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 6, 2009

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 (the "Company"), furnishes herewith, as Exhibit 99.0, a news release announcing first quarter 2009 results.

See also Item 7.01 below, which is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

A. Earnings Release. The Company furnishes herewith, as Exhibit 99.0, a news release announcing first quarter 2009 results.

B. Quarterly Financial Supplement. The Company furnishes herewith, as Exhibit 99.1, the Quarterly Financial Supplement for its Financial Services Businesses for the quarterly period ended March 31, 2009.

C. Investments in Residential and Commercial Mortgage-Backed Securities, Asset-Backed Securities, and Commercial Mortgage and Other Loans. In connection with its announcement of first quarter 2009 results, the Company furnishes herewith, as Exhibit 99.2, information about the Company's investments, as of March 31, 2009, in residential and commercial mortgage-backed securities, asset-backed securities, and commercial mortgage and other loans.

D. Investments Supported by Guarantees from Monoline Bond Insurers. Certain of the Company's fixed maturity investments are supported by guarantees from monoline bond insurers. As of March 31, 2009, on an amortized cost basis, $1.542 billion, or 1%, of general account fixed maturity investments attributable to the Financial Services Businesses were supported by bond insurance. As of March 31, 2009, 70% of these investments had investment grade credit ratings, which in some cases may reflect the credit quality of the monoline bond insurers. Management estimates, taking into account the structure and credit quality of the underlying investments and giving no effect to the support of these securities by guarantees from monoline bond insurers, that 43% of the $1.542 billion total (based upon amortized cost) would have investment grade credit ratings. Based on amortized cost, $885 million of the $1.542 billion of securities supported by bond insurance were asset-backed securities collateralized by sub-prime mortgages, $260 million were other asset-backed securities, and $397 million were municipal bonds. Management estimates that 15% of the asset-backed securities collateralized by sub-prime mortgages, 53% of the other asset-backed securities, and all of the municipal bonds would have investment grade credit ratings giving no effect to the support of these securities by guarantees from monoline bond insurers. As of March 31, 2009, the bond insurance is provided by five insurance companies, with no company representing more than 37% of the overall amortized cost of the securities supported by bond insurance attributable to the Financial Services Businesses.

As of March 31, 2009, on an amortized cost basis, $636 million, or 1%, of fixed maturity investments attributable to the Closed Block Business were supported by bond insurance. As of March 31, 2009, 64% of these investments had investment grade credit ratings, which in some cases may reflect the credit quality of the monoline bond insurers. Management estimates, taking into account the structure and credit quality of the underlying investments and giving no effect to the support of these securities by guarantees from monoline bond insurers, that 49% of the $636 million total (based upon amortized cost) would have investment grade credit ratings. Based on amortized cost, $444 million of the $636 million of securities supported by bond insurance were asset-backed securities collateralized by sub-prime mortgages, $63 million were other asset-backed securities, and $129 million were municipal bonds. Management estimates that 29% of the asset-backed securities collateralized by sub-prime mortgages, 88% of the other asset-backed securities, and all of the municipal bonds would have investment grade credit ratings giving no effect to the support of these securities by guarantees from monoline bond insurers. As of March 31, 2009, the bond insurance is provided by five insurance companies, with no company representing more than 37% of the overall amortized cost of the securities supported by bond insurance attributable to the Closed Block Business.

E. Liquidity and Capital Resources.

Parent Company Short-term Investments and Borrowings

As of March 31, 2009, the parent holding company, Prudential Financial, had cash and short-term investments of $4.745 billion, which included $1.202 billion of subsidiary funds that were invested short-term with Prudential Financial as part of our intercompany liquidity program. Parent holding company cash and short-term investments include $364 million of short-term investments that is comprised primarily of government agency securities and money market funds.

As of March 31, 2009, parent company short-term borrowings amounted to $2.685 billion. This amount includes $734 million of outstanding commercial paper, $1.898 billion principal amount of convertible debt securities, and $53 million current portion of long-term debt. The vast majority of the parent company's outstanding commercial paper proceeds are held in cash or invested in short-term financial instruments. The next date on which holders of the convertible notes may require Prudential Financial to repurchase the notes is June 15, 2009 with respect to $1.894 billion in principal amount.

Prudential Financial's commercial paper is currently rated A-1, P-2, and F2 by Standard & Poor's, Moody's and Fitch, respectively. The ratings from Moody's and Fitch currently have a negative outlook. On February 19, 2009, the commercial paper credit rating of Prudential Financial was downgraded by Fitch from F1 to F2. Consequently, as of that date, Prudential Financial was no longer eligible to issue commercial paper under the Commercial Paper Funding Facility (CPFF) sponsored by the Federal Reserve Bank of New York. As of March 31, 2009, Prudential Financial's outstanding commercial paper borrowings with CPFF were $374 million, with a maturity of 30 days. Excluding CPFF borrowings, Prudential Financial's outstanding commercial paper as of March 31, 2009 had a weighted average maturity of 17 days and approximately 14% was overnight.

Prudential Funding, LLC Commercial Paper Program

As of March 31, 2009, Prudential Funding, LLC, a wholly-owned subsidiary of Prudential Insurance, had outstanding commercial paper and master note borrowings of $2.573 billion, of which $743 million of the proceeds were held in cash and cash equivalents and the remainder was primarily utilized to fund short-term cash flow timing mismatches, and fund working capital needs of our affiliates.

Prudential Funding's commercial paper is currently rated A-1+, P-1, and F1 by Standard & Poor's, Moody's and Fitch, respectively. The rating from Moody's is currently on review for a possible downgrade, and the Fitch rating has a negative outlook. Based on these current ratings, Prudential Funding is able to participate in the CPFF. The maximum amount of commercial paper that Prudential Funding is eligible to issue under the CPFF is $9.815 billion, less the outstanding amount of any non-CPFF commercial paper at any applicable time. As of March 31, 2009, Prudential Funding's outstanding commercial paper borrowings with CPFF were $750 million, with a maturity of 30 days. Excluding CPFF borrowings, Prudential Funding's outstanding commercial paper as of March 31, 2009, had a weighted average maturity of 22 days and approximately 4% was overnight. Access to the CPFF for new issuances of commercial paper is scheduled to terminate on October 30, 2009, unless such date is extended by the Federal Reserve Bank of New York.

Asset-based Financing

As of March 31, 2009, Prudential's Financial Services Businesses had liabilities totaling $5.999 billion under asset-based financing programs, including $3.743 billion representing securities sold under agreements to repurchase, $1.966 billion representing cash collateral for loaned securities and $290 million of securities sold but not yet purchased. Under these programs, the company loans securities in return for cash collateral which is primarily used to purchase securities for the short-term spread portfolios in our domestic insurance entities. These portfolios comprise cash and cash equivalents, short-term investments and fixed maturities with a weighted average life at the time of purchase of two years or less. Of the total $5.999 billion, $2.449 billion represents securities that may be returned to the company overnight requiring immediate return of the cash collateral, and the remainder has maturities ranging from 2 days to 3 months with a weighted average maturity of 43 days. As of March 31, 2009, the asset-based financing programs represented approximately 3.4% of total investments of $178.6 billion for the Financial Services Businesses.

As of March 31, 2009, Prudential's Closed Block Business had liabilities totaling $5.468 billion under such programs, including $4.240 billion representing securities sold under agreements to repurchase and $1.228 billion representing cash collateral for loaned securities. Of the total $5.468 billion, $1.850 billion represents securities that may be returned to the company overnight requiring immediate return of the cash collateral, and the remainder has maturities ranging from 2 days to 3 months with a weighted average maturity of 32 days. As of March 31, 2009, the asset-based financing programs represented approximately 9.5% of total investments of $57.8 billion for the Closed Block Business.

Ratings-Driven Contingencies

A downgrade in the credit or financial strength (i.e., claims-paying) ratings of Prudential Financial or its rated subsidiaries could potentially, among other things, limit our ability to market products, reduce our competitiveness, increase the number or value of policy surrenders and withdrawals, increase our borrowing costs and potentially make it more difficult to borrow funds, adversely affect the availability of financial guarantees, such as letters of credit, cause additional collateral requirements or other required payments under certain agreements, allow counterparties to terminate derivative agreements and/or hurt our relationships with creditors or trading counterparties thereby potentially negatively effecting our profitability, liquidity and/or capital. Additional collateral requirements or other required payments under certain agreements, including derivative agreements, are eligible to be satisfied in cash or by posting securities held by the subsidiaries subject to the agreements. A ratings downgrade of three ratings levels from the ratings levels as of March 31, 2009 would result in estimated additional collateral posting requirements or payments under such agreements of approximately $200 million. In addition, a ratings downgrade by A.M. Best to "A-" for our domestic life insurance companies would require Prudential Insurance to post a letter of credit in the amount of approximately $1.5 billion, based on the level of statutory reserves related to an acquired business, that we estimate would result in annual cash outflows of approximately $180 million, or collateral posting in the form of cash or securities to be held in a trust. Similarly, if the financial strength rating of Prudential Insurance falls below "A-" from S&P or "A3" from Moody's, Prudential Insurance is required under another agreement to deposit approximately $500 million of assets in the form of cash or securities into a trust for the purpose of securing insurance liabilities related to the disposition of our property and casualty operations in 2003. In each case, we believe that the posting of such collateral would not be a material liquidity event for Prudential Insurance.

In addition, agreements in connection with capital management activities for our universal life insurance products would require us to post cash collateral based on tests that consider the level of 10-year credit default swap spreads on Prudential Financial's senior debt. As of March 31, 2009, when estimates of Prudential Financial's 10-year credit default swap spreads were approximately 860 basis points, we had posted $145 million of collateral under this agreement. We estimate that the collateral posting requirements could be up to $400 million at an effective 10-year credit default swap spread of 2,000 basis points, based on indications of forward LIBOR rates as of March 31, 2009.

Federal Home Loan Bank of New York Facility

In June 2008, Prudential Insurance became a member of the Federal Home Loan Bank of New York, or FHLBNY. Membership allows Prudential Insurance to participate in FHLBNY's product line of financial services, including collateralized funding agreements, general asset/liability management, and collateralized advances that can be used for liquidity management and as an alternative source of funding. Under FHLBNY guidelines, borrowings by its members are at the discretion of the FHLBNY.

Under guidance of the New Jersey Department of Banking and Insurance, the total amount of qualifying mortgage-related assets and U.S. Treasury securities that may be pledged as collateral by Prudential Insurance to FHLBNY is limited to 5% of the prior year's admitted assets of Prudential Insurance on a statutory basis, exclusive of separate account assets, which equates to $7.5 billion based on admitted assets as of December 31, 2008. Based upon the existing guidance and on the fair value of qualifying assets owned by Prudential Insurance within the Financial Services Businesses as of March 31, 2009 (including assets on loan and assets pledged to the FHLBNY at that date and taking into account applicable required collateralization levels and required purchases of activity based FHLBNY stock), the estimated total borrowing capacity with the FHLBNY was approximately $6.5 billion as of March 31, 2009. As of March 31, 2009, total outstanding borrowings with FHLBNY amounted to $4.5 billion, which includes $3.0 billion of collateralized advances and $1.5 billion of collateralized funding agreements. Subsequent to March 31, 2009, $1.0 billion of collateralized advances have been repaid upon maturity.

Due to the rating downgrades experienced during the first quarter of 2009, we are currently only able to borrow from the FHLBNY for a term of 90 days or less which can be refinanced on similar terms. We believe that longer term borrowings may again be made available to us in the near future.

Lines of Credit and Other Credit Facilities

As of March 31, 2009, Prudential Financial, Prudential Insurance and Prudential Funding had unsecured committed lines of credit totaling $4.34 billion. These facilities are available to each of the borrowers, up to the aggregate committed credit, to be used for general corporate purposes. This amount includes a $1.94 billion 5-year credit facility that expires in May 2012, which includes 20 financial institutions, and an additional $2.4 billion credit facility, of which $200 million expires in December 2011 and $2.2 billion expires in December 2012, which includes 18 financial institutions. The available credit and number of lenders reflects the removal in January 2009 of Lehman Commercial Paper Inc. and Lehman Brothers Bank FSB as participants in these facilities. Lehman Commercial Paper Inc., which filed for bankruptcy in October 2008, had been a participant in the amount of $60 million and Lehman Brothers Bank FSB had been a participant in the amount of $100 million.

Within each facility, no single financial institution has more than 15% of the total committed credit. Borrowings under the outstanding facilities will mature no later than the respective expiration dates of the facilities and will bear interest at the rates set forth in each facility agreement. We maintain these facilities primarily as back-up liquidity lines for our commercial paper programs, and there were no outstanding borrowings under any of these facilities as of March 31, 2009.

Our ability to borrow under these facilities is conditioned on the continued satisfaction of customary conditions, including maintenance at all times by Prudential Insurance of total adjusted capital of at least $5.5 billion based on statutory accounting principles prescribed under New Jersey law and Prudential Financial's maintenance of consolidated net worth of at least

$12.5 billion, which for this purpose is based on GAAP stockholders' equity, excluding net unrealized gains and losses on investments. Our ability to borrow under these facilities is not contingent on our credit ratings or subject to material adverse change clauses. As of March 31, 2009, Prudential Insurance's total adjusted capital and Prudential Financial's consolidated GAAP stockholders' equity, excluding net unrealized gains and losses on investments, exceeded the minimum amounts required to borrow under these facilities. We also use uncommitted lines of credit from financial institutions.

Credit Derivative Activities

The company has sold credit derivatives to enhance the return on our investment portfolio by creating credit exposure similar to an investment in public fixed maturity cash instruments.

In a credit derivative we sell credit protection on an identified name, or a basket of names in a first to default structure, and in return receive a quarterly premium. With single name credit default derivatives, this premium or credit spread generally corresponds to the difference between the yield on the referenced name's public fixed maturity cash instruments and swap rates, at the time the agreement is executed. With first-to-default baskets, because of the additional credit risk inherent in a basket of named credits, the premium generally corresponds to a high proportion of the sum of the credit spreads of the names in the basket. If there is an event of default by the referenced name or one of the referenced names in a basket, as defined by the agreement, then we are obligated to pay the counterparty the referenced amount of the contract and receive in return the referenced defaulted security or similar security. After the first default the contract is terminated and any subsequent defaults on the remaining names within such instruments require no further payment to counterparties.

The vast majority of referenced names in the credit derivatives where we have sold credit protection, as well as all the counterparties to these agreements, are investment grade credit quality and our credit derivatives generally have maturities of five years or less. As of March 31, 2009 and December 31, we had $1.205 billion and $1.222 billion, respectively, in outstanding notional amounts of credit derivative contracts where we have sold credit protection. The Financial Services Businesses had $1.141 billion and $1.161 billion of outstanding notional amounts, reported at fair value as a liability of $196 million and $146 million, as of March 31, 2009 and December 31, 2008, respectively. The Closed Block Business had $64 million and $61 million of outstanding notional amounts, reported at fair value as a liability of $2 million and $2 million, as of March 31, 2009 and December 31, 2008, respectively.

In addition to selling credit protection, we have purchased credit protection using credit derivatives in order to hedge specific credit exposures in our investment portfolio, including exposures relating to certain guarantees from monoline bond insurers. Substantially all of the counterparties from which the company has purchased credit protection are investment grade credit quality. As of March 31, 2009 and December 31, 2008, the Financial Services Businesses had $1.247 billion and $1.069 billion of outstanding notional amounts, reported at fair value as an asset of $237 million and $189 million, respectively. As of March 31, 2009 and December 31, 2008, the Closed Block Business had $330 million and $309 million of outstanding notional amounts, reported at fair value as an asset of $98 million and $64 million, respectively.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.0 News release of Prudential Financial, Inc., dated May 6, 2009, announcing first quarter 2009 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, 2009 (furnished and not filed).

99.2 Information about Prudential Financial, Inc.'s investments, as of March 31, 2009, in residential and commercial mortgage-backed securities, asset-backed securities, and commercial mortgage and other loans (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 6, 2009

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 6, 2009, announcing first quarter 2009 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, 2009 (furnished and not filed).
99.2	Information about Prudential Financial, Inc.'s investments, as of March 31, 2009, in residential and commercial mortgage-backed securities, asset-backed securities, and commercial mortgage and other loans (furnished and not filed).

Exhibit 99.0

News Release

Prudential

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

<u>**For Immediate Release**</u>
May 6, 2009

Contact: Gabrielle Shanin
(973) 802-7779

PRUDENTIAL FINANCIAL, INC. ANNOUNCES FIRST QUARTER 2009 RESULTS; UPDATES 2009 EARNINGS GUIDANCE

- **Net loss of Financial Services Businesses attributable to Prudential Financial, Inc. of $5 million; net income of 1 cent per Common share**
- **After-tax adjusted operating income of $436 million, or $1.05 per Common share**
- **Significant items included in these results:**
  - Pretax charges of $327 million in Individual Annuities to strengthen reserves for guaranteed minimum death and income benefits and to accelerate amortization of deferred policy acquisition and other costs
  - Pretax benefit of $249 million in Individual Annuities and Retirement to reflect change in the company's market-based non-performance risk
  - Net loss reflects pretax losses from impairments and sales of credit-impaired fixed income investments of $465 million and $253 million of impairments on equity securities
- **Operational highlights for the first quarter:**
  - Individual Annuity net sales $643 million, up from $620 million a year ago
  - Full Service Retirement gross deposits and sales of $10.5 billion and net additions $6.3 billion, up from gross deposits and sales of $4.6 billion and net additions of $653 million a year ago
  - Individual life annualized new business premiums, $84 million, up from $79 million a year ago
  - Group insurance annualized new business premiums of $344 million, up from $226 million a year ago
  - International insurance constant dollar basis annualized new business premiums of $329 million, unchanged from a year ago
  - Assets under management, $542 billion at March 31, 2009, compared to $558 billion at December 31, 2008
  - Parent company cash and short-term investments of $4.7 billion at March 31 after repurchases during the quarter of $245 million original principal amount of Prudential Financial convertible debt securities
  - Achieved reductions in exposure to short-term financing markets, largely through planned runoff of commercial paper borrowings

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NEWARK, N.J. – Prudential Financial, Inc. (NYSE:PRU) today reported a net loss of its Financial Services Businesses attributable to Prudential Financial, Inc. of $5 million for the first quarter of 2009, compared to net income attributable to Prudential Financial, Inc. of $68 million for the year-ago quarter. Net income per Common share was 1 cent for the first quarter of 2009 and 18 cents for the year-ago quarter. After-tax adjusted operating income for the Financial Services Businesses was $436 million ($1.05 per Common share) for the first quarter of 2009, compared to $692 million ($1.57 per Common share) for the first quarter of 2008. Adjusted operating income is a non-GAAP measure as discussed below.

"While our current quarter results continue to reflect unfavorable market and economic conditions, our solid balance sheet and product portfolio support highly attractive value propositions for clients focused on financial security and peace of mind. We view the positive net flows registered by our U.S. retirement, annuities and asset management businesses and the solid sales results in our domestic and international insurance businesses as validation of our core business models, as well as the dedication of our associates in these difficult times. We are focused on maintaining and bolstering the financial strength that has supported our commitment to keep our promises for more than 130 years," said Chairman and Chief Executive Officer John Strangfeld.

"Considering current financial market conditions, including equity market levels, interest rates and credit spreads, we believe that Prudential Financial will achieve Common Stock earnings per share for 2009 in the range of $4.80 to $5.20 based on after-tax adjusted operating income of the Financial Services Businesses. This expectation assumes appreciation of 2% per quarter in the S&P 500 index, commencing with its close as of December 31, 2008," Strangfeld said. The 2009 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.

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Financial Services Businesses

Prudential Financial's Common Stock (NYSE:PRU) reflects the performance of its Financial Services Businesses, which consist of its U.S. Retirement Solutions and Investment Management, U.S. Individual Life and Group Insurance, and International Insurance and Investments divisions and its Corporate and Other operations.

Reported results for the first quarter of 2009 and earlier periods presented reflect the implementation of new accounting guidance issued by the Financial Accounting Standards Board, as discussed under "New Accounting Guidance" later in this release. In the following business-level discussion, adjusted operating income refers to pre-tax results.

The **U.S. Retirement Solutions and Investment Management division** reported adjusted operating income of $175 million for the first quarter of 2009, compared to $358 million in the year-ago quarter.

The Individual Annuities segment reported adjusted operating income of $17 million in the current quarter, compared to $115 million in the year-ago quarter. Current quarter results include charges of $215 million to strengthen reserves for guaranteed minimum death and income benefits and $112 million representing a net increase in amortization of deferred policy acquisition and other costs reflecting an updated estimate of profitability for this business. These charges were largely driven by declines in customer account values through March 31, 2009. Results for the year-ago quarter included net charges of $15 million from adjustment of these items to recognize experience in that period. Mark-to-market of embedded derivatives and related hedge positions associated with living benefits, after amortization of deferred policy acquisition and other costs, resulted in a net benefit of $261 million to current quarter adjusted operating income, which included a benefit of $236 million from the required adjustment of embedded derivative liabilities for living benefits to recognize market-based non-performance risk associated with our own credit standing. Results for the year-ago quarter included net charges of $17 million from mark-to-market of these embedded derivatives and related hedge positions. Excluding the effect of the foregoing items, adjusted operating income for the Individual Annuities segment declined $64 million from the year-ago quarter, primarily reflecting lower fees driven by market value declines in customer account values.

The Retirement segment reported adjusted operating income of $159 million for the current quarter, an increase of $35 million from the year-ago quarter. The increase primarily resulted from a greater contribution from net investment spreads, which more than offset lower fees associated with market value declines in customer account values. In addition, current quarter results benefited $13 million from the required adjustment of liabilities for contract guarantees to recognize market-based non-performance risk.

The Asset Management segment reported a loss of $1 million for the current quarter, compared to adjusted operating income of $119 million for the year-ago quarter. The decrease came primarily from lower performance-based fees, primarily related to institutional real estate funds, and less favorable results from proprietary investing activities. In addition, asset management fees were below the level of the year-ago quarter, reflecting market value declines in assets under management which more than offset net inflows of institutional funds.

The **U.S. Individual Life and Group Insurance division** reported adjusted operating income of $133 million for the first quarter of 2009, compared to $186 million in the year-ago quarter.

The Individual Life segment reported adjusted operating income of $40 million for the current quarter, compared to $96 million in the year-ago quarter. The decrease came primarily from higher net amortization of deferred policy acquisition costs and other items relating to current quarter experience, together with related costs, driven by unfavorable separate account

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performance. In addition, current quarter results reflected less favorable mortality experience than that of the year-ago quarter, and lower fees associated with customer account values because of market value declines.

The Group Insurance segment reported adjusted operating income of $93 million in the current quarter, compared to $90 million in the year-ago quarter. Current quarter results benefited from more favorable group life and disability claims experience than in the year-ago quarter, while results for the year-ago quarter included a $20 million benefit from a cumulative adjustment of premiums for earlier periods on a large group life insurance case.

The **International Insurance and Investments division** reported adjusted operating income of $435 million for the first quarter of 2009, compared to $439 million in the year-ago quarter.

The International Insurance segment reported adjusted operating income of $425 million for the current quarter, an increase of $12 million from the year-ago quarter. The segment's Life Planner insurance operations reported adjusted operating income of $294 million for the current quarter, an increase of $9 million from the year-ago quarter, reflecting continued business growth which was partially offset by current quarter expenses related to technology improvements and the estimated liability for Japanese guaranty fund assessments. The segment's Gibraltar Life operations reported adjusted operating income of $131 million for the current quarter, compared to $128 million in the year-ago quarter. A greater contribution from investment results, reflecting portfolio strategies including increased investing in U.S. dollar-based securities, was largely offset by a less favorable level of expenses and policy benefits. Foreign currency exchange rates, including the impact of the Company's currency hedging programs, did not have a significant effect on the comparison of results for the segment's international insurance businesses.

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The International Investments segment reported adjusted operating income of $10 million for the current quarter, compared to $26 million in the year-ago quarter. The decrease resulted primarily from less favorable results from the segment's Korean asset management operations.

Corporate and Other operations resulted in a loss, on an adjusted operating income basis, of $166 million in the first quarter of 2009, compared to a loss of $51 million in the year-ago quarter. The increased loss came primarily from increased interest expense, net of investment income, reflecting a greater level of capital debt including $1.5 billion of junior subordinated long-term debt securities issued in 2008, and lower earnings from the investment of debt issuance proceeds. The increase in net financing costs was partly offset by a $7 million benefit to current quarter results from the repurchase of $245 million original principal amount of Prudential Financial convertible debt securities due in 2037 which were offered to the Company by certain holders in individually negotiated transactions at a discount. The Company's real estate and relocation business reported a loss of $63 million for the current quarter, compared to a loss of $23 million in the year-ago quarter, reflecting unfavorable residential real estate market conditions.

Assets under management amounted to $542 billion at March 31, 2009, compared to $558 billion at December 31, 2008.

The **net loss** of the Financial Services Businesses attributable to Prudential Financial, Inc. amounted to $5 million for the first quarter of 2009, compared to net income attributable to Prudential Financial, Inc. of $68 million in the year-ago quarter.

The current quarter net loss includes $666 million of pre-tax net realized investment losses and related charges and adjustments. Net realized investment losses in the current quarter include $719 million of losses from impairments and sales of credit-impaired investments and $138 million representing decreases in market value of certain externally managed investments in the European market. The losses from impairments and sales of credit-impaired securities reflect $465 million on fixed maturity investments, including $240 million relating to asset-backed securities collateralized

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by sub-prime mortgages, and $253 million of impairments on equity securities. The foregoing realized investment losses were partially offset by net realized gains from general account portfolio activities during the quarter.

At March 31, 2009, gross unrealized losses on general account fixed maturity investments of the Financial Services Businesses amounted to $11.248 billion, including $8.462 billion on investment-grade securities. Gross unrealized losses include $2.634 billion related to asset-backed securities collateralized by sub-prime mortgages. Gross unrealized losses on general account fixed maturity investments of the Financial Services Businesses at March 31, 2009 include $7.780 billion of declines in value of 20% or more of amortized cost, of which $6.953 billion represents such declines in value for three months or more. Gross unrealized losses on general account fixed maturity investments of the Financial Services Businesses amounted to $11.251 billion at year-end 2008. Net unrealized losses on general account fixed maturity investments of the Financial Services Businesses amounted to $7.514 billion at March 31, 2009, compared to $6.567 billion at December 31, 2008.

The net loss for the current quarter also reflects pre-tax increases of $145 million in recorded asset values and $45 million in recorded liabilities representing changes in value which are expected to ultimately accrue to contractholders. These changes primarily represent interest rate related mark-to-market adjustments. The net loss for the current quarter also includes $32 million of pre-tax losses from divested businesses, primarily reflecting a $25 million pre-tax loss from the Company's retail securities brokerage joint venture with Wachovia and related costs. On January 1, 2008, Wachovia combined the acquired retail securities brokerage business of A.G. Edwards, Inc. with the joint venture. The Company's estimated share of the results of the joint venture and transition costs, subsequent to this combination, is based on a diluted ownership level which is currently being finalized. As previously announced, the Company intends to exercise its right under the "lookback" option to put its joint venture interests to Wells Fargo, which acquired Wachovia on December 31, 2008. Under the terms of the joint venture agreements, closing of the

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put transaction would occur on or about January 1, 2010. The current quarter loss reflects absorption, through our estimated share of joint venture results, of $17 million of transition costs related to Wachovia's acquisition of A. G. Edwards.

Net income of the Financial Services Businesses for the year-ago quarter included $678 million of pre-tax net realized investment losses and related charges and adjustments, decreases of $262 million in recorded assets and $200 million in recorded liabilities for which changes in value are expected to ultimately accrue to contractholders, and losses of $67 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.

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 $30 million for the first quarter of 2009, compared to a loss from continuing operations before income taxes of $26 million for the year-ago quarter. The Closed Block Business reported net income attributable to Prudential Financial, Inc. for the first quarter of 2009 of $19 million, compared to a net loss attributable to Prudential Financial, Inc. of $8 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.

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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 attributable to Prudential Financial, Inc. of $14 million for the first quarter of 2009 compared to $60 million for the year-ago quarter.

New Accounting Guidance

Effective January 1, 2009, the company adopted new FASB guidance for determination of whether markets are considered "inactive" and whether transactions in those markets are considered "distressed" for purposes of measuring the fair value of assets or liabilities ("FSP FAS 157-4"), and for the recognition of other-than-temporary impairment of debt securities ("FSP FAS 115-2 and FAS 124-2"). The latter guidance requires a bifurcation of other than temporary declines in value of debt securities, in instances where the company neither intends to sell the security nor is more likely than not to be required to sell the security, prior to recovery of book value. Under this guidance, the portion of the decline in value that represents a reduction of expected cash flows from the security is to be recognized by a charge to net income, while the remainder of the decline in value is recognized within accumulated other comprehensive income. As a result of the transition adjustment required by this guidance, attributed equity of the Financial Services Businesses excluding total accumulated other comprehensive income as of January 1, 2009 was increased by $675 million, with a corresponding reduction to accumulated other comprehensive income. This transition adjustment reflected $1.1 billion of previously recorded other-than-temporary impairments on debt securities, on a pretax basis, representing the portion of decline in fair value of the securities that is not associated with an estimated decrease in expected cash flows. During the first quarter of 2009, declines in value of debt securities held by the Financial Services Businesses for which other-than-temporary impairments were determined to have occurred amounted to $1.1 billion on a pre-tax basis, of which $424 million represented reductions in expected cash flows and were consequently included in realized investment losses, while the remaining $658 million was recorded within accumulated other comprehensive income.

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In addition, effective January 1, 2009, the company adopted new FASB guidance for convertible debt securities (“FSP APB 14-1”). This guidance requires bifurcation of certain convertible debt instruments, including those issued by the company in 2006 and 2007, into a debt component and an equity component. The retroactive implementation of this guidance, as required by FASB, resulted in an increase in interest expense within Corporate and Other results, with a corresponding negative impact on pretax adjusted operating income, of $15 million for the first quarter of 2008. The adoption of this guidance also resulted in a decrease of $20 million in reported short-term debt of the Financial Services Businesses as of December 31, 2008, with a corresponding increase in additional paid-in capital.

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,” “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 fixed income, equity, real estate and other financial markets, particularly in light of ongoing severe economic conditions and the severe stress experienced by the global financial markets that began in the second half of 2007 and has continued and substantially increased since then; (2) the availability and cost of external financing for our operations, which has been affected by the stress experienced by the global financial markets; (3) interest rate fluctuations; (4) reestimates of our reserves for future policy benefits and claims; (5) 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; (6) changes in our assumptions related to deferred policy acquisition costs, valuation of business acquired or goodwill; (7) changes in our claims-paying or credit ratings; (8) investment losses, defaults and counterparty non-performance; (9) competition in our product lines and for personnel; (10) changes in tax law; (11) economic, political, currency and other risks relating to our international operations; (12) fluctuations in foreign currency exchange rates and foreign securities markets; (13) regulatory or legislative changes, including government actions in response to the stress experienced by the global financial markets; (14) adverse determinations in litigation or regulatory matters and our exposure to contingent liabilities, including in connection with our divestiture or winding down of businesses; (15) 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; (16) ineffectiveness of risk management policies and procedures in identifying, monitoring and managing risks; (17) effects of acquisitions, divestitures and restructurings, including possible difficulties in integrating and realizing the projected results of acquisitions; (18) changes in statutory or U.S. GAAP accounting principles, practices or policies; (19) changes in assumptions for retirement expense; (20) Prudential Financial, Inc.'s primary reliance, as a holding company, on dividends or distributions from its subsidiaries to meet debt payment obligations and the ability of the subsidiaries to pay such dividends or distributions in light of our ratings objectives and/or applicable regulatory restrictions; and (21) risks due to the lack of legal separation between our Financial Services Businesses and our Closed Block Business. As noted above, the adverse market and economic conditions that began in the second half of 2007 have continued and substantially worsened since then. The foregoing risks are even more pronounced in these unprecedented market and economic conditions. Prudential Financial, Inc. does not intend, and is under no obligation, to update any particular forward-looking statement included in this document.

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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 and capital 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 excludes gains and losses from changes in value of certain assets and liabilities related to foreign currency exchange movements that have been economically hedged, as well as gains and losses on certain investments that are classified as other trading account assets and debt that is carried at fair value.

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 are expected to 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 are expected to 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, 2008, 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 7, 2009 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 22. 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 2:00 p.m. on May 7, through May 14, dial (800) 475-6701 (domestic callers) or (320) 365-3844 (international callers). The access code for the replay is 986903.

Prudential Financial, Inc. (NYSE: PRU), a financial services leader with approximately $542 billion of assets under management as of March 31, 2009, 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 approximately 50 million 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, investment management, and real estate services. For more information, please visit www.news.prudential.com.

Prudential

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

	Three Months Ended March 31	
	2009	2008
Financial Services Businesses Income Statement Data:		
Adjusted Operating Income (1):		
Revenues:		
Premiums	$ 3,261	$ 3,102
Policy charges and fee income	734	824
Net investment income	2,064	2,111
Asset management fees, commissions and other income	1,949	887
Total revenues	8,008	6,924
Benefits and expenses:		
Insurance and annuity benefits	3,464	3,082
Interest credited to policyholders' account balances	1,086	806
Interest expense	247	298
Other expenses	2,634	1,806
Total benefits and expenses	7,431	5,992
Adjusted operating income before income taxes	577	932
Income taxes, applicable to adjusted operating income	141	240
Financial Services Businesses after-tax adjusted operating income (1)	436	692
Reconciling Items:		
Realized investment losses, net, and related charges and adjustments	(666)	(678)
Investment gains (losses) on trading account assets supporting insurance liabilities, net	145	(262)
Change in experience-rated contractholder liabilities due to asset value changes	(45)	200
Divested businesses	(32)	(67)
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	3	(36)
Total reconciling items, before income taxes	(595)	(843)
Income taxes, not applicable to adjusted operating income	(148)	(199)
Total reconciling items, after income taxes	(447)	(644)
Income (loss) from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures	(11)	48
Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	5	19
Income (loss) from continuing operations attributable to Prudential Financial, Inc.	(6)	67
Earnings attributable to noncontrolling interests	(11)	24
Income (loss) from continuing operations (after-tax) of Financial Services Businesses	(17)	91
Income from discontinued operations, net of taxes	1	1
Net income (loss) of Financial Services Businesses	(16)	92
Less: Income (loss) attributable to noncontrolling interests	(11)	24
Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.	$ (5)	$ 68

See footnotes on last page.

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

	Three Months Ended March 31 2009	Three Months Ended March 31 2008
Earnings per share of Common Stock (diluted) (2)(3):		
Financial Services Businesses after-tax adjusted operating income	$ 1.05	$ 1.57
Reconciling Items:		
Realized investment losses, net, and related charges and adjustments	(1.57)	(1.52)
Investment gains (losses) on trading account assets supporting insurance liabilities, net	0.34	(0.59)
Change in experience-rated contractholder liabilities due to asset value changes	(0.11)	0.45
Divested businesses	(0.08)	(0.15)
Difference in earnings allocated to participating unvested share-based payment awards	0.01	0.01
Total reconciling items, before income taxes	(1.41)	(1.80)
Income taxes, not applicable to adjusted operating income	(0.37)	(0.41)
Total reconciling items, after income taxes	(1.04)	(1.39)
Income from continuing operations (after-tax) of Financial Services Businesses attributable to Prudential Financial, Inc.	0.01	0.18
Income from discontinued operations, net of taxes	—	—
Net income of Financial Services Businesses attributable to Prudential Financial, Inc.	$ 0.01	$ 0.18
Weighted average number of outstanding Common shares (basic)	422.1	442.1
Weighted average number of outstanding Common shares (diluted)	423.2	446.9
Direct equity adjustment for earnings per share calculation (2)	$ 11	$ 12
Earnings allocated to participating unvested share-based payment awards for earnings per share calculation (3)		
Financial Services Businesses after-tax adjusted operating income	$ 4	$ 4
Income from continuing operations (after-tax) of Financial Services Businesses	$ —	$ —
Financial Services Businesses Attributed Equity (as of end of period):		
Total attributed equity	$14,349	$21,532
Per share of Common Stock - diluted	33.83	48.56
Attributed equity excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension/postretirement benefits	$20,337	$22,547
Per share of Common Stock - diluted	47.95	50.85
Number of diluted shares at end of period	424.1	443.4
Adjusted operating income before income taxes, by Segment (1):		
Individual Annuities	$ 17	$ 115
Retirement	159	124
Asset Management	(1)	119
Total U.S. Retirement Solutions and Investment Management Division	175	358
Individual Life	40	96
Group Insurance	93	90
Total U.S. Individual Life and Group Insurance Division	133	186
International Insurance	425	413
International Investments	10	26
Total International Insurance and Investments Division	435	439
Corporate and Other operations	(166)	(51)
Financial Services Businesses adjusted operating income before income taxes	577	932
Reconciling Items:		
Realized investment losses, net, and related charges and adjustments	(666)	(678)
Investment gains (losses) on trading account assets supporting insurance liabilities, net	145	(262)
Change in experience-rated contractholder liabilities due to asset value changes	(45)	200
Divested businesses	(32)	(67)
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	3	(36)
Total reconciling items, before income taxes	(595)	(843)
Income (loss) from continuing operations before income taxes and equity in earnings of operating joint ventures - Financial Services Businesses	$ (18)	$ 89

See footnotes on last page.

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

	Three Months Ended March 31 2009	Three Months Ended March 31 2008
U.S. Retirement Solutions and Investment Management Division:		
Fixed and Variable Annuity Sales and Account Values:		
Gross sales	$ 2,163	$ 2,846
Net sales	$ 643	$ 620
Total account value at end of period	$ 61,205	$ 78,417
Retirement Segment:		
Full Service:		
Deposits and sales	$ 10,489	$ 4,586
Net additions	$ 6,258	$ 653
Total account value at end of period	$ 102,159	$ 107,060
Institutional Investment Products:		
Gross additions	$ 627	$ 1,810
Net additions (withdrawals)	$ (1,410)	$ 108
Total account value at end of period	$ 49,030	$ 51,667
Asset Management Segment:		
Assets managed by Investment Management and Advisory Services (in billions, as of end of period):		
Institutional customers	$ 152.7	$ 174.2
Retail customers	61.3	81.8
General account	172.3	177.9
Total Investment Management and Advisory Services	$ 386.3	$ 433.9
Institutional Assets Under Management (in billions):		
Gross additions, other than money market	$ 4.9	$ 6.3
Net additions, other than money market	$ 0.3	$ 2.0
Retail Assets Under Management (in billions):		
Gross additions, other than money market	$ 3.5	$ 3.5
Net additions, other than money market	$ 0.2	$ 1.0
U.S. Individual Life and Group Insurance Division:		
Individual Life Insurance Annualized New Business Premiums (4):		
Excluding corporate-owned life insurance		
Variable life	$ 4	$ 11
Universal life	28	17
Term life	52	51
Total excluding corporate-owned life insurance	84	79
Corporate-owned life insurance	—	—
Total	$ 84	$ 79
Group Insurance Annualized New Business Premiums (4):		
Group life	$ 210	$ 112
Group disability	134	114
Total	$ 344	$ 226
International Insurance and Investments Division:		
International Insurance Annualized New Business Premiums (4) (5):		
Actual exchange rate basis	$ 333	$ 329
Constant exchange rate basis:	$ 329	$ 329

See footnotes on last page.

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

	Three Months Ended March 31 2009	Three Months Ended March 31 2008
Closed Block Business Data:		
Income Statement Data:		
Revenues	$ 1,140	$ 1,671
Benefits and expenses	1,110	1,697
Income (loss) from continuing operations before income taxes	30	(26)
Income taxes	11	(18)
Closed Block Business income (loss) from continuing operations	19	(8)
Income from discontinued operations, net of taxes	—	—
Closed Block Business net income (loss)	19	(8)
Less: Income attributable to noncontrolling interests	—	—
Closed Block Business net income (loss) attributable to Prudential Financial, Inc.	$ 19	$ (8)
Direct equity adjustment for earnings per share calculation (2)	(11)	(12)
Earnings available to holders of Class B Stock after direct equity adjustment - based on net income (loss)	$ 8	$ (20)
Income (loss) from continuing operations per share of Class B Stock	$ 4.00	$ (10.00)
Income from discontinued operations, net of taxes per share of Class B Stock	—	—
Net income (loss) per share of Class B Stock	$ 4.00	$ (10.00)
Weighted average diluted shares outstanding during period	2.0	2.0
Closed Block Business Attributed Equity (as of end of period):		
Total attributed equity	$ (1,419)	$ 1,213
Per Share of Class B Stock	(709.50)	606.50
Attributed equity excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension/postretirement benefits	$ 1,267	$ 1,302
Per Share of Class B Stock	633.50	651.00
Number of Class B Shares at end of period	2.0	2.0
Consolidated Data:		
Consolidated Income Statement Data:		
Revenues	$ 8,563	$ 7,564
Benefits and expenses	8,551	7,501
Income from continuing operations before income taxes and equity in earnings of operating joint ventures	12	63
Income tax expense	4	23
Income from continuing operations before equity in earnings of operating joint ventures	8	40
Equity in earnings of operating joint ventures, net of taxes	(6)	43
Income from continuing operations	2	83
Income from discontinued operations, net of taxes	1	1
Consolidated net income	3	84
Less: Income (loss) attributable to noncontrolling interests	(11)	24
Net income attributable to Prudential Financial, Inc.	$ 14	$ 60
Net income (loss) attributable to Prudential Financial, Inc.:		
Financial Services Businesses	$ (5)	$ 68
Closed Block Business	19	(8)
Consolidated net income attributable to Prudential Financial, Inc.	$ 14	$ 60
Assets and Asset Management Information (in billions, as of end of period)		
Total assets	$ 427.5	$ 478.3
Assets under management (at fair market value):		
Managed by U.S. Retirement Solutions and Investment Management Division:		
Asset Management Segment - Investment Management and Advisory Services	$ 386.3	$ 433.9
Non-proprietary assets under management	75.1	111.5
Total managed by U.S. Retirement Solutions and Investment Management Division	461.4	545.4
Managed by U.S. Individual Life and Group Insurance Division	11.9	14.7
Managed by International Insurance and Investments Division	68.4	71.0
Total assets under management	541.7	631.1
Client assets under administration	98.8	129.4
Total assets under management and administration	$ 640.5	$ 760.5

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; earnings attributable to noncontrolling interests; and the related tax effects thereof. Adjusted operating income includes equity in earnings of operating joint ventures and the related tax effects thereof. 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.

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 excludes gains and losses from changes in value of certain assets and liabilities relating to foreign currency exchange movements that have been economically hedged, as well as gains and losses on certain investments that are classified as other trading account assets and debt that is carried at fair value.

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) Under new guidance effective January 1, 2009, U.S. GAAP requires unvested share-based payment awards that contain nonforfeitable rights to dividends to be included as participating securities in the computation of earnings per share pursuant to the two-class method. Under this method, earnings of the Financial Services Businesses are allocated between Common Stock and the participating awards, as if the awards were a second class of stock.

(4) Premiums from new sales that are expected to be collected over a one year period. Group insurance annualized new business 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 annualized new business premiums include premiums from the takeover of claim liabilities. Group disability amounts include long-term care products. Excess (unscheduled) and single premium business for the company's domestic individual life and international insurance operations are included in annualized new business premiums based on a 10% credit.

(5) Actual amounts reflect the impact of currency fluctuations. Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 106 per U.S. dollar; Korean won 950 per U.S. dollar. U.S. denominated activity is included based on the amounts as transacted in U.S. dollars.

Exhibit 99.1

Prudential Financial, Inc. (PRU)

Prudential

Quarterly Financial Supplement

FINANCIAL SERVICES BUSINESSES
FIRST QUARTER 2009

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 6, 2009

CONTENTS

This Quarterly Financial Supplement reflects the following for all periods presented herein:

Effective January 1, 2009, the company adopted the following accounting pronouncements:

FSP APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)." This guidance requires bifurcation of certain convertible debt instruments, including those issued by the company in 2006 and 2007, into a debt component and an equity component. The retroactive implementation of this guidance, as required by FASB, resulted in increases in interest expense within Corporate and Other results, for all historical periods presented. The adoption of this guidance also resulted in decreases in reported short-term debt of the Financial Services Businesses, with corresponding increases in additional paid-in capital, for all historical periods presented.

SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements" - This guidance changes the accounting for minority interests, which have been recharacterized as noncontrolling interests and classified as a component of equity. The income or loss attributable to noncontrolling interest is now captured as a separate line on the GAAP income statement. These changes have been made for all historical periods presented. This change does not impact adjusted operating income.

FSP EITF 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities" - This guidance requires unvested share-based payment awards that contain nonforfeitable rights to dividends to be included as participating securities in the computation of earnings per share pursuant to the two-class method. This guidance has been applied to all historical periods presented.

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2009	Year-to-date 2008	% Change		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
			Financial Services Businesses:					
			Pre-tax adjusted operating income (loss) by division:					
175	358	-51%	U.S. Retirement Solutions and Investment Management Division	358	485	(182)	(975)	175
133	186	-28%	U.S. Individual Life and Group Insurance Division	186	183	339	78	133
435	439	-1%	International Insurance and Investments Division	439	479	497	(13)	435
(166)	(51)	-225%	Corporate and other operations	(51)	(20)	(38)	(288)	(166)
577	932	-38%	Total pre-tax adjusted operating income (loss)	932	1,127	616	(1,198)	577
141	240	-41%	Income taxes, applicable to adjusted operating income	240	282	186	(304)	141
436	692	-37%	**Financial Services Businesses after-tax adjusted operating income (loss)**	692	845	430	(894)	436
			Reconciling items:					
(666)	(678)	2%	Realized investment losses, net, and related charges and adjustments	(678)	(486)	(547)	(511)	(666)
145	(262)	155%	Investment gains (losses) on trading account assets supporting insurance liabilities, net	(262)	(123)	(534)	(815)	145
(45)	200	-123%	Change in experience-rated contractholder liabilities due to asset value changes	200	94	388	481	(45)
(32)	(67)	52%	Divested businesses	(67)	10	(219)	(230)	(32)
3	(36)	108%	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(36)	(32)	213	509	3
(595)	(843)	29%	Total reconciling items, before income taxes	(843)	(537)	(699)	(566)	(595)
(148)	(199)	26%	Income taxes, not applicable to adjusted operating income	(199)	(245)	(280)	(160)	(148)
(447)	(644)	31%	Total reconciling items, after income taxes	(644)	(292)	(419)	(406)	(447)
(11)	48	-123%	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures**	48	553	11	(1,300)	(11)
5	19	-74%	Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	19	16	(134)	(384)	5
(6)	67		**Income (loss) from continuing operations attributable to Prudential Financial, Inc.**	67	569	(123)	(1,684)	(6)
(11)	24		Earnings attributable to noncontrolling interests	24	8	5	(1)	(11)
(17)	91	-119%	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses**	91	577	(118)	(1,685)	(17)
1	1	0%	Income (loss) from discontinued operations, net of taxes	1	(3)	5	28	1
(16)	92	-117%	**Net income (loss) of Financial Services Businesses**	92	574	(113)	(1,657)	(16)
(11)	24		Less: Income (loss) attributable to noncontrolling interests	24	8	5	(1)	(11)
(5)	68		**Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.**	68	566	(118)	(1,656)	(5)
8.89%	12.35%		Operating Return on Average Equity (based on adjusted operating income)	12.35%	15.32%	8.02%	-16.89%	8.89%
			Reconciliation to Consolidated Net Income Attributable to Prudential Financial, Inc:					
(5)	68		Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc. (above)	68	566	(118)	(1,656)	(5)
19	(8)		Net income (loss) of Closed Block Business attributable to Prudential Financial, Inc.	(8)	15	(58)	74	19
14	60		Consolidated net income (loss) attributable to Prudential Financial, Inc.	60	581	(176)	(1,582)	14

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2009	Year-to-date 2008	% Change		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
			Earnings per share of Common Stock (diluted) (1)(2):					
1.05	1.57		Financial Services Businesses after-tax adjusted operating income (loss)	1.57	1.96	1.02	(2.08)	1.05
			Reconciling items:					
(1.57)	(1.52)		Realized investment losses, net, and related charges and adjustments	(1.52)	(1.11)	(1.28)	(1.21)	(1.57)
0.34	(0.59)		Investment gains (losses) on trading account assets supporting insurance liabilities, net	(0.59)	(0.28)	(1.25)	(1.93)	0.34
(0.11)	0.45		Change in experience-rated contractholder liabilities due to asset value changes	0.45	0.22	0.91	1.14	(0.11)
(0.08)	(0.15)		Divested businesses	(0.15)	0.02	(0.51)	(0.55)	(0.08)
0.01	0.01		Difference in earnings allocated to participating unvested share-based payment awards	0.01	0.00	0.00	0.00	0.01
(1.41)	(1.80)		Total reconciling items, before income taxes	(1.80)	(1.15)	(2.13)	(2.55)	(1.41)
(0.37)	(0.41)		Income taxes, not applicable to adjusted operating income	(0.41)	(0.52)	(0.84)	(0.68)	(0.37)
(1.04)	(1.39)		Total reconciling items, after income taxes	(1.39)	(0.63)	(1.29)	(1.87)	(1.04)
0.01	0.18		**Income (loss) from continuing operations (after-tax) of Financial Services Businesses attributable to Prudential Financial, Inc.**	0.18	1.33	(0.27)	(3.95)	0.01
0.00	0.00		Income (loss) from discontinued operations, net of taxes	0.00	(0.01)	0.02	0.06	0.00
0.01	0.18		**Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.**	0.18	1.32	(0.25)	(3.89)	0.01
422.1	442.1		Weighted average number of outstanding Common shares (basic)	442.1	431.9	423.8	421.3	422.1
423.2	446.9		Weighted average number of outstanding Common shares (diluted)	446.9	436.5	428.0	423.0	423.2
11	12		Direct equity adjustments for earnings per share calculation	12	14	10	19	11
			Earnings allocated to participating unvested share-based payment awards for earnings per share calculation (2)					
4	4		Financial Services Businesses after-tax adjusted operating income	4	5	3	1	4
0	0		Income from continuing operations (after-tax) of Financial Services Businesses	0	4	0	1	0

(1) Diluted share count used in the diluted earnings per share calculation for GAAP measures is equal to weighted average basic common shares for the three months ended September 30, 2008 and for the three months ended December 31, 2008 as all potential common shares are anti-dilutive due to the loss from continuing operations available to holders of Common Stock after direct equity adjustment. Diluted share count used in the diluted earnings per share calculation for non-GAAP measures is equal to weighted average basic common shares for the three months ended December 31, 2008 as all potential common shares are anti-dilutive due to the adjusted operating loss available to holders of Common Stock after direct equity adjustment.

(2) Under new guidance effective January 1, 2009, U.S. GAAP requires unvested share-based payment awards that contain nonforfeitable rights to dividends to be included as participating securities in the computation of earnings per share pursuant to the two-class method. Under this method, earnings of the Financial Services Businesses are allocated between Common Stock and the participating awards, as if the awards were a second class of stock.

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Financial Services Businesses Capitalization Data (1):					
		Senior Debt:					
		Short-term debt	13,713	12,895	13,744	10,092	6,651
		Long-term debt	13,302	13,856	14,602	17,022	17,394
		Junior Subordinated Long-Term Debt	—	1,398	1,518	1,518	1,518
		Attributed Equity:					
		Including accumulated other comprehensive income	21,532	20,541	18,780	14,292	14,349
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	22,547	22,321	21,553	19,899	20,337
		Excluding total accumulated other comprehensive income	22,005	21,772	21,343	19,529	20,238
		Total Capitalization:					
		Including accumulated other comprehensive income	34,834	35,795	34,900	32,832	33,261
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	35,849	37,575	37,673	38,439	39,249
		Excluding total accumulated other comprehensive income	35,307	37,026	37,463	38,069	39,150
		Book value per share of Common Stock:					
		Including accumulated other comprehensive income	48.56	47.67	43.92	33.69	33.83
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	50.85	51.80	50.40	46.91	47.95
		Excluding total accumulated other comprehensive income	49.63	50.53	49.91	46.04	47.72
		Number of diluted shares at end of period	443.4	430.9	427.6	424.2	424.1
		Common Stock Price Range (based on closing price):					
25.11	91.36	High	91.36	82.21	86.25	64.80	25.11
11.29	67.36	Low	67.36	59.74	56.07	13.73	11.29
19.02	78.25	Close	78.25	59.74	72.00	30.26	19.02
		Common Stock market capitalization (1)	34,230	25,465	30,362	12,749	8,042

(1) As of end of period.

OPERATIONS HIGHLIGHTS

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Assets Under Management and Administration ($ billions) (1) (2):					
		Assets Under Management :					
		Managed by U.S. Retirement Solutions and Investment Management Division:					
		Asset Management Segment - Investment Management & Advisory Services					
		Institutional customers	174.2	179.3	170.9	161.2	152.7
		Retail customers	81.8	84.6	75.4	61.6	61.3
		General account	177.9	175.0	175.2	172.6	172.3
		Total Investment Management and Advisory Services	433.9	438.9	421.5	395.4	386.3
		Non-proprietary assets under management	111.5	115.3	97.6	80.5	75.1
		Total managed by U.S. Retirement Solutions and Investment Management Division	545.4	554.2	519.1	475.9	461.4
		Managed by U.S. Individual Life and Group Insurance Division	14.7	14.3	13.3	12.4	11.9
		Managed by International Insurance and Investments Division:	71.0	69.4	69.9	69.9	68.4
		Total assets under management	631.1	637.9	602.3	558.2	541.7
		Client assets under administration	129.4	125.0	112.1	101.1	98.8
		Total assets under management and administration	760.5	762.9	714.4	659.3	640.5
		Assets managed or administered for customers outside of the United States at end of period	120.3	120.0	115.6	112.6	110.4
		Distribution Representatives (1):					
		Prudential Agents	2,436	2,446	2,482	2,360	2,389
		International Life Planners	6,138	6,179	6,267	6,365	6,397
		Gibraltar Life Advisors	6,035	5,899	6,057	6,330	6,170
41	50	***Prudential Agent productivity ($ thousands)***	50	58	55	70	41

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

Prudential

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

Year-to-date 2009	Year-to-date 2008	% Change		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
			Revenues (1):					
3,261	3,102	5%	Premiums	3,102	2,961	2,798	2,997	3,261
734	824	-11%	Policy charges and fee income	824	809	709	781	734
2,064	2,111	-2%	Net investment income	2,111	2,145	2,076	2,100	2,064
1,949	887	120%	Asset management fees, commissions and other income	887	945	776	14	1,949
8,008	6,924	16%	Total revenues	6,924	6,860	6,359	5,892	8,008
			Benefits and Expenses (1):					
3,464	3,082	12%	Insurance and annuity benefits	3,082	2,944	3,040	3,472	3,464
1,086	806	35%	Interest credited to policyholders' account balances	806	803	853	881	1,086
247	298	-17%	Interest expense	298	248	287	303	247
(578)	(588)	2%	Deferral of acquisition costs	(588)	(588)	(559)	(567)	(578)
1,205	338	257%	Amortization of acquisition costs	338	315	238	512	1,205
2,007	2,056	-2%	General and administrative expenses	2,056	2,011	1,884	2,489	2,007
7,431	5,992	24%	Total benefits and expenses	5,992	5,733	5,743	7,090	7,431
577	932	-38%	Adjusted operating income (loss) before income taxes	932	1,127	616	(1,198)	577
			Reconciling items:					
(710)	(665)	-7%	Realized investment losses, net, and related adjustments	(665)	(527)	(564)	(511)	(710)
44	(13)	438%	Related charges	(13)	41	17	—	44
(666)	(678)	2%	Total realized investment losses, net, and related charges and adjustments	(678)	(486)	(547)	(511)	(666)
145	(262)	155%	Investment gains (losses) on trading account assets supporting insurance liabilities, net	(262)	(123)	(534)	(815)	145
(45)	200	-123%	Change in experience-rated contractholder liabilities due to asset value changes	200	94	388	481	(45)
(32)	(67)	52%	Divested businesses	(67)	10	(219)	(230)	(32)
3	(36)	108%	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(36)	(32)	213	509	3
(595)	(843)	29%	Total reconciling items, before income taxes	(843)	(537)	(699)	(566)	(595)
(18)	89	-120%	Income (loss) from continuing operations before income taxes and equity in earnings of operating joint ventures	89	590	(83)	(1,764)	(18)
(7)	41	-117%	Income tax expense (benefit)	41	37	(94)	(464)	(7)
(11)	48	-123%	Income (loss) from continuing operations before equity in earnings of operating joint ventures	48	553	11	(1,300)	(11)

(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 other than those classified as divested businesses. 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

COMBINED BALANCE SHEETS - FINANCIAL SERVICES BUSINESSES
(in millions)

	3/31/2008	6/30/2008	9/30/2008	12/31/2008	3/31/2009
Assets:					
Investments:					
Fixed maturities, available for sale, at fair value (amortized cost $117,893; $116,193; $118,111; $125,753; $123,589)	117,914	114,541	114,626	119,153	116,094
Fixed maturities, held to maturity, at amortized cost (fair value $3,741; $3,490; $3,410; $3,832; $4,629)	3,735	3,572	3,481	3,808	4,661
Trading account assets supporting insurance liabilities, at fair value	14,644	14,624	14,392	13,875	13,973
Other trading account assets, at fair value	2,684	2,984	3,240	4,216	4,445
Equity securities, available for sale, at fair value (cost $4,786; $4,686; $4,634; $4,273; $3,893)	4,551	4,567	4,258	3,665	3,425
Commercial mortgage and other loans	23,444	23,837	24,173	24,366	24,069
Policy loans	4,147	4,207	3,822	4,280	4,230
Securities purchased under agreements to resell	178	184	171	480	—
Other long-term investments	5,266	5,683	5,255	5,383	4,247
Short-term investments	4,176	5,601	6,621	4,092	3,458
Total investments	180,739	179,800	180,039	183,318	178,602
Cash and cash equivalents	8,133	8,762	9,907	13,054	12,748
Accrued investment income	1,540	1,531	1,551	1,603	1,610
Deferred policy acquisition costs	11,924	12,203	12,472	13,127	12,223
Deferred income taxes, net	—	—	—	(533)	(462)
Other assets	22,332	24,982	24,446	21,962	18,452
Separate account assets	181,902	179,323	165,148	147,095	139,638
Total assets	406,570	406,601	393,563	379,626	362,811
Liabilities:					
Future policy benefits	63,536	62,449	62,027	70,221	67,417
Policyholders' account balances	84,949	86,337	90,871	93,991	95,033
Securities sold under agreements to repurchase	3,727	4,307	4,209	4,288	3,743
Cash collateral for loaned securities	2,761	2,808	2,231	2,684	1,966
Income taxes	3,602	2,819	1,315	364	773
Senior short-term debt	13,713	12,895	13,744	10,092	6,651
Senior long-term debt	13,302	13,856	14,602	17,022	17,394
Junior subordinated long-term debt	—	1,398	1,518	1,518	1,518
Other liabilities	17,205	19,575	18,817	17,708	13,753
Separate account liabilities	181,902	179,323	165,148	147,095	139,638
Total liabilities	384,697	385,767	374,482	364,983	347,886
Attributed Equity:					
Accumulated other comprehensive loss	(473)	(1,231)	(2,563)	(5,237)	(5,889)
Other attributed equity	22,005	21,772	21,343	19,529	20,238
Total attributed equity	21,532	20,541	18,780	14,292	14,349
Noncontrolling Interest	341	293	301	351	576
Total Equity	21,873	20,834	19,081	14,643	14,925
Total liabilities and equity	406,570	406,601	393,563	379,626	362,811

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

	Three Months Ended March 31, 2009				
	Total Financial Services Businesses	U.S. Retirement Solutions & Investment Management Division	U.S. Individual Life & Group Insurance Division	International Insurance & Investments Division	Corporate and Other Operations
Revenues (1) :					
Premiums	3,261	175	1,190	1,899	(3)
Policy charges and fee income	734	249	393	99	(7)
Net investment income	2,064	1,146	353	534	31
Asset management fees, commissions and other income	1,949	1,793	77	110	(31)
Total revenues	8,008	3,363	2,013	2,642	(10)
Benefits and Expenses (1):					
Insurance and annuity benefits	3,464	642	1,276	1,501	45
Interest credited to policyholders' account balances	1,086	895	119	119	(47)
Interest expense	247	25	51	1	170
Deferral of acquisition costs	(578)	(149)	(125)	(309)	5
Amortization of acquisition costs	1,205	878	136	202	(11)
General and administrative expenses	2,007	897	423	693	(6)
Total benefits and expenses	7,431	3,188	1,880	2,207	156
Adjusted operating income (loss) before income taxes	577	175	133	435	(166)

	Three Months Ended March 31, 2008				
	Total Financial Services Businesses	U.S. Retirement Solutions & Investment Management Division	U.S. Individual Life & Group Insurance Division	International Insurance & Investments Division	Corporate and Other Operations
Revenues (1):					
Premiums	3,102	219	1,115	1,772	(4)
Policy charges and fee income	824	347	391	87	(1)
Net investment income	2,111	1,125	343	462	181
Asset management fees, commissions and other income	887	697	88	180	(78)
Total revenues	6,924	2,388	1,937	2,501	98
Benefits and Expenses (1):					
Insurance and annuity benefits	3,082	463	1,184	1,413	22
Interest credited to policyholders' account balances	806	635	114	100	(43)
Interest expense	298	66	52	2	178
Deferral of acquisition costs	(588)	(192)	(117)	(294)	15
Amortization of acquisition costs	338	73	115	160	(10)
General and administrative expenses	2,056	985	403	681	(13)
Total benefits and expenses	5,992	2,030	1,751	2,062	149
Adjusted operating income (loss) before income taxes	932	358	186	439	(51)

(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 other than those classified as divested businesses. 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.

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

	As of March 31, 2009				
	Total Financial Services Businesses	U.S. Retirement Solutions & Investment Management Division	U.S. Individual Life & Group Insurance Division	International Insurance & Investments Division	Corporate and Other Operations
Assets:					
Total investments	178,602	84,981	23,667	63,704	6,250
Deferred policy acquisition costs	12,223	1,889	4,619	5,864	(149)
Other assets	32,348	9,136	2,993	9,712	10,507
Separate account assets	139,638	108,233	32,425	274	(1,294)
Total assets	362,811	204,239	63,704	79,554	15,314
Liabilities:					
Future policy benefits	67,417	16,884	8,444	41,651	438
Policyholders' account balances	95,033	62,616	13,883	20,976	(2,442)
Debt	25,563	2,812	5,446	602	16,703
Other liabilities	20,235	6,603	1,721	9,536	2,375
Separate account liabilities	139,638	108,233	32,425	274	(1,294)
Total liabilities	347,886	197,148	61,919	73,039	15,780
Attributed Equity:					
Accumulated other comprehensive loss	(5,889)	(2,646)	(1,528)	(821)	(894)
Other attributed equity	20,238	9,204	3,313	7,299	422
Total attributed equity	14,349	6,558	1,785	6,478	(472)
Noncontrolling Interest	576	533	—	37	6
Total Equity	14,925	7,091	1,785	6,515	(466)
Total liabilities and equity	362,811	204,239	63,704	79,554	15,314

	As of December 31, 2008				
	Total Financial Services Businesses	U.S. Retirement Solutions & Investment Management Division	U.S. Individual Life & Group Insurance Division	International Insurance & Investments Division	Corporate and Other Operations
Assets:					
Total investments	183,318	87,244	23,560	65,891	6,623
Deferred policy acquisition costs	13,127	2,683	4,573	6,051	(180)
Other assets	36,086	9,924	3,028	12,866	10,268
Separate account assets	147,095	115,791	32,277	270	(1,243)
Total assets	379,626	215,642	63,438	85,078	15,468
Liabilities:					
Future policy benefits	70,221	18,251	8,213	43,317	440
Policyholders' account balances	93,991	62,285	13,527	21,674	(3,495)
Debt	28,632	4,137	5,448	620	18,427
Other liabilities	25,044	8,039	1,904	12,912	2,189
Separate account liabilities	147,095	115,791	32,277	270	(1,243)
Total liabilities	364,983	208,503	61,369	78,793	16,318
Attributed Equity:					
Accumulated other comprehensive loss	(5,237)	(2,422)	(1,278)	(562)	(975)
Other attributed equity	19,529	9,255	3,347	6,808	119
Total attributed equity	14,292	6,833	2,069	6,246	(856)
Noncontrolling Interest	351	306	—	39	6
Total Equity	14,643	7,139	2,069	6,285	(850)
Total liabilities and equity	379,626	215,642	63,438	85,078	15,468

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

	As of March 31, 2009				As of December 31, 2008			
	Senior debt		Junior Subordinated		Senior debt		Junior Subordinated	
	Short-term Debt	Long-term Debt	Long-term Debt	Total Debt	Short-term Debt	Long-term Debt	Long-term Debt	Total Debt
Financial Services Businesses								
Borrowings by use of proceeds:								
Capital Debt	222	6,237	1,518	7,977	925	5,092	1,518	7,535
Investment related	4,423	8,552	—	12,975	6,245	9,792	—	16,037
Securities business related	1,454	1,610	—	3,064	1,806	1,550	—	3,356
Specified other businesses	462	259	—	721	778	264	—	1,042
Limited recourse and non-recourse borrowing	90	736	—	826	338	324	—	662
Total debt - Financial Services Businesses	6,651	17,394	1,518	25,563	10,092	17,022	1,518	28,632
Ratio of long-term and short-term capital debt to capitalization (1)				23.9%				23.3%
Closed Block Business								
Investment related	—	—	—	—	443	—	—	443
Limited recourse and non-recourse borrowing	—	1,750	—	1,750	—	1,750	—	1,750
Total debt	—	1,750	—	1,750	443	1,750	—	2,193

	As of March 31, 2009				As of December 31, 2008			
	Prudential Financial, Inc.	The Prudential Insurance Co. of America (2)(3)	Other Affiliates	Total	Prudential Financial, Inc.	The Prudential Insurance Co. of America (2)(3)	Other Affiliates	Total
Financial Services Businesses								
Borrowings by sources:								
Capital Debt	6,792	976	209	7,977	6,837	462	236	7,535
Investment related	7,253	2,465	3,257	12,975	8,819	3,991	3,227	16,037
Securities business related	520	2,388	156	3,064	694	2,430	232	3,356
Specified other businesses	277	444	—	721	290	752	—	1,042
Limited recourse and non-recourse borrowing	—	—	826	826	—	—	662	662
Total debt - Financial Services Businesses	14,842	6,273	4,448	25,563	16,640	7,635	4,357	28,632

(1) For the purposes of calculating the ratio of capital debt to capitalization, Junior Subordinated Notes are considered 25% debt and 75% equity.
(2) Includes Prudential Funding, LLC.
(3) Capital debt at Prudential Insurance Co. of America includes $441 million of Surplus Notes for March 31, 2009 and $444 million for December 31, 2008.

COMBINED STATEMENTS OF OPERATIONS - U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION
(in millions)

Year-to-date 2009	Year-to-date 2008	% Change		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
			Revenues (1):					
175	219	-20%	Premiums	219	151	75	209	175
249	347	-28%	Policy charges and fee income	347	353	331	256	249
1,146	1,125	2%	Net investment income	1,125	1,155	1,068	1,101	1,146
1,793	697	157%	Asset management fees, commissions and other income	697	734	517	191	1,793
3,363	2,388	41%	Total revenues	2,388	2,393	1,991	1,757	3,363
			Benefits and Expenses (1):					
642	463	39%	Insurance and annuity benefits	463	398	593	814	642
895	635	41%	Interest credited to policyholders’ account balances	635	635	679	707	895
25	66	-62%	Interest expense	66	51	54	54	25
(149)	(192)	22%	Deferral of acquisition costs	(192)	(183)	(166)	(148)	(149)
878	73	1103%	Amortization of acquisition costs	73	84	140	126	878
897	985	-9%	General and administrative expenses	985	923	873	1,179	897
3,188	2,030	57%	Total benefits and expenses	2,030	1,908	2,173	2,732	3,188
175	358	-51%	Adjusted operating income (loss) before income taxes	358	485	(182)	(975)	175

(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.
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 - U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION
(in millions)

	Three Months Ended March 31, 2009			
	Total U.S. Retirement Solutions & Investment Management Division	Individual Annuities	Retirement	Asset Management
Revenues (1):				
Premiums	175	17	158	—
Policy charges and fee income	249	200	49	—
Net investment income	1,146	274	861	11
Asset management fees, commissions and other income	1,793	1,401	140	252
Total revenues	3,363	1,892	1,208	263
Benefits and Expenses (1):				
Insurance and annuity benefits	642	304	338	—
Interest credited to policyholders' account balances	895	407	488	—
Interest expense	25	4	12	9
Deferral of acquisition costs	(149)	(132)	(14)	(3)
Amortization of acquisition costs	878	862	12	4
General and administrative expenses (2)	897	430	213	254
Total benefits and expenses	3,188	1,875	1,049	264
Adjusted operating income (loss) before income taxes	175	17	159	(1)

	Three Months Ended March 31, 2008			
	Total U.S. Retirement Solutions & Investment Management Division	Individual Annuities	Retirement	Asset Management
Revenues (1):				
Premiums	219	19	200	—
Policy charges and fee income	347	304	43	—
Net investment income	1,125	161	893	71
Asset management fees, commissions and other income	697	89	131	477
Total revenues	2,388	573	1,267	548
Benefits and Expenses (1):				
Insurance and annuity benefits	463	71	392	—
Interest credited to policyholders' account balances	635	102	533	—
Interest expense	66	14	30	22
Deferral of acquisition costs	(192)	(163)	(25)	(4)
Amortization of acquisition costs	73	63	5	5
General and administrative expenses (2)	985	371	208	406
Total benefits and expenses	2,030	458	1,143	429
Adjusted operating income before income taxes	358	115	124	119

(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. 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) General and administrative expenses for Individual Annuities include $150 million for the three months ended March 31, 2009 and $30 million for the three months ended March 31, 2008, for the amortization, net of interest, of value of business acquired (VOBA).

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION - INDIVIDUAL ANNUITIES SALES RESULTS, ACCOUNT VALUES AND MINIMUM GUARANTEES
(in millions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		SALES AND ACCOUNT VALUES:					
		Variable Annuities:					
60,007	80,330	Beginning total account value	80,330	74,977	74,707	67,968	60,007
2,108	2,829	Sales	2,829	2,740	2,507	2,132	2,108
(1,443)	(2,173)	Surrenders and withdrawals	(2,173)	(2,185)	(1,988)	(1,654)	(1,443)
665	656	Net sales	656	555	519	478	665
(256)	(294)	Benefit payments	(294)	(262)	(259)	(242)	(256)
409	362	Net flows	362	293	260	236	409
(2,269)	(5,409)	Change in market value, interest credited, and other	(5,409)	(246)	(6,712)	(7,986)	(2,269)
(205)	(306)	Policy charges	(306)	(317)	(287)	(211)	(205)
57,942	74,977	Ending total account value	74,977	74,707	67,968	60,007	57,942
		Fixed Annuities:					
3,295	3,488	Beginning total account value	3,488	3,440	3,394	3,349	3,295
55	17	Sales	17	24	33	47	55
(77)	(53)	Surrenders and withdrawals	(53)	(61)	(71)	(91)	(77)
(22)	(36)	Net redemptions	(36)	(37)	(38)	(44)	(22)
(43)	(43)	Benefit payments	(43)	(40)	(37)	(40)	(43)
(65)	(79)	Net flows	(79)	(77)	(75)	(84)	(65)
33	32	Interest credited and other	32	31	32	32	33
—	(1)	Policy charges	(1)	—	(2)	(2)	—
3,263	3,440	Ending total account value	3,440	3,394	3,349	3,295	3,263
		SALES BY DISTRIBUTION CHANNEL: (1)					
		Variable and Fixed Annuities (2):					
465	646	Insurance Agents	646	673	589	540	465
344	323	Wirehouses	323	324	340	264	344
1,353	1,878	Independent Financial Planners (3)	1,878	1,767	1,611	1,375	1,353
2,163	2,846	Total	2,846	2,764	2,540	2,179	2,163
		VARIABLE ANNUITY MINIMUM DEATH BENEFIT GUARANTEES (4):					
		Return of net deposits:					
		Account value	40,817	41,272	38,285	34,892	34,313
		Net amount at risk	1,631	1,750	3,572	6,462	7,433
		Minimum return, anniversary contract value, or maximum contract value:					
		Account value	29,401	28,717	25,469	21,494	20,208
		Net amount at risk	3,823	4,032	6,431	9,640	10,503
		Variable Annuity Account Values with Living Benefit Features (4):					
		Guaranteed minimum accumulation benefits	10,933	10,867	10,221	9,891	9,793
		Guaranteed minimum withdrawal benefits	2,006	1,902	1,646	1,326	1,198
		Guaranteed minimum income benefits	6,233	5,958	5,149	4,114	3,750
		Guaranteed minimum withdrawal & income benefits	16,863	18,372	18,153	17,723	18,470
		Total	36,035	37,099	35,169	33,054	33,211

(1) Production of certain firms have been reclassified between channels for earlier periods to conform to current reporting classification.
(2) Amounts represent gross sales.
(3) Including bank distribution.
(4) At end of period.

Prudential

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION - INDIVIDUAL ANNUITIES ACCOUNT VALUE ACTIVITY
(in millions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		INDIVIDUAL ANNUITIES:					
		Account Values in General Account (1):					
18,110	8,644	Beginning balance	8,644	12,013	12,282	17,051	18,110
83	73	Premiums and deposits	73	51	70	81	83
(386)	(251)	Surrenders and withdrawals	(251)	(254)	(296)	(433)	(386)
(303)	(178)	Net redemptions	(178)	(203)	(226)	(352)	(303)
(93)	(103)	Benefit payments	(103)	(80)	(87)	(92)	(93)
(396)	(281)	Net flows	(281)	(283)	(313)	(444)	(396)
156	99	Interest credited and other	99	105	121	159	156
338	3,552	Net transfers from separate account	3,552	447	4,963	1,346	338
—	(1)	Policy charges	(1)	—	(2)	(2)	—
18,208	12,013	Ending balance	12,013	12,282	17,051	18,110	18,208
		Account Values in Separate Account:					
45,192	75,174	Beginning balance	75,174	66,404	65,819	54,266	45,192
2,080	2,773	Premiums and deposits	2,773	2,713	2,470	2,098	2,080
(1,134)	(1,975)	Surrenders and withdrawals	(1,975)	(1,992)	(1,763)	(1,312)	(1,134)
946	798	Net sales	798	721	707	786	946
(206)	(234)	Benefit payments	(234)	(222)	(209)	(190)	(206)
740	564	Net flows	564	499	498	596	740
(2,392)	(5,476)	Change in market value, interest credited and other	(5,476)	(320)	(6,801)	(8,113)	(2,392)
(338)	(3,552)	Net transfers to general account	(3,552)	(447)	(4,963)	(1,346)	(338)
(205)	(306)	Policy charges	(306)	(317)	(287)	(211)	(205)
42,997	66,404	Ending balance	66,404	65,819	54,266	45,192	42,997

(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.

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION - RETIREMENT SEGMENT SALES RESULTS AND ACCOUNT VALUES
(in millions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		RETIREMENT SEGMENT SALES AND ACCOUNT VALUES					
		Full Service:					
99,738	112,192	Beginning total account value	112,192	107,060	106,917	100,463	99,738
10,489	4,586	Deposits and sales	4,586	4,530	3,276	6,549	10,489
(4,231)	(3,933)	Withdrawals and benefits	(3,933)	(4,366)	(2,883)	(3,869)	(4,231)
(3,837)	(5,785)	Change in market value, interest credited and interest income	(5,785)	(307)	(6,847)	(12,320)	(3,837)
—	—	Acquisition (1)	—	—	—	8,915	—
102,159	107,060	Ending total account value	107,060	106,917	100,463	99,738	102,159
6,258	653	Net additions	653	164	393	2,680	6,258
		Stable value account values included above	33,279	33,883	34,570	35,346	36,601
		Institutional Investment Products:					
50,491	51,591	Beginning total account value	51,591	51,667	51,513	50,041	50,491
627	1,810	Additions (2)	1,810	1,606	1,052	1,270	627
(2,037)	(1,702)	Withdrawals and benefits	(1,702)	(1,944)	(2,114)	(1,632)	(2,037)
(152)	561	Change in market value, interest credited and interest income	561	241	153	1,243	(152)
101	(593)	Other (3)	(593)	(57)	(563)	(431)	101
49,030	51,667	Ending total account value	51,667	51,513	50,041	50,491	49,030
(1,410)	108	Net additions (withdrawals)	108	(338)	(1,062)	(362)	(1,410)

(1) On October 10, 2008, the company acquired MullinTBG Insurance Agency Services, LLC and related entities.

(2) Includes $700 million for the three months ended December 31, 2008 representing transfers of externally managed client balances to accounts managed by the company. This addition is offset within the "Other" category as there is no net impact on ending account values for this transfer.

(3) "Other" activity includes transfers from (to) the Asset Management segment of $(206) million, $115 million, $(20) million and $543 million for the first, second, third and fourth quarters of 2008, respectively. "Other" activity also includes $(700) million for the three months ended December 31, 2008 related to transfers discussed above in note 2. For the three months ended March 31, 2009, Other includes $1,500 million representing collateralized funding agreements issued to the Federal Home Loan Bank of New York (FHLBNY) and $(1,015) million representing terminations of affiliated funding agreements utilizing proceeds from the issuances to FHLBNY. The remainder of "other" activity primarily represents changes in asset balances for externally managed accounts.

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION - SUPPLEMENTARY REVENUE AND ASSETS UNDER MANAGEMENT INFORMATION FOR ASSET MANAGEMENT SEGMENT

Supplementary Revenue Information (in millions):

Year-to-date 2009	Year-to-date 2008	% Change		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
			Analysis of revenues by type:					
239	281	-15%	Asset management fees	281	288	289	257	239
(35)	88	-140%	Incentive, transaction, principal investing and commercial mortgage revenues	88	152	(49)	(141)	(35)
59	179	-67%	Service, distribution and other revenues	179	124	105	113	59
263	548	-52%	Total Asset Management segment revenues	548	564	345	229	263
			Analysis of asset management fees by source:					
119	133	-11%	Institutional customers	133	136	138	133	119
56	81	-31%	Retail customers	81	85	83	58	56
64	67	-4%	General account	67	67	68	66	64
239	281	-15%	Total asset management fees	281	288	289	257	239

Supplementary Assets Under Management Information (in billions):

March 31, 2009	Equity	Fixed Income	Real Estate	Total
Institutional customers	35.2	94.6	22.9	152.7
Retail customers	36.5	23.2	1.6	61.3
General account	2.9	168.6	0.8	172.3
Total	74.6	286.4	25.3	386.3

March 31, 2008	Equity	Fixed Income	Real Estate	Total
Institutional customers	52.1	93.3	28.8	174.2
Retail customers	60.2	20.0	1.6	81.8
General account	4.2	172.8	0.9	177.9
Total	116.5	286.1	31.3	433.9

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION - SUPPLEMENTARY ASSETS UNDER MANAGEMENT AND ADMINISTRATION INFORMATION FOR ASSET MANAGEMENT SEGMENT
(in billions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Institutional Assets Under Management:					
		Assets gathered by Investment Management & Advisory Services sales force:					
128.5	141.7	Beginning assets under management	141.7	140.1	145.8	138.6	128.5
4.9	6.3	Additions	6.3	10.9	6.3	6.1	4.9
(4.6)	(4.3)	Withdrawals	(4.3)	(4.5)	(4.8)	(5.9)	(4.6)
(7.3)	(2.8)	Change in market value	(2.8)	(0.5)	(8.4)	(10.7)	(7.3)
(0.9)	(1.0)	Net money market flows	(1.0)	(0.1)	(0.3)	0.9	(0.9)
—	0.2	Other (1)	0.2	(0.1)	—	(0.5)	—
120.6	140.1	Ending assets under management	140.1	145.8	138.6	128.5	120.6
32.1	34.1	Affiliated institutional assets under management	34.1	33.5	32.3	32.7	32.1
152.7	174.2	Total assets managed for institutional customers at end of period	174.2	179.3	170.9	161.2	152.7
0.3	2.0	Net institutional additions, excluding money market and other activity (1)	2.0	6.4	1.5	0.2	0.3
		Retail Assets Under Management:					
		Assets gathered by Investment Management & Advisory Services sales force:					
33.4	50.9	Beginning assets under management	50.9	48.2	50.7	43.4	33.4
3.5	3.5	Additions	3.5	3.8	4.4	3.4	3.5
(3.3)	(2.5)	Withdrawals	(2.5)	(2.9)	(4.3)	(5.0)	(3.3)
(0.7)	(4.0)	Change in market value	(4.0)	1.9	(7.5)	(8.4)	(0.7)
0.7	0.3	Net money market flows	0.3	(0.3)	0.1	—	0.7
—	—	Other	—	—	—	—	—
33.5	48.2	Ending assets under management	48.2	50.7	43.4	33.4	33.5
27.8	33.6	Affiliated retail assets under management	33.6	33.9	32.0	28.2	27.8
61.3	81.8	Total assets managed for retail customers at end of period	81.8	84.6	75.4	61.6	61.3
0.2	1.0	Net retail additions (withdrawals), excluding money market activity	1.0	0.9	0.1	(1.6)	0.2

(1) Other activity represents transfers from (to) the Retirement Segment as a result of a change in client contract form. These assets continue to be managed by the segment and are included in Affiliated institutional assets under management above.

COMBINED STATEMENTS OF OPERATIONS - U.S. INDIVIDUAL LIFE AND GROUP INSURANCE DIVISION
(in millions)

Year-to-date 2009	Year-to-date 2008	% Change		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
			Revenues (1):					
1,190	1,115	7%	Premiums	1,115	1,076	1,099	1,091	1,190
393	391	1%	Policy charges and fee income	391	380	313	441	393
353	343	3%	Net investment income	343	343	353	357	353
77	88	-13%	Asset management fees, commissions and other income	88	95	149	80	77
2,013	1,937	4%	Total revenues	1,937	1,894	1,914	1,969	2,013
			Benefits and Expenses (1):					
1,276	1,184	8%	Insurance and annuity benefits	1,184	1,168	1,136	1,210	1,276
119	114	4%	Interest credited to policyholders' account balances	114	113	119	117	119
51	52	-2%	Interest expense	52	50	51	62	51
(125)	(117)	-7%	Deferral of acquisition costs	(117)	(122)	(121)	(126)	(125)
136	115	18%	Amortization of acquisition costs	115	87	(37)	222	136
423	403	5%	General and administrative expenses	403	415	427	406	423
1,880	1,751	7%	Total benefits and expenses	1,751	1,711	1,575	1,891	1,880
133	186	-28%	Adjusted operating income before income taxes	186	183	339	78	133

(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.

COMBINING STATEMENTS OF OPERATIONS - U.S. INDIVIDUAL LIFE AND GROUP INSURANCE DIVISION
(in millions)

	Three Months Ended March 31, 2009		
	Total U.S. Individual Life & Group Insurance Division	Individual Life	Group Insurance
Revenues (1):			
Premiums	1,190	160	1,030
Policy charges and fee income	393	276	117
Net investment income	353	197	156
Asset management fees, commissions and other income	77	47	30
Total revenues	2,013	680	1,333
Benefits and Expenses (1):			
Insurance and annuity benefits	1,276	272	1,004
Interest credited to policyholders' account balances	119	62	57
Interest expense	51	51	—
Deferral of acquisition costs	(125)	(115)	(10)
Amortization of acquisition costs	136	128	8
General and administrative expenses	423	242	181
Total benefits and expenses	1,880	640	1,240
Adjusted operating income before income taxes	133	40	93

	Three Months Ended March 31, 2008		
	Total U.S. Individual Life & Group Insurance Division	Individual Life	Group Insurance
Revenues (1):			
Premiums	1,115	148	967
Policy charges and fee income	391	285	106
Net investment income	343	180	163
Asset management fees, commissions and other income	88	67	21
Total revenues	1,937	680	1,257
Benefits and Expenses (1):			
Insurance and annuity benefits	1,184	239	945
Interest credited to policyholders' account balances	114	55	59
Interest expense	52	52	—
Deferral of acquisition costs	(117)	(108)	(9)
Amortization of acquisition costs	115	111	4
General and administrative expenses	403	235	168
Total benefits and expenses	1,751	584	1,167
Adjusted operating income before income taxes	186	96	90

(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.

U.S. INDIVIDUAL LIFE AND GROUP INSURANCE DIVISION - INDIVIDUAL LIFE ANNUALIZED NEW BUSINESS PREMIUMS, ACCOUNT VALUE ACTIVITY, AND FACE AMOUNT IN FORCE
(in millions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		ANNUALIZED NEW BUSINESS PREMIUMS:					
		Excluding corporate-owned life insurance:					
4	11	Variable life	11	10	8	10	4
28	17	Universal life	17	22	21	23	28
52	51	Term life	51	52	53	53	52
84	79	Total excluding corporate-owned life insurance	79	84	82	86	84
—	—	Corporate-owned life insurance	—	—	—	—	—
84	79	Total	79	84	82	86	84
		ANNUALIZED NEW BUSINESS PREMIUMS BY DISTRIBUTION CHANNEL:					
		Excluding corporate-owned life insurance:					
22	28	Prudential Agents	28	29	26	26	22
62	51	Third party distribution	51	55	56	60	62
—	—	Corporate-owned life insurance	—	—	—	—	—
84	79	Total	79	84	82	86	84
		ACCOUNT VALUE ACTIVITY:					
		Policyholders' Account Balances (1):					
7,397	6,582	Beginning balance	6,582	6,676	6,948	7,212	7,397
570	370	Premiums and deposits	370	409	372	462	570
(278)	(238)	Surrenders and withdrawals	(238)	(211)	(248)	(303)	(278)
292	132	Net sales	132	198	124	159	292
(34)	(39)	Benefit payments	(39)	(38)	(41)	(41)	(34)
258	93	Net flows	93	160	83	118	258
81	9	Interest credited and other	9	130	180	78	81
45	63	Net transfers from separate account	63	59	75	70	45
(90)	(71)	Policy charges	(71)	(77)	(74)	(81)	(90)
7,691	6,676	Ending balance	6,676	6,948	7,212	7,397	7,691
		Separate Account Liabilities:					
12,848	18,585	Beginning balance	18,585	17,276	17,387	15,476	12,848
315	304	Premiums and deposits	304	311	386	409	315
(328)	(162)	Surrenders and withdrawals	(162)	(215)	(173)	(277)	(328)
(13)	142	Net sales (redemptions)	142	96	213	132	(13)
(2)	(10)	Benefit payments	(10)	(22)	(6)	17	(2)
(15)	132	Net flows	132	74	207	149	(15)
(500)	(1,183)	Change in market value, interest credited and other	(1,183)	288	(1,849)	(2,524)	(500)
(45)	(63)	Net transfers to general account	(63)	(59)	(75)	(70)	(45)
(178)	(195)	Policy charges	(195)	(192)	(194)	(183)	(178)
12,110	17,276	Ending balance	17,276	17,387	15,476	12,848	12,110
		FACE AMOUNT IN FORCE (2):					
		Variable life	135,519	134,691	131,608	127,503	124,600
		Universal life	26,201	27,091	27,999	29,070	30,537
		Term life	331,139	345,467	359,887	373,927	386,218
		Total	492,859	507,249	519,494	530,500	541,354

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

U.S. INDIVIDUAL LIFE AND GROUP INSURANCE DIVISION - SUPPLEMENTARY INFORMATION FOR INDIVIDUAL LIFE INSURANCE
(dollar amounts in millions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Individual Life Insurance:					
		Policy Surrender Experience:					
256	178	Cash value of surrenders	178	196	188	240	256
5.5%	3.1%	Cash value of surrenders as a percentage of mean future policy benefits, policyholders' account balances, and separate account balances	3.1%	3.5%	3.5%	4.8%	5.5%
		Death benefits per $1,000 of in force (1):					
4.71	3.62	Variable and universal life	3.62	4.14	3.23	3.58	4.71
1.14	1.59	Term life	1.59	1.53	1.46	0.97	1.14
3.14	2.92	Total, Individual Life Insurance	2.92	3.08	2.51	2.43	3.14

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

U.S. INDIVIDUAL LIFE AND GROUP INSURANCE DIVISION - SUPPLEMENTARY INFORMATION FOR GROUP INSURANCE
(dollar amounts in millions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		GROUP INSURANCE ANNUALIZED NEW BUSINESS PREMIUMS:					
210	112	Group life	112	30	70	76	210
134	114	Group disability (1)	114	17	47	26	134
344	226	Total	226	47	117	102	344
		Future Policy Benefits (2):					
		Group life (3)	2,044	2,046	2,015	2,227	2,169
		Group disability (1)	774	810	865	898	1,015
		Total	2,818	2,856	2,880	3,125	3,184
		Policyholders' Account Balances (2):					
		Group life (3)	5,961	6,143	5,785	5,958	6,033
		Group disability (1)	137	149	152	172	159
		Total	6,098	6,292	5,937	6,130	6,192
		Separate Account Liabilities (2):					
		Group life	19,363	17,941	19,943	19,429	20,315
		Group disability (1)	—	—	—	—	—
		Total	19,363	17,941	19,943	19,429	20,315
		Group Life Insurance:					
920	949	Gross premiums, policy charges and fee income (4)	949	912	840	922	920
857	793	Earned premiums, policy charges and fee income	793	810	789	840	857
88.0%	87.1%	Benefits ratio	87.1%	89.4%	88.1%	89.9%	88.0%
8.8%	8.2%	Administrative operating expense ratio	8.2%	8.2%	9.4%	8.7%	8.8%
		Persistency ratio	94.7%	94.0%	93.6%	93.3%	95.8%
		Group Disability Insurance (1):					
297	288	Gross premiums, policy charges and fee income (4)	288	238	265	241	297
290	280	Earned premiums, policy charges and fee income	280	225	259	231	290
86.2%	91.1%	Benefits ratio	91.1%	86.2%	81.5%	90.0%	86.2%
17.9%	17.4%	Administrative operating expense ratio	17.4%	22.3%	19.3%	20.8%	17.9%
		Persistency ratio	91.4%	90.4%	86.7%	85.6%	94.5%

(1) Group disability amounts include long-term care products.
(2) As of end of period.
(3) Amounts as reported herein reflect certain reclassifications to conform to current reporting practices.
(4) Before returns of premiums to participating policyholders for favorable claims experience.

DEFERRED POLICY ACQUISITION COSTS - INDIVIDUAL ANNUITIES, INDIVIDUAL LIFE AND GROUP INSURANCE
(in millions)

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		INDIVIDUAL ANNUITIES:					
2,329	1,976	Beginning balance	1,976	2,093	2,199	2,294	2,329
132	163	Capitalization	163	155	149	130	132
(862)	(63)	Amortization - operating results	(63)	(76)	(121)	(119)	(862)
2	15	Amortization - realized investment gains and losses	15	(5)	10	(10)	2
(21)	2	Impact of unrealized (gains) or losses on AFS securities	2	32	57	34	(21)
1,580	2,093	Ending balance	2,093	2,199	2,294	2,329	1,580
		INDIVIDUAL LIFE INSURANCE:					
4,226	3,855	Beginning balance	3,855	3,805	3,963	4,207	4,226
115	108	Capitalization	108	113	111	113	115
(128)	(111)	Amortization - operating results	(111)	(83)	40	(218)	(128)
—	—	Amortization - realized investment gains and losses	—	—	—	—	—
57	(47)	Impact of unrealized (gains) or losses on AFS securities	(47)	128	93	124	57
4,270	3,805	Ending balance	3,805	3,963	4,207	4,226	4,270
		GROUP INSURANCE:					
347	321	Beginning balance	321	326	331	338	347
10	9	Capitalization	9	9	10	13	10
(8)	(4)	Amortization - operating results	(4)	(4)	(3)	(4)	(8)
—	—	Amortization - realized investment gains and losses	—	—	—	—	—
—	—	Impact of unrealized losses on AFS securities	—	—	—	—	—
349	326	Ending balance	326	331	338	347	349

Prudential

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

Year-to-date 2009	Year-to-date 2008	% Change		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
			Revenues (1):					
1,899	1,772	7%	Premiums	1,772	1,736	1,627	1,698	1,899
99	87	14%	Policy charges and fee income	87	82	83	90	99
534	462	16%	Net investment income	462	504	514	528	534
110	180	-39%	Asset management fees, commissions and other income	180	161	159	(213)	110
2,642	2,501	6%	Total revenues	2,501	2,483	2,383	2,103	2,642
			Benefits and Expenses (1):					
1,501	1,413	6%	Insurance and annuity benefits	1,413	1,360	1,279	1,325	1,501
119	100	19%	Interest credited to policyholders' account balances	100	101	106	109	119
1	2	-50%	Interest expense	2	4	1	2	1
(309)	(294)	-5%	Deferral of acquisition costs	(294)	(299)	(281)	(299)	(309)
202	160	26%	Amortization of acquisition costs	160	152	144	182	202
693	681	2%	General and administrative expenses	681	686	637	797	693
2,207	2,062	7%	Total benefits and expenses	2,062	2,004	1,886	2,116	2,207
435	439	-1%	Adjusted operating income (loss) before income taxes	439	479	497	(13)	435

(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 - INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION
(in millions)

	Three Months Ended March 31, 2009			
	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments
Revenues (1):				
Premiums	1,899	1,285	614	—
Policy charges and fee income	99	78	21	—
Net investment income	534	254	272	8
Asset management fees, commissions and other income	110	25	(12)	97
Total revenues	2,642	1,642	895	105
Benefits and Expenses (1):				
Insurance and annuity benefits	1,501	1,018	483	—
Interest credited to policyholders' account balances	119	48	71	—
Interest expense	1	3	(2)	—
Deferral of acquisition costs	(309)	(219)	(90)	—
Amortization of acquisition costs	202	138	64	—
General and administrative expenses	693	360	238	95
Total benefits and expenses	2,207	1,348	764	95
Adjusted operating income before income taxes	435	294	131	10

	Three Months Ended March 31, 2008			
	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments
Revenues (1):				
Premiums	1,772	1,262	510	—
Policy charges and fee income	87	70	17	—
Net investment income	462	232	216	14
Asset management fees, commissions and other income	180	13	5	162
Total revenues	2,501	1,577	748	176
Benefits and Expenses (1):				
Insurance and annuity benefits	1,413	1,001	412	—
Interest credited to policyholders' account balances	100	43	57	—
Interest expense	2	3	(2)	1
Deferral of acquisition costs	(294)	(221)	(73)	—
Amortization of acquisition costs	160	121	39	—
General and administrative expenses	681	345	187	149
Total benefits and expenses	2,062	1,292	620	150
Adjusted operating income before income taxes	439	285	128	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 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 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Japanese Yen Basis Results:					
		Revenues (1):					
¥124,975	¥117,421	Japanese insurance operations excluding Gibraltar Life	¥117,421	¥107,786	¥110,522	¥110,212	¥124,975
84,867	82,122	Gibraltar Life	82,122	86,092	84,570	83,070	84,867
209,842	199,543	Total revenues, Japan, yen basis	199,543	193,878	195,092	193,282	209,842
		Benefits and Expenses (1):					
101,197	92,701	Japanese insurance operations excluding Gibraltar Life	92,701	83,323	83,006	86,952	101,197
70,551	68,126	Gibraltar Life	68,126	68,623	65,640	66,538	70,551
171,748	160,827	Total benefits and expenses, Japan, yen basis	160,827	151,946	148,646	153,490	171,748
		Adjusted operating income (2):					
23,778	24,720	Japanese insurance operations excluding Gibraltar Life	24,720	24,463	27,516	23,260	23,778
14,316	13,996	Gibraltar Life	13,996	17,469	18,930	16,532	14,316
¥ 38,094	¥ 38,716	Total adjusted operating income, Japan, yen basis	¥ 38,716	¥ 41,932	¥ 46,446	¥ 39,792	¥ 38,094
		U.S. Dollar adjusted operating income (3):					
$ 237	$ 231	Japanese insurance operations excluding Gibraltar Life	$ 231	$ 236	$ 252	$ 224	$ 237
131	128	Gibraltar Life	128	167	167	160	131
368	359	Total adjusted operating income, Japan, U.S. dollar basis	359	403	419	384	368
57	54	All other countries (4)	54	50	41	37	57
$ 425	$ 413	Total adjusted operating income, International Insurance segment, U.S. dollar basis	$ 413	$ 453	$ 460	$ 421	$ 425

(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.
(4) Results include corporate management and development expenses incurred in the U.S. related to Japanese Insurance operations excluding Gibraltar Life.

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

Year-to-date 2009	Year-to-date 2008		2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		INTERNATIONAL INSURANCE OPERATING DATA:					
		Actual exchange rate basis (1):					
		Net premiums, policy charges and fee income:					
1,084	953	Japan, excluding Gibraltar Life	953	859	839	924	1,084
635	527	Gibraltar Life	527	593	515	559	635
279	379	All other countries	379	366	356	305	279
1,998	1,859	Total	1,859	1,818	1,710	1,788	1,998
		Annualized new business premiums:					
173	163	Japan, excluding Gibraltar Life	163	125	120	123	173
113	94	Gibraltar Life	94	148	111	101	113
47	72	All other countries	72	63	55	54	47
333	329	Total	329	336	286	278	333
		Annualized new business premiums by distribution channel:					
220	235	Life Planners	235	188	175	177	220
92	88	Gibraltar Life Advisors	88	127	96	89	92
21	6	Banks	6	21	15	12	21
333	329	Total	329	336	286	278	333
		Constant exchange rate basis (2):					
		Net premiums, policy charges and fee income:					
995	944	Japan, excluding Gibraltar Life	944	850	850	860	995
546	542	Gibraltar Life	542	575	522	534	546
383	375	All other countries	375	374	380	400	383
1,924	1,861	Total	1,861	1,799	1,752	1,794	1,924
		Annualized new business premiums:					
161	161	Japan, excluding Gibraltar Life	161	124	122	115	161
105	96	Gibraltar Life	96	147	112	99	105
63	72	All other countries	72	64	56	68	63
329	329	Total	329	335	290	282	329
		Annualized new business premiums by distribution channel:					
224	233	Life Planners	233	188	178	183	224
84	90	Gibraltar Life Advisors	90	125	97	87	84
21	6	Banks	6	22	15	12	21
329	329	Total	329	335	290	282	329

(1) Translated based on applicable average exchange rates for the period shown.
(2) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 106 per U.S. dollar; Korean won 950 per U.S. dollar. U.S. denominated activity is included based on the amounts as transacted in U.S. dollars.

INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION - SALES RESULTS AND SUPPLEMENTARY INFORMATION

	2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
Face amount of individual policies in force at end of period (in billions) (1)(2):					
(Constant exchange rate basis)					
Japan, excluding Gibraltar Life	242	244	246	248	250
Gibraltar Life	185	184	184	183	182
All other countries	107	108	108	108	108
Total	534	536	538	539	540
Number of individual policies in force at end of period (in thousands) (2):					
Japan, excluding Gibraltar Life	2,232	2,258	2,288	2,313	2,353
Gibraltar Life	3,804	3,782	3,788	3,796	3,787
All other countries	1,311	1,323	1,333	1,348	1,359
Total	7,347	7,363	7,409	7,457	7,499
International life insurance policy persistency:					
Excluding Gibraltar Life:					
13 months	92.4%	92.0%	92.1%	92.6%	92.2%
25 months	85.9%	85.3%	85.5%	86.2%	85.0%
Gibraltar Life:					
13 months	91.2%	90.8%	91.1%	91.1%	91.2%
25 months	87.2%	86.4%	85.3%	84.0%	83.4%
Number of Life Planners at end of period:					
Japan	3,108	3,079	3,084	3,071	3,078
All other countries	3,030	3,100	3,183	3,294	3,319
Total life planners	6,138	6,179	6,267	6,365	6,397
Gibraltar Life Advisors	6,035	5,899	6,057	6,330	6,170

(1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 106 per U.S. dollar; Korean won 950 per U.S. dollar. U.S. denominated activity is included based on the amounts as transacted in U.S. dollars.

(2) Direct business only; policy count includes annuities.

INVESTMENT PORTFOLIO COMPOSITION
(in millions)

	March 31, 2009				December 31, 2008			
	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	122,634	26,789	95,845	56.7%	126,149	27,424	98,725	57.5%
Public, held to maturity, at amortized cost	3,798	—	3,798	2.2%	3,002	—	3,002	1.7%
Private, available for sale, at fair value	30,102	11,657	18,445	10.9%	30,047	11,479	18,568	10.8%
Private, held to maturity, at amortized cost	863	—	863	0.5%	806	—	806	0.5%
Trading account assets supporting insurance liabilities, at fair value	13,973	—	13,973	8.3%	13,875	—	13,875	8.1%
Other trading account assets, at fair value (1)	1,638	133	1,505	0.9%	848	120	728	0.4%
Equity securities, available for sale, at fair value	5,538	2,126	3,412	2.0%	6,059	2,400	3,659	2.1%
Commercial loans	30,622	8,669	21,953	13.0%	30,840	8,748	22,092	12.9%
Policy loans	9,681	5,451	4,230	2.5%	9,703	5,423	4,280	2.5%
Other long-term investments (2)	4,552	1,786	2,766	1.6%	4,664	1,629	3,035	1.8%
Short-term investments (3)	3,554	1,214	2,340	1.4%	4,358	1,484	2,874	1.7%
Subtotal (4)	226,955	57,825	169,130	100.0%	230,351	58,707	171,644	100.0%
Invested assets of other entities and operations (5)	9,472	—	9,472		11,674	—	11,674	
Total investments	236,427	57,825	178,602		242,025	58,707	183,318	

Fixed Maturities by Credit Quality (4):

		March 31, 2009 Financial Services Businesses					December 31, 2008 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 (6)	Rating Agency Equivalent										
1	Aaa, Aa, A	83,691	3,361	4,100	82,952	83.3%	85,474	4,228	4,425	85,277	83.8%
2	Baa	15,156	113	2,774	12,495	12.5%	15,573	163	2,893	12,843	12.6%
Subtotal Investment Grade		98,847	3,474	6,874	95,447	95.8%	101,047	4,391	7,318	98,120	96.4%
3	Ba	3,288	18	797	2,509	2.5%	3,009	16	800	2,225	2.2%
4	B	1,864	2	679	1,187	1.2%	1,639	2	565	1,076	1.1%
5	C and lower	726	1	399	328	0.3%	379	14	123	270	0.3%
6	In or near default	326	3	197	132	0.2%	36	4	4	36	0.0%
Subtotal Below Investment Grade		6,204	24	2,072	4,156	4.2%	5,063	36	1,492	3,607	3.6%
Total		105,051	3,498	8,946	99,603	100.0%	106,110	4,427	8,810	101,727	100.0%
Private Fixed Maturities:											
NAIC Rating (6)	Rating Agency Equivalent										
1	Aaa, Aa, A	6,482	111	387	6,206	32.1%	6,284	112	408	5,988	30.9%
2	Baa	10,852	96	1,201	9,747	50.5%	11,341	92	1,310	10,123	52.2%
Subtotal Investment Grade		17,334	207	1,588	15,953	82.6%	17,625	204	1,718	16,111	83.1%
3	Ba	2,466	18	358	2,126	10.9%	2,405	24	381	2,048	10.5%
4	B	994	—	224	770	4.0%	1,037	14	244	807	4.2%
5	C and lower	327	4	87	244	1.3%	283	7	59	231	1.2%
6	In or near default	261	7	45	223	1.2%	232	8	39	201	1.0%
Subtotal Below Investment Grade		4,048	29	714	3,363	17.4%	3,957	53	723	3,287	16.9%
Total		21,382	236	2,302	19,316	100.0%	21,582	257	2,441	19,398	100.0%

(1) Other trading account assets, at fair value includes $786 million of asset-backed securities purchased under the Federal Reserve’s Term Asset-Backed Securities Loan Facility, which are predominately financed by non-recourse borrowings under the program.

(2) Other long-term investments consist of real estate and non-real estate related investments in joint ventures (other than our investment in operating joint ventures, which includes our investment in Wachovia Securities) and partnerships, investment real estate held through direct ownership, and other miscellaneous investments.

(3) Short-term investments consist primarily of money market funds with virtually no sub-prime exposure.

(4) 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.

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

(6) Reflects equivalent ratings for investments of international insurance operations that are not rated by United States insurance regulatory authorities. Includes, as of March 31, 2009 and December 31, 2008, respectively, 142 securities with amortized cost of $5,094 million (fair value $4,875 million) and 142 securities with amortized cost of $1,214 million (fair value, $1,054 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, 2009		December 31, 2008	
	Amount	% of Total	Amount	% of Total
Japanese Insurance Operations:				
Fixed maturities:				
Public, available for sale, at fair value	40,350	69.9%	42,223	70.6%
Public, held to maturity, at amortized cost	3,798	6.6%	3,002	5.0%
Private, available for sale, at fair value	2,781	4.8%	2,803	4.7%
Private, held to maturity, at amortized cost	863	1.5%	806	1.3%
Trading account assets supporting insurance liabilities, at fair value	1,007	1.7%	1,077	1.8%
Other trading account assets, at fair value	429	0.7%	519	0.9%
Equity securities, available for sale, at fair value	1,730	3.0%	2,071	3.5%
Commercial loans	3,389	5.9%	3,373	5.6%
Policy loans	1,474	2.6%	1,547	2.6%
Other long-term investments (1)	1,631	2.8%	2,143	3.6%
Short-term investments	308	0.5%	266	0.4%
Total	57,760	100.0%	59,830	100.0%

	March 31, 2009		December 31, 2008	
	Amount	% of Total	Amount	% of Total
Financial Services Businesses excluding Japanese Insurance Operations (2):				
Fixed maturities:				
Public, available for sale, at fair value	55,495	49.8%	56,502	50.5%
Public, held to maturity, at amortized cost	—	0.0%	—	0.0%
Private, available for sale, at fair value	15,664	14.1%	15,765	14.1%
Private, held to maturity, at amortized cost	—	0.0%	—	0.0%
Trading account assets supporting insurance liabilities, at fair value	12,966	11.6%	12,798	11.5%
Other trading account assets, at fair value	1,076	1.0%	209	0.2%
Equity securities, available for sale, at fair value	1,682	1.5%	1,588	1.4%
Commercial loans	18,564	16.7%	18,719	16.7%
Policy loans	2,756	2.5%	2,733	2.5%
Other long-term investments (1)	1,135	1.0%	892	0.8%
Short-term investments	2,032	1.8%	2,608	2.3%
Total	111,370	100.0%	111,814	100.0%

(1) Other long-term investments consist of real estate and non-real estate related investments in joint ventures and partnerships, investment real estate held through direct ownership, 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.

FINANCIAL SERVICES BUSINESSES INVESTMENT RESULTS
(in millions)

	Three Months Ended March 31					
	2009			2008		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield (3)	Amount		Yield (3)	Amount	
Financial Services Businesses (1):						
Fixed maturities	4.65%	1,456	(236)	4.77%	1,380	(385)
Equity securities	5.61%	57	(265)	4.01%	46	(56)
Commercial loans	5.64%	242	(49)	5.82%	231	1
Policy loans	4.99%	53	—	5.05%	51	—
Short-term investments and cash equivalents	0.98%	29	—	4.18%	99	—
Other investments	4.61%	46	1,175	4.99%	36	(345)
Gross investment income before investment expenses	4.54%	1,883	625	4.84%	1,843	(785)
Investment expenses	-0.16%	(54)	—	-0.15%	(80)	—
Subtotal	4.38%	1,829	625	4.69%	1,763	(785)
Investment results of other entities and operations (2)		239	(45)		358	(17)
Less, investment income relating to divested businesses		(4)			(10)	
Total		2,064	580		2,111	(802)

(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) Includes 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.

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

	Three Months Ended March 31					
	2009			2008		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (1)	Amount	(Losses)	Yield (1)	Amount	(Losses)
Japanese Insurance Operations:						
Fixed maturities	3.07%	379	(15)	2.78%	300	(49)
Equity securities	3.06%	18	(174)	2.20%	14	(51)
Commercial loans	4.87%	41	2	4.54%	33	3
Policy loans	3.95%	15	—	3.84%	12	—
Short-term investments and cash equivalents	1.01%	4	—	1.55%	3	—
Other investments	4.55%	26	(214)	9.12%	23	(22)
Gross investment income before investment expenses	3.19%	483	(401)	2.98%	385	(119)
Investment expenses	-0.18%	(29)	—	-0.18%	(23)	—
Total	3.01%	454	(401)	2.80%	362	(119)

(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.

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

	Three Months Ended March 31					
	2009			2008		
	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	5.68%	1,077	(221)	6.00%	1,080	(336)
Equity securities	9.01%	39	(91)	6.36%	32	(5)
Commercial loans	5.82%	201	(51)	6.11%	198	(2)
Policy loans	5.56%	38	—	5.57%	39	—
Short-term investments and cash equivalents	0.97%	25	—	4.45%	96	—
Other investments	4.68%	20	1,389	2.82%	13	(323)
Gross investment income before investment expenses	5.32%	1,400	1,026	5.83%	1,458	(666)
Investment expenses	-0.15%	(25)	—	-0.13%	(57)	—
Total	5.17%	1,375	1,026	5.70%	1,401	(666)

(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. Prior periods yields are presented on a basis consistent with the current presentation.

RECLASSIFIED FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Years ended December 31 2006	2005		2007 1Q	2007 2Q	2007 3Q	2007 4Q	2008 1Q	2008 2Q	2008 3Q	2008 4Q
		Financial Services Businesses:								
		Pre-tax adjusted operating income (loss) by division:								
1,646	1,431	U.S. Retirement Solutions and Investment Management Division	489	485	431	500	358	485	(182)	(975)
774	722	U.S. Individual Life and Group Insurance Division	152	210	351	195	186	183	339	78
1,571	1,427	International Insurance and Investments Division	474	453	537	393	439	479	497	(13)
(14)	179	Corporate and other operations	(17)	(27)	(24)	(64)	(51)	(20)	(38)	(288)
3,977	3,759	Total pre-tax adjusted operating income (loss)	1,098	1,121	1,295	1,024	932	1,127	616	(1,198)
1,079	1,139	Income taxes, applicable to adjusted operating income	314	321	379	244	240	282	186	(304)
2,898	2,620	**Financial Services Businesses after-tax adjusted operating income (loss)**	784	800	916	780	692	845	430	(894)
		Reconciling items:								
83	549	Realized investment losses, net, and related charges and adjustments	141	37	(179)	(91)	(678)	(486)	(547)	(511)
35	(33)	Investment gains (losses) on trading account assets supporting insurance liabilities, net	82	(108)	36	(10)	(262)	(123)	(534)	(815)
11	(44)	Change in experience-rated contractholder liabilities due to asset value changes	(62)	72	(6)	9	200	94	388	481
151	(232)	Divested businesses	127	90	58	(1)	(67)	10	(219)	(230)
(297)	(193)	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(91)	(96)	(82)	(68)	(36)	(32)	213	509
(17)	47	Total reconciling items, before income taxes	197	(5)	(173)	(161)	(843)	(537)	(699)	(566)
27	(499)	Income taxes, not applicable to adjusted operating income	56	(8)	(68)	(118)	(199)	(245)	(280)	(160)
(44)	546	Total reconciling items, after income taxes	141	3	(105)	(43)	(644)	(292)	(419)	(406)
2,854	3,166	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures**	925	803	811	737	48	553	11	(1,300)
183	121	Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	48	49	45	37	19	16	(134)	(384)
3,037	3,287	**Income (loss) from continuing operations attributable to Prudential Financial, Inc.**	973	852	856	774	67	569	(123)	(1,684)
25	21	Earnings attributable to noncontrolling interests	29	7	22	9	24	8	5	(1)
3,062	3,308	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses**	1,002	859	878	783	91	577	(118)	(1,685)
71	(73)	Income (loss) from discontinued operations, net of taxes	37	(29)	(4)	11	1	(3)	5	28
3,133	3,235	**Net income (loss) of Financial Services Businesses**	1,039	830	874	794	92	574	(113)	(1,657)
25	21	Less: Income (loss) attributable to noncontrolling interests	29	7	22	9	24	8	5	(1)
3,108	3,214	**Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.**	1,010	823	852	785	68	566	(118)	(1,656)
14.17%	13.24%	Operating Return on Average Equity (based on adjusted operating income)	14.86%	14.97%	16.87%	14.28%	12.35%	15.32%	8.02%	-16.89%
		Reconciliation to Consolidated Net Income of Prudential Financial, Inc:								
3,108	3,214	Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc. (above)	1,010	823	852	785	68	566	(118)	(1,656)
284	321	Net income (loss) of Closed Block Business attributable to Prudential Financial, Inc.	95	11	7	79	(8)	15	(58)	74
3,392	3,535	Consolidated net income (loss) attributable to Prudential Financial, Inc.	1,105	834	859	864	60	581	(176)	(1,582)

RECLASSIFIED FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Years ended December 31 2006	2005		2007 1Q	2Q	3Q	4Q	2008 1Q	2Q	3Q	4Q
		Earnings per share of Common Stock (diluted) (1)(2):								
5.98	5.16	Financial Services Businesses after-tax adjusted operating income (loss)	1.67	1.72	2.00	1.72	1.57	1.96	1.02	(2.08)
		Reconciling items:								
0.17	1.06	Realized investment losses, net, and related charges and adjustments	0.30	0.08	(0.39)	(0.20)	(1.52)	(1.11)	(1.28)	(1.21)
0.07	(0.06)	Investment gains (losses) on trading account assets supporting insurance liabilities, net	0.17	(0.23)	0.08	(0.02)	(0.59)	(0.28)	(1.25)	(1.93)
0.02	(0.08)	Change in experience-rated contractholder liabilities due to asset value changes	(0.13)	0.15	(0.01)	0.02	0.45	0.22	0.91	1.14
0.31	(0.45)	Divested businesses	0.27	0.19	0.12	0.00	(0.15)	0.02	(0.51)	(0.55)
0.00	(0.01)	Difference in earnings allocated to participating unvested share-based payment awards	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00
0.57	0.46	Total reconciling items, before income taxes	0.61	0.19	(0.20)	(0.20)	(1.80)	(1.15)	(2.13)	(2.55)
0.28	(0.82)	Income taxes, not applicable to adjusted operating income	0.21	0.08	(0.07)	(0.19)	(0.41)	(0.52)	(0.84)	(0.68)
0.29	1.28	Total reconciling items, after income taxes	0.40	0.11	(0.13)	(0.01)	(1.39)	(0.63)	(1.29)	(1.87)
6.27	6.44	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses attributable to Prudential Financial, Inc.**	2.07	1.83	1.87	1.71	0.18	1.33	(0.27)	(3.95)
0.14	(0.14)	Income (loss) from discontinued operations, net of taxes	0.07	(0.07)	(0.01)	0.02	0.00	(0.01)	0.02	0.06
6.41	6.30	**Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.**	2.14	1.76	1.86	1.73	0.18	1.32	(0.25)	(3.89)
484.2	511.8	Weighted average number of outstanding Common shares (basic)	468.4	463.7	457.0	450.4	442.1	431.9	423.8	421.3
491.4	518.3	Weighted average number of outstanding Common shares (diluted)	475.0	471.0	462.9	456.4	446.9	436.5	428.0	423.0
68	82	Direct equity adjustments for earnings per share calculation	15	14	13	11	12	14	10	19
		Earnings allocated to participating unvested share-based payment awards for earnings per share calculation (2)								
25	25	Financial Services Businesses after-tax adjusted operating income	6	6	5	5	4	5	3	1
26	31	Income from continuing operations (after-tax) of Financial Services Businesses	7	6	5	5	—	4	—	1

(1) Diluted share count used in the diluted earnings per share calculation for GAAP measures is equal to weighted average basic common shares for the three months ended September 30, 2008 and for the three months ended December 31, 2008 as all potential common shares are anti-dilutive due to the loss from continuing operations available to holders of Common Stock after direct equity adjustment. Diluted share count used in the diluted earnings per share calculation for non-GAAP measures is equal to weighted average basic common shares for the three months ended December 31, 2008 as all potential common shares are anti-dilutive due to the adjusted operating loss available to holders of Common Stock after direct equity adjustment.

(2) Under new guidance effective January 1, 2009, U.S. GAAP requires unvested share-based payment awards that contain nonforfeitable rights to dividends to be included as participating securities in the computation of earnings per share pursuant to the two-class method. Under this method, earnings of the Financial Services Businesses are allocated between Common Stock and the participating awards, as if the awards were a second class of stock.

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

Years ended December 31			2007				2008			
2006	2005		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
		Revenues (1):								
10,287	10,128	Premiums	2,720	2,684	2,673	2,717	3,102	2,961	2,798	2,997
2,649	2,529	Policy charges and fee income	784	783	727	828	824	809	709	781
7,597	6,845	Net investment income	1,994	2,033	2,069	2,106	2,111	2,145	2,076	2,100
3,666	3,141	Asset management fees, commissions and other income	1,037	1,078	1,204	1,051	887	945	776	14
24,199	22,643	Total revenues	6,535	6,578	6,673	6,702	6,924	6,860	6,359	5,892
		Benefits and Expenses (1):								
10,423	9,990	Insurance and annuity benefits	2,763	2,683	2,658	2,725	3,082	2,944	3,040	3,472
2,790	2,516	Interest credited to policyholders' account balances	745	762	779	808	806	803	853	881
1,005	622	Interest expense	298	295	293	301	298	248	287	303
(2,037)	(1,801)	Deferral of acquisition costs	(539)	(556)	(554)	(599)	(588)	(588)	(559)	(567)
670	910	Amortization of acquisition costs	272	265	108	290	338	315	238	512
7,371	6,647	General and administrative expenses	1,898	2,008	2,094	2,153	2,056	2,011	1,884	2,489
20,222	18,884	Total benefits and expenses	5,437	5,457	5,378	5,678	5,992	5,733	5,743	7,090
3,977	3,759	Adjusted operating income (loss) before income taxes	1,098	1,121	1,295	1,024	932	1,127	616	(1,198)
		Reconciling items:								
66	657	Realized investment losses, net, and related adjustments	147	41	(178)	(51)	(665)	(527)	(564)	(511)
17	(108)	Related charges	(6)	(4)	(1)	(40)	(13)	41	17	—
83	549	Total realized investment losses, net, and related charges and adjustments	141	37	(179)	(91)	(678)	(486)	(547)	(511)
35	(33)	Investment gains (losses) on trading account assets supporting insurance liabilities, net	82	(108)	36	(10)	(262)	(123)	(534)	(815)
11	(44)	Change in experience-rated contractholder liabilities due to asset value changes	(62)	72	(6)	9	200	94	388	481
151	(232)	Divested businesses	127	90	58	(1)	(67)	10	(219)	(230)
(297)	(193)	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(91)	(96)	(82)	(68)	(36)	(32)	213	509
(17)	47	Total reconciling items, before income taxes	197	(5)	(173)	(161)	(843)	(537)	(699)	(566)
3,960	3,806	Income (loss) from continuing operations before income taxes and equity in earnings of operating joint ventures	1,295	1,116	1,122	863	89	590	(83)	(1,764)
1,106	640	Income tax expense (benefit)	370	313	311	126	41	37	(94)	(464)
2,854	3,166	Income (loss) from continuing operations before equity in earnings of operating joint ventures	925	803	811	737	48	553	11	(1,300)

(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 other than those classified as divested businesses. 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.

RECLASSIFIED COMBINED STATEMENTS OF OPERATIONS - CORPORATE AND OTHER OPERATIONS
(in millions)

Years ended December 31			2007				2008			
2006	2005		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
		Revenues (1):								
(19)	(18)	Premiums	(2)	(1)	(6)	—	(4)	(2)	(3)	(1)
(29)	(21)	Policy charges and fee income	1	(6)	(17)	(7)	(1)	(6)	(18)	(6)
790	689	Net investment income	204	182	193	180	181	143	141	114
(111)	(26)	Asset management fees, commissions and other income	(46)	(33)	(49)	(63)	(78)	(45)	(49)	(44)
631	624	Total revenues	157	142	121	110	98	90	71	63
		Benefits and Expenses (1):								
44	63	Insurance and annuity benefits	12	6	13	8	22	18	32	123
(77)	(39)	Interest credited to policyholders' account balances	(26)	(30)	(34)	(36)	(43)	(46)	(51)	(52)
618	374	Interest expense	184	175	150	153	178	143	181	185
64	60	Deferral of acquisition costs	11	15	8	17	15	16	9	6
(43)	(79)	Amortization of acquisition costs	(18)	(12)	(7)	(10)	(10)	(8)	(9)	(18)
39	66	General and administrative expenses	11	15	15	42	(13)	(13)	(53)	107
645	445	Total benefits and expenses	174	169	145	174	149	110	109	351
(14)	179	Adjusted operating income (loss) before income taxes	(17)	(27)	(24)	(64)	(51)	(20)	(38)	(288)

(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 other than those classified as divested businesses. 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.

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; earnings attributable to noncontrolling interests; and the related tax effects thereof. Adjusted operating income includes equity in earnings of operating joint ventures and the related tax effects thereof. 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.

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 excludes gains and losses from changes in value of certain assets and liabilities relating to foreign currency exchange movements that have been economically hedged, as well as gains and losses on certain investments that are classified as other trading account assets and debt that is carried at fair value.

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. Annualized New Business Premiums:

Premiums from new sales that are expected to be collected over a one year period. Group insurance annualized new business 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 annualized new business premiums include premiums from the takeover of claim liabilities. Group disability amounts include long-term care products. Excess (unscheduled) and single premium business for the company's domestic individual life and international insurance operations are included in annualized new business premiums based on a 10% credit.

4. 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).

5. 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 or attributable to noncontrolling interests.

6. 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.

7. 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.

8. 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.

9. 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 including our discontinued commercial mortgage conduit related activities.

10. Borrowings - Specified Other Businesses:

Borrowings associated with consumer banking activities, the individual annuity business, real estate franchises, and relocation services.

KEY DEFINITIONS AND FORMULAS

11. 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.

12. 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.

13. Earnings Per Share of Common Stock:

Net income (loss) 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 (loss) of the Financial Services Businesses reflects these adjustments as well.

14. 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.

15. 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.

16. 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.

17. Gibraltar Life Advisors:

Insurance representatives for Gibraltar Life.

18. 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.

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

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

20. 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.

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. 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.

24. 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 attributable to Prudential Financial, Inc. 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 .14% for the three months ended March 31, 2009, -40.28% for the three months ended December 31, 2008, -2.30% for the three months ended September 30, 2008, 11.09% for the three months ended June 30, 2008 and 1.41% for the three months ended March 31, 2008.

25. 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).

26. 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.

27. Prudential Agents:

Insurance agents in our insurance operations in the United States.

28. 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.

29. Ratio of capital debt to total capitalization:

For the purposes of this ratio, we measure "debt" as the sum of senior debt supporting capital needs and 25% of Junior Subordinated Notes supporting capital needs, and we measure "total capitalization" as the sum of senior debt supporting capital needs, 100% of Junior Subordinated Notes supporting capital needs, and attributed equity of the Financial Services Businesses excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits.

30. 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.

31. 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.

RATINGS AND INVESTOR INFORMATION

INSURANCE CLAIMS PAYING RATINGS
as of May 6, 2009

	A.M. Best	Standard & Poor's	Moody's	Fitch Ratings
The Prudential Insurance Company of America	A+	AA-	A2	A+
PRUCO Life Insurance Company	A+	AA-	A2	A+
PRUCO Life Insurance Company of New Jersey	A+	AA-	NR *	A+
Prudential Annuities Life Assurance Corporation	A+	AA-	NR	A+
Prudential Retirement Insurance and Annuity Company	A+	AA-	A2	A+
The Prudential Life Insurance Co., Ltd. (Prudential of Japan)	NR	AA-	NR	NR
Gibraltar Life Insurance Company, Ltd.	NR	AA-	A2	NR

CREDIT RATINGS:
as of May 6, 2009

	A.M. Best	Standard & Poor's	Moody's	Fitch Ratings
Prudential Financial, Inc.:				
Short-Term Borrowings	AMB-1	A-1	P-2	F2
Long-Term Senior Debt (1)	a-	A	Baa2	BBB
Junior Subordinated Long-Term Debt	bbb	BBB+	Baa3	BBB-
The Prudential Insurance Company of America :				
Capital and surplus notes	a	A	Baa1	A-
Prudential Funding, LLC:				
Short-Term Debt	AMB-1	A-1+	P-1	F1
Long-Term Senior Debt	a+	AA-	A3	A
PRICOA Global Funding I				
Long-Term Senior Debt	aa-	AA-	A2	A+

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

INVESTOR INFORMATION:

Corporate Offices:

Prudential Financial, Inc.
751 Broad Street
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.

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Financial Services Businesses
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($ millions)

General Account Investments	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-backed securities (a)	10,799	87	3,194	7,692
Residential mortgage-backed securities (b)	9,694	369	100	9,963
Commercial mortgage-backed securities (c)	8,136	30	1,400	6,766

	Gross Carrying Value	Allowance For Losses	Net Book Value
Commercial mortgage and other loans (d)	22,155	(202)	21,953

(a) Supplemental information for asset-backed securities:

	Vintage	LOWEST RATING AGENCY RATING						
		AAA	AA	A	BBB	BB and below	Total Amortized Cost	Total Fair Value
Collateralized by sub-prime mortgages:								
Enhanced short-term portfolio								
	2009	—	—	—	—	—	—	—
	2008	—	—	—	—	—	—	—
	2007	45	16	17	15	438	531	298
	2006	161	202	113	266	614	1,356	975
	2005	17	—	—	—	12	29	23
	2004 and prior	—	—	—	—	—	—	—
Total enhanced short-term portfolio (1)		223	218	130	281	1,064	1,916	1,296
All other portfolios								
	2009	—	—	—	—	—	—	—
	2008	—	—	—	—	—	—	—
	2007	4	17	—	2	317	340	121
	2006	62	159	153	396	718	1,488	592
	2005	—	111	144	145	188	588	261
	2004 and prior	63	477	316	176	112	1,144	574
Total all other portfolios		129	764	613	719	1,335	3,560	1,548
Total collateralized by sub-prime mortgages (2)		352	982	743	1,000	2,399	5,476	2,844
Other asset-backed securities:								
Externally managed investments in the European market (3)		—	—	336	415	14	765	823
Collateralized by auto loans		1,010	66	6	94	12	1,188	1,155
Collateralized by credit cards		417	—	1	661	—	1,079	849
Collateralized by non-sub-prime mortgages		968	46	8	36	17	1,075	1,074
Other (4)		588	131	73	231	193	1,216	947
Total asset-backed securities		3,335	1,225	1,167	2,437	2,635	10,799	7,692

(1) Our Enhanced Short-term portfolio is used primarily to invest cash proceeds of securities lending and repurchase activities, commercial paper issuances and cash generated from certain trading and operating activities. The investment policy statement of this portfolio requires that securities purchased for this portfolio have a remaining expected average life of 2 years or less when acquired.

(2) The weighted average estimated subordination percentage of our general account asset-backed securities collateralized by sub-prime mortgages attributable to the Financial Services Businesses, excluding those supported by guarantees from monoline bond insurers, was 32% as of March 31, 2009. The subordination percentage represents the current weighted average estimated percentage of the capital structure subordinated to our investment holding that is available to absorb losses before the security incurs the first dollar loss of principal. As of March 31, 2009, based on amortized cost, approximately 83% of these asset-backed securities collateralized by sub-prime mortgages have estimated credit subordination percentages of 20% or more, and 45% have estimated credit subordination percentages of 30% or more.

In addition to subordination, certain securities, referred to as front pay or second pay securities, benefit from the prioritization of principal cash flows within the senior tranches of the structure. In most instances, these shorter duration senior securities have priority to principal cash flows over other securities in the structure, including longer duration senior securities. Included within the $5.476 billion of asset-backed securities collateralized by sub-prime mortgages attributable to the Financial Services Businesses as of March 31, 2009 were $1.536 billion of securities, on an amortized cost basis, that represent front pay or second pay securities, depending on the overall structure of the securities.

(3) Externally managed investments in the European markets reflects our investment in medium term notes that are collateralized by portfolios of assets primarily consisting of European fixed income securities and derivatives, including 43% European corporate and bank bonds, 19% bank capital, 13% European asset-backed securities, and 25% other. As of March 31, 2009, the amortized cost and fair value shown in the table above includes the $(739) million impact of a bifurcated embedded derivative.

(4) Includes collateralized debt obligations with amortized cost of $470 million and fair value of $326 million, with less than 1% secured by sub-prime mortgages. Also includes asset backed-securities collateralized by education loans, equipment leases, timeshares, aircraft, and franchises.

Excluded from the table above are asset-backed securities held outside the general account in other entities and operations with amortized cost of $241 million and fair value of $222 million. Based on amortized cost, 85% of these securities have credit ratings of AAA, 1% have A A credit ratings, 2% have A credit ratings, and the remaining 12% have credit ratings of BBB or below. As of March 31, 2009, included within these asset-backed securities are securities collateralized by sub-prime mortgages with amortized cost and fair value of $3 million, all of which have AAA credit ratings, with $2 million in the 2006 vintage and $1 million in the 2003 vintage. As of March 31, 2009 there were no collateralized debt obligations held outside the general account in other entities and operations.

Also excluded from the table above are asset-backed securities classified as trading and carried at fair value, including $0.5 billion of trading account assets supporting insurance liabilities, the investment results of which we expect will ultimately accrue to contract holders. An additional $1.1 billion of asset-backed securities as of March 31, 2009 are classified as other trading, including $23 million held outside the general account, 99% of which have credit ratings of AAA, and 1% of which have credit ratings of B and $1.1 billion included in our general account, 92% of asset-backed securities attributable to the Financial Services Businesses have credit ratings of A or above and the remaining 8% virtually all have BBB credit ratings.

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($ millions)

(b) Supplemental information for residential mortgage-backed securities:

As of March 31, 2009, based on amortized cost, $9.511 billion of the general account residential mortgage-backed securities attributable to the Financial Services Businesses were publicly traded agency pass-through securities, which are supported by impicit or expicit government guarantees and have credit ratings of AA or above. Collateralized mortgage obligations, including approximately $46 million secured by "ALT-A" mortgages, represented the remaining $183 million of residential mortgage-backed securities; and 79% have credit ratings of A or above, and the remaining 21% with B credit ratings or higher.

Excluded from the above are residential mortgage-backed securities held outside the general account in other entities and operations with amortized cost of $784 million and fair value of $800 million, virtually all of which have AAA credit ratings.

Also excluded from the above are $1.4 billion of residential mortgage-backed securities classified as trading account assets supporting insurance liabilities and carried at fair value, the investment results of which we expect will ultimately accrue to contract holders, and $121 million of residential mortgage-backed securities classified as other trading.

(c) Supplemental information for commercial mortgage-backed securities:

	LOWEST RATING AGENCY RATING						
Vintage	AAA	AA	A	BBB	BB and below	Total Amortized Cost	Total Fair Value
2009	—	—	—	—	—	—	—
2008	168	4	29	96	23	320	264
2007	1,628	—	3	69	71	1,771	1,409
2006	3,275	4	—	6	10	3,295	2,667
2005	1,444	—	—	12	25	1,481	1,275
2004 and prior	1,146	72	32	15	4	1,269	1,151
Total (1) (2)	7,661	80	64	198	133	8,136	6,766

(1) The weighted average estimated subordination percentage of our general account investments in commercial mortgage-backed securities attributable to the Financial Services Businesses was 33% as of March 31, 2009. The subordination percentage represents the current weighted average estimated percentage of the capital structure subordinated to our investment holding that is available to absorb losses before the security incurs the first dollar loss of principal. The weighted average estimated subordination percentage includes an adjustment for that portion of the capital structure which has been effectively defeased by US Treasury securities. As of March 31, 2009, based on amortized cost, approximately 93% of these commercial mortgage-backed securities have estimated credit subordination percentages of 20% or more, and 78% have estimated credit subordination percentages of 30% or more.

(2) Included in the table above are commercial mortgage-backed securities collateralized by non-U.S. properties with amortized cost of $10 million in AAA, $4 million in AA, $32 million in A, $183 million in BBB and $129 million in BB and below.

Excluded from the table above are commercial mortgage-backed securities held outside the general account in other entities and operations with amortized cost of $65 million and fair value of $59 million, 89% of which have credit ratings of A or better and the remaining 11% have credit ratings of BB and below. Also excluded from the table above are commercial mortgage-backed securities classified as trading and carried at fair value, including $2.1 billion of trading account assets supporting insurance liabilities, the investment results of which we expect will ultimately accrue to contract holders, and $117 million of other trading account assets.

An additional $1 million of commercial mortgage-backed securities held outside the general account as of March 31, 2009 are classified as other trading, all of which have AAA credit ratings.

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(d) Supplemental information for commercial mortgage and other loans:

Commercial mortgages by property type:	Gross Carrying Value	% of Total
Industrial buildings	4,577	20.7%
Office buildings	3,975	18.0%
Retail stores	3,794	17.1%
Apartment complexes	3,529	15.9%
Other	1,751	7.9%
Agricultural properties	1,183	5.3%
Hospitality	1,167	5.3%
Subtotal of commercial mortgages	19,976	90.2%
Uncollateralized loans	1,141	5.2%
Collateralized by residential properties	919	4.1%
Other collateralized loans	119	0.5%
Total commercial mortgage and other loans	22,155	100.0%

Commercial mortgage and other loans by status:	Gross Carrying Value
Performing	22,075
Delinquent, not in foreclosure	52
Delinquent, in foreclosure	8
Restructured	20
Total commercial mortgage and other loans	22,155

As of March 31, 2009, based on amortized cost, the weighted average loan to value and debt service coverage ratios of general account investments in commercial mortgages attributable to the Financial Services Businesses was 60% and 1.86 times, respectively.

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Closed Block Business
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	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-backed securities (a)	5,566	40	2,213	3,393
Residential mortgage-backed securities (b)	2,909	116	97	2,928
Commercial mortgage-backed securities (c)	3,837	2	578	3,261

	Gross Carrying Value	Allowance For Losses	Net Book Value
Commercial mortgage and other loans (d)	8,760	(91)	8,669

(a) Supplemental information for asset-backed securities:

		LOWEST RATING AGENCY RATING						
	Vintage	AAA	AA	A	BBB	BB and below	Total Amortized Cost	Total Fair Value
Collateralized by sub-prime mortgages:								
Enhanced short-term portfolio								
	2009	—	—	—	—	—	—	—
	2008	—	—	—	—	—	—	—
	2007	41	17	18	15	284	375	226
	2006	163	208	117	259	369	1,116	833
	2005	17	—	—	—	8	25	20
	2004 and prior	—	—	—	—	—	—	—
Total enhanced short-term portfolio (1)		221	225	135	274	661	1,516	1,079
All other portfolios								
	2009	—	—	—	—	—	—	—
	2008	—	—	—	—	—	—	—
	2007	30	10	—	—	326	366	136
	2006	102	—	43	110	989	1,244	521
	2005	21	175	96	68	74	434	230
	2004 and prior	36	468	118	105	67	794	419
Total all other portfolios		189	653	257	283	1,456	2,838	1,306
Total collateralized by sub-prime mortgages (2)		410	878	392	557	2,117	4,354	2,385
Other asset-backed securities:								
Collateralized by credit cards		42	—	—	433	—	475	312
Collateralized by auto loans		176	3	2	26	—	207	195
Externally managed investments in the European market (3)		—	—	65	65	—	130	164
Collateralized by education loans		148	20	—	—	6	174	161
Other (4)		100	7	22	40	57	226	176
Total asset-backed securities		876	908	481	1,121	2,180	5,566	3,393

(1) Our Enhanced Short-term portfolio is used primarily to invest cash proceeds of securities lending and repurchase activities, and cash generated from certain trading and operating activities. The investment policy statement of this portfolio requires that securities purchased for this portfolio have a remaining expected average life of 2 years or less when acquired.

(2) The weighted average estimated subordination percentage of our asset-backed securities collateralized by sub-prime mortgages attributable to the Closed Block Business, excluding those supported by guarantees from monoline bond insurers, was 34% as of March 31, 2009. The subordination percentage represents the current weighted average estimated percentage of the capital structure subordinated to our investment holding that is available to absorb losses before the security incurs the first dollar loss of principal. As of March 31, 2009 based on amortized cost, approximately 91% of these asset-backed securities collateralized by sub-prime mortgages have credit estimated subordination percentages of 20% or more, and 53% have estimated credit subordination percentages of 30% or more.

In addition to subordination, certain securities, referred to as front pay or second pay securities, benefit from the prioritization of principal cash flows within the senior tranches of the structure. In most instances, these shorter duration senior securities have priority to principal cash flows over other securities in the structure, including longer duration senior securities. Included within the $4.354 billion of asset-backed securities collateralized by sub-prime mortgages attributable to the Closed Block Business as of March 31, 2009 were $1.526 million of securities, on an amortized cost basis, that represent front pay or second pay securities, depending on the overall structure of the securities.

(3) Externally managed investments in the European markets reflects our investment in medium term notes that are collateralized by portfolios of assets primarily consisting of European fixed income securities and derivatives, including 43% European corporate and bank bonds, 19% bank capital, 13% European asset-backed securities, and 25% other. As of March 31, 2009, the amortized cost and fair value shown in the table above includes the $(151) million impact of a bifurcated embedded derivative.

(4) Includes collateralized debt obligations with amortized cost of $58 million and fair value of $48 million, with none secured by sub-prime mortgages. Also includes asset backed-securities collateralized by equipment leases, timeshares, aircraft, and franchises.

Excluded from the table above are $18 million of asset-backed securities classified as trading and carried at fair value, of which 37% are rated A or above and 63% have BBB credit ratings as of March 31, 2009.

(b) Supplemental information for residential mortgage-backed securities:

As of March 31, 2009, based on amortized cost, $2.393 billion of the residential mortgage-backed securities attributable to the Closed Block Business were publicly traded agency pass-through securities, which are supported by implicit or explicit government guarantees and have credit ratings of AAA. Collateralized mortgage obligations, including approximately $139 million secured by “ALT-A” mortgages, represented the remaining $516 million of residential mortgage-backed securities and 91% have credit ratings of AAA, 3% have A credit ratings, 3% have BBB credit ratings and the remaining 3% have B credit raings.

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(c) Supplemental information for commercial mortgage-backed securities:

	LOWEST RATING AGENCY RATING						
Vintage	AAA	AA	A	BBB	BB and below	Total Amortized Cost	Total Fair Value
2009	—	—	—	—	—	—	—
2008	10	—	—	—	—	10	8
2007	426	—	19	—	—	445	342
2006	881	—	—	—	—	881	708
2005	1,278	—	—	—	—	1,278	1,081
2004 and prior	1,142	37	43	1	—	1,223	1,122
Total (1)	3,737	37	62	1	—	3,837	3,261

(1) The weighted average estimated subordination percentage of our general account investments in commercial mortgage-backed securities attributable to the Closed Block Business was 32% as of March 31, 2009. The subordination percentage represents the current weighted average estimated percentage of the capital structure subordinated to our investment holding that is available to absorb losses before the security incurs the first dollar loss of principal. The weighted average estimated subordination percentage includes an adjustment for that portion of the capital structure which has been effectively defeased by US Treasury securities. As of March 31, 2009, based on amortized cost, approximately 93% of these commercial mortgage-backed securities have estimated credit subordination percentages of 20% or more, and 60% have estimated credit subordination percentages of 30% or more.

(d) Supplemental information for commercial mortgage and other loans:

Commercial mortgages by property type:	Gross Carrying Value	% of Total
Industrial buildings	1,917	21.9%
Office buildings	1,814	20.7%
Apartment complexes	1,690	19.3%
Retail stores	1,587	18.1%
Agricultural properties	755	8.6%
Other properties	526	6.0%
Hospitality	430	5.0%
Subtotal of commercial mortgages	8,719	99.6%
Uncollateralized loans	40	0.4%
Collateralized by residential properties	1	0.0%
Other collateralized loans	—	0.0%
Total commercial mortgage and other loans	8,760	100.0%

Commercial mortgage and other loans by status:	Gross Carrying Value
Performing	8,756
Delinquent, not in foreclosure	3
Delinquent, in foreclosure	—
Restructured	1
Total commercial mortgage and other loans	8,760

As of March 31, 2009, based on amortized cost, the weighted average loan to value and debt service coverage ratios of general account investments in commercial mortgages attributable to the Closed Block Business was 54% and 1.94 times, respectively.