Prudential

PRUDENTIAL FINANCIAL, INC.
DEBT INVESTORS UPDATE

MARCH 2018

AGENDA

- Enterprise Overview
- U.S. and International Businesses
- Capital & Liquidity
- Investment Portfolio

Enterprise Overview

New Organizational Structure for U.S. Businesses

Effective October 2017, Prudential re-aligned its five U.S. businesses under three divisions oriented to the needs of specific customers.

U.S. Individual Solutions

Lori Fouché
Head of Individual Solutions

Individual Life Insurance

Caroline Feeney, President

Individual Annuities

Kent Sluyter, President

U.S. Workplace Solutions

Andy Sullivan
Head of Workplace Solutions

Group Insurance

Jamie Kalamarides, President

Retirement

Phil Waldeck, President

Investment Management

David Hunt
President & CEO PGIM

- PGIM Fixed Income
- PGIM Real Estate
- PGIM Real Estate Finance
- PGIM Investments
- Prudential Capital Group
- Jennison Associates
- Quantitative Management Associates

Customer Office

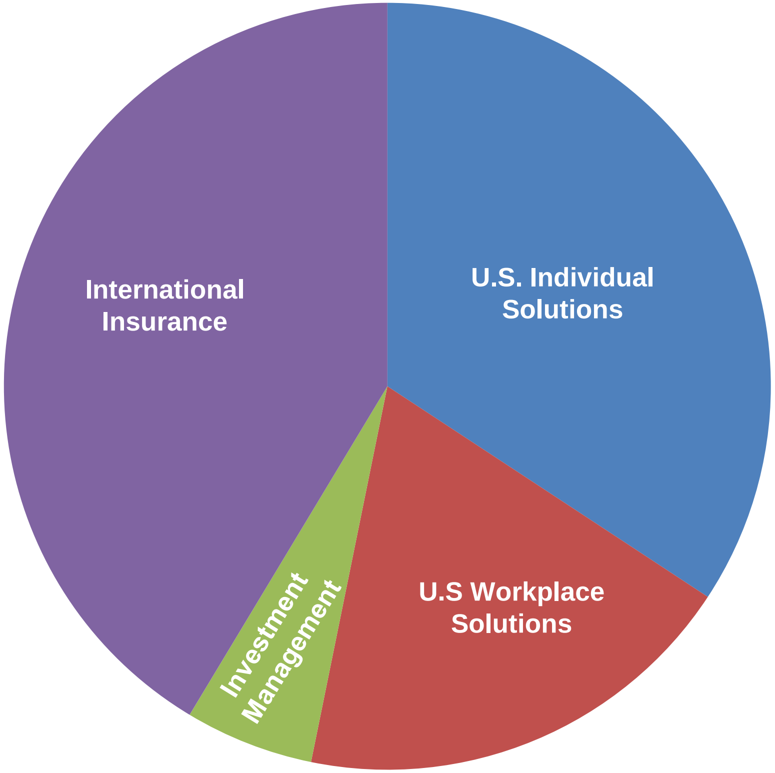
Naveen Agarwal, Chief Customer Officer

The new structure:

- ✓ Further improves outcomes for and deepens relationship with customers throughout their lifetimes
- ✓ Facilitates pathways to new markets
- ✓ Is enabled by digital and customer engagement capabilities
- ✓ Preserves business identities and transparency
- ✓ Is supported by a culture of teamwork and collaboration

SUPERIOR MIX OF HIGH QUALITY BUSINESSES AND RISKS

December 31, 2017
Adjusted Book Value
$38.0 Billion(1)



1) *See reconciliation to GAAP book value on page 41; total includes attributed equity for Corporate and Other Operations of $2,318 million and Closed Block Division of ($1,716) million, which are excluded from pie chart*

TAX CUTS & JOBS ACT OF 2017

Overall

- Expect lower future effective tax rate

Adjusted Operating Income (AOI)	↑	
Earnings Per Share (EPS)	↑	
Return on Equity (ROE)	↑	
Margins in Reserves	↑	
Statutory Capital	↑	
Statutory Deferred Tax Assets	↓	

- Effective Tax Rate expected to be ~22%
- Free cash expectation unchanged at 65% of AOI[1] on average, over time
- 2018 Shareholder distribution plans unaffected by the Tax Act

- Capital expected to be at or above 'AA' targets and leverage ratios within targets

1) Excludes market-driven and discrete items

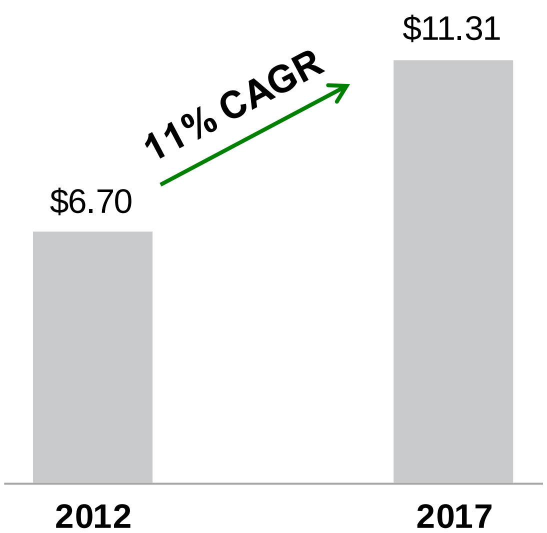
STRONG RETURNS AND CASH FLOWS DRIVEN BY HIGH QUALITY BUSINESSES

- A complementary mix of businesses with competitive advantages

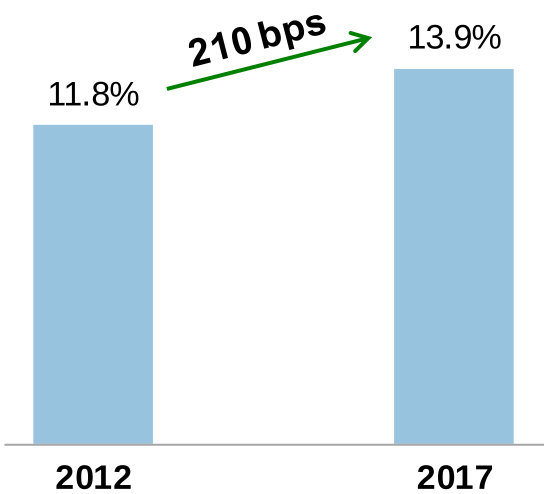
- Differentiated International business model with high returns and solid growth prospects
- Leading provider of Retirement services, led by our ‘best in class’ Pension Risk Transfer business
- Top 10 Asset Manager with over $1 trillion in AUM and more than a decade of positive third party net flows
- Broad capabilities to provide lifetime income solutions through Annuities to capture widening opportunities of an aging population
- Steady growth prospects through diversified portfolio of U.S. Individual and Group protection businesses
- Business mix contributes to superior financial strength, a key to our customer value proposition

Track Record of Financial Performance[1]

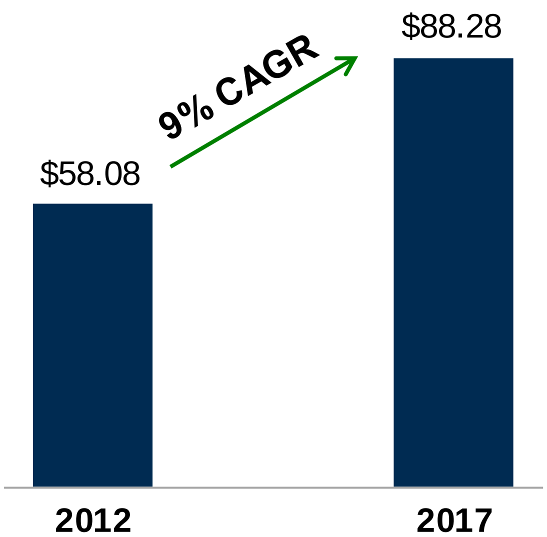
Earnings Per Share[2]



Return on Equity[2][3]



Adjusted Book Value Per Share[4]



Near to Intermediate Term ROE Objective of 12% - 13%

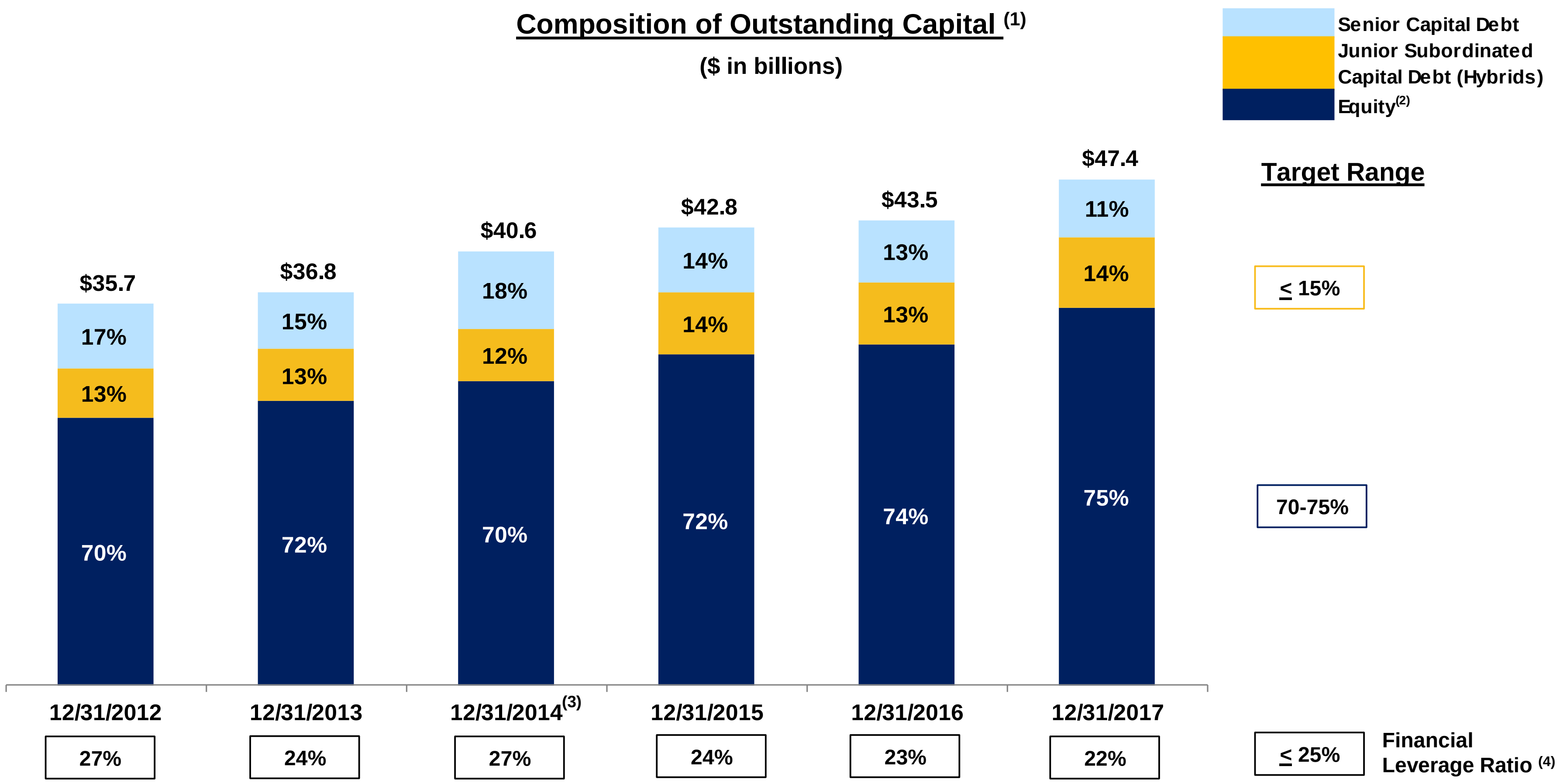
1) Amounts attributable to Prudential Financial, Inc. (PFI); represents results of the former Financial Services Businesses (FSB) for periods prior to 2015. Per share data amounts on diluted basis.
2) Based on after-tax adjusted operating income (AOI), excluding market driven and discrete items as shown in the reconciliation section on page 39; based on application of 35% tax rate for earnings per share (EPS) and ROE calculations.
3) ROE gives effect to direct equity adjustment for EPS calculation for periods prior to 2015. Based on average adjusted book value.
4) See reconciliation on page 41.

HIGHLIGHTS OF CAPITAL STRENGTH

- Conservative balance sheet
  - Significant adverse experience absorption capacity in statutory and GAAP reserves
  - High quality investment portfolio and strong regulatory capital ratios
- Solid capital generation in ongoing businesses
  - Deployable cash flow expected to be ~65% of after-tax adjusted operating income[(1)] over time
  - Japan equity hedge protects value of our largest international operation and contribution to overall returns and capital generation
- Effective capital deployment
  - Share repurchase authorization for 2018 of $1.5 billion; increased quarterly dividend by 20% to $0.90 per share of common stock in 1Q18
  - Strong recent track record of deploying capital to support outsized organic growth, M&A, dividends and share buybacks
- Capital protection framework
  - Comprehensive analysis of market and business risks at an enterprise level
  - Ability to sustain more severe scenarios with substantial resources on and off balance sheet

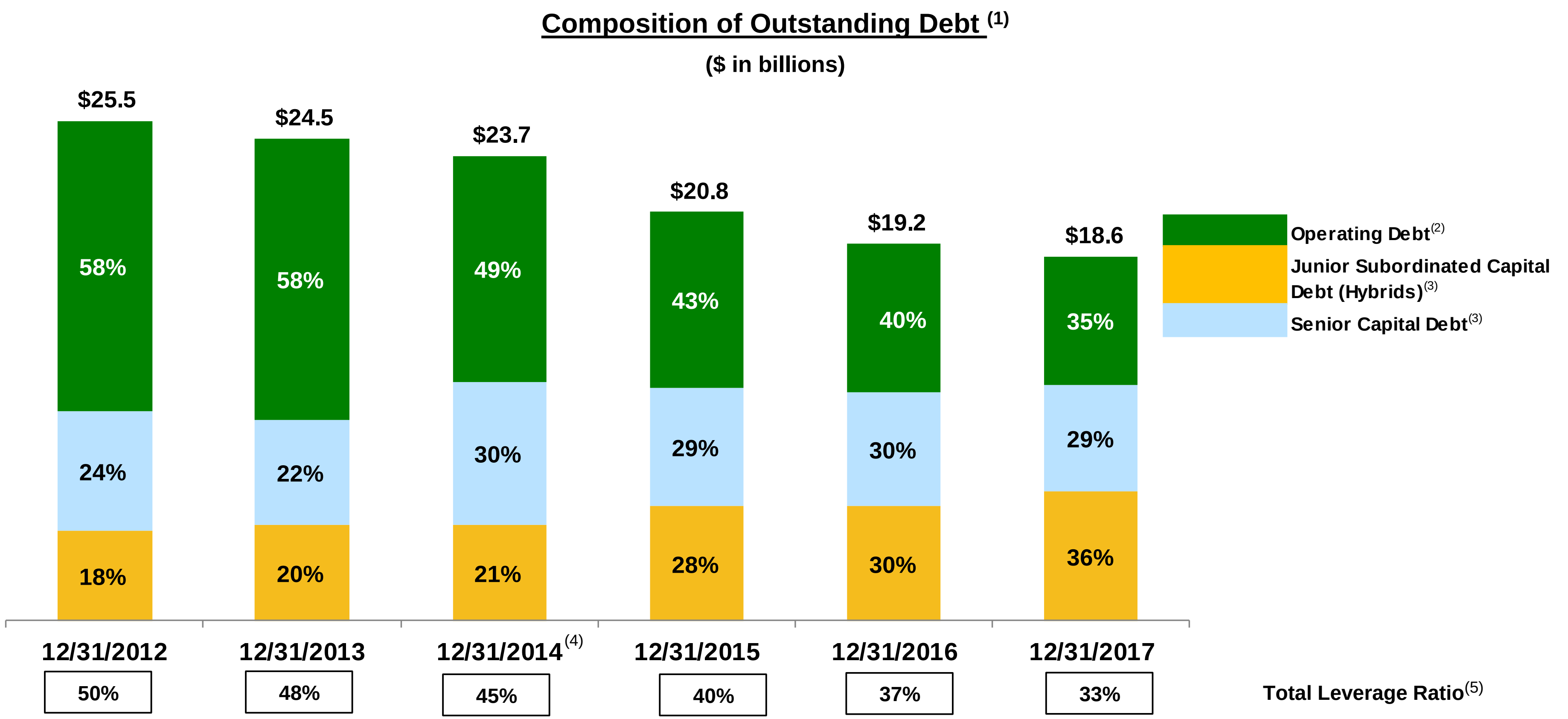
1) Excludes market-driven and discrete items

CAPITAL STRUCTURE



1) *Represents the former Financial Services Business for periods prior to 2015.*
2) *Equity represents total equity excluding the impact of non-controlling interests, foreign exchange re-measurement, and accumulated other comprehensive income (except for pension and post retirement unrecognized costs).*
3) *December 31, 2014 results include the pro-forma impact of the Closed Block restructuring.*
4) *Financial leverage ratio is defined as senior capital debt plus 75% hybrids divided by the senior capital debt plus 100% hybrids plus total equity.*

REDUCTION IN TOTAL LEVERAGE



1) *Represents the former Financial Services Business for periods prior to 2015.*
2) *Operating debt is utilized to support the operating needs of the Prudential businesses, and includes recourse and non-recourse debt.*
3) *Senior capital debt and junior subordinated capital debt support the capital needs of the Prudential businesses.*
4) *December 31, 2014 results include the pro-forma impact of the Closed Block restructuring.*
5) *Total Leverage Ratio is defined as total debt excluding non-recourse debt divided by sum of total such debt and equity excluding the impact of non-controlling interests, foreign exchange re-measurement, and accumulated other comprehensive income (except for pension and post retirement unrecognized costs). Additionally, the target for the Total Leverage Ratio was updated to 40% from 45% in 2016.*

Key Takeaways

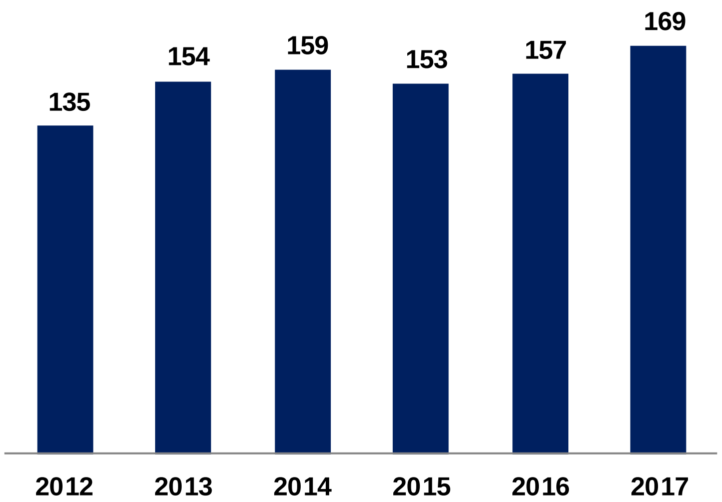
- Financial Strength a key value proposition
- Attractive and balanced portfolio of businesses that produce superior returns
- Steady growth prospects with continued initiative spending to capture longer term opportunities
- Diversified source of earnings mitigate impacts of market headwinds
- Balance sheet strength, capital position and cash generation support disciplined shareholder return and financial flexibility
- Continue to navigate the evolving regulatory environment
- Focus on talent and leadership enables execution, fosters innovation and builds long-term success

U.S. and International Businesses

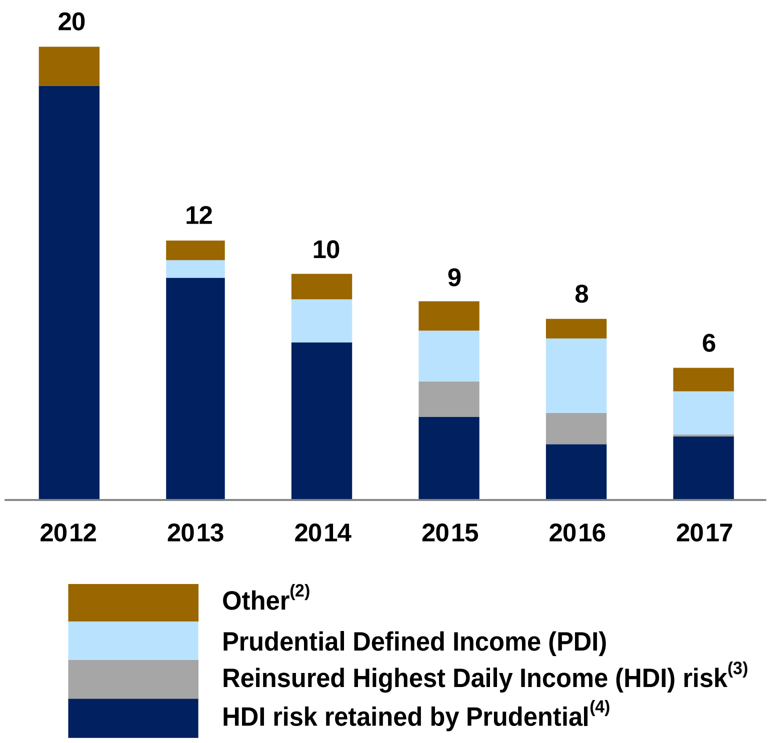
INDIVIDUAL ANNUITIES – ACCOUNT VALUE AND SALES TREND

($ billions)

Account Values(1)



Gross Sales

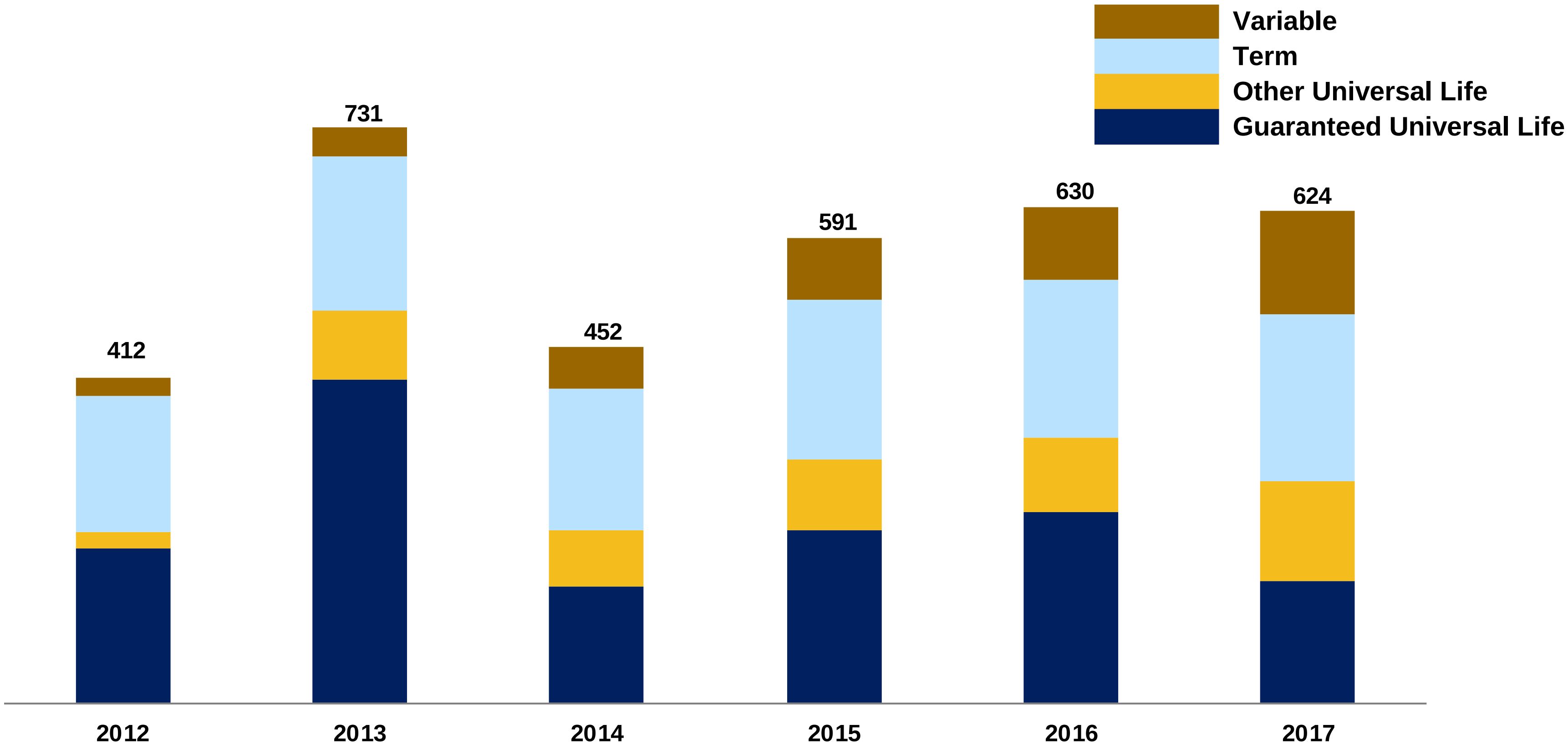


1) *Represents Individual Annuities total account values at end of period.*
2) *Includes Prudential Premier Investment contracts, Legacy Protection Plus death benefits, and annuities without optional living benefit guarantees.*
3) *Includes sub-pays covered under an external reinsurance agreement. The agreement covered new business from 4/1/2015 through 12/31/16.*
4) *Includes predecessor product optional living benefits.*

INDIVIDUAL LIFE – SALES TREND

($ millions)

Annualized New Business Premiums[1]

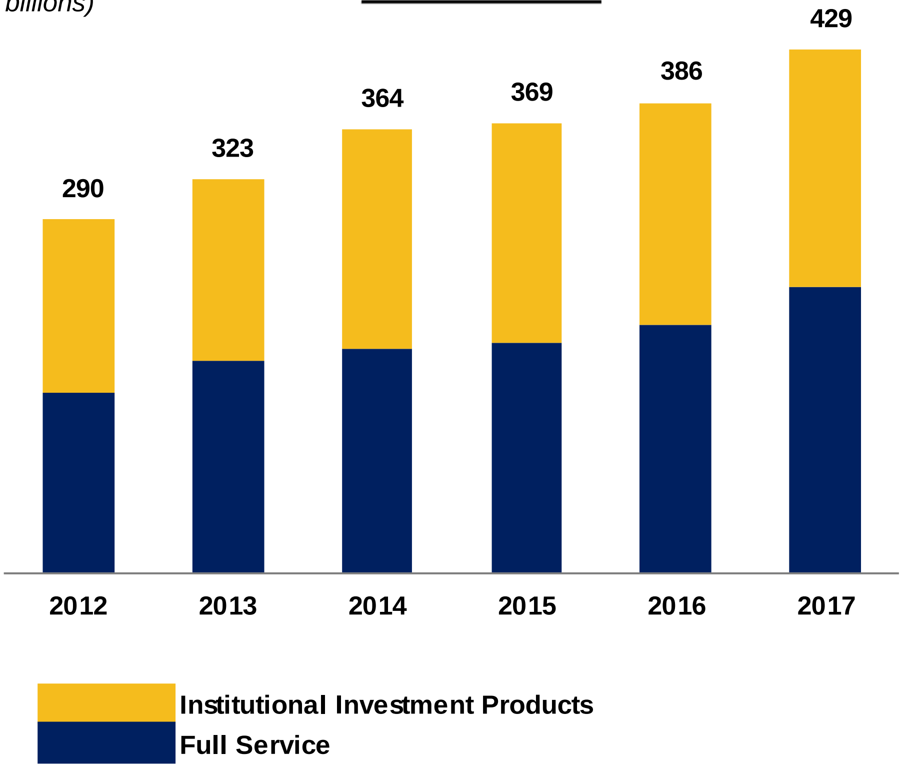


1) *Excludes corporate-owned life insurance. Beginning in 2013, includes new business premiums from the Hartford acquisition as well as the portion of new business premiums attributable to guaranteed universal life products.*

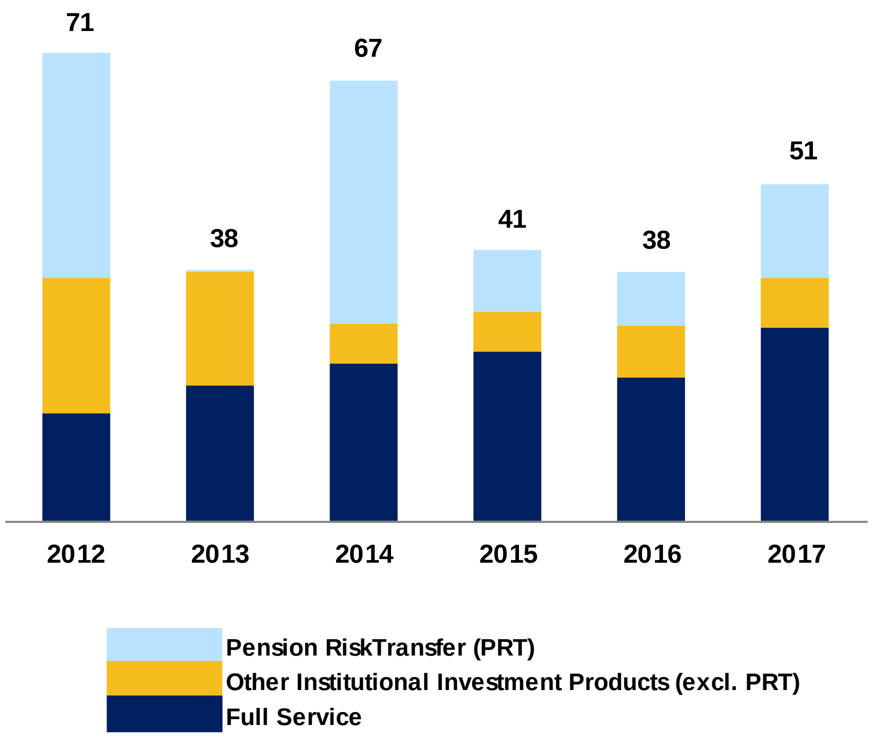
RETIREMENT – ACCOUNT VALUES AND SALES TREND

($ billions)

Account Values[1]



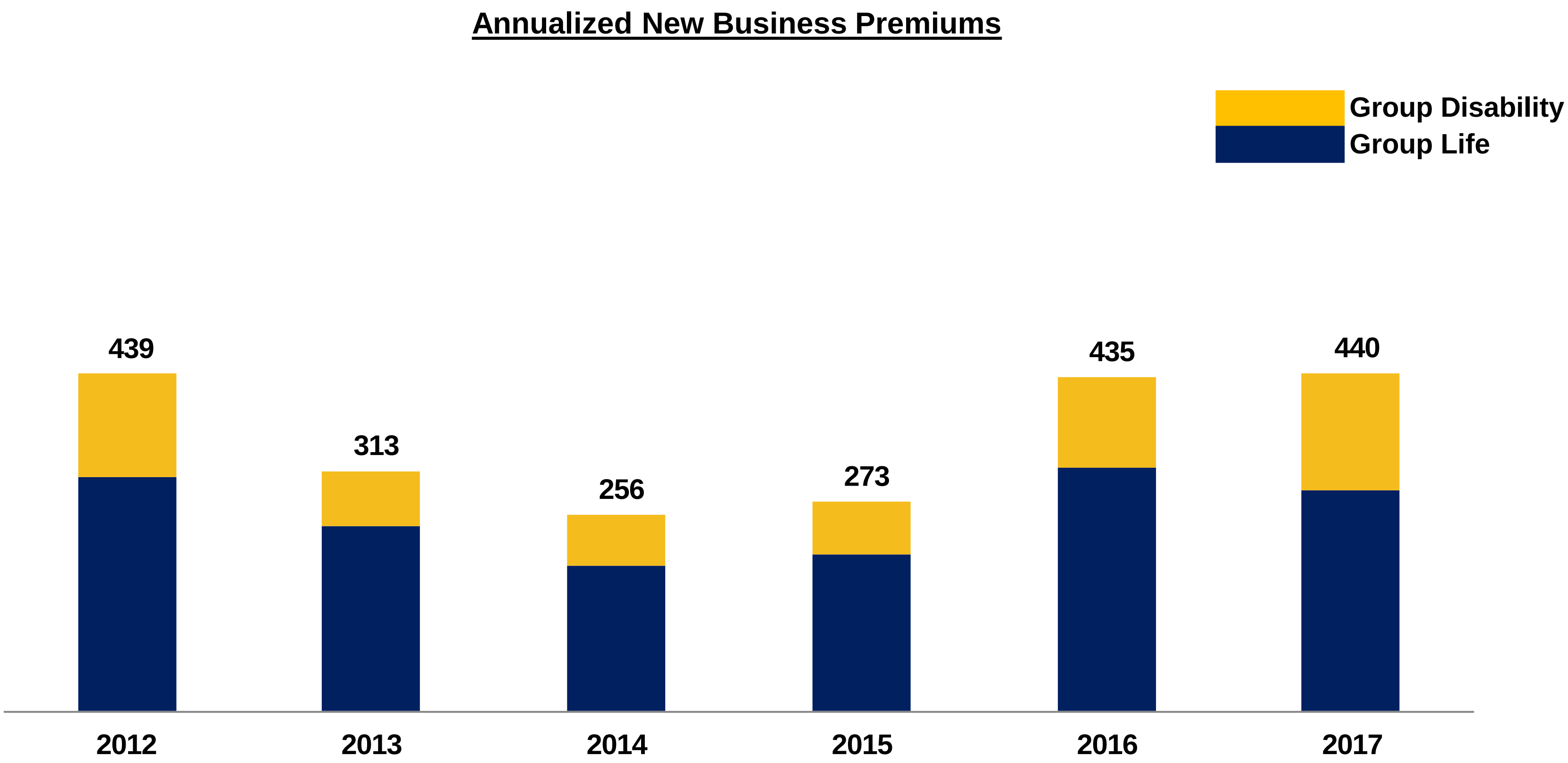
Gross Deposits and Sales



1) *At end of period.*

Group Insurance – Sales Trend

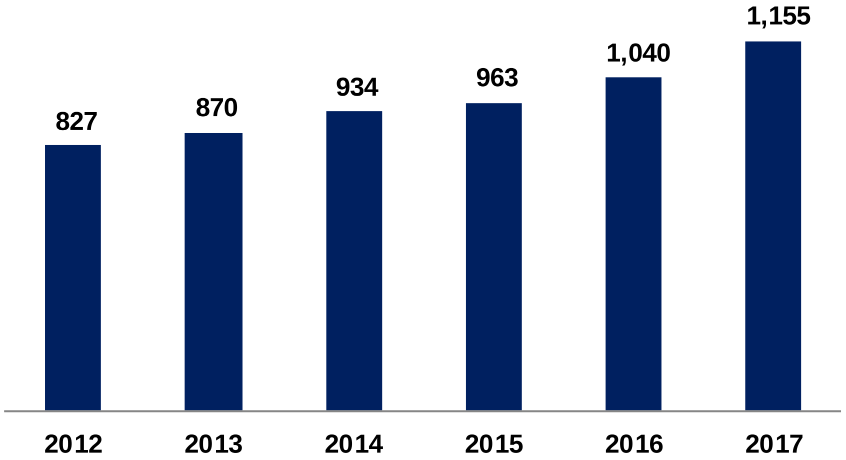
($ millions)



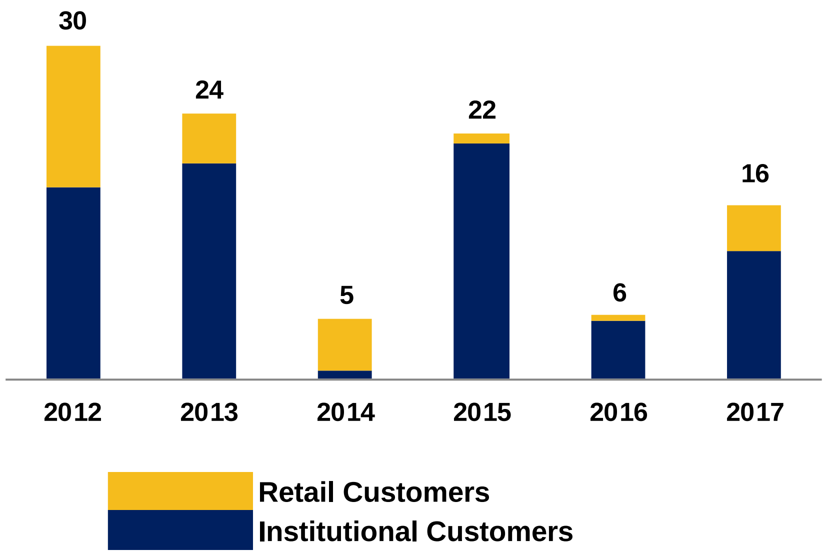
INVESTMENT MANAGEMENT – AUM AND NET FLOWS

($ billions)

Assets Under Management[1]



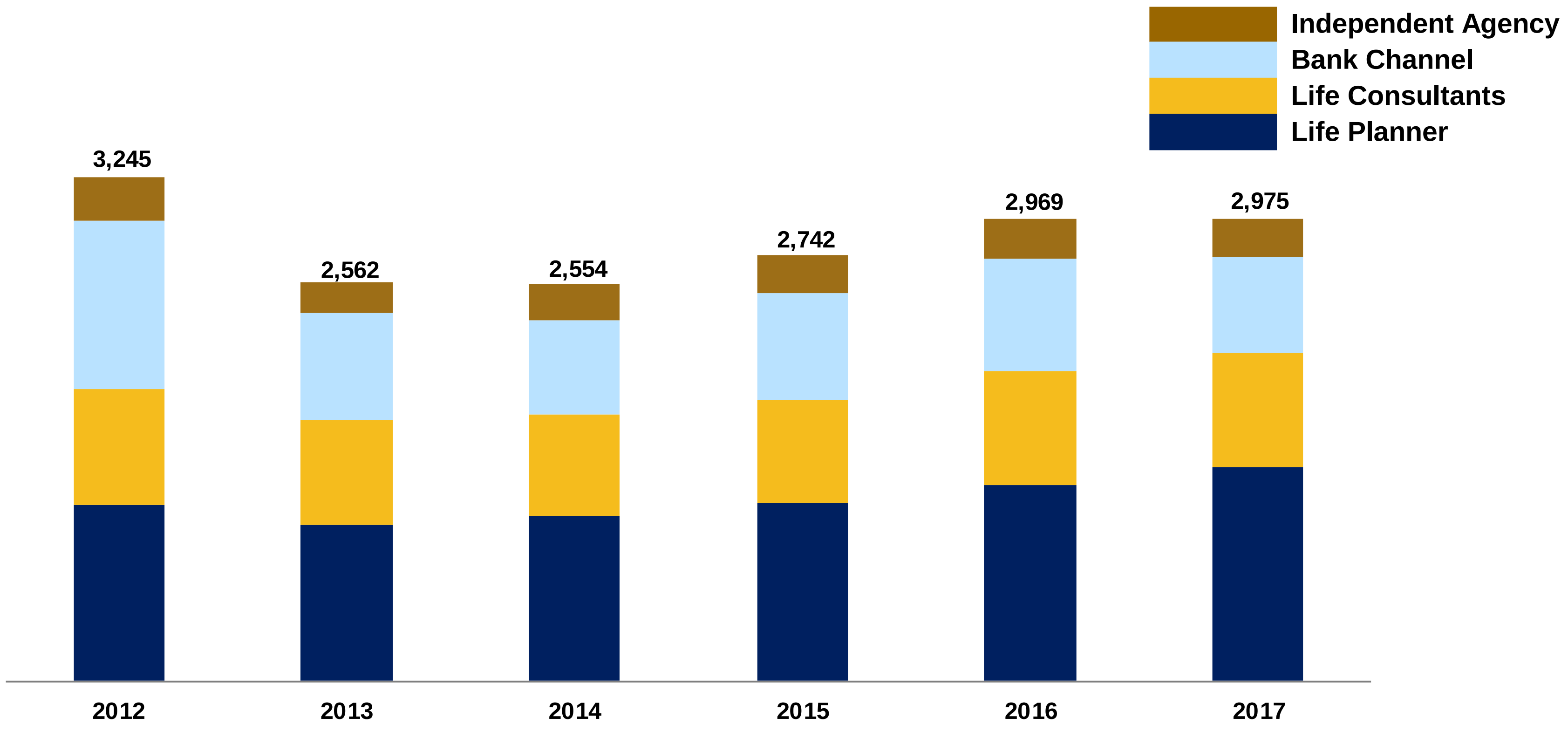
Institutional and Retail Customers Net Flows[2]



1) *At end of period, includes general account.*
2) *Excludes money market activity and affiliated net flows.*

International Insurance – Sales Trend

($ millions)



1) *Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 112 per U.S. dollar and Korean won 1,130 per U.S. dollar. U.S. dollar-denominated activity is included based on the amounts as transacted in U.S. dollars.*

Prudential

CAPITAL & LIQUIDITY

APPROACH TO CAPITAL & LIQUIDITY MANAGEMENT

Financial Strength	Liquidity	Capital Protection Framework
"AA" Standards for capital and leverage	Diverse sources provide significant financial flexibility	Competitive levels of capital under stress scenarios

Financial Strength and Flexibility Highlights
Insurance Operations

Risk Based Capital Ratio (RBC)(1)	December 31, 2016	Target	Estimated December 31, 2017
Prudential Insurance	457%		
PALAC(2)	867%		
Composite Major U.S.(3) Insurance Subsidiaries	527%	400%	Well Above Target

Solvency Margin Ratio	Target	September 30, 2017
Prudential of Japan(4)	700%	893%
Gibraltar Life(4)	700%	935%

1) The inclusion of RBC measures is intended solely for the information of investors and is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities. Indicated target is for purposes of evaluating on balance sheet capital capacity.
2) Prudential Annuities Life Assurance Corporation.
3) Includes Prudential Insurance and its subsidiaries (Pruco Life of Arizona, Pruco Life of New Jersey, Prudential Legacy Insurance Co., Prudential Retirement Insurance and Annuity Co.) and PALAC. Composite RBC is not reported to regulators and is based on summation of total adjusted capital and risk charges for the included companies as determined under statutory accounting and RBC guidance to calculate a composite numerator and denominator, respectively, for purposes of calculating the composite ratio.
4) Based on Japanese statutory accounting and risk measurement standards applicable to regulatory filings. On a consolidated basis.

FINANCIAL STRENGTH AND CREDIT RATINGS(1)

	Prudential Financial, Inc.		Prudential Insurance Company of America	
	Long-Term Senior Debt	Short-Term Debt	Financial Strength	Short-Term Debt(2)
S&P	A	A-1	AA-	A-1+
Moody's	Baa1	P-2	A1	P-1
Fitch	A-	F1	AA-	F1+
A.M. Best	a-	AMB-1	A+	AMB-1

Note: As of February 7, 2018

1) *Financial strength ratings represent the opinions of rating agencies regarding the financial ability of an insurance company to meet its obligations under an insurance policy. Credit ratings represent the opinions of rating agencies regarding an entity's ability to repay its indebtedness. The ratings set forth above reflect current opinions of each rating agency. Each rating should be evaluated independently of any other rating. These ratings are reviewed periodically and may be changed at any time by the rating agencies. As a result, there can be no assurance that we will maintain our current ratings in the future.*
2) *Ratings for Prudential Funding, LLC (PFLLC), a wholly owned subsidiary of The Prudential Insurance Company of America (PICA).*

Liquidity, Leverage, and Capital Deployment

Liquidity Position[1]	• Parent company highly liquid assets, $4.4 billion[2]
Leverage[1]	• Financial leverage ratio within our 25% target[3] • Total leverage ratio within our 40% target[3]
Capital Deployment Highlights	• $2.6 billion returned to shareholders through dividends and share repurchases in 2017 • Fourth quarter 2017 common stock dividends $321 million, share repurchases, $313 million • Share repurchase authorization of $1.5 billion for 2018 • Quarterly dividend increase of 20% in 1Q18[4]

1) Liquidity position and leverage ratios as of December 31, 2017.
2) Highly liquid assets predominantly include cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds.
3) Financial leverage ratio represents capital debt divided by sum of capital debt and equity. Junior subordinated debt treated as 25% equity, 75% capital debt for purposes of calculation. Total leverage ratio represents total debt excluding non-recourse debt divided by sum of total such debt and equity. Equity in each calculation excludes non-controlling interest, AOCI (except for pension and postretirement unrecognized costs), impact of foreign currency exchange rate remeasurement, and the impact from the remeasurement of deferred tax assets and liabilities originally established through AOCI related to the enactment of the Tax Cuts and Jobs Act.
4) $0.90 per share of Common Stock payable on March 15, 2018 to shareholders of record as of February 21, 2018.

YEN HEDGING STRATEGY – MITIGATES ROE DILUTION

Hedge Type

Protection

$16B

Income Hedges | **$1.6B** | **Forwards** → **Protects Near-term Earnings and Cash Flow**

2018 Plan Rate
¥111 / $

Equity Hedges | **$14.4 B** | **USD Assets** | **Protects Long-term Value**

12/31/2017 Unrealized Gains(1)
$926M

Existing Hedges as of 12/31/2017

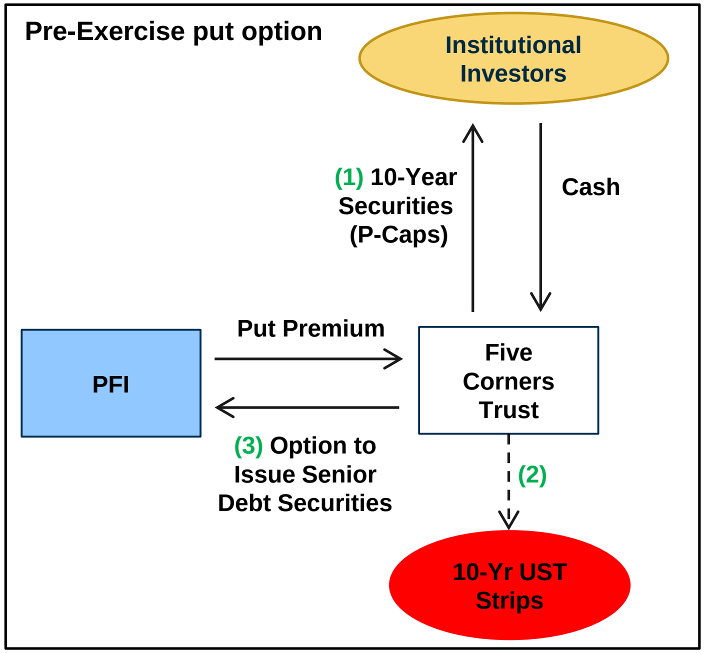
1) *Represents fair value of equity hedges as of December 31, 2017.*

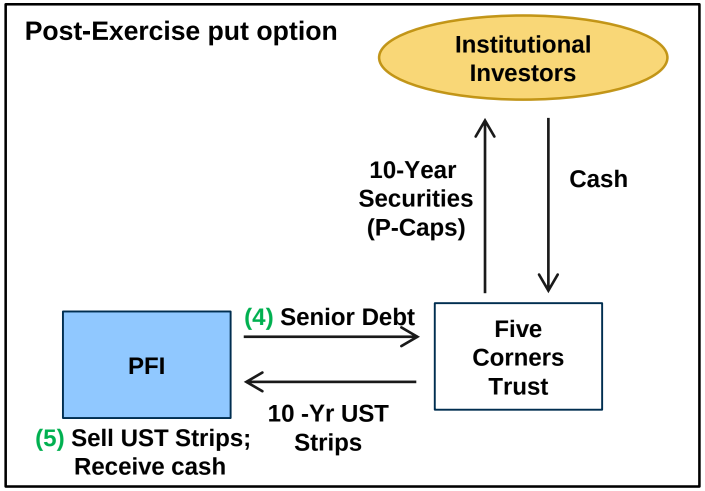
Capital Protection Framework

Stress Parameters[1]	Our Toolbox	Expected Outcome
Equity Market Decline	On Balance Sheet Capital Capacity	Maintain adequate and competitive regulatory capital position at insurance companies
Interest Rate Shock	Credit Facilities	Temporary increase in Financial Leverage Ratio
Credit Shock	Contingent Capital	Maintain adequate cash position at parent company
Currency Shock		

1) *Stress parameters assume immediate shock.*

CONTINGENT CAPITAL FACILITY





In November 2013, we created a $1.5 billion fixed income contingent capital facility as part of our Capital Protection Framework

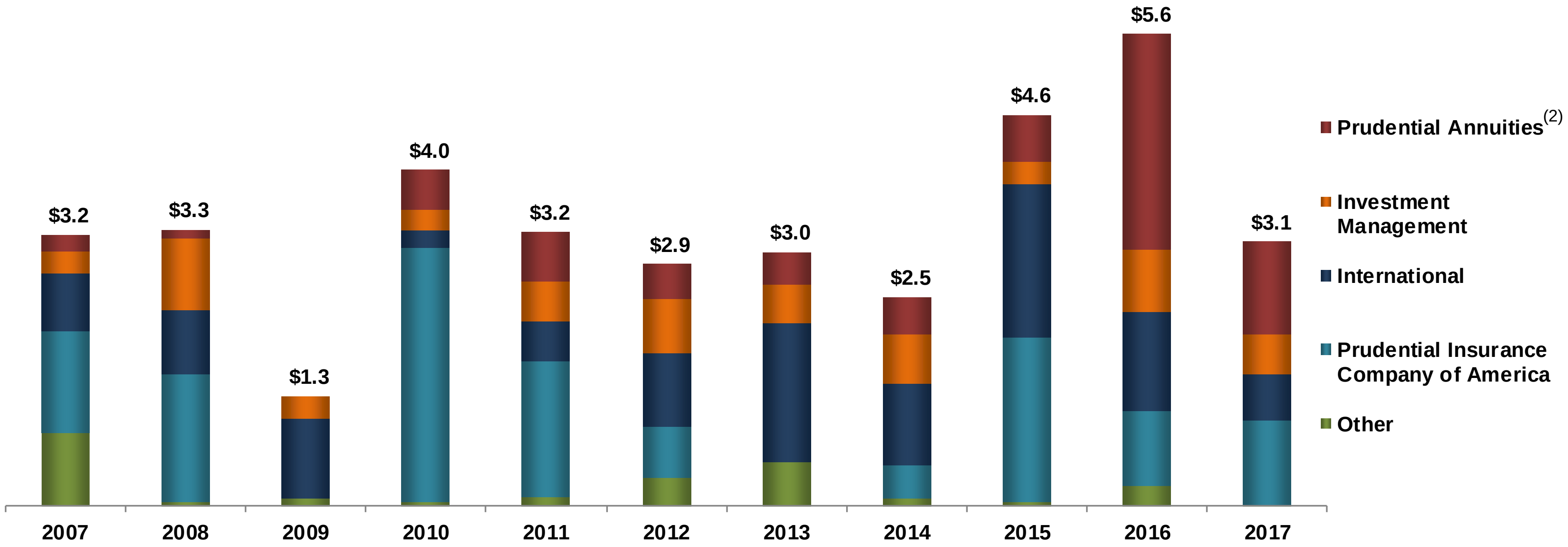
1. A Delaware trust issued 10-year 144A trust securities to Institutional investors
2. Proceeds from issuance are invested by Trust in Eligible Assets (10 year UST via Treasury Strips)
3. Trust grants a Put Option to PFI, giving PFI the right to deliver newly issued 10-year PFI senior debt securities at a rate preset upon inception to the Trust in exchange for Treasury Strips
   a) Put is exercisable at any time by PFI
   b) Also subject to certain mandatory draw requirements
4. Upon exercise of the option, PFI issues Senior Debt to the trust in exchange for Treasury Strips
5. Treasury Strips may be sold for cash proceeds

Liquidity Management Philosophy

- Liquidity is managed for each legal entity separately with a robust asset/liability management discipline
- We manage holding company highly liquid assets to a Board-approved minimum balance of $1.3 billion
- We have access to significant alternative liquidity sources
- We strive to maintain commercial paper issuance at modest levels
- We opportunistically pre-fund our debt maturities

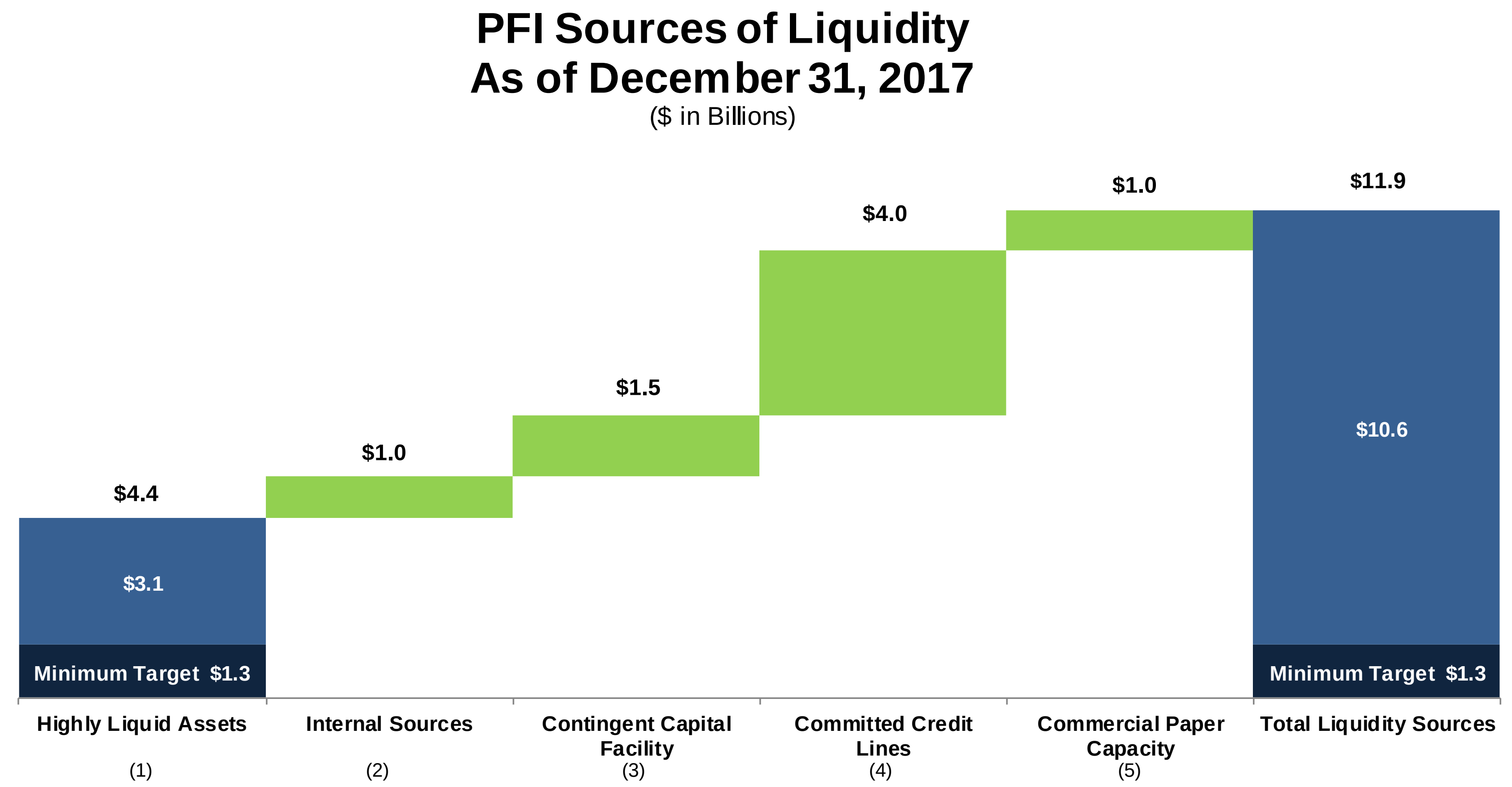
Cash Flows from Subsidiaries[1]

($ billions)



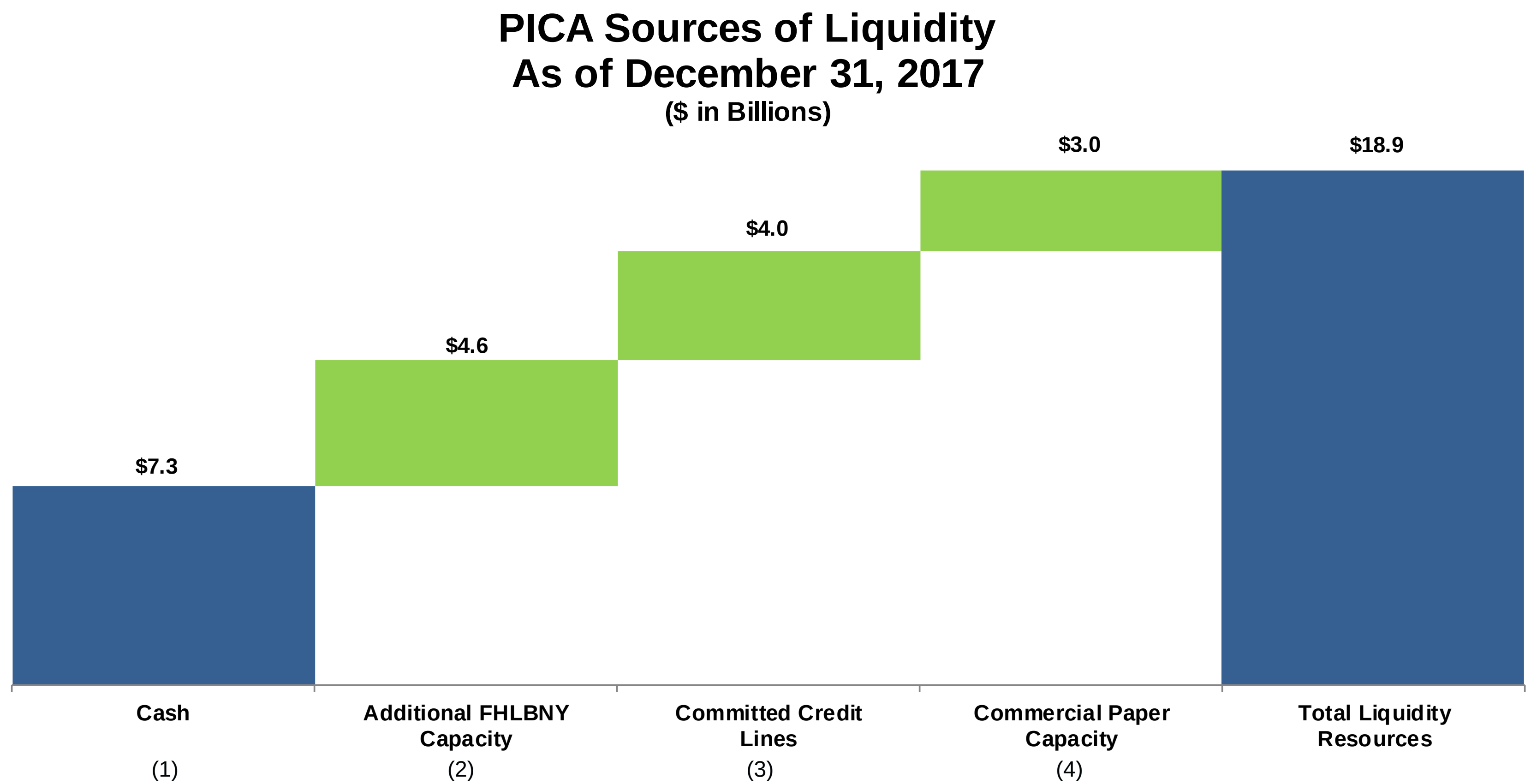
1) *Reflects dividends and/or returns of capital to PFI.*
2) *Includes Pruco Reinsurance, Prudential Annuities Holding Company, and Prudential Annuities Life Assurance Company.*

HOLDING COMPANY LIQUIDITY



1) *Highly liquid assets predominantly include cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds. Excludes cash related to the Enterprise Liquidity Account (ELA).*
2) *Sources include cash held in the ELA.*
3) *PFI has access to liquid assets through a 10-year contingent funding facility, established in November 2013, that can be used to meet liquidity needs and/or to downstream as capital to operating subsidiaries.*
4) *Represents a $4 billion 5-year committed credit facility shared by PFI and Prudential Funding, LLC ("PFLLC").*
5) *Represents estimated additional capacity. $50 million of PFI commercial paper was outstanding as of December 31, 2017.*

PICA LIQUIDITY



1) *Represents cash, cash equivalents and short-term investments.*
2) *Represents estimated incremental capacity from the Federal Home Loan Bank of New York ("FHLBNY") based on regulatory limitation. As of December 31, 2017, $435 million of advances and funding agreements were outstanding with the FHLB. Borrowings are subject to the availability of qualifying assets at PICA.*
3) *Represents a $4 billion 5-year committed credit facility shared by PFI and PFLLC.*
4) *Represents estimated additional capacity. $501 million of PFLLC commercial paper was outstanding as of December 31, 2017.*

INVESTMENT PORTFOLIO

Our Approach to Portfolio Management

High Quality, Well Matched Investment Portfolio

Fundamental Understanding of Liabilities:

- Disciplined liability-driven investing
- First line of defense against key investment and market risks
- Participation in product design and pricing committees
- Portfolio construction designed to hedge product liabilities

Disciplined Interest Rate Risk Management:

- Strong asset-liability management (ALM)
- Cash flows are well matched within investable horizon
- Interest rate risk is managed through Key Rate Duration targets

Broad Diversification:

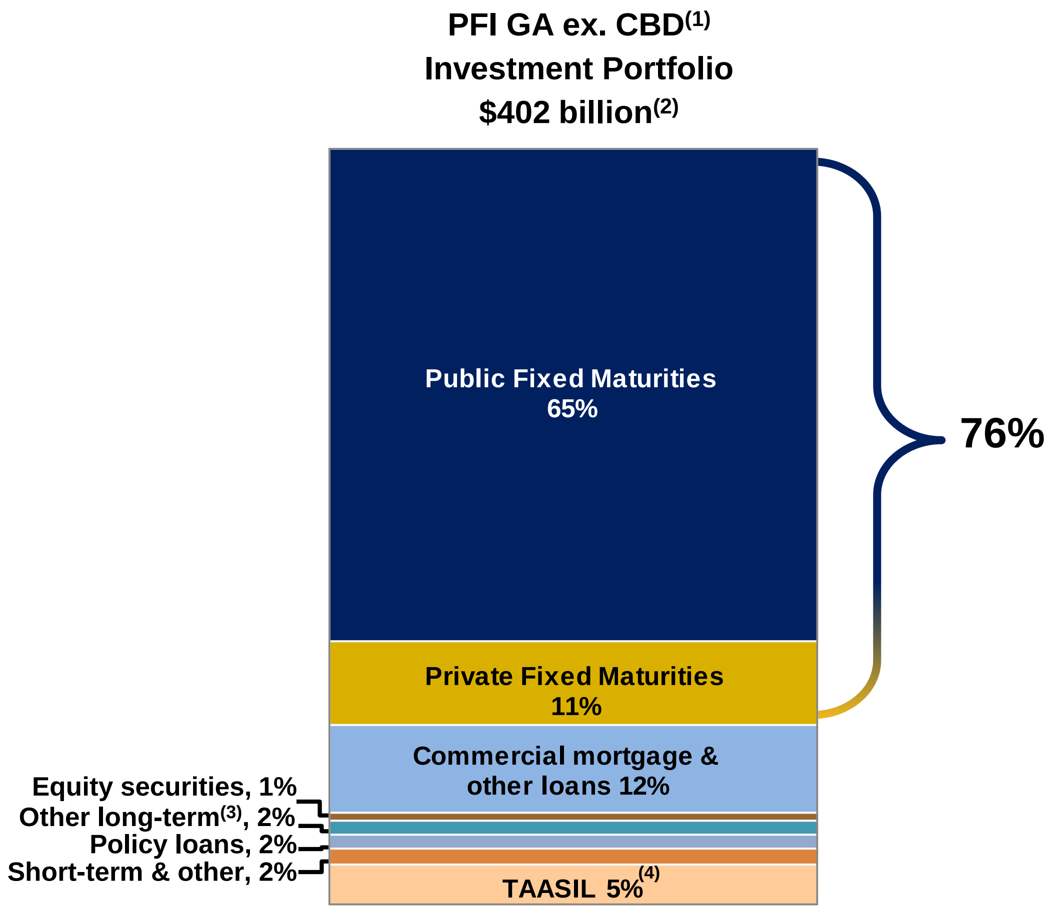
- General Account portfolio is well-diversified across asset classes
- High quality portfolio
- Portfolio mix has remained relatively consistent

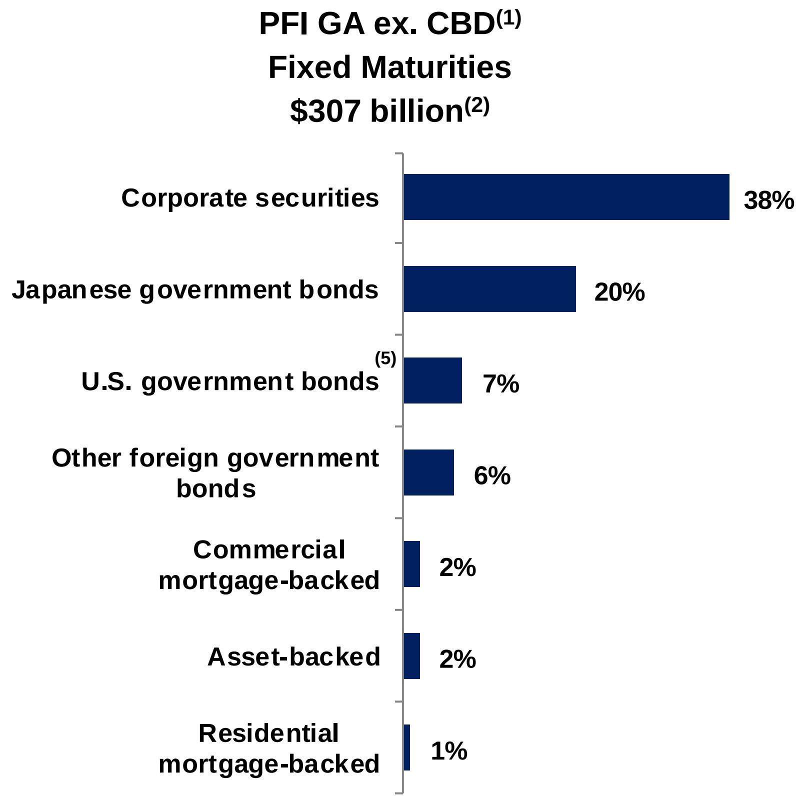
Rigorous Security Selection:

- Value creation from close collaboration with PGIM Asset Managers
- Top 10 Asset Manager[(1)]
- Outstanding Private and Mortgage Loan origination capabilities
- Enhanced competitiveness on Pension Risk Transfer and other opportunities
- Seasoned talent

1) *Pensions & Investments' Top Money Managers list, May 30, 2017; based on Prudential Financial Inc. total worldwide institutional assets under management as of December 31, 2016.*

BROAD DIVERSIFICATION

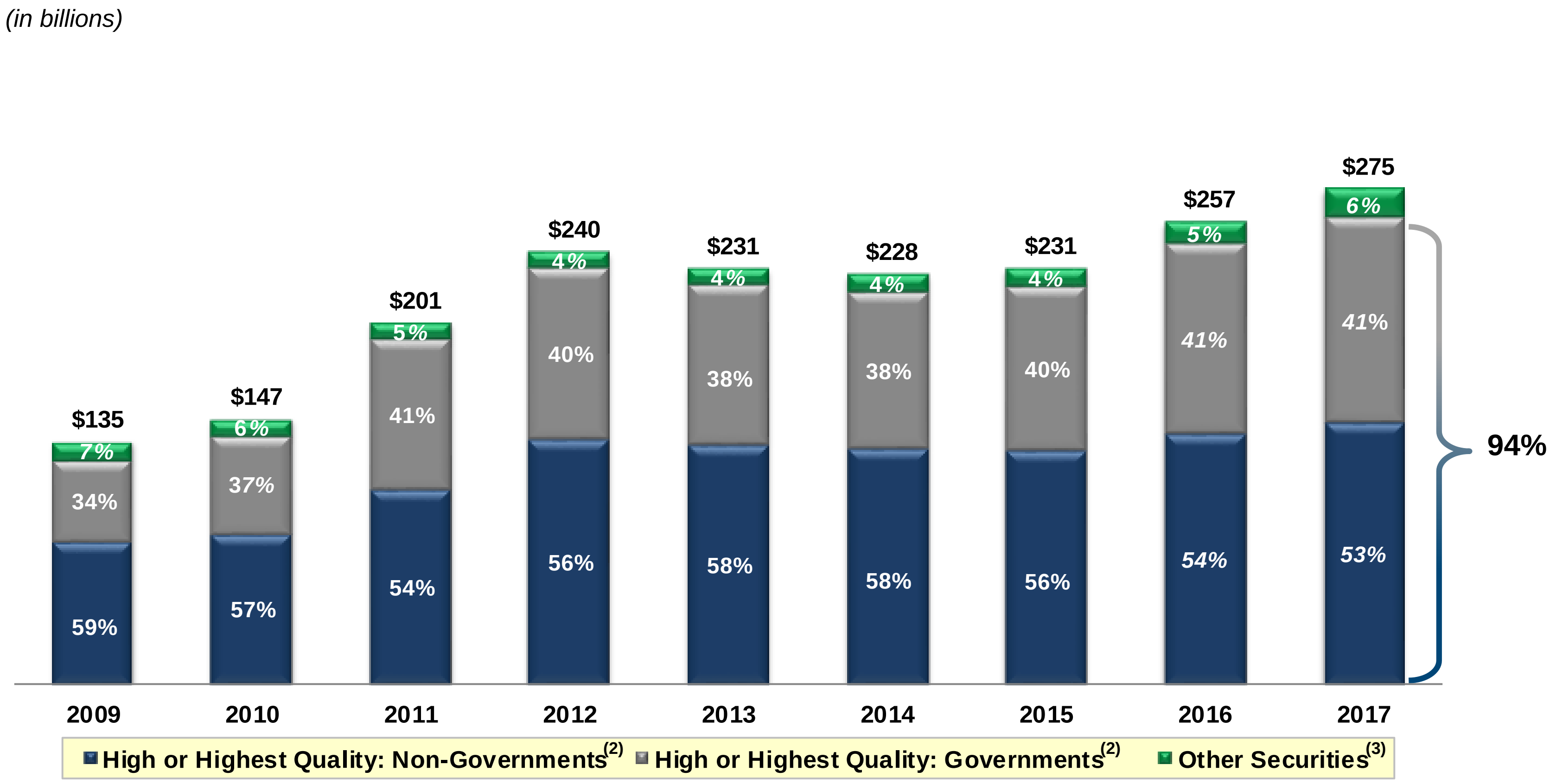




1) Represents the General Account (GA) for Prudential Financial, Inc. (PFI) excluding the Closed Block Division (CBD).
2) As of 12/31/17 at balance sheet carrying amount.
3) Real estate and non-real estate related investments in JVs/partnerships, investment real estate held through direct ownership and other miscellaneous investments.
4) Trading Account Assets Supporting Insurance Liabilities (TAASIL) (investment results expected to ultimately accrue to contract holders).
5) Includes state and municipal securities, and securities related to the Build America Bonds program.

ASSET SELECTION – FOCUS ON QUALITY

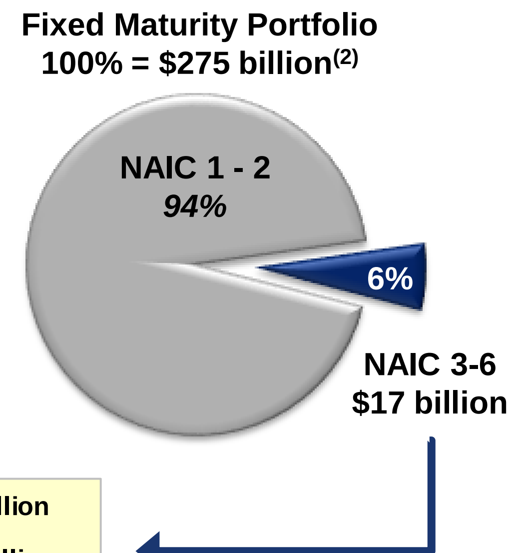
PFI GA ex. CBD – Fixed Maturity Portfolio(1)

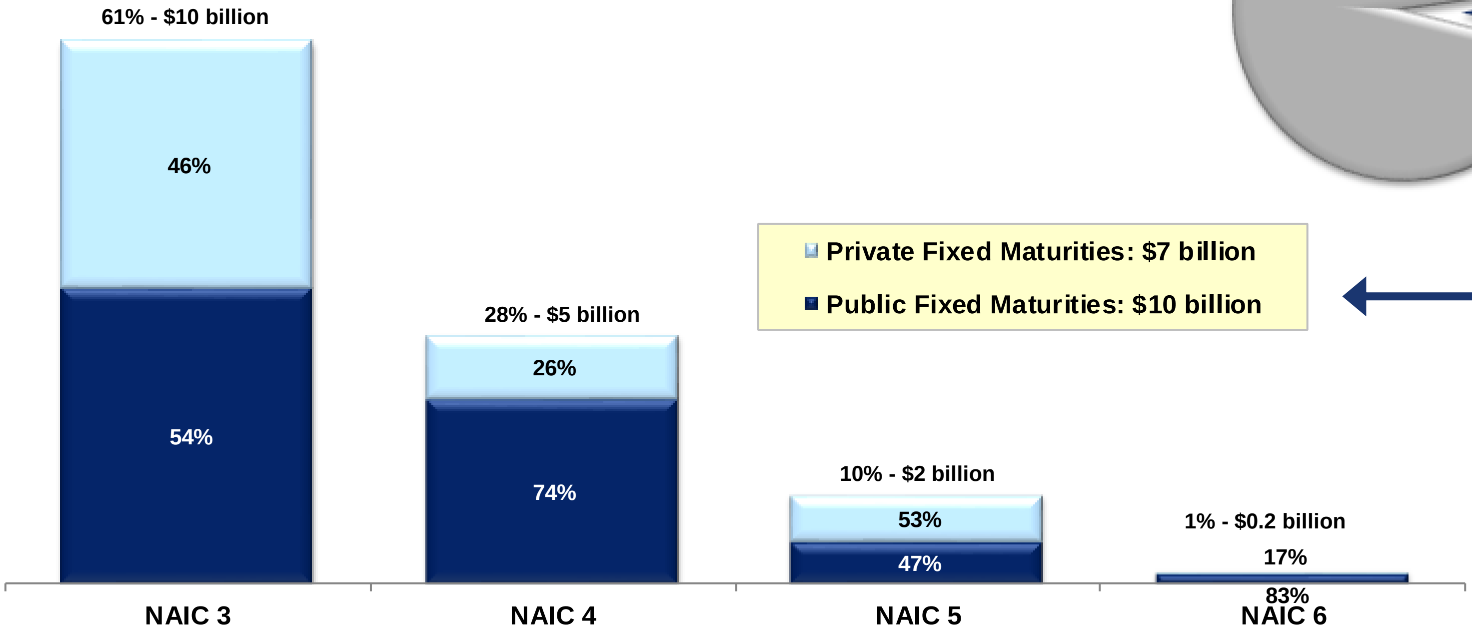


1) As of 12/31/2017 at amortized cost. Reflects equivalent ratings for investments in international insurance operations.
2) NAIC 1-2.
3) NAIC 3-6.

MODEST EXPOSURE TO NAIC 3-6

- High Yield exposure[1] comprises 6% of the PFI GA ex. CBD Fixed Maturity Portfolio:
  - Weighted towards higher quality (NAIC 3).
  - Significant allocations to Private Placements with strong covenant packages and ability to restructure.





1) *High Yield exposure reflects securities with NAIC ratings 3-6.*
2) *As of 12/31/17 at amortized cost. Reflects equivalent ratings for investments in international insurance operations.*

DISCLOSURES

Forward-Looking Statements and Non-GAAP Measures

Certain of the statements included in this presentation constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “expects,” “believes,” “anticipates,” “includes,” “plans,” “assumes,” “estimates,” “projects,” “intends,” “should,” “will,” “shall,” or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Prudential Financial, Inc. and its subsidiaries. Prudential Financial, Inc.’s actual results may differ, possibly materially, from expectations or estimates reflected in such forward-looking statements. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the “Risk Factors” and “Forward-Looking Statements” sections included in Prudential Financial, Inc.’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Prudential Financial, Inc. does not undertake to update any particular forward-looking statement included in this presentation. Information in this presentation regarding the impact of the Tax Act on Prudential Financial, Inc.’s results of operations and financial condition consists of estimates. These estimates are forward-looking statements based on current interpretations and expectations and may change, possibly materially, due to, among other things, changes in interpretations and assumptions made by Prudential Financial, Inc., additional guidance that may be issued by the U.S. Department of Treasury and actions that Prudential Financial, Inc. may take.

This presentation also includes references to adjusted operating income and adjusted book value, as well as operating return on average equity, which is based on adjusted operating income and adjusted book value. Consolidated adjusted operating income and adjusted book value are not calculated based on accounting principles generally accepted in the United States of America (GAAP). For additional information about adjusted operating income, adjusted book value and the comparable GAAP measures, including a reconciliation between the comparable measures, please refer to our quarterly results news releases, which are available on our Web site at www.investor.prudential.com. Reconciliations are also included as part of this presentation.

Prudential Financial, Inc. of the United States is not affiliated with Prudential plc which is headquartered in the United Kingdom.

Reconciliation between adjusted operating income and the comparable GAAP measure[1]

($ millions)

	2012	2013	2014	2015	2016	2017
Net income (loss) attributable to Prudential Financial, Inc.	$ 479	$ (713)	$1,533	$5,642	$4,368	$7,863
Income attributable to noncontrolling interests	50	107	57	70	51	111
Net income (loss)	529	(606)	1,590	5,712	4,419	7,974
Less: Income from discontinued operations, net of taxes	17	7	11	-	-	-
Income (loss) from continuing operations (after-tax)	512	(613)	1,579	5,712	4,419	7,974
Less: Income attributable to noncontrolling interests	50	107	57	70	51	111
Income (loss) from continuing operations attributable to Prudential Financial, Inc.	462	(720)	1,522	5,642	4,368	7,863
Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	10	(48)	(41)	(55)	(2)	(62)
Income (loss) from continuing operations (after-tax) before equity in earnings of operating joint ventures	452	(672)	1,563	5,697	4,370	7,925
Reconciling items:						
Realized investment gains (losses), net, and related charges and adjustments	(2,809)	(8,149)	(4,130)	1,579	523	(58)
Investment gains (losses) on trading account assets supporting insurance liabilities, net	610	(250)	339	(524)	(17)	336
Change in experience-rated contractholder liabilities due to asset value changes	(540)	227	(294)	433	21	(151)
Divested businesses:						
Closed Block division	-	-	-	58	(132)	45
Other divested businesses	(615)	29	167	(66)	(84)	38
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(29)	28	44	58	(5)	33
Total reconciling items, before income taxes	(3,383)	(8,115)	(3,874)	1,538	306	243
Income taxes, not applicable to adjusted operating income	(816)	(2,857)	(1,082)	490	43	(3,030)
Total reconciling items, after income taxes	(2,567)	(5,258)	(2,792)	1,048	263	3,273
After-tax adjusted operating income	3,019	4,586	4,355	4,649	4,107	4,652
Income taxes, applicable to adjusted operating income	1,008	1,783	1,537	1,582	1,292	1,592
Adjusted operating income before income taxes	$4,027	$6,369	$5,892	$6,231	$5,399	$6,244

1) *Represents results of the former Financial Services Business (FSB) for periods prior to 2015.*

Reconciliation of Pre-Tax Adjusted Operating Income Excluding Market Driven and Discrete Items[1]

	Year Ended December 31, 2017		2012	
	Pre-tax Adjusted Operating Income[1]	Earnings Per Share[2]	Pre-tax Adjusted Operating Income[1]	Earnings Per Share[2]
Reported Results[3]	**$ 6,244**	**$ 10.58**	**$ 4,027**	**$ 6.40**
Market driven and discrete items:				
Unlockings and experience true-ups[4]	(485)	(0.72)	(10)	(0.02)
Integration costs for Hartford Life acquisition	-	-	(15)	(0.02)
Gains on sales of business/investments[5]	-	-	26	0.03
Debt extinguishment and debt exchange costs	(12)	(0.01)	(31)	(0.04)
Integration costs for Star/Edison	-	-	(138)	(0.19)
Other[6]	-	-	(43)	(0.06)
Subtotal	(497)	(0.73)	(211)	(0.30)
Results excluding market driven and discrete items	**$ 6,741**	**$ 11.31**	**$ 4,238**	**$ 6.70**

1) *In millions.*
2) *Diluted; based on after-tax AOI; tax effect for market driven and discrete items at 35%.*
3) *Represents results of FSB for 2012.*
4) *Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period, as well as annual reviews of actuarial assumptions and refinements of reserves and amortization of deferred policy acquisition and other costs.*
5) *Includes impairment and gains on certain other investments.*
6) *Includes charges related to true-up of legal reserves and employee benefit accruals, and impairments and write offs of intangible assets.*

Reconciliations between Adjusted Book Value and Comparable GAAP Measure[1]

($ millions, except per share data)

	December 31, 2017	December 31, 2012
GAAP book value	$ 54,069	$ 37,006
Less: Accumulated other comprehensive income (AOCI)	17,074	9,990
GAAP book value excluding AOCI	36,995	27,016
Less: Cumulative effect of remeasurement of foreign currency and certain deferred taxes [2]	(969)	(179)
Adjusted book value	37,964	27,195
Number of diluted shares	435.7	468.2
GAAP book value per common share - diluted [3]	125.24	79.04
GAAP book value excluding AOCI per share - diluted [3]	86.06	57.70
Adjusted book value per common share - diluted [3]	88.28	58.08

1) *Represents results of FSB for 2012.*
2) *Includes $1,678 million impact reported in net income in 2017 from the remeasurement of deferred tax assets and liabilities originally established through AOCI, related to a change in the U.S. tax rate enacted with the Tax Cuts and Jobs Act on December 22, 2017.*
3) *As of December 31, 2017, exchangeable surplus notes are dilutive when book value per share is greater than $85.00 (equivalent to an additional 5.88 million in diluted shares and an increase of $500 million in equity). Book value per share as of December 31, 2012 excludes the impact of exchangeable surplus notes due to the anti-dilutive impact of conversion.*