

PRUDENTIAL PLC  
Form 6-K  
March 11, 2015

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

For the month of March, 2015

PRUDENTIAL PUBLIC LIMITED COMPANY

(Translation of registrant's name into English)

LAURENCE POUNTNEY HILL,  
LONDON, EC4R 0HH, ENGLAND  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports  
under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information  
contained in this Form is also thereby furnishing the information to the  
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant  
in connection with Rule 12g3-2(b): 82-

NEWS RELEASE

PRUDENTIAL PLC

COMMUNICATIONS

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GROUP

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10 March 2015

PRUDENTIAL PLC FULL YEAR 2014 RESULTS

PRUDENTIAL CONTINUES TO DELIVER STRONG GROWTH IN A CHALLENGING ENVIRONMENT AND REBASES DIVIDEND UPWARDS

Group Performance Highlights (on constant exchange rate basis):

- IFRS operating profit of £3,186 million, up 14 per cent<sup>1</sup>
- EEV new business profit<sup>2</sup> of £2,126 million, up 10 per cent<sup>1</sup>
- Underlying free surplus generation<sup>3</sup> (after investment in new business) of £2,579 million, up 9 per cent<sup>1</sup>
- Net cash remittances from business units up 11 per cent to £1,482 million

Business Units Performance Highlights (on constant exchange rate basis):

- Asia life and asset management IFRS operating profit of £1,140 million, up 17 per cent<sup>1</sup>
- Jackson life IFRS operating profit of £1,431 million, up 21 per cent<sup>1</sup>
- UK life IFRS operating profit of £752 million, up 7 per cent
- M&G IFRS operating profit of £446 million, up 13 per cent

Capital & Dividend:

- IFRS shareholders' funds of £11.8 billion, up 22 per cent<sup>4</sup>
- EEV shareholders' funds of £29.2 billion, up 17 per cent<sup>4</sup>, equivalent to 1,136 pence per share
- Insurance Groups Directive (IGD) capital surplus<sup>5</sup> estimated at £4.7 billion; solvency requirements covered 2.4 times
- 2014 full year dividend increased by 10 per cent to 36.93 pence per share

Commenting on the results, Tidjane Thiam, Group Chief Executive, said:

"The Group delivered a strong performance in 2014. We continued to grow across our key metrics despite the challenges presented by historically low long-term interest rates in the US and the UK, major currency discontinuities in some of our key Asian markets and unprecedented regulatory changes in the UK life market. IFRS operating profit increased 14 per cent to £3,186 million and EEV new business profit grew 10 per cent to £2,126 million. The Group's

underlying free surplus generation increased by 9 per cent to £2,579 million and cash remitted by our business units increased by 11 per cent to £1,482 million. These results represent solid progress towards our 2017 growth and cash objectives, which we set out at the December 2013 investor day in London.

"In Asia, our business remains focused on meeting the protection and savings needs of the region's growing middle classes through a high-quality agency force and strong bank partnerships. Our portfolio of life businesses in the region delivered a combined IFRS operating profit of £1,050 million, up by 16 per cent. New business profit in the region was up 13 per cent to £1,162 million. We announced in March 2014 the renewal for 15 years of our pan-Asian distribution partnership with Standard Chartered Bank. This new agreement got off to a great start in its first year as sales through Standard Chartered Bank grew by 33 per cent in the second half of the year compared to the same period in 2013.

"In the US, Jackson has continued to proactively manage sales of variable annuities with living benefits to match our annual risk appetite. We continued to diversify our product mix, with APE sales of Elite Access, our innovative variable annuity without guarantees, increasing by 26 per cent to £311 million. This contributed to an increase in the proportion of variable annuities sold without living benefit guarantees to a record 34 per cent of total variable annuity sales. Jackson's strategy delivered strong returns to our shareholders. In 2014, IFRS operating profit from our US life business increased by 21 per cent to £1,431 million and cash remittances grew by 41 per cent to a record £415 million.

1 The period since June 2013 has seen depreciation of currencies in some of the Group's key Asia markets and significant strengthening of sterling. In order to reflect underlying performance, and to be consistent with the currency of

transactions of our businesses in Asia and US, year-on-year percentage increases referred to in this press release are stated on a constant exchange rate basis. Increases on an actual exchange rate basis, which incorporate the effect of the exchange rate movements, are shown in the Financial Highlights section and in the Chief Financial Officer's report.

2 The 2014 EEV results of the Group are presented on a post-tax basis and, accordingly 2013 results are shown on a comparable basis.

3 Underlying free surplus generated comprises free surplus generated based on operating movements from long-term business (net of investment in new business) and that generated from asset management operations.

4 Comparable to 31 December 2013.

5 Before allowing for final dividend.

6 'Sweet spot' markets are Indonesia, Singapore, Hong Kong, Malaysia, Philippines, Vietnam and Thailand.

"In the UK, our life business delivered a strong performance, with IFRS operating profit rising 7 per cent to £752 million despite an unprecedented level of regulatory change affecting annuities, a core product for us. In this context, the UK achieved a material increase in both APE sales of accumulation products (with-profits bonds sales increased by 34 percent year-on-year) and in APE sales of bulk annuities (bulk transactions increased from £28 million in 2013 to £171 million in 2014).

"In asset management:

- M&G produced a strong set of results. IFRS operating profit rose 13 per cent to £446 million and cash remitted increased by a record 21 per cent to £285 million. M&G continued its successful strategy of geographic diversification, with net flows from continental Europe growing by 7 per cent to £8.1 billion.
- Eastspring Investments delivered an excellent performance attracting a record level of asset inflows of £5.4 billion. Thanks to these inflows and the flows from our life businesses together with market movements, funds under management increased by 28 per cent to a new high of £77.3 billion. IFRS operating profit increased 32 per cent to £90 million.

"During the year, the Group faced the depreciation of currencies in some of our Asian 'sweet spot' markets<sup>6</sup>, a global investment environment where interest rates are expected to continue to remain low and geopolitical challenges which

increased uncertainty, particularly in the Eurozone.

"Looking ahead, the economic environment in the US and the UK appears to show signs of improvement. Furthermore, we are optimistic about the outlook for the emerging economies of Asia, where the long-term fundamentals of our life insurance business remain compelling. We continue to see strong economic growth and increasing demand for insurance from a rapidly growing and prosperous middle class which is under-insured.

"We remain confident in our ability to produce profitable growth over the long-term and continue to create value for our customers and shareholders."

Contact:

Media		Investors/Analysts	
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Notes to Editors:

1. The results in this announcement are prepared on two bases: International Financial Reporting Standards (IFRS) and European Embedded Value (EEV). The IFRS basis results form the basis of the Group's statutory financial statements. The supplementary EEV basis results have been prepared in accordance with the European Embedded Value principles (EEV Principles) issued by the CFO Forum of European Insurance Companies in May 2004 and expanded by the Additional Guidance on EEV disclosures published in October 2005. The Group applies these EEV Principles to its long-term business and combines this with the post-tax IFRS results of its other operations to give the EEV basis results. The 2014 EEV results of the Group are presented on a post-tax basis and, accordingly 2013 results are shown on a comparable basis. Year-on-year percentage increases are stated on a constant exchange rate basis unless otherwise stated. Constant exchange rates results are calculated by translating prior year results using the current year foreign exchange rate i.e. current year average rates for the income statement and current year closing rates for the balance sheet.
2. Annual Premium Equivalent (APE) sales comprise regular premium sales plus one-tenth of single premium insurance sales.
3. Operating profit is determined on the basis of including longer-term investment returns. EEV and IFRS operating profit is stated after excluding the effect of short-term fluctuations in investment returns against long-term assumptions, gain on sale of PruProtect and PruHealth, the costs arising from the domestication of our Hong Kong business, and loss attaching to held for sale Japan Life insurance business. Furthermore, for EEV basis results, operating profit based on longer-term investment returns excludes the effect of changes in economic assumptions and the mark-to-market value movement on core borrowings. Separately on the IFRS basis, operating profit also excludes amortisation of accounting adjustments on the acquisition of REALIC.
4. Total number of Prudential plc shares in issue as at 31 December 2014 was 2,567,779,950.
5. A presentation for analysts and investors will be held today at 8.30 (UK)/ 16.30 (Hong Kong) in the conference suite at Nomura International plc, 1 Angel Lane, London EC4R 3AB. The presentation will be webcast live and as a replay on the corporate website via the link below:

<http://prudential.co.uk/investors/results-and-presentations/results-day>

A dial-in facility will be available to listen to the presentation. Please allow time ahead of the presentation to join the call (lines open half an hour before the presentation is due to start, ie from 8.00 (UK) / 16.00 (Hong Kong)). Dial-in: +44 (0)203 059 8125 / 0800 368 0649 (Freephone UK), Passcode: 'Prudential' (this must be quoted to the operator to gain access to the call). Playback: +44 (0)121 260 4861, Passcode: 0347515#. This will be available from

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approximately 15.00 (UK) / 23.00 (Hong Kong) on 10 March 2015 until 23.59 (UK) on 24 March 2015 / 07.59 (Hong Kong) on 25 March 2015.

6. High-resolution photographs are available to the media free of charge at [www.prudential.co.uk/prudential-plc/media/media\\_library](http://www.prudential.co.uk/prudential-plc/media/media_library)

7.	2014 Dividend
Ex-dividend date	26 March 2015 (UK, Ireland and Hong Kong) 25 March 2015 (Singapore)
Record date	27 March 2015
Payment of dividend	21 May 2015 (UK, Ireland and Hong Kong) On or about 28 May 2015 (Singapore) On or about 29 June 2015 (ADR holders)

### 8. About Prudential plc

Prudential plc is incorporated in England and Wales, and its affiliated companies constitute one of the world's leading financial service groups serving around 24 million customers and has £496 billion of assets under management (as at 31 December 2014). Prudential plc is listed on the stock exchanges in London, Hong Kong, Singapore and New York. Prudential plc is not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America.

### 9. Forward-Looking Statements

This document may contain 'forward-looking statements' with respect to certain of Prudential's plans and its goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements that are not historical facts, including statements about Prudential's beliefs and expectations and including, without limitation, statements containing the words 'may', 'will', 'should', 'continue', 'aims', 'estimates', 'projects', 'believes', 'intends', 'expects', 'plans', 'seeks' and 'anticipates', and words of similar meaning, are forward-looking statements. These statements are based on plans, estimates and projections as at the time they are made, and therefore undue reliance should not be placed on them. By their nature, all forward-looking statements involve risk and uncertainty. A number of important factors could cause Prudential's actual future financial condition or performance or other indicated results to differ materially from those indicated in any forward-looking statement. Such factors include, but are not limited to, future market conditions, including fluctuations in interest rates and exchange rates and the potential for a sustained low-interest rate environment, and the performance of financial markets generally; the policies and actions of regulatory authorities, including, for example, new government initiatives related to the financial crisis and the effect of the European Union's 'Solvency II' requirements on Prudential's capital maintenance requirements; the impact of continuing designation as a Global Systemically Important Insurer or 'G-SII'; the impact of competition, economic growth, inflation, and deflation; experience in particular with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; the impact of changes in capital, solvency standards, accounting standards or relevant regulatory frameworks, and tax and other legislation and regulations in the jurisdictions in which Prudential and its affiliates operate; and the impact of legal actions and disputes. These and other important factors may for example result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. Further discussion of these and other important factors that could cause Prudential's actual future financial condition or performance or other indicated results to differ, possibly materially, from those anticipated in Prudential's forward-looking statements can be found under the 'Risk Factors' heading in this document.

Any forward-looking statements contained in this document speak only as of the date on which they are made. Prudential expressly disclaims any obligation to update any of the forward-looking statements contained in this document or any other forward-looking statements it may make, whether as a result of future events, new information or otherwise except as required pursuant to the UK Prospectus Rules, the UK Listing Rules, the UK Disclosure and Transparency Rules, the Hong Kong Listing Rules, the SGX-ST listing rules or other applicable laws and regulations.

## Summary 2014 financial performance

## Financial highlights

## Life APE new business sales (APE sales)

	Actual Exchange Rate			Constant Exchange Rate	
	2014 £m	2013 £m	Change %	2013 £m	Change %
Asia	2,237	2,125	5	1,946	15
US	1,556	1,573	(1)	1,494	4
UK	857	725	18	725	18
Total Group	4,650	4,423	5	4,165	12

## Life EEV new business profits and investment in new business

	Actual Exchange Rate					Constant Exchange Rate				
	2014 £m		2013 £m		Change %	2013 £m		Change %		
	Free surplus invested	New in business	Free surplus invested	New in business	Free surplus investment	Free surplus investment	Free surplus investment	Free surplus investment	Free surplus investment	Free surplus investment
	Profit1	business	Profit1	business	Business Profit1	in new business	Business Profit1	in new business	Business Profit1	in new business
Asia	1,162	346	1,139	310	2	12	1,032	285	13	21
US	694	187	706	298	(2)	(37)	670	283	4	(34)
UK	270	73	237	29	14	152	237	29	14	152
Total Group	2,126	606	2,082	637	2	(5)	1,939	597	10	2

## IFRS Profit

	Actual Exchange Rate			Constant Exchange Rate		
	2014 £m	2013 £m	Change %	2013 £m	Change %	
Operating profit before tax						
Long-term business:						
Asia <sup>2</sup>		1,050	1,001	5	905	16
US		1,431	1,243	15	1,181	21
UK		752	706	7	706	7
Long-term business operating profit <sup>2</sup>		3,233	2,950	10	2,792	16
UK general insurance commission		24	29	(17)	29	(17)
Asset management business:						
M&G (including Prudential Capital)		488	441	11	441	11
Eastspring Investments		90	74			