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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 1, 2006

PRUDENTIAL FINANCIAL, INC.
(Exact name of registrant as specified in its charter)

New Jersey	001-16707	22-3703799
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

**751 Broad Street
Newark, New Jersey 07102**
(Address of principal executive offices and zip code)

(973) 802-6000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

¨ **Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)**

¨ **Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)**

¨ **Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))**

¨ **Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))**

Item 8.01 Other Events.

Attached hereto as Exhibit 99.1, and incorporated herein by reference, is a news release, dated June 1, 2006, of Prudential Financial, Inc. (the "Company") announcing the closing of the Company's acquisition of Allstate Financial's variable annuity business through a reinsurance transaction.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

99.1	News release of Prudential Financial, Inc., dated June 1, 2006, relating to the closing of the acquisition of Allstate Financial's variable annuity business through a reinsurance transaction.

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 by the undersigned hereunto duly authorized.

Date: June 1, 2006

PRUDENTIAL FINANCIAL, INC.

By: /s/ Brian J. Morris
Name: Brian J. Morris
Title: Assistant Secretary

Exhibit Index

Exhibit No.	Description
99.1	News release of Prudential Financial, Inc., dated June 1, 2006, relating to the closing of the acquisition of Allstate Financial's variable annuity business through a reinsurance transaction.

Exhibit 99.1

News Release

Prudential Financial

Prudential Financial, Inc.
751 Broad Street
Newark, NJ 07102-3777
www.prudential.com

<u>**For Immediate Release**</u>
June 1, 2006

Contact: Bob DeFillippo
(973) 802-4149

PRUDENTIAL FINANCIAL FINALIZES ITS ACQUISITION OF ALLSTATE FINANCIAL'S VARIABLE ANNUITY BUSINESS

NEWARK, N.J. – Prudential Financial, Inc. (NYSE: PRU) today announced the closing of its acquisition of Allstate Financial's variable annuity business through a reinsurance transaction. This makes Prudential the third largest provider of advisor-sold* variable annuity products as measured by assets under administration and management and the fourth largest as measured by sales (Source: VARDS as of 12/31/05).

Prudential's initial investment in the business, reflecting total consideration to Allstate, related taxes, and capital requirements, is approximately $591 million. This amount reflects a price adjustment paid to Allstate for market movements between signing and closing. Over the course of a transition period of up to 24 months from closing, Prudential will assume the administration of Allstate Financial's in-force variable annuities, with account values of approximately $17 billion (value as of March 31, 2006).

"The acquisition of Allstate Financial's variable annuity business greatly increases our scale and distribution opportunities," said David Odenath, president of Prudential Annuities. "Our priorities in 2006 will be to integrate the business, launch our variable annuity products in Allstate's proprietary channel, and build relationships within Allstate's non-proprietary channel."

As part of the transaction, Prudential is granted exclusive distribution rights to sell variable annuity products through Allstate's proprietary distribution force of approximately 13,700 independent contractors and financial professionals. The transaction also enables Prudential to build and enhance its relationships with Allstate's non-proprietary Broker Dealer Division channel including a number of major, national wirehouses and regional securities firms. With respect to Allstate's Bank channel, Allstate Financial will continue to market variable annuity products through its extensive set of bank distribution relationships by transitioning to an Allstate-branded, Prudential-designed variable annuity.

Prudential Financial companies, with approximately $547 billion in total assets under management as of March 31, 2006, serve individual and institutional customers worldwide and include The Prudential Insurance Company of America, one of the largest life insurance companies in the United States. These companies offer a variety of products and services, including life insurance, mutual funds, annuities, pension and retirement-related services and administration, asset management, banking and trust services, real estate brokerage franchises, relocation services and, through a joint venture, retail securities brokerage services. For more information, visit www.prudential.com.

Prudential Financial

* Advisor-sold excludes group/retirement plan contracts

Annuities are issued by The Prudential Insurance Company of America, Newark, NJ or its affiliates. Securities products and services offered through Pruco Securities, LLC, 751 Broad Street, Newark, NJ 07102-3777. All are Prudential Financial companies. Each is solely responsible for its own financial condition and contractual obligations.

Investors should consider the contract and underlying portfolios' investment objectives, risks, charges and expenses carefully before investing. This and other important information are contained in the prospectuses, which can be obtained from your financial professional. You should read the prospectuses carefully before investing

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