



PENSION INSURANCE
CORPORATION

PENSION INSURANCE CORPORATION REINSURES £1.6 BILLION OF LONGEVITY RISK WITH PICA

London, 29 June 2015 – Pension Insurance Corporation (“PIC”), a specialist insurer of defined benefit pension funds, has concluded a £1.6 billion longevity reinsurance agreement with the Prudential Insurance Company of America (PICA), a Prudential Financial, Inc. (PFI) company (NYSE:PRU).

The reinsurance agreement captures in-payment lives across 74 schemes. These individuals represent part of PIC’s exposure to longevity risk acquired through writing pension insurance buy-ins and buyouts over the last few years. This is the second reinsurance transaction that PIC has concluded with PICA in 2015, covering the longevity risk for around 17,000 individuals and, where applicable, their spouses.

PIC has now concluded a number of longevity reinsurance agreements with global reinsurers, accounting for approximately £9 billion of pension liabilities, or c.80% of its total longevity exposure. During the past 12 months alone, PIC has reinsured close to £4 billion of longevity risk, reflecting its rigorous approach to risk management.

“This transaction represents another milestone for the longevity reinsurance market and we’re pleased that PIC has once again chosen to partner with PICA as a provider of longevity risk solutions,” said William McCloskey, vice president, longevity reinsurance. “Our partnership with PIC supports the growing pension de-risking trend in the United Kingdom and ensures there is capacity for pension schemes seeking to manage their risk.”

Khurram Khan, Head of Longevity Risk Management at PIC, said: “This is an unprecedented deal for PIC, in terms of both the nature and size of the project. Despite the added

complexity, we are delighted to have concluded this transaction within a relatively short period.”

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Notes to Editors:

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About Pension Insurance Corporation

Pension Insurance Corporation plc ("PIC") provides tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension funds. PIC brings safety and security to scheme members' benefits through innovative, bespoke insurance solutions, which include deferred premiums and the use of company assets as part payment. PIC has £14bn in assets and has insured 100,000 pension fund members. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit www.pensioncorporation.com

About The Prudential Insurance Company of America

Reinsurance contracts are issued by The Prudential Insurance Company of America (PICA), Newark, NJ, a subsidiary of Prudential Financial, Inc. (PFI) (NYSE: PRU). PICA is not a UK authorized insurer, and does not conduct business in the United Kingdom or provide direct insurance to any individual or entity therein. PFI of the United States is not affiliated with Prudential plc, which is headquartered in the United Kingdom.

PFI, a financial services leader with more than \$1.2 trillion of assets under management as of

March 31, 2015, has operations in the United States, Asia, Europe, and Latin America. PFI's diverse and talented employees are committed to helping individual and institutional customers grow and protect their wealth through a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds and investment management. In the U.S., its iconic Rock symbol has stood for strength, stability, expertise and innovation for more than a century. For more information, please visit www.news.prudential.com.