

SUPPLEMENTARY PROSPECTUS DATED 21 AUGUST, 2017



Prudential plc

*(Incorporated with limited liability in England and Wales under the Companies Act 1985
with registered number 1397169)*

as Issuer

£6,000,000,000

Medium Term Note Programme

This Supplementary Prospectus (the “**Supplementary Prospectus**”, which definition shall include all information incorporated by reference herein) to the base prospectus dated 24 May, 2017 (the “**Prospectus**”, which definition includes the Prospectus as supplemented, amended or updated from time to time and includes all information incorporated by reference therein), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (“**FSMA**”) and is prepared in connection with the medium term note programme (the “**Programme**”) established by Prudential plc (the “**Issuer**”).

Terms defined in the Prospectus have the same meanings when used in this Supplementary Prospectus.

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Prospectus issued by the Issuer and all documents which are incorporated herein or therein by reference.

This Supplementary Prospectus has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”) which is the competent authority for the purposes of the Prospectus Directive and relevant implementing measures in the United Kingdom, as a supplemental prospectus to the Prospectus. The Prospectus constitutes a base prospectus prepared in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of Notes under the Programme.

The Issuer accepts responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. Purpose

The purpose of this Supplementary Prospectus is to:

- (A) incorporate by reference the announcements released by the Issuer on 10 August, 2017 comprising the Issuer's News Release and Business Review, the Issuer's Risk Factors, the Issuer's IFRS Disclosure and Additional Financial Information and the Issuer's European Embedded Value ("**EEV**") basis results for the six months ended 30 June, 2017 (together, the "**Issuer's 2017 Half Year Results**");
- (B) update certain elements of the summary set out in the Prospectus to include updated key financial information in respect of the six months ended 30 June, 2017;
- (C) update the Prospectus to reflect certain changes to the Board of Directors of the Issuer; and
- (D) provide updated 'no significant change' and 'no material change' statements as set out at paragraph 5 of this Supplementary Prospectus.

2. Incorporation by reference of the Issuer's 2017 Half Year Results

On 10 August, 2017 the Issuer published the Issuer's 2017 Half Year Results.

By virtue of this Supplementary Prospectus, the Issuer's 2017 Half Year Results are hereby incorporated in and form part of this Supplementary Prospectus, and are thereby incorporated in and form part of the Prospectus.

A copy of the Issuer's 2017 Half Year Results has been filed with the National Storage Mechanism.

3. Summary of the Programme

Element B.12 of the Summary of the Programme shall be supplemented to reflect the publication of the Issuer's 2017 Half Year Results. Element B.12 as so supplemented is set out in the Annex to this Supplementary Prospectus.

4. Changes to the Board of Directors of the Issuer

4.1 Tony Wilkey

On 25 May, 2017, the Issuer announced that the effective date from which Tony Wilkey would step down as Chief Executive of Prudential Corporation Asia and from the Board of the Issuer would be 17 July, 2017.

4.2 Mark FitzPatrick and Nicolaos Nicandrou

On 23 June, 2017, the Issuer announced that the effective date from which:

- (A) Nicolaos Nicandrou would succeed Tony Wilkey as Chief Executive of Prudential Corporation Asia; and

- (B) Mark FitzPatrick would become an Executive Director of the Issuer and succeed Nicolaos Nicandrou as Chief Financial Officer,

would be 17 July, 2017.

Save as described in the Prospectus, there are no potential conflicts of interest between the duties owed by Mark to the Issuer and his private interests and/or other duties as at the date of this Supplementary Prospectus.

4.3 Thomas Watjen

On 11 July, 2017, Thomas Watjen was appointed as a Non-executive Director of the Issuer and as a member of the Remuneration Committee.

Relevant skills and experience

Tom started his career at Aetna Life and Casualty before joining Conning & Company, an investment and asset management provider, where he became Partner in the capital markets and venture capital division. Tom joined Morgan Stanley in 1987 as Managing Director in its insurance practice and in 1994 he was appointed Executive Vice President and Chief Financial Officer of Provident Companies Inc. A key architect of Provident's merger with Unum in 1999, Tom was appointed President and Chief Executive Officer of the renamed Unum Group in 2003, a role he held for 12 years before becoming Non-Executive Chairman until his retirement in May 2017.

Other appointments

Tom is a non-executive director of SunTrust Banks, Inc..

Save as described in the Prospectus, there are no potential conflicts of interest between the duties owed by Tom to the Issuer and his private interests and/or other duties as at the date of this Supplementary Prospectus.

5. Significant and material adverse change statements

There has been no significant change in the financial or trading position of the Issuer and its subsidiaries as a whole since 30 June, 2017.

There has been no material adverse change in the prospects of the Issuer and its subsidiaries as a whole since 31 December, 2016.

6. General

For so long as Notes may be issued pursuant to the Prospectus (as supplemented by this Supplementary Prospectus), copies of the following documents will be available during normal business hours from the registered offices of the Issuer and the specified office of the Issue and Paying Agent for the time being in London:

- (A) a copy of this Supplementary Prospectus; and

(B) the Issuer's 2017 Half Year Results.

Copies of documents incorporated by reference in this Supplementary Prospectus may be obtained:

- (A) by a request in writing to the Issuer at its registered office at Laurence Pountney Hill, London EC4R 0HH and marked for the attention of the Company Secretary;
- (B) by visiting the Issuer's website at:
<http://www.prudential.co.uk/investors/results-centre>; or
- (C) from the specified office of the Issue and Paying Agent for the time being in London.

To the extent that there is any inconsistency between: (a) any statement in this Supplementary Prospectus or any statement incorporated by reference into the Prospectus by this Supplementary Prospectus; and (b) any other statement in or incorporated by reference in the Prospectus prior to the date of this Supplementary Prospectus, the statements in (a) will prevail.

If documents which are incorporated by reference themselves incorporate any information or other documents by reference therein, either expressly or implicitly, such information or other documents will not form part of this Supplementary Prospectus for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference in this Supplementary Prospectus or where this Supplementary Prospectus is specifically defined as including such information. Any information contained in a document incorporated by reference in this Supplementary Prospectus which is not incorporated in, and does not form part of, this Supplementary Prospectus is not relevant for investors or is contained elsewhere in this Supplementary Prospectus.

Save as disclosed in this Supplementary Prospectus, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since publication of the Prospectus.

No person has been authorised by the Issuer, any Dealer or the Trustee to give any information or to make any representation not consistent with the Prospectus, this Supplementary Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, any Dealer or the Trustee.

The delivery of the Prospectus and/or this Supplementary Prospectus at any time does not imply that there has been no change in the affairs of the Issuer since the date hereof, or that the information contained in either of them is correct as at any time subsequent to each of their respective dates.

Annex

Amended Summary of the Programme

| | | | | |
|---|--|--|---------|-------------------------|
| B.12 ¹ | Selected historical key financial information regarding the Issuer plus a statement that there has been no material adverse change in the prospects of the Issuer since the date of its last audited financial statements or a description of any material adverse change and a description of significant changes in the financial or trading position subsequent to the period covered by the historical financial information | The following tables present the profit and loss account and balance sheet data for and as the six months ended 30 June, 2016 and 30 June, 2017 and the years ended 31 December, 2015 and 31 December 2016. The information has been derived from the Issuer's unaudited consolidated half year financial statements and the Issuer's audited consolidated financial statements audited by KPMG LLP. | | |
| | | Unaudited Consolidated Half Year Financial Statements | | Half Year ended 30 June |
| | | | 2017 | 2016 |
| | | Statutory IFRS basis results | | |
| | | Profit after tax attributable to equity holders of the Company | £1,505m | £687m |
| | | Basic earnings per share | 58.7p | 26.9p |
| | | Shareholders' equity, excluding non-controlling interests | £15.4bn | £14.6bn |
| | | Supplementary IFRS basis information | | |
| | | Operating profit based on longer-term investment returns | £2,358m | £2,044m |
| | | Short-term fluctuations in investment returns on shareholder-backed business | £(573)m | £(1,385)m |
| Amortisation of acquisition accounting adjustments | £(32)m | £(35)m | | |
| Cumulative exchange gain on the sold Korea life business recycled from other comprehensive income | £61m | - | | |
| Profit attaching to the held for sale Korea life business | - | £40m | | |
| Profit before tax attributable to shareholders | £1,814m | £664m | | |
| Operating earnings per share (reflecting operating profit based on longer-term investment return)..... | 70.0p | 61.3p | | |
| Dividends per share paid in reporting period: | | | | |
| Second interim ordinary dividend for prior year | 30.57p | 26.47p | | |

¹ Element B.12 of the Summary of the Programme has been revised to include (i) selected historical key financial information regarding the Issuer in respect of the half-year ended 30 June, 2017, derived from the Issuer's 2017 Half Year Results, and (ii) a statement that there have been no significant changes in the financial or trading position of the Issuer subsequent to the period covered by the historical financial information.

| | | | | |
|--|--|---|---------------------------|----------|
| | | Special dividend for prior year..... | - | 10.00p |
| | | Dividends per share relating to reporting period..... | 14.50p | 12.93p |
| | | Funds under management..... | £634.9bn | £562.3bn |
| | | Audited Consolidated Financial Statements | Year ended 31 December | |
| | | | 2016 | 2015 |
| | | | £ million | |
| | | Statutory IFRS basis results | | |
| | | Gross premiums earned | 38,981 | 36,663 |
| | | Outward reinsurance premiums | (2,020) | (1,157) |
| | | Earned premiums, net of reinsurance | 36,961 | 35,506 |
| | | Investment return..... | 32,511 | 3,304 |
| | | Other income | 2,370 | 2,495 |
| | | Total revenue, net of reinsurance | 71,842 | 41,305 |
| | | Profit before tax attributable to shareholders | 2,275 | 3,148 |
| | | Tax charge attributable to shareholders' returns | (354) | (569) |
| | | Profit after tax attributable to equity holders of the Issuer | 1,921 | 2,579 |
| | | | | |
| | | Supplementary IFRS basis information | | |
| | | Operating profit based on longer-term investment returns: | | |
| | | Asia operations* | 1,644 | 1,286 |
| | | US operations | 2,048 | 1,702 |
| | | UK operations | 1,280 | 1,656 |
| | | Other income and expenditure | (693) | (617) |
| | | Solvency II implementation costs | (28) | (43) |
| | | Restructuring costs | (38) | (15) |
| | | Interest received from tax settlement | 43 | - |
| | | Operating profit based on longer-term investment returns.... | 4,256 | 3,969 |
| | | Short-term fluctuations in investment returns on shareholder-backed business | (1,678) | (755) |
| | | Amortisation of acquisition accounting adjustments | (76) | (76) |
| | | (Loss) profit attaching to the held for sale Korea life business* | (227) | 56 |
| | | Cumulative exchange loss on the sold Japan life business recycled from other comprehensive income | - | (46) |
| | | Profit before tax attributable to shareholders | 2,275 | 3,148 |
| | | Operating earnings per share (reflecting operating profit based on longer-term investment return)..... | 131.3p | 124.6p |
| | | * To facilitate future comparisons of operating profit based on longer-term investment returns that reflect the Group's retained operations, the results attributable to the held for sale Korea life business have been included separately within the supplementary analysis above. | | |

| | | Year Ended 31 December | |
|--|---|---------------------------|----------|
| | | 2016 | 2015 |
| | Basic earnings per share | 75.0p | 101.0p |
| | Shareholders' equity, excluding non-controlling interests | £14.7bn | £13.0bn |
| | Dividends per share declared and paid in reporting period: | | |
| | Interim ordinary dividend / final ordinary dividend.... | 39.40p | 38.05p |
| | Special dividend..... | 10.00p | - |
| | Dividends per share relating to reporting period: | | |
| | Interim ordinary dividend | 43.50p | 38.78p |
| | Special dividend | - | 10.00p |
| | Funds under management..... | £599.3bn | £508.6bn |
| <p>The Issuer prepared the above accounts in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union ("EU").</p> <p><i>Statements of no significant or material adverse change</i></p> <p>There has been no significant change in the financial or trading position of the Issuer and its subsidiaries as a whole since 30 June, 2017.</p> <p>There has been no material adverse change in the prospects of the Issuer and its subsidiaries as a whole since 31 December, 2016.</p> | | | |

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