; tax effect for market driven and discrete items at 35%. 2011 represents results of FSB.
- 2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period, as well as annual reviews of actuarial assumptions and refinements of reserves and amortization of deferred policy acquisition and other costs.
- 3) Includes gain on sale of investment in Afore XXI and gains on certain other investments.
- 4) Includes true-up of legal reserves.

RECONCILIATIONS BETWEEN ADJUSTED BOOK VALUE AND THE COMPARABLE GAAP MEASURE⁽¹⁾



(\$ millions, except per share data)

	December 31,					
	2011	2012	2013	2014	2015	2016
GAAP book value	\$ 32,694	\$ 37,006	\$ 33,885	\$ 40,981	\$ 41,890	\$ 45,863
Less: Accumulated other comprehensive income (AOCI)	5,077	9,990	8,586	15,882	12,285	14,621
GAAP book value excluding AOCI	27,617	27,016	25,299	25,099	29,605	31,242
Less: Cumulative effect of foreign exchange remeasurement and currency translation adjustments corresponding to realized gains/losses	958	(179)	(2,818)	(4,783)	(3,747)	(3,199)
Adjusted book value	26,659	27,195	28,117	29,882	33,352	34,441
 Number of diluted shares	 475.1	 468.2	 468.7	 461.5	 453.2	 436.2
 GAAP book value per common share - diluted ⁽¹⁾	 68.81	 79.04	 72.30	 88.80	 92.39	 104.91
GAAP book value excluding AOCI per share - diluted	58.13	57.70	53.98	54.39	65.32	71.62
Adjusted book value per common share - diluted	56.11	58.08	59.99	64.75	73.59	78.95

1) Book value per share of Common Stock including AOCI as of December 31, 2016 includes a \$500 million increase in equity and a 5.75 million increase in diluted shares reflecting the dilutive impact of exchangeable surplus notes when book value per share is greater than \$86.92. Book value per share of Common Stock including AOCI as of December 31, 2015 includes a \$500 million increase in equity and a 5.6 million increase in diluted shares reflecting the dilutive impact of exchangeable surplus notes when book value per share is greater than \$88.90. Book value per share of Common Stock including AOCI for periods as of December 31, 2014 and prior excludes the impact of exchangeable surplus notes due to the anti-dilutive impact of conversion.

RECONCILIATION FOR U.S. BUSINESSES PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	<u>2016</u>
U.S. Businesses pre-tax adjusted operating income	\$ 3,863
Reconciling items:	
Annual review of actuarial assumptions and reserve refinements ⁽²⁾	(369)
Individual Annuities - Market unlockings and experience true-ups ⁽³⁾	134
Retirement - Costs relating to legal matters	(14)
Subtotal	<u>\$ (249)</u>
U.S. Businesses pre-tax adjusted operating income excluding market driven and discrete items	\$ 4,112

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

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

3) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions.

RECONCILIATION FOR ANNUITIES PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2012	2013	2014	2015	2016
Annuities pre-tax adjusted operating income	\$ 1,039	\$ 2,085	\$ 1,467	\$ 1,797	\$ 1,765
Reconciling items:					
Market unlockings and experience true-ups ⁽²⁾	187	395	(143)	103	134
Annual review of actuarial assumptions and reserve refinements ⁽³⁾	(106)	301	14	31	4
Other ⁽⁴⁾	(9)	-	-	-	-
Subtotal	72	696	(129)	134	138
Annuities pre-tax adjusted operating income excluding market driven and discrete items	\$ 967	\$ 1,389	\$ 1,596	\$ 1,663	\$ 1,627

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period and charge for potential contract cancellations in 2015.

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

4) Includes impairment of intangible asset.

RECONCILIATION FOR INDIVIDUAL LIFE PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2013	2014	2015	2016
Individual Life Insurance pre-tax adjusted operating income	\$ 583	\$ 498	\$ 635	\$ 79
Reconciling items:				
Annual review of actuarial assumptions and reserve refinements ⁽²⁾	27	(72)	48	(420)
Integration costs for Hartford Life	(51)	(32)	(17)	-
Subtotal	(24)	(104)	31	(420)
Individual Life Insurance pre-tax adjusted operating income excluding market driven and discrete items	\$ 607	\$ 602	\$ 604	\$ 499

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

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

RECONCILIATION FOR GROUP INSURANCE PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2012	2013	2014	2015	2016
Group Insurance pre-tax adjusted operating income	\$ 16	\$ 157	\$ 23	\$ 176	\$ 220
Reconciling items:					
Annual review of actuarial assumptions and reserve refinements ⁽²⁾	7	45	(107)	28	41
Increase to legal reserves	(20)	-	-	-	-
Subtotal	(13)	45	(107)	28	41
Group Insurance pre-tax adjusted operating income excluding market driven and discrete items	\$ 29	\$ 112	\$ 130	\$ 148	\$ 179

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

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



PRUDENTIAL FINANCIAL, INC. 2017 INVESTOR DAY

JOHN STRANGFELD
CHAIRMAN & CEO



STRONG RETURNS AND CASH FLOWS DRIVEN BY HIGH QUALITY BUSINESSES



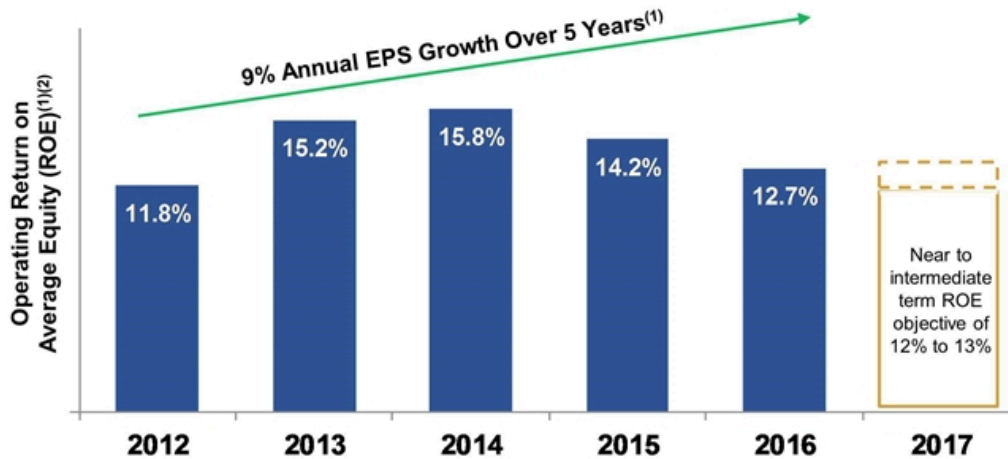
- *A complementary mix of businesses with competitive advantages*



SUPERIOR RETURN PROFILE



- *Expect to continue to produce superior ROEs, while navigating market headwinds, investing in long-term growth initiatives, and maintaining a balanced risk profile*



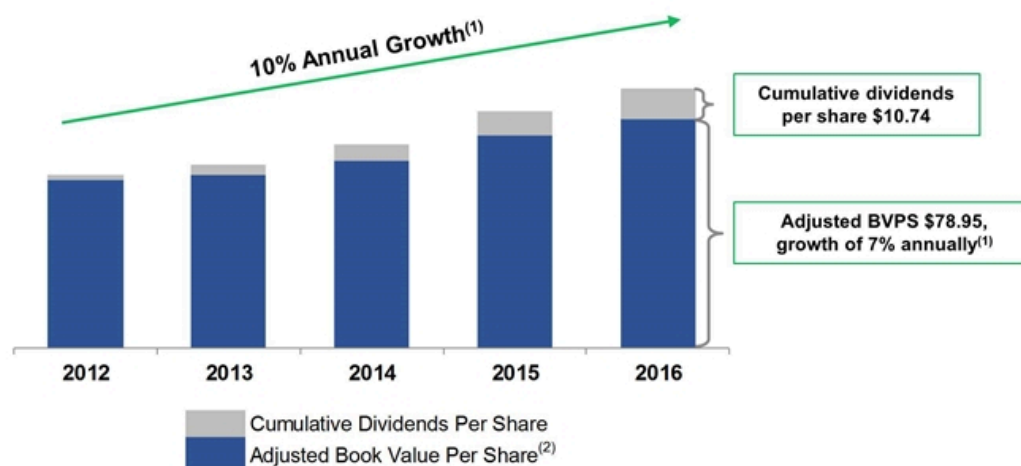
1) EPS based on adjusted operating income (AOI) excluding market driven and discrete items taxed at a 35% rate for purposes of EPS and ROE calculations.

2) Based on after-tax AOI excluding market driven and discrete items and adjusted book value as shown in disclosure section; 2012-2014 reflects results for Financial Services Businesses (FSB); 2015 and thereafter represents Prudential Financial, Inc. (PFI).

SOLID COMPOUNDING OF SHAREHOLDER VALUE



- Adjusted book value per share growth plus dividends, a key metric for shareholder value creation, has compounded at 10% annually over five years



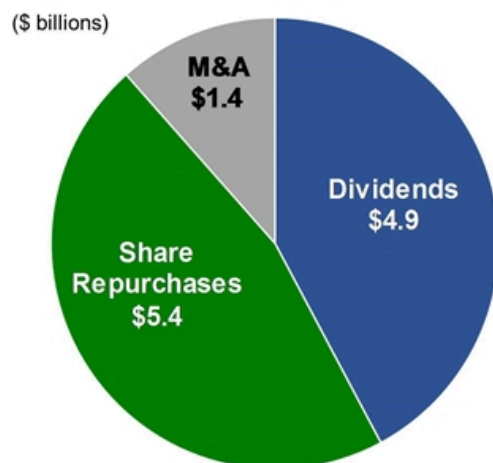
1) Annual growth rate from 2011 adjusted book value per share (BVPS) of \$56.11.

2) See reconciliation to GAAP book value in disclosure section. Amounts attributable to PFI; represents results of the former FSB for periods prior to 2015.

STRONG HISTORY OF CAPITAL DEPLOYMENT

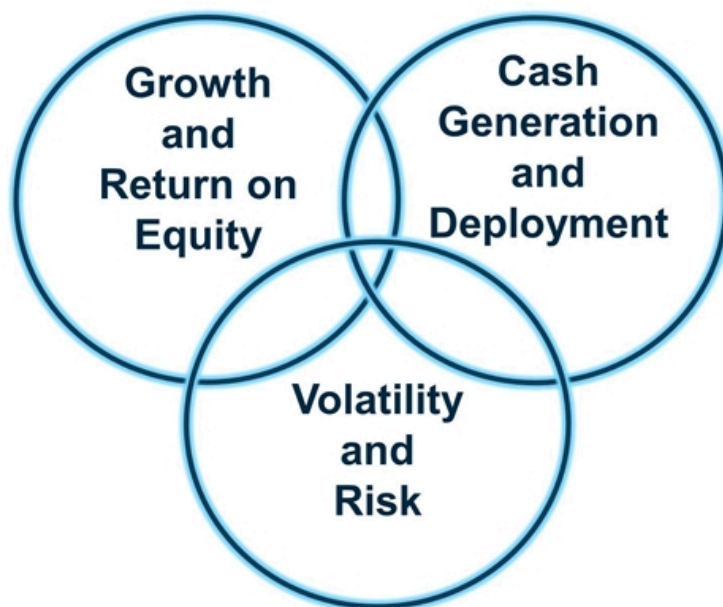


- Nearly \$12 billion of capital deployed over the last five years⁽¹⁾ toward shareholder return and M&A



1) Represents cumulative capital deployed from 2012-2016 toward share repurchases, Common Stock dividends and M&A.

THE 'BALANCING ACT'



BALANCE PRODUCES SUPERIOR FINANCIAL STRENGTH AND SHAREHOLDER VALUE CREATION

KEY TAKEAWAYS



- Balanced and attractive portfolio of businesses that produce superior returns
- Steady growth prospects with continued initiative spending to capture longer term opportunities
- Diversified source of earnings mitigate impacts of market headwinds
- Strong capital position and cash generation support disciplined shareholder return
- Focus on talent and leadership enables execution, fosters innovation and builds long-term success



PRUDENTIAL FINANCIAL, INC. 2017 INVESTOR DAY

MARK GRIER
VICE CHAIRMAN





PRUDENTIAL FINANCIAL, INC.
U.S. BUSINESSES

STEPHEN PELLETIER
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER

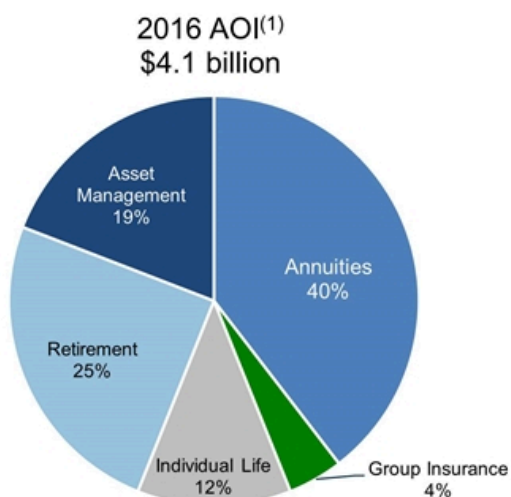


KEY MESSAGES



- Our U.S. Businesses generate high-quality, diversified earnings
 - ✓ Our business fundamentals are strong
 - ✓ We earn attractive returns on new business
- We are pursuing attractive growth opportunities in institutional, employer, and individual markets
- Our investments in strategic initiatives are generating tangible benefits

HIGH-QUALITY, DIVERSIFIED SOURCES OF EARNINGS



Strong Fundamentals

- Healthy pension risk transfer market
- Strong Asset Management 3rd party flows
- Diversified Annuities sales
- High persistency in Full Service and Group Insurance
- Strong Individual Life sales
- Controlled growth in Group Insurance

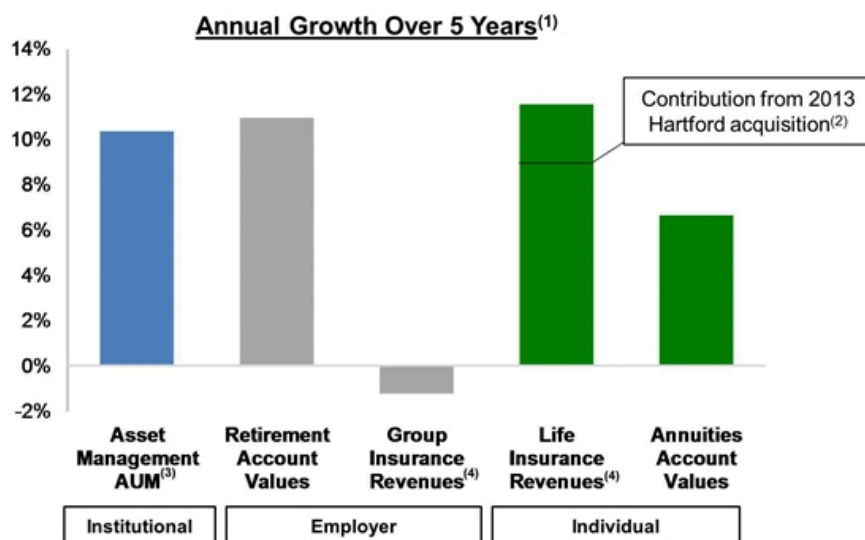


Headwinds

- Low interest rates
- Fee pressures and trend towards lower cost/passive strategies
- Runoff of existing blocks of business
- Regulatory uncertainty

1) Pre-tax Adjusted Operating Income (AOI) excluding market driven and discrete items as shown in disclosure section.

STRONG BUSINESS FUNDAMENTALS DRIVE U.S. BUSINESS GROWTH



1) Represents compound annual growth rate from 2011-2016.

2) In January 2013, Individual Life Insurance acquired The Hartford Financial Services Group, Inc.'s individual life insurance business through a reinsurance transaction.

3) Represents third party assets under management.

4) Represents premiums, policy charges and fees income.

GROWTH OPPORTUNITIES



Institutional

Asset Management

- Broadening investment solution capabilities, expanding global footprint, and building out multi-manager model
- Investing in talent, infrastructure, and distribution capabilities

Employer

Retirement Group Insurance

- Leveraging strong pension risk transfer pipeline to expand market-leading position
- Deepening employer and participant relationships through Financial Wellness platforms

Individual

Life Insurance Annuities

- Diversifying product portfolios
- Developing more simplified, outcome-oriented solutions
- Expanding customer access

STRATEGIC INVESTMENTS



- Financial Wellness
- Simplified products and outcome-oriented solutions
- Enhanced distribution
- Customer experience
- Talent

Strategic Investments

Business growth

A substantial portion of new initiative spending is funded by efficiency gains across our businesses



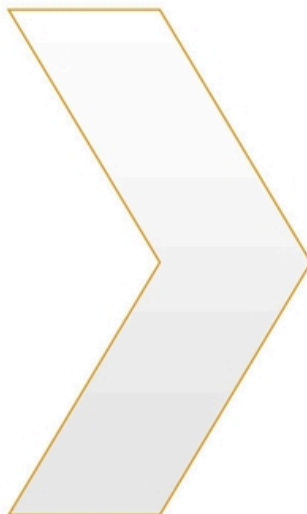
- Launched in 2015 to provide financial wellness education to Prudential's extensive customer base
- Adopted by nearly 250 employers, representing approximately 3 million employees
- Proving to be a differentiating capability in the marketplace
- Enhanced with a digital component in 2017



SUMMARY



- High-quality, diversified sources of earnings
- Growth opportunities in institutional, employer, and individual markets
- Strategic investments, with emerging benefits



Complementary mix
of high-quality
businesses,
with long-term
growth potential



PGIM

The Global Investment Management
Businesses of Prudential Financial, Inc.

DAVID HUNT
PRESIDENT & CEO
PGIM



KEY MESSAGES



- PGIM is strongly positioned as a diversified global active asset manager with a distinct multi-manager model
- Our business has robust underlying fundamentals and delivers attractive returns for Prudential's shareholders
- PGIM's strategic initiatives are driving growth and position us to meet the evolving needs of our clients
- PGIM's continued success is underpinned by a mutually beneficial business model



Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

LEADING GLOBAL ASSET MANAGER



Broadly diversified revenue base and product suite



Strong, sophisticated third party client base



Global presence and footprint



Top 10 asset manager worldwide⁽¹⁾



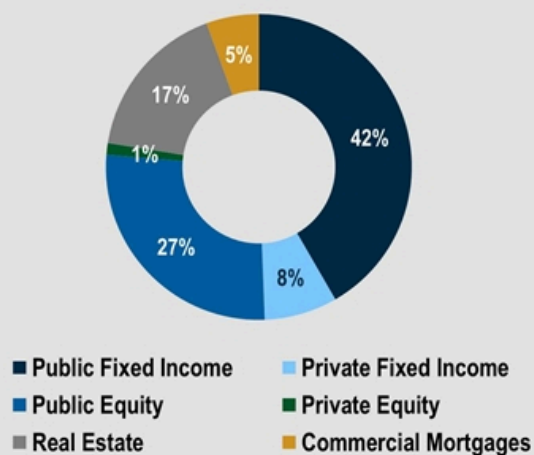
Distinct multi-manager model

1) Pensions & Investments Top Money Manager's list, May 30, 2017. AUM as of December 31, 2016.

WELL-DIVERSIFIED REVENUE BASE



Asset Management Fees by Asset Class



Over 50% of fees from higher growth areas⁽¹⁾

\$630mn from real assets⁽²⁾ & alternatives

\$314mn from private credit

\$145mn from non-U.S. equities

\$110mn from liability-driven and outcome-oriented solutions

\$106mn from quantitative strategies

Based on FY 2016 asset management fees.

1) Categories may overlap; represents asset management fees from all PGIM revenue sources.

2) Includes real estate, infrastructure, energy, and natural resources strategies.

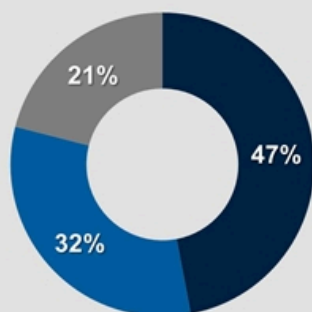


Investor Day 6.6.2017

STRONG THIRD PARTY CLIENT BASE



Asset Management Fees by Client Type



■ Institutional ■ Retail ■ General Account

1,200+ Third party institutional clients

78 clients have over \$1 billion invested with us

143 of the top 300 Global Pension Funds⁽¹⁾

23 of the 25 largest U.S. corporate pension plans⁽²⁾

20 of the 25 largest U.S. public pension plans⁽²⁾

9th largest mutual fund family by net flows⁽³⁾

As of December 31, 2016, unless otherwise indicated.

1) P&I/Towers Watson Top 300 Pension Funds ranking, data as of December 31, 2015, published September 2016.

2) Based on U.S. Plan Sponsor rankings in Pensions & Investments as of December 31, 2015, published February 2016.

3) Based on net flows in 2016 excluding money market activity from Strategic Insight Simfund database.

OUR GLOBAL FOOTPRINT



PGIM global brand launched in January 2016



▪ 1,128 investment professionals

▪ \$281bn of AUM⁽¹⁾ from non-US clients

▪ 30 offices in 16 countries

As of December 31, 2016.

1) Assets Under Management (AUM).



Investor Day 6.6.2017

OUR NEW GLOBAL BRAND



 **PGIM**

**A NAME BUILT FOR DECADES.
NOT QUARTERS.**

PGIM is the new name for the global investment management businesses of Prudential Financial, Inc., headquartered in the U.S.

Visit PGIM.com

PUBLIC & PRIVATE FIXED INCOME • FUNDAMENTAL & QUANTITATIVE EQUITY • REAL ESTATE DEBT & EQUITY

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POSITION OF STRENGTH



Ranking Based on Worldwide Assets

TOP 10 ASSET MANAGERS ⁽¹⁾	ASSETS (\$ Billions)
1 BlackRock	5,148
2 Vanguard Group	3,965
3 State Street Global Advisors	2,468
4 Fidelity Investments	2,131
5 JP Morgan Asset Management	1,771
6 BNY Mellon Investment Management	1,648
7 The Capital Group	1,479
8 The Goldman Sachs Group	1,379
9 Prudential Financial	1,264 ⁽²⁾
10 Amundi	1,141

#1 Real Estate Manager
Worldwide⁽³⁾

#1 Foreign manager of
institutional assets in Japan⁽⁴⁾

**Top
10** Private Debt Fund Manager⁽⁵⁾

1) Pensions & Investments Top Money Manager's list, May 30, 2017. AUM as of December 31, 2016.

2) Worldwide AUM include assets managed by Prudential's Asset Management business and non-proprietary AUM.

3) Pensions & Investments, Real Estate Managers by Worldwide AUM as of June 30, 2016.

4) Nenkin Jouhou No. 726 (2017/01/02) by R&I, the Investment Trust Associates of Japan, AUM as of September 2016.

5) Private Debt Investors, 2016 award.

DISTINCT MULTI-MANAGER MODEL



PGIM
\$1,069bn

PGIM FIXED INCOME	JENNISON ASSOCIATES	QMA	PRUDENTIAL CAPITAL GROUP	PGIM REAL ESTATE	PGIM REAL ESTATE FINANCE	PRUDENTIAL INTERNATIONAL INVESTMENTS	PGIM INVESTMENTS
\$654bn ¹	\$164bn ²	\$120bn ³	\$79bn	\$66bn ⁴	\$58bn	\$84bn ⁵	\$85bn ⁶

- Deep, specialized investment expertise combined with the scale to compete
- Investment-centric culture strongly aligned with clients' interests
- Culture of partnership and nimble decision-making within each boutique
- Incentives aligned with each boutique's investment and business performance
- Well-diversified across public and private asset classes
- Controls and risk management infrastructure integrated with Prudential

Amounts as of March 31, 2017.

1) Includes \$17 billion in assets managed by PGIM Fixed Income for affiliated businesses, \$105 billion in PIMJ (Japan) assets, and \$113 million of PIMJ (Japan) assets which is sub-advised by Prudential Capital Group. \$637bn AUM consolidates at the PGIM level. **2)** Includes equity \$100 billion and fixed income \$65 billion. **3)** Includes \$73 billion in directly managed mandates, and \$47 billion of institutional and retail assets managed by various affiliated and third party managers. \$73bn AUM consolidates at the PGIM level. **4)** Assets are gross. Net assets under management equal \$47 billion, which reflects the amount that consolidates at the PGIM level. **5)** Represents total combined assets of the Prudential International Investments businesses, including \$74 billion from joint ventures in which Prudential does not have a controlling interest, and therefore does not correspond to assets under management and administration as reported by Prudential Financial. AUM also includes \$7 billion in assets sub-advised by other PGIM units and included in their totals. \$10bn AUM consolidates at the PGIM level. **6)** Mutual fund assets are managed by affiliated PGIM managers, and the corresponding assets are captured in the affiliates' AUM.



Investor Day 6.6.2017



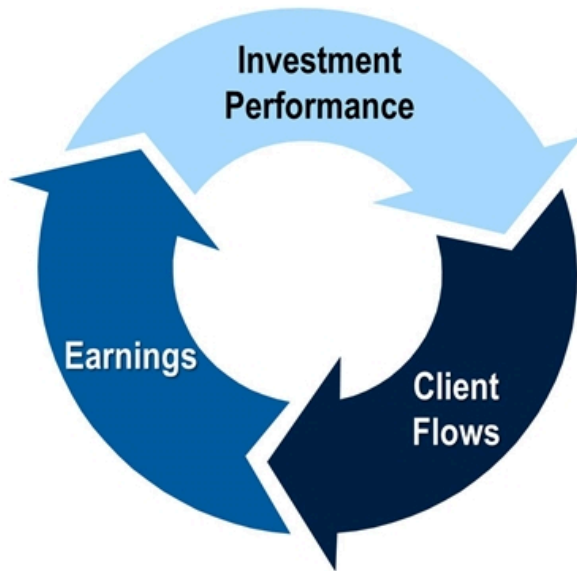
Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

ROBUST UNDERLYING FUNDAMENTALS



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

- More than a decade of consecutive positive net flows in both institutional and retail
- 11% annual AUM growth over past 5 years⁽¹⁾

- Earnings driven primarily by asset management fees
- Attractive returns with improved quality of earnings

1) Assets managed by PGIM as of December 31, 2016.

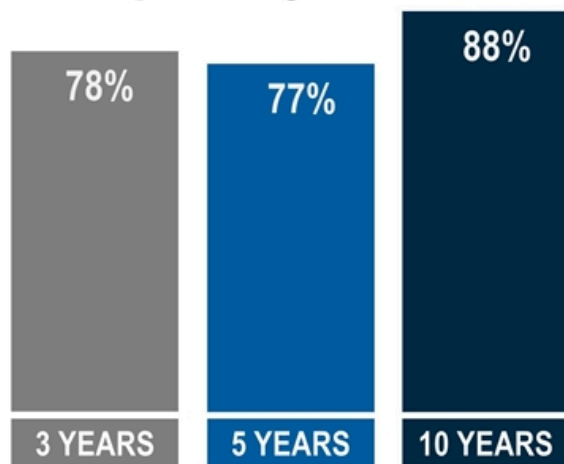


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STRONG INVESTMENT PERFORMANCE



Percentage of PGIM AUM⁽¹⁾
Outperforming Benchmark⁽²⁾



68% of PGIM's mutual fund assets are in 4- or 5-star rated funds⁽³⁾

★★★★★

Total Return Bond	Short-Term Corporate Bond	QMA Small-Cap Value
National Municipals	Short-Duration Multi-Sector Bond	High Yield
CA Municipal Income		

★★★★★

Balanced	Conservative Allocation	Global Total Return
Global Real Estate	Jennison Growth	QMA Mid-Cap Value
Income Builder	Jennison Focused Growth	QMA Stock Index
Municipal High Income	Jennison Global Opportunities	QMA Strategic Value
Government Income	Jennison Mid Cap Growth	
Floating Rate Income	Jennison Health Sciences	

1) Represents PGIM's benchmarked AUM. 45% of total AUM is benchmarked over 3 years, 44% over 5 years, and 32% over 10 years.

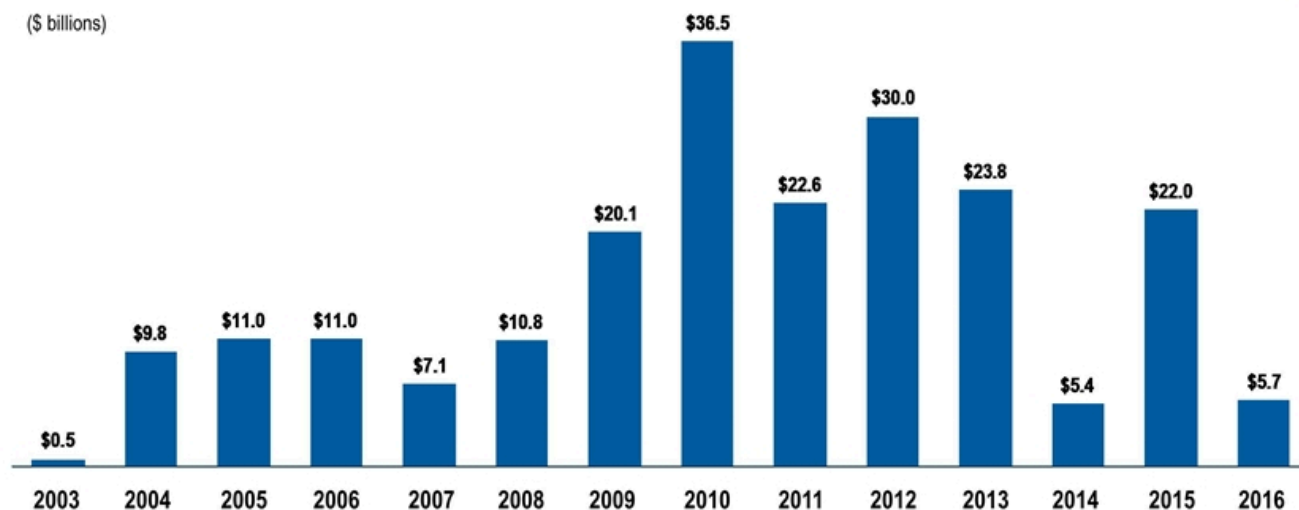
2) As of March 31, 2017. Represents excess performance net of fees, based on all actively managed Fixed Income and Equity AUM reported in eVestment for Jennison Associates, PGIM Fixed Income, Quantitative Management Associates, and PGIM Real Estate. Composite assets reported in eVestment assumed to represent full strategy AUM.

3) Based on Morningstar ratings as of April 30, 2017. List of 5-star and 4-star funds shown are based on Z-share class ratings. Please see disclosures at the end of this presentation. Past performance is not a guarantee or reliable indicator of future results.

CONSISTENT POSITIVE THIRD PARTY NET FLOWS⁽¹⁾



(\$ billions)



14 Consecutive Years of Positive Institutional Third Party Net Flows

12 Consecutive Years of Positive Retail Third Party Net Flows

1) Represents unaffiliated third party net flows; excludes flows from the General Account and other affiliated Prudential businesses. 2003 and 2004 third party net flows shown in chart represent only institutional third party net flows.

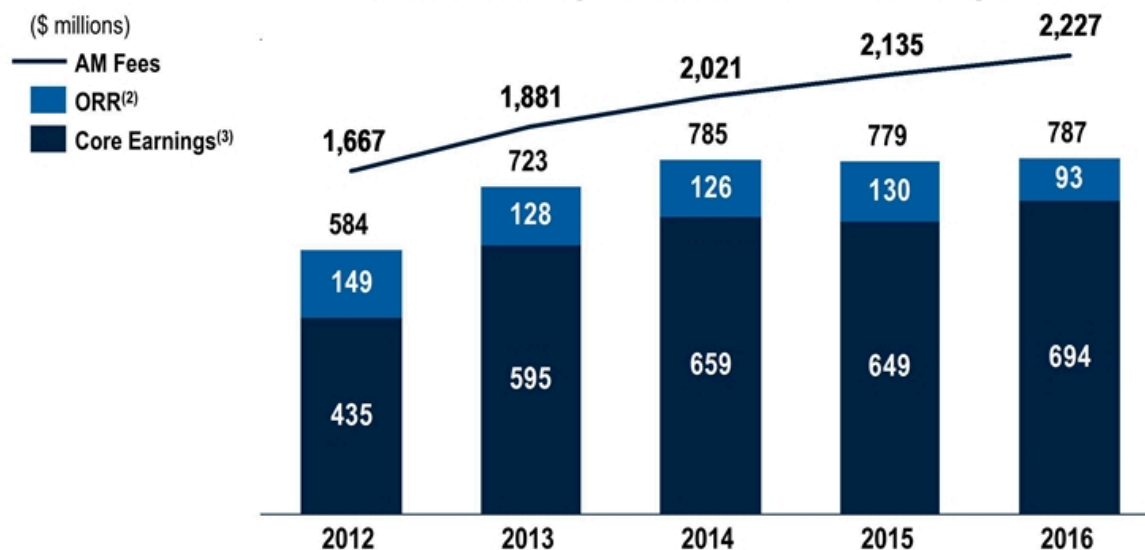


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SOLID EARNINGS TRACK RECORD



Asset Management Fees and Earnings⁽¹⁾



1) Pre-tax adjusted operating Income (AOI).

2) Other Related Revenue Earnings include pre-tax AOI from other sources including strategic investing, incentive fees, transaction fees and commercial mortgage revenues, net of expenses.

3) Core Earnings represents pre-tax AOI primarily from asset management fees, net of expenses.

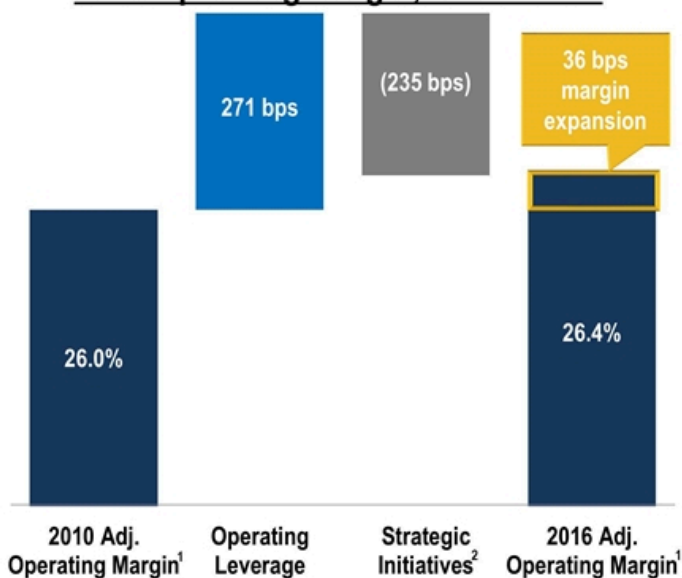


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STABLE MARGINS WHILE FUNDING OUR INVESTMENTS



Core Operating Margin, 2010 – 2016



Positioning for Growth, 2010 – 2016⁽³⁾

Headcount increase **416**

New institutional strategies seeded⁴ **32**

Cumulative third party net flows **\$110 bn**

- 1) Represents AOI as a percentage of revenue.
- 2) Includes both PGIM and Corporate Initiatives.
- 3) Figures represent change from YE 2010 to YE 2016.
- 4) Excludes seeded CLOs and UCITS funds.



Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

OUR STRATEGY



EXECUTING ON OUR STRATEGIC PRIORITIES



Priorities

Milestones

1	Globalize products and client footprint	▪ Deepened CIO coverage of top tier global clients ▪ 27% of assets from non-US clients, up from 11% in 2010
2	Broaden solution capabilities	▪ Launched multi-asset class portfolio-level solutions and advisory for institutional clients ▪ \$139bn AUM in solutions capabilities, up from \$82bn in 2010
3	Diversify products and vehicles	▪ Launched UCITS platform that has gathered \$2bn in AUM ▪ 35% of mutual fund flows in 2016 came from products launched in the last five years
4	Selectively acquire new investment capabilities	▪ Attracted top external talent to launch new strategies ▪ Acquired Deutsche's asset management business in India

These areas of strategic focus have contributed to generating over \$50 billion of net flows in the past 3 years⁽¹⁾

¹⁾ As of year end 2016.
 Prudential

INDUSTRY CHALLENGES AND OUR RESPONSE



Rise of passive investing

- Exposure to US style-box equities limited to ~10% of AUM
- Strong investment performance track record
- Robust suite of high active share, alternatives and private strategies for a "core-satellite" portfolio



Increasing pressure on fees

- Our fee yield has remained stable despite industry-wide pressure
- Focus on developing concentrated, higher-fee yielding strategies
- Ability to selectively lower price to remain competitive



Contraction of the US DB market

- Scale and investment expertise to effectively compete as plan sponsors rely on fewer managers
- Deep relationships with institutional clients outside of the US
- Growing presence in the DC market



Changing regulatory landscape

- Strong risk management and control infrastructure
- Actively engaged in regulatory dialogue



Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

MUTUALLY BENEFICIAL BUSINESS MODEL



OPERATIONALLY INDEPENDENT BUT STRATEGICALLY INTERTWINED BUSINESSES

PGIM creates value through

- Strong, stable fee based earnings with solid returns and favorable growth prospects
- High net investment income margins for the General Account
- Enhanced competitiveness through privates and commercial mortgage loans
- Deep, specialized investment expertise

PGIM benefits from

- General Account as anchor client
- Opportunity to compete on affiliated platforms
- Access to seed capital
- Long-term perspective enables investing for future growth
- Control and risk management infrastructure

KEY MESSAGES



- PGIM is strongly positioned as a diversified global active asset manager with a distinct multi-manager model
- Our business has robust underlying fundamentals and delivers attractive returns for Prudential's shareholders
- PGIM's strategic initiatives are driving growth and position us to meet the evolving needs of our clients
- PGIM's continued success is underpinned by a mutually beneficial business model



PRUDENTIAL FINANCIAL, INC. RETIREMENT

PHIL WALDECK
PRESIDENT



KEY MESSAGES



- Leading provider in chosen Institutional and Full Service retirement markets with broad range of retirement products and services
- Differentiated capabilities drive long-term growth opportunities in attractive markets including Pension Risk Transfer, Full Service and Stable Value
- Increasing leverage of Prudential's broad capabilities to expand customer solutions, including financial wellness programs
- Well managed risks support solid results across market conditions

OPPORTUNITIES AND CHALLENGES



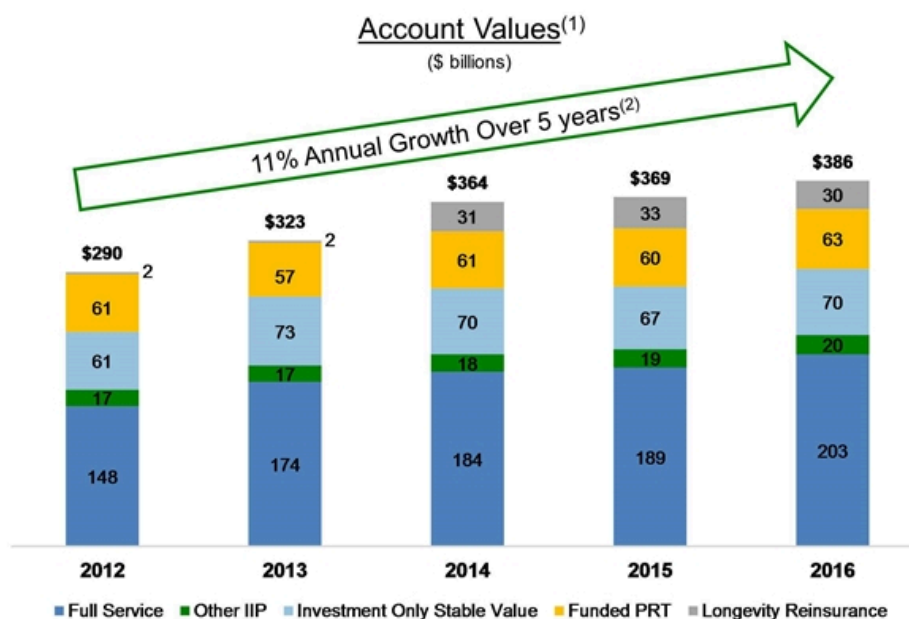
Opportunities

- PRT momentum with both funded and longevity reinsurance counterparties
- Institutional de-risking opportunities more attractive as macro environment improves
- Increasing capabilities to address individual financial wellness through worksite solutions
- Innovation to address evolving market needs in Full Service and Institutional businesses
- Growth opportunities in targeted Full Service markets (Mid to Large size clients, Retirement Coverage Solutions, etc.)

Challenges

- \$3 billion of new funded PRT and \$1 billion longevity business required to offset annual in force run off
- Sustained low interest rate environment continues to challenge spread earnings – mitigated by asset liability management
- Competitive market dynamic necessitates ongoing needs for efficiencies and innovation
- Larger case size focus adds more uncertainty and lumpiness to account value growth
- Regulatory and tax uncertainty

SOLID BUSINESS GROWTH



1) As of end of period.

2) Annual growth from December 31, 2011 account values of \$230 billion.

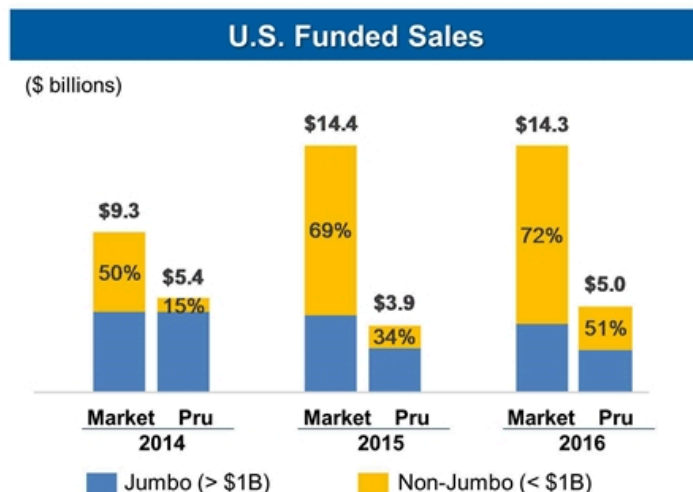


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DIFFERENTIATED CAPABILITIES DRIVE GROWTH OPPORTUNITIES



- Prudential is well positioned to benefit from U.S. funded PRT market growth
 - Continued leadership position in Jumbo cases
 - Renewed focus on specific segments of Non-Jumbo market



Source: LIMRA Group Annuity Risk Transfer Survey 4Q 2016.



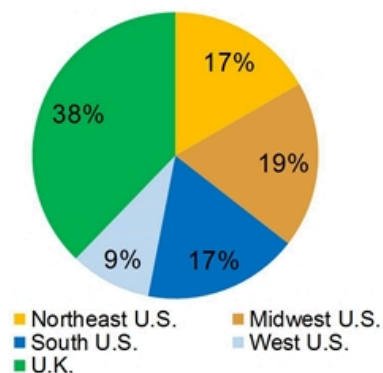
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WELL MANAGED PRT BUSINESS MIX⁽¹⁾

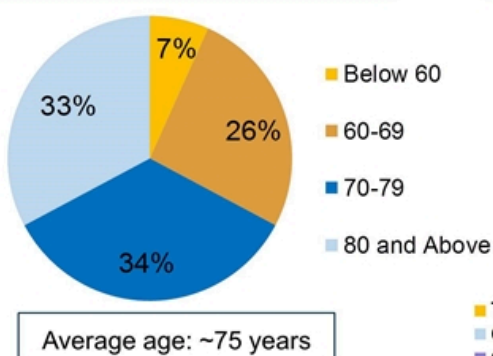


- Prudently diversified business mix with strong risk management
- Good underwriting performance on existing book
 - Expect to produce IRR's at or above our 11% to 15% target

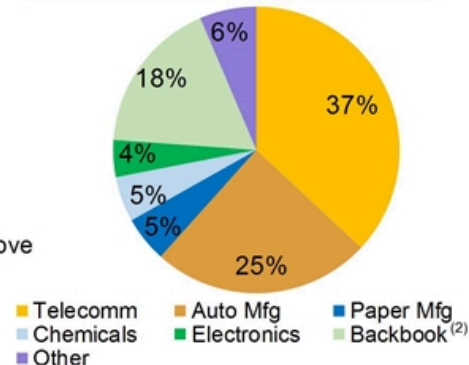
Geographic Distribution



Age Distribution



Industry Distribution



- Also well-diversified by gender, benefit size and occupation (Blue/White collar)
- Average Liability Duration: U.S. Funded: 8 – 9 years ; Longevity Re: 12 – 16 years

1) As of 12/31/2016.

2) Backbook represents groups of smaller pension plans primarily in the following industries: Shipping, Engineering, Financial, Publications/Printing, and Airlines.



- Leadership positions in attractive select markets
- Best in class pension risk transfer capabilities
- Proven risk management and underwriting capabilities
- Demonstrated innovation and increased leverage of broader Prudential capabilities support growth opportunities



Strong and well managed
in force block with future
growth opportunities
provides solid earnings
and return prospects



PRUDENTIAL FINANCIAL, INC. GROUP INSURANCE

ANDREW SULLIVAN
PRESIDENT



KEY MESSAGES



- A leading U.S. provider of group life and disability insurance
- Steady revenue growth prospects while maintaining pricing discipline
- Strengthened underwriting supports greater earnings consistency
- Long-term opportunity to expand margins through revenue growth and expense efficiencies
- Opportunity to deepen employer and participant relationships with the financial wellness platforms

OPPORTUNITIES AND CHALLENGES



Opportunities

- Maintain strong National segment market share while growing Premier segment
- Enhanced underwriting tools and predictive analytics to improve risk selection and increase return prospects
- Positioned to meet employers' increased focus on improving employees' financial wellness through cross business initiatives
- Focused on driving organizational and process efficiencies to improve customer experiences and cost containment

Challenges

- Highly competitive and mature market
- Pricing discipline may limit pace of revenue expansion
- Need to educate consumers on coverage shortfalls and changing employee behavior to take action to address

A LEADING PROVIDER OF GROUP INSURANCE



- Providing benefit experiences that help create and protect financial wellness
- Broad product portfolio providing coverage to over 15 million U.S. workers
 - Group Life and AD&D
 - Group Short-Term and Long-Term Disability
 - Absence Management
 - Voluntary

Market Position & Market Share⁽¹⁾

Group Life	2 nd	14%
Group Disability	9 th	5%

Book of Business Premium Mix⁽²⁾

Products		Segments	
Group Life	79%	National (>5,000 employees)	85%
Group Disability	21%	Premier (100 - 5,000 employees)	15%

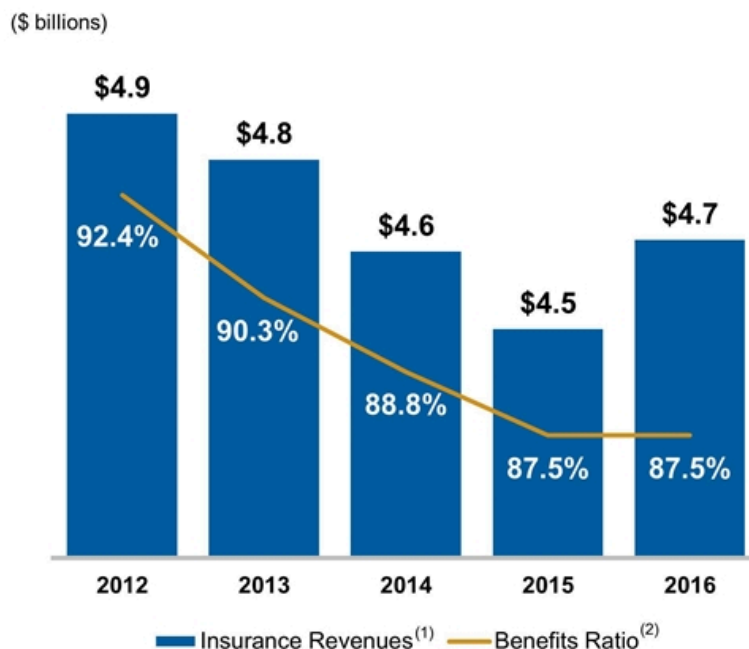
1) Based on in force premiums, 2016 LIMRA Studies.

2) For year ended December 31, 2016.

STRENGTHENED UNDERWRITING SUPPORTS DISCIPLINED GROWTH



- Underwriting actions have resulted in improved benefits ratios to within targeted range: 87% - 91%
- Resumed controlled growth in 2016



1) Represents premiums, policy charges and fees.

2) Benefits ratio excluding impact of market driven and discrete items.



Investor Day 6.6.2017

SUMMARY



- Revenue growth strategies with pricing discipline
- Enhanced focus on attractive markets
- Strengthened underwriting
- Operating efficiency opportunities
- Positioned to meet financial wellness needs



Underwriting actions and strategic initiatives position business for profitable growth



PRUDENTIAL FINANCIAL, INC. INDIVIDUAL LIFE INSURANCE

KENT SLUYTER

CHIEF EXECUTIVE OFFICER

INDIVIDUAL LIFE INSURANCE & PRUDENTIAL ADVISORS



KEY MESSAGES



- Distinctive product portfolio and multi-channel distribution network that provide broad market access and risk diversification
- Capitalized on the Hartford acquisition to drive growth, increase scale and enhance capabilities and distribution
- Adapting to changing economic and regulatory environments while maintaining pricing and risk management discipline
- Investing in capabilities to simplify solutions and enhance customer experience
- Pursuing cross business opportunities to distribute worksite solutions through Prudential Advisors

OPPORTUNITIES AND CHALLENGES



Opportunities

- Capitalize on full product suite to increase penetration in existing distribution relationships
- Further expand our reach through new third party distribution relationships and captive distribution growth
- Streamline underwriting process and consumer experience through technology, data and analytics
- Cross business partnership to extend retail advice and solutions to our worksite relationships

Challenges

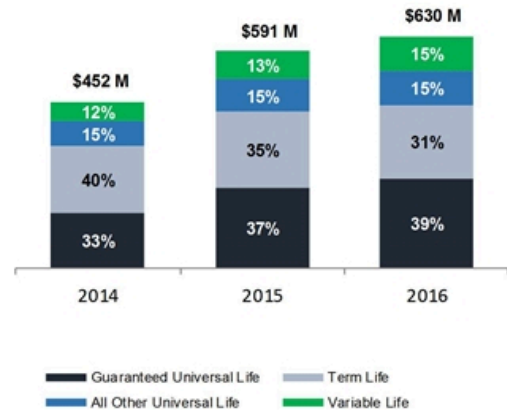
- Shifting consumer expectations for products, education, purchase process and insurance relevance
- Adaptation to potential emerging disruptive technologies for customer access
- Sustained low interest rates
- Highly competitive and mature market
- Regulatory, tax and economic uncertainty

SALES GROWTH AND PRODUCT STRATEGY



- Sales increases have contributed to ~5% annual in force growth from 2014-2016
- Individual Life actively manages the diversification of product risk by maintaining a well balanced portfolio
- Leadership positions across products support strong sales as marketplace demands pivot
- Persistent low interest rates and regulatory changes have influenced our product strategy and mix of sales
- Broad product portfolio enhances value proposition to distributors seeking to optimize carrier relationships

Life Sales by Product
Based on Annualized New Business Premiums

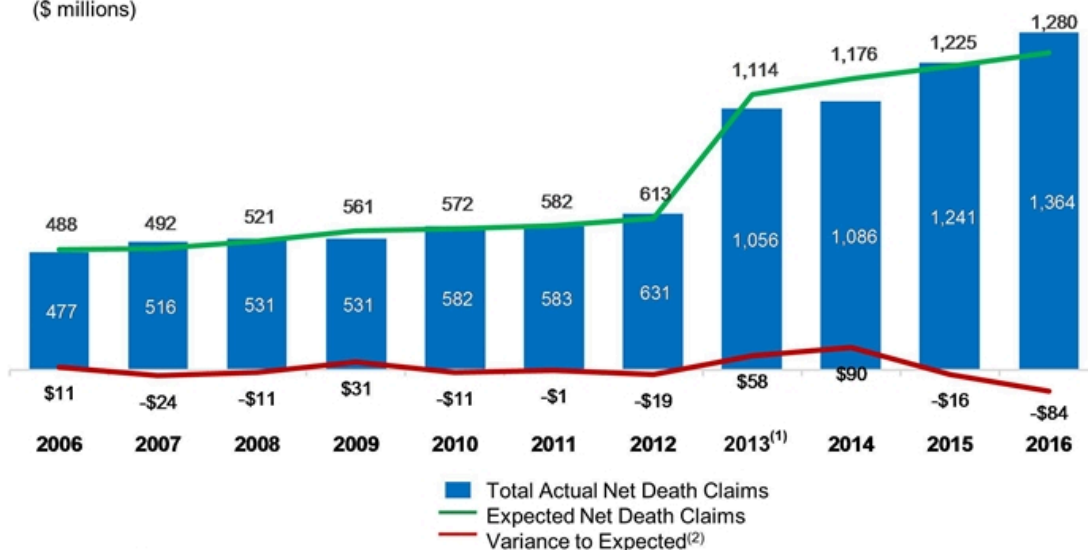


CLAIMS CONSISTENT WITH EXPECTATIONS



- While inherently variable, since 2006 our mortality experience has been in line with expected levels. This also reflects more favorable expectations over time.

(\$ millions)



1) Begins to include the acquired Hartford block.

2) Excludes mortality related reserve updates and amortization.



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- Strong business fundamentals
- Broad product, distribution, and service capabilities
- Robust risk management



Positioned for
sustained growth
and solid returns



PRUDENTIAL FINANCIAL, INC. ANNUITIES

LORI FOUCHÉ
PRESIDENT



KEY MESSAGES



- Strong market position providing secure retirement income solutions
- Solid expected return on assets and cash flow generation
- Enhanced risk management reduces capital volatility
- Sustained progress diversifying our business
- Growth potential through expanded buyer universe



Opportunities

- Large and seasoned block produces attractive earnings and cash flows
- Product diversification reduces risk profile
- Expand portfolio of solutions including simplified and lower cost products
- Growing demand for retirement income solutions
- Long-term opportunity to expand buyer universe

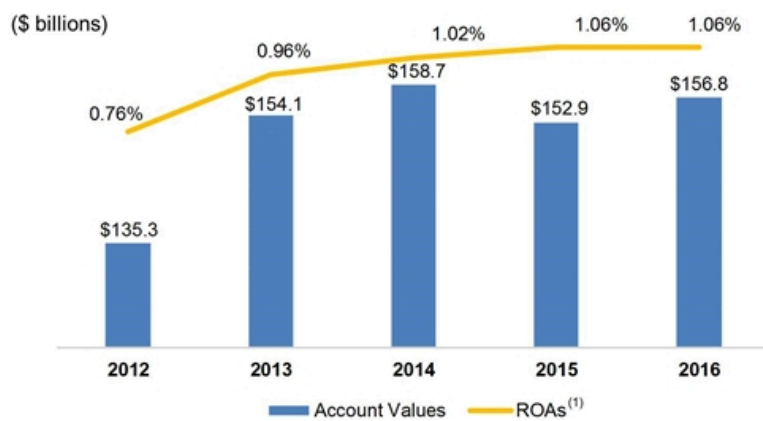
Challenges

- Maturing block and near-term sales uncertainty
- Managing product complexities
- Adapting products to advisor and consumer demands
- Regulatory and tax uncertainty
- Less attractive benefit offerings in low interest rate environment

SOLID RETURN ON ASSETS



- Large in force block with stable returns and solid cash flows

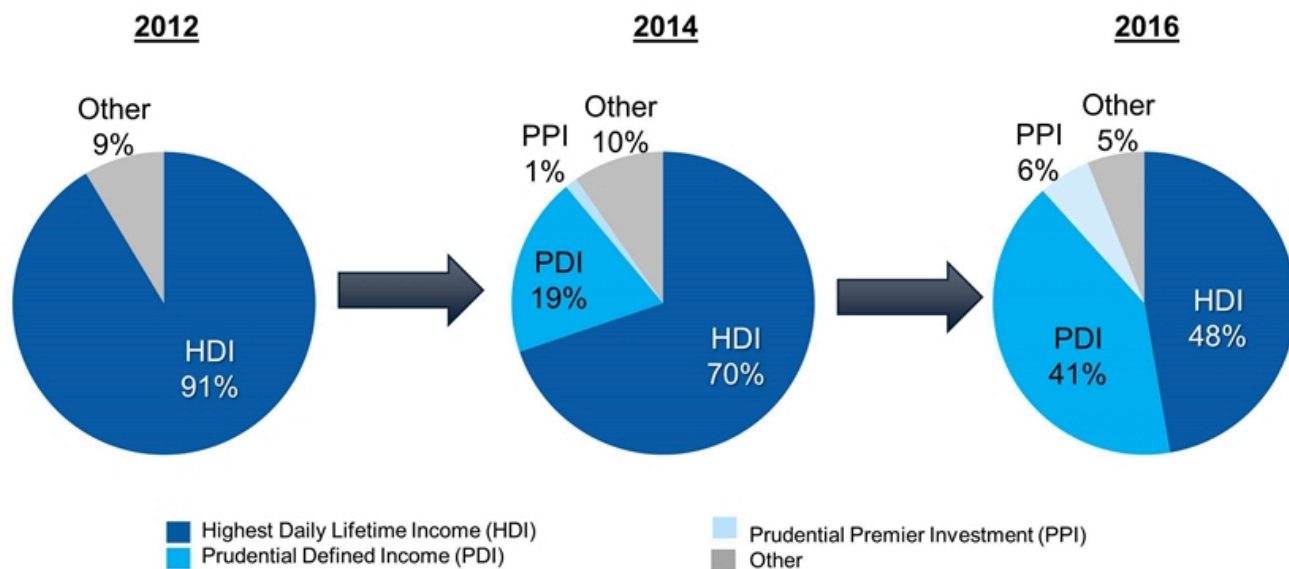


1) Pre-tax AOI excluding market driven and discrete items divided by average account values based on daily averages of separate accounts.

CONTINUED SALES DIVERSIFICATION⁽¹⁾



- Better diversification in product sales reduces risk and sales volatility



1) Sales represent gross sales.



Investor Day 6.6.2017

SUMMARY



- Product diversification drives continued growth opportunity
- Well managed risk and strong expected cash flows
- Broadening buyer universe, including worksite access



Solid in force earnings
and cash flow with long-
term growth opportunities



PRUDENTIAL FINANCIAL, INC. INTERNATIONAL INSURANCE

CHARLES F. LOWREY
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER



KEY MESSAGES



- Sustained growth, strong returns and capital generation
- Solid execution and differentiated business model help to successfully navigate across economic landscapes
- Japan remains a highly attractive market for Prudential
- Attractive opportunities outside Japan enhance long-term prospects

OPPORTUNITIES AND CHALLENGES



Opportunities

- Distribution expansion (Proprietary and Third Party channels)
- Retirement and estate planning
- Expanding existing markets: Brazil, India
- Select new market entry, e.g. Chile

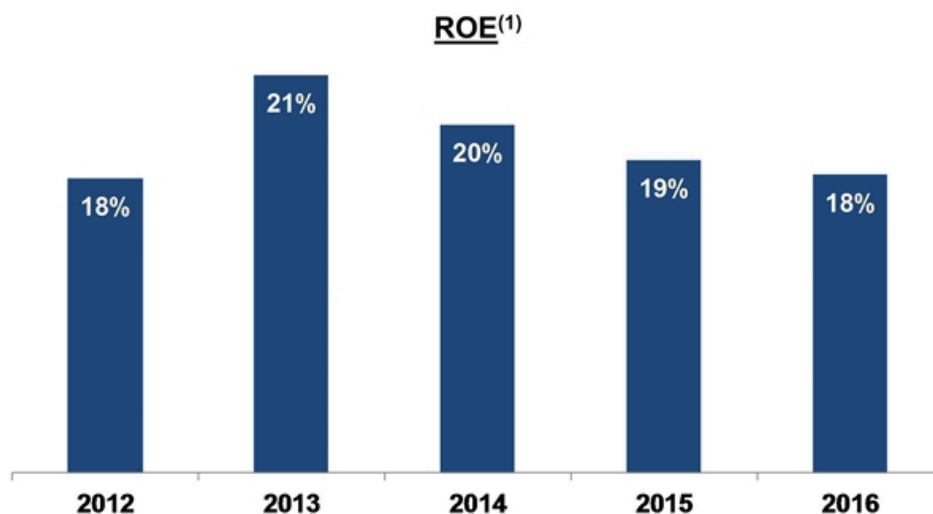
Challenges

- Low interest rates
- Necessity to adapt products to regulatory changes (discount rate changes, new mortality tables, etc.)
- Product repricing / suspensions
- Increased competition for USD product sales in Japan

HIGH RETURN BUSINESS



- International Insurance operations generate sustainable high ROE



1) Operating return on average equity (ROE) based on after-tax AOI, excluding market driven and discrete items as disclosed in the company's earnings release, using the effective tax rate applicable to Prudential's overall adjusted operating income for 2015 and 2016 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.

SUSTAINED STRONG EARNINGS AND TRACK RECORD OF GROWTH



- Sustained earnings growth despite market challenges, including the adverse impact of foreign currency exchange rates and declining interest rates

International Insurance Pre-tax AOI⁽¹⁾

(\$ billions)

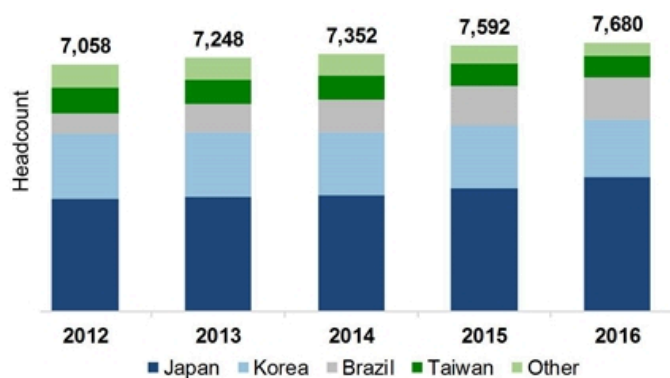


1) Reported AOI is not adjusted for market driven and discrete items.

STEADY GROWTH IN LP COUNT & CONSTANT CURRENCY AOI SINCE 2012



Life Planner Count

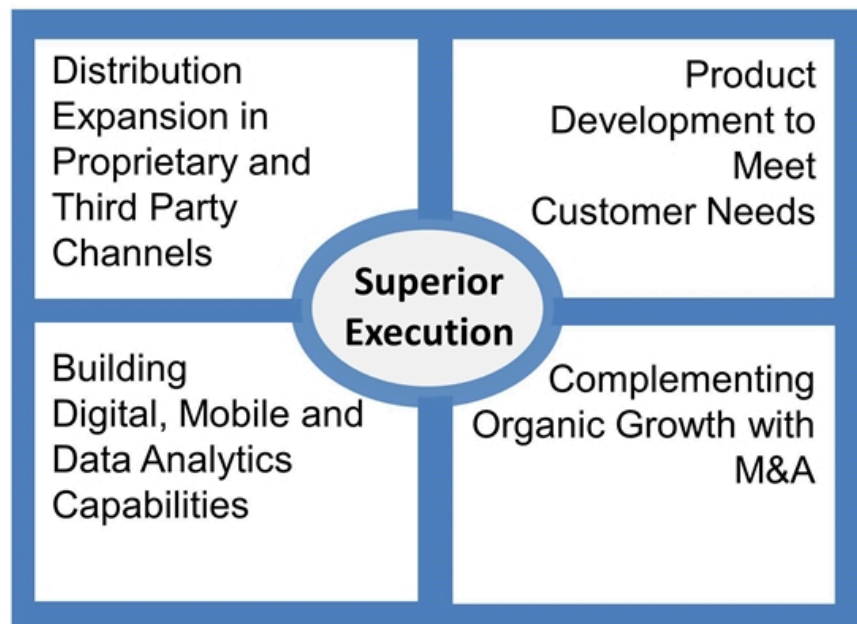


Constant Currency AOI Growth⁽¹⁾



1) Constant Exchange Rate Reported AOI; foreign denominated activity translated to U.S. Dollars at uniform exchange rates, including Japanese Yen 112 per U.S. Dollar and Korean Won 1130 per U.S. Dollar.

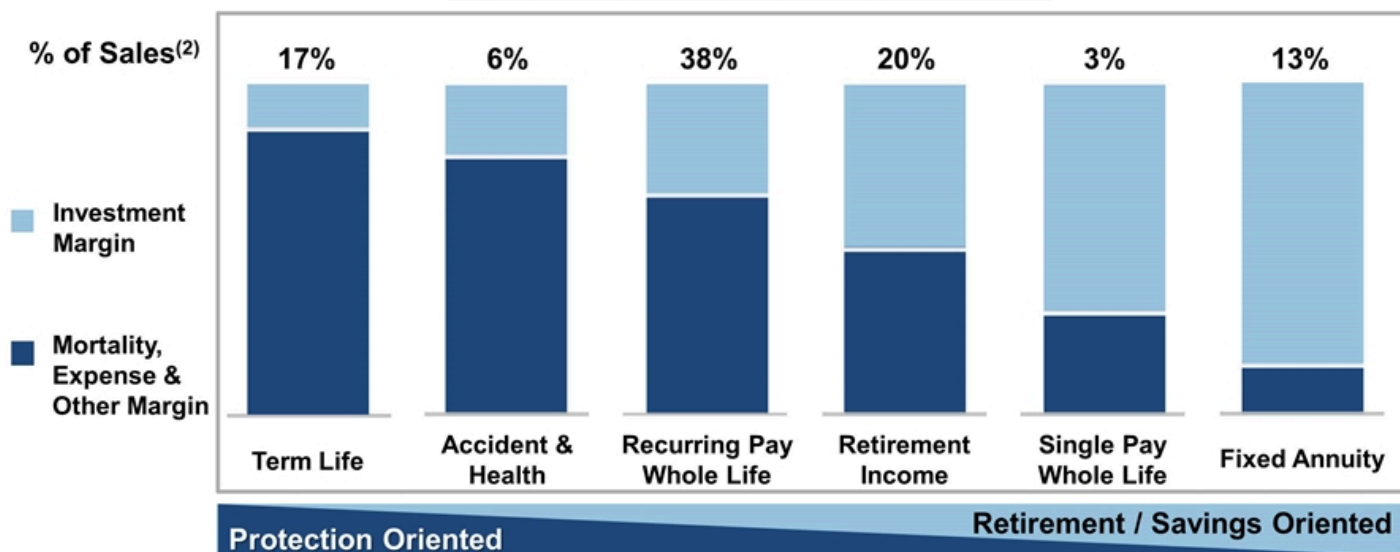
CONSISTENT INTERNATIONAL STRATEGY A KEY TO SUCCESS



RETURNS PRIMARILY DERIVED FROM MORTALITY AND EXPENSE MARGINS



International Insurance Source of Earnings⁽¹⁾



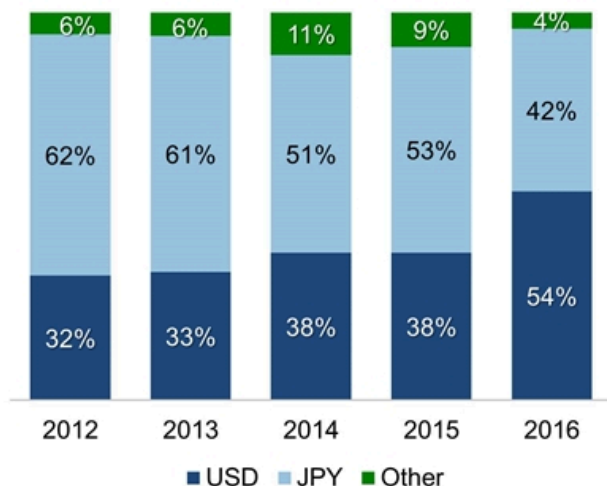
1) Conceptual illustration based on typical products with assumed profitability structure at time of sale; not intended to depict precise allocation of earnings sources.

2) Based on annualized premiums from 2016; total does not add up to 100% as there is a small group of products which do not fall into these six categories that are not included.

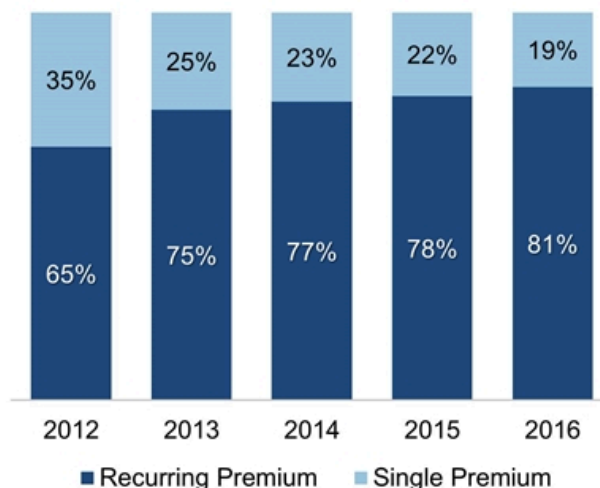
STRATEGIC MANAGEMENT OF JAPAN'S PRODUCT PORTFOLIO



Migration of Sales to USD Products⁽¹⁾



More Recurring Premium Products⁽¹⁾



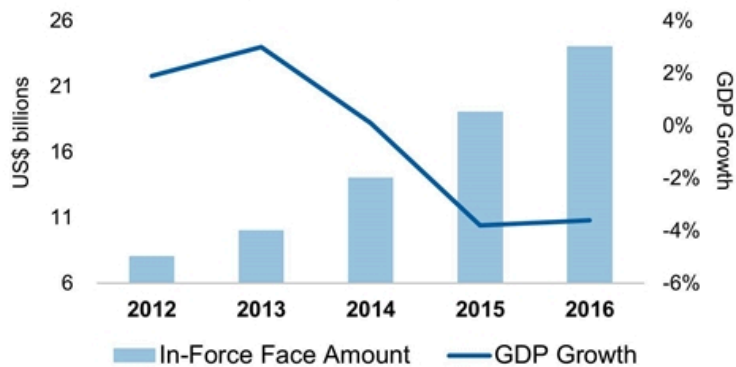
1) Annualized new business premiums.

SELECT GROWTH MARKETS



Brazil

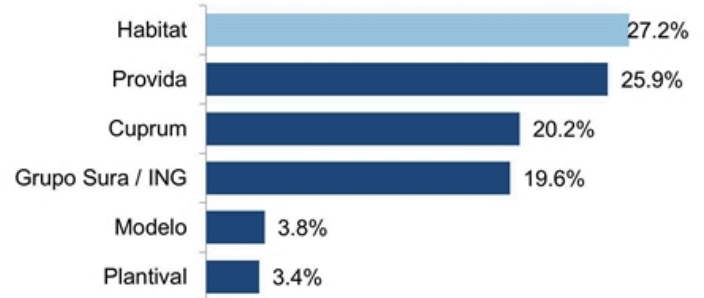
In-Force Face Amount vs GDP Growth



- Life Planner insurance business modeled on successful Japanese operation
- Strong sales productivity and retention
- Strong growth of in-force despite GDP decline

Chile

Market Share By AUM
(As of March 2017)



Source: SPS local regulatory authority

- Habitat: #1 ranked mandatory pension provider
- Lowest fees among top players, supported by efficient cost structure
- Leading provider of “voluntary” market share

INVESTMENTS IN OWNERSHIP STAKES



Strategic Approach

- Selective markets with attractive growth opportunities
- Good fit for our proven business models
- Prudent evaluation of prospective returns
- Thoughtful ownership approach to new markets

Recent Highlights



Brazil

- Acquired a portfolio of group life insurance business from Itaú



Chile

- Acquisition of 40% stake in AFP Habitat in March 2016 expands footprint in Latin America



India

- Increased ownership of joint venture to 49%

SUMMARY



- Superior execution and differentiated business model
- Japan remains highly attractive market
- Continued investment outside Japan enhances long-term prospects



Solid earnings and capital generation with long-term growth opportunities



PRUDENTIAL FINANCIAL, INC. INVESTMENT PORTFOLIO UPDATE

SCOTT SLEYSTER
SENIOR VICE PRESIDENT
CHIEF INVESTMENT OFFICER





4 KEY PRINCIPLES



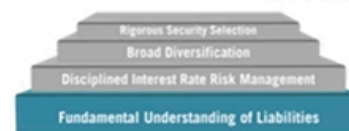
OUR APPROACH TO PORTFOLIO MANAGEMENT



DISCIPLINED LIABILITY-DRIVEN INVESTING



- Portfolio managers aligned with business units
 - Comprehensive understanding of product liability characteristics
 - First line of defense against key investment and market risks
- Participation in product design and pricing committees
- Portfolio construction designed to hedge product liabilities
 - Segmentation by key liability characteristics

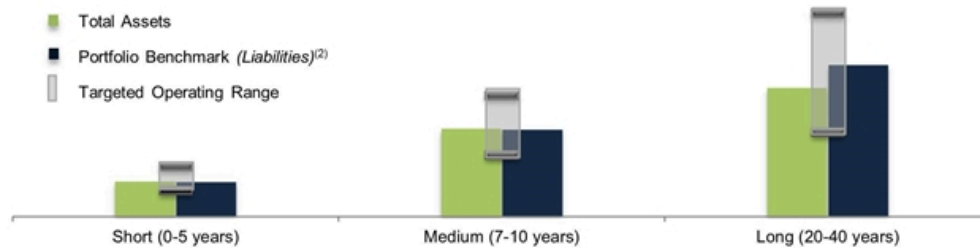


STRONG ASSET LIABILITY MANAGEMENT AND WELL-MANAGED INTEREST RATE RISK



- Cash flows are well matched within the investable horizon, substantially providing the liquidity to meet the product cash flow requirements
- Average asset duration as of 12/31/16 was 8.5 years versus liability duration benchmark of 9.2 years
- Interest rate risk is managed through Key Rate Duration (KRD) targets
- KRDs are monitored across multiple duration ranges
 - Limits are set within three targeted operating ranges

Interest Rate Sensitivity Using Key Rate Duration⁽¹⁾



1) Approximate change in market value per 1 basis point change in interest rates as of 12/31/16.

2) Portfolio benchmark includes surplus duration benchmark.

DIVERSIFIED & HIGH QUALITY INVESTMENT PORTFOLIO

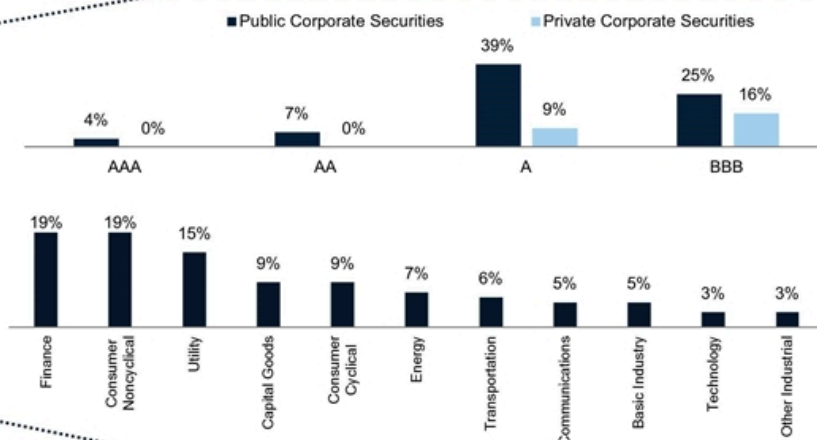
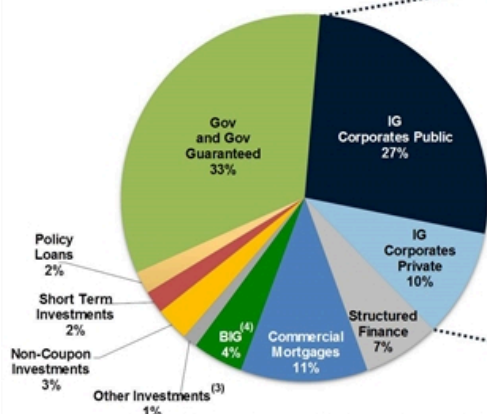


- General Account (GA) portfolio is well diversified across asset classes
- High quality portfolio with ~92% in Investment Grade (IG) assets⁽¹⁾



Portfolio Composition⁽²⁾

\$379 billion



Note: Data is based on total corporate securities excluding foreign agencies. Ratings disclosed at lowest agency rating.

1) Excludes Below Investment Grade (BIG), Non-Coupon and Other Investments.

2) Represents Prudential Financial, Inc. (PFI) GA excluding the Closed Block Division (CBD) as of 12/31/16 on a U.S. GAAP carrying value basis.

3) Other Investments consist of leveraged leases, derivatives, and other trading account assets.

4) Represents BIG fixed maturities and other high yield exposures.

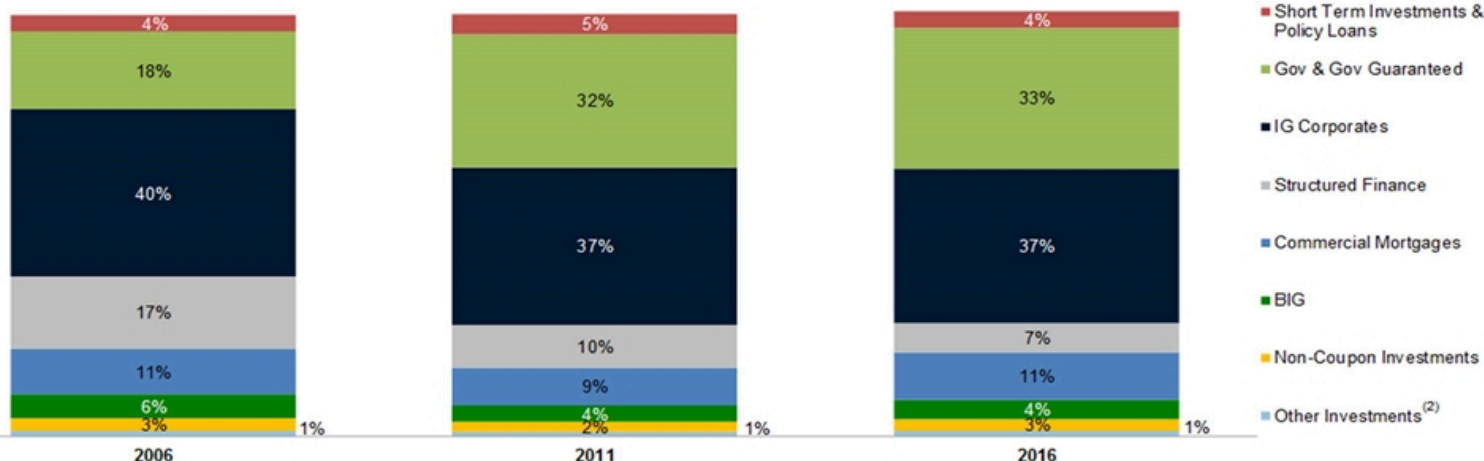
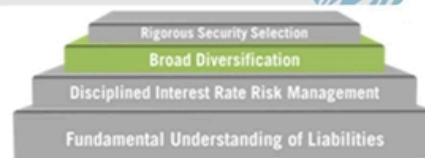


Investor Day 6.6.2017

ASSET MIX HAS REMAINED RELATIVELY CONSISTENT



- Asset mix⁽¹⁾ continues to be well diversified and quality focused
- Below Investment Grade (BIG) holdings have decreased to 4% over the past decade



1) Represents Prudential Financial, Inc. (PFI) GA excluding the Closed Block Division (CBD) on a U.S. GAAP carrying value basis.

2) Other Investments consist of leveraged leases, derivatives, and other trading account assets.

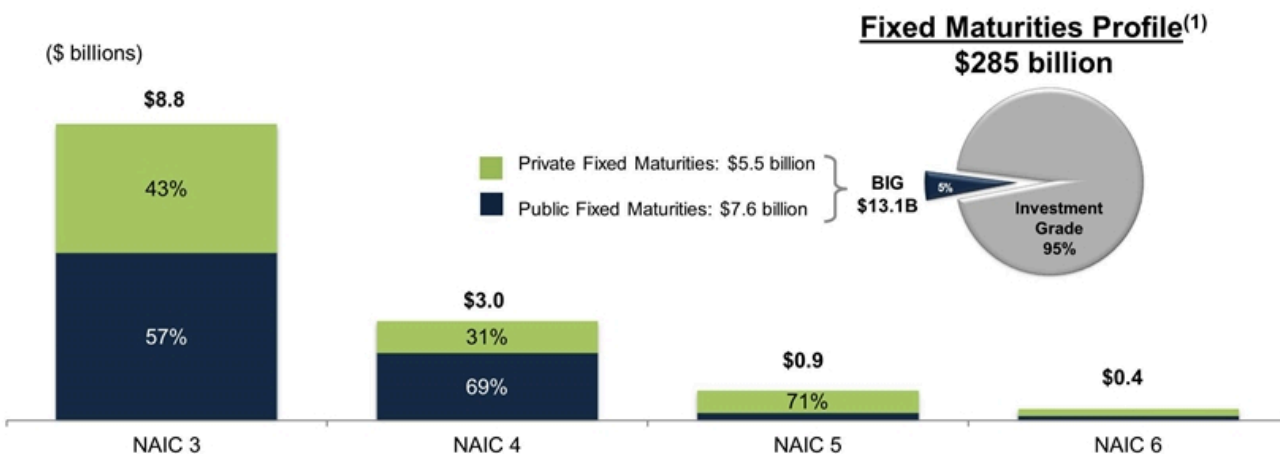


Investor Day 6.6.2017

MODEST BELOW INVESTMENT GRADE EXPOSURE



- BIG holdings are concentrated in the higher quality (NAIC 3) bucket
- Private placements comprise over 40% of BIG holdings

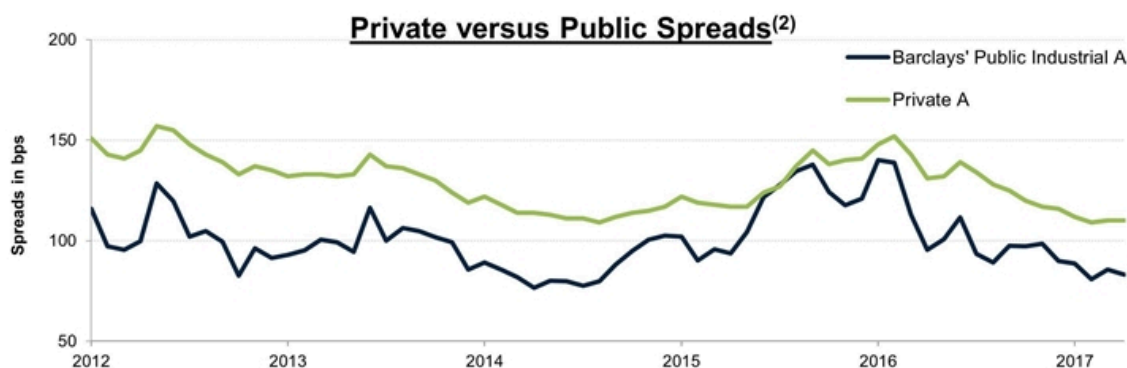


1) Represents PFI GA excluding the CBD based on fair value as of 12/31/16. BIG exposure reflects fixed maturity securities with NAIC ratings 3-6 and equivalent ratings for investments in international insurance operations.

VALUE DERIVED FROM PRIVATE CORPORATE BONDS



- Internal sourcing of private placements provides competitive advantages:
 - Diversification benefits
 - Illiquidity premium
 - Favorable recovery experience
 - Rate bumps upon credit migration
- Private bond holdings⁽¹⁾ are over 98% “Reg D” versus “144A”



1) Based on statutory filings.

2) Public Spreads - Barclays, Private Spreads - Private Bankers' Survey.

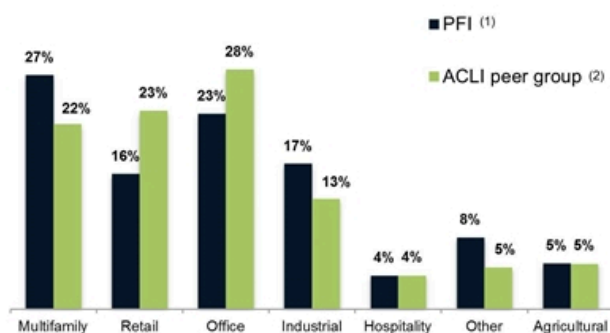
WELL DIVERSIFIED COMMERCIAL MORTGAGE PORTFOLIO



- Commercial mortgage portfolio well diversified by property type and region
 - Modest Loan-to-Value (LTV) ratios ~55%
 - Strong Debt Service Coverage (DSCR) ratios ~2.4x
- Only 2% of holdings have LTV greater than 70% and DSCRs less than 1.2x
- We are underweight the retail sector relative to ACLI averages



Sector Mix



Prudential Portfolio⁽¹⁾

Type	Gross Carrying Value (\$B)	%	Loan-to-Value	Debt Service Coverage Ratio
Multifamily	\$11.4	27%	59%	2.3x
Retail	\$6.6	16%	50%	2.4
Office	\$9.6	23%	54%	2.6
Industrial	\$7.0	17%	58%	2.2
Hospitality	\$1.7	4%	51%	2.1
Other	\$3.4	8%	58%	2.5
Agricultural	\$2.3	5%	39%	2.6
Total	\$42.0	100%	55%	2.4x

1) Represents PFI excluding the CBD as of 12/31/16.

2) American Council of Life Insurers (ACLI) peer group represents average commercial mortgage allocations by sector for participating life insurance companies, excluding PFI. ACLI percentages shown exclude non-USD denominated loans.

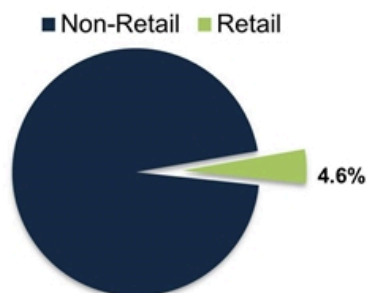
TOTAL DIRECT⁽¹⁾ RETAIL EXPOSURE ~4.6%



- The majority of the retail corporate bond exposure is rated A or better and is ~90% IG
- Well diversified commercial mortgage portfolio
- Limited allocation to potentially “at-risk” segments (Regional Malls & Community Centers)



% of Portfolio⁽²⁾



Retail Sector Exposure

Type	Book Value (\$B)	%
Commercial Mortgages:		
Dominant Mall	\$2.0	
Regional Mall	\$0.9	
Grocer Anchored	\$2.4	
Community Center	\$1.1	
Other	\$0.2	
Total Commercial Mortgages	\$6.6	1.7%
Corporate Bonds	\$6.7	1.8%
CMBS⁽³⁾	\$3.0	0.8%
Equity Real Estate	\$1.0	0.3%
Total	\$17.3	4.6%

1) Excludes indirect retail exposure embedded in non-coupon holdings such as private equity investments in retail.

2) Represents PFI excluding the CBD as of 12/31/16 on a U.S. GAAP carrying value basis.

3) Retail exposure included in the approximately \$9 billion of diversified collateral CMBS pools in the fixed maturities portfolio, with ~90% rated AAA and ~10% rated AA as of 12/31/16.

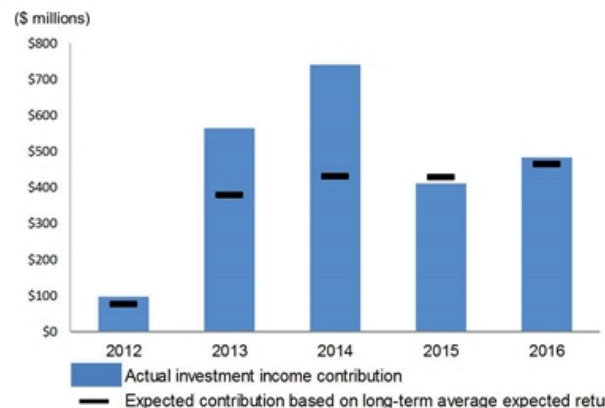
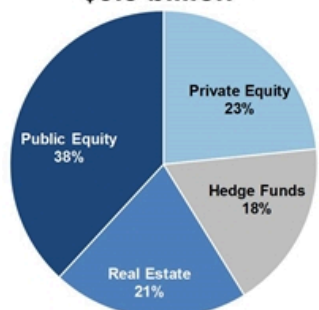
WELL DIVERSIFIED NON-COUPON PORTFOLIO



- Comprises ~3% of total invested assets
- Supports long-duration liabilities and surplus
- Blended long-term annual return expectation of ~5-6%⁽¹⁾
- Managed by dedicated team with extensive asset class expertise



Total Non-Coupon Portfolio \$9.3 billion⁽²⁾



- 1) Reflects long-term expected return on the blend of assets based on adjusted operating income; including dividends and excluding capital appreciation from the public equity portfolio.
 2) Represents PFI GA portfolio excluding the CBD as of 12/31/16 on a U.S. GAAP carrying value basis. Excludes Corporate & Other and investments in leveraged leases, and other alternatives.

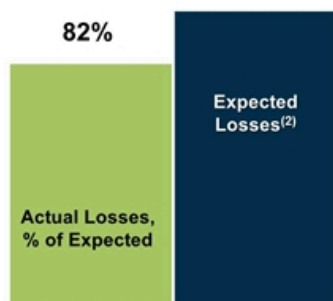
CREDIT LOSSES HAVE BEEN BELOW EXPECTATIONS



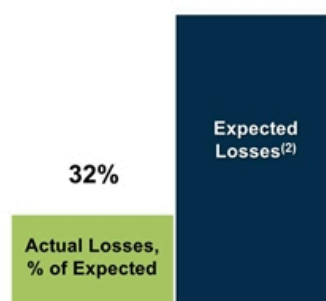
- Actual credit losses have been below expectations
 - High quality and strong portfolio diversification
 - Value of direct PGIM origination channels



Previous credit cycle: 2004 – 2010⁽¹⁾



Current credit cycle: 2011 – Date⁽¹⁾



1) Includes Available for Sale (AFS) and Held to Maturity (HTM) public and private corporates, structured securities and government bonds; Excludes mortgage loans and related loss reserves.

2) Reflects internally modeled expected credit losses which is factored in product pricing.

STRONG PARTNERSHIP WITH PGIM



VALUE CREATION FROM CLOSE COLLABORATION WITH PGIM ASSET MANAGERS



- Access to best in class investment expertise of a top 10 Asset Manager
- Outstanding private and mortgage origination capabilities
- Enhanced competitiveness on Pension Risk Transfer and other opportunities
- Average PGIM senior management team experience ~25 years

SUMMARY



- Liability-driven and well-matched portfolio
- High quality and broadly diversified investment profile across asset classes
- Distinctive advantage from PGIM origination and asset management capabilities

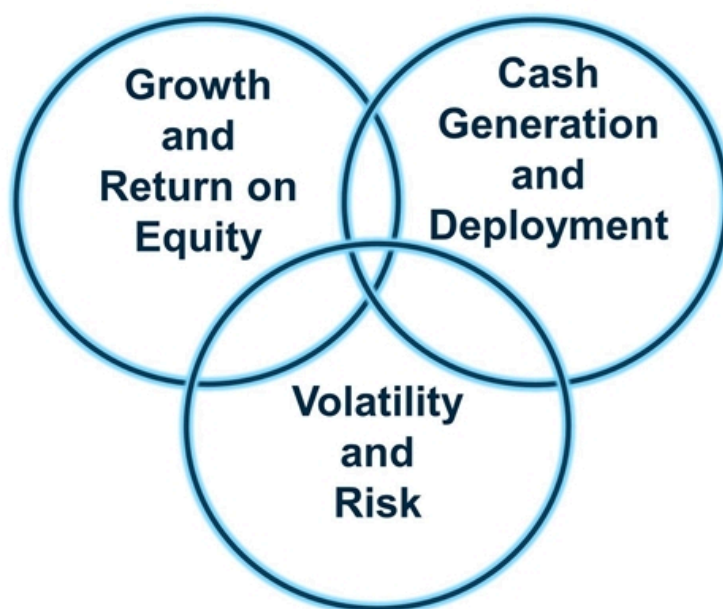


PRUDENTIAL FINANCIAL, INC.
FINANCIAL MANAGEMENT

ROB FALZON
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER



THE 'BALANCING ACT'

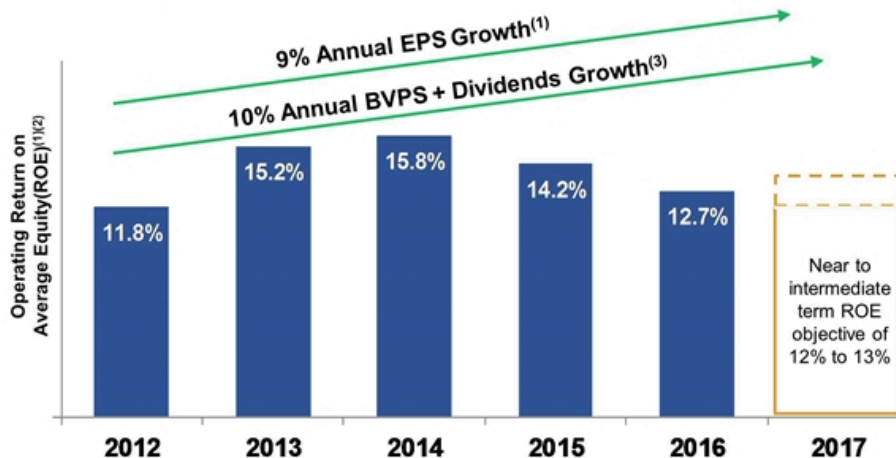


BALANCE PRODUCES SUPERIOR FINANCIAL STRENGTH AND SHAREHOLDER VALUE CREATION

SUPERIOR RETURN PROFILE

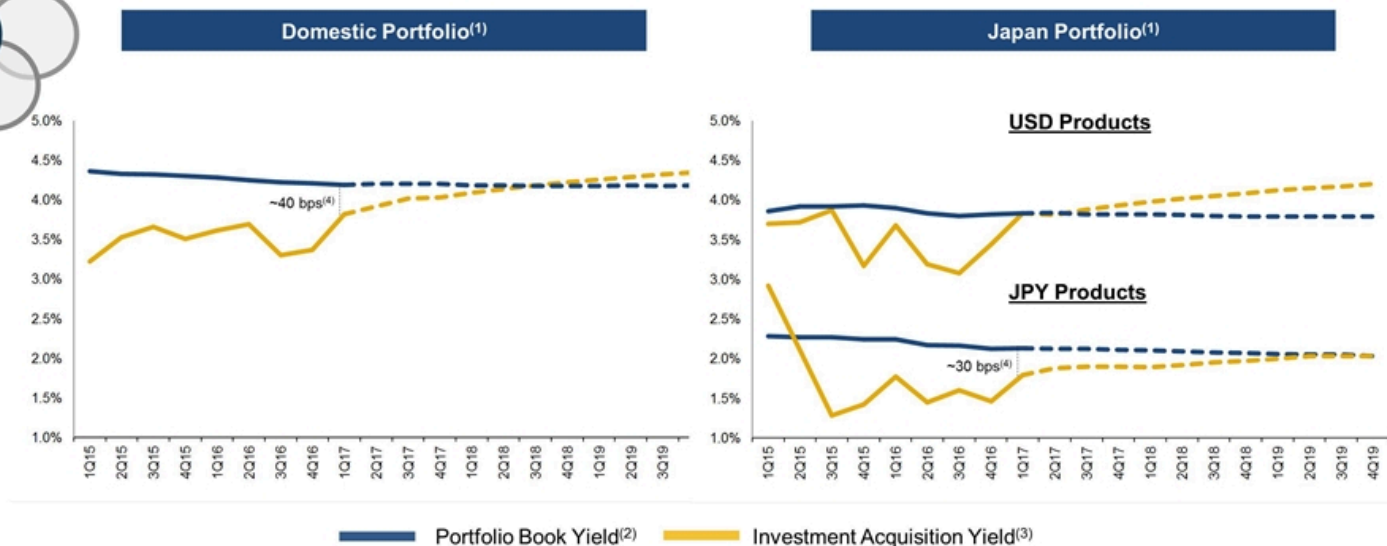


- Complementary mix of businesses with competitive advantages that produce superior ROEs and generate organic growth
- Expect to navigate market headwinds while investing in long-term growth initiatives and maintaining a balanced risk profile



- 1) Five year growth (2011-2016); EPS based on AOI excluding market driven and discrete items taxed at a 35% rate for purposes of EPS and ROE calculations.
- 2) ROE based on after-tax AOI excluding market driven and discrete items and adjusted book value as shown in disclosure section; 2012-2014 reflects results for Financial Services Businesses (FSB); 2015 and thereafter represents Prudential Financial, Inc. (PFI).
- 3) Five year growth (2011-2016); represents adjusted book value plus cumulative dividends per share.

INTEREST RATE HEADWINDS: EXPECT YEAR-OVER-YEAR IMPACT TO LESSEN IN THE NEAR TERM AS PORTFOLIO BOOK YIELD CONVERGES WITH INVESTMENT ACQUISITION YIELDS

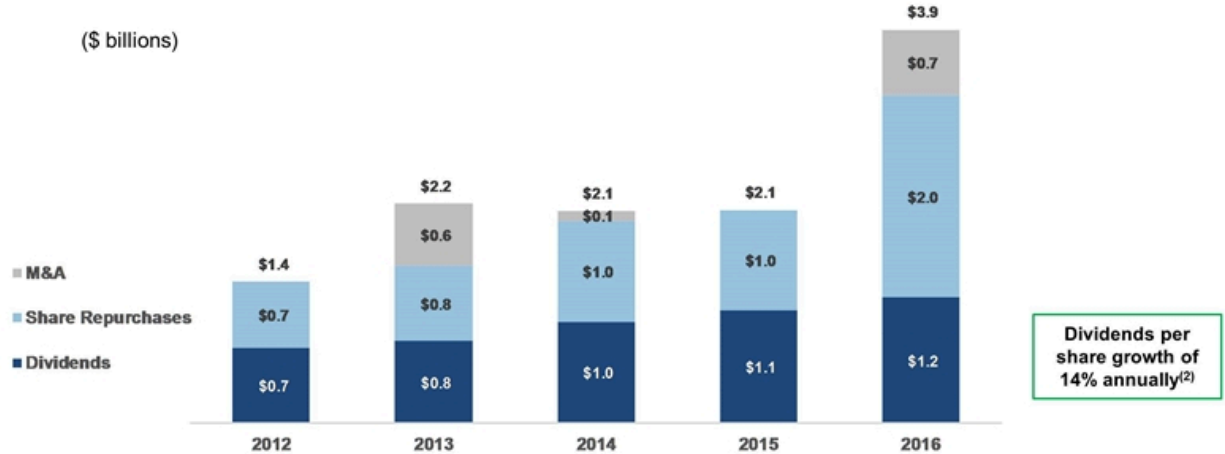


- 1) Fixed Income and Mortgage Portfolio; Domestic Portfolio excludes the Closed Block Division and Divested Businesses. Japan Portfolio includes USD and JPY blocks in the Gibraltar and POJ Businesses. "USD" and "JPY" are indicative of the currency of the products that the assets are supporting.
- 2) Future period rates assume scheduled maturities are reinvested at the new acquisition yield and asset balances / asset mix remain constant from year-end 2017 expected balances.
- 3) Future acquisition yields are based on forward yield curves and projected spreads, as applicable.
- 4) Represents bps difference between average portfolio book yield and investment acquisition yield for 1Q17.

SIGNIFICANT CAPITAL REDEPLOYMENT



- We expect free cash generation from our businesses of ~60% of after-tax AOI, on average over time, enabling steady distributions to shareholders and other accretive uses
- Over the past 5 years, nearly \$12 billion of capital was deployed toward shareholder return and M&A, representing ~55% of after-tax AOI⁽¹⁾



1) After-tax AOI excluding market driven and discrete items taxed at a 35% rate. See disclosure section.

2) Five year growth (2011-2016).

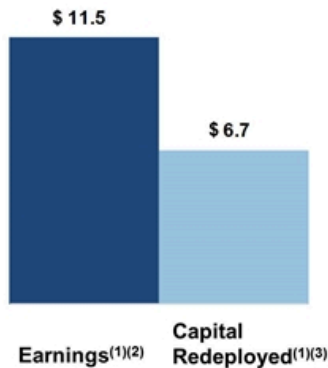
STRONG HISTORY OF CAPITAL GENERATION AND REDEPLOYMENT FROM JAPAN



- Redeployed ~60% of International after-tax AOI since 2012⁽¹⁾ through various means

Historical Capital Redeployment

(\$ billions)



Forms of Cumulative Redeployment⁽¹⁾⁽³⁾

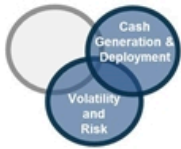


1) Data represents total International Insurance from 2012 through 2016 (Japan represents ~95% of the capital redeployed during that period).

2) Represents after-tax AOI results, using the effective tax rate of PFI for 2015-2016 and the former Financial Services Businesses for periods prior to 2015.

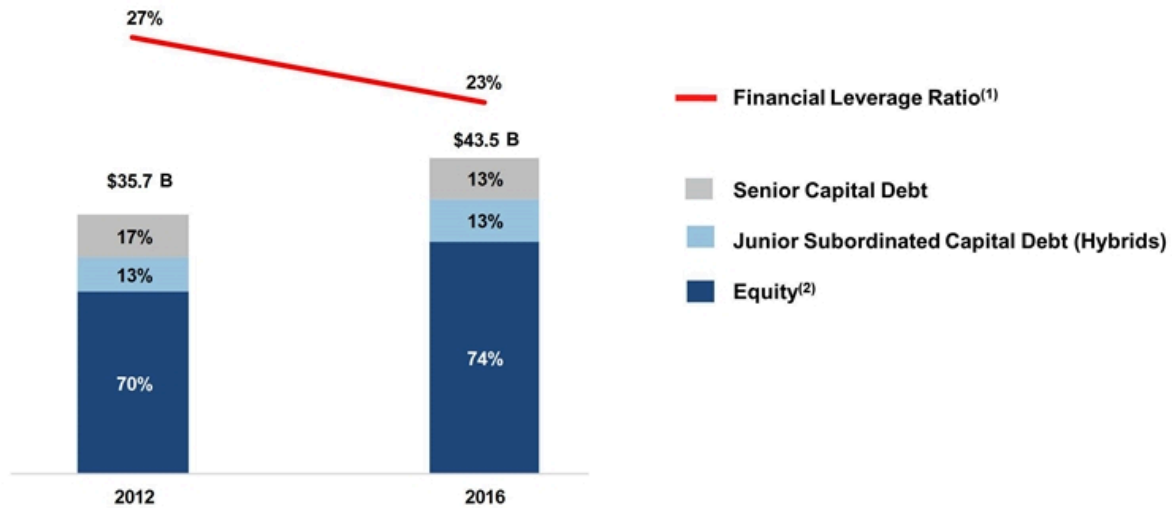
3) Capital redeployment from statutory entities excluding capital returned from Japan to the U.S. through the settlement of swaps on foreign currency exchange equity hedges.

CONSERVATIVE CAPITAL STRUCTURE WITH REDUCED FINANCIAL LEVERAGE



- Balance sheet strength enhances capital deployment flexibility and reduces risk profile

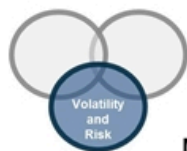
Total Capital and Financial Leverage



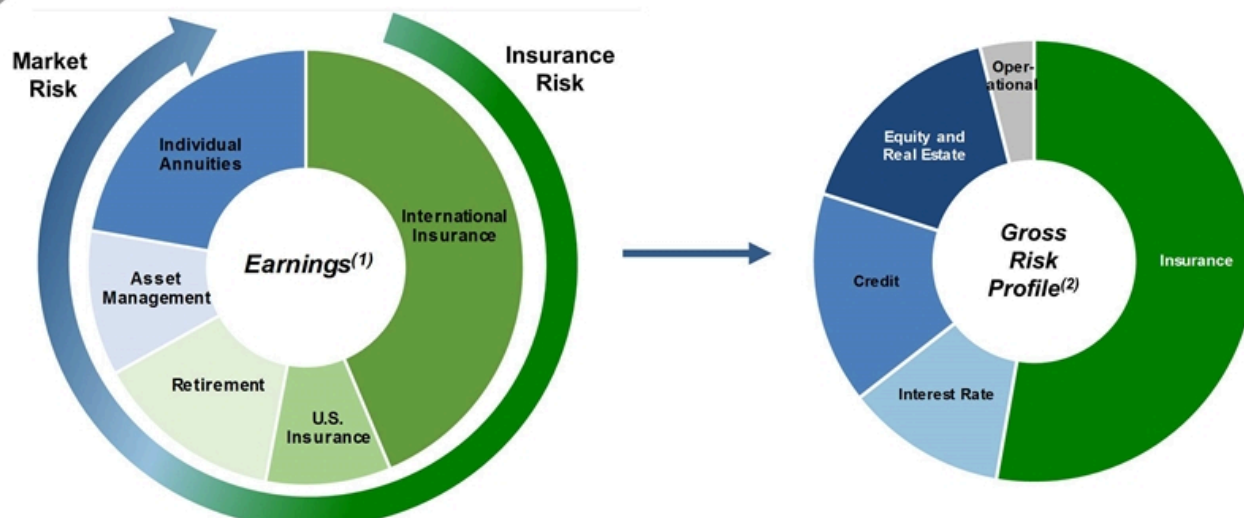
1) Financial leverage ratio defined as senior capital debt plus 75% hybrids divided by the senior capital debt plus 100% hybrids plus total equity (as defined below).

2) Equity in both periods excludes non-controlling interest, accumulated other comprehensive income (except for pension and post retirement unrecognized costs) and the impact of foreign currency exchange rate remeasurement.

BUSINESS MIX DRIVES A BALANCED RISK PROFILE

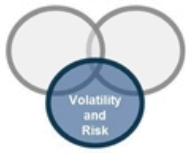


- Business mix drives a risk profile that is well-balanced between insurance and market risks

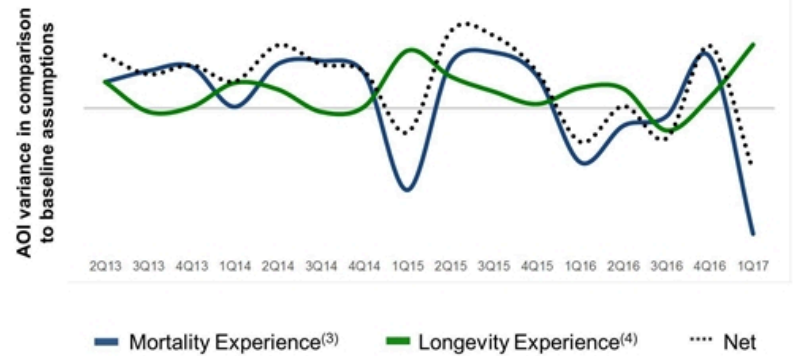
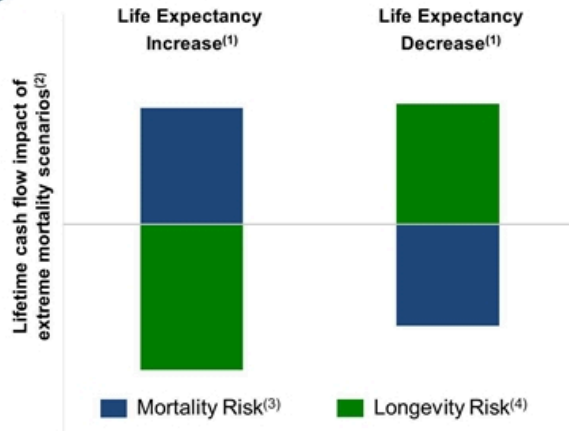


- 1) Represents segment contribution to 2016 pre-tax AOI, excluding market driven and discrete items as shown in disclosure section, and Corporate & Other.
- 2) Represents risk contribution to Risk Adjusted Capital, which is an internal risk-sensitive view of capital that is independent of regulatory factors and formulas. Data as of December 31, 2016. Percentages reflect gross risk prior to diversification benefits either within or between risk types. Insurance risks include mortality, longevity, morbidity and policyholder behavior.

OFFSETTING EXPOSURES BETWEEN MORTALITY & LONGEVITY BASED BUSINESSES

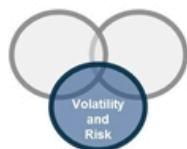


- Mortality and longevity risks are offsetting
- Historical experience shows a strong offset between longevity and mortality experience



- 1) Increase or decrease based on longevity improvement significantly differing from baseline improvement assumptions; mortality and longevity risks are asymmetrical.
- 2) Based on business in force as of 12/31/16.
- 3) Mortality generated by Individual Life, Group Life and International Insurance businesses.
- 4) Longevity generated by Retirement, Annuities and discontinued Long-Term Care businesses.

VARIABLE ANNUITIES: RESILIENT CASH FLOWS, EVEN UNDER EXTREME STRESS



- The variable annuities in force block is expected to generate strong future contract cash flows under a range of market conditions and policyholder behavior sensitivities
 - Represents the present value of future contract cash flows only; thus excludes the value from existing statutory reserves and capital of approximately \$11 billion, as of December 31, 2016
- Additionally, the business has on balance sheet capital and reserves to withstand cyclical stresses and still maintain resources to support a CTE 97 total asset requirement



1) PV of future cash flows reflect total contract cash flows based upon the in force book of business and initial interest rates as of 12/31/16. Excludes the value from existing statutory reserves and capital as of 12/31/16. Each scenario reflects impact of our dynamic lapse assumptions on policyholder behavior (lapse rates based upon in-the-moneyness and level of interest rates). Cash flows are shown on a present value basis, are discounted at projected U.S. Treasury rates, and reflect the results of hedging activity. See disclosure section for a description of assumptions.

ROBUST CAPITAL PROTECTION FRAMEWORK



- In addition to holding reserves and capital to "AA" standards across our businesses, we have a robust Capital Protection Framework in place which will ensure our ability to withstand severe market stress, while maintaining a competitive capitalization

Tail Stress Shocks⁽¹⁾

Equity Market	Down 45%
Interest Rate	Up 250 bps (U.S.) Down 100 bps (U.S.)
Credit	Great Depression
Currency	Yen appreciates to ~70USD

Our Toolbox

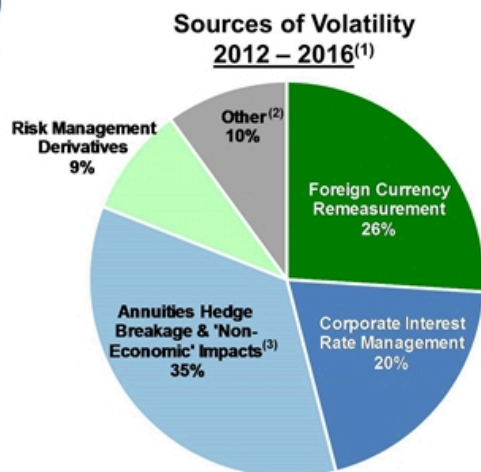
Capital Capacity On Balance Sheet
Derivatives & Hedging
Credit Facilities
Contingent Capital

1) Stress parameters assume immediate shock.

REDUCED COMPLEXITY AND VOLATILITY IN GAAP EARNINGS



- Significant actions taken to reduce GAAP earnings volatility



Actions Taken

- Implemented foreign currency division structure in Gibraltar Life
- Restructured Variable Annuities to manage all product-related risks in the Annuities business
 - Expect reduced volatility due to maturity and reflections of experience of the block
- Reduced notional value of duration management interest rate derivatives by ~60% and implemented hedge accounting for foreign currency hedges where permissible

1) Percentages represent contribution to GAAP volatility (sum of nominal difference between GAAP Net Income and after-tax AOI) from 2012-2016.

2) Primarily includes portfolio trading gains and losses, impairments and credit losses and divested business results.

3) Includes impacts of assumption updates. Non-economic impacts mainly represent the unhedged component on certain variable annuity reserves, including risk margins and non-performance risk.

KEY TAKEAWAYS



- Complementary mix of businesses with competitive advantages that result in high-quality, diversified sources of earnings, cash flows and growth as well as a well-balanced risk profile
- Expect to continue to produce superior ROEs, while navigating market headwinds and investing in growth initiatives with long-term benefits
- Balance sheet strength, capital position and cash generation support disciplined shareholder return and financial flexibility
- Continue to reduce complexity and GAAP earnings volatility while improving transparency of our financial results
- Focus on talent and leadership enables execution, fosters innovation and builds long-term success



PRUDENTIAL FINANCIAL, INC. 2017 FINANCIAL STRENGTH SYMPOSIUM

MARK FINKELSTEIN
SENIOR VICE PRESIDENT
INVESTOR RELATIONS



FORWARD LOOKING STATEMENTS AND NON-GAAP MEASURES



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, 2016. 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 adjusted book value, as well as operating return on average equity, which is based on adjusted operating income and adjusted book value. Consolidated adjusted operating income and adjusted book value are not calculated based on accounting principles generally accepted in the United States of America (GAAP). For additional information about adjusted operating income, adjusted book value and the comparable GAAP measures, including a reconciliation between the comparable measures, please refer to our quarterly results news releases, which are available on our Web site at www.investor.prudential.com. Reconciliations are also included as part of this presentation.

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The risks associated with each fund are explained more fully in each fund's respective prospectus and summary prospectus. There is no guarantee that a Fund's objectives will be achieved. Class Q and Class Z shares are available to individual investors through certain retirement, mutual fund wrap and asset allocation programs, and to institutions at an investment minimum of \$5,000,000. Please see the current prospectus for more detailed information.

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The Morningstar Rating for funds, or "star rating", is calculated for mutual funds with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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VARIABLE ANNUITIES CASH FLOW ASSUMPTIONS



- Present value of cash flows reflect total contract cash flows based upon the in force book of business and initial interest rates as of 12/31/16. Excludes any benefit from release of capital and excess reserves. Each scenario reflects impact of our dynamic lapse assumptions on policyholder behavior (lapse rates based upon in-the-moneyness and level of interest rates)
- Cash flows are shown on a present value basis, are discounted at projected U.S. Treasury rates, and reflect the results of hedging activity
- Baseline represents current assumptions based on GAAP best estimates as of 12/31/16. The Company updates its assumptions annually in connection with reporting second quarter financial results.
- Equity market return of 5.6% grading to 8.0% by year 6 and includes 2% dividend yield
- Interest rates assume a 10 year U.S. Treasury of 2.45% grading to 4.0% by year 10
- Policyholder behavior assumptions for guaranteed lifetime withdrawal benefit products only
- Cash Flows assume Living Benefit Liability is managed using an asset liability management strategy which includes fixed income instruments and derivatives

RECONCILIATIONS BETWEEN ADJUSTED OPERATING INCOME AND THE COMPARABLE GAAP MEASURE⁽¹⁾



(\$ millions)

	2011	2012	2013	2014	2015	2016
Net income (loss) attributable to Prudential Financial, Inc.	\$3,486	\$ 479	\$ (713)	\$1,533	\$5,642	\$4,368
Income attributable to noncontrolling interests	34	50	107	57	70	51
Net income (loss)	3,520	529	(606)	1,590	5,712	4,419
Less: Income from discontinued operations, net of taxes	35	17	7	11	-	-
Income (loss) from continuing operations (after-tax)	3,485	512	(613)	1,579	5,712	4,419
Less: Income attributable to noncontrolling interests	34	50	107	57	70	51
Income (loss) from continuing operations attributable to Prudential Financial, Inc.	3,451	462	(720)	1,522	5,642	4,368
Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	148	10	(48)	(41)	(55)	(2)
Income (loss) from continuing operations (after-tax) before equity in earnings of operating joint ventures	3,303	452	(672)	1,563	5,697	4,370
Reconciling items:						
Realized investment gains (losses), net, and related charges and adjustments	847	(2,809)	(8,149)	(4,130)	1,579	523
Investment gains (losses) on trading account assets supporting insurance liabilities, net	223	610	(250)	339	(524)	(17)
Change in experience-rated contractholder liabilities due to asset value changes	(123)	(540)	227	(294)	433	21
Divested businesses:						
Closed Block division	-	-	-	-	58	(132)
Other divested businesses	90	(615)	29	167	(66)	(84)
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(227)	(29)	28	44	58	(5)
Total reconciling items, before income taxes	810	(3,383)	(8,115)	(3,874)	1,538	306
Income taxes, not applicable to adjusted operating income	424	(816)	(2,857)	(1,082)	490	43
Total reconciling items, after income taxes	386	(2,567)	(5,258)	(2,792)	1,048	263
After-tax adjusted operating income	2,917	3,019	4,586	4,355	4,649	4,107
Income taxes, applicable to adjusted operating income	1,023	1,008	1,783	1,537	1,582	1,292
Adjusted operating income before income taxes	\$3,940	\$4,027	\$6,369	\$5,892	\$6,231	\$5,399

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

RECONCILIATIONS FOR PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2011	2012	2013	2014	2015	2016
Pre-tax adjusted operating income⁽¹⁾	\$ 3,940	\$ 4,027	\$ 6,369	\$ 5,892	\$ 6,231	\$ 5,399
Reconciling items:						
Unlockings and experience true-ups ⁽²⁾	(202)	(10)	574	(420)	220	(310)
Integration costs for Hartford Life	-	(15)	(51)	(32)	(17)	-
Gains on sales of business/investments ⁽³⁾	394	26	66	-	-	-
Impact of earthquake in Japan	(69)	-	-	-	-	-
Debt extinguishment costs	-	(31)	(27)	-	-	(36)
Integration costs for Star/Edison	(213)	(138)	(28)	-	-	-
Other ⁽⁴⁾	(119)	(43)	-	-	(80)	(14)
Sub-total	(209)	(211)	534	(452)	123	(360)
Pre-tax adjusted operating income excluding market driven and discrete items	\$ 4,149	\$ 4,238	\$ 5,835	\$ 6,344	\$ 6,108	\$ 5,759

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com. Represents results of FSB for periods prior to 2015.

2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period, as well as annual reviews of actuarial assumptions and refinements of reserves and amortization of deferred policy acquisition and other costs. Includes charge for potential contract cancellations in 2015.

3) Includes gain on sale of investment in Afore XXI, as well as an impairment and gains on certain other investments.

4) Includes charges related to the administration of certain separate account investments, true-up of legal reserves and employee benefit accruals, and impairments and write-offs of intangible assets.

RECONCILIATION FOR EARNINGS PER SHARE EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



Adjusted Operating Income basis:	2011	2016
Earnings Per Share	\$ 5.97	\$ 9.13
Reconciling items:		
Unlockings and experience true-ups ⁽²⁾	(0.27)	(0.45)
Debt extinguishment costs	-	(0.05)
Gains on sales of businesses/investments ⁽³⁾	0.53	-
Integration costs for Star/Edison	(0.29)	-
Impact of earthquake in Japan	(0.09)	-
Other ⁽⁴⁾	(0.16)	(0.02)
Sub-total	(0.28)	(0.52)
Earnings Per Share - excluding market driven and discrete items	\$ 6.25	\$ 9.65

- 1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com. Diluted; based on after-tax AOI; tax effect for market driven and discrete items at 35%. 2011 represents results of FSB.
- 2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period, as well as annual reviews of actuarial assumptions and refinements of reserves and amortization of deferred policy acquisition and other costs.
- 3) Includes gain on sale of investment in Afore XXI and gains on certain other investments.
- 4) Includes true-up of legal reserves.

RECONCILIATIONS BETWEEN ADJUSTED BOOK VALUE AND THE COMPARABLE GAAP MEASURE⁽¹⁾



(\$ millions, except per share data)

	December 31,					
	2011	2012	2013	2014	2015	2016
GAAP book value	\$ 32,694	\$ 37,006	\$ 33,885	\$ 40,981	\$ 41,890	\$ 45,863
Less: Accumulated other comprehensive income (AOCI)	5,077	9,990	8,586	15,882	12,285	14,621
GAAP book value excluding AOCI	27,617	27,016	25,299	25,099	29,605	31,242
Less: Cumulative effect of foreign exchange remeasurement and currency translation adjustments corresponding to realized gains/losses	958	(179)	(2,818)	(4,783)	(3,747)	(3,199)
Adjusted book value	26,659	27,195	28,117	29,882	33,352	34,441
 Number of diluted shares	 475.1	 468.2	 468.7	 461.5	 453.2	 436.2
 GAAP book value per common share - diluted ⁽¹⁾	 68.81	 79.04	 72.30	 88.80	 92.39	 104.91
GAAP book value excluding AOCI per share - diluted	58.13	57.70	53.98	54.39	65.32	71.62
Adjusted book value per common share - diluted	56.11	58.08	59.99	64.75	73.59	78.95

1) Book value per share of Common Stock including AOCI as of December 31, 2016 includes a \$500 million increase in equity and a 5.75 million increase in diluted shares reflecting the dilutive impact of exchangeable surplus notes when book value per share is greater than \$86.92. Book value per share of Common Stock including AOCI as of December 31, 2015 includes a \$500 million increase in equity and a 5.6 million increase in diluted shares reflecting the dilutive impact of exchangeable surplus notes when book value per share is greater than \$88.90. Book value per share of Common Stock including AOCI for periods as of December 31, 2014 and prior excludes the impact of exchangeable surplus notes due to the anti-dilutive impact of conversion.

RECONCILIATION FOR U.S. BUSINESSES PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	<u>2016</u>
U.S. Businesses pre-tax adjusted operating income	\$ 3,863
Reconciling items:	
Annual review of actuarial assumptions and reserve refinements ⁽²⁾	(369)
Individual Annuities - Market unlockings and experience true-ups ⁽³⁾	134
Retirement - Costs relating to legal matters	(14)
Subtotal	<u>\$ (249)</u>
U.S. Businesses pre-tax adjusted operating income excluding market driven and discrete items	\$ 4,112

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

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

3) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions.

RECONCILIATION FOR ANNUITIES PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2012	2013	2014	2015	2016
Annuities pre-tax adjusted operating income	\$ 1,039	\$ 2,085	\$ 1,467	\$ 1,797	\$ 1,765
Reconciling items:					
Market unlockings and experience true-ups ⁽²⁾	187	395	(143)	103	134
Annual review of actuarial assumptions and reserve refinements ⁽³⁾	(106)	301	14	31	4
Other ⁽⁴⁾	(9)	-	-	-	-
Subtotal	72	696	(129)	134	138
Annuities pre-tax adjusted operating income excluding market driven and discrete items	\$ 967	\$ 1,389	\$ 1,596	\$ 1,663	\$ 1,627

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

2) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period and charge for potential contract cancellations in 2015.

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

4) Includes impairment of intangible asset.

RECONCILIATION FOR INDIVIDUAL LIFE PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2013	2014	2015	2016
Individual Life Insurance pre-tax adjusted operating income	\$ 583	\$ 498	\$ 635	\$ 79
Reconciling items:				
Annual review of actuarial assumptions and reserve refinements ⁽²⁾	27	(72)	48	(420)
Integration costs for Hartford Life	(51)	(32)	(17)	-
Subtotal	(24)	(104)	31	(420)
Individual Life Insurance pre-tax adjusted operating income excluding market driven and discrete items	\$ 607	\$ 602	\$ 604	\$ 499

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

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

RECONCILIATION FOR GROUP INSURANCE PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS⁽¹⁾



(\$ millions)

	2012	2013	2014	2015	2016
Group Insurance pre-tax adjusted operating income	\$ 16	\$ 157	\$ 23	\$ 176	\$ 220
Reconciling items:					
Annual review of actuarial assumptions and reserve refinements ⁽²⁾	7	45	(107)	28	41
Increase to legal reserves	(20)	-	-	-	-
Subtotal	(13)	45	(107)	28	41
Group Insurance pre-tax adjusted operating income excluding market driven and discrete items	\$ 29	\$ 112	\$ 130	\$ 148	\$ 179

1) As disclosed in company earnings conference call presentations and earnings releases available at www.investor.prudential.com.

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





PRUDENTIAL FINANCIAL, INC. 2017 FINANCIAL STRENGTH SYMPOSIUM

ROB FALZON
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER



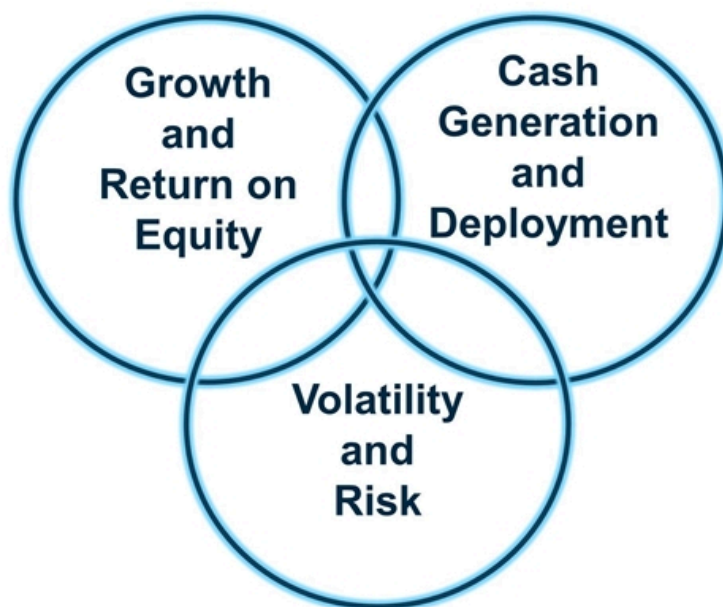
STRONG RETURNS AND CASH FLOWS DRIVEN BY HIGH QUALITY BUSINESSES



- *A complementary mix of businesses with competitive advantages*



THE 'BALANCING ACT'

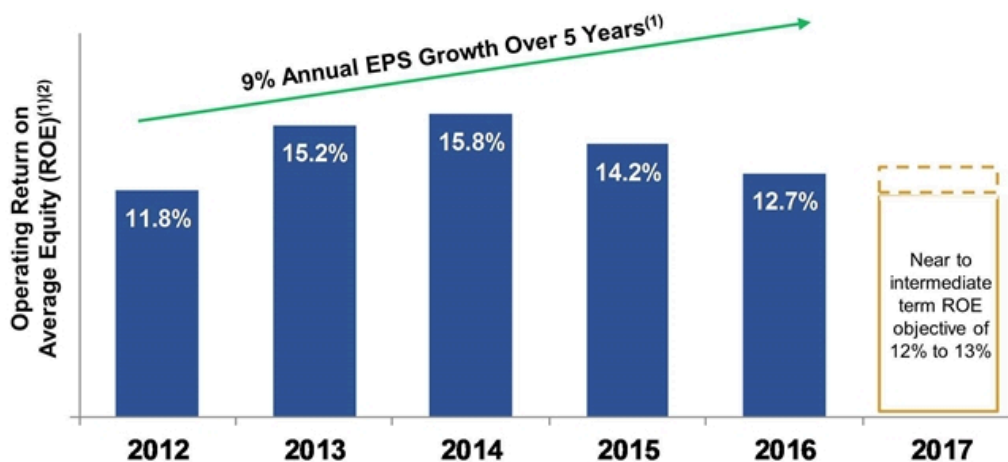


BALANCE PRODUCES SUPERIOR FINANCIAL STRENGTH AND SHAREHOLDER VALUE CREATION

SUPERIOR RETURN PROFILE



- *Expect to continue to produce superior ROEs, while navigating market headwinds, investing in long-term growth initiatives, and maintaining a balanced risk profile*

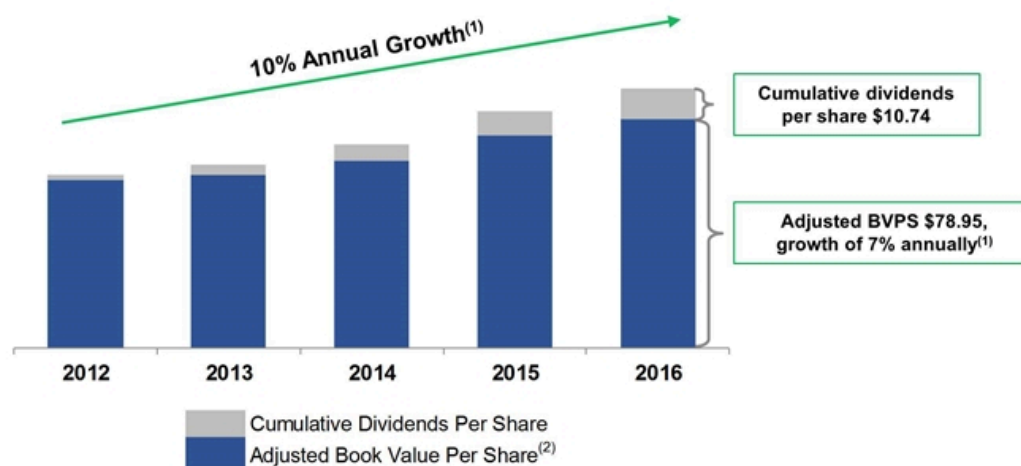


- 1) EPS based on adjusted operating income (AOI) excluding market driven and discrete items taxed at a 35% rate for purposes of EPS and ROE calculations.
- 2) Based on after-tax AOI excluding market driven and discrete items and adjusted book value as shown in disclosure section; 2012-2014 reflects results for Financial Services Businesses (FSB); 2015 and thereafter represents Prudential Financial, Inc. (PFI).

SOLID COMPOUNDING OF SHAREHOLDER VALUE



- Adjusted book value per share growth plus dividends, a key metric for shareholder value creation, has compounded at 10% annually over five years



1) Annual growth rate from 2011 adjusted book value per share (BVPS) of \$56.11.

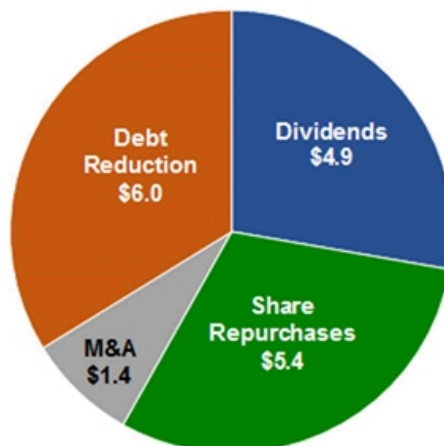
2) See reconciliation to GAAP book value in disclosure section. Amounts attributable to PFI; represents results of the former FSB for periods prior to 2015.

STRONG HISTORY OF CAPITAL DEPLOYMENT AND TOTAL DEBT REDUCTION



- Nearly \$18 billion of capital and cash deployed over the last five years⁽¹⁾ toward shareholder return, M&A and total debt reduction, further evidencing our financial strength

2012-2016
(\$ billions)

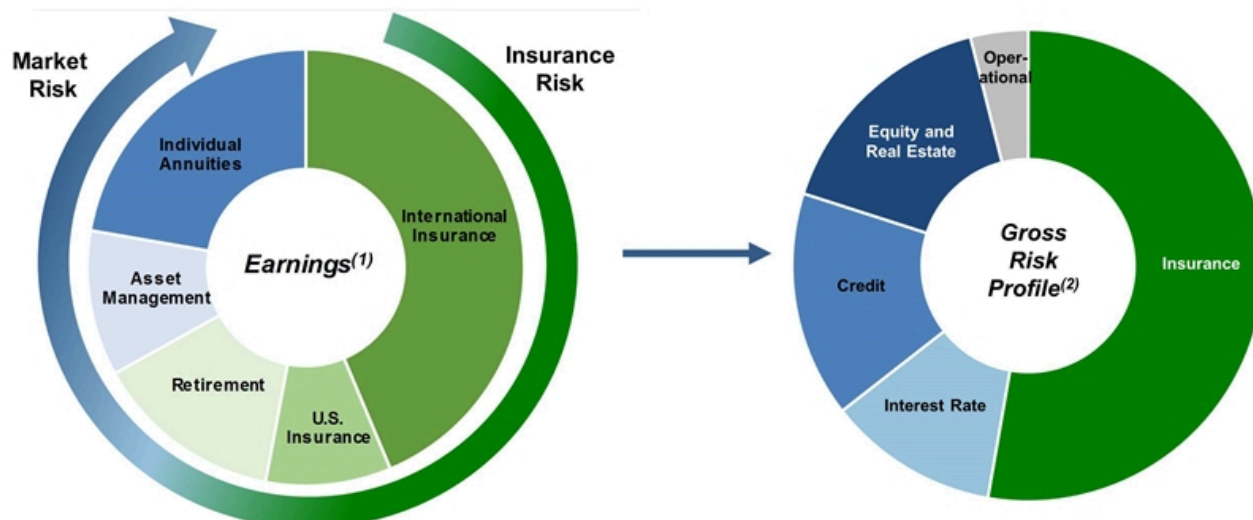


1) Represents cumulative capital deployed from 2012-2016 toward share repurchases, Common Stock dividends and M&A in addition to repayment of total debt.

BUSINESS MIX DRIVES A BALANCED RISK PROFILE



- Business mix drives a risk profile that is well balanced between insurance and market risks



1) Represents segment contribution to 2016 pre-tax AOI, excluding market driven and discrete items as shown in disclosure section, and Corporate & Other.

2) Represents risk contribution to Risk Adjusted Capital, which is a risk-sensitive view of capital that is independent of regulatory factors and formulas. Data as of December 31, 2016. Percentages reflect gross risk prior to netting or diversification benefits either within or between risk types. Insurance risks include mortality, longevity, morbidity and policyholder behavior.



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KEY TAKEAWAYS



- Financial Strength a key value proposition
- Attractive and balanced portfolio of businesses that produce superior returns
- Steady growth prospects with continued initiative spending to capture longer term opportunities
- Diversified source of earnings mitigate impacts of market headwinds
- Balance sheet strength, capital position and cash generation support disciplined shareholder return and financial flexibility
- Continue to navigate the evolving regulatory environment
- Focus on talent and leadership enables execution, fosters innovation and builds long-term success



PRUDENTIAL FINANCIAL, INC.
U.S. BUSINESSES

STEPHEN PELLETIER
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER

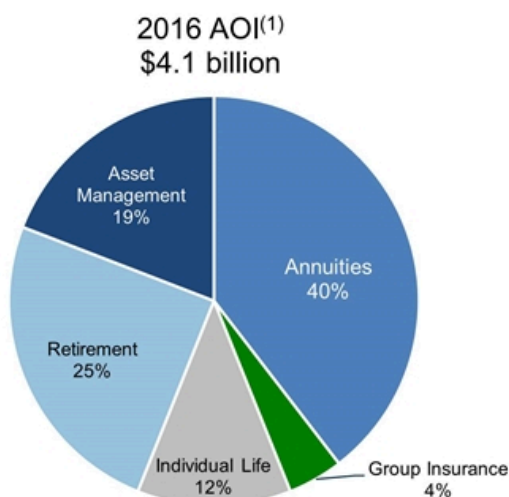


KEY MESSAGES



- Our U.S. Businesses generate high-quality, diversified earnings
 - ✓ Our business fundamentals are strong
 - ✓ We earn attractive returns on new business
- We are pursuing attractive growth opportunities in institutional, employer, and individual markets
- Our investments in strategic initiatives are generating tangible benefits

HIGH-QUALITY, DIVERSIFIED SOURCES OF EARNINGS



Strong Fundamentals

- Healthy pension risk transfer market
- Strong Asset Management 3rd party flows
- Diversified Annuities sales
- High persistency in Full Service and Group Insurance
- Strong Individual Life sales
- Controlled growth in Group Insurance

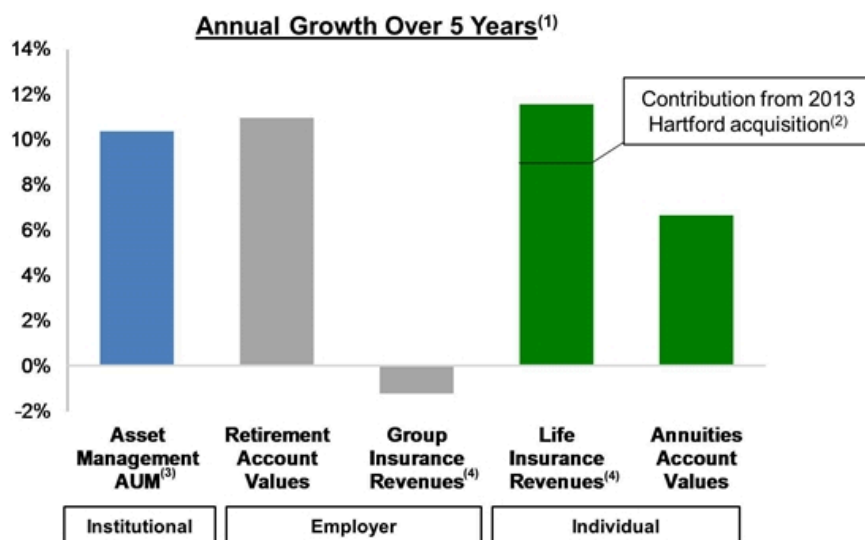


Headwinds

- Low interest rates
- Fee pressures and trend towards lower cost/passive strategies
- Runoff of existing blocks of business
- Regulatory uncertainty

1) Pre-tax Adjusted Operating Income (AOI) excluding market driven and discrete items as shown in disclosure section.

STRONG BUSINESS FUNDAMENTALS DRIVE U.S. BUSINESS GROWTH



1) Represents compound annual growth rate from 2011-2016.

2) In January 2013, Individual Life Insurance acquired The Hartford Financial Services Group, Inc.'s individual life insurance business through a reinsurance transaction.

3) Represents third party assets under management.

4) Represents premiums, policy charges and fees income.

GROWTH OPPORTUNITIES



Institutional

Asset Management

- Broadening investment solution capabilities, expanding global footprint, and building out multi-manager model
- Investing in talent, infrastructure, and distribution capabilities

Employer

Retirement Group Insurance

- Leveraging strong pension risk transfer pipeline to expand market-leading position
- Deepening employer and participant relationships through Financial Wellness platforms

Individual

Life Insurance Annuities

- Diversifying product portfolios
- Developing more simplified, outcome-oriented solutions
- Expanding customer access

STRATEGIC INVESTMENTS



- Financial Wellness
- Simplified products and outcome-oriented solutions
- Enhanced distribution
- Customer experience
- Talent

Strategic Investments

Business growth

A substantial portion of new initiative spending is funded by efficiency gains across our businesses



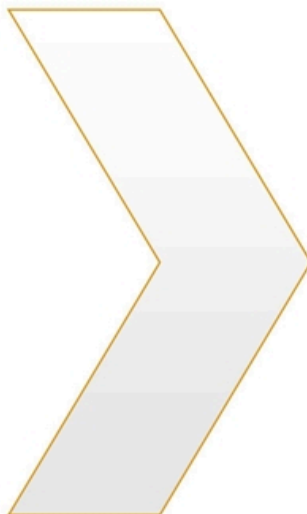
- Launched in 2015 to provide financial wellness education to Prudential's extensive customer base
- Adopted by nearly 250 employers, representing approximately 3 million employees
- Proving to be a differentiating capability in the marketplace
- Enhanced with a digital component in 2017



SUMMARY



- High-quality, diversified sources of earnings
- Growth opportunities in institutional, employer, and individual markets
- Strategic investments, with emerging benefits



Complementary mix
of high-quality
businesses,
with long-term
growth potential



PRUDENTIAL FINANCIAL, INC. RETIREMENT

PHIL WALDECK
PRESIDENT



KEY MESSAGES



- Leading provider in chosen Institutional and Full Service retirement markets with broad range of retirement products and services
- Differentiated capabilities drive long-term growth opportunities in attractive markets including Pension Risk Transfer, Full Service and Stable Value
- Increasing leverage of Prudential's broad capabilities to expand customer solutions, including financial wellness programs
- Well managed risks support solid results across market conditions

OPPORTUNITIES AND CHALLENGES



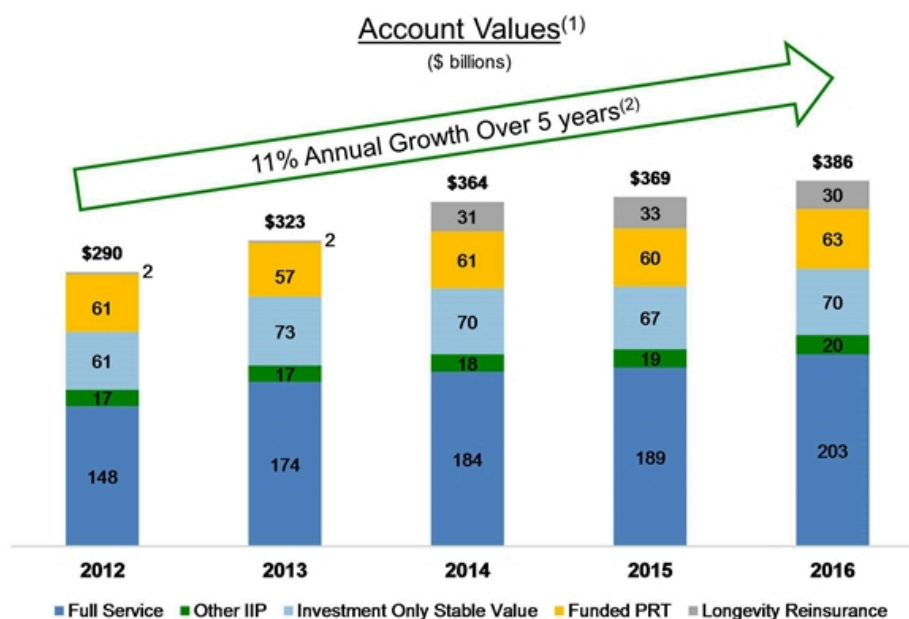
Opportunities

- PRT momentum with both funded and longevity reinsurance counterparties
- Institutional de-risking opportunities more attractive as macro environment improves
- Increasing capabilities to address individual financial wellness through worksite solutions
- Innovation to address evolving market needs in Full Service and Institutional businesses
- Growth opportunities in targeted Full Service markets (Mid to Large size clients, Retirement Coverage Solutions, etc.)

Challenges

- \$3 billion of new funded PRT and \$1 billion longevity business required to offset annual in force run off
- Sustained low interest rate environment continues to challenge spread earnings – mitigated by asset liability management
- Competitive market dynamic necessitates ongoing needs for efficiencies and innovation
- Larger case size focus adds more uncertainty and lumpiness to account value growth
- Regulatory and tax uncertainty

SOLID BUSINESS GROWTH



1) As of end of period.

2) Annual growth from December 31, 2011 account values of \$230 billion.

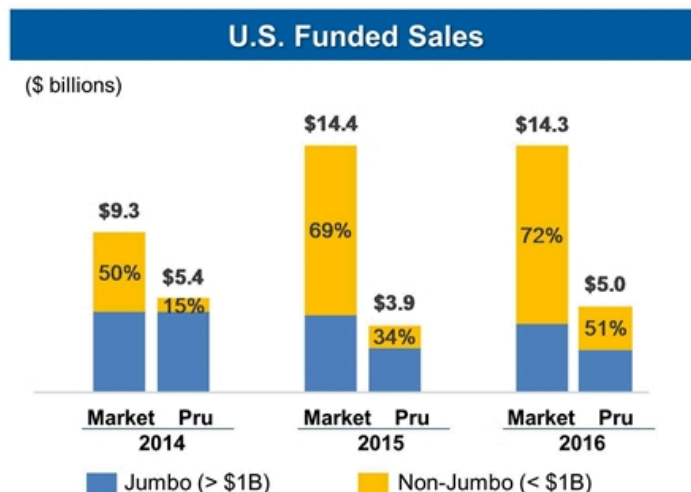


Financial Strength Symposium 6.6.2017

DIFFERENTIATED CAPABILITIES DRIVE GROWTH OPPORTUNITIES



- Prudential is well positioned to benefit from U.S. funded PRT market growth
 - Continued leadership position in Jumbo cases
 - Renewed focus on specific segments of Non-Jumbo market



Source: LIMRA Group Annuity Risk Transfer Survey 4Q 2016.



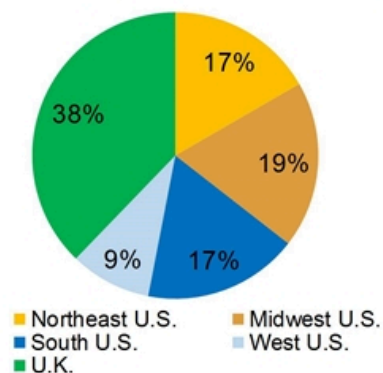
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WELL MANAGED PRT BUSINESS MIX⁽¹⁾

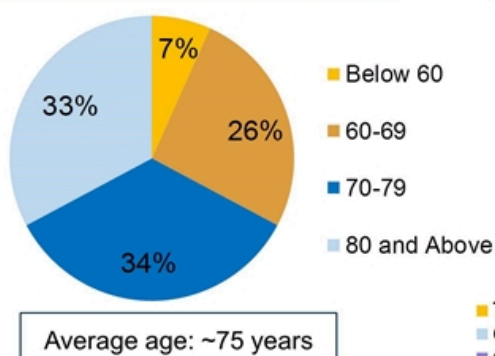


- Prudently diversified business mix with strong risk management
- Good underwriting performance on existing book
 - Expect to produce IRR's at or above our 11% to 15% target

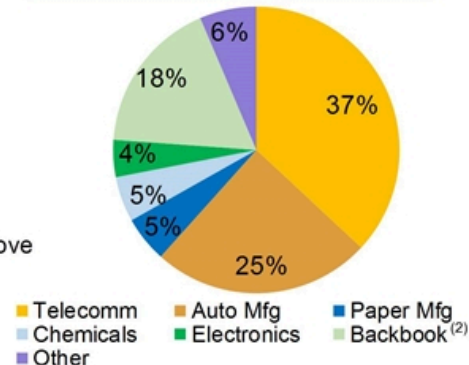
Geographic Distribution



Age Distribution



Industry Distribution



- Also well-diversified by gender, benefit size and occupation (Blue/White collar)
- Average Liability Duration: U.S. Funded: 8 – 9 years ; Longevity Re: 12 – 16 years

1) As of 12/31/2016.

2) Backbook represents groups of smaller pension plans primarily in the following industries: Shipping, Engineering, Financial, Publications/Printing, and Airlines.



- Leadership positions in attractive select markets
- Best in class pension risk transfer capabilities
- Proven risk management and underwriting capabilities
- Demonstrated innovation and increased leverage of broader Prudential capabilities support growth opportunities



Strong and well managed
in force block with future
growth opportunities
provides solid earnings
and return prospects



PRUDENTIAL FINANCIAL, INC. GROUP INSURANCE

ANDREW SULLIVAN
PRESIDENT



KEY MESSAGES



- A leading U.S. provider of group life and disability insurance
- Steady revenue growth prospects while maintaining pricing discipline
- Strengthened underwriting supports greater earnings consistency
- Long-term opportunity to expand margins through revenue growth and expense efficiencies
- Opportunity to deepen employer and participant relationships with the financial wellness platforms

OPPORTUNITIES AND CHALLENGES



Opportunities

- Maintain strong National segment market share while growing Premier segment
- Enhanced underwriting tools and predictive analytics to improve risk selection and increase return prospects
- Positioned to meet employers' increased focus on improving employees' financial wellness through cross business initiatives
- Focused on driving organizational and process efficiencies to improve customer experiences and cost containment

Challenges

- Highly competitive and mature market
- Pricing discipline may limit pace of revenue expansion
- Need to educate consumers on coverage shortfalls and changing employee behavior to take action to address

A LEADING PROVIDER OF GROUP INSURANCE



- Providing benefit experiences that help create and protect financial wellness
- Broad product portfolio providing coverage to over 15 million U.S. workers
 - Group Life and AD&D
 - Group Short-Term and Long-Term Disability
 - Absence Management
 - Voluntary

Market Position & Market Share⁽¹⁾

Group Life	2 nd	14%
Group Disability	9 th	5%

Book of Business Premium Mix⁽²⁾

Products		Segments	
Group Life	79%	National (>5,000 employees)	85%
Group Disability	21%	Premier (100 - 5,000 employees)	15%

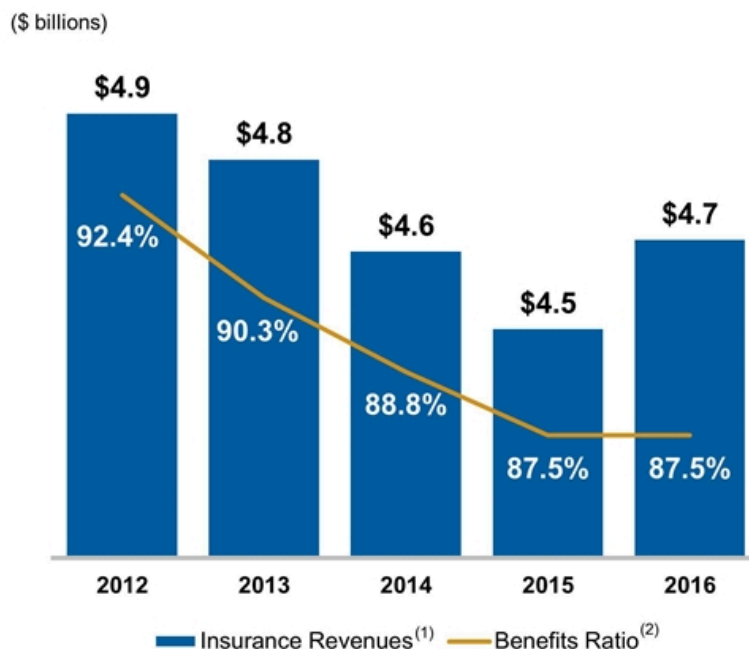
1) Based on in force premiums, 2016 LIMRA Studies.

2) For year ended December 31, 2016.

STRENGTHENED UNDERWRITING SUPPORTS DISCIPLINED GROWTH



- Underwriting actions have resulted in improved benefits ratios to within targeted range: 87% - 91%
- Resumed controlled growth in 2016



1) Represents premiums, policy charges and fees.

2) Benefits ratio excluding impact of market driven and discrete items.



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SUMMARY



- Revenue growth strategies with pricing discipline
- Enhanced focus on attractive markets
- Strengthened underwriting
- Operating efficiency opportunities
- Positioned to meet financial wellness needs



Underwriting actions and strategic initiatives position business for profitable growth



PRUDENTIAL FINANCIAL, INC. INDIVIDUAL LIFE INSURANCE

KENT SLUYTER

CHIEF EXECUTIVE OFFICER

INDIVIDUAL LIFE INSURANCE & PRUDENTIAL ADVISORS



KEY MESSAGES



- Distinctive product portfolio and multi-channel distribution network that provide broad market access and risk diversification
- Capitalized on the Hartford acquisition to drive growth, increase scale and enhance capabilities and distribution
- Adapting to changing economic and regulatory environments while maintaining pricing and risk management discipline
- Investing in capabilities to simplify solutions and enhance customer experience
- Pursuing cross business opportunities to distribute worksite solutions through Prudential Advisors

OPPORTUNITIES AND CHALLENGES



Opportunities

- Capitalize on full product suite to increase penetration in existing distribution relationships
- Further expand our reach through new third party distribution relationships and captive distribution growth
- Streamline underwriting process and consumer experience through technology, data and analytics
- Cross business partnership to extend retail advice and solutions to our worksite relationships

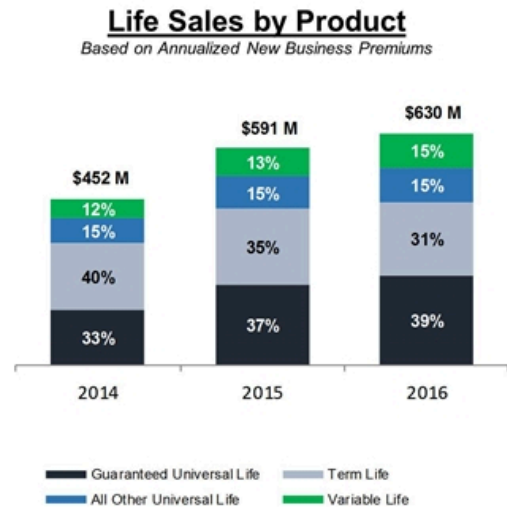
Challenges

- Shifting consumer expectations for products, education, purchase process and insurance relevance
- Adaptation to potential emerging disruptive technologies for customer access
- Sustained low interest rates
- Highly competitive and mature market
- Regulatory, tax and economic uncertainty

SALES GROWTH AND PRODUCT STRATEGY



- Sales increases have contributed to ~5% annual in force growth from 2014-2016
- Individual Life actively manages the diversification of product risk by maintaining a well balanced portfolio
- Leadership positions across products support strong sales as marketplace demands pivot
- Persistent low interest rates and regulatory changes have influenced our product strategy and mix of sales
- Broad product portfolio enhances value proposition to distributors seeking to optimize carrier relationships

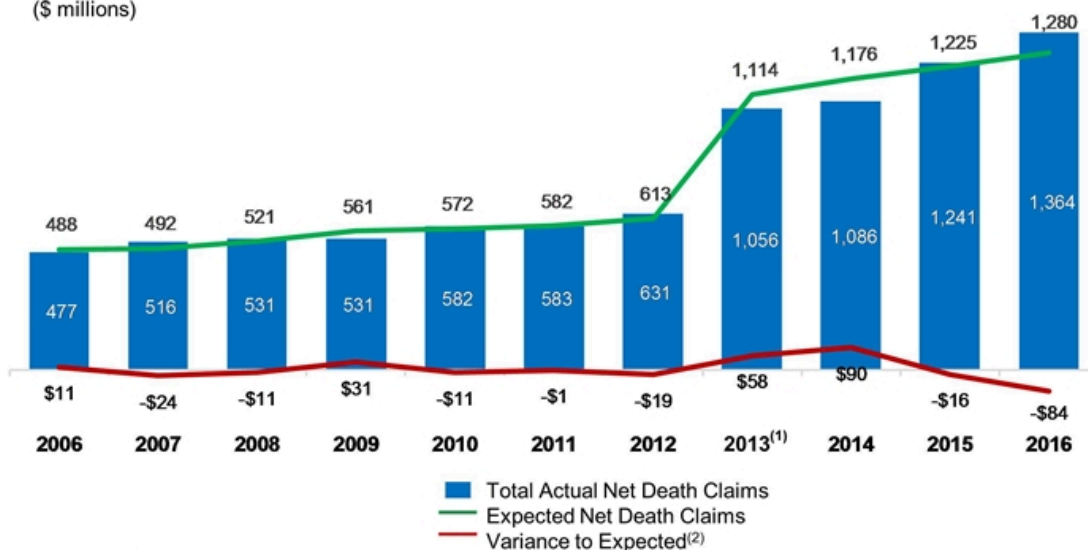


CLAIMS CONSISTENT WITH EXPECTATIONS



- While inherently variable, since 2006 our mortality experience has been in line with expected levels. This also reflects more favorable expectations over time.

(\$ millions)



1) Begins to include the acquired Hartford block.

2) Excludes mortality related reserve updates and amortization.



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- Strong business fundamentals
- Broad product, distribution, and service capabilities
- Robust risk management



Positioned for
sustained growth
and solid returns



PRUDENTIAL FINANCIAL, INC. ANNUITIES

LORI FOUCHÉ
PRESIDENT



KEY MESSAGES



- Strong market position providing secure retirement income solutions
- Solid expected return on assets and cash flow generation
- Enhanced risk management reduces capital volatility
- Sustained progress diversifying our business
- Growth potential through expanded buyer universe



Opportunities

- Large and seasoned block produces attractive earnings and cash flows
- Product diversification reduces risk profile
- Expand portfolio of solutions including simplified and lower cost products
- Growing demand for retirement income solutions
- Long-term opportunity to expand buyer universe

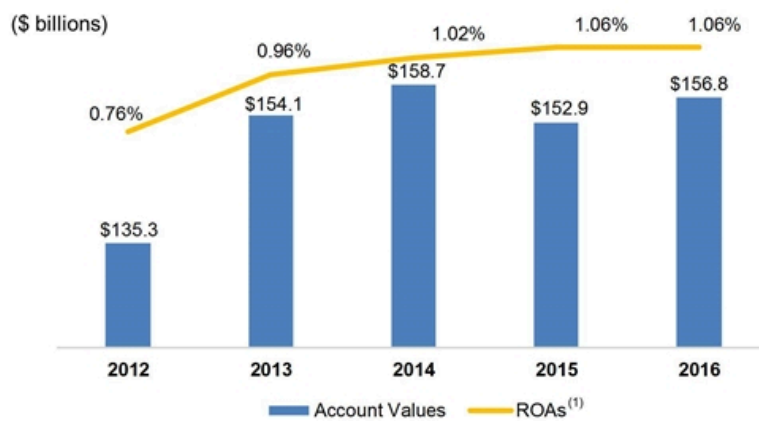
Challenges

- Maturing block and near-term sales uncertainty
- Managing product complexities
- Adapting products to advisor and consumer demands
- Regulatory and tax uncertainty
- Less attractive benefit offerings in low interest rate environment

SOLID RETURN ON ASSETS



- Large in force block with stable returns and solid cash flows

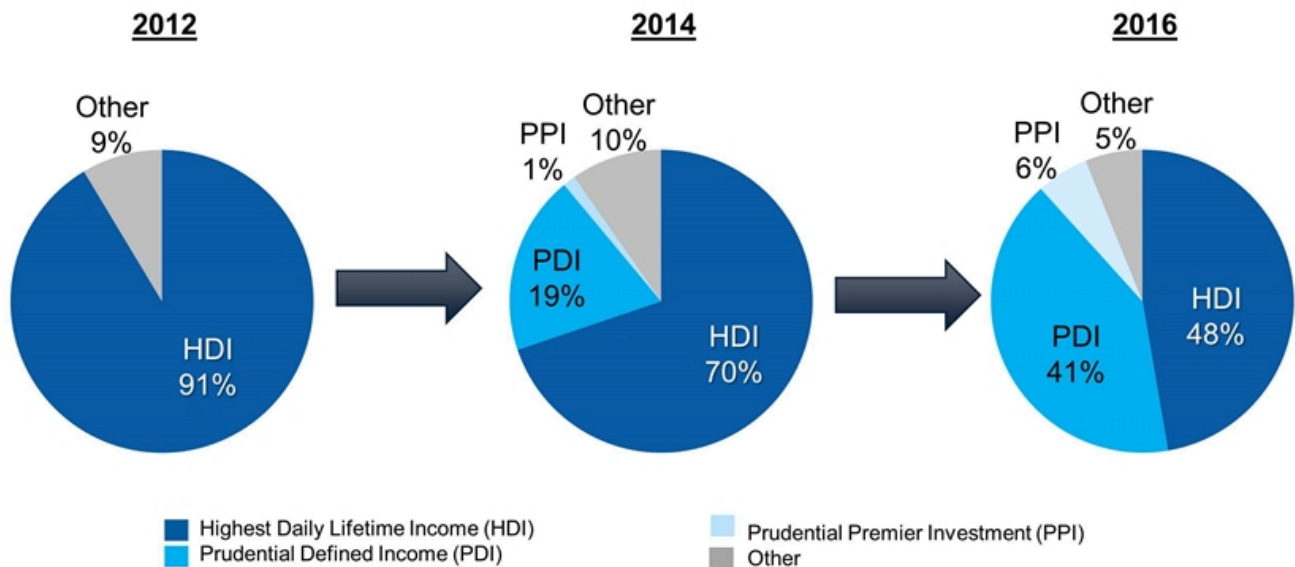


1) Pre-tax AOI excluding market driven and discrete items divided by average account values based on daily averages of separate accounts.

CONTINUED SALES DIVERSIFICATION⁽¹⁾



- Better diversification in product sales reduces risk and sales volatility



1) Sales represent gross sales.



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- Product diversification drives continued growth opportunity
- Well managed risk and strong expected cash flows
- Broadening buyer universe, including worksite access



Solid in force earnings
and cash flow with long-
term growth opportunities



PGIM

The Global Investment Management
Businesses of Prudential Financial, Inc.

DAVID HUNT
PRESIDENT & CEO
PGIM



KEY MESSAGES



- PGIM is strongly positioned as a diversified global active asset manager with a distinct multi-manager model
- Our business has robust underlying fundamentals and delivers attractive returns for Prudential's shareholders
- PGIM's strategic initiatives are driving growth and position us to meet the evolving needs of our clients
- PGIM's continued success is underpinned by a mutually beneficial business model



Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

LEADING GLOBAL ASSET MANAGER



Broadly diversified revenue base and product suite



Strong, sophisticated third party client base



Global presence and footprint



Top 10 asset manager worldwide⁽¹⁾



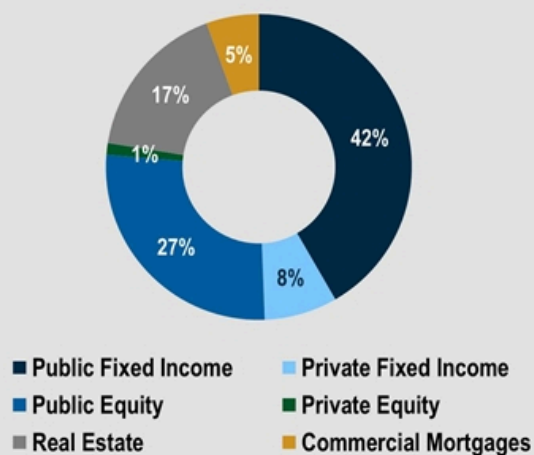
Distinct multi-manager model

1) *Pensions & Investments* Top Money Manager's list, May 30, 2017. AUM as of December 31, 2016.

WELL-DIVERSIFIED REVENUE BASE



Asset Management Fees by Asset Class



Over 50% of fees from higher growth areas⁽¹⁾

\$630mn from real assets⁽²⁾ & alternatives

\$314mn from private credit

\$145mn from non-U.S. equities

\$110mn from liability-driven and outcome-oriented solutions

\$106mn from quantitative strategies

Based on FY 2016 asset management fees.

1) Categories may overlap; represents asset management fees from all PGIM revenue sources.

2) Includes real estate, infrastructure, energy, and natural resources strategies.

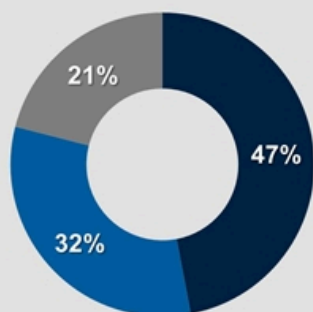


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STRONG THIRD PARTY CLIENT BASE



Asset Management Fees by Client Type



■ Institutional ■ Retail ■ General Account

1,200+ Third party institutional clients

78 clients have over \$1 billion invested with us

143 of the top 300 Global Pension Funds⁽¹⁾

23 of the 25 largest U.S. corporate pension plans⁽²⁾

20 of the 25 largest U.S. public pension plans⁽²⁾

9th largest mutual fund family by net flows⁽³⁾

As of December 31, 2016, unless otherwise indicated.

1) P&I/Towers Watson Top 300 Pension Funds ranking, data as of December 31, 2015, published September 2016.

2) Based on U.S. Plan Sponsor rankings in Pensions & Investments as of December 31, 2015, published February 2016.

3) Based on net flows in 2016 excluding money market activity from Strategic Insight Simfund database.

OUR GLOBAL FOOTPRINT



PGIM global brand launched in January 2016



▪ 1,128 investment professionals

▪ \$281bn of AUM⁽¹⁾ from non-US clients

▪ 30 offices in 16 countries

As of December 31, 2016.

1) Assets Under Management (AUM).



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OUR NEW GLOBAL BRAND



 **PGIM**

**A NAME BUILT FOR DECADES.
NOT QUARTERS.**

PGIM is the new name for the global investment management businesses of Prudential Financial, Inc., headquartered in the U.S.

Visit PGIM.com

PUBLIC & PRIVATE FIXED INCOME • FUNDAMENTAL & QUANTITATIVE EQUITY • REAL ESTATE DEBT & EQUITY

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POSITION OF STRENGTH



Ranking Based on Worldwide Assets

TOP 10 ASSET MANAGERS ⁽¹⁾	ASSETS (\$ Billions)
1 BlackRock	5,148
2 Vanguard Group	3,965
3 State Street Global Advisors	2,468
4 Fidelity Investments	2,131
5 JP Morgan Asset Management	1,771
6 BNY Mellon Investment Management	1,648
7 The Capital Group	1,479
8 The Goldman Sachs Group	1,379
9 Prudential Financial	1,264 ⁽²⁾
10 Amundi	1,141

#1 Real Estate Manager
Worldwide⁽³⁾

#1 Foreign manager of
institutional assets in Japan⁽⁴⁾

**Top
10** Private Debt Fund Manager⁽⁵⁾

1) Pensions & Investments Top Money Manager's list, May 30, 2017. AUM as of December 31, 2016.

2) Worldwide AUM include assets managed by Prudential's Asset Management business and non-proprietary AUM.

3) Pensions & Investments, Real Estate Managers by Worldwide AUM as of June 30, 2016.

4) Nenkin Jouhou No. 726 (2017/01/02) by R&I, the Investment Trust Associates of Japan, AUM as of September 2016.

5) Private Debt Investors, 2016 award.

DISTINCT MULTI-MANAGER MODEL



PGIM
\$1,069bn

PGIM FIXED INCOME	JENNISON ASSOCIATES	QMA	PRUDENTIAL CAPITAL GROUP	PGIM REAL ESTATE	PGIM REAL ESTATE FINANCE	PRUDENTIAL INTERNATIONAL INVESTMENTS	PGIM INVESTMENTS
\$654bn ¹	\$164bn ²	\$120bn ³	\$79bn	\$66bn ⁴	\$58bn	\$84bn ⁵	\$85bn ⁶

- Deep, specialized investment expertise combined with the scale to compete
- Investment-centric culture strongly aligned with clients' interests
- Culture of partnership and nimble decision-making within each boutique
- Incentives aligned with each boutique's investment and business performance
- Well-diversified across public and private asset classes
- Controls and risk management infrastructure integrated with Prudential

Amounts as of March 31, 2017.

1) Includes \$17 billion in assets managed by PGIM Fixed Income for affiliated businesses, \$105 billion in PIMJ (Japan) assets, and \$113 million of PIMJ (Japan) assets which is sub-advised by Prudential Capital Group. \$637bn AUM consolidates at the PGIM level. **2)** Includes equity \$100 billion and fixed income \$65 billion. **3)** Includes \$73 billion in directly managed mandates, and \$47 billion of institutional and retail assets managed by various affiliated and third party managers. \$73bn AUM consolidates at the PGIM level. **4)** Assets are gross. Net assets under management equal \$47 billion, which reflects the amount that consolidates at the PGIM level. **5)** Represents total combined assets of the Prudential International Investments businesses, including \$74 billion from joint ventures in which Prudential does not have a controlling interest, and therefore does not correspond to assets under management and administration as reported by Prudential Financial. AUM also includes \$7 billion in assets sub-advised by other PGIM units and included in their totals. \$10bn AUM consolidates at the PGIM level. **6)** Mutual fund assets are managed by affiliated PGIM managers, and the corresponding assets are captured in the affiliates' AUM.



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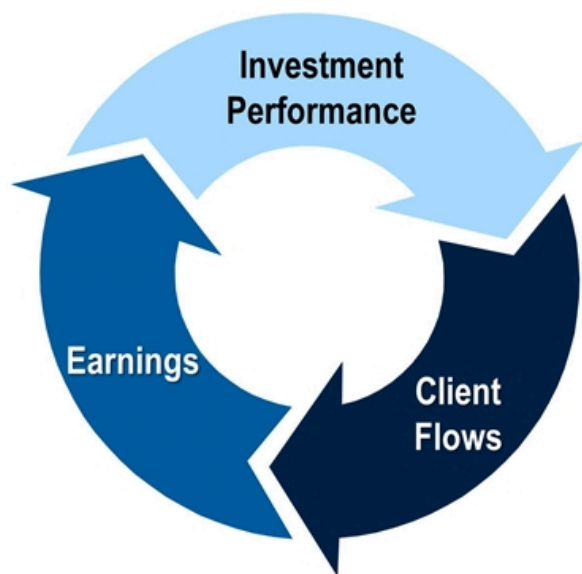
Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

ROBUST UNDERLYING FUNDAMENTALS



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

- More than a decade of consecutive positive net flows in both institutional and retail
- 11% annual AUM growth over past 5 years⁽¹⁾

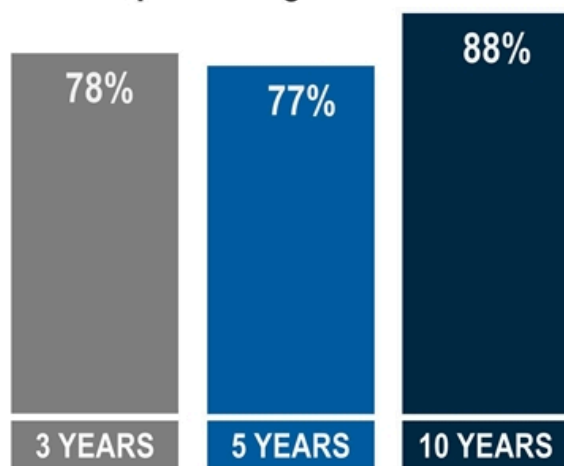
- Earnings driven primarily by asset management fees
- Attractive returns with improved quality of earnings

1) Assets managed by PGIM as of December 31, 2016.

STRONG INVESTMENT PERFORMANCE



Percentage of PGIM AUM⁽¹⁾
Outperforming Benchmark⁽²⁾



68% of PGIM's mutual fund assets are in 4- or 5-star rated funds⁽³⁾

★★★★★

Total Return Bond	Short-Term Corporate Bond	QMA Small-Cap Value
National Municipals	Short-Duration Multi-Sector Bond	High Yield
CA Municipal Income		

★★★★★

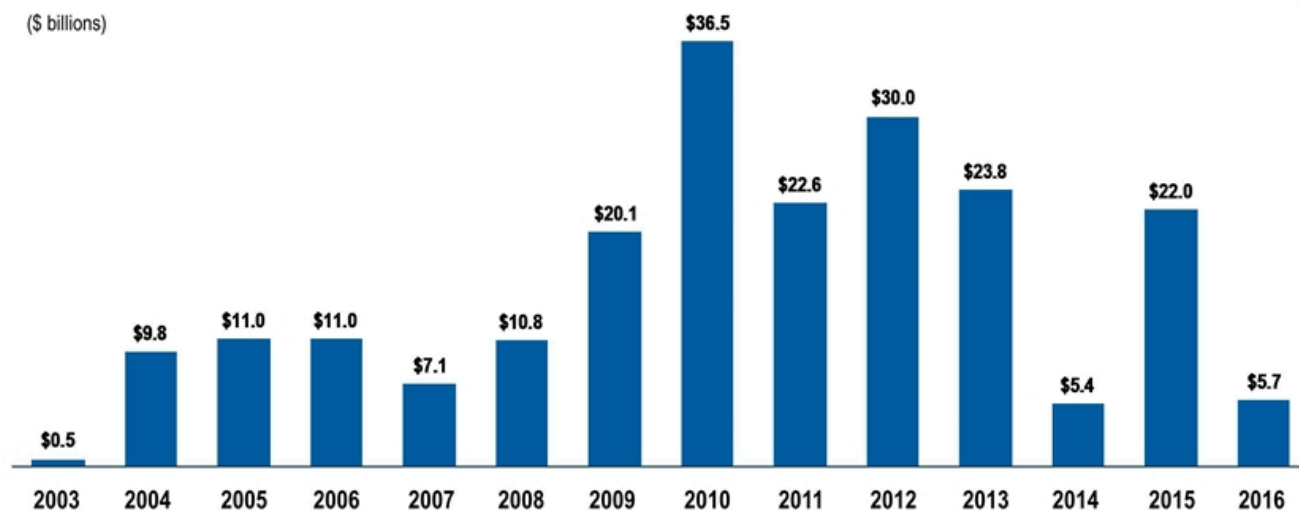
Balanced	Conservative Allocation	Global Total Return
Global Real Estate	Jennison Growth	QMA Mid-Cap Value
Income Builder	Jennison Focused Growth	QMA Stock Index
Municipal High Income	Jennison Global Opportunities	QMA Strategic Value
Government Income	Jennison Mid Cap Growth	
Floating Rate Income	Jennison Health Sciences	

- 1) Represents PGIM's benchmarked AUM. 45% of total AUM is benchmarked over 3 years, 44% over 5 years, and 32% over 10 years.
- 2) As of March 31, 2017. Represents excess performance net of fees, based on all actively managed Fixed Income and Equity AUM reported in eVestment for Jennison Associates, PGIM Fixed Income, Quantitative Management Associates, and PGIM Real Estate. Composite assets reported in eVestment assumed to represent full strategy AUM.
- 3) Based on Morningstar ratings as of April 30, 2017. List of 5-star and 4-star funds shown are based on Z-share class ratings. Please see disclosures at the end of this presentation. Past performance is not a guarantee or reliable indicator of future results.

CONSISTENT POSITIVE THIRD PARTY NET FLOWS⁽¹⁾



(\$ billions)



14 Consecutive Years of Positive Institutional Third Party Net Flows

12 Consecutive Years of Positive Retail Third Party Net Flows

1) Represents unaffiliated third party net flows; excludes flows from the General Account and other affiliated Prudential businesses. 2003 and 2004 third party net flows shown in chart represent only institutional third party net flows.

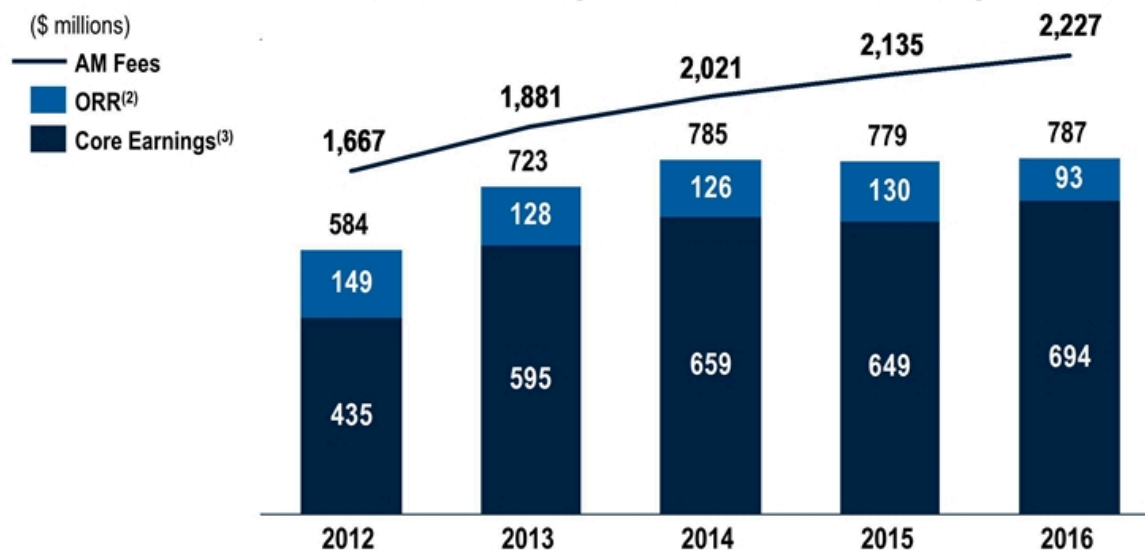


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SOLID EARNINGS TRACK RECORD



Asset Management Fees and Earnings⁽¹⁾



1) Pre-tax adjusted operating Income (AOI).

2) Other Related Revenue Earnings include pre-tax AOI from other sources including strategic investing, incentive fees, transaction fees and commercial mortgage revenues, net of expenses.

3) Core Earnings represents pre-tax AOI primarily from asset management fees, net of expenses.

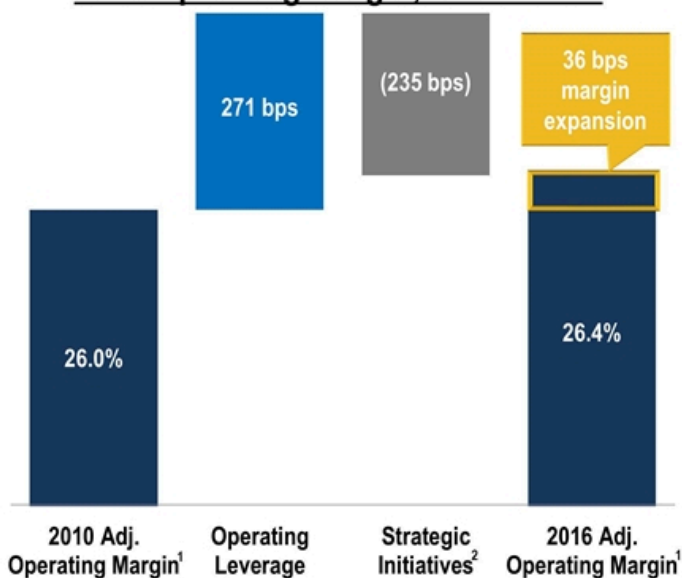


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STABLE MARGINS WHILE FUNDING OUR INVESTMENTS



Core Operating Margin, 2010 – 2016



Positioning for Growth, 2010 – 2016⁽³⁾

Headcount increase **416**

New institutional strategies seeded⁴ **32**

Cumulative third party net flows **\$110 bn**

- 1) Represents AOI as a percentage of revenue.
- 2) Includes both PGIM and Corporate Initiatives.
- 3) Figures represent change from YE 2010 to YE 2016.
- 4) Excludes seeded CLOs and UCITS funds.



Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

OUR STRATEGY



EXECUTING ON OUR STRATEGIC PRIORITIES



Priorities

Milestones

1	Globalize products and client footprint	▪ Deepened CIO coverage of top tier global clients ▪ 27% of assets from non-US clients, up from 11% in 2010
2	Broaden solution capabilities	▪ Launched multi-asset class portfolio-level solutions and advisory for institutional clients ▪ \$139bn AUM in solutions capabilities, up from \$82bn in 2010
3	Diversify products and vehicles	▪ Launched UCITS platform that has gathered \$2bn in AUM ▪ 35% of mutual fund flows in 2016 came from products launched in the last five years
4	Selectively acquire new investment capabilities	▪ Attracted top external talent to launch new strategies ▪ Acquired Deutsche's asset management business in India

These areas of strategic focus have contributed to generating over \$50 billion of net flows in the past 3 years⁽¹⁾

¹⁾ As of year end 2016.
 Prudential

INDUSTRY CHALLENGES AND OUR RESPONSE



Rise of passive investing

- Exposure to US style-box equities limited to ~10% of AUM
- Strong investment performance track record
- Robust suite of high active share, alternatives and private strategies for a "core-satellite" portfolio



Increasing pressure on fees

- Our fee yield has remained stable despite industry-wide pressure
- Focus on developing concentrated, higher-fee yielding strategies
- Ability to selectively lower price to remain competitive



Contraction of the US DB market

- Scale and investment expertise to effectively compete as plan sponsors rely on fewer managers
- Deep relationships with institutional clients outside of the US
- Growing presence in the DC market



Changing regulatory landscape

- Strong risk management and control infrastructure
- Actively engaged in regulatory dialogue



Leading global asset manager

Robust underlying fundamentals

Strategic initiatives driving growth

Mutually beneficial business model

MUTUALLY BENEFICIAL BUSINESS MODEL



OPERATIONALLY INDEPENDENT BUT STRATEGICALLY INTERTWINED BUSINESSES

PGIM creates value through

- Strong, stable fee based earnings with solid returns and favorable growth prospects
- High net investment income margins for the General Account
- Enhanced competitiveness through privates and commercial mortgage loans
- Deep, specialized investment expertise

PGIM benefits from

- General Account as anchor client
- Opportunity to compete on affiliated platforms
- Access to seed capital
- Long-term perspective enables investing for future growth
- Control and risk management infrastructure

KEY MESSAGES



- PGIM is strongly positioned as a diversified global active asset manager with a distinct multi-manager model
- Our business has robust underlying fundamentals and delivers attractive returns for Prudential's shareholders
- PGIM's strategic initiatives are driving growth and position us to meet the evolving needs of our clients
- PGIM's continued success is underpinned by a mutually beneficial business model



PRUDENTIAL FINANCIAL, INC. INTERNATIONAL INSURANCE

CHARLES F. LOWREY
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER



KEY MESSAGES



- Sustained growth, strong returns and capital generation
- Solid execution and differentiated business model help to successfully navigate across economic landscapes
- Japan remains a highly attractive market for Prudential
- Attractive opportunities outside Japan enhance long-term prospects

OPPORTUNITIES AND CHALLENGES



Opportunities

- Distribution expansion (Proprietary and Third Party channels)
- Retirement and estate planning
- Expanding existing markets: Brazil, India
- Select new market entry, e.g. Chile

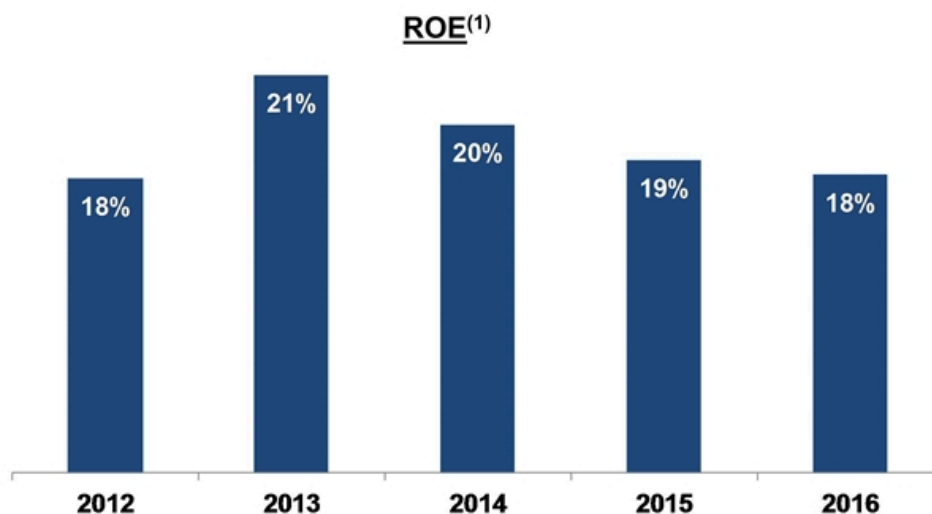
Challenges

- Low interest rates
- Necessity to adapt products to regulatory changes (discount rate changes, new mortality tables, etc.)
- Product repricing / suspensions
- Increased competition for USD product sales in Japan

HIGH RETURN BUSINESS



- International Insurance operations generate sustainable high ROE



1) Operating return on average equity (ROE) based on after-tax AOI, excluding market driven and discrete items as disclosed in the company's earnings release, using the effective tax rate applicable to Prudential's overall adjusted operating income for 2015 and 2016 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.

SUSTAINED STRONG EARNINGS AND TRACK RECORD OF GROWTH



- Sustained earnings growth despite market challenges, including the adverse impact of foreign currency exchange rates and declining interest rates

International Insurance Pre-tax AOI⁽¹⁾

(\$ billions)

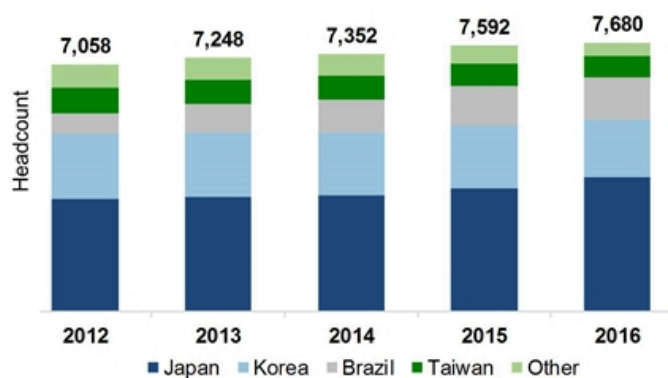


1) Reported AOI is not adjusted for market driven and discrete items.

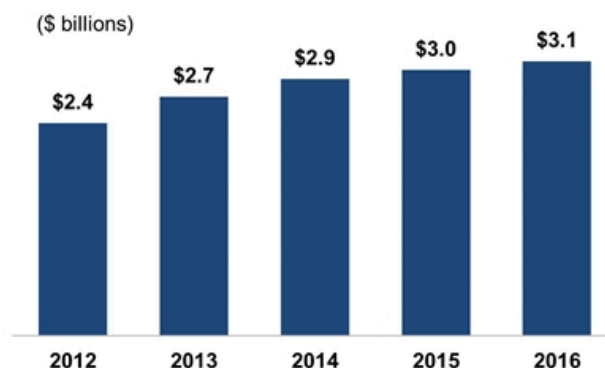
STEADY GROWTH IN LP COUNT & CONSTANT CURRENCY AOI SINCE 2012



Life Planner Count

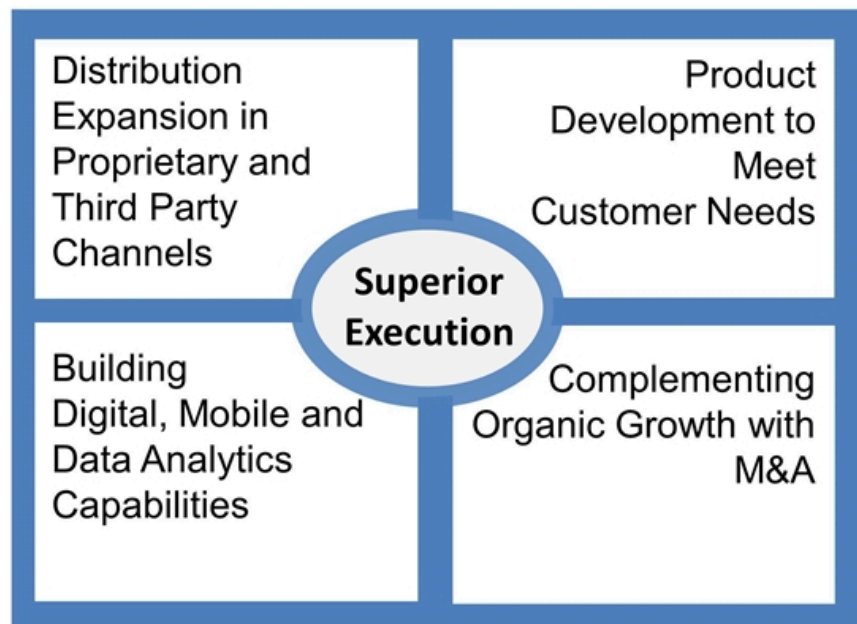


Constant Currency AOI Growth⁽¹⁾



1) Constant Exchange Rate Reported AOI; foreign denominated activity translated to U.S. Dollars at uniform exchange rates, including Japanese Yen 112 per U.S. Dollar and Korean Won 1130 per U.S. Dollar.

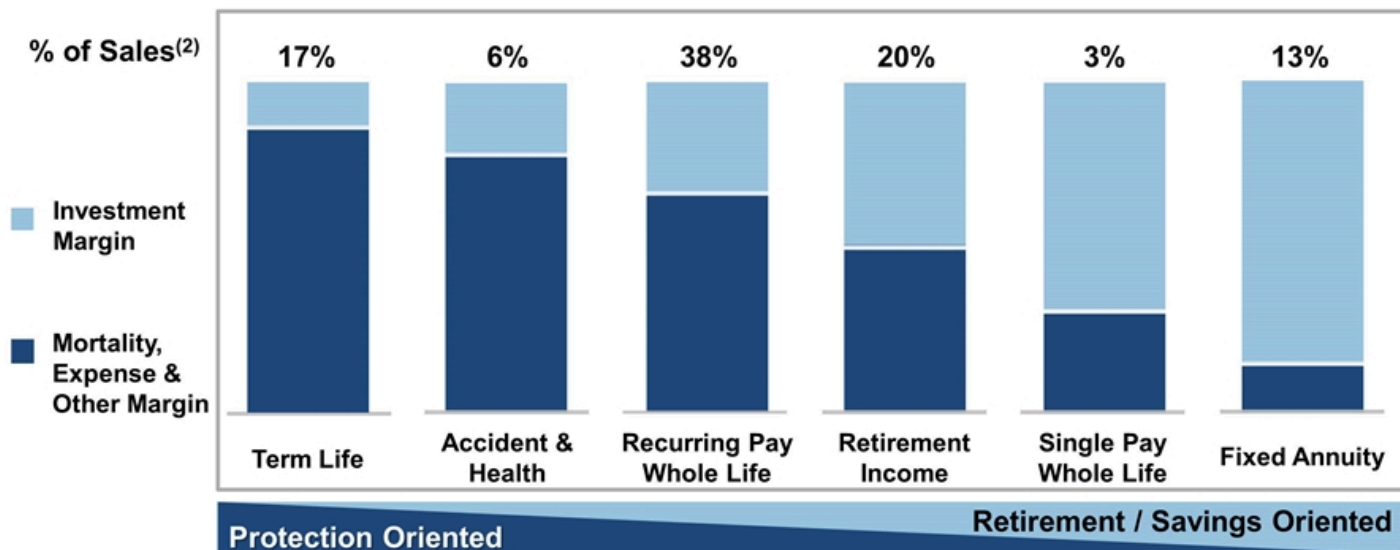
CONSISTENT INTERNATIONAL STRATEGY A KEY TO SUCCESS



RETURNS PRIMARILY DERIVED FROM MORTALITY AND EXPENSE MARGINS



International Insurance Source of Earnings⁽¹⁾



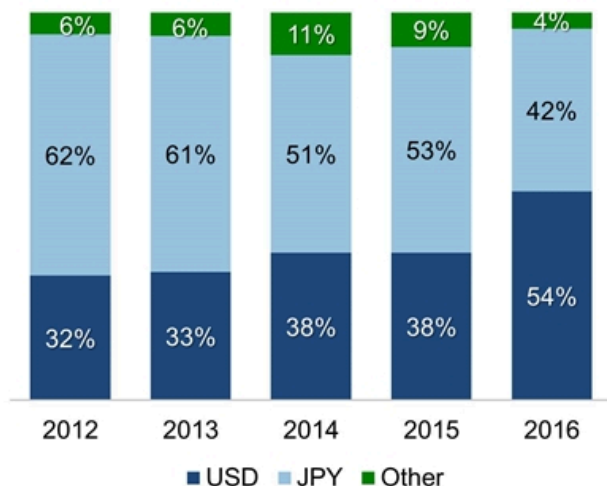
1) Conceptual illustration based on typical products with assumed profitability structure at time of sale; not intended to depict precise allocation of earnings sources.

2) Based on annualized premiums from 2016; total does not add up to 100% as there is a small group of products which do not fall into these six categories that are not included.

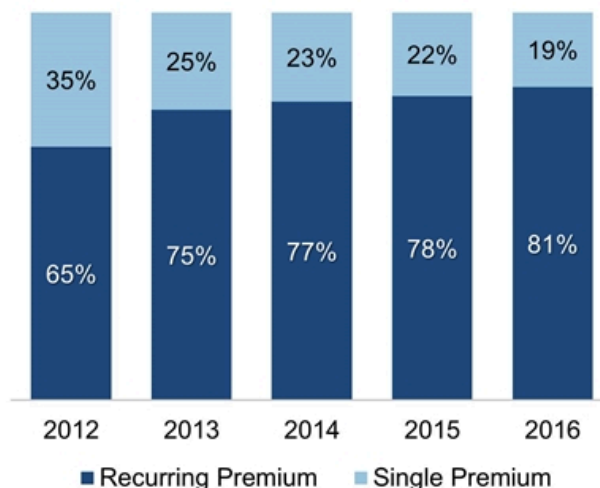
STRATEGIC MANAGEMENT OF JAPAN'S PRODUCT PORTFOLIO



Migration of Sales to USD Products⁽¹⁾



More Recurring Premium Products⁽¹⁾



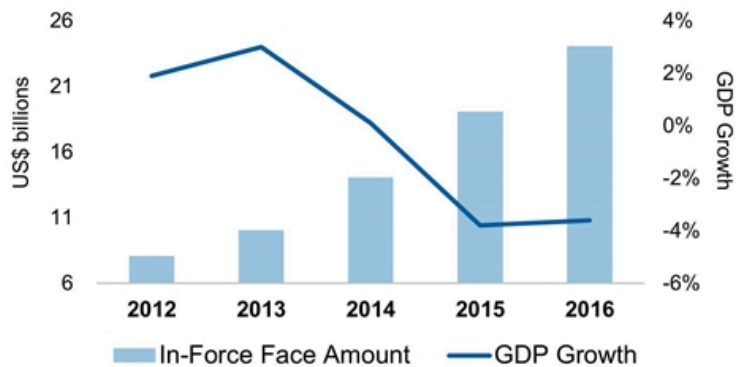
1) Annualized new business premiums.

SELECT GROWTH MARKETS



Brazil

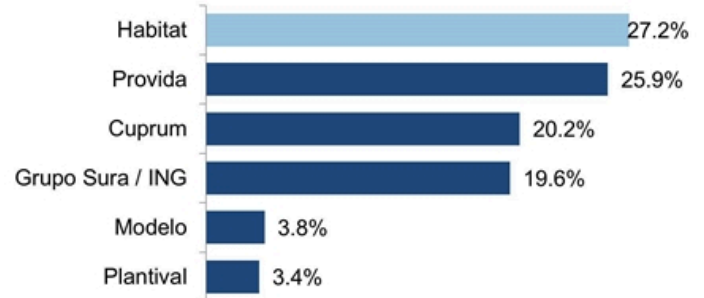
In-Force Face Amount vs GDP Growth



- Life Planner insurance business modeled on successful Japanese operation
- Strong sales productivity and retention
- Strong growth of in-force despite GDP decline

Chile

Market Share By AUM
(As of March 2017)



Source: SPS local regulatory authority

- Habitat: #1 ranked mandatory pension provider
- Lowest fees among top players, supported by efficient cost structure
- Leading provider of “voluntary” market share

INVESTMENTS IN OWNERSHIP STAKES



Strategic Approach

- Selective markets with attractive growth opportunities
- Good fit for our proven business models
- Prudent evaluation of prospective returns
- Thoughtful ownership approach to new markets

Recent Highlights



Brazil

- Acquired a portfolio of group life insurance business from Itaú



Chile

- Acquisition of 40% stake in AFP Habitat in March 2016 expands footprint in Latin America



India

- Increased ownership of joint venture to 49%



- Superior execution and differentiated business model
- Japan remains highly attractive market
- Continued investment outside Japan enhances long-term prospects



Solid earnings and capital generation with long-term growth opportunities



PRUDENTIAL FINANCIAL, INC. INVESTMENT PORTFOLIO UPDATE

SCOTT SLEYSTER
SENIOR VICE PRESIDENT
CHIEF INVESTMENT OFFICER





4 KEY PRINCIPLES



OUR APPROACH TO PORTFOLIO MANAGEMENT



DISCIPLINED LIABILITY-DRIVEN INVESTING



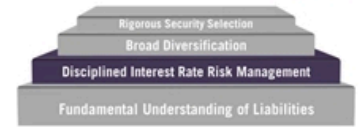
- Portfolio managers aligned with business units
 - Comprehensive understanding of product liability characteristics
 - First line of defense against key investment and market risks
- Participation in product design and pricing committees
- Portfolio construction designed to hedge product liabilities
 - Segmentation by key liability characteristics



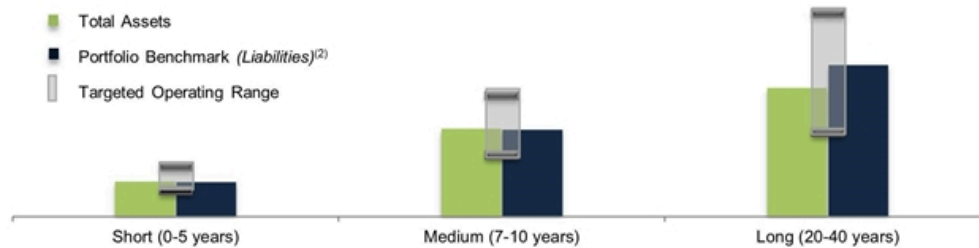
STRONG ASSET LIABILITY MANAGEMENT AND WELL-MANAGED INTEREST RATE RISK



- Cash flows are well matched within the investable horizon, substantially providing the liquidity to meet the product cash flow requirements
- Average asset duration as of 12/31/16 was 8.5 years versus liability duration benchmark of 9.2 years
- Interest rate risk is managed through Key Rate Duration (KRD) targets
- KRDs are monitored across multiple duration ranges
 - Limits are set within three targeted operating ranges



Interest Rate Sensitivity Using Key Rate Duration⁽¹⁾



1) Approximate change in market value per 1 basis point change in interest rates as of 12/31/16.

2) Portfolio benchmark includes surplus duration benchmark.



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DIVERSIFIED & HIGH QUALITY INVESTMENT PORTFOLIO

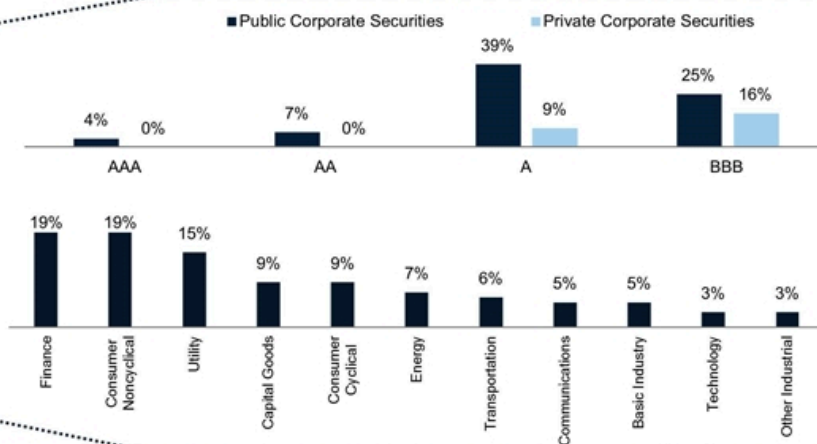
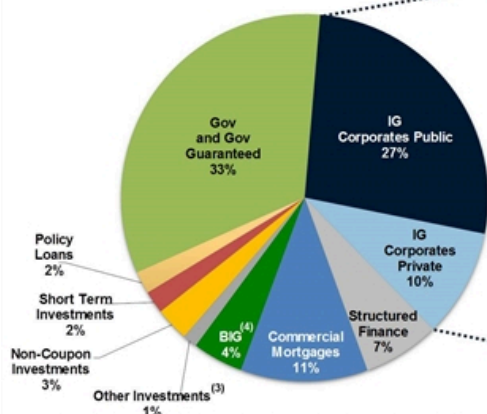


- General Account (GA) portfolio is well diversified across asset classes
- High quality portfolio with ~92% in Investment Grade (IG) assets⁽¹⁾



Portfolio Composition⁽²⁾

\$379 billion



Note: Data is based on total corporate securities excluding foreign agencies. Ratings disclosed at lowest agency rating.

- 1) Excludes Below Investment Grade (BIG), Non-Coupon and Other Investments.
- 2) Represents Prudential Financial, Inc. (PFI) GA excluding the Closed Block Division (CBD) as of 12/31/16 on a U.S. GAAP carrying value basis.
- 3) Other Investments consist of leveraged leases, derivatives, and other trading account assets.
- 4) Represents BIG fixed maturities and other high yield exposures.

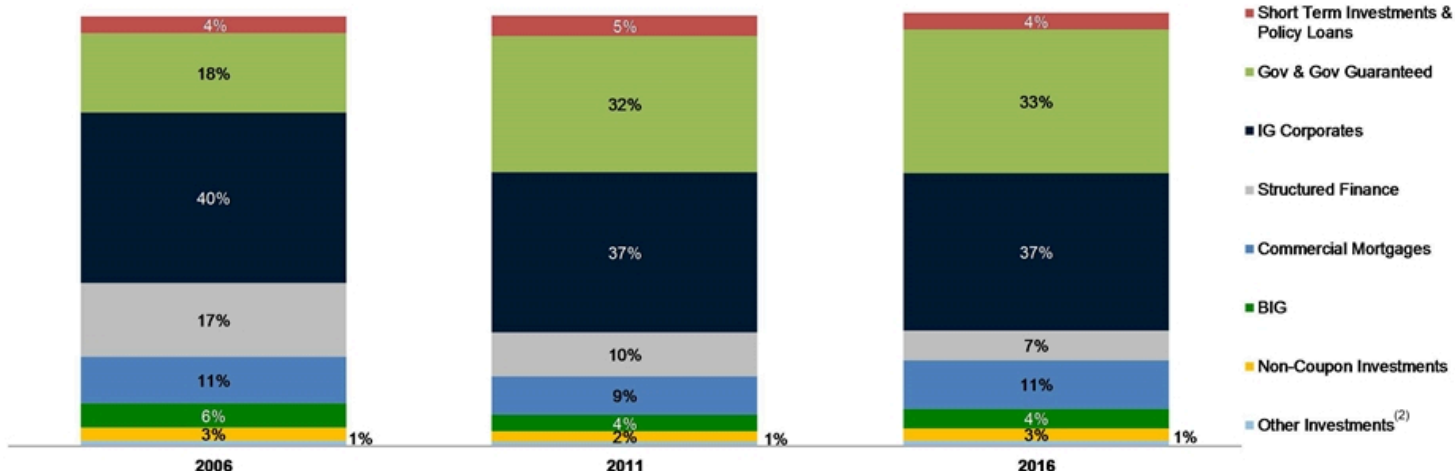


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ASSET MIX HAS REMAINED RELATIVELY CONSISTENT



- Asset mix⁽¹⁾ continues to be well diversified and quality focused
- Below Investment Grade (BIG) holdings have decreased to 4% over the past decade



1) Represents Prudential Financial, Inc. (PFI) GA excluding the Closed Block Division (CBD) on a U.S. GAAP carrying value basis.

2) Other Investments consist of leveraged leases, derivatives, and other trading account assets.

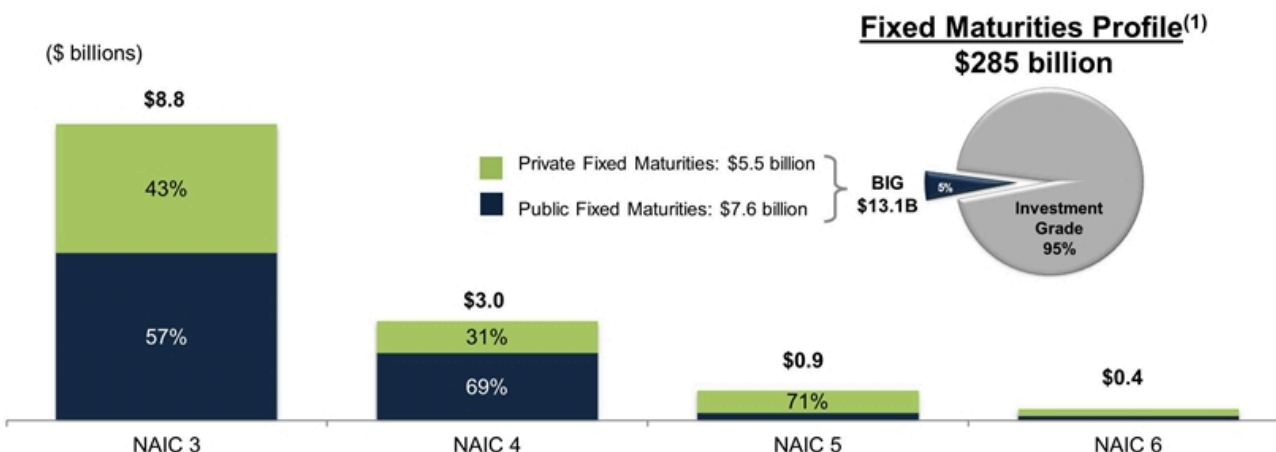


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MODEST BELOW INVESTMENT GRADE EXPOSURE



- BIG holdings are concentrated in the higher quality (NAIC 3) bucket
- Private placements comprise over 40% of BIG holdings



1) Represents PFI GA excluding the CBD based on fair value as of 12/31/16. BIG exposure reflects fixed maturity securities with NAIC ratings 3-6 and equivalent ratings for investments in international insurance operations.

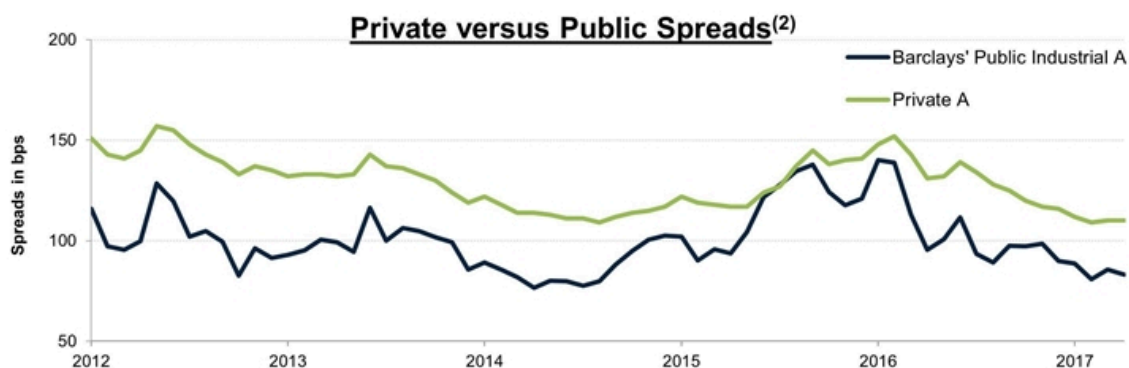
VALUE DERIVED FROM PRIVATE CORPORATE BONDS



- Internal sourcing of private placements provides competitive advantages:

- Diversification benefits
- Illiquidity premium
- Favorable recovery experience
- Rate bumps upon credit migration

- Private bond holdings⁽¹⁾ are over 98% “Reg D” versus “144A”



1) Based on statutory filings.

2) Public Spreads - Barclays, Private Spreads - Private Bankers' Survey.

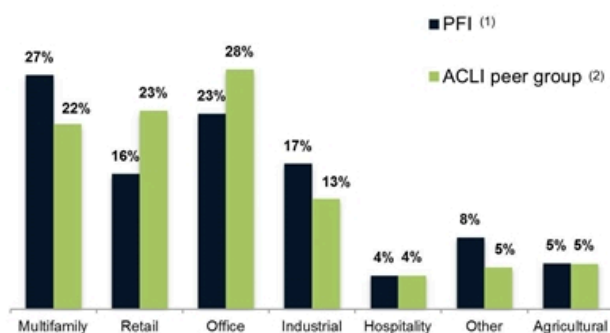
WELL DIVERSIFIED COMMERCIAL MORTGAGE PORTFOLIO



- Commercial mortgage portfolio well diversified by property type and region
 - Modest Loan-to-Value (LTV) ratios ~55%
 - Strong Debt Service Coverage (DSCR) ratios ~2.4x
- Only 2% of holdings have LTV greater than 70% and DSCRs less than 1.2x
- We are underweight the retail sector relative to ACLI averages



Sector Mix



Prudential Portfolio⁽¹⁾

Type	Gross Carrying Value (\$B)	%	Loan-to-Value	Debt Service Coverage Ratio
Multifamily	\$11.4	27%	59%	2.3x
Retail	\$6.6	16%	50%	2.4
Office	\$9.6	23%	54%	2.6
Industrial	\$7.0	17%	58%	2.2
Hospitality	\$1.7	4%	51%	2.1
Other	\$3.4	8%	58%	2.5
Agricultural	\$2.3	5%	39%	2.6
Total	\$42.0	100%	55%	2.4x

1) Represents PFI excluding the CBD as of 12/31/16.

2) American Council of Life Insurers (ACLI) peer group represents average commercial mortgage allocations by sector for participating life insurance companies, excluding PFI. ACLI percentages shown exclude non-USD denominated loans.



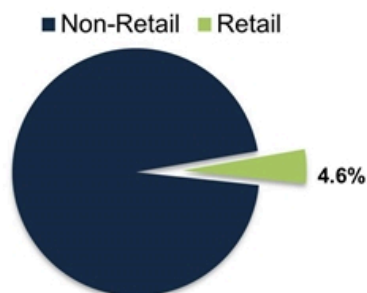
TOTAL DIRECT⁽¹⁾ RETAIL EXPOSURE ~4.6%



- The majority of the retail corporate bond exposure is rated A or better and is ~90% IG
- Well diversified commercial mortgage portfolio
- Limited allocation to potentially “at-risk” segments (Regional Malls & Community Centers)



% of Portfolio⁽²⁾



Retail Sector Exposure

Type	Book Value (\$B)	%
Commercial Mortgages:		
Dominant Mall	\$2.0	
Regional Mall	\$0.9	
Grocer Anchored	\$2.4	
Community Center	\$1.1	
Other	\$0.2	
Total Commercial Mortgages	\$6.6	1.7%
Corporate Bonds	\$6.7	1.8%
CMBS⁽³⁾	\$3.0	0.8%
Equity Real Estate	\$1.0	0.3%
Total	\$17.3	4.6%

1) Excludes indirect retail exposure embedded in non-coupon holdings such as private equity investments in retail.

2) Represents PFI excluding the CBD as of 12/31/16 on a U.S. GAAP carrying value basis.

3) Retail exposure included in the approximately \$9 billion of diversified collateral CMBS pools in the fixed maturities portfolio, with ~90% rated AAA and ~10% rated AA as of 12/31/16.

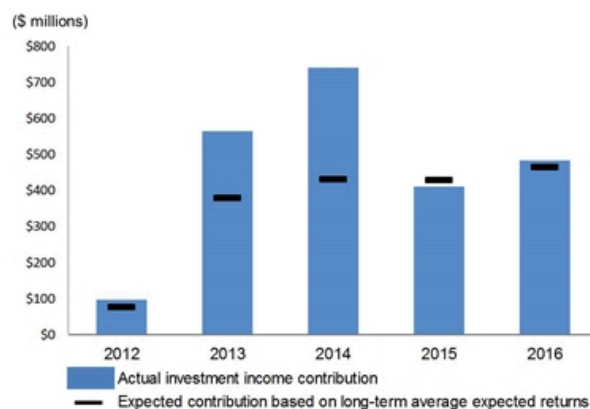
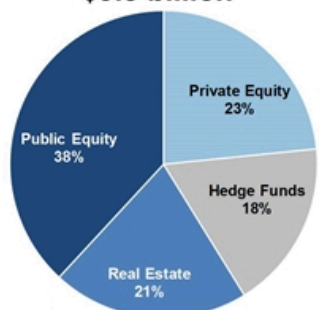
WELL DIVERSIFIED NON-COUPON PORTFOLIO



- Comprises ~3% of total invested assets
- Supports long-duration liabilities and surplus
- Blended long-term annual return expectation of ~5-6%⁽¹⁾
- Managed by dedicated team with extensive asset class expertise



Total Non-Coupon Portfolio \$9.3 billion⁽²⁾



- 1) Reflects long-term expected return on the blend of assets based on adjusted operating income; including dividends and excluding capital appreciation from the public equity portfolio.
 2) Represents PFI GA portfolio excluding the CBD as of 12/31/16 on a U.S. GAAP carrying value basis. Excludes Corporate & Other and investments in leveraged leases, and other alternatives.

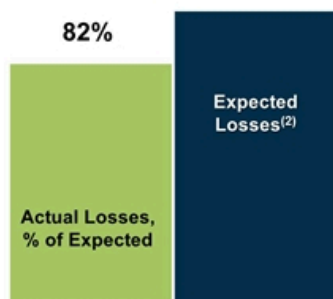
CREDIT LOSSES HAVE BEEN BELOW EXPECTATIONS



- Actual credit losses have been below expectations
 - High quality and strong portfolio diversification
 - Value of direct PGIM origination channels



Previous credit cycle: 2004 – 2010⁽¹⁾



Current credit cycle: 2011 – Date⁽¹⁾



1) Includes Available for Sale (AFS) and Held to Maturity (HTM) public and private corporates, structured securities and government bonds; Excludes mortgage loans and related loss reserves.

2) Reflects internally modeled expected credit losses which is factored in product pricing.

STRONG PARTNERSHIP WITH PGIM



VALUE CREATION FROM CLOSE COLLABORATION WITH PGIM ASSET MANAGERS



- Access to best in class investment expertise of a top 10 Asset Manager
- Outstanding private and mortgage origination capabilities
- Enhanced competitiveness on Pension Risk Transfer and other opportunities
- Average PGIM senior management team experience ~25 years

SUMMARY



- Liability-driven and well-matched portfolio
- High quality and broadly diversified investment profile across asset classes
- Distinctive advantage from PGIM origination and asset management capabilities

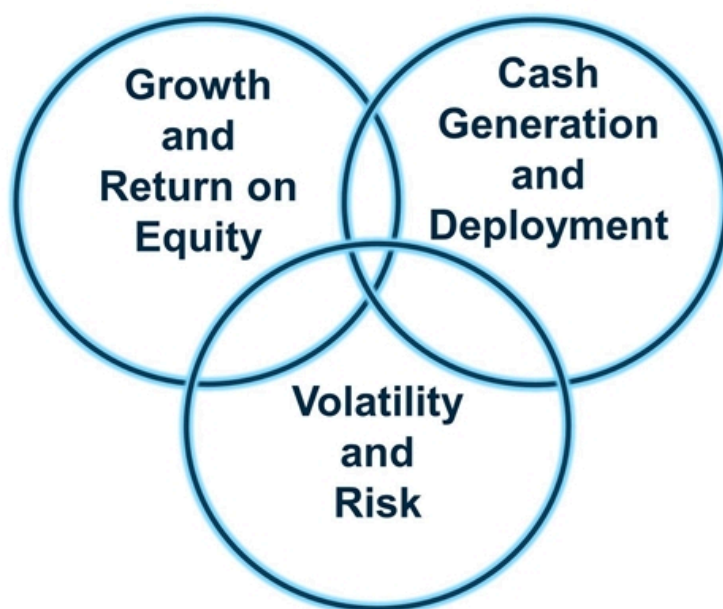


PRUDENTIAL FINANCIAL, INC. **FINANCIAL MANAGEMENT**

KEN TANJI
SENIOR VICE PRESIDENT
TREASURER



THE 'BALANCING ACT'

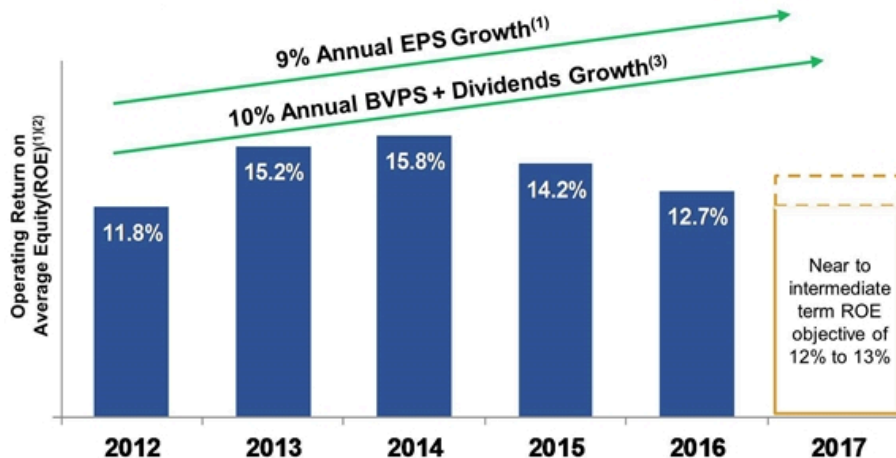


BALANCE PRODUCES SUPERIOR FINANCIAL STRENGTH AND SHAREHOLDER VALUE CREATION

SUPERIOR RETURN PROFILE



- Complementary mix of businesses with competitive advantages that produce superior ROEs and generate organic growth
- Expect to navigate market headwinds while investing in long-term growth initiatives and maintaining a balanced risk profile



1) Five year growth (2011-2016); EPS based on AOI excluding market driven and discrete items taxed at a 35% rate for purposes of EPS and ROE calculations.

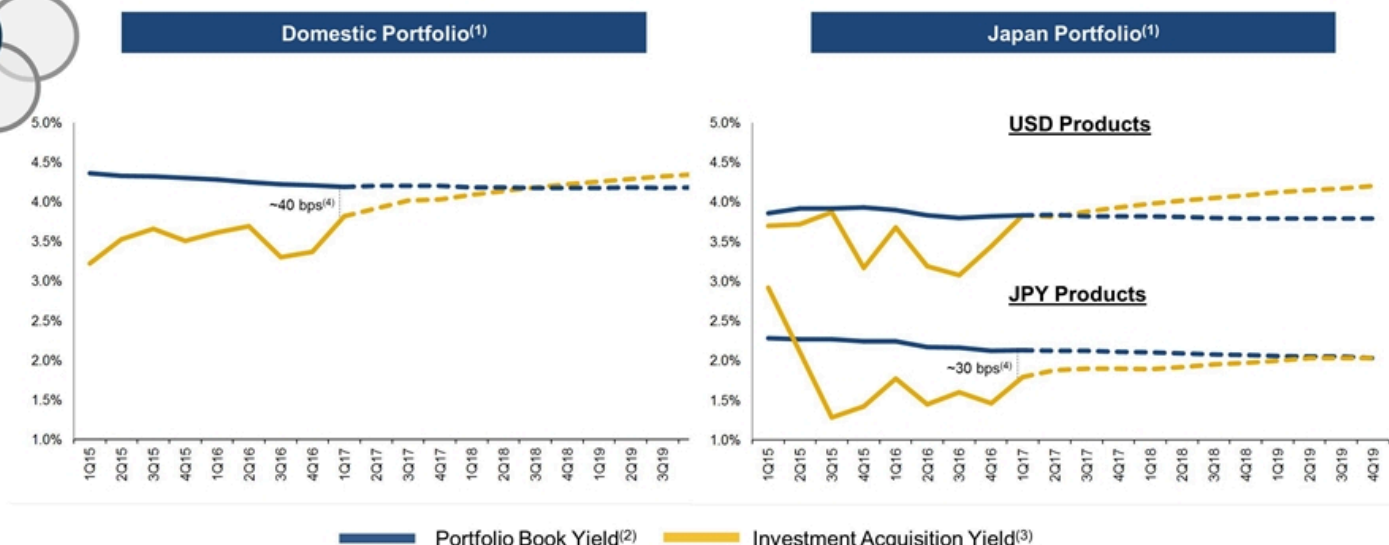
2) ROE based on after-tax AOI excluding market driven and discrete items and adjusted book value as shown in disclosure section; 2012-2014 reflects results for Financial Services Businesses (FSB); 2015 and thereafter represents Prudential Financial, Inc. (PFI).

3) Five year growth (2011-2016); represents adjusted book value plus cumulative dividends per share.



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INTEREST RATE HEADWINDS: EXPECT YEAR-OVER-YEAR IMPACT TO LESSEN IN THE NEAR TERM AS PORTFOLIO BOOK YIELD CONVERGES WITH INVESTMENT ACQUISITION YIELDS

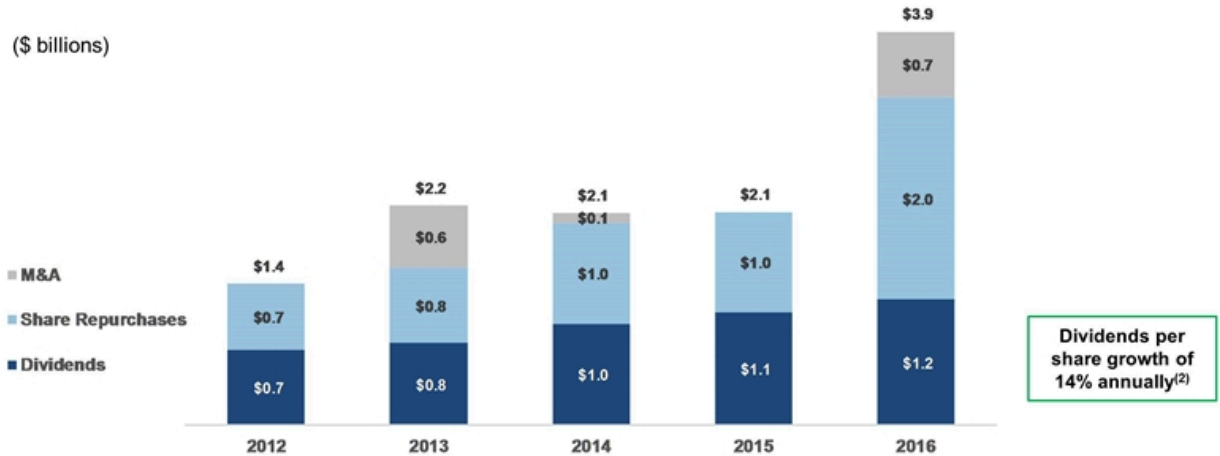


- 1) Fixed Income and Mortgage Portfolio; Domestic Portfolio excludes the Closed Block Division and Divested Businesses. Japan Portfolio includes USD and JPY blocks in the Gibraltar and POJ Businesses. "USD" and "JPY" are indicative of the currency of the products that the assets are supporting.
- 2) Future period rates assume scheduled maturities are reinvested at the new acquisition yield and asset balances / asset mix remain constant from year-end 2017 expected balances.
- 3) Future acquisition yields are based on forward yield curves and projected spreads, as applicable.
- 4) Represents bps difference between average portfolio book yield and investment acquisition yield for 1Q17.

SIGNIFICANT CAPITAL REDEPLOYMENT



- We expect free cash generation from our businesses of ~60% of after-tax AOI, on average over time, enabling steady distributions to shareholders and other accretive uses
- Over the past 5 years, nearly \$12 billion of capital was deployed toward shareholder return and M&A, representing ~55% of after-tax AOI⁽¹⁾



1) After-tax AOI excluding market driven and discrete items taxed at a 35% rate. See disclosure section.

2) Five year growth (2011-2016).

STRONG HISTORY OF CAPITAL GENERATION AND REDEPLOYMENT FROM JAPAN



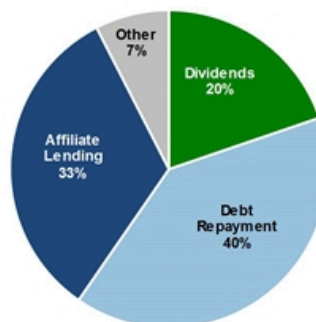
- Redeployed ~60% of International after-tax AOI since 2012⁽¹⁾ through various means

Historical Capital Redeployment

(\$ billions)



Forms of Cumulative Redeployment⁽¹⁾⁽³⁾

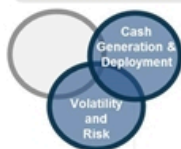


1) Data represents total International Insurance from 2012 through 2016 (Japan represents ~95% of the capital redeployed during that period).

2) Represents after-tax AOI results, using the effective tax rate of PFI for 2015-2016 and the former Financial Services Businesses for periods prior to 2015.

3) Capital redeployment from statutory entities excluding capital returned from Japan to the U.S. through the settlement of swaps on foreign currency exchange equity hedges.

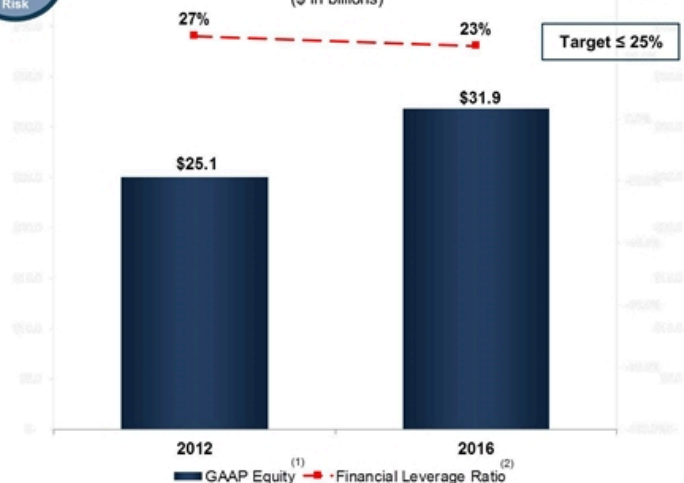
CONSERVATIVE CAPITAL STRUCTURE WITH REDUCED LEVERAGE



- The Financial Leverage and Total Leverage Ratios have continued to decline due to our active efforts to reduce debt as well as from an increase in GAAP equity

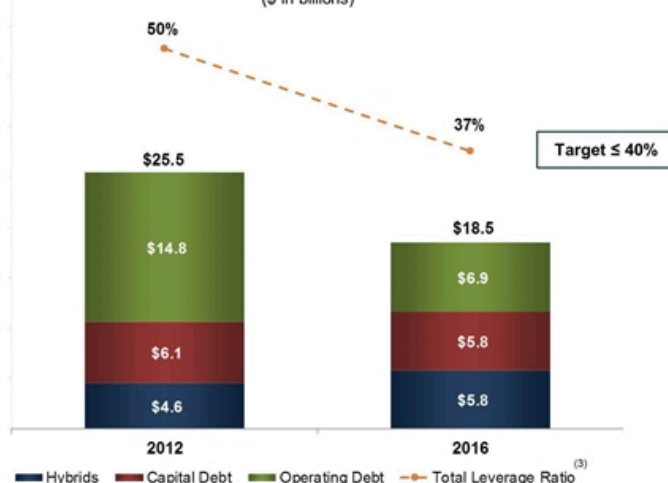
Equity & Financial Leverage Ratio

(\$ in billions)



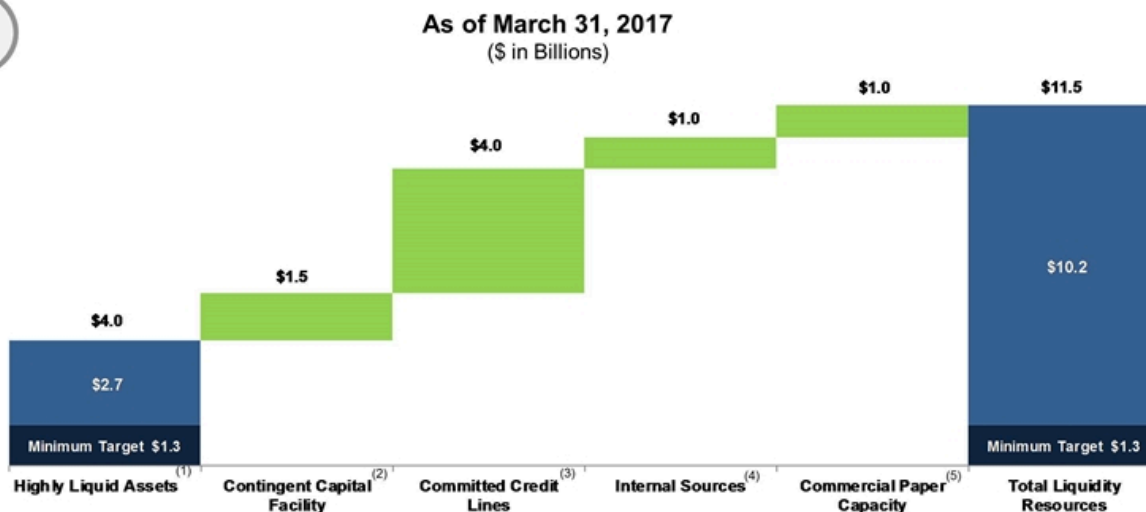
Debt & Total Leverage Ratio

(\$ in billions)



- Equity in both periods excludes non-controlling interest, accumulated other comprehensive income (except for pension and post retirement unrecognized costs) and the impact of foreign currency exchange rate remeasurement.
- Financial leverage ratio defined as senior capital debt plus 75% hybrids divided by the senior capital debt plus 100% hybrids plus total equity (as defined above).
- The company lowered the target for Total Leverage to 40% from 45% in December 2016.

SUBSTANTIAL HOLDING COMPANY CASH AND SOURCES OF LIQUIDITY

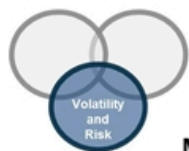


- 1) Highly liquid assets predominantly include cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds.
- 2) PFI has access to liquid assets through a 10-year contingent funding facility, established in November 2013, that can be used to meet liquidity needs and/or to downstream as capital to operating subsidiaries.
- 3) Represents a \$4 billion 5-year committed credit facility maturing in April 2020, which is shared by PFI and Prudential Funding, LLC.
- 4) Includes sources from PFI's intercompany liquidity account.
- 5) Represents estimated total capacity. \$65 million of PFI commercial paper was outstanding as of March 31, 2017.

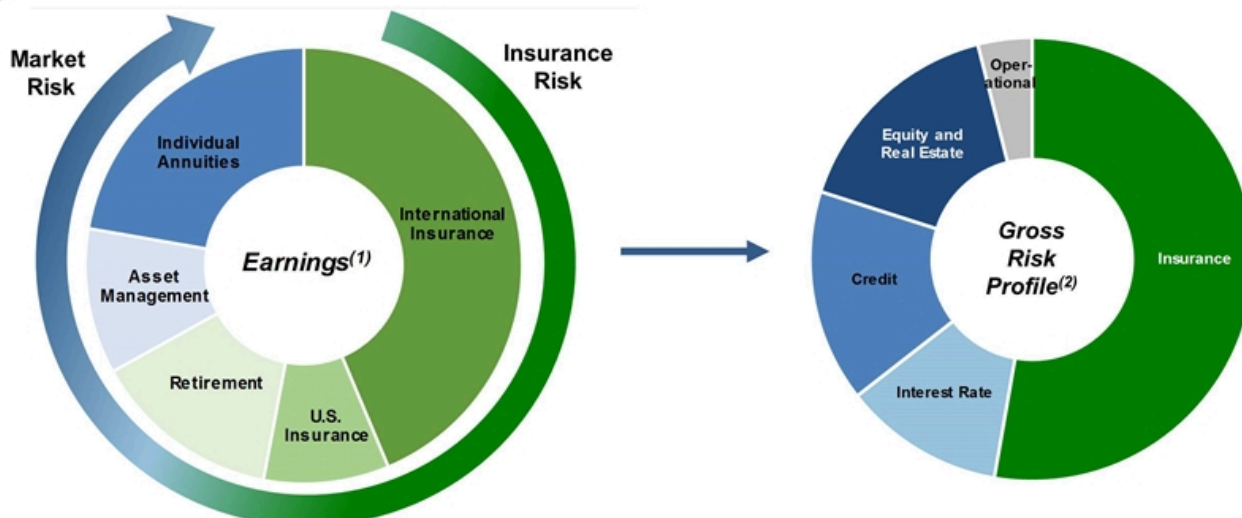


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BUSINESS MIX DRIVES A BALANCED RISK PROFILE

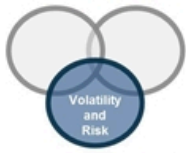


- Business mix drives a risk profile that is well-balanced between insurance and market risks

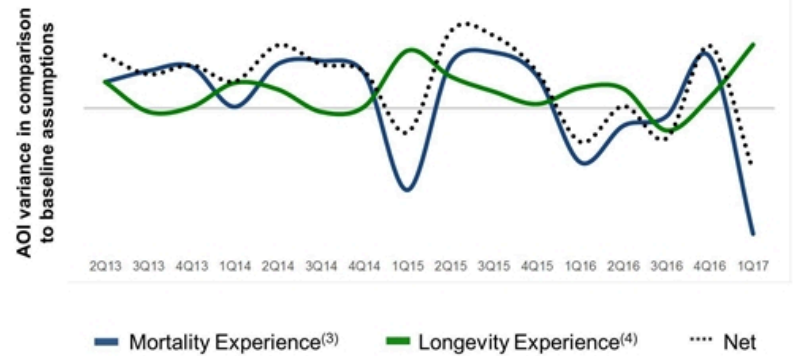
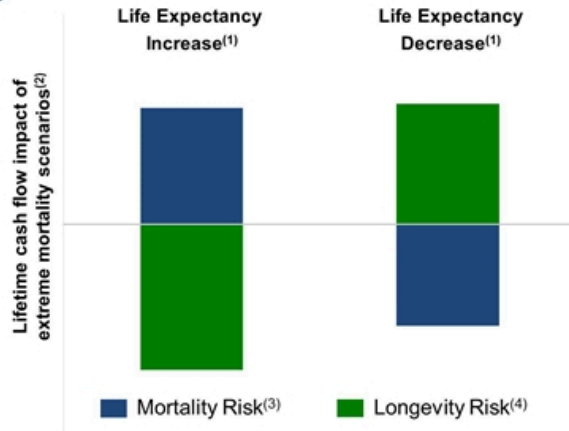


- 1) Represents segment contribution to 2016 pre-tax AOI, excluding market driven and discrete items as shown in disclosure section, and Corporate & Other.
- 2) Represents risk contribution to Risk Adjusted Capital, which is an internal risk-sensitive view of capital that is independent of regulatory factors and formulas. Data as of December 31, 2016. Percentages reflect gross risk prior to diversification benefits either within or between risk types. Insurance risks include mortality, longevity, morbidity and policyholder behavior.

OFFSETTING EXPOSURES BETWEEN MORTALITY & LONGEVITY BASED BUSINESSES

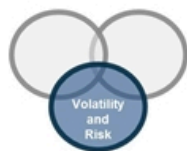


- Mortality and longevity risks are offsetting
- Historical experience shows a strong offset between longevity and mortality experience



- 1) Increase or decrease based on longevity improvement significantly differing from baseline improvement assumptions; mortality and longevity risks are asymmetrical.
- 2) Based on business in force as of 12/31/16.
- 3) Mortality generated by Individual Life, Group Life and International Insurance businesses.
- 4) Longevity generated by Retirement, Annuities and discontinued Long-Term Care businesses.

VARIABLE ANNUITIES: RESILIENT CASH FLOWS, EVEN UNDER EXTREME STRESS



- The variable annuities in force block is expected to generate strong future contract cash flows under a range of market conditions and policyholder behavior sensitivities
 - Represents the present value of future contract cash flows only; thus excludes the value from existing statutory reserves and capital of approximately \$11 billion, as of December 31, 2016
- Additionally, the business has on balance sheet capital and reserves to withstand cyclical stresses and still maintain resources to support a CTE 97 total asset requirement



1) PV of future cash flows reflect total contract cash flows based upon the in force book of business and initial interest rates as of 12/31/16. Excludes the value from existing statutory reserves and capital as of 12/31/16. Each scenario reflects impact of our dynamic lapse assumptions on policyholder behavior (lapse rates based upon in-the-moneyness and level of interest rates). Cash flows are shown on a present value basis, are discounted at projected U.S. Treasury rates, and reflect the results of hedging activity. See disclosure section for a description of assumptions.

ROBUST CAPITAL PROTECTION FRAMEWORK



- In addition to holding reserves and capital to "AA" standards across our businesses, we have a robust Capital Protection Framework in place which will ensure our ability to withstand severe market stress, while maintaining a competitive capitalization

Tail Stress Shocks⁽¹⁾

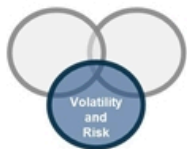
Equity Market	Down 45%
Interest Rate	Up 250 bps (U.S.) Down 100 bps (U.S.)
Credit	Great Depression
Currency	Yen appreciates to ~70USD

Our Toolbox

Capital Capacity On Balance Sheet
Derivatives & Hedging
Credit Facilities
Contingent Capital

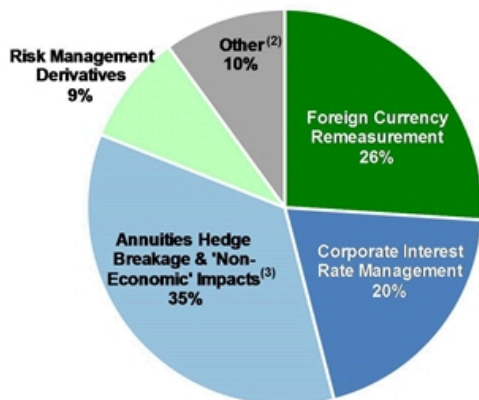
1) Stress parameters assume immediate shock.

REDUCED COMPLEXITY AND VOLATILITY IN GAAP EARNINGS



- Significant actions taken to reduce GAAP earnings volatility

**Sources of Volatility
2012 – 2016⁽¹⁾**



Actions Taken

- Implemented foreign currency division structure in Gibraltar Life
- Restructured Variable Annuities to manage all product-related risks in the Annuities business
 - Expect reduced volatility due to maturity and reflections of experience of the block
- Reduced notional value of duration management interest rate derivatives by ~60% and implemented hedge accounting for foreign currency hedges where permissible

1) Percentages represent contribution to GAAP volatility (sum of nominal difference between GAAP Net Income and after-tax AOI) from 2012-2016.

2) Primarily includes portfolio trading gains and losses, impairments and credit losses and divested business results.

3) Includes impacts of assumption updates. Non-economic impacts mainly represent the unhedged component on certain variable annuity reserves, including risk margins and non-performance risk.

KEY TAKEAWAYS



- Complementary mix of businesses with competitive advantages that result in high-quality, diversified sources of earnings, cash flows and growth as well as a well-balanced risk profile
- Expect to continue to produce superior ROEs, while navigating market headwinds and investing in growth initiatives with long-term benefits
- Balance sheet strength, capital position and cash generation support disciplined shareholder return and financial flexibility
- Conservative capitalization as a result of increased equity and reduced leverage; strong on-balance-sheet and contingent sources of liquidity
- Continue to reduce complexity and GAAP earnings volatility while improving transparency of our financial results
- Focus on talent and leadership enables execution, fosters innovation and builds long-term success