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FOR IMMEDIATE RELEASE

Jackson Reports 2019 Financial Results¹, Announces Preparations for a Minority IPO

*Company generates record IFRS pre-tax operating income of \$3 billion;
13 percent increase in year-over-year retail sales*

LANSING, Mich. — March 11, 2020 — [Jackson National Life Insurance Company](#)[®] (Jackson[®]) today announced its full-year financial results, generating \$3 billion in IFRS pre-tax operating income² in 2019, an increase of 22 percent over 2018 and the highest in company history. Jackson also reported \$22.2 billion in total sales and deposits, noting significant growth in fixed and fixed index annuity sales.

Additionally, Prudential plc (“Prudential”), Jackson’s parent company, today announced that it is preparing for a minority Initial Public Offering (“IPO”) of Jackson. The U.S. listing will accelerate Jackson’s existing commercial diversification strategy.

“The U.S. is the world’s largest retirement market, with trillions of dollars expected to move from savings into retirement income products over the next decade,” said Michael Falcon, Chief Executive Officer of Jackson Holdings LLC. “Jackson’s ambition is to play the fullest role possible in this through a strategy of diversifying its product range and distribution network. Over time, this is expected to lead to a more balanced mix of policyholder liabilities and enhance statutory capital and cash generation.”

Falcon said the company’s 2019 results were largely driven by strong equity markets. Additionally, separate account assets totaled a record \$195.1 billion in 2019.

“As Jackson works to achieve commercial diversification, we are continuing our efforts to balance our business,” said Falcon. “By offering the right mix of products through the right distribution channels, we have strengthened our leadership position in the U.S. retirement market. Our deliberate approach has enabled us to deepen our presence in the advisory space and capture new opportunities as we move into the next phase of our growth.”

Jackson became an early adopter of the National Association of Insurance Commissioners (NAIC) Variable Annuity Capital and Reserve Framework at the end of 2019. The company reported adjusted capital of \$5.2 billion under the new framework — more than seven times the minimum regulatory requirement (as of December 31, 2019).

“Jackson’s long track record of prudent pricing and product design, disciplined risk management and operational excellence will continue to drive our performance,” continued Falcon. “As we further optimize our capital structure and ensure our people, investments and capabilities are aligned to support strategic priorities, we are focusing our efforts to improve the customer experience and increase the ease of doing business.”

An indirect subsidiary of Prudential plc (NYSE: PUK), Jackson remitted a \$525 million dividend to its parent company last year. The company continues to maintain its financial strength, increasing total IFRS assets to \$297.6 billion at the end of 2019, up 15 percent from year-end 2018.

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¹Financial results from Jackson National Life Insurance Company and its subsidiaries have been included in Jackson’s financial results. Fixed index annuities and institutional products are not sold in New York.

²International Financial Reporting Standards (IFRS) is a principles-based set of international accounting standards indicating how transactions and other events should be reported in financial statements. IFRS is issued by the International Accounting Standards Board in an effort to increase global comparability of financial statements and results. Jackson’s parent, Prudential plc (Group), uses IFRS to report the Group’s financial results.

IFRS pre-tax operating income is based on longer-term investment returns. It excludes short-term fluctuations in investment returns, hedge results and change in value of derivatives. A reconciliation to both IFRS net income as well as net income based on U.S. generally accepted accounting principles (US GAAP) is as follows (amounts in millions):

\$	3,037.8	IFRS basis pre-tax income from operations
	(3,903.6)	Net hedge results and change in value of derivatives, net of DAC amortization
	171.2	Net realized investment gains, net of DAC amortization
	(37.0)	Normalization of longer-term investment returns, net of DAC amortization
	<u>353.0</u>	Income tax benefit
	(378.6)	IFRS net loss
	(86.2)	IFRS to US GAAP adjustments, net of tax
\$	(464.8)	US GAAP basis net loss attributable to Jackson

Jackson's net loss was impacted by hedging losses incurred due to movements in interest rates and equity markets, which were not fully offset by the release of accounting reserves. IFRS accounting for variable annuity liabilities is not necessarily consistent with the economic value of these liabilities. Jackson continues to manage its hedge program on an economic basis and is willing to accept the accounting volatility that results.

About Jackson

Jackson is a leading provider of retirement products for industry professionals and their clients. The company and its affiliates offer variable, fixed and fixed index annuities designed for tax-efficient growth and distribution of retirement income for retail customers, as well as products for institutional investors. Jackson is a proud founding member and co-chair of the Alliance for Lifetime Income, a nonprofit 501(c)(6) organization formed and supported by 24 of the nation's financial services organizations to create awareness and educate Americans about the importance of protected lifetime income. With \$297.6 billion in IFRS assets*, the company prides itself on sound corporate risk management practices and strategic technology initiatives. Focused on thought leadership and education, Jackson provides industry insights and financial representative training on retirement planning and alternative investment strategies. The company is also dedicated to corporate philanthropy and supports nonprofits focused on strengthening families and creating economic opportunities in the communities where its employees live and work. For more information, visit www.jackson.com.

**Jackson has \$297.6 billion in total IFRS assets and \$269.5 billion in IFRS policy liabilities set aside to pay primarily future policyowner benefits (as of December 31, 2019).*

Jackson is an indirect subsidiary of Prudential plc, an Asia-led portfolio of businesses focused on structural growth markets. The business helps individuals to de-risk their lives and deal with their biggest financial concerns through life and health insurance, and retirement and asset management solutions. Prudential plc has 20 million customers (as of December 31, 2019) and is listed on 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.

This press release may contain certain statements that constitute "forward-looking statements." Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements which are other than statements of historical facts. However, as with any projection or forecast, forward-looking statements are inherently susceptible to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward-looking statements. There can be no assurance that management's expectations, beliefs or projections will result or be achieved or accomplished. Any forward-looking statements reflect Jackson's views and assumptions as of the date of this press release and Jackson disclaims any obligation to update forward-looking information.

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