

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended June 30, 1999

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

Commission file number 33-37587

PRUCO LIFE INSURANCE COMPANY

(Exact name of Registrant as specified in its charter)

Arizona

22-1944557

(State or other jurisdiction,
incorporation or organization)

(IRS Employer Identification No.)

213 Washington Street, Newark, New Jersey 07102

(Address of principal executive offices) (Zip Code)

(973) 802-5740

(Registrant's Telephone Number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports
required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to
such filing requirements for the past 90 days.

YES X NO ____

Indicate the number of shares outstanding of each of the registrant's
classes of common stock, as of August 13, 1999. Common stock, par value
of \$10 per share: 250,000 shares outstanding

PRUCO LIFE INSURANCE COMPANY

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Pruco Life Insurance Company and Subsidiaries

Consolidated Statements of Financial Position (Unaudited)
June 30, 1999 and December 31, 1998 (In Thousands)

<TABLE>
<CAPTION>

December 31, 1998	June 30, 1999	
-----	-----	-----
<S>	<C>	<C>
ASSETS		
Fixed maturities		
Available for sale, at fair value (amortized cost, 1999: \$2,619,551; 1998: \$2,738,654)	\$ 2,585,298	\$
2,763,926		
Held to maturity, at amortized cost (fair value, 1999: \$409,171; 1998: \$421,845)	409,621	
410,558		
Equity securities - available for sale, at fair value (cost, 1999: \$2,308; 1998: \$2,951)	3,223	
2,847		
Mortgage loans on real estate	16,889	
17,354		
Policy loans	789,441	
766,917		
Short-term investments	359,538	
240,727		
Other long-term investments	761	
1,047		
-----	-----	-----
Total investments	4,164,771	
4,203,376		
Cash	101,130	
89,679		
Deferred policy acquisition costs	951,805	
861,713		
Accrued investment income	61,061	
61,114		
Other assets	61,035	
65,145		
Separate Account assets	14,024,610	
11,531,754		
-----	-----	-----
TOTAL ASSETS	\$ 19,364,412	\$
16,812,781		
=====	=====	
LIABILITIES AND STOCKHOLDER'S EQUITY		
Liabilities		
Policyholders' account balances	\$ 2,793,676	\$
2,701,984		
Future policy benefits and other policyholder liabilities	543,891	
528,806		

Cash collateral for loaned securities	34,135	
73,336		
Securities sold under agreement to repurchase	47,715	
49,708		
Income taxes payable	161,117	
193,358		
Payable to affiliate	68,051	
66,568		
Other liabilities	78,768	
55,038		
Separate Account liabilities	13,978,884	
11,490,751		
-----		-----
Total liabilities	17,706,237	
15,159,549		
-----		-----
Contingencies (See Note 3)		
Stockholder's Equity		
Common stock, \$10 par value;		
1,000,000 shares, authorized;		
250,000 shares, issued and outstanding at		
June 30, 1999 and December 31, 1998	2,500	
2,500		
Paid-in-capital	439,582	
439,582		
Retained earnings	1,226,744	
1,202,833		
Accumulated other comprehensive income		
Net unrealized investment (losses) gains	(9,596)	
9,902		
Foreign currency translation adjustments	(1,055)	
(1,585)		
-----		-----
Accumulated other comprehensive income	(10,651)	
8,317		
-----		-----
Total stockholder's equity	1,658,175	
1,653,232		
-----		-----
TOTAL LIABILITIES AND		
STOCKHOLDER'S EQUITY	\$ 19,364,412	\$
16,812,781		
	=====	

</TABLE>

See Notes to Consolidated Financial Statements

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Pruco Life Insurance Company and Subsidiaries

Consolidated Statements of Operations and Comprehensive Income (Unaudited)
Three and Six Months Ended June 30, 1999 and 1998 (In Thousands)

	Six months ended June 30,		Three months ended June 30,	
	1999	1998	1999	1998
<S>	<C>	<C>	<C>	<C>
REVENUES				
Premiums	\$ 31,309	\$ 25,684	\$ 17,601	\$ 13,977
Policy charges and fee income	206,366	168,642	112,625	82,738
Net investment income	137,597	129,967	67,784	65,852
Realized investment (losses) gains, net	(13,800)	12,985	(8,777)	7,546
Asset management fee income	25,516	18,025	14,307	8,615
Other income	845	822	294	10
	-----	-----	-----	-----
Total revenues	387,833	356,125	203,834	178,738
	-----	-----	-----	-----
BENEFITS AND EXPENSES				

Policyholders' benefits	97,140	72,360	44,230	27,619
Interest credited to policyholders' account balances	62,249	56,884	30,987	31,525
General, administrative and other expenses	191,658	149,340	122,678	94,251
Total benefits and expenses	351,047	278,584	197,895	153,395
Income before income taxes	36,786	77,541	5,939	25,343
Income taxes	12,875	27,107	1,596	8,049
NET INCOME	\$ 23,911	\$ 50,434	\$ 4,343	\$ 17,294
Other comprehensive income, net of tax:				
Unrealized losses on securities, net of reclassification adjustment	(19,498)	(5,607)	(9,628)	(823)
Foreign currency translation adjustments	530	(1,279)	641	(1,160)
Other comprehensive income	(18,968)	(6,886)	(8,987)	(1,983)
TOTAL COMPREHENSIVE INCOME	\$ 4,943	\$ 43,548	\$ (4,644)	\$ 15,311

</TABLE>

See Notes to Consolidated Financial Statements

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Pruco Life Insurance Company and Subsidiaries

Consolidated Statements of Changes in Stockholder's Equity (Unaudited)
Six Months Ended June 30, 1999 and the Year Ended December 31, 1998 (In
Thousands)

<TABLE>
<CAPTION>

	Common stock	Paid-in- capital	Retained earnings	Accumulated other comprehensive income	Total stockholder's equity
<S>	<C>	<C>	<C>	<C>	<C>
Balance, December 31, 1997	\$ 2,500	\$ 439,582	\$1,050,871	\$ 12,564	\$1,505,517
Net income	-	-	151,962	-	151,962
Change in foreign currency translation adjustments	-	-	-	2,980	2,980
Change in net unrealized investment losses, net of reclassification adjustment	-	-	-	(7,227)	(7,227)
Balance, December 31, 1998	\$ 2,500	\$ 439,582	\$1,202,833	\$ 8,317	\$1,653,232
Net income	-	-	23,911	-	23,911
Change in foreign currency translation adjustments	-	-	-	530	530
Change in net unrealized investment losses, net of reclassification adjustment	-	-	-	(19,498)	(19,498)
Balance, June 30, 1999	\$ 2,500	\$ 439,582	\$1,226,744	\$ (10,651)	\$1,658,175

</TABLE>

See Notes to Consolidated Financial Statements

Pruco Life Insurance Company and Subsidiaries

Consolidated Statements of Cash Flows (Unaudited)
Six Months Ended June 30, 1999 and 1998 (In Thousands)

	1999	1998
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$23,911	\$50,434
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Policy charges and fee income	(39,520)	(21,513)
Interest credited to policyholders' account balances	62,249	56,884
Realized investment losses (gains), net	13,800	(12,985)
Amortization and other non-cash items	38,830	(162)
Change in:		
Future policy benefits and other policyholder liabilities	15,085	57,515
Accrued investment income	53	2,203
Separate Accounts	(4,723)	17,248
Payable to affiliate	1,483	159,113
Policy loans	(22,524)	(34,059)
Deferred policy acquisition costs	(90,092)	(57,047)
Income taxes payable	(32,241)	(47,155)
Other, net	27,840	32,874
Cash Flows (Used In) From Operating Activities	(5,849)	203,350
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from the sale/maturity of:		
Fixed maturities:		
Available for sale	2,095,979	2,285,192
Held to maturity	25,206	45,826
Equity securities	2,452	2,747
Mortgage loans on real estate	466	431
Other long-term investments	318	-
Payments for the purchase of:		
Fixed maturities:		
Available for sale	(1,988,779)	(2,371,163)
Held to maturity	(24,170)	(33,771)
Equity securities	(1,989)	(2,703)
Other long-term investments	(33)	(499)
Cash collateral for loaned securities, net	(39,201)	53,274
Securities sold under agreement to repurchase, net	(1,993)	-
Short-term investments, net	(118,819)	(163,664)
Cash Flows Used In Investing Activities	(50,563)	(184,330)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Policyholders' account balances:		
Deposits	1,671,054	1,578,895
Withdrawals	(1,603,191)	(1,575,394)
Cash Flows From Financing Activities	67,863	3,501
Net increase in Cash	11,451	22,521
Cash, beginning of year	89,679	71,358
CASH, END OF PERIOD	\$ 101,130	\$ 93,879

</TABLE>

See Notes to Consolidated Financial Statements

Pruco Life Insurance Company and Subsidiaries

Notes to Consolidated Financial Statements (Unaudited)

1. BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of Pruco Life Insurance Company ("the Company"), a wholly owned subsidiary of The Prudential Insurance Company of America ("Prudential"), have been prepared in accordance

with the requirements of Form 10-Q and generally accepted accounting principles ("GAAP") for interim financial information. These statements should be read in conjunction with the consolidated financial statements and notes thereto for the year ended December 31, 1998 included in the Company's Annual Report on Form 10-K for that year.

The accompanying consolidated financial statements have not been audited by independent accountants in accordance with generally accepted auditing standards, but in the opinion of management such financial statements include all adjustments, consisting only of normal recurring accruals and elimination of intercompany balances and transactions, necessary to summarize fairly the Company's financial position and results of operations. The results of operations for the six months ended June 30, 1999 may not be indicative of the results that may be expected for the year ending December 31, 1999.

Certain amounts in the prior years have been reclassified to conform to current year presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Realized investment gains, net, are computed using the specific identification method. The carrying values of fixed maturity and equity securities are adjusted for impairments considered to be other than temporary. During 1999, the Company determined that for certain fixed maturities in the investment portfolio there were declines in fair value considered to be other than temporary. The Company wrote down the carrying value of these fixed maturities and recorded a charge of \$3.3 million in "realized investment gains, net," on the Consolidated Statements of Operations and Comprehensive Income.

3. CONTINGENCIES

Several actions have been brought against the Company on behalf of those persons who purchased life insurance policies based on complaints about sales practices engaged in by Prudential, the Company and agents appointed by Prudential and the Company. Prudential has agreed to indemnify the Company for any and all losses resulting from such litigation.

In the normal course of business, the Company is subject to various claims and assessments. Management believes the settlement of these matters would not have a material effect on the financial position or results of operations of the Company.

4. RELATED PARTY TRANSACTIONS

Prudential and the Company have an agreement with respect to administrative services for the Prudential Series Fund ("Series Fund"), the portfolio of mutual fund investments related to the Company's Separate Account products. Under this agreement, Prudential pays compensation to the Company in the amount equal to a portion of the gross investment advisory fees paid by the Series Fund. This is recorded as "Asset management fee income" on the Consolidated Statements of Operations and Comprehensive Income.

Prudential and the Company operate under service and lease agreements whereby services of officers and employees (except for those agents employed by the Company in Taiwan), supplies, use of equipment and office space are provided by Prudential. During the first six months of 1999, Prudential reviewed and modified its methods for determining the level of administrative expenses charged to the Company. As a result, the level of such expenses has increased significantly over the 1998 levels.

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Pruco Life Insurance Company and Subsidiaries

Notes to Consolidated Financial Statements (Unaudited)

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5. RECENT ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivatives and Hedging Activities". The new accounting treatment required by this statement will not affect the Company's liquidity or the ultimate economic gain or loss from its derivative positions. However, it may affect the way the Company recognizes changes in value of some of its derivatives and derivative-like contract features, and this could lead to more volatility in the Company's reported income statement results, especially on a quarterly basis.

Under previous accounting standards, companies could defer recognizing changes in the value of derivatives used to hedge various risks if certain conditions

were met. Under the new accounting standards, all derivatives must be reported at fair value each quarter, but if special hedge accounting requirements are met this change in fair value may be offset, entirely or partially, by also recognizing the corresponding change in value of the hedged item. Since the Company already marks most of its derivative positions to market each quarter, the Company does not expect this new treatment to materially increase its net income volatility assuming the Company continues its current derivative and hedging strategies.

While the Statement does not apply to most traditional insurance contracts, some contracts may contain features that can affect settlement amounts similarly to derivatives. For these contracts, the new standards call for separate accounting for the "host contract" and the "embedded derivative", leading to mark-to-market for the "embedded derivative" features that was not previously required. While the Company's economic results from these contracts are also unaffected, this accounting could lead to increased volatility in the quarterly income statement results it reports.

The Company has not yet completed its assessment of the impact of the statement, and its effect on the Company depends, among other things, on its derivative positions and hedging strategies after the date of adoption. The Company is required to adopt this statement no later than January 1, 2001.

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Cautionary Note Regarding Forward-Looking Statements

Certain of the statements included in this document may constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as "expects," "believes," "anticipates," "intends," "plans," "assumes," "estimates," "projects," 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 the Company. There can be no assurance that future developments affecting the Company will be those anticipated by management. These forward looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ materially from estimates or expectations reflected in such forward-looking statements including, without limitation, changes in general economic conditions, including the performance of financial markets and interest rates; market acceptance of new products and distribution channels; competitive, regulatory or tax changes that affect the cost or demand for the Company's products; and adverse litigation results. While the Company reassesses material trends and uncertainties affecting its financial condition and results of operations, it does not intend to review or revise any particular forward-looking statement referenced in this document in light of future events. The information referred to above should be considered by readers when reviewing any forward-looking statements contained in this document.

Item 2. Management's Discussion and Analysis of Financial Condition and

Results of Operations.

The following analysis should be read in conjunction with the notes to Consolidated Financial Statements.

The Company markets individual life insurance, variable life insurance, variable annuities, fixed annuities, and a group annuity program primarily through Prudential's sales force in the United States and markets individual life insurance through its branch office in Taiwan.

The Company markets its products in the life insurance and annuity sectors of the insurance industry. These markets are subject to regulatory oversight with particular emphasis placed on company solvency and sales practices. These markets are also subject to increasing competitive pressure as the legal barriers which have historically segregated the markets of the financial services industry are being challenged through both legislative and judicial processes. Regulatory changes have opened the insurance industry to competition from other financial institutions, particularly banks and mutual funds that are positioned to deliver competing investment products through large, stable distribution channels.

Competition in the annuity industry particularly, is very intense. In the annuity marketplace, with respect to variable annuities, investment and product features as well as distribution capability are critical to our ability to compete. Demographic trends and the concerns over the viability of Social Security have resulted in the need to provide consumers with long term retirement alternatives. Given the strong growth within the retirement savings market, the level of competition has increased significantly not only from other insurance companies but from other financial intermediaries as well.

Product sales and asset retention are a function of investment performance, product features, customer service, distribution capability and product pricing.

The Company held \$19.4 billion in assets at June 30, 1999 compared to \$16.8 billion at December 31, 1998, of which \$14.0 billion and \$11.5 billion were held in Separate Accounts in 1999 and 1998, respectively, under variable life insurance policies and variable annuity contracts. The remaining assets consisted primarily of general account investments and deferred policy acquisition costs.

1. Results of Operations

For the six months ended June 30, 1999 versus 1998

- - - - -

Net income for the six months ended June 30, 1999 was \$23.9 million, a decrease of \$26.5 million or 52.6% from \$50.4 million earned in the six months ended June 30, 1998.

Total insurance revenues, consisting of premiums and policy charges and fee income, increased \$43.4 million for the six months ended June 30, 1999 to \$237.7 million from \$194.3 million for the six months ended June 30, 1998 primarily due to increased fees generated from asset appreciation and, to a lesser extent, new deposits from sales of the Discovery Select Variable Annuity ("Discovery Select"). Introduced in 1996, Discovery Select offers contract holders investment options in

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a diversified portfolio which includes 24 separate equity and fixed income investment portfolios. Discovery Select is sold by agents in the insurance channel as well as financial planners in Prudential Securities, a wholly owned indirect subsidiary of Prudential. The Company also has a variable universal life ("VUL") insurance product, which provides an option to the customer to select proprietary or non-proprietary mutual fund investments.

Favorable market conditions have provided a stimulus for investors to purchase variable life and annuity products, including the Discovery Select and VUL products. Overall, appreciation in Separate Account asset values and sales have contributed to the growth in assets under management and consequently in policy charges and fees earned. For Discovery Select, Separate Account assets under management increased by \$3.0 billion to \$6.3 billion as of June 30, 1999 from the June 30, 1998 level. Over the same period, VUL assets under management grew \$422.5 million to \$674.1 million at June 30, 1999. In addition, the Company's Taiwan branch generated continued growth in premiums for traditional life insurance products. Taiwan's sales and the number of Taiwanese life planners grew by 30% and 23%, respectively.

The Company's consolidated net investment income was \$137.6 million for the six months ended June 30, 1999, an increase of \$7.6 million from the six months ended June 30, 1998. The increase was primarily the result of higher average balances of fixed maturity portfolio assets due to sales of a new non-participating guaranteed investment contract ("GIC") product, Prudential Credit Enhanced ("PACE"). This increase was partially offset by a decrease in short-term investment income, which was a result of lower average yields and average asset balances during the first half of 1999 versus 1998.

Consolidated net realized investment gains decreased \$26.8 million for the six months ended June 30, 1999 to a \$13.8 million loss from a \$13.0 million gain for the six months ended June 30, 1998. This decrease was primarily due to net sales of fixed maturities during a period of increasing interest rates. These sales are a result of a strategic decision to reallocate money to short term investments. In addition, during 1999, the Company determined that for certain fixed maturities in the investment portfolio there were declines in fair value considered to be other than temporary. For the six months ended June 30, 1999, the Company recorded a charge of \$3.3 million to write down the carrying value of these fixed maturities.

Asset management fee income increased \$7.5 million for the six months ended June 30, 1999 to \$25.5 million from \$18.0 million for the six months ended June 30, 1998. Appreciation in the Separate Account products and new deposits have generated an increase in asset management fee income from the Series Fund.

Policyholders' benefits increased \$24.7 million for the six months ended June 30, 1999 to \$97.1 million from \$72.4 million for the six months ended June 30, 1998. This change is attributable to an increase in death claims in both size and number reflecting the overall aging of the business in force as well as an increase in disability reserves and reserve growth driven by business growth in Taiwan.

Interest credited to policyholders' account balances increased by \$5.3 million for the six months ended June 30, 1999 to \$62.2 million from \$56.9 million for

the six months ended June 30, 1998. Most of this increase is attributable to the new PACE product. The remaining increase is attributable to the growth in policyholder account balances, largely Discovery Select and VUL.

General, administrative and other expenses increased \$42.4 million for the six months ended June 30, 1999 to \$191.7 million compared to \$149.3 million for the six months ended June 30, 1998. The primary reason for the higher level of expenses in 1999 is a change in Prudential's allocation methodology for expenses billed to the Company resulting in an increase in non-deferrable expenses.

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For the three months ended June 30, 1999 versus 1998

Net income for the three months ended June 30, 1999 was \$4.3 million, a decrease of \$13.0 million or 75.1% from \$17.3 million earned in the three months ended June 30, 1998.

Total insurance revenues, consisting of premiums and policy charges and fee income, increased \$33.5 million for the three months ended June 30, 1999 to \$130.2 million from \$96.7 million for the three months ended June 30, 1998. Favorable market conditions have provided a stimulus to investors to purchase variable life and annuity products, including the VUL and Discovery Select products. Appreciation in Separate Account asset values and other sales contributed to the growth in assets under management and consequently on fees earned.

The Company's consolidated net investment income was \$67.8 million for the three months ended June 30, 1999 an increase of \$1.9 million from the three months ended June 30, 1998. The increase in income was primarily the result of higher average balances of fixed maturity portfolio assets due to the PACE product.

Consolidated net realized investment gains decreased \$16.3 million for the three months ended June 30, 1999 to an \$8.8 million loss from a \$7.5 million gain for the three months ended June 30, 1998. This decrease was primarily due to net sales of fixed maturities during a period of increasing interest rates. These sales are a result of a strategic decision to reallocate money to short term investments.

Asset management fee income increased \$5.7 million for the three months ended June 30, 1999 to \$14.3 million from \$8.6 million for the three months ended June 30, 1998. Appreciation in the Separate Account products and new deposits from sales have generated an increase in the asset management fee income from the Series Fund.

Policyholders' benefits increased \$16.6 million for the three months ended June 30, 1999 to \$44.2 million from \$27.6 million for the three months ended June 30, 1998. This change is attributable to an increase in death claims in both size and number reflecting the overall aging of the business in force as well as an increase in disability reserves and Taiwan new business reserves.

General, administrative and other expenses increased \$28.4 million for the three months ended June 30, 1999 to \$122.7 million compared to \$94.3 million for the three months ended June 30, 1998. The primary reason for the higher level of expenses in 1999 is a change in Prudential's allocation methodology for expenses billed to the Company resulting in an increase in non-deferrable expenses.

2. The Year 2000 Issue

Prudential has addressed the Year 2000 issue on an enterprise-wide basis; therefore, it is not possible to differentiate the Company's Year 2000 issue from that of Prudential. Refer to management's discussion of the Year 2000 issue in the December 31, 1998 Form 10-K for the steps taken by Prudential to mitigate the Year 2000 risks.

The Business Application, Infrastructure and Business Partners components of Prudential's Year 2000 project are substantially complete. Although a small number of projects did not meet their targeted completion dates in the second quarter, Prudential expects all projects will be completed by September, 1999. Accordingly, these delays do not have a significant impact on the timing of the project as a whole.

Prudential believes that the Year 2000 project is substantially on schedule. Prudential is continuing to review and update their contingency plans until 2000 in an effort to reduce the level of uncertainty about the effect of the Year 2000 issue and further mitigate risk. Prudential believes that, with the completion of the Year 2000 program as scheduled, the possibility of significant interruptions of normal operations will be reduced.

Prudential has investment securities that are both publicly traded and privately placed. Prudential is exposed to the risk that issuers of these investments will be adversely affected by Year 2000 issues. Prudential assesses the impact which Year 2000 issues may have on our investments as part of due diligence for proposed new investments as well as their ongoing review of current portfolio holdings. Any recommended actions with respect to particular investments consider the disclosed potential impact of Year 2000 on the issuer.

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The Year 2000 costs allocated to the Company to date are not material to its operations and financial position. Moreover, the forecasted allocated Year 2000 costs are not expected to have a material impact on the Company's ability to meet its contractual commitments. The discussion of the Year 2000 issue herein, and in particular the Company's plans to remediate this issue and estimated costs thereof, are forward-looking in nature.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company's exposure to market risks and the way these risks are managed, are summarized in Item 7a of the 1998 Form 10K.

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PART II

Item 2. Changes in Securities and Use of Proceeds.

(d) Information required by Item 701(f) of Regulation S-K:

The information below pertains to modified guaranteed annuity contracts issued by the Company in two distinct variable annuity products, Discovery Preferred Variable Annuity and Discovery Select Variable Annuity. However, because the modified guaranteed annuity option of each of these products is identical, the Company has aggregated the registration of these securities.

- (1) The original effective date of the Registration Statement of the Company for the Discovery Preferred Variable Annuity on Form S-1 was declared effective on November 27, 1995 (Registration No. 33-61143). The Discovery Select prospectus was added through filings under Rule 424 of the Securities Act of 1993. The registration statement continues to be effective through annual amendments, the most recent filed April 16, 1999 and declared effective April 30, 1999.
- (2) Offering commenced immediately upon effectiveness of the registration statement.
- (3) Not applicable.
- (4)
 - (i) The offering has not been terminated.
 - (ii) The managing underwriter of the offering is Prudential Investment Management Services LLC.
 - (iii) Market-Value Adjustment Annuity Contracts (also known as modified guaranteed annuity contracts).

<TABLE>			
<S>		<C>	<C>
	(iv)	Securities registered and sold for the account of the Company:	
		Amount registered*:	\$ 500,000,000
		Aggregate price of the offering amount registered:	\$ 500,000,000
		Amount sold*:	\$ 221,056,000
		Aggregate offering price of amount sold to date:	\$ 221,056,000
		* Securities not issued in predetermined units	

No securities have been registered for the account of any selling security holder.

(v) Expenses associated with the issuance of the securities:

Underwriting discounts and commissions**	\$ 7,737,000
Other expenses**	\$ 10,917,000
Total	\$ 18,654,000

** Amounts are estimated and are paid to affiliated parties.

(vi) Net offering proceeds: \$ 202,402,000

(vii) Not applicable.

(viii) Not applicable.

</TABLE>

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PART II

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

- 3(i)(a) The Articles of Incorporation of Pruco Life Insurance Company (as amended through October 19, 1993) are incorporated by reference to the initial Registration Statement on Form S-6 of Pruco Life Variable Appreciable Account as filed July 2, 1996, Registration No. 333-07451.
- 3(ii) By-Laws of Pruco Life Insurance Company (as amended through May 6, 1997) are incorporated by reference to Form 10-Q as filed by the Company on August 15, 1997.
- 4(a) Modified Guaranteed Annuity Contract is filed herewith (previously filed as an exhibit to the Company's Registration Statement on Form S-1 as filed November 2, 1990, Registration No. 33-37587).
- 4(b) Market-Value Adjustment Annuity Contract is incorporated by reference to the Company's registration statement on Form S-1, Registration No. 333-18053, as filed November 17, 1995.
- 27 Financial Data Schedule is filed herewith in accordance with EDGAR instructions.

(b) Reports on Form 8K

None

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf of the undersigned, thereunto duly authorized.

PRUCO LIFE INSURANCE COMPANY
(Registrant)

Signature

Title

Date

/s/ ESTHER H. MILNES

President and Director

August 13, 1999

Esther H. Milnes

/s/ DENNIS G. SULLIVAN
- -----
Dennis G. Sullivan

Principal Financial Officer and
Chief Accounting Officer

August 13, 1999

<TABLE> <S> <C>

<ARTICLE> 7

<S>	<C>
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<FISCAL - YEAR - END>	DEC - 31 - 1999
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<DEBT - HELD - FOR - SALE>	2,585,298
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<MORTGAGE>	16,889
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<CASH>	101,130
<RECOVER - REINSURE>	22,780
<DEFERRED - ACQUISITION>	951,805
<TOTAL - ASSETS>	19,364,412
<POLICY - LOSSES>	0
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<COMMON>	2,500
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<TOTAL - LIABILITY - AND - EQUITY>	19,364,412
<PREMIUMS>	31,309
<INVESTMENT - INCOME>	137,597
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<OTHER - INCOME>	845
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