

Prudential + Assurance IQ

United by a common purpose to create financial opportunity for more people



Assurance's breakthrough model to serve an unmet need ...

- Advanced data science and tech-enabled agents serve consumers across all demographics
- Innovative on-demand service model eliminates inefficiencies of conventional models and enables personalized product selection for the mass market



Michael Rowell

Assurance
Co-founder and CEO

"We built Assurance on the premise of protecting and improving the personal and financial health of every individual. Prudential's shared vision, coupled with the strength of its offering and capabilities, make it the ideal partner."

...accelerates Prudential's U.S. Financial Wellness strategy ...



Charles Lowrey

Prudential
Chairman and CEO

"Assurance accelerates the strategy and growth potential of Prudential's financial wellness businesses, bringing us closer to more people across the entire socio-economic spectrum to better serve the full picture of their needs."

- New direct-to-consumer channel significantly expands total addressable market
- Complete end-to-end engagement model offers more options for customers
- Expanded product offering serves broader financial wellness needs, including health

... and enhances our long-term growth profile and shareholder value.

Financial Upside

- High growth, high return
- Capital-light, low fixed costs, with high free cash flow conversion
- Expected to be modestly accretive to EPS and ROE in 2020
- Incremental cost savings
- New earnings stream not sensitive to equity markets, interest rates or credit



Transaction Details

- \$2.35 billion upfront consideration
- Additional earnout of up to \$1.15 billion¹

(1) Earnout is contingent upon Assurance's achievement of certain profit targets over the period from January 1, 2020, through December 31, 2022. See 8-K for additional details.