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): May 2, 2007

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 2.02 Results of Operations and Financial Condition.

Prudential Financial, Inc., a New Jersey corporation, furnishes herewith, as Exhibit 99.0, a news release announcing first quarter 2007 results.

Item 7.01 Regulation FD Disclosure.

A. Prudential Financial, Inc., a New Jersey corporation, furnishes herewith, as Exhibit 99.0, a news release announcing first quarter 2007 results.

B. Prudential Financial, Inc. furnishes herewith, as Exhibit 99.1, the Quarterly Financial Supplement for its Financial Services Businesses for the quarterly period ended March 31, 2007.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

99.0 News release of Prudential Financial, Inc., dated May 2, 2007, announcing first quarter 2007 results (furnished and not filed).

99.1 Quarterly Financial Supplement for the Financial Services Businesses of Prudential Financial, Inc. for the quarterly period ended March 31, 2007 (furnished and not filed).

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: May 2, 2007

PRUDENTIAL FINANCIAL, INC.

By:	/s/ PETER B. SAYRE
Name:	Peter B. Sayre
Title:	Senior Vice President and Controller (Principal Accounting Officer)

Exhibit Index

Exhibit No.	Description
99.0	News release of Prudential Financial, Inc., dated May 2, 2007, announcing first quarter 2007 results (furnished and not filed).
99.1	Quarterly Financial Supplement for the Financial Services Businesses of Prudential Financial, Inc. for the quarterly period ended March 31, 2007 (furnished and not filed).

Exhibit 99.0

Prudential Financial

News Release

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

For Immediate Release
May 2, 2007

Contact: **Gabrielle Shanin**
(973) 802-7779

PRUDENTIAL FINANCIAL, INC.
ANNOUNCES FIRST QUARTER 2007 RESULTS

NEWARK, N.J. – Prudential Financial, Inc. (NYSE: PRU) today reported net income for its Financial Services Businesses of $1.025 billion ($2.18 per Common share) for the first quarter of 2007, compared to $675 million ($1.38 per Common share) for the year-ago quarter. After-tax adjusted operating income for the Financial Services Businesses was $868 million ($1.85 per Common share) for the first quarter of 2007, compared to $669 million ($1.36 per Common share) for the first quarter of 2006. Results for the year-ago quarter included pre-tax expenses of $176 million (approximately 25 cents per Common share) related to obligations and costs we retained in connection with businesses contributed to the retail securities brokerage joint venture with Wachovia, primarily to increase a reserve for estimated settlement costs related to market timing issues. Adjusted operating income is a non-GAAP measure as discussed below.

"Each of our divisions recorded earnings growth in the first quarter, and we're off to a strong start toward achieving our goals for the year. In the Insurance Division, we are continuing to benefit from expanding distribution coupled with innovative products, especially in the individual annuity market where there is a growing focus on retirement solutions. Our Investment Division is benefiting from solid growth in assets under management and strong returns from our investment in the retail brokerage joint venture with Wachovia, and we are continuing to build our Retirement business where we see major long-term growth opportunities. Our International businesses are continuing to perform well, registering excellent returns and sustained growth," said Chairman and CEO Arthur F. Ryan.

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"We continue to believe that Prudential Financial will achieve Common Stock earnings per share in the range of $6.80 to $7.00 based on after-tax adjusted operating income of the Financial Services Businesses. This expectation assumes appreciation in the S&P 500 index of 2 percent per quarter for the balance of the year," Ryan said. The 2007 expectation is subject to change if this assumption is not realized and as discussed under "Forward-Looking Statements and Non-GAAP Measures" below.

Adjusted operating income is not calculated under generally accepted accounting principles (GAAP). Information regarding adjusted operating income, a non-GAAP measure, is discussed later in this press release under "Forward-Looking Statements and Non-GAAP Measures," and a reconciliation of adjusted operating income to the most comparable GAAP measure is provided in the tables that accompany this release.

The company acquired the variable annuity business of The Allstate Corporation on June 1, 2006. Results of the Financial Services Businesses include the results of this business from the date of acquisition.

Financial Services Businesses

Prudential Financial's Common Stock (NYSE:PRU) reflects the performance of its Financial Services Businesses, which consist of its Insurance, Investment, and International Insurance and Investments divisions and its Corporate and Other operations.

In the following business-level discussion, adjusted operating income refers to pre-tax results.

The **Insurance division** reported adjusted operating income of $318 million for the first quarter of 2007, compared to $298 million in the year-ago quarter. Our Individual Life segment reported adjusted operating income of $101 million for the current quarter, compared to $133 million in the year-ago quarter, as current quarter mortality experience was less favorable than that of the year-ago quarter. Our Individual Annuities segment reported adjusted operating income of $166 million in the current quarter, an increase of $48 million from the year-ago quarter, including a $23 million contribution to current quarter results from the variable annuity business we acquired

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from Allstate. The remainder of the increase reflected higher asset-based fees due to growth in variable annuity account values. Our Group Insurance segment reported adjusted operating income of $51 million in the current quarter, a $4 million increase from the year-ago quarter. Current quarter results benefited from more favorable group life claims experience than that of the year-ago quarter, which was partly offset by less favorable disability claims experience.

The **Investment division** reported adjusted operating income of $428 million for the first quarter of 2007, compared to $240 million in the year-ago quarter. The Retirement segment reported adjusted operating income of $148 million for the current quarter, an increase of $11 million from the year-ago quarter. Current quarter results benefited from a greater contribution from investment income net of interest costs, reflecting increased balances for institutional investment products and a higher portfolio yield, as well as higher fees reflecting growth of full service retirement account values. The Asset Management segment reported adjusted operating income of $184 million for the current quarter, an increase of $15 million from the year-ago quarter, as current quarter results benefited from higher asset management fees reflecting growth in assets under management. Current quarter results for the segment's proprietary investing business included income of $20 million from changes in market value in a fixed income investment fund, which essentially offset lower real estate related income in that business. Our Financial Advisory segment, which reflects our retail securities brokerage joint venture with Wachovia, reported adjusted operating income of $96 million for the current quarter compared to a loss of $66 million in the year-ago quarter. Our 38% share of the venture resulted in adjusted operating income of $111 million for the current quarter, compared to $69 million in the year-ago quarter, reflecting a strong current quarter contribution to the venture's commissions and other income from equity syndication activities. The segment's results for the current quarter include expenses of $14 million related to obligations and costs we retained in connection with the contributed businesses primarily for litigation and regulatory matters. Results for the year-ago quarter include $176 million of such costs, primarily to increase a reserve for estimated settlement costs related to market timing issues which the company settled in August 2006. Results for the year-ago quarter also include income of $42 million from securities relating to trading exchange memberships.

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The **International Insurance and Investments division** reported adjusted operating income of $475 million for the first quarter of 2007, compared to $382 million in the year-ago quarter. The International Insurance segment reported adjusted operating income of $413 million for the current quarter, compared to $338 million for the year-ago quarter. The segment's Life Planner insurance operations reported adjusted operating income of $270 million for the current quarter, an increase of $42 million from the year-ago quarter. The increase reflected continued business growth and improved net investment spreads, as well as a favorable impact of $9 million, versus the year-ago quarter, from foreign currency exchange rates. The segment's Gibraltar Life operations reported adjusted operating income of $143 million for the current quarter, an increase of $33 million from the year-ago quarter. Current quarter results benefited from improved net investment spreads and a more favorable level of policy benefits and expenses than that of the year- ago quarter. The International Investments segment reported adjusted operating income of $62 million for the current quarter, compared to $44 million in the year-ago quarter. The increase came primarily from fees associated with strong mutual fund sales in Korea during the current quarter as well as income on an equity-related investment, together with improved results from the segment's trading activities. Current quarter results include income of $11 million from market value changes in securities relating to exchange memberships, while results for the year-ago quarter included similar income amounting to $15 million.

Corporate and Other operations resulted in adjusted operating income of $12 million in the first quarter of 2007, compared to $26 million in the year-ago quarter. The decrease reflects a lower contribution from investment income, net of interest expense. Results for the current quarter and the year-ago quarter each include approximately $13 million from investment income net of interest costs related to investment of proceeds of a $2 billion issue of convertible securities which the company has called for redemption in May 2007.

Assets under management amounted to $630 billion at March 31, 2007, compared to $547 billion a year earlier and $616 billion at December 31, 2006.

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Net income of the Financial Services Businesses for the first quarter of 2007 amounted to $1.025 billion, compared to $675 million in the year-ago quarter. Current quarter net income includes $140 million of pre-tax net realized investment gains and related charges and adjustments, primarily reflecting sales of equity securities in our Japanese insurance operations. Net realized investment gains in the current quarter include $29 million of losses from impairments and sales of credit-impaired securities. At March 31, 2007, gross unrealized losses on general account fixed maturity investments of the Financial Services Businesses amounted to $551 million, including $492 million on investment-grade securities, which are substantially all interest rate related. Gross unrealized losses on general account fixed maturity investments of the Financial Services Businesses amounted to $652 million at year-end 2006.

Net income for the current quarter also reflects pre-tax increases of $82 million in recorded asset values and $62 million in recorded liabilities representing changes in value which will ultimately accrue to contractholders. These changes primarily represent interest rate related mark-to-market adjustments. Net income for the current quarter also includes $19 million of pre-tax income from divested businesses.

Current quarter net income also includes $36 million of income (net of related taxes) from discontinued operations primarily reflecting a tax benefit associated with a discontinued international business.

Net income of the Financial Services Businesses for the year-ago quarter included $50 million of net realized investment gains and related charges and adjustments, decreases of $114 million in recorded assets and $66 million in recorded liabilities for which changes in value will ultimately accrue to contractholders, and income of $13 million from divested businesses, in each case before income taxes.

Closed Block Business

Prudential's Class B Stock, which is not traded on any exchange, reflects the performance of its Closed Block Business.

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The Closed Block Business includes our in-force participating life insurance and annuity policies, and assets that are being used for the payment of benefits and policyholder dividends on these policies, as well as other assets and equity that support these policies. We have ceased offering these participating policies.

The Closed Block Business reported income from continuing operations before income taxes of $137 million for the first quarter of 2007 and $84 million for the year-ago quarter. Closed Block Business results included net realized investment gains of $207 million in the current quarter and $60 million in the year-ago quarter. The Closed Block Business reported net income for the first quarter of 2007 of $95 million, compared to $58 million for the year-ago quarter.

Consolidated Results

There is no legal separation of the Financial Services Businesses and the Closed Block Business, and holders of the Common Stock and the Class B Stock are both common stockholders of Prudential Financial, Inc.

On a consolidated basis, which includes the results of both the Financial Services Businesses and the Closed Block Business, Prudential Financial, Inc. reported net income of $1.120 billion for the first quarter of 2007 and $733 million for the year-ago quarter.

Share Repurchases and Issuance

During the first quarter of 2007, the company acquired 8.4 million shares of its Common Stock, at a total cost of $749 million. From the commencement of share repurchases in May 2002, through March 31, 2007, the company has acquired 160.8 million shares of its Common Stock at a total cost of $8.637 billion.

Forward-Looking Statements and Non-GAAP Measures

Certain of the statements included in this release, including (but not limited to) those in the third paragraph hereof, constitute forward-looking statements within the meaning of the U. S. Private Securities Litigation Reform Act of 1995. Words such as “expects,” “believes,”

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“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. There can be no assurance that future developments affecting Prudential Financial, Inc. and its subsidiaries 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, possibly materially, from expectations or estimates reflected in such forward-looking statements, including, among others: (1) general economic, market and political conditions, including the performance and fluctuations of stock, real estate, and other financial markets; (2) interest rate fluctuations; (3) reestimates of our reserves for future policy benefits and claims; (4) differences between actual experience regarding mortality, morbidity, persistency, surrender experience, interest rates or market returns and the assumptions we use in pricing our products, establishing liabilities and reserves or for other purposes; (5) changes in our assumptions related to deferred policy acquisition costs, valuation of business acquired or goodwill; (6) changes in our claims-paying or credit ratings; (7) investment losses and defaults; (8) competition in our product lines and for personnel; (9) changes in tax law; (10) economic, political, currency and other risks relating to our international operations; (11) fluctuations in foreign currency exchange rates and foreign securities markets; (12) regulatory or legislative changes; (13) adverse determinations in litigation or regulatory matters and our exposure to contingent liabilities, including in connection with our divestiture or winding down of businesses; (14) domestic or international military actions, natural or man-made disasters including terrorist activities or pandemic disease, or other events resulting in catastrophic loss of life; (15) ineffectiveness of risk management policies and procedures in identifying, monitoring and managing risks; (16) effects of acquisitions, divestitures and restructurings, including possible difficulties in integrating and realizing the projected results of acquisitions; (17) changes in statutory or U.S. GAAP accounting principles, practices or policies; (18) changes in assumptions for retirement expense; (19) Prudential Financial, Inc.’s primary reliance, as a holding company, on dividends or distributions from its subsidiaries to meet debt payment obligations and continue share

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repurchases, and the applicable regulatory restrictions on the ability of the subsidiaries to pay such dividends or distributions; and (20) risks due to the lack of legal separation between our Financial Services Businesses and our Closed Block Business. Prudential Financial, Inc. does not intend, and is under no obligation, to update any particular forward-looking statement included in this document.

Adjusted operating income is a non-GAAP measure of performance of our Financial Services Businesses. Adjusted operating income excludes "Realized investment gains (losses), net," as adjusted, and related charges and adjustments. A significant element of realized investment gains and losses are impairments and credit-related and interest rate-related gains and losses. Impairments and losses from sales of credit-impaired securities, the timing of which depends largely on market credit cycles, can vary considerably across periods. The timing of other sales that would result in gains or losses, such as interest rate-related gains or losses, is largely subject to our discretion and influenced by market opportunities as well as our tax profile. Realized investment gains (losses) representing profit or loss of certain of our businesses which primarily originate investments for sale or syndication to unrelated investors, and those associated with terminating hedges of foreign currency earnings and current period yield adjustments are included in adjusted operating income. Realized investment gains and losses from products that are free standing derivatives or contain embedded derivatives, and from associated derivative portfolios that are part of an economic hedging program related to the risk of those products, are included in adjusted operating income. Adjusted operating income also excludes investment gains and losses on trading account assets supporting insurance liabilities and changes in experience-rated contractholder liabilities due to asset value changes, because these recorded changes in asset and liability values will ultimately accrue to contractholders. Trends in the underlying profitability of our businesses can be more clearly identified without the fluctuating effects of these transactions. In addition, adjusted operating income excludes the results of divested businesses, which are not relevant to our ongoing operations. Discontinued operations, which is presented as a separate component of net income under GAAP, is also excluded from adjusted operating income.

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We believe that the presentation of adjusted operating income as we measure it for management purposes enhances understanding of the results of operations of the Financial Services Businesses by highlighting the results from ongoing operations and the underlying profitability of our businesses. However, adjusted operating income is not a substitute for income determined in accordance with GAAP, and the excluded items are important to an understanding of our overall results of operations. The schedules accompanying this release provide a reconciliation of adjusted operating income for the Financial Services Businesses to income from continuing operations in accordance with GAAP.

Our expectation of Common Stock earnings per share is based on after-tax adjusted operating income. Because we do not predict future realized investment gains / losses or recorded changes in asset and liability values that will ultimately accrue to contractholders, we cannot provide a measure of our Common Stock earnings per share expectation based on income from continuing operations of the Financial Services Businesses, which is the GAAP measure most comparable to adjusted operating income.

The information referred to above, as well as the risks of our businesses described in our Annual Report on Form 10-K for the year ended December 31, 2006, should be considered by readers when reviewing forward-looking statements contained in this release. Additional historical information relating to our financial performance is located on our Web site at www.investor.prudential.com.

Earnings Conference Call

Members of Prudential's senior management will host a conference call on Thursday, May 3, 2007 at 11 a.m. ET, to discuss with the investment community the company's first quarter results. The conference call will be broadcast live over the company's Investor Relations Web site at: www.investor.prudential.com. Please log on fifteen minutes early in the event necessary software needs to be downloaded. The call will remain on the Investor Relations Web site for replay through May 11. Institutional investors, analysts, and other members of the professional

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financial community are invited to listen to the call and participate in Q&A by dialing (877) 777-1971 (domestic callers) or (612) 332-0226 (international callers). All others are encouraged to dial into the conference call in listen-only mode, using the same numbers. To listen to a replay of the conference call starting at 2:30 p.m. on May 3, through May 10, dial (800) 475-6701 (domestic callers) or (320) 365-3844 (international callers). The access code for the replay is 850218.

Prudential Financial, Inc. (NYSE: PRU), a financial services leader with approximately $630 billion of assets under management as of March 31, 2007, has operations in the United States, Asia, Europe, and Latin America. Leveraging its heritage of life insurance and asset management expertise, Prudential is focused on helping individual and institutional customers grow and protect their wealth. The company's well-known Rock symbol is an icon of strength, stability, expertise and innovation that has stood the test of time. Prudential's businesses offer a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds, asset management, and real estate services. For more information, please visit www.prudential.com.

Prudential Financial

Financial Highlights
(in millions, except per share data, unaudited)

	Three Months Ended March 31 2007	Three Months Ended March 31 2006
Financial Services Businesses Income Statement Data:		
Adjusted Operating Income (1):		
Revenues:		
Premiums	$ 2,720	$ 2,604
Policy charges and fee income	784	662
Net investment income	2,054	1,812
Asset management fees, commissions and other income	1,149	1,054
Total revenues	6,707	6,132
Benefits and expenses:		
Insurance and annuity benefits	2,763	2,577
Interest credited to policyholders' account balances	745	652
Interest expense	274	212
Other expenses	1,692	1,745
Total benefits and expenses	5,474	5,186
Adjusted operating income before income taxes	1,233	946
Income taxes, applicable to adjusted operating income	365	277
Financial Services Businesses after-tax adjusted operating income (1)	868	669
Realized investment gains (losses), net, and related charges and adjustments	140	50
Investment gains (losses) on trading account assets supporting insurance liabilities, net	82	(114)
Change in experience-rated contractholder liabilities due to asset value changes	(62)	66
Divested businesses	19	13
Equity in earnings of operating joint ventures	(120)	(78)
Total pre-tax adjustments	59	(63)
Income taxes, not applicable to adjusted operating income	15	(24)
Total adjustments, after income taxes	44	(39)
Income from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures	912	630
Equity in earnings of operating joint ventures, net of taxes	77	51
Income from continuing operations (after-tax) of Financial Services Businesses	989	681
Income (loss) from discontinued operations, net of taxes	36	(6)
Net income of Financial Services Businesses	$ 1,025	$ 675
Direct equity adjustment for earnings per share calculation (2)	15	19
Earnings available to holders of Common Stock after direct equity adjustment:		
Based on net income	$ 1,040	$ 694
Based on after-tax adjusted operating income	$ 883	$ 688

See footnotes on last page.

Financial Highlights
(in millions, except per share data, unaudited)

	Three Months Ended March 31 2007	Three Months Ended March 31 2006
Earnings per share of Common Stock (diluted) (2):		
Financial Services Businesses after-tax adjusted operating income	$ 1.85	$ 1.36
Realized investment gains (losses), net, and related charges and adjustments	0.29	0.10
Investment gains (losses) on trading account assets supporting insurance liabilities, net	0.17	(0.23)
Change in experience-rated contractholder liabilities due to asset value changes	(0.13)	0.13
Divested businesses	0.04	0.03
Equity in earnings of operating joint ventures	(0.25)	(0.15)
Total pre-tax adjustments	0.12	(0.12)
Income taxes, not applicable to adjusted operating income	0.03	(0.05)
Total adjustments, after income taxes	0.09	(0.07)
Income from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures	1.94	1.29
Equity in earnings of operating joint ventures, net of taxes	0.16	0.10
Income from continuing operations (after-tax) of Financial Services Businesses	2.10	1.39
Income (loss) from discontinued operations, net of taxes	0.08	(0.01)
Net income of Financial Services Businesses	$ 2.18	$ 1.38
Weighted average number of outstanding Common shares (diluted basis)	477.2	504.1
Financial Services Businesses Attributed Equity (as of end of period):		
Total attributed equity	$22,265	$21,229
Per share of Common Stock - diluted	47.05	42.43
Attributed equity excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension/postretirement benefits	$21,657	$20,695
Per share of Common Stock - diluted	45.77	41.37
Number of diluted shares at end of period	473.2	500.3
Adjusted operating income before income taxes, by Segment (1):		
Individual Life	$ 101	$ 133
Individual Annuities	166	118
Group Insurance	51	47
Total Insurance Division	318	298
Asset Management	184	169
Financial Advisory	96	(66)
Retirement	148	137
Total Investment Division	428	240
International Insurance	413	338
International Investments	62	44
Total International Insurance and Investments Division	475	382
Corporate and other operations	12	26
Financial Services Businesses adjusted operating income before income taxes	1,233	946
Realized investment gains (losses), net, and related charges and adjustments	140	50
Investment gains (losses) on trading account assets supporting insurance liabilities, net	82	(114)
Change in experience-rated contractholder liabilities due to asset value changes	(62)	66
Divested businesses	19	13
Equity in earnings of operating joint ventures	(120)	(78)
Total pre-tax adjustments	59	(63)
Income from continuing operations before income taxes and equity in earnings of operating joint ventures - Financial Services Businesses	$ 1,292	$ 883

See footnotes on last page.

Financial Highlights
(in millions, except per share data or as otherwise noted, unaudited)

	Three Months Ended March 31 2007	Three Months Ended March 31 2006
Insurance Division:		
Individual Life Insurance Sales (3):		
Excluding corporate-owned life insurance		
Variable life	$ 48	$ 21
Universal life	44	40
Term life	49	31
Total excluding corporate-owned life insurance	141	92
Corporate-owned life insurance	5	1
Total	$ 146	$ 93
Fixed and Variable Annuity Sales and Account Values:		
Gross sales	$ 2,800	$ 2,157
Net sales	$ 409	$ 503
Total account value at end of period	$79,270	$57,122
Group Insurance New Annualized Premiums (4):		
Group life	$ 103	$ 206
Group disability	92	74
Total	$ 195	$ 280
Investment Division:		
Asset Management Segment:		
Assets managed by Investment Management and Advisory Services (in billions, as of end of period):		
Institutional customers	$ 161.0	$ 138.7
Retail customers	84.2	75.6
General account	168.9	157.8
Total Investment Management and Advisory Services	$ 414.1	$ 372.1
Institutional Assets Under Management (in billions):		
Gross additions, other than money market	$ 5.9	$ 7.3
Net additions, other than money market	$ 1.2	$ 3.3
Retail Assets Under Management (in billions):		
Gross additions, other than money market	$ 3.0	$ 2.7
Net additions, other than money market	$ 0.3	$ 0.4
Wrap-fee Product Assets Under Administration (in billions):		
Gross additions	$ 5.8	$ 6.9
Net additions	$ 2.0	$ 2.8
Assets under administration at end of period	$ 72.3	$ 59.1
Retirement Segment:		
Full Service:		
Deposits and sales	$ 4,003	$ 5,381
Net additions (withdrawals)	$ 570	$ (90)
Institutional Investment Products:		
Gross additions	$ 1,533	$ 1,536
Net withdrawals	$ (210)	$ (916)
International Insurance and Investments Division:		
International Insurance New Annualized Premiums (5):		
Actual exchange rate basis	$ 299	$ 289
Constant exchange rate basis	$ 319	$ 308

See footnotes on last page.

Financial Highlights
(in millions, except per share data or as otherwise noted, unaudited)

	Three Months Ended March 31 2007	Three Months Ended March 31 2006
Closed Block Business Data:		
Income Statement Data:		
Revenues	$ 1,991	$ 1,851
Benefits and expenses	1,854	1,767
Income from continuing operations before income taxes	137	84
Income taxes	44	26
Closed Block Business income from continuing operations	93	58
Income from discontinued operations, net of taxes	2	—
Closed Block Business net income	$ 95	$ 58
Direct equity adjustment for earnings per share calculation (2)	(15)	(19)
Earnings available to holders of Class B Stock after direct equity adjustment—based on net income	$ 80	$ 39
Income from continuing operations per share of Class B Stock	39.00	19.50
Income from discontinued operations, net of taxes per share of Class B Stock	1.00	—
Net income per share of Class B Stock	$ 40.00	$ 19.50
Weighted average diluted shares outstanding during period	2.0	2.0
Closed Block Business Attributed Equity (as of end of period):		
Total attributed equity	$ 1,271	$ 1,105
Per Share of Class B Stock	635.50	552.50
Attributed equity excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension/postretirement benefits	$ 1,269	$ 1,032
Per Share of Class B Stock	634.50	516.00
Number of Class B Shares at end of period	2.0	2.0
Consolidated Data:		
Consolidated Income Statement Data:		
Revenues	$ 8,821	$ 7,850
Benefits and expenses	7,392	6,883
Income from continuing operations before income taxes and equity in earnings of operating joint ventures	1,429	967
Income tax expense	424	279
Income from continuing operations before equity in earnings of operating joint ventures	1,005	688
Equity in earnings of operating joint ventures, net of taxes	77	51
Income from continuing operations	1,082	739
Income (loss) from discontinued operations, net of taxes	38	(6)
Consolidated net income	$ 1,120	$ 733
Net income:		
Financial Services Businesses	$ 1,025	$ 675
Closed Block Business	95	58
Consolidated net income	$ 1,120	$ 733
Assets and Asset Management Information (in billions, as of end of period)		
Total assets	$ 458.9	$ 424.0
Assets under management (at fair market value):		
Managed by Investment Division:		
Asset Management Segment - Investment Management and Advisory Services	$ 414.1	$ 372.1
Non-proprietary assets under management	53.4	51.3
Total managed by Investment Division	467.5	423.4
Managed by International Insurance and Investments Division	88.8	74.5
Managed by Insurance Division	73.5	49.5
Total assets under management	629.8	547.4
Client assets under administration	117.2	100.0
Total assets under management and administration	$ 747.0	$ 647.4

See footnotes on last page.

(1) Adjusted operating income is a non-GAAP measure of performance of our Financial Services Businesses that excludes “Realized investment gains (losses), net”, as adjusted, and related charges and adjustments; net investment gains and losses on trading account assets supporting insurance liabilities; change in experience-rated contractholder liabilities due to asset value changes; results of divested businesses and discontinued operations; and the related tax effects thereof. Adjusted operating income includes equity in earnings of operating joint ventures and the related tax effects thereof.

Realized investment gains (losses) representing profit or loss of certain of our businesses which primarily originate investments for sale or syndication to unrelated investors, and those associated with terminating hedges of foreign currency earnings and current period yield adjustments are included in adjusted operating income. Realized investment gains and losses from products that are free standing derivatives or contain embedded derivatives, and from associated derivative portfolios that are part of an economic hedging program related to the risk of those products, are included in adjusted operating income. Revenues and benefits and expenses shown as components of adjusted operating income, are presented on the same basis as pre-tax adjusted operating income and are adjusted for the items above as well.

Adjusted operating income does not equate to “Income from continuing operations” as determined in accordance with GAAP but is the measure of profit or loss we use to evaluate segment performance. Adjusted operating income is not a substitute for income determined in accordance with GAAP, and our definition of adjusted operating income may differ from that used by other companies. The items above are important to an understanding of our overall results of operations. However, we believe that the presentation of adjusted operating income as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability factors of our businesses.

(2) Net income for the Financial Services Businesses and the Closed Block Business is determined in accordance with GAAP and includes general and administrative expenses charged to each of the businesses based on the Company’s methodology for allocation of such expenses. Cash flows between the Financial Services Businesses and the Closed Block Business related to administrative expenses are determined by a policy servicing fee arrangement that is based upon insurance and policies in force and statutory cash premiums. To the extent reported administrative expenses vary from these cash flow amounts, the differences are recorded, on an after-tax basis, as direct equity adjustments to the equity balances of each business. The direct equity adjustments modify earnings available to holders of Common Stock and Class B Stock for earnings per share purposes. Earnings per share of Common Stock based on adjusted operating income of the Financial Services Businesses reflects these adjustments as well.

(3) Scheduled premiums from new sales on an annualized basis and first year excess premiums and deposits on a cash-received basis.

(4) Amounts exclude new premiums resulting from rate changes on existing policies, from additional coverage issued under our Servicemembers’ Group Life Insurance contract, and from excess premiums on group universal life insurance that build cash value but do not purchase face amounts. Group insurance new annualized premiums include premiums from the takeover of claim liabilities. Group disability amounts include long-term care products.

(5) Annualized new business premiums. Actual amounts reflect the impact of currency fluctuations. Constant exchange rate amounts are translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen, 102 per U.S. dollar; Korean won 1030 per U.S. dollar. Single premium business for the Company’s international insurance operations is included in annualized new business premiums based on a 10% credit.

Exhibit 99.1

Prudential Financial, Inc. (PRU)

Quarterly Financial Supplement

FINANCIAL SERVICES BUSINESSES
FIRST QUARTER 2007

Reference is made to Prudential Financial, Inc.'s filings with the Securities and Exchange Commission for general information, and consolidated financial information, regarding Prudential Financial, Inc., including its Closed Block Business. All financial information in this document is unaudited.

May 2, 2007

CONTENTS

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2007	Year-to-date 2006	% Change		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
			Financial Services Businesses:					
			Pre-tax adjusted operating income (loss) by division:					
318	298	7%	Insurance Division	298	247	465	349	318
428	240	78%	Investment Division	240	316	252	355	428
475	382	24%	International Insurance and Investments Division	382	358	428	398	475
12	26	-54%	Corporate and other operations	26	37	15	8	12
1,233	946	30%	Total pre-tax adjusted operating income	946	958	1,160	1,110	1,233
365	277	32%	Income taxes, applicable to adjusted operating income	277	276	330	319	365
868	669	30%	**Financial Services Businesses after-tax adjusted operating income**	669	682	830	791	868
140	50	180%	Realized investment gains (losses), net, and related charges and adjustments	50	(311)	221	130	140
82	(114)	172%	Investment gains (losses) on trading account assets supporting insurance liabilities, net	(114)	(151)	257	43	82
(62)	66	-194%	Change in experience-rated contractholder liabilities due to asset value changes	66	130	(168)	(17)	(62)
19	13	46%	Divested businesses	13	(4)	4	(1)	19
(120)	(78)	-54%	Equity in earnings of operating joint ventures	(78)	(67)	(78)	(99)	(120)
59	(63)	194%	Total pre-tax adjustments	(63)	(403)	236	56	59
15	(24)	163%	Income taxes, not applicable to adjusted operating income	(24)	(116)	32	35	15
44	(39)	213%	Total adjustments, after income taxes	(39)	(287)	204	21	44
912	630	45%	**Income from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures**	630	395	1,034	812	912
77	51	51%	Equity in earnings of operating joint ventures, net of taxes	51	45	50	62	77
989	681	45%	**Income from continuing operations (after-tax) of Financial Services Businesses**	681	440	1,084	874	989
36	(6)	700%	Income (loss) from discontinued operations, net of taxes	(6)	(16)	68	19	36
1,025	675	52%	**Net income of Financial Services Businesses**	675	424	1,152	893	1,025
			Earnings per share of Common Stock (diluted):					
1.85	1.36		Financial Services Businesses after-tax adjusted operating income	1.36	1.40	1.72	1.67	1.85
0.29	0.10		Realized investment gains (losses), net, and related charges and adjustments	0.10	(0.63)	0.45	0.27	0.29
0.17	(0.23)		Investment gains (losses) on trading account assets supporting insurance liabilities, net	(0.23)	(0.30)	0.52	0.09	0.17
(0.13)	0.13		Change in experience-rated contractholder liabilities due to asset value changes	0.13	0.26	(0.34)	(0.04)	(0.13)
0.04	0.03		Divested businesses	0.03	(0.01)	0.01	—	0.04
(0.25)	(0.15)		Equity in earnings of operating joint ventures	(0.15)	(0.13)	(0.16)	(0.20)	(0.25)
0.12	(0.12)		Total pre-tax adjustments	(0.12)	(0.81)	0.48	0.12	0.12
0.03	(0.05)		Income taxes, not applicable to adjusted operating income	(0.05)	(0.24)	0.06	0.07	0.03
0.09	(0.07)		Total adjustments, after income taxes	(0.07)	(0.57)	0.42	0.05	0.09
1.94	1.29		**Income from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures**	1.29	0.83	2.14	1.72	1.94
0.16	0.10		Equity in earnings of operating joint ventures, net of taxes	0.10	0.09	0.10	0.13	0.16
2.10	1.39		**Income from continuing operations (after-tax) of Financial Services Businesses**	1.39	0.92	2.24	1.85	2.10
0.08	(0.01)		Income (loss) from discontinued operations, net of taxes	(0.01)	(0.03)	0.14	0.03	0.08
2.18	1.38		**Net income of Financial Services Businesses**	1.38	0.89	2.38	1.88	2.18
477.2	504.1		Weighted average number of outstanding Common shares (diluted basis)	504.1	497.1	490.5	482.8	477.2
16.44%	13.37%		Operating Return on Average Equity (based on adjusted operating income)	13.37%	13.48%	16.11%	15.18%	16.44%
			Reconciliation to Consolidated Net Income of Prudential Financial, Inc:					
1,025	675		Net income of Financial Services Businesses (above)	675	424	1,152	893	1,025
95	58		Net income of Closed Block Business	58	29	53	144	95
1,120	733		Consolidated net income	733	453	1,205	1,037	1,120
15	19		Direct equity adjustments for earnings per share calculations	19	16	16	17	15

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		Financial Services Businesses Capitalization Data (1):					
		Short-term debt	9,685	9,723	9,418	10,798	12,812
		Long-term debt	7,284	7,520	7,464	9,673	10,080
		Attributed Equity:					
		Including accumulated other comprehensive income	21,229	20,424	22,053	21,690	22,265
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	20,695	20,716	21,290	21,306	21,657
		Excluding total accumulated other comprehensive income	20,717	20,604	21,232	21,194	21,585
		Total Capitalization:					
		Including accumulated other comprehensive income	28,513	27,944	29,517	31,363	32,345
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	27,979	28,236	28,754	30,979	31,737
		Excluding total accumulated other comprehensive income	28,001	28,124	28,696	30,867	31,665
		Book value per share of Common Stock:					
		Including accumulated other comprehensive income	42.43	41.41	45.31	45.18	47.05
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	41.37	42.00	43.74	44.38	45.77
		Excluding total accumulated other comprehensive income	41.41	41.78	43.62	44.15	45.61
		Number of diluted shares at end of period	500.3	493.2	486.7	480.1	473.2
		Common Stock Price Range (based on closing price):					
93.10	77.48	High	77.48	78.89	79.06	86.84	93.10
85.69	73.19	Low	73.19	74.43	71.47	76.03	85.69
90.26	75.81	Close	75.81	77.70	76.25	85.86	90.26
		Common Stock market capitalization (1)	37,288	37,651	36,394	40,449	42,025

(1) As of end of period.

OPERATIONS HIGHLIGHTS

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		Assets Under Management and Administration ($ billions) (1) (2):					
		Assets Under Management :					
		Managed by Investment Division:					
		Asset Management Segment - Investment Management & Advisory Services					
		Institutional customers	138.7	138.5	147.9	156.8	161.0
		Retail customers	75.6	75.1	75.9	79.0	84.2
		General account	157.8	159.7	163.8	167.6	168.9
		Total Investment Management and Advisory Services	372.1	373.3	387.6	403.4	414.1
		Non-proprietary assets under management	51.3	49.6	51.0	54.2	53.4
		Total managed by Investment Division	423.4	422.9	438.6	457.6	467.5
		Managed by International Insurance and Investments Division	74.5	82.6	82.2	86.2	88.8
		Managed by Insurance Division	49.5	62.9	65.4	72.2	73.5
		Total assets under management	547.4	568.4	586.2	616.0	629.8
		Client assets under administration	100.0	101.6	105.8	112.9	117.2
		Total assets under management and administration	647.4	670.0	692.0	728.9	747.0
		Assets managed or administered for customers outside of the United States at end of period	105.3	114.0	115.5	123.8	128.8
		Distribution Representatives (1):					
		Prudential Agents	2,850	2,844	2,814	2,562	2,505
		International Life Planners	5,712	5,726	5,802	5,828	5,893
		Gibraltar Life Advisors	5,716	5,684	6,036	5,944	5,952
49	45	***Prudential Agent productivity ($ thousands)***	45	52	46	74	49

(1) As of end of period.
(2) At fair market value.

Prudential Financial

COMBINED STATEMENTS OF OPERATIONS - FINANCIAL SERVICES BUSINESSES
(in millions)

Year-to-date 2007	Year-to-date 2006	% Change		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
			Revenues (1):					
2,720	2,604	4%	Premiums	2,604	2,542	2,548	2,593	2,720
784	662	18%	Policy charges and fee income	662	667	583	737	784
2,054	1,812	13%	Net investment income	1,812	1,875	1,962	2,011	2,054
1,149	1,054	9%	Asset management fees, commissions and other income	1,054	966	1,024	1,206	1,149
6,707	6,132	9%	Total revenues	6,132	6,050	6,117	6,547	6,707
			Benefits and Expenses (1):					
2,763	2,577	7%	Insurance and annuity benefits	2,577	2,591	2,650	2,605	2,763
745	652	14%	Interest credited to policyholders' account balances	652	677	716	745	745
274	212	29%	Interest expense	212	233	249	255	274
(539)	(501)	-8%	Deferral of acquisition costs	(501)	(495)	(496)	(545)	(539)
272	240	13%	Amortization of acquisition costs	240	264	(73)	239	272
1,959	2,006	-2%	General and administrative expenses	2,006	1,822	1,911	2,138	1,959
5,474	5,186	6%	Total benefits and expenses	5,186	5,092	4,957	5,437	5,474
1,233	946	30%	Adjusted operating income before income taxes	946	958	1,160	1,110	1,233
146	50	192%	Realized investment gains (losses), net, and related adjustments	50	(334)	214	143	146
(6)	—	—	Related charges	—	23	7	(13)	(6)
140	50	180%	Total realized investment gains (losses), net, and related charges and adjustments	50	(311)	221	130	140
82	(114)	172%	Investment gains (losses) on trading account assets supporting insurance liabilities, net	(114)	(151)	257	43	82
(62)	66	-194%	Change in experience-rated contractholder liabilities due to asset value changes	66	130	(168)	(17)	(62)
19	13	46%	Divested businesses	13	(4)	4	(1)	19
(120)	(78)	-54%	Equity in earnings of operating joint ventures	(78)	(67)	(78)	(99)	(120)
59	(63)	194%	Total pre-tax adjustments	(63)	(403)	236	56	59
1,292	883	46%	Income from continuing operations before income taxes and equity in earnings of operating joint ventures	883	555	1,396	1,166	1,292
380	253	50%	Income tax expense	253	160	362	354	380
912	630	45%	Income from continuing operations before equity in earnings of operating joint ventures	630	395	1,034	812	912

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments; investment gains, net of losses, on trading account assets supporting insurance liabilities, and revenues of divested businesses, and include revenues representing equity in earnings of operating joint ventures. Benefits and expenses exclude charges related to realized investment gains, net of losses; change in experience-rated contractholder liabilities due to asset value changes and benefits and expenses of divested businesses.

Prudential Financial

COMBINED BALANCE SHEETS - FINANCIAL SERVICES BUSINESSES
(in millions)

	3/31/2006	6/30/2006	9/30/2006	12/31/2006	3/31/2007
Assets:					
Investments:					
Fixed maturities, available for sale, at fair value (amortized cost $102,220; $107,756; $105,750; $109,362; $110,980)	104,276	108,150	108,346	112,043	113,833
Fixed maturities, held to maturity, at amortized cost (fair value $3,397; $3,416; $3,400; $3,441; $3,407)	3,430	3,555	3,473	3,469	3,440
Trading account assets supporting insurance liabilities, at fair value	13,877	14,239	14,453	14,262	14,223
Other trading account assets, at fair value	2,358	4,561	1,933	2,209	2,119
Equity securities, available for sale, at fair value (cost $3,489; $3,672; $3,761; $3,825; $3,942)	3,975	4,050	4,182	4,331	4,592
Commercial loans	17,721	18,018	18,139	18,421	18,947
Policy loans	3,094	3,253	3,350	3,472	3,575
Securities purchased under agreements to resell	103	2,242	187	153	113
Other long-term investments	3,669	3,800	3,538	3,780	4,339
Short-term investments	2,404	2,768	2,705	3,183	3,291
Total investments	154,907	164,636	160,306	165,323	168,472
Cash and cash equivalents	5,915	6,521	7,361	7,243	5,950
Accrued investment income	1,400	1,433	1,466	1,429	1,468
Reinsurance recoverables	3,480	1,869	1,908	1,958	2,021
Deferred policy acquisition costs	8,776	9,239	9,540	9,854	10,067
Other assets	16,279	19,188	17,442	16,997	16,773
Separate account assets	160,506	160,070	166,757	177,463	181,618
Total assets	351,263	362,956	364,780	380,267	386,369
Liabilities:					
Future policy benefits	52,661	55,333	55,238	56,245	56,490
Policyholders' account balances	70,659	74,309	75,614	75,090	75,132
Reinsurance payables	2,994	1,351	1,405	1,458	1,472
Securities sold under agreements to repurchase	7,141	9,564	6,256	5,747	4,794
Cash collateral for loaned securities	3,139	3,834	3,797	4,082	3,697
Income taxes	2,500	1,969	2,827	2,920	3,199
Securities sold but not yet purchased	132	2,152	313	277	307
Short-term debt	9,685	9,723	9,418	10,798	12,812
Long-term debt	7,284	7,520	7,464	9,673	10,080
Other liabilities	13,333	16,707	13,638	14,824	14,503
Separate account liabilities	160,506	160,070	166,757	177,463	181,618
Total liabilities	330,034	342,532	342,727	358,577	364,104
Attributed Equity:					
Accumulated other comprehensive income (loss)	512	(180)	821	496	680
Other attributed equity	20,717	20,604	21,232	21,194	21,585
Total attributed equity	21,229	20,424	22,053	21,690	22,265
Total liabilities and attributed equity	351,263	362,956	364,780	380,267	386,369

FINANCIAL SERVICES BUSINESSES COMBINING STATEMENTS OF OPERATIONS - BY DIVISION
(in millions)

	Three Months Ended March 31, 2007				
	Total Financial Services Businesses	Insurance Division	Investment Division	International Insurance & Investments Division	Corporate and Other Operations
Revenues (1) :					
Premiums	2,720	1,073	96	1,553	(2)
Policy charges and fee income	784	667	44	72	1
Net investment income	2,054	470	993	386	205
Asset management fees, commissions and other income	1,149	230	744	220	(45)
Total revenues	6,707	2,440	1,877	2,231	159
Benefits and Expenses (1):					
Insurance and annuity benefits	2,763	1,230	302	1,219	12
Interest credited to policyholders' account balances	745	202	492	77	(26)
Interest expense	274	53	59	2	160
Deferral of acquisition costs	(539)	(270)	(19)	(261)	11
Amortization of acquisition costs	272	153	9	128	(18)
General and administrative expenses	1,959	754	606	591	8
Total benefits and expenses	5,474	2,122	1,449	1,756	147
Adjusted operating income before income taxes	1,233	318	428	475	12

	Three Months Ended March 31, 2006				
	Total Financial Services Businesses	Insurance Division	Investment Division	International Insurance & Investments Division	Corporate and Other Operations
Revenues (1):					
Premiums	2,604	982	92	1,533	(3)
Policy charges and fee income	662	543	48	76	(5)
Net investment income	1,812	418	849	330	215
Asset management fees, commissions and other income	1,054	178	745	160	(29)
Total revenues	6,132	2,121	1,734	2,099	178
Benefits and Expenses (1):					
Insurance and annuity benefits	2,577	1,070	269	1,224	14
Interest credited to policyholders' account balances	652	180	429	57	(14)
Interest expense	212	30	46	3	133
Deferral of acquisition costs	(501)	(256)	(22)	(256)	33
Amortization of acquisition costs	240	131	13	116	(20)
General and administrative expenses	2,006	668	759	573	6
Total benefits and expenses	5,186	1,823	1,494	1,717	152
Adjusted operating income before income taxes	946	298	240	382	26

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments; investment gains, net of losses, on trading account assets supporting insurance liabilities, and revenues of divested businesses, and include revenues representing equity in earnings of operating joint ventures. Benefits and expenses exclude charges related to realized investment gains, net of losses change in experience-rated contractholder liabilities due to asset value changes, and benefits and expenses of divested businesses.

Prudential Financial

FINANCIAL SERVICES BUSINESSES COMBINING BALANCE SHEETS - BY DIVISION
(in millions)

	As of March 31, 2007				
	Total Financial Services Businesses	Insurance Division	Investment Division	International Insurance & Investments Division	Corporate and Other Operations
Assets:					
Total investments	168,472	33,237	68,050	53,537	13,648
Deferred policy acquisition costs	10,067	5,537	183	4,509	(162)
Other assets	26,212	5,017	7,992	8,116	5,087
Separate account assets	181,618	89,449	93,344	175	(1,350)
Total assets	386,369	133,240	169,569	66,337	17,223
Liabilities:					
Future policy benefits	56,490	8,016	14,477	33,509	488
Policyholders' account balances	75,132	20,288	41,059	15,904	(2,119)
Debt	22,892	3,447	3,507	1,363	14,575
Other liabilities	27,972	5,436	10,894	8,653	2,989
Separate account liabilities	181,618	89,449	93,344	175	(1,350)
Total liabilities	364,104	126,636	163,281	59,604	14,583
Attributed Equity:					
Accumulated other comprehensive income (loss)	680	244	160	816	(540)
Other attributed equity	21,585	6,360	6,128	5,917	3,180
Total attributed equity	22,265	6,604	6,288	6,733	2,640
Total liabilities and attributed equity	386,369	133,240	169,569	66,337	17,223

	As of December 31, 2006				
	Total Financial Services Businesses	Insurance Division	Investment Division	International Insurance & Investments Division	Corporate and Other Operations
Assets:					
Total investments	165,323	33,154	65,862	52,884	13,423
Deferred policy acquisition costs	9,854	5,447	176	4,397	(166)
Other assets	27,627	5,555	8,353	7,968	5,751
Separate account assets	177,463	87,380	91,257	153	(1,327)
Total assets	380,267	131,536	165,648	65,402	17,681
Liabilities:					
Future policy benefits	56,245	7,905	14,517	33,333	490
Policyholders' account balances	75,090	20,511	40,616	15,842	(1,879)
Debt	20,471	3,491	2,164	1,346	13,470
Other liabilities	29,308	5,968	10,846	8,154	4,340
Separate account liabilities	177,463	87,380	91,257	153	(1,327)
Total liabilities	358,577	125,255	159,400	58,828	15,094
Attributed Equity:					
Accumulated other comprehensive income (loss)	496	235	118	694	(551)
Other attributed equity	21,194	6,046	6,130	5,880	3,138
Total attributed equity	21,690	6,281	6,248	6,574	2,587
Total liabilities and attributed equity	380,267	131,536	165,648	65,402	17,681

SHORT-TERM AND LONG-TERM DEBT
(in millions)

	As of March 31, 2007			As of December 31, 2006		
	Short-term Debt	Long-term Debt	Total Debt	Short-term Debt	Long-term Debt	Total Debt
Financial Services Businesses						
Borrowings by use of proceeds:						
Capital Debt	255	4,125	4,380	255	4,122	4,377
Investment related	8,459	5,279	13,738	7,053	5,116	12,169
Securities business related	2,951	182	3,133	2,334	—	2,334
Specified other businesses	904	368	1,272	1,072	350	1,422
Limited recourse and non-recourse borrowing	243	126	369	84	85	169
Total debt - Financial Services Businesses	12,812	10,080	22,892	10,798	9,673	20,471
Ratio of long-term and short-term capital debt to capitalization			16.8%			17.0%
Closed Block Business						
Investment related	1,122	—	1,122	1,738	—	1,738
Limited recourse and non-recourse borrowing	—	1,750	1,750	—	1,750	1,750
Total debt	1,122	1,750	2,872	1,738	1,750	3,488

	As of March 31, 2007				As of December 31, 2006			
	Prudential Financial, Inc.	The Prudential Insurance Co. of America (1)(2)	Other Affiliates	Total	Prudential Financial, Inc.	The Prudential Insurance Co. of America (1)(2)	Other Affiliates	Total
Financial Services Businesses								
Borrowings by sources:								
Capital Debt	3,081	1,299	—	4,380	3,079	1,298	—	4,377
Investment related	7,846	4,857	1,035	13,738	7,372	3,763	1,034	12,169
Securities business related	1,436	1,578	119	3,133	712	1,191	431	2,334
Specified other businesses	411	861	—	1,272	424	998	—	1,422
Limited recourse and non-recourse borrowing	—	—	369	369	—	—	169	169
Total debt - Financial Services Businesses	12,774	8,595	1,523	22,892	11,587	7,250	1,634	20,471

(1) Includes Prudential Funding, LLC.
(2) Capital debt at Prudential Insurance Co. of America includes $693 million of Surplus Notes for March 31, 2007 and December 31, 2006.

Prudential Financial

COMBINED STATEMENTS OF OPERATIONS - INSURANCE DIVISION
(in millions)

Year-to-date 2007	Year-to-date 2006	% Change		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
			Revenues (1):					
1,073	982	9%	Premiums	982	1,005	1,027	1,052	1,073
667	543	23%	Policy charges and fee income	543	559	474	637	667
470	418	12%	Net investment income	418	438	463	468	470
230	178	29%	Asset management fees, commissions and other income	178	169	241	218	230
2,440	2,121	15%	Total revenues	2,121	2,171	2,205	2,375	2,440
			Benefits and Expenses (1):					
1,230	1,070	15%	Insurance and annuity benefits	1,070	1,144	1,225	1,154	1,230
202	180	12%	Interest credited to policyholders' account balances	180	181	196	206	202
53	30	77%	Interest expense	30	28	37	44	53
(270)	(256)	-5%	Deferral of acquisition costs	(256)	(228)	(235)	(282)	(270)
153	131	17%	Amortization of acquisition costs	131	142	(191)	125	153
754	668	13%	General and administrative expenses	668	657	708	779	754
2,122	1,823	16%	Total benefits and expenses	1,823	1,924	1,740	2,026	2,122
318	298	7%	Adjusted operating income before income taxes	298	247	465	349	318

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments. Benefits and expenses exclude charges related to realized investment gains, net of losses.

Prudential Financial

COMBINING STATEMENTS OF OPERATIONS - INSURANCE DIVISION
(in millions)

	Three Months Ended March 31, 2007			
	Total Insurance Division	Individual Life	Individual Annuities	Group Insurance
Revenues (1):				
Premiums	1,073	126	21	926
Policy charges and fee income	667	272	299	96
Net investment income	470	155	151	164
Asset management fees, commissions and other income	230	78	133	19
Total revenues	2,440	631	604	1,205
Benefits and Expenses (1):				
Insurance and annuity benefits	1,230	236	59	935
Interest credited to policyholders' account balances	202	54	89	59
Interest expense	53	38	13	2
Deferral of acquisition costs	(270)	(103)	(154)	(13)
Amortization of acquisition costs	153	78	74	1
General and administrative expenses (2)	754	227	357	170
Total benefits and expenses	2,122	530	438	1,154
Adjusted operating income before income taxes	318	101	166	51

	Three Months Ended March 31, 2006			
	Total Insurance Division	Individual Life	Individual Annuities	Group Insurance
Revenues (1):				
Premiums	982	100	15	867
Policy charges and fee income	543	266	200	77
Net investment income	418	126	144	148
Asset management fees, commissions and other income	178	67	94	17
Total revenues	2,121	559	453	1,109
Benefits and Expenses (1):				
Insurance and annuity benefits	1,070	161	49	860
Interest credited to policyholders' account balances	180	48	83	49
Interest expense	30	17	10	3
Deferral of acquisition costs	(256)	(80)	(119)	(57)
Amortization of acquisition costs	131	74	57	—
General and administrative expenses (2)	668	206	255	207
Total benefits and expenses	1,823	426	335	1,062
Adjusted operating income before income taxes	298	133	118	47

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments. Benefits and expenses exclude charges related to realized investment gains, net of losses.

(2) General and administrative expenses for Individual Annuities include $32 million for the three months ended March 31, 2007 and $11 million for the three months ended March 31, 2006, for the amortization, net of interest, of value of business acquired (VOBA) associated with the American Skandia and Allstate acquisitions.

INSURANCE DIVISION - INDIVIDUAL LIFE SALES, ACCOUNT VALUE ACTIVITY, AND FACE AMOUNT IN FORCE
(in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		SALES:					
		Excluding corporate-owned life insurance:					
48	21	Variable life	21	24	25	20	48
44	40	Universal life	40	43	34	75	44
49	31	Term life	31	34	35	48	49
141	92	Total excluding corporate-owned life insurance	92	101	94	143	141
5	1	Corporate-owned life insurance	1	4	5	2	5
146	93	Total	93	105	99	145	146
		SALES BY DISTRIBUTION CHANNEL:					
		Excluding corporate-owned life insurance:					
42	45	Prudential Agents	45	45	37	54	42
99	47	Third party distribution	47	56	57	89	99
5	1	Corporate-owned life insurance	1	4	5	2	5
146	93	Total	93	105	99	145	146
		ACCOUNT VALUE ACTIVITY:					
		Policyholders' Account Balances (1):					
6,165	5,694	Beginning balance	5,694	5,802	5,891	6,018	6,165
325	307	Premiums and deposits	307	332	299	340	325
(236)	(242)	Surrenders and withdrawals	(242)	(278)	(284)	(214)	(236)
89	65	Net sales	65	54	15	126	89
(46)	(37)	Benefit payments	(37)	(32)	(36)	(33)	(46)
43	28	Net flows	28	22	(21)	93	43
46	83	Interest credited and other	83	60	149	60	46
65	55	Net transfers from separate account	55	66	59	62	65
(66)	(58)	Policy charges	(58)	(59)	(60)	(68)	(66)
6,253	5,802	Ending balance	5,802	5,891	6,018	6,165	6,253
		Separate Account Liabilities:					
17,586	16,170	Beginning balance	16,170	16,682	16,313	16,747	17,586
316	301	Premiums and deposits	301	332	298	290	316
(166)	(177)	Surrenders and withdrawals	(177)	(198)	(173)	(145)	(166)
150	124	Net sales	124	134	125	145	150
(28)	(9)	Benefit payments	(9)	(9)	(7)	(9)	(28)
122	115	Net flows	115	125	118	136	122
303	653	Change in market value, interest credited and other	653	(228)	574	963	303
(65)	(55)	Net transfers to general account	(55)	(66)	(59)	(62)	(65)
(198)	(201)	Policy charges	(201)	(200)	(199)	(198)	(198)
17,748	16,682	Ending balance	16,682	16,313	16,747	17,586	17,748
		FACE AMOUNT IN FORCE (2):					
		Variable life	141,962	140,629	140,139	139,847	139,418
		Universal life	19,639	20,318	21,017	21,971	22,910
		Term life	210,589	221,072	231,971	247,933	264,840
		Total	372,190	382,019	393,127	409,751	427,168

(1) Includes fixed rate funds, alliance deposits, supplementary contracts and deferred revenues on variable products.
(2) At end of period; before reinsurance ceded.

INSURANCE DIVISION - SUPPLEMENTARY INFORMATION FOR INDIVIDUAL LIFE INSURANCE
(dollar amounts in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		Individual Life Insurance:					
		Policy Surrender Experience:					
167	191	Cash value of surrenders	191	212	181	160	167
3.0%	3.7%	Cash value of surrenders as a percentage of mean future policy benefits, policyholders' account balances, and separate account balances	3.7%	4.1%	3.4%	2.9%	3.0%
		Death benefits per $1,000 of in force (1):					
3.66	2.87	Variable and universal life	2.87	3.59	3.22	3.51	3.66
3.18	1.09	Term life	1.09	1.64	1.92	1.17	3.18
3.64	2.50	Total, Individual Life Insurance	2.50	3.20	2.93	2.84	3.64

(1) Annualized, for interim reporting periods. Amounts are stated net of reinsurance.

Prudential Financial

INSURANCE DIVISION - INDIVIDUAL ANNUITIES SALES RESULTS, ACCOUNT VALUES AND MINIMUM GUARANTEES
(in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		SALES AND ACCOUNT VALUES:					
		Variable Annuities:					
74,555	50,778	Beginning total account value	50,778	53,181	68,807	70,555	74,555
2,779	2,129	Sales	2,129	2,500	2,323	2,641	2,779
(2,310)	(1,585)	Surrenders and withdrawals	(1,585)	(1,757)	(2,084)	(2,296)	(2,310)
469	544	Net sales	544	743	239	345	469
(306)	(185)	Benefit payments	(185)	(225)	(244)	(264)	(306)
163	359	Net flows	359	518	(5)	81	163
1,168	2,228	Change in market value, interest credited, and other	2,228	(1,000)	2,012	4,208	1,168
(295)	(184)	Policy charges	(184)	(204)	(259)	(289)	(295)
—	—	Acquisition	—	16,312	—	—	—
75,591	53,181	Ending total account value	53,181	68,807	70,555	74,555	75,591
		Fixed Annuities:					
3,748	3,991	Beginning total account value	3,991	3,941	3,871	3,814	3,748
21	28	Sales	28	32	33	26	21
(81)	(69)	Surrenders and withdrawals	(69)	(92)	(75)	(77)	(81)
(60)	(41)	Net redemptions	(41)	(60)	(42)	(51)	(60)
(43)	(43)	Benefit payments	(43)	(42)	(41)	(50)	(43)
(103)	(84)	Net flows	(84)	(102)	(83)	(101)	(103)
35	35	Interest credited and other	35	33	27	36	35
(1)	(1)	Policy charges	(1)	(1)	(1)	(1)	(1)
3,679	3,941	Ending total account value	3,941	3,871	3,814	3,748	3,679
		SALES BY DISTRIBUTION CHANNEL:					
		Variable and Fixed Annuities (1):					
589	405	Insurance Agents	405	481	466	638	589
318	194	Wirehouses	194	266	257	352	318
1,893	1,558	Independent Financial Planners (2)	1,558	1,785	1,633	1,677	1,893
2,800	2,157	Total	2,157	2,532	2,356	2,667	2,800
		VARIABLE ANNUITY MINIMUM DEATH BENEFIT GUARANTEES (3):					
		Return of net deposits:					
		Account value	29,988	32,897	34,288	37,071	38,287
		Net amount at risk	1,751	1,870	1,724	1,491	1,433
		Minimum return, anniversary contract value, or maximum contract value:					
		Account value	17,755	30,594	30,942	32,118	32,059
		Net amount at risk	1,600	3,378	3,009	2,528	2,439
		Variable Annuity Account Values with Living Benefit Features (3):					
		Guaranteed minimum accumulation benefits	7,738	9,231	9,667	10,452	10,731
		Guaranteed minimum withdrawal benefits	885	1,678	1,853	2,028	2,105
		Guaranteed minimum income benefits	3,203	7,047	7,113	7,329	7,269
		Guaranteed minimum withdrawal & income benefits	4,155	5,304	6,678	8,570	10,205
		Total	15,981	23,260	25,311	28,379	30,310

(1) Amounts represent gross sales.
(2) Including bank distribution.
(3) At end of Period.

Prudential Financial

INSURANCE DIVISION - INDIVIDUAL ANNUITIES ACCOUNT VALUE ACTIVITY
(in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		INDIVIDUAL ANNUITIES:					
		Account Values in General Account (1):					
9,527	9,231	Beginning balance	9,231	8,850	10,722	10,222	9,527
83	74	Premiums and deposits	74	96	182	110	83
(333)	(273)	Surrenders and withdrawals	(273)	(313)	(350)	(332)	(333)
(250)	(199)	Net redemptions	(199)	(217)	(168)	(222)	(250)
(102)	(94)	Benefit payments	(94)	(92)	(101)	(114)	(102)
(352)	(293)	Net flows	(293)	(309)	(269)	(336)	(352)
85	86	Interest credited and other	86	89	98	95	85
(13)	(173)	Net transfers (to) from separate account	(173)	539	(329)	(453)	(13)
(1)	(1)	Policy charges	(1)	(1)	—	(1)	(1)
—	—	Acquisition	—	1,554	—	—	—
9,246	8,850	Ending balance	8,850	10,722	10,222	9,527	9,246
		Account Values in Separate Account:					
68,776	45,538	Beginning balance	45,538	48,272	61,956	64,147	68,776
2,717	2,083	Premiums and deposits	2,083	2,436	2,173	2,558	2,717
(2,058)	(1,380)	Surrenders and withdrawals	(1,380)	(1,537)	(1,809)	(2,041)	(2,058)
659	703	Net sales	703	899	364	517	659
(247)	(134)	Benefit payments	(134)	(175)	(184)	(199)	(247)
412	569	Net flows	569	724	180	318	412
1,118	2,177	Change in market value, interest credited and other	2,177	(1,056)	1,942	4,147	1,118
13	173	Net transfers (to) from general account	173	(539)	329	453	13
(295)	(185)	Policy charges	(185)	(203)	(260)	(289)	(295)
—	—	Acquisition	—	14,758	—	—	—
70,024	48,272	Ending balance	48,272	61,956	64,147	68,776	70,024

(1) Premiums and deposits, and surrenders and withdrawals, are classified within the general account and separate account for purposes of this presentation based on the allocation of customer funds. For example, premiums allocated by customers to separate account investments at the time of sale, while remitted through the company's general account, are shown as separate account premium in this display, rather than as general account premium and transfers to the separate account.

INSURANCE DIVISION - SUPPLEMENTARY INFORMATION FOR GROUP INSURANCE
(dollar amounts in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		GROUP INSURANCE NEW ANNUALIZED PREMIUMS:					
103	206	Group life	206	25	98	37	103
92	74	Group disability (1)	74	18	29	17	92
195	280	Total	280	43	127	54	195
		Future Policy Benefits (2):					
		Group life	1,967	1,980	1,953	2,181	2,103
		Group disability (1)	474	496	498	519	589
		Total	2,441	2,476	2,451	2,700	2,692
		Policyholders' Account Balances (2):					
		Group life	4,935	5,178	5,325	5,466	5,439
		Group disability (1)	95	101	108	112	109
		Total	5,030	5,279	5,433	5,578	5,548
		Separate Account Liabilities (2):					
		Group life	12,588	14,334	15,023	16,412	16,898
		Group disability (1)	—	—	—	—	—
		Total	12,588	14,334	15,023	16,412	16,898
		Group Life Insurance:					
832	791	Gross premiums, policy charges and fee income (3)	791	954	763	788	832
811	755	Earned premiums, policy charges and fee income	755	752	784	794	811
91.5%	92.1%	Benefits ratio	92.1%	95.4%	89.8%	90.1%	91.5%
9.6%	9.4%	Administrative operating expense ratio	9.4%	7.9%	10.0%	11.4%	9.6%
		Persistency ratio	96.5%	95.9%	95.1%	94.8%	95.6%
		Group Disability Insurance (1):					
217	199	Gross premiums, policy charges and fee income (3)	199	203	210	211	217
211	189	Earned premiums, policy charges and fee income	189	198	195	196	211
91.0%	87.3%	Benefits ratio	87.3%	89.4%	79.5%	85.7%	91.0%
22.1%	21.6%	Administrative operating expense ratio	21.6%	21.7%	20.5%	22.3%	22.1%
		Persistency ratio	94.2%	92.2%	90.8%	89.9%	92.1%

(1) Group disability amounts include long-term care products.
(2) As of end of period.
(3) Before returns of premiums to participating policyholders for favorable claims experience.

INSURANCE DIVISION - DEFERRED POLICY ACQUISITION COSTS
(in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		INDIVIDUAL LIFE INSURANCE:					
3,550	3,187	Beginning balance	3,187	3,253	3,277	3,508	3,550
103	80	Capitalization	80	83	91	97	103
(78)	(74)	Amortization - operating results	(74)	(91)	220	(57)	(78)
—	—	Amortization - realized investment gains and losses	—	—	—	—	—
(5)	60	Impact of unrealized (gains) or losses on AFS securities	60	32	(80)	2	(5)
3,570	3,253	Ending balance	3,253	3,277	3,508	3,550	3,570
		INDIVIDUAL ANNUITIES:					
1,613	1,256	Beginning balance	1,256	1,337	1,470	1,532	1,613
154	119	Capitalization	119	133	131	151	154
(74)	(57)	Amortization - operating results	(57)	(51)	(28)	(67)	(74)
1	—	Amortization - realized investment gains and losses	—	8	12	—	1
(10)	19	Impact of unrealized (gains) or losses on AFS securities	19	43	(53)	(3)	(10)
(13)	—	Other (1)	—	—	—	—	(13)
1,671	1,337	Ending balance	1,337	1,470	1,532	1,613	1,671
		GROUP INSURANCE:					
284	170	Beginning balance	170	227	239	251	284
13	57	Capitalization	57	12	13	34	13
(1)	—	Amortization - operating results	—	—	(1)	(1)	(1)
—	—	Amortization - realized investment gains and losses	—	—	—	—	—
—	—	Impact of unrealized losses on AFS securities	—	—	—	—	—
296	227	Ending balance	227	239	251	284	296
		TOTAL INSURANCE DIVISION:					
5,447	4,613	Beginning balance	4,613	4,817	4,986	5,291	5,447
270	256	Capitalization	256	228	235	282	270
(153)	(131)	Amortization - operating results	(131)	(142)	191	(125)	(153)
1	—	Amortization - realized investment gains and losses	—	8	12	—	1
(15)	79	Impact of unrealized (gains) or losses on AFS securities	79	75	(133)	(1)	(15)
(13)	—	Other (1)	—	—	—	—	(13)
5,537	4,817	Ending balance	4,817	4,986	5,291	5,447	5,537

(1) Reflects the impact of adoption of SOP 05-1 on January 1, 2007.

COMBINED STATEMENTS OF OPERATIONS - INVESTMENT DIVISION
(in millions)

Year-to-date 2007	Year-to-date 2006	% Change		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
			Revenues (1):					
96	92	4%	Premiums	92	30	84	88	96
44	48	-8%	Policy charges and fee income	48	43	45	43	44
993	849	17%	Net investment income	849	917	927	970	993
744	745	0%	Asset management fees, commissions and other income	745	656	625	840	744
1,877	1,734	8%	Total revenues	1,734	1,646	1,681	1,941	1,877
			Benefits and Expenses (1):					
302	269	12%	Insurance and annuity benefits	269	235	297	303	302
492	429	15%	Interest credited to policyholders' account balances	429	452	475	497	492
59	46	28%	Interest expense	46	62	63	67	59
(19)	(22)	14%	Deferral of acquisition costs	(22)	(22)	(25)	(24)	(19)
9	13	-31%	Amortization of acquisition costs	13	17	12	10	9
606	759	-20%	General and administrative expenses	759	586	607	733	606
1,449	1,494	-3%	Total benefits and expenses	1,494	1,330	1,429	1,586	1,449
428	240	78%	Adjusted operating income before income taxes	240	316	252	355	428

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments, investment gains, net of losses, on trading account assets supporting insurance liabilities and include revenues representing equity in earnings of operating joint ventures. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.

COMBINING STATEMENTS OF OPERATIONS - INVESTMENT DIVISION
(in millions)

	Three Months Ended March 31, 2007			
	Total Investment Division	Asset Management	Financial Advisory	Retirement
Revenues (1):				
Premiums	96	—	—	96
Policy charges and fee income	44	—	—	44
Net investment income	993	98	1	894
Asset management fees, commissions and other income	744	459	156	129
Total revenues	1,877	557	157	1,163
Benefits and Expenses (1):				
Insurance and annuity benefits	302	—	—	302
Interest credited to policyholders' account balances	492	—	—	492
Interest expense	59	10	—	49
Deferral of acquisition costs	(19)	(4)	—	(15)
Amortization of acquisition costs	9	6	—	3
General and administrative expenses	606	361	61	184
Total benefits and expenses	1,449	373	61	1,015
Adjusted operating income before income taxes	428	184	96	148

	Three Months Ended March 31, 2006			
	Total Investment Division	Asset Management	Financial Advisory	Retirement
Revenues (1):				
Premiums	92	—	—	92
Policy charges and fee income	48	—	—	48
Net investment income	849	42	9	798
Asset management fees, commissions and other income	745	460	169	116
Total revenues	1,734	502	178	1,054
Benefits and Expenses (1):				
Insurance and annuity benefits	269	—	—	269
Interest credited to policyholders' account balances	429	—	—	429
Interest expense	46	6	—	40
Deferral of acquisition costs	(22)	(5)	—	(17)
Amortization of acquisition costs	13	7	—	6
General and administrative expenses	759	325	244	190
Total benefits and expenses	1,494	333	244	917
Adjusted operating income (loss) before income taxes	240	169	(66)	137

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments, investment gains, net of losses, on trading account assets supporting insurance liabilities and include revenues representing equity in earnings of operating joint ventures. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.

Prudential Financial

INVESTMENT DIVISION - SUPPLEMENTARY REVENUE AND ASSETS UNDER MANAGEMENT INFORMATION FOR ASSET MANAGEMENT SEGMENT

Supplementary Revenue Information (in millions):

Year-to-date 2007	Year-to-date 2006	% Change		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
			Analysis of revenues by type:					
262	234	12%	Asset management fees	234	237	244	259	262
143	144	-1%	Incentive, transaction, principal investing and capital markets revenues	144	111	79	247	143
152	124	23%	Service, distribution and other revenues	124	121	120	130	152
557	502	11%	Total Asset Management segment revenues	502	469	443	636	557
			Analysis of asset management fees by source:					
117	98	19%	Institutional customers	98	102	111	115	117
84	76	11%	Retail customers	76	76	75	83	84
61	60	2%	General account	60	59	58	61	61
262	234	12%	Total asset management fees	234	237	244	259	262

Supplementary Assets Under Management Information (in billions):

March 31, 2007	Equity	Fixed Income	Real Estate	Total
Institutional customers	55.2	81.8	24.0	161.0
Retail customers	61.8	20.5	1.9	84.2
General account	4.1	163.9	0.9	168.9
Total	121.1	266.2	26.8	414.1

March 31, 2006	Equity	Fixed Income	Real Estate	Total
Institutional customers	51.2	68.6	18.9	138.7
Retail customers	55.4	19.1	1.1	75.6
General account	3.8	152.9	1.1	157.8
Total	110.4	240.6	21.1	372.1

INVESTMENT DIVISION - SUPPLEMENTARY ASSETS UNDER MANAGEMENT AND ADMINISTRATION INFORMATION FOR ASSET MANAGEMENT SEGMENT
(in billions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		Institutional Assets Under Management:					
		Assets gathered by Investment Management & Advisory Services sales force:					
122.9	101.3	Beginning assets under management	101.3	106.7	107.1	115.0	122.9
5.9	7.3	Additions (1)	7.3	5.3	6.8	8.3	5.9
(4.7)	(4.0)	Withdrawals	(4.0)	(4.4)	(3.6)	(4.9)	(4.7)
2.5	1.9	Change in market value	1.9	(0.4)	4.3	4.5	2.5
0.4	0.2	Net money market flows	0.2	(0.1)	0.4	—	0.4
127.0	106.7	Ending assets under management	106.7	107.1	115.0	122.9	127.0
34.0	32.0	Affiliated institutional assets under management	32.0	31.4	32.9	33.9	34.0
161.0	138.7	Total assets managed for institutional customers at end of period	138.7	138.5	147.9	156.8	161.0
1.2	3.3	Net institutional additions other than money market	3.3	0.9	3.2	3.4	1.2
		Retail Assets Under Management:					
		Assets gathered by Investment Management & Advisory Services sales force:					
43.4	38.7	Beginning assets under management	38.7	40.5	40.7	41.3	43.4
3.0	2.7	Additions	2.7	3.3	1.9	2.1	3.0
(2.7)	(2.3)	Withdrawals	(2.3)	(3.0)	(2.6)	(1.9)	(2.7)
1.1	1.3	Change in market value	1.3	(1.0)	1.3	2.0	1.1
0.1	0.1	Net money market flows	0.1	0.9	—	(0.1)	0.1
2.8	—	Other (2)	—	—	—	—	2.8
47.7	40.5	Ending assets under management	40.5	40.7	41.3	43.4	47.7
36.5	35.1	Affiliated retail assets under management	35.1	34.4	34.6	35.6	36.5
84.2	75.6	Total assets managed for retail customers at end of period	75.6	75.1	75.9	79.0	84.2
0.3	0.4	Net retail additions (withdrawals) other than money market	0.4	0.3	(0.7)	0.2	0.3
		Wrap-fee Product Assets Under Administration:					
69.1	53.6	Beginning total wrap-fee product assets	53.6	59.1	60.5	63.9	69.1
5.8	6.9	Additions (3)	6.9	6.1	4.7	4.6	5.8
(3.8)	(4.1)	Withdrawals	(4.1)	(3.6)	(3.2)	(3.7)	(3.8)
1.2	2.7	Change in market value	2.7	(1.1)	1.9	4.3	1.2
72.3	59.1	Ending total wrap-fee product assets	59.1	60.5	63.9	69.1	72.3
2.0	2.8	Net wrap-fee product additions	2.8	2.5	1.5	0.9	2.0

(1) Additions include $1.8 billion for the year ended December 31, 2006, $0.4 billion for the quarter ended June 30, 2006 and $1.4 billion for the quarter ended March 31, 2006, for assets transferred from the Retirement segment.
(2) Represents transfer of retail assets from an externally managed fund family to the Jennison Dryden Fund Family (internally managed) in the quarter ended March 31, 2007.
(3) Substantially all relates to a contractual arrangement with Wachovia which provides for an essentially fixed annual fee and is scheduled to expire July 1, 2008.

Prudential Financial

INVESTMENT DIVISION - SUPPLEMENTARY INFORMATION FOR FINANCIAL ADVISORY SEGMENT
(dollar amounts in millions unless otherwise noted)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		Information pertaining to Wachovia Securities Financial Holdings, LLC:					
		Revenues:					
79	72	Net investment income	72	76	78	82	79
529	483	Commissions	483	451	422	490	529
588	503	Fees	503	534	534	555	588
75	53	Other non-interest revenues	53	33	53	67	75
1,271	1,111	Total revenues	1,111	1,094	1,087	1,194	1,271
		Expenses:					
978	933	Expenses before transition costs	933	926	894	947	978
—	—	Transition costs	—	—	—	—	—
978	933	Total expenses	933	926	894	947	978
293	178	Income before income taxes	178	168	193	247	293
111	68	Prudential Financial, Inc., 38% share of Wachovia Securities Financial Holdings, LLC	68	63	74	94	111
—	1	Purchase accounting and related adjustments	1	(3)	(1)	(2)	—
111	69	Prudential Financial, Inc., equity income from Wachovia Securities Financial Holdings, LLC	69	60	73	92	111
		Recurring revenue as a percentage of total non-interest revenue (1)	48.4%	49.0%	49.1%	49.4%	49.5%
		Total client assets ($ in billions) (2) (3)	688.7	704.3	729.9	754.8	768.0
		Distribution representatives (2):					
		Series 7 Financial Advisors	7,926	7,973	7,972	7,993	8,073
		Series 6 Financial Representatives	2,454	2,541	2,477	2,497	2,521
		Customer debit balances ($ in billions) (2)	5.4	5.1	4.9	4.8	4.5
97	(107)	**Prudential Financial, Inc. income (loss) from investment in Wachovia Securities Financial Holdings, LLC, including 38% interest in results, costs incurred at Prudential level, and purchase accounting adjustments**	(107)	30	51	53	97

(1) Calculated on a YTD annualized basis.
(2) As of end of period.
(3) Beginning in 2Q06, certain mutual fund assets were added to the overall client asset total. Prior periods have not been restated.

INVESTMENT DIVISION - RETIREMENT SALES RESULTS AND ACCOUNT VALUES
(in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		RETIREMENT SALES AND ACCOUNT VALUES					
		Full Service:					
97,430	88,385	Beginning total account value	88,385	91,854	91,537	93,364	97,430
4,003	5,381	Deposits and sales	5,381	4,138	2,914	3,723	4,003
(3,433)	(5,471)	Withdrawals and benefits	(5,471)	(3,412)	(3,272)	(3,834)	(3,433)
1,558	3,559	Change in market value, interest credited and interest income	3,559	(1,043)	2,185	4,177	1,558
99,558	91,854	Ending total account value	91,854	91,537	93,364	97,430	99,558
570	(90)	Net additions (withdrawals)	(90)	726	(358)	(111)	570
		Stable value account values included above	30,696	30,784	30,971	30,796	30,758
		Institutional Investment Products:					
50,269	48,080	Beginning total account value	48,080	47,215	46,913	49,468	50,269
1,533	1,536	Additions	1,536	1,088	2,004	1,365	1,533
(1,743)	(2,452)	Withdrawals and benefits (1)	(2,452)	(1,429)	(711)	(1,764)	(1,743)
607	182	Change in market value, interest credited and interest income	182	423	995	647	607
(5)	(131)	Other (2)	(131)	(384)	267	553	(5)
50,661	47,215	Ending total account value	47,215	46,913	49,468	50,269	50,661
(210)	(916)	Net additions (withdrawals)	(916)	(341)	1,293	(399)	(210)

(1) Withdrawals and benefits include $1.8 billion for the year ended December 31, 2006, $0.4 billion for the quarter ended June 30, 2006 and $1.4 billion for the quarter ended March 31, 2006, for assets transferred to the Asset Management segment.
(2) Primarily represents changes in asset balances for externally managed accounts.

Prudential Financial

COMBINED STATEMENTS OF OPERATIONS - INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION
(in millions)

Year-to-date 2007	Year-to-date 2006	% Change		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
			Revenues (1):					
1,553	1,533	1%	Premiums	1,533	1,517	1,438	1,458	1,553
72	76	-5%	Policy charges and fee income	76	70	70	70	72
386	330	17%	Net investment income	330	343	376	376	386
220	160	38%	Asset management fees, commissions and other income	160	150	172	181	220
2,231	2,099	6%	Total revenues	2,099	2,080	2,056	2,085	2,231
			Benefits and Expenses (1):					
1,219	1,224	0%	Insurance and annuity benefits	1,224	1,203	1,112	1,143	1,219
77	57	35%	Interest credited to policyholders' account balances	57	61	66	67	77
2	3	-33%	Interest expense	3	4	3	—	2
(261)	(256)	-2%	Deferral of acquisition costs	(256)	(257)	(242)	(252)	(261)
128	116	10%	Amortization of acquisition costs	116	115	111	112	128
591	573	3%	General and administrative expenses	573	596	578	617	591
1,756	1,717	2%	Total benefits and expenses	1,717	1,722	1,628	1,687	1,756
475	382	24%	Adjusted operating income before income taxes	382	358	428	398	475

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments, investment gains, net of losses, on trading account assets supporting insurance liabilities and include revenues representing equity in earnings of operating joint ventures. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.

Prudential Financial

COMBINING STATEMENTS OF OPERATIONS - INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION
(in millions)

	Three Months Ended March 31, 2007			
	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments
Revenues (1):				
Premiums	1,553	1,086	467	—
Policy charges and fee income	72	56	16	—
Net investment income	386	187	191	8
Asset management fees, commissions and other income	220	31	20	169
Total revenues	2,231	1,360	694	177
Benefits and Expenses (1):				
Insurance and annuity benefits	1,219	848	371	—
Interest credited to policyholders' account balances	77	34	43	—
Interest expense	2	3	(2)	1
Deferral of acquisition costs	(261)	(196)	(65)	—
Amortization of acquisition costs	128	97	31	—
General and administrative expenses	591	304	173	114
Total benefits and expenses	1,756	1,090	551	115
Adjusted operating income before income taxes	475	270	143	62

	Three Months Ended March 31, 2006			
	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments
Revenues (1):				
Premiums	1,533	989	544	—
Policy charges and fee income	76	58	18	—
Net investment income	330	156	167	7
Asset management fees, commissions and other income	160	14	3	143
Total revenues	2,099	1,217	732	150
Benefits and Expenses (1):				
Insurance and annuity benefits	1,224	769	455	—
Interest credited to policyholders' account balances	57	27	30	—
Interest expense	3	3	—	—
Deferral of acquisition costs	(256)	(191)	(65)	—
Amortization of acquisition costs	116	91	25	—
General and administrative expenses	573	290	177	106
Total benefits and expenses	1,717	989	622	106
Adjusted operating income before income taxes	382	228	110	44

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments, investment gains, net of losses, on trading account assets supporting insurance liabilities and include revenues representing equity in earnings of operating joint ventures. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.

INTERNATIONAL INSURANCE SEGMENT - SUPPLEMENTARY INCOME STATEMENT INFORMATION
(Yen and Dollars in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		Japanese Yen Basis Results:					
		Revenues (1):					
¥110,222	¥ 98,534	Japanese insurance operations excluding Gibraltar Life	¥ 98,534	¥ 92,370	¥ 95,125	¥ 95,896	¥110,222
80,554	84,650	Gibraltar Life	84,650	84,387	80,804	77,139	80,554
190,776	183,184	Total revenues, Japan, yen basis	183,184	176,757	175,929	173,035	190,776
		Benefits and Expenses (1):					
86,553	77,842	Japanese insurance operations excluding Gibraltar Life	77,842	74,339	72,202	74,907	86,553
65,133	72,640	Gibraltar Life	72,640	73,067	65,292	62,677	65,133
151,686	150,482	Total benefits and expenses, Japan, yen basis	150,482	147,406	137,494	137,584	151,686
		Adjusted operating income (2):					
23,669	20,692	Japanese insurance operations excluding Gibraltar Life	20,692	18,031	22,923	20,989	23,669
15,421	12,010	Gibraltar Life	12,010	11,320	15,513	14,462	15,421
¥ 39,090	¥ 32,702	Total adjusted operating income, Japan, yen basis	¥ 32,702	¥ 29,351	¥ 38,436	¥ 35,451	¥ 39,090
		U.S. Dollar adjusted operating income (3):					
$ 219	$ 196	Japanese insurance operations excluding Gibraltar Life	$ 196	$ 172	$ 213	$ 194	$ 219
143	110	Gibraltar Life	110	102	149	132	143
362	306	Total adjusted operating income, Japan, U.S. dollar basis	306	274	362	326	362
51	32	All other countries	32	50	35	38	51
$ 413	$ 338	Total adjusted operating income, International Insurance segment, U.S. dollar basis	$ 338	$ 324	$ 397	$ 364	$ 413

(1) Revenues exclude realized investment gains, net of losses and related charges and adjustments, investment gains, net of losses, on trading account assets supporting insurance liabilities and include revenues representing equity in earnings of operating joint ventures. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.

(2) Adjusted operating income on yen basis excludes impact of currency hedging.

(3) U.S. dollar adjusted operating income includes impact of currency hedging.

INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION - SALES RESULTS AND SUPPLEMENTARY INFORMATION
(in millions)

Year-to-date 2007	Year-to-date 2006		2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
		INTERNATIONAL INSURANCE OPERATING DATA:					
		Actual exchange rate basis (1):					
		Net premiums, policy charges and fee income:					
787	731	Japan, excluding Gibraltar Life	731	693	685	680	787
483	562	Gibraltar Life	562	559	490	483	483
355	316	All other countries	316	335	333	365	355
1,625	1,609	Total	1,609	1,587	1,508	1,528	1,625
		Annualized new business premiums:					
153	138	Japan, excluding Gibraltar Life	138	113	114	115	153
76	73	Gibraltar Life	73	115	91	78	76
70	78	All other countries	78	72	60	77	70
299	289	Total	289	300	265	270	299
		Annualized new business premiums by distribution channel:					
223	216	Life Planners	216	185	174	192	223
69	73	Gibraltar Life Advisors	73	96	71	68	69
7	—	Banks (2)	—	19	20	10	7
299	289	Total	289	300	265	270	299
		Constant exchange rate basis (3):					
		Net premiums, policy charges and fee income:					
920	839	Japan, excluding Gibraltar Life	839	777	779	785	920
564	649	Gibraltar Life	649	626	554	557	564
331	304	All other countries	304	317	316	341	331
1,815	1,792	Total	1,792	1,720	1,649	1,683	1,815
		Annualized new business premiums:					
169	153	Japan, excluding Gibraltar Life	153	123	125	128	169
84	80	Gibraltar Life	80	121	98	86	84
66	75	All other countries	75	69	57	72	66
319	308	Total	308	313	280	286	319
		Annualized new business premiums by distribution channel:					
235	228	Life Planners	228	192	182	200	235
77	80	Gibraltar Life Advisors	80	102	78	76	77
7	—	Banks (2)	—	19	20	10	7
319	308	Total	308	313	280	286	319

(1) Translated based on applicable average exchange rates for the period shown.
(2) Substantially all bank channel distribution represents U.S. dollar denominated Gibraltar Life fixed annuities.
(3) Foreign currencies translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen, 102 per U.S. dollar; Korean won 1030 per U.S. dollar.

INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION - SALES RESULTS AND SUPPLEMENTARY INFORMATION

	2006 1Q	2006 2Q	2006 3Q	2006 4Q	2007 1Q
Face amount of individual policies in force at end of period (in billions) (1)(2):					
(Constant exchange rate basis)					
Japan, excluding Gibraltar Life	226	229	232	236	239
Gibraltar Life	198	197	197	196	195
All other countries	90	91	92	93	96
Total	514	517	521	525	530
Number of individual policies in force at end of period (in thousands) (2):					
Japan, excluding Gibraltar Life	1,996	2,023	2,049	2,074	2,118
Gibraltar Life	3,890	3,871	3,872	3,871	3,846
All other countries	1,127	1,150	1,169	1,201	1,225
Total	7,013	7,044	7,090	7,146	7,189
International life insurance policy persistency:					
Excluding Gibraltar Life:					
13 months	92.8%	93.0%	92.9%	93.0%	92.8%
25 months	87.1%	87.4%	87.0%	87.1%	86.9%
Gibraltar Life:					
13 months	94.3%	94.2%	94.4%	94.4%	93.9%
25 months	87.7%	88.0%	87.9%	87.8%	88.0%
Number of Life Planners at end of period:					
Japan	2,855	2,847	2,941	2,956	3,001
All other countries	2,857	2,879	2,861	2,872	2,892
Total life planners	5,712	5,726	5,802	5,828	5,893
Gibraltar Life Advisors	5,716	5,684	6,036	5,944	5,952

(1) Foreign currencies translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen, 102 per U.S. dollar; Korean won 1030 per U.S. dollar.
(2) Direct business only; policy count includes annuities.

INVESTMENT PORTFOLIO COMPOSITION
(in millions)

	March 31, 2007				December 31, 2006			
	Consolidated Portfolio	Closed Block Business	Financial Services Businesses Amount	Financial Services Businesses % of Total	Consolidated Portfolio	Closed Block Business	Financial Services Businesses Amount	Financial Services Businesses % of Total
Fixed maturities:								
Public, available for sale, at fair value	131,495	37,640	93,855	58.3%	131,554	38,752	92,802	58.2%
Public, held to maturity, at amortized cost	2,960	—	2,960	1.8%	3,025	—	3,025	1.9%
Private, available for sale, at fair value	30,700	12,132	18,568	11.5%	30,357	12,021	18,336	11.5%
Private, held to maturity, at amortized cost	480	—	480	0.3%	443	—	443	0.3%
Trading account assets supporting insurance liabilities, at fair value	14,223	—	14,223	8.8%	14,262	—	14,262	8.9%
Other trading account assets, at fair value	109	—	109	0.1%	109	—	109	0.1%
Equity securities, available for sale, at fair value	8,448	3,862	4,586	2.9%	8,086	3,772	4,314	2.7%
Commercial loans	24,428	7,190	17,238	10.7%	24,593	7,318	17,275	10.8%
Policy loans	8,972	5,396	3,576	2.2%	8,887	5,415	3,472	2.2%
Other long-term investments (1)	3,554	895	2,659	1.7%	3,756	965	2,791	1.7%
Short-term investments	4,351	1,673	2,678	1.7%	4,603	1,851	2,752	1.7%
Subtotal (2)	229,720	68,788	160,932	100.0%	229,675	70,094	159,581	100.0%
Invested assets of other entities and operations (3)	7,540	—	7,540		5,742	—	5,742	
Total investments	237,260	68,788	168,472		235,417	70,094	165,323	

Fixed Maturities by Credit Quality (2):

		March 31, 2007 — Financial Services Businesses					December 31, 2006 — Financial Services Businesses				
		Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	% of Total	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	% of Total
Public Fixed Maturities:											
NAIC Rating (4)	Rating Agency Equivalent										
1	Aaa, Aa, A	76,422	1,806	278	77,950	80.5%	75,796	1,787	322	77,261	80.6%
2	Baa	13,540	610	110	14,040	14.5%	13,328	580	137	13,771	14.4%
	Subtotal Investment Grade	89,962	2,416	388	91,990	95.0%	89,124	2,367	459	91,032	95.0%
3	Ba	2,676	110	24	2,762	2.9%	2,692	109	22	2,779	2.9%
4	B	1,762	100	15	1,847	1.9%	1,746	93	23	1,816	1.9%
5	C and lower	124	9	2	131	0.1%	115	8	2	121	0.1%
6	In or near default	45	10	1	54	0.1%	48	7	1	54	0.1%
	Subtotal Below Investment Grade	4,607	229	42	4,794	5.0%	4,601	217	48	4,770	5.0%
	Total	94,569	2,645	430	96,784	100.0%	93,725	2,584	507	95,802	100.0%
Private Fixed Maturities:											
NAIC Rating (4)	Rating Agency Equivalent										
1	Aaa, Aa, A	5,988	235	41	6,182	32.5%	6,214	248	49	6,413	34.2%
2	Baa	9,617	379	63	9,933	52.1%	9,463	377	73	9,767	52.0%
	Subtotal Investment Grade	15,605	614	104	16,115	84.6%	15,677	625	122	16,180	86.2%
3	Ba	1,459	53	8	1,504	7.9%	1,422	50	11	1,461	7.7%
4	B	703	13	6	710	3.7%	645	12	7	650	3.5%
5	C and lower	549	23	3	569	3.0%	321	18	4	335	1.8%
6	In or near default	132	16	—	148	0.8%	139	11	1	149	0.8%
	Subtotal Below Investment Grade	2,843	105	17	2,931	15.4%	2,527	91	23	2,595	13.8%
	Total	18,448	719	121	19,046	100.0%	18,204	716	145	18,775	100.0%

(1) Other long-term investments consist of real estate and non-real estate related investments in joint ventures (other than our investments in operating joint ventures, including our equity investment in Wachovia Securities Financial Holdings, LLC) and partnerships, investment real estate held through direct ownership, our interest in separate account investments and other miscellaneous investments.

(2) Excludes (i) assets of our securities brokerage, securities trading, banking operations and real estate and relocation services, (ii) assets of our asset management operations, including assets managed for third parties, and (iii) those assets classified as "separate account assets" on our balance sheet.

(3) Includes assets of our securities brokerage, securities trading, banking and asset management operations and real estate and relocation services. Excludes assets of our asset management operations managed for third parties and those assets classified as "separate account assets" on our balance sheet. Our investment in operating joint ventures, including our investment in Wachovia Securities Financial Holdings, LLC is included in "Other assets".

(4) Reflects equivalent ratings for investments of international insurance operations that are not rated by United States insurance regulatory authorities. Includes, as of March 31, 2007 and December 31, 2006, respectively, 256 securities with amortized cost of $4,400 million (fair value $4,430 million) and 231 securities with amortized cost of $3,515 million (fair value, $3,588 million) that have been categorized based on expected NAIC designations pending receipt of SVO ratings.

FINANCIAL SERVICES BUSINESSES INVESTMENT PORTFOLIO COMPOSITION
(in millions)

	March 31, 2007		December 31, 2006	
	Amount	% of Total	Amount	% of Total
Japanese Insurance Operations:				
Fixed maturities:				
Public, available for sale, at fair value	32,247	68.1%	32,242	67.9%
Public, held to maturity, at amortized cost	2,960	6.2%	3,025	6.4%
Private, available for sale, at fair value	3,126	6.6%	3,139	6.6%
Private, held to maturity, at amortized cost	480	1.0%	443	0.9%
Trading account assets supporting insurance liabilities, at fair value	1,144	2.4%	1,106	2.3%
Other trading account assets, at fair value	29	0.1%	28	0.1%
Equity securities, available for sale, at fair value	2,587	5.5%	2,372	5.0%
Commercial loans	2,752	5.8%	2,782	5.9%
Policy loans	1,039	2.2%	1,016	2.1%
Other long-term investments (1)	903	1.9%	970	2.0%
Short-term investments	102	0.2%	374	0.8%
Total	47,369	100.0%	47,497	100.0%

	March 31, 2007		December 31, 2006	
	Amount	% of Total	Amount	% of Total
Financial Services Businesses excluding Japanese Insurance Operations (2):				
Fixed maturities:				
Public, available for sale, at fair value	61,608	54.2%	60,560	54.0%
Public, held to maturity, at amortized cost	—	0.0%	—	0.0%
Private, available for sale, at fair value	15,442	13.6%	15,197	13.6%
Private, held to maturity, at amortized cost	—	0.0%	—	0.0%
Trading account assets supporting insurance liabilities, at fair value	13,079	11.5%	13,156	11.7%
Other trading account assets, at fair value	80	0.1%	81	0.1%
Equity securities, available for sale, at fair value	1,999	1.8%	1,942	1.7%
Commercial loans	14,486	12.8%	14,493	12.9%
Policy loans	2,537	2.2%	2,456	2.2%
Other long-term investments (1)	1,756	1.5%	1,821	1.7%
Short-term investments	2,576	2.3%	2,378	2.1%
Total	113,563	100.0%	112,084	100.0%

(1) Other long-term investments consist of real estate and non-real estate related investments in joint ventures (other than our investments in operating joint ventures, including our equity investment in Wachovia Securities Financial Holdings, LLC) and partnerships, investment real estate held through direct ownership, our interest in separate account investments and other miscellaneous investments. Our investment in operating joint ventures, including our investment in Wachovia Securities Financial Holdings, LLC is included in “Other assets”.

(2) Excludes (i) assets of our securities brokerage, securities trading, banking operations and real estate and relocation services, (ii) assets of our asset management operations, including assets managed for third parties, and (iii) those assets classified as “separate account assets” on our balance sheet.

Prudential Financial

FINANCIAL SERVICES BUSINESSES INVESTMENT RESULTS
(in millions)

	Three Months Ended March 31					
	2007			2006(4)		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (3)	Amount	(Losses)	Yield (3)	Amount	(Losses)
Financial Services Businesses (1):						
Fixed maturities	4.95%	1,414	27	4.77%	1,249	(60)
Equity securities	4.61%	44	131	5.55%	48	60
Commercial loans	6.17%	204	(4)	6.12%	179	(4)
Policy loans	4.98%	44	—	4.87%	37	—
Short-term investments and cash equivalents	5.44%	96	(7)	4.13%	71	1
Other investments	6.63%	47	35	9.48%	64	82
Gross investment income before investment expenses	5.11%	1,849	182	5.00%	1,648	79
Investment expenses	-0.15%	(139)	—	-0.17%	(113)	—
Subtotal	4.96%	1,710	182	4.83%	1,535	79
Investment results of other entities and operations (2)		348	31		280	36
Less, investment income relating to divested businesses		(4)			(3)	
Total		2,054	213		1,812	115

(1) Excludes assets of our securities brokerage, securities trading, and banking operations, real estate and relocation services, commercial loans and trading account assets supporting insurance liabilities where the investment results generally accrue to contractholders, assets of our asset management operations, including assets managed for third parties, and those assets classified as “separate account assets” on our balance sheet.

(2) Investment income of securities brokerage, securities trading, banking operations, real estate and relocation services, commercial loans, discontinued real estate operations, and trading account assets supporting insurance liabilities where the investment results generally accrue to contractholders.

(3) Yields are annualized, for interim periods, and based on quarterly average carrying values except for fixed maturities, equity securities and securities lending activity. Yields for fixed maturities are based on amortized cost. Yields for equity securities are based on cost. Yields for securities lending activity are calculated net of corresponding liabilities and rebate expenses. Yields exclude investment income and assets related to commercial loans and trading account assets supporting insurance liabilities where the investment results generally accrue to contractholders and investment income on assets other than those included in invested assets of the Financial Services Businesses.

(4) Classification for the earlier period presented has been conformed to the current presentation.

FINANCIAL SERVICES BUSINESSES INVESTMENT RESULTS - JAPANESE INSURANCE OPERATIONS
(in millions)

	Three Months Ended March 31					
	2007			2006(2)		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield (1)	Amount		Yield (1)	Amount	
Japanese Insurance Operations:						
Fixed maturities	2.61%	252	25	2.45%	224	6
Equity securities	2.64%	13	120	2.43%	10	52
Commercial loans	4.32%	30	2	3.27%	19	5
Policy loans	3.71%	9	—	3.61%	9	—
Short-term investments and cash equivalents	2.66%	5	(1)	3.05%	3	—
Other investments	10.40%	25	(11)	13.18%	30	(29)
Gross investment income before investment expenses	2.90%	334	135	2.75%	295	34
Investment expenses	-0.17%	(23)	—	-0.18%	(22)	—
Total	2.73%	311	135	2.57%	273	34

(1) Yields are annualized, for interim periods, and based on quarterly average carrying values except for fixed maturities, equity securities and securities lending activity. Yields for fixed maturities are based on amortized cost. Yields for equity securities are based on cost. Yields for securities lending activity are calculated net of corresponding liabilities and rebate expenses. Yields exclude investment income and assets related to trading account assets supporting insurance liabilities where the investment results generally accrue to contractholders and investment income on assets other than those included in invested assets of the Financial Services Businesses.

(2) Classification for the earlier period presented has been conformed to the current presentation.

FINANCIAL SERVICES BUSINESSES INVESTMENT RESULTS - EXCLUDING JAPANESE INSURANCE OPERATIONS
(in millions)

	Three Months Ended March 31					
	2007			2006(3)		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield (2)	Amount		Yield (2)	Amount	
Financial Services Businesses excluding Japanese Insurance Operations (1):						
Fixed maturities	6.24%	1,162	2	6.08%	1,025	(66)
Equity securities	6.80%	31	11	8.70%	38	8
Commercial loans	6.66%	174	(6)	6.81%	160	(9)
Policy loans	5.51%	35	—	5.45%	28	—
Short-term investments and cash equivalents	5.88%	91	(6)	4.23%	68	1
Other investments	6.63%	22	46	7.46%	34	111
Gross investment income before investment expenses	6.27%	1,515	47	6.15%	1,353	45
Investment expenses	-0.15%	(116)	—	-0.17%	(91)	—
Total	6.12%	1,399	47	5.98%	1,262	45

(1) Excludes assets of our securities brokerage, securities trading, and banking operations, real estate and relocation services, commercial loans and trading account assets supporting insurance liabilities where the investment results generally accrue to contractholders, assets of our asset management operations, including assets managed for third parties, and those assets classified as "separate account assets" on our balance sheet.

(2) Yields are annualized, for interim periods, and based on quarterly average carrying values except for fixed maturities, equity securities and securities lending activity. Yields for fixed maturities are based on amortized cost. Yields for equity securities are based on cost. Yields for securities lending activity are calculated net of corresponding liabilities and rebate expenses. Yields exclude investment income and assets related to commercial loans and trading account assets supporting insurance liabilities where the investment results generally accrue to contractholders and investment income on assets other than those included in invested assets of the Financial Services Businesses.

(3) Classification for the earlier period presented has been conformed to the current presentation.

KEY DEFINITIONS AND FORMULAS

1. Adjusted operating income before income taxes:

Adjusted operating income is a non-GAAP measure of performance of our Financial Services Businesses that excludes "Realized investment gains (losses), net", as adjusted, and related charges and adjustments; net investment gains and losses on trading account assets supporting insurance liabilities; change in experience-rated contractholder liabilities due to asset value changes; results of divested businesses and discontinued operations; and the related tax effects thereof. Adjusted operating income includes equity in earnings of operating joint ventures and the related tax effects thereof. Realized investment gains (losses) representing profit or loss of certain of our businesses which primarily originate investments for sale or syndication to unrelated investors, and those associated with terminating hedges of foreign currency earnings and current period yield adjustments are included in adjusted operating income. Realized investment gains and losses from products that are free standing derivatives or contain embedded derivatives, and from associated derivative portfolios that are part of an economic hedging program related to the risk of those products, are included in adjusted operating income. Revenues and benefits and expenses shown as components of adjusted operating income, are presented on the same basis as pre-tax adjusted operating income and are adjusted for the items above as well. Adjusted operating income does not equate to "Income from continuing operations" as determined in accordance with GAAP but is the measure of profit or loss we use to evaluate segment performance. Adjusted operating income is not a substitute for income determined in accordance with GAAP, and our definition of adjusted operating income may differ from that used by other companies. The items above are important to an understanding of our overall results of operations. However, we believe that the presentation of adjusted operating income as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability factors of our businesses.

2. After-tax adjusted operating income:

Adjusted operating income before taxes, as defined above, less the income tax effect applicable to adjusted operating income before taxes.

*3. **Assets Under Management:***

Fair market value or account value of assets which Prudential manages directly in proprietary products, such as mutual funds and variable annuities, in separate accounts, wrap-fee products and the general account, and assets invested in investment options included in the Company's products that are managed by third party sub-managers (i.e., the non-proprietary investment options in the Company's products).

4. Attributed Equity:

Amount of capital assigned to each of the Company's segments for purposes of measuring segment adjusted operating income before income taxes, established at a level which management considers necessary to support the segment's risks. Attributed equity for the Financial Services Businesses represents all of the Company's equity that is not included in the Closed Block Business.

5. Book value per share of Common Stock:

Equity attributed to Financial Services Businesses divided by the number of Common shares outstanding at end of period, on a diluted basis.

6. Borrowings - Capital Debt:

Borrowings that are or will be used for capital requirements at Prudential Financial, Inc as well as borrowings invested in equity or debt securities of direct or indirect subsidiaries of Prudential Financial, Inc., and subsidiary borrowings, utilized for capital requirements.

*7. **Borrowings - Investment Related:***

Debt issued to finance specific investment assets or portfolios of investment assets, including institutional spread lending investment portfolios, real estate, and real estate related investments held in consolidated joint ventures, as well as institutional and insurance company portfolio cash flow timing differences.

8. Borrowings - Securities Business Related:

Debt issued to finance primarily the liquidity of our broker-dealers, and our capital markets and other securities business related operations.

9. Borrowings - Specified Other Businesses:

Borrowings associated with consumer banking activities, the individual annuity business, real estate franchises, and relocation services. Classification for the earlier period presented has been conformed to the current presentation.

10. Client Assets:

Fair market value of assets in client accounts of International brokerage operations, Prudential Bank and mortgage loan servicing business, that are not included in Assets Under Management. Prudential does not receive a management or administrative fee on these assets, but may receive a fee for executing trades, custody or recordkeeping services.

KEY DEFINITIONS AND FORMULAS

11. Earned Premiums:

The portion of a premium, net of any amount ceded, that represents coverage already provided or that belongs to the insurer based on the part of the policy period that has passed.

12. Earnings Per Share of Common Stock:

Net income for the Financial Services Businesses and the Closed Block Business is determined in accordance with GAAP and includes general and administrative expenses charged to each of the businesses based on the Company's methodology for the allocation of such expenses. Cash flows between the Financial Services Businesses and the Closed Block Business related to administrative expenses are determined by a policy servicing fee arrangement that is based upon insurance and policies in force and statutory cash premiums. To the extent reported administrative expenses vary from these cash flow amounts, the differences are recorded, on an after-tax basis, as direct equity adjustments to the equity balances of each business. The direct equity adjustments modify earnings available to holders of Common Stock and Class B Stock for earnings per share purposes. Earnings per share of Common Stock based on adjusted operating income of the Financial Services Businesses reflects these adjustments as well.

13. Full Service:

The Full Service line of business provides retirement plan products and services to public, private and not-for-profit organizations. This business provides recordkeeping, plan administration, actuarial advisory services, participant education and communication services, trustee services and institutional and retail investment funds. This business mainly services defined contribution and defined benefit plans; non-qualified plans are also serviced. For clients with both defined contribution and defined benefit plans, integrated recordkeeping services are available. For participants leaving these plans, a range of rollover products are provided through a broker-dealer bank.

14. Full Service Stable Value:

Our Full Service Stable Value products represent fixed rate options on investment funds offered to customers. These products contain an obligation to pay interest at a specified rate for a specific period of time. Upon termination these products repay account balances at market value immediately or may be liquidated at book value over time. Substantially all of these products are either fully or partially participating, with annual or semi-annual resets giving effect to previous investment experience. These products are issued through the general account, separate accounts or client-owned trusts. Profits from partially participating general account products result from the spread between the rate of return on investment assets and the interest rates credited to the customer, less expenses. For fully participating products, generally subject to a minimum interest rate guarantee, we earn fee income.

15. General Account:

Invested assets and policyholder liabilities and reserves for which the Company bears the investment risk. Excludes assets recognized for statutory purposes that are specifically allocated to a separate account. General account assets also include assets of the parent company, Prudential Financial, Inc.

16. Gibraltar Life Advisors:

Insurance representatives for Gibraltar Life.

17. Group Life Insurance and Group Disability Insurance Administrative Operating Expense Ratios:

Ratio of administrative operating expenses (excluding commissions) to gross premiums, policy charges and fee income.

18. Group Life Insurance and Group Disability Insurance Benefits Ratios:

Ratio of policyholder benefits to earned premiums, policy charges and fee income.

19. Individual Annuity Account Values in General Account and Separate Account:

Amounts represent the breakdown of invested customer funds in annuities either written or reinsured by the Company.

20. Individual Life Insurance Sales:

Scheduled premiums from new sales on an annualized basis and first year excess premiums and deposits on a cash-received basis.

21. Insurance and Annuity Benefits:

Total death benefits, annuity benefits, disability benefits, other policy benefits, and losses paid or incurred, under insurance and annuity contracts, plus the change in reserves for future policy benefits, losses and loss adjustment expenses.

KEY DEFINITIONS AND FORMULAS

22. International Life Planners:

Insurance agents in our insurance operations outside the United States, excluding Gibraltar Life Advisors. Excludes Life Planners associated with discontinued Philippine operations.

23. New annualized premiums:

Premiums from new sales that are expected to be collected over a one year period. Group insurance new annualized premiums exclude new premiums resulting from rate changes on existing policies, from additional coverage issued under our Servicemembers' Group Life Insurance contract, and from excess premiums on group universal life insurance that build cash value but do not purchase face amounts. Group insurance new annualized premiums include premiums from the takeover of claim liabilities. Group disability amounts include long-term care products. Single premium business for the Company's international insurance operations is included in annualized new business premiums based on 10% credit.

24. Non-recourse and Limited-recourse Debt:

Limited and non-recourse borrowing is where the holder is entitled to collect only against the assets pledged to the debt as collateral or has only very limited rights to collect against other assets. Classification for the earlier period presented has been conformed to the current presentation.

25. Operating return on average equity (based on adjusted operating income):

Adjusted operating income after-tax (giving effect to the direct equity adjustment for earnings per share calculation), annualized for interim periods, divided by average attributed equity for the Financial Services Businesses excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension/postretirement benefits.

An alternative measure to operating return on average equity (based on adjusted operating income) is return on average equity (based on income from continuing operations). Return on average equity (based on income from continuing operations) represents income from continuing operations after-tax as determined in accordance with GAAP (giving effect to the direct equity adjustment for earnings per share calculation), annualized for interim periods, divided by average total attributed equity for the Financial Services Businesses. Return on average equity (based on income from continuing operations) is 18.27% for the three months ended March 31, 2007, 13.06% for the three months ended March 31, 2006, 16.29% for the three months ended December 31, 2006, 20.72% for the three months ended September 30, 2006 and 8.76% for the three months ended June 30, 2006.

26. Policy Persistency - Group Insurance:

Percentage of the premiums in force at the end of the prior year that are still in force at the end of the period (excluding Servicemembers' Group Life Insurance and Prudential Employee Benefit Plan).

27. Policy Persistency - International Insurance:

13 month persistency represents the percentage of policies issued that are still in force at the beginning of their second policy year. 25 month persistency represents the percentage of policies issued that are still in force at the beginning of their third policy year.

28. Prudential Agents:

Insurance agents in our insurance operations in the United States.

29. Prudential Agent productivity:

Commissions on new sales of all products by Prudential Agents under contract for the entire period, divided by the number of those Prudential Agents. Excludes commissions on new sales by Prudential Agents hired or departed during the period. For interim reporting periods, the productivity measures are annualized.

30. Ratio of capital debt to total capitalization:

For purposes of this ratio, we measure "debt" as borrowings for capital debt, and we measure "total capitalization" as the sum of equity, excluding accumulated other comprehensive income related to unrealized gains and losses on investments, pension and postretirement benefits and capital debt.

31. Separate Accounts:

Assets of our insurance companies allocated under certain policies and contracts that are segregated from the general account and other separate accounts. The policyholder or contractholder predominantly bears the risk of investments held in a separate account.

32. Wrap-Fee Products:

Investment products generating asset-based fees in which the funds of the customer are generally invested in other investment products such as mutual funds.

Prudential Financial

RATINGS AND INVESTOR INFORMATION

INSURANCE CLAIMS PAYING RATINGS
as of May 2, 2007

	A.M. Best	Standard & Poor's	Moody's	Fitch Ratings
The Prudential Insurance Company of America	A+	AA-	Aa3	AA
PRUCO Life Insurance Company	A+	AA-	Aa3	AA
PRUCO Life Insurance Company of New Jersey	A+	AA-	NR*	AA
American Skandia Life Assurance Corporation	A+	AA-	NR	AA
Prudential Retirement Insurance and Annuity Company	A+	AA-	Aa3	AA
The Prudential Life Insurance Co., Ltd. (Prudential of Japan)	NR	AA-	NR	NR
Gibraltar Life Insurance Company, Ltd.	NR	AA-	Aa3	NR

CREDIT RATINGS:
as of May 2, 2007

	A.M. Best	Standard & Poor's	Moody's	Fitch Ratings
Prudential Financial, Inc.:				
Short-Term Borrowings	AMB-1	A-1	P-2	F1
Long-Term Senior Debt (1)	a-	A	A3	A
The Prudential Insurance Company of America :				
Capital and surplus notes	a	A	A2	A+
Prudential Funding, LLC:				
Short-Term Debt	AMB-1	A-1+	P-1	F1+
Long-Term Senior Debt	a+	AA-	A1	AA-
PRICOA Global Funding I				
Long-Term Senior Debt	aa-	AA-	Aa3	AA

* NR indicates not rated.
(1) Includes the retail medium-term notes program.

INVESTOR INFORMATION:

Corporate Offices:

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Newark, New Jersey 07102

Investor Information Hotline:

Dial 877-998-ROCK for additional printed information or inquiries.

Web Site:

www.prudential.com

Common Stock:

Common Stock of Prudential Financial, Inc. is traded on the New York Stock Exchange under the symbol PRU.